ASSESSMENT INSURANCE UNSAFE: THE FARMER'S VIEWPOINT.

Nearly everyone is directly or indirectly interested in life insurance, but, unfortunately, comparatively few people fully understand the principles and basis of life insurance.

Although life insurance should be carried by everyone, only those who are in good health and can pass a satisfactory medical examination can secure it. Life insurance combines safe investment with protection for the family or estate. If you have any dependent relative, who would suffer loss by your death,—if you have a business, estate or mortgage to protect,—if you wish to provide a pension for yourself in old age,—then you need life insurance. A farmer insures his property against fire, lightning, wind and hail; he may never suffer loss from any of these sources, but if so, he can rebuild, repaint and begin again; but when he dies and is not insured, the main support is gone and the loss to his family or estate can never be filled or repaired.

SAFETY AND STABILITY.

No thinking or observing man of to-day questions the value of life insurance. The first element to be considered in taking life insurance is safety and stability. There are two kinds or classes of life insurance, namely: old line and assessment. Old line or legal reserve companies only, are authorized to issue guaranteed and unchangeable policies. The rates of these companies are based on standard experience tables of mortality, which tables, covering many years and many thousands of lives, practically show the average number of years which a person at any age may expect to live, and the cost of insurance for that age. The laws of every State provide that companies which issue policies for a fixed or guaranteed amount of insurance and premiums must use rates based on these standard experience tables and must set aside and maintain reserves sufficient to make good every guaranty. Hence the name "legal reserve companies."

Old line or legal reserve companies issue many forms of policies; the rates on all are based on the experience tables of mortality and a safe rate of interest.

ASSESSMENT INSURANCE.

There are two kinds of assessment life associations, the one having a fraternal or lodge feature, the other not. Both operate on the plan of collecting a certain amount from the living after the death of a member. For convenience (and in some cases for deception), the payments to be made ar timated in advance per month, quarter or year. The amounts payable at death and the number of assessments are not fixed or guaranteed, but depend entirely upon the mortality experienced and the ability and willingness of the members to pay them.

The laws of every State provide that assessment certificates must prov de that the sum payable at the death of a member shall be the sum of one assessment, not over a stated amount, or contain a "safety clause" prov ding for an increase in the number and amount of assessments when necessary. As no guaranty of amount payable at death or rate of future assessments is made, no reserve is required by law. As the average age of the members increases, assessments become more frequent and higher. The younger members lapse, leaving the older ones to pay each other's beneficiaries, at higher rates of assessments.

UNSAFE AND UNSATISFACTORY.

Statistics show that assessment protection is unsafe and unsatisfactory and that hundreds of these associations have failed during the past few years. If you were asked to buy an automobile or a threshing machine worth one thousand dollars and were told that you could pay for it at the rate of seventy-five cents per month, the machine to be delivered to you when paid for, would you consider the offer? Would you not do a little figuring first? If so, you would find that seventy-five cents a month equals nine dollars a year, and at that rate it would take one hundred and eleven years in which to pay for the machine. The same principle applies to life insurance. No company or association can or will give something for nothing. Some one must pay for it. If the rates of an association are such that no one in an average lifetime would pay a thousand dollars, it stands to reason that someone or many will lose out.

FRANK LANGUAGE.

If you wish fully guaranteed life insurance, apply to an old line company for it. You will then never be in the "regret class," as hundreds of thousands of men to-day who, years ago, "joined" fraternal orders and assessment associations and are now too old to secure other insurance, and who find but little comfort and solace in the editorials of the February *Modern Woodman*, as follows:

"The editor has no hesitancy in predicting that the majority, because not fully informed, will stay on present rates. This will lead to double headers, and after double headers, the cost will become so high that the poor man, who is old, cannot pay; the rich man, both old and young, will refuse to pay, and the beneficiaries of the deceased members will find it impossible to collect the amount named in their certificates. These are plain words, but true."

"It will not be possible to perpetuate the society and let all of the present members remain on present rates. It will not be possible to perpetuate the society and let even one-half of present members remain on present rates. If rates for all members are not changed, a later Head Camp must put all members on an adequate rate or the class of members which elects to remain on present rates will find that they cannot collect enough to pay in full all of their certificates."

SURE AND CERTAIN PROVISION.

Thousands of thinking farmers and business men have, during the past two years, dropped their fraternal or assessment certificates and replaced them with old line insurance, and thousands more will do likewise during the present year. These men are profiting by the sad experience of their older friends, who have been carrying certificates in fraternal orders and assessment associations and who, after reaching the middle or later years of life, and having paid assessments for many years, are now given the option of paying two or three times the former rate of assessments or quitting and losing every cent which they have contributed.