

always holds that where a level premium is taken it must be large enough to provide a reserve which will produce interest sufficient to pay for the risk which is not covered by reserve or current premiums from year to year to the ultimate limit of life.

The principle to be observed in all forms of permanent insurance that do not provide a reserve, which, according to theory, will ultimately equal the face of the policy, if the insured survives and keeps his policy in force and does, in practice, steadily advance towards that end on a thoroughly scientific basis, must be to make each insurer pay a steadily increasing premium, at either longer or shorter periods, and sufficient at all times to cover the full risk on his own life.

On the first mentioned of these plans a reserve must be maintained, on which a rate of interest is anticipated which is so low as to be, humanly speaking, safe to be realized throughout the continuance of the contract. This system is safe to the company, and when properly administered, absolutely safe and fair to the insured, and, at the same time, certain to give much greater satisfaction in the long run. .