## CONNECTICUT MUTUAL LIFE INSURANCE COMPANY.

A RESUME OF INTERESTING HISTORY AND A REVIEW OF RESULT-ING CONDITIONS.

To the Members:

The experience of the year 1900, while favorable, was in no way especially remarkable in the business or progress of the Company. Its chief incidents may be very briefly summarized: There was a fair increase in the premium income and in the amount of insurance in force; as for many years past, the rates of interest on desirable securities showed a general tend-ency downward; the foreclosure of mortgages, which for several years following the panic of 1893 was for considerable amounts, showed a change for the better. with an increase in the sales of foreclosed property; the expense ratio has been kept at is usual low limit, save in the expenses incurred upon foreclosed real estate, which have been considerable in order to put and keep the properties in good condition pending sale, and which will disappear as sales take place; the mortality of the year, while comewhat heavier than that of 1899, was so far inside the losses provided for by our tables that the saving amounted to \$413,-262; the market values of securities, which had ruled lower for several years following the panic of 1893, were in great measure recovered; for two or three years we have been able to earn less-surplus than for many previous years, during which we had been slowly accumulating small items of surplus in excess of our usual dividend, which, in just such times as have been experienced since 1893-4, become available to maintain for the present the same high dividend scale as for many years past, and until the interest rate and other conditions which affect the surplus earning ability of all companies shall be more definitely settled and the necessities of the future can be better judged.

Steadiness in Dividends. It is our desire to go as far as perfect safety will permit in maintaining a steady scale of annually decreasing cash cost. The greatest and most uncertain factor operating against us is the continued tendency to a fall in interest, foreseeing which, we, nineteen years ago, changed our calculations from the basis of 4 percent annual interest to that of only 3 per cent. The only measurably controllable factors affecting our ability to earn or save surplus are the death rate and the expense account. In respect of these, the care in the selection of risks and the prudence and economy traditional with The Connecticut Mutual are steadily maintained.

The Old Century and the New. With this very brief review of the general features of the year's experience, and calling attention to the statement elsewhere of the details of our financial operations and condition, we beg to ask your careful consideration of certain matters relating to our own past history, and to the existing conditions of the life insurance business, which seem especially pertinent and interesting as we stand at the beginning of a new century, with a history bebind us of fifty-five most eventful years. For in that time there have been wrought on a scale of unparalleled magnitude, and by many companies, certain great practical

The True Question.

denials of the fundamental principles of

correct practice and of business morality.

upon their departure from which The Con-

What, in that time, have we done; how efficiently have we accomplished the one serv ice which life insurance alone can render how do we today stand addressed to the best rendering of that service in the future; how far are our bases, plaus, and methods responsive to that special need which life insurance sets itself to serve, and loyal to those facts and principles which themselves unchanging, must always remain the basis and test of legitimate plan and legitimate method; how, in respect of these things, does our history and present position contrast with those of many others; and do we stand condemned by those things which some have succeeded, or justified those in which they have failed, but in which we have succeeded; have we been, are we today, doing right or wrong; have we done, are we doing, the best that be done for widows and orphans, and for those who must pay its cost?

Financial Summary of Fifty-five

The monetary part of the story is soon In the fifty-five years we have received from our members of ordinary, extra, and annuity premiums, \$211,642,069.86; we have returned to them for death losses endowments, annuities, surrendered policles, and dividends, \$207,798,111.81, or 98.22 cent. For interest, rents, and profit and loss we have had \$98,820,545.59; a total income of \$308,462,615.45. Of this sum. \$207,798,111,81 has been returned to policyholders as just stated; \$27,906,305.69-only 9 per cent-has gone for expenses; \$10. 418 175.66 has gone for taxes, and the balance, \$62,340,022.29, forms part of our gross assets-\$64,965,176.15-covering present liabilities and surplus. The payments policy-holders and the gross assets aggregate \$272,763,287.96, or 128.88 per cent of the receipts from policy-holders.

These results of more than half a century have been equaled by no other American company. No other company has returned to its policy-holders as large a proportion of ther payments; no other holds as large a proportion of its interest income in reserve; no other has done its business at so small a rate of expense. It has done more for its policy-holders, and at less cost to them, than any other company. Life Insurance Past and Present.

