COMMERCIAL INSURANCE.

A desirable form of commercial insurance is to take a separate policy on the life of each partner or officer. Then, should the firm at a later date be dissolved, or should a partner withdraw from it, the value of the policy can be readily learned, and it can be taken over by the retiring partner and continued by him for the benefit of his heirs. Or it can be surrendered on termination of the partnership agreement for its then cash value.

The policy may be on the whole life, limited payment life or endowment plan. In the last-named case it forms a sinking fund, which, on termination of the partnership agreement, will pay off the retiring member of the firm in whole or in part, while during the term of the partnership agreement giving protection for its face value against his premature death.

No matter which of these plans is chosen, the policies become more valuable each year, and may be carried in the books of the firm as an asset. The premiums, too, should be entered in the books precisely as the fire insurance premiums are. There is every justification for this, for there is less chance of the stock burning than there is of the death of a partner.

An important point about commercial insurance is that it protects the business by providing at once money to discharge the interest of a deceased partner, allowing the survivors to continue the business, and at the same time it ensures the comfort of the deceased partner's family by placing at their disposal in their time of greatest need funds which the business could not furnish without its being severely crippled.

A feature of great importance is the use as collateral which may be made of the policies, enabling a firm to obtain increased credit at the bank. Again, the guaranteed loan values written in the contract for each year enable a firm to obtain money quickly and privately in time of stress.

It is not always realized, but it is undoubtedly true, that there is greater danger of the death of a partner or department head than there is of the stock being consumed by fire.—*Life Echoes.*