

of deliberation by this Society, such as : Should life insurance companies extend the benefits of insurance to persons whose urine contains albumen, *i. e.*, the so-called cyclic albuminuria ? Or, should they disregard some types of heart murmur or low grades of emphysema or true spasmodic asthma ? It is not my purpose to occupy your time to-night with a consideration of such questions as these ; they may well serve as profitable subjects for some of our future meetings. Behind them all, however, lies a fact which is vital to all of them, and to which I may briefly refer in closing without imposing too much upon your indulgence.

The success of a life insurance company is a question of careful management, and includes not only the questions of expense rate and of interest rate, but also the question of death rate, and this factor of death rate needs to be guarded just as carefully as that of interest rate or of expense of management.

I think we shall have a better idea of this mortality element if we assume, as a concrete example, that the membership of a company is made up entirely of persons at age 30; the ratio of deaths to the total membership in this imaginary company during the 1st year would be only 8.43 per 1,000 ; during the 2nd year, only 8.51 per 1,000 ; during the 10th year, 9.79 per 1,000 ; during the 15th year, 11.16 per 1,000. Now, let us suppose that we introduce into the membership of this company cases not quite up to the standard, and that on account of their various impairments 3 additional deaths per 1,000 occur in the 1st year, and that this excess of mortality is continued year after year, so that in the 15th year it amounts to an addition of 4 deaths per 1,000. Surely this increased mortality seems to us very slight compared with the mortalities we are accustomed to in our studies as medical practitioners ; and yet the addition to the death rate from year to year of these numbers increases the mortality by 33 per cent.—an increase which, in the long run, would seriously disturb the stability of any life company. Indeed, the membership in any life company must be made up of lives among which the mortality will not exceed the expected rate, not only during