insurance contract differs radically in its purpose and conditions from that of the life companies. The former is a simple contract for indemnity in case of a possible but not certain property loss, limited to a short period of time definitely stipulated, and without affecting in a given case the future contracts made with the other insurants. The latter, in the case of the whole life policy, is an obligation to pay a definite sum on the occurrence of an event which is absolutely sure to transpire, the time of its happening for the average man at a given age being at the end of an extended period covering his expectancy of life, this liability being continually projected into the far away indefinite future by the assumption of obligations on new lives, forming an endless chain of recurring liability. An adequate reserve predicated upon the realization of an assumed rate of interest for a long period is fundamental to the discharge of these liabilities, in which every policyholder, not of this year or next year or a dozen years hence only, has a common interest based on equity.

Mutuality of interest is an essential to be preserved in the transaction of all sound life insurance; and whenever one of a class of the insured who enters upon like conditions as to age and kind of policy is treated differently from others of his class, injustice is done and mutuality destroyed. This is the fundamental principle upon which all anti-rebate laws rest, and without its recognition none of them could be tolerated for a single day. Discrimination between members of the same class means annihilation of all equity in life insurance. But how would a law prescribing a standard, uniform life policy affect this principle? Let us see. There are forty odd sovereign States now comprising the American Union, each of which possesses the authority and believes itself competent to legislate on all the intricacies of insurance. The principal life companies are doing business in all these States—in some of them to the extent of many millions each annually. Now, suppose New York and Massachusetts should adopt laws for a standard life policy and the other forty-two States adopt none. Does anybody suppose that—assuming the prescribed form to be essentially the same in both States—the form adopted would be acceptable to all the companies? If not, it is obvious that in all but the two States named a different form, and hence a different contract, would be used, and policyholders of the same class be necessarily treated very differently.

It goes without saying that any standard policy form coming from the legislative mill would be of the most liberal kind, and widely different as to incontestibility, non-forfeiture, occupation, limitation of residence and travel, cash surrender values, and the like, from the forms issued now by several of the companies, and which they would continue to issue excepting where compelled by statute to do otherwise. A retention of the comparatively stringent conditions of the Connecticut Mutual Life's policy, for example, covering two-thirds of its future membership, the other third being entitled under the compulsory contract to "broad gauge" privileges, would result in discrimination of the worst kind and destroy its mutuality entirely. It seems very plain that only in one contingency could the adoption by law of a standard life policy result in anything but widespread discrimination between policyholders and a greater diversity and incongruity than at present. That contingency is so little likely to happen that, practically, it is an impossibility. Undoubtedly a voluntary agreement by all the companies to adopt policies with uniform conditions would be a very good thing, but the adoption of such a form as would be acceptable to the average legislator, in only two or three or half a dozen States, would be to only hamper the companies and work unjustly to a large body of policyholders. The State has quite enough to do with life insurance management at present, and we think the part of wisdom will be to discourage rather than to encourage further interference.

UNPAID PREMIUMS AND AGENTS' BALANCES.
A CORRECTION.

Doubtless many of our readers will have noticed the typographical error of placing the decimal point one place too far to the left in giving the percentages in our article with the above heading referring to the life companies, which appeared in the last issue of the CHRONICLE, and will easily have made the correction for themselves. For future reference, however, we deem it worth while to reproduce that portion of the article dealing with amounts and percentages as they should appear, as follows:

Put into the most condensed form, the exhibit of 25 American companies, all the British and all the Canadian companies, is as follows:—

	Agents' balances.	Unpaid and deferred prems.	Both the former combined.	Per'ge of total assets
American Co's....	$2,572,804	$14,107,426	$16,680,230	2.08
British Co's.....	.....	.....	21,873,495	2.16
Canadian Co's....	60,585	807,371	867,956	3.75

The assets of the 25 American companies amount to the large sum of $799,521,140, of the British companies to $1,008,015,605, and the Canadian companies to $23,154,620—an aggregate of $1,830,691,365. The combined unpaid premiums and agents' balances amount to an aggregate of $39,421,681, which is just 2.15 per cent. of the total assets. This shows that a little over two per cent. of the assets covers the unpaid premiums and money in the hands of agents for all the companies under consideration on both continents.

WHO ARE RESPONSIBLE FOR REBATING?

We called attention at the time to the fact that at the recent annual convention of the National Association of Life Underwriters in New York, not only the president in his opening address, and other speakers in the course of discussion, unequivocally stated that the responsibility of suppressing the rebate evil rests with the companies, but resolutions passed by the convention substantially stated the same thing. Since that meeting President McCurdy of the Mutual Life of New York has written a letter to the N. Y. *Independent*, in which he endorses what was said at the convention against the rebate practice and the desirability of its extinction, but takes direct issue with its declarations