

high, and that this decreases, but that it remains permanently somewhat higher than the expected by the American Experience Table. This result emphasizes the results quoted above as showing conscious selection of the option most favorable to the policyholder and most expensive to the company.

DOES LIFE INSURANCE PAY?

When credit has flown and trusted friends have taken to the other side of the street because of a man's losses in business, possibly through no fault of his; when every ray of hope for life seems cut off and wife and children are poorly fed and poorly clothed; when with all that comes the certainty that with failing fortune has come failing health; and that in a few months at the furthest he must pass away, leaving his helpless ones to battle with the world, unaided and friendless, but for his forethought in securing a life insurance policy when he was in such health and circumstances as to warrant it—*It pays!*

When a terrible railway collision snaps the thread of existence as if it were a silken cord, and the "unfinished business" of life is passed in review in the mind of the dying man; when the senses are almost extinguished and the agony of the last struggle is upon him, and the only thought is for his little ones and their mother, and he realizes that the only bulwark between them and abject poverty is his life insurance.—*It pays!*

When the stately home is invaded by the destroyer in the form of paralysis, the result of the desperate struggle to ward off danger from the loved ones; when the family physician stands with his hand on the flickering pulse; when the family are standing around the bedside waiting for the final scene; when the patient in the moment of returning consciousness which often precedes dissolution, looks about him into the faces of those he must leave so soon, and realizes that everything is gone but his life insurance policy.—*It pays!*

When a business man has closed an honourable career, meeting all his obligations with scrupulous exactness; when age or infirmity has forced him to give up the struggle, and he finds that notwithstanding his efforts there is nothing left for those dependent upon him for the care and support which it is his duty to accord them but the endowment policy, which he was induced against his will to secure many years earlier.—*It pays!*

An increase of about 14 per cent. in sales and of about 10 per cent. in net receipts are features of the third annual statement of the Canadian Cottons, Limited. Surplus profits for the year available for dividends on the \$2,715,000 of common stock are equal to 7.55 per cent. as compared with 6.42 per cent. in the year ended March 31st, 1912, and this result is obtained after an allowance for depreciation apparently not included in the previous year's statement and the creation of a special reserve for bad debts of \$20,000. The Company's total surplus is \$805,973, but the directors defer payment of a dividend in view of demands for new machinery to keep pace with the business.

THE BETTERMENT OF LIFE INSURANCE SERVICE.

(President H. C. Cox, of the Imperial Life, to Montreal L. U.)

ACCEPTANCE OF PREMIUM NOTES.

An accompanying evil of this over production, whether cause or effect I am uncertain, is the indiscriminate acceptance of premium notes by some of our companies, which enables the agent under pressure for business to, in turn, exert pressure upon his client, which results in the issue and temporary placing of many policies which must ultimately be returned as not taken. This, while it entails much loss upon the company, means much unremunerative work for the agent, and I am strongly of the opinion that the discontinuance of the practice could be largely influenced by the underwriters in their Associations, by their judicious representations to the Officers' Association, and to their individual home offices. You, as agents, must recognize that you are selling goods that must be paid for in cash, and that unless cash is paid your sale is not completed. It would be easy enough for any salesman to dispose of his goods if no cash payment were required, but the real salesman is he who secures cash with the order or upon delivery. At the same time you will impress upon your client, which is essential, that he is entering upon a cash transaction in which he is receiving value for his money and is assuming an obligation which must be met in cash at each anniversary of his policy.

CONSERVING BUSINESS.

During the last year or two we have heard and read much in regard to the conservation of business. It would seem that in the last analysis the responsibility of conservation rests with the company managements. Policies well and truly sold will be, barring unforeseen contingencies, permanently sold, and it is, I take it, within the power of the management so to control their methods and their selling forces that terminations other than normal will be reduced to a minimum if not entirely eliminated.

A great aid to this end will be the proper fitting of the policy to the needs of the policyholder. We are perhaps too ready to conclude that some one of the three or four standard forms of policy will meet every case. Many men have been and are being wrongly insured. Many factors, such as extent of means, kind of business, size and age of family, and others which will suggest themselves to you will enter into the determination of the amount and kind of insurance required and the prospect's case should be diagnosed before the policy is suggested as carefully as is that of the patient by the physician before prescribing.

DIFFICULTIES OF THE AGENT.

The salesman of almost any commodity has an enormous advantage over the insurance salesman in that his customer knows what he wants when he wants it, while our customer rarely knows that he wants what he wants when he wants it and never knows what he wants when he wants it. You are therefore under the necessity of instructing your customer as to *what* he wants and of convincing him as to *when* he wants it. Surely a twofold and difficult task requiring intimate know-