

## APPENDIX No. 1

*Payments to Policy-holders.*

A life insurance company exists primarily for the purpose of granting to its policy-holders protection during life and paying to their beneficiaries the face amount of the insurance upon the happening of death. The usefulness of a life insurance company can best be judged by the results accomplished in the payment on death claims.

During the first nineteen years of its history, the Mutual Reserve paid claims amounting to \$40,637,967.46, while the death claim payments during the first nineteen years by the twenty-four prominent life companies already named averaged only \$4,350,376. Mutual Reserve over the average more than \$36,500,000.

*Cost of Benefits Granted.*

Cost is a necessary factor in conducting the business of life insurance, but it will everywhere be admitted that the company which accomplished the greatest results at the least cost, is the one which is best for policy-holders. The Mutual Reserve during the first nineteen years of its history transacted its business at a cost of but \$33.81 for each \$100 paid in death claims, while the experience of eighteen prominent companies in the United States shows an average expense of \$54.48 to every \$100 paid in death claims. The cost of every \$100 paid in claims by the Mutual Reserve was therefore over \$20 less than the average of the other companies.

*Death Claims Paid as Compared with Income.*

As already stated, the life insurance company exists primarily for the purpose of paying death claims. The company that pays the largest amount in death claims in comparison to its income, is the one who furnishes its policy-holders with their insurance at the lowest possible cost and accomplishes the most for them with the premiums paid to it. In nineteen years the gross income of the Mutual Reserve has been \$58,340,933.92 of which sum it has paid back in death claims, \$40,637,967.46. The Mutual Reserve has therefore used in *payment of death claims about 70 per cent* of its income, while the proportion of the income of twelve of the leading life insurance companies of the country used for the payment of death claims during the first nineteen years of their history was less than twenty-five per cent.

## MUTUAL RESERVE FUND LIFE ASSOCIATION OF NEW YORK.

*Its Record made in less than twenty years of active operations.*

Annual income, at rate of . . . . .	\$ 8,000,000 00
Cash and invested assets . . . . .	16,000,000 00
Net surplus, over . . . . .	1,000,000 00
Paid insurance in force . . . . .	225,000,000 00
Death claims paid since organization . . . . .	43,000,000 00

*One Hundred Thousand Policy-holders.*

## ENDORSEMENTS OF THE MUTUAL RESERVE.

The excellent showing made, places the fact of solvency beyond question.

In economy the management has been in earnest, as the various annual statements verify. (See Report, Texas Insurance Department, 1898.)

The association possesses cash and invested assets of more than a million dollars in excess of its every liability, contingent as well as actual.

The all important question of solvency must be answered in the affirmative. It is due to the association that its undoubted solvency should be unhesitatingly declared.

All new business issued is upon a sound and equitable basis.

ELDRIDGE