But that is not all that is of profoundest interest as we stand at the beginning of new era. To see clearly where we stand today, and what the propriety of our attitude, past and present, it is necessary to the main features of the development of the business of life insurance during the fifty-five years of our corporate existence, which cover practically the whole history of the business in the United States. Fifty-five years ago there was no local business experience to be guided by. The companies organized about that time took as a guide the experience of the English companies as being that most likely to be repeated here. They assumed the mortality shown by the actual experience of 17 Engand a considerable margin or "loading" for expenses. Their plans were very few They realized that the right business of a life insurance company was sented. to insure lives and to make that insurance cost the premium payer as little as possi-Commissions and all expenses were pitched on a low scale. Rates of interest were fairly high. No provision was made for any return on lapsing policies. If a

ents were forfeited to the company, no

matter how large the reserve or surplus

that had been accumulated from them.

not only had their permiums paid the cost of their policies up to the time of lapse, but

to be a liability.

Dividend Pertods

In view of the lack of experience and the small amount of business, and following again English precedent dividends were made only at the end of five-year periods, or were not begun on any policy until it had run five years. The profits from forfeitures, the high rates of interest, and the savings from the low expense rate, all contributed, in the carefully managed companies, to make the dividends unexpectedly large. It was not many years before annual dividends became the general prac-

Non-Forfelture.

Presently, the inequity of keeping a man's contribution to the reserve on a policy which had lapsed and ceased to be a liability, and the current cost of which while it was in force he had fully paid, began to be more clearly seen and more generally understood. "Non-forfeiture" become one of the strongest competitive attractions. Companies vied with each other in doing 'equity" to a lapsing policy-holder.

Changes in Plans and Premiums. As an alternative to annual premium sayments during life, rates were made for the payment of all premiums in a limited period of years, as ten, fifteen, etc., while the policy covered the whole term of life.

Life endowment policies were introduced, to cover a certain term of years as an insurance, and payable at their face at the end of the term if the insured survived it. Where the policy term was long enough to cover the period of life when one has others dependent on him, and the policyholder was so young at the outset as to make the endowment part of his premium comparatively small, and so long as the ompanies kept their expenses down, this kind of policies served a fairly good purmuch more in a life insurance company than in a savings bank, because of the much higher rate of general expense.

Along these general lines, which, within judicious limits, were mostly lines of distinct improvement, the development went on without any striking divergence from certain indisputable universally accepted principles governing sound and equitable practice, until about 1870.

New Departures.

The previous decade had been the forma tion of a multitude of new companies which copied the plans of the older ones and promised to repeat their success. But, in order to attract agents and get business they found or felt themselves compelled to pay such commissions to agents and to incur such other expenses, as to absorb. not only all their surplus, but so much of their reserves as to send the most of them into bankruptcy. In the late '60's the cry had been that no properly organized life nsurance company could fail. The early '60's showed that conduct was quite as vital as organization, and that the expense account could bleed to death the most correctly organized concerns; and they died by the Motive for New Schemes.

Conspicuous among the competitors of that time were certain companies which

were trying to fight their way to the front by such high commissions and other considerations to agents as should draw them away from the more conservative companies, and so build up agency forces that should dominate the field. But their high expenses made such low dividends where hose equaling the better companies had been promised, that no agency force could hold their policy-holders, and their business began to decline with alarming rapidity. The high expenses could not be gotten

rid of without losing the agents. There was for them no other attraction. Therefore, the only escape from the fate of so many others lay in some scheme to get the necticut Mutual has stood and stands at

> Scheme Based on Forfeltures. The basis of the scheme devised was the very forfeitures which the companies had vied with each other in getting rid of in the name of "equity." "Inequity" was reprize for somebody to win. They tabulated satisfied policy-holders, showed how large an amount of money their contributions to reserve would amount to, what a great sum these would aggregate at the end of a be left at the end of the period, and how great a dividend each one of those few

> Illustration. For a typical example: Taking 1,000 perthat in 20 years, 544 would at one time or another lapse, and 103 would die, leaving only 353 still insured at the end of the time.

> So it was proposed that persons insuring should agree that for, say 20 years, they should have no dividends; that whoever lapsed his policy during this period should forfest to the company all his contributions to reserve and all the surplus which had accrued from his premiums, and that in case of those who died only the face of the policy should be paid, and whatever surplus had accrued should be forfeited to the company; that these forfeited reserves and surpluses should be put in a fund apart until the end of the 20 years, and then divided among those then alive and still in-

> They calculated that with 1,000 persons aged 37, insured for \$1,000, each, on an aunual premium of \$28.17, the forfeited reserves and surpluses of the 544 lapsing pollcy-holders and the forfelted surpluses of the 103 who died would, at the end of 20 years, amount with interest to \$400.775.77. o be divided among the 353 supposed to be hen alive and still insured, giving each one \$1,135.34; just about double what each had paid for premiums during the 20 years, not counting interest. And they got eminent actuaries to endorse the estimate. The Attraction.

> It was a bold scheme. The public had just been thoroughly educated to believe that such forfeitures were a gross injustice and hardship to the policy-holder, whose payments were thus confiscated, and to his family, which needed the protection of the paid-up insurance which his forfeitures would otherwise have purchased. The injustice was palpable, and perfectly unnecessary in any healthy company. The hardship was often notorious and severe; and none had been noisler prophets of "equity" than these very companies which now invited men to take their two chances out of three of losing all, for the one chance in hree of getting so great a slice of the fruits of the inequity which they had loudly ondemned as immoral and cruel. The scheme was offered in the belief that, with would be lost sight of if a sufficiently brilliant speculation in their profits was pre-

Its Popularity.

The forecast was correct. People could not at once turn back upon all their convictions and sense of justice. But the glittering estimates won their way, and men put their own payments and the protection permitum was not paid all former pay- of their families at the hazard of the game for ten to twenty years, with the distinct agreement-still in use-that no accounting shall be made; each is to accept as his This was a very large source of profit, but true share, and without question, whatever

these who had to give up their policies. Agents no longer presented life insur-especially after they began to learn that ance for the protection of families, but estimates of "investments" for the policyholder himself. The larger the estimate had also provided a reserve fund which was the more eagerly it was taken. Success for the future protection of their policies made the companies promoting the scheme very aggressive. Instead of a struggle for to cause an abnormal death loss to be met erful incentive to prudence and economy. not the size of the company, but what it existence it became a race for size. Hosts with reduced income and poorer assets, as of agents were employed to do the easy to leave it unable to continue business with long opportunity for the extravagance and cerns them. We have not been racers for

work of selling a speculation based on seemingly scientific figures. The scheme liberality to those whom life insurance untook so widely that for a time it threatened to completely supplant and drive out true life insurance administered to its own proper ends. So easily was it worked that gradually, one after another, most of the companies followed more or less completely in the wake of the originators of the scheme, until "investment" insurance, depending for the "investment" on the forfeitures to be made during the period of "postponement" of dividends, is the dominant feature with most companies. Their contracts are no longer termed "policies, but are "bonds," "gold bonds," "contracts of sale," "debentures," etc., etc. At bottom they are all one thing. The dividend is postponed on the inducement that by the forfeitures of the unlucky many in the meantime, the returns to the lucky few may be correspondingly large.

Estimates Fall and Why. But the wisdom of estimates has not been altogether justified of her children. The rivalry of the speculating companies in

their struggle for pre-eminence has led them to an unheard-of expense. They have written an enormous amount of business: thousands of millions of insurance have been lapsed as expected; hundreds of millions of reserves and accrued surplus have been forfeited as was hoped. But so much has been absorbed by high commissions to agents, by rebates and the many expenses incident to an abnormal rivalry, that the expected results have not appeared; to this the decline in interest has contributed something, but comparatively little.

Estimates and Results Compared. The details of their failure are extremely

As we have seen, the calculations in 1971 in the example taken, promised a dividend in 1891 of \$1,135.34. But the 1891 result was

In 1873 they somewhat moderated their estimate, and put it at \$831.70; but they paid only \$379.70 at the end of the 20 years

They continued to make this same esti mate until 1878, when they again reduced it to \$623.70; they used the same estimate \$623.70, in 1881, and are paying in 1901 only \$297.70. The differences between estimates and actual dividends in the 10 and 15 year postponements are still more striking.

New Stimulants Needed. Obviously, such wide discrepancies be tween estimates and result, between brilliant prospect and comparative failure pointed toward the ultimate break-down of the speculative attraction, and other novelties of plan and practice began to appear by which to incite agents and draw the

Concealment of Forefeltures. Much criticism of the forfeiture invest ment schemes, as a gross injustice alike to a very small commission for selling it; the policy-holder and beneficiary, has led the companies push and pay the high commiscompanies to adopt forms of contract as sions for some sort of remote as possible from life insurance pol- or contract; the essential feature of the inicles in form, and called by every sort of vestment is the forfeitures which can be name suggesting "investment" instead of worked into it. This takes time; so divi-

Commissions and Rebutes.

Agents have been attracted and stimulated by commissions and allowances from two to five times what they were thirty years ago, and have, in their turn, used these to stimulate the public by giving away in "rebates" to new blood whatever was necessary to secure it, until, in many of the companies, a new insurer can getif he stands out for it-a rebate of from 50 to 100 per cent of his premium, drop his policy at the end of the year, go to anyear, so long as he is willing to take the risk of being able to pass a new examination.

This makes business easy to get but hard to keep, as the lapses of such companies paid by the borrower, they offer him every

Another means of stimulating business has been the rivalry in "liberality." It began in dropping more or less of the defenses against fraud. Fraud may be committed in two ways: The applicant may deceive the company by false statements as vived for the sake of its profits, put up as a to his family or personal history, habits of life, present condition, etc., so that it and exhibited the lapses of their own dis- issues its contract when it would not have done so had it known the truth, or issues it at a different rate from what it would have charged had the real risk been disclosed or, he may willfully destroy his own life, long period of years, and how few would causing lose when there should have been none. All these things, if successful, cost and the cost is borne by the policy-holders would get if it were then divided among who do not deceive and do not willfully destroy themselves. It is therefore the duty of a company's managers to protect honest policy-holders against such frauds sons, insuring at age 37, they calculated and losses. When one is asked to make a contract based on the statements of the other party to it, he has a right to know the truth of them, and to be absolved from his promise if they prove to be false. That is the simplest equity and morality. That is the rule in every other kind of contract

Incontestability. The first "liberality" proposed was, that if a man could conceal his deception for a year or two, or three, his policy should be "incontestable," no matter how gross the fraud. Rivairy has caused such liberality that now some companies call their policies incentestable from the very outset; if the deception once passes muster its later dis-

covery will be disregarded. Will Courts Permit Fraud?

There is, however, such a thing as "public morals" and a "public policy" in re-gard thereto; and the courts are in the habit of regarding fraud and contracts permitting fraud as offenses gainst public morals, and forbidden by public policy, and of dealing with cases of fraud accordingly and it is not probable that, in the end fraud in life insurance will be found to be less fraudulent, more laudable, or more conducive to commercial and public morality than fraud in any other matter. If the courts permit it in life insurance, they must permit it in all transactions. permit it in any case only if there is no difference between right and wrong, and if the truth and a lie are of equal moral and commercial value, and of equal safety for the public. Permission to any fraud is an invitation to all fraud.

Liberality as to Self-Destruction. Another liability is permission to destroy one's self in any manner and make the rest pay for it. No company would, in these days at least, contest a claim growing out of a suicide which was, under any fair presumption, the legitimate outcome of dis-But the cowardly suicide of a sane man-and there are many of them-is a distinct fraud against men who have the courage to live, and the honor to fight the battle of life fairly, and stay by their fam-

Aunual Cash Values. Another liberality is the "annual cash

value," by which one may, any year, demand back from the company his contribution to the reserve, thus at will changing the transaction from insurance to a savings bank deposit. The whole theory of life insurance and

all its calculations are based on the duration of its insurance contracts to natural maturity. Only so can it fulfill its special purpose, secure that average experience which gives security to its undertakings, protect itself against those fluctuations of nortality and in general financial conditions which might otherwise be destructive of a company's existence; and only so can the business be handled in a manner to give the lowest cost. The annual cash value makes it possible to wreck or cripple a company in a year. Its policy-holders may all withdraw, or so many of its healthlest lives may withdraw, taking its quickes and best assets, leaving only impaired lives

advantage or even safety. That is no true ated and for whom it should be administered. Life insurance companies cannot serve as savings banks without danger of destruction or of serious impairment in efficiency for their own special purpose. However willing they may be to take up their policies for cash when the conditions make it convenient and safe to do so, an agreement to do it at any time and under any conditions, adds a distinct element of danger to the future.

Lonns on Policies.

Another and kindred liberality is "loans" on policies, by which the policy-holder has the privilege to borrow his contribution to the reserve, pledging his policy as collateral, paying or not paying his debt as he pleases; and he rarely pleases to pay. This was adopted to meet the stock argument of the assessment companies; that man should pay each year only the mortality cost for that year, and keep the re-

serve in his own pocket.

This again is a seeming liberality to the policy-holder, but not to the family out of whose policy the loan must finally be paid. No one who has seen the hardships and the disappointments to families caused by such settlements can covet the task of having to make them; no man who stops to realize what it means to his family can willingly leave such a shadow on his mem-Life insurance is a sacrifice of one's self for the imperative and unavoidable duty he owes his family. Loans and cash values are the cacrifice of his family for The liberality to the policy-holder him-

self is less than it is made to seem. Under the usual forms of policies the reserve increases so slowly that no considerable sum could be borrowed until after many years. For instance: A man insured at 25 for \$10,000, with an annual premium of about \$215, would pay for 40 years before he could borrow \$5,000. His policy would then be virtually cut in two, but he would still pay his \$215, and 5 per cent interest in advance, \$250 more, in order to get his reserve back into his own pocket; and when, as is often the case, tiring of this.

probably have amounted to \$7,000 to \$8,000. Present Status of Competition. Out of all this, the situation as respects the life insurance business—that which is offered the public in its name, and the methods by which business is promoted, by the great majority of companies-has developed into this: There is practically no atempt to sell life insurance as such and at annual cost; it is not offered unless men insist on having it, and the agent gets but "investment" bond lends are deferred for five, ten or twenty

years-the longer deferred the higher the commission-in order to secure as many forfeitures as possible. All contract safeguards against even wholesale frauds, are practically abolished, and the protection of honest policy-holders is left to what the various courts may regard as expedient for public morality. The companies are, by the annual cash value, putting their corporate integrity, and the validity of their in surance contracts, completely at the mercy of those who for personal convenience, or other rival and repeat the process each in a panic, may wish to withdraw, taking with them the good lives which give a safe

average mortality, and the funds which alone make the insurance contracts secure. By "loans on policies," which are rarely venience as large a part of his family's protection as he can borrow; and, to crown all, the fight between the companies which do all these things is made mainly by "rebates" of premiums, carried to such a degree that devices are now being adopted which may enable a company to dispense with any legal reserve liability for the first year, leaving almost the entire first year's premium available for expenses; a device which can be extended to any number of subsequent premiums when the exigencles of competition which have caused its use to the extent of one premium, shall have so grown by what they have fed upon as to require the absorption of more.

Where the Connecticut Mutual Stands During all the long struggle out of which this situation has developed, and amid the many schemes devised to attract public attention and favor to something else than life insurance, the attitude and position of the Connecticut Mutual has never been

It has held to the cardinal facts: Life insurance is for the protection of those dependent on a man's life; their dependence makes it his unavoidable duty. Those dependents we assume to protect by our contract, at his personal cost; our duty to them is to make that protection as large, as se- auce journals. cure, and as certainly available to them as possible; our duty to him is to make its cost to him as small as possible.

These things are axiomatic: and certain definite and indisputable propositions grow | 366,633 to \$151,301,588 before the tide turned out of them. Our policies should be framed in every detail to give the protection intended to those for whom it is intended. They should not set up a scheme of speculation in the forfeiture of that protection own sake and at its lowest cost, recast our by those dependent on it, nor of his pay ments by the man who has paid for The inducement to a policy should be the protection it offers; the motive in taking should be the faithful performance of his unavoidable duty by him who has made others dependent on his life. Business should be gotten by educating men to this stream standard of duty and of its performance, and not by changing the business int something else, and something which appeals to selfish interest first and leaves duty to take its slender chance in a 5 to 20 year lottery.

Annual Dividends, and Why. The cost of the protection to the man paying for it is the difference between the premium charged on the face of his policy and the surplus returned to him. In this adjustment he pays his actual share of the one of the deferred dividