

Arouse ye, ye daughters of destiny, and establish a *Hi* table of mortality for yourselves. Fix it actuarially and mathematically, and then start in to teach the actuaries and the managers. In you is life made manifest. Without you life would be impossible. It is yours to decree what man shall do, and lo! he does it. Decree that he shall no longer calculate your expectation of life. Do your own calculating, and then shall your expectations be realized.

THE SUN LIFE'S NEW POLICY.

Considerable comment has been made within the last few days upon a new form of policy, introduced by the Sun Life Assurance Company of Canada; based upon a so-called $3\frac{1}{2}$ per cent. reserve. From the Company's explanation of the new form, it appears that a new method of valuing this policy is to be introduced, whereby little or no reserve is held at the end of the first year of the policy, thus making the first year virtually a term insurance, although the premium is of the same amount as the regular annual premium for the term of the policy. As the Company's circular states, "After providing for agency charges, medical fees, cost of writing risks and other items, there is not sufficient left to cover the reserve, which must be set aside as a liability, according to the usual method of valuation. It is hardly reasonable that new policies should figure as causing a loss to the Company, when, as a matter of fact, their acquisition has been a decided advantage to the institution. By altering the policy contracts so that they shall be termed assurances only for the first year, the new business of the Company ceases to be a strain on the surplus and becomes entirely self-sustaining."

To show the effect upon the Sun Life's reserves of this new method of valuation, we append a table showing the reserves which the Company will hold under this new form of policy, and for comparison we also print the reserves as shown by the regular method of computation upon the Hm. $3\frac{1}{2}$ per cent., 4 per cent. and $4\frac{1}{2}$ per cent. From these it will be seen that on a life policy taken out at age 30, the Sun Life's new $3\frac{1}{2}$ per cent. reserve is very small in the early years of the policy. It will thus be seen that, whereas, by the Sun Life's new $3\frac{1}{2}$ per cent. plan, the reserve at the end of the second year is \$11.05, by the usual valuation by Hm. $3\frac{1}{2}$ per cent. it is \$21.60, and by Hm. 4 per cent. it is \$19.70; by the Hm. $4\frac{1}{2}$ per cent.—\$17.99; at the end of 5 years the Sun Life's new $3\frac{1}{2}$ per cent. gives \$46.02, whereas, the usual Hm. $3\frac{1}{2}$ per cent. gives \$56.20; Hm. 4 per cent.—\$51.52; Hm. $4\frac{1}{2}$ per cent.—\$47.27; at the end of 10 years the Sun Life's new $3\frac{1}{2}$ per cent. reserve is \$109.63, whereas the usual Hm. $3\frac{1}{2}$ per cent. reserve is \$119.13; Hm. 4 per cent. \$110.10; Hm. $4\frac{1}{2}$ per cent.—\$101.81.

Thus, up to the end of 5 years the Sun Life's new $3\frac{1}{2}$ per cent. reserve is not as great as the ordinary Hm. $4\frac{1}{2}$ per cent., and up to 10 years it is not as great as the Hm. 4 per cent. At the end of 25 years, which is as far as the Sun Life's tables are printed in the pamphlet, this new reserve is \$346.72, whereas the usual Hm. $3\frac{1}{2}$ per cent. is \$353.69; Hm. 4 per cent.—\$335.80, and on Hm. $4\frac{1}{2}$ per cent.—\$318.83.

RESERVES UPON LIFE POLICY OF \$1,000
ISSUED AT AGE 30.

End of Year.	Sun Life's new $3\frac{1}{2}$ per cent.	Hm. $3\frac{1}{2}$ per cent.	Hm. 4 per cent.	Hm. $4\frac{1}{2}$ per cent.
1	\$00.00	\$10.67	\$9.70	\$8.86
2	11.05	21.60	19.70	17.99
3	22.40	32.82	29.99	27.42
4	34.06	44.37	40.60	37.19
5	46.02	56.20	51.52	47.27
6	58.26	68.30	62.72	57.64
7	70.71	80.62	74.16	68.25
8	83.40	93.17	85.83	79.13
9	96.36	106.00	97.80	90.30
10	109.63	119.13	110.10	101.81
11	123.32	132.67	122.82	113.77
12	137.47	146.67	136.04	126.24
13	152.06	161.11	149.71	139.19
14	167.00	175.88	163.75	152.53
15	182.28	191.00	178.17	166.27
16	197.76	206.32	192.81	180.27
17	213.38	221.78	207.63	194.46
18	229.17	237.40	222.65	208.88
19	245.18	253.23	237.91	223.58
20	261.40	269.28	253.43	238.56
21	277.91	285.62	269.27	253.91
22	294.77	302.29	285.49	269.66
23	311.89	319.23	302.02	285.77
24	329.21	336.36	318.79	302.17
25	346.72	353.69	335.80	318.83

Among the conditions of the policy is the following, under the head of "Reserves."

"It is an essential condition that this policy shall be strictly construed as a Term Assurance for the first year, and thereafter as a ["Life," "Limited Payment Life," "Endowment"] Assurance, commencing at the end of said year, and that the reserve herein shall for all purposes be calculated on this basis."

Without attempting, at the present time, either to approve or disapprove of this apparent radical departure in life insurance business, it is clear that the effect will be to set free for expenses or surplus in the early years of a policy, a large proportion of what would otherwise be reserve liability.

ASSESSMENTISM.

Assessment is a slide, made on thin broken ice,
For which those vent'ring on are charged a low, though rising price.
'Tis true, a few fall through, get drown'd, and when their bodies found,
The fun'ral funds are furnished when the sweeper's hat's gone round.
By far the great majority 'rip up and in their fall,
Not only lose their balance, but they stand to risk a call.
Whilst those who'd cut fine figures, find the figure cut too fine,
And e'er they cover many laps, see lapse the chief design.
So beware of false premises, and unsound assessment makers
Of life policies, which benefit none but the undertakers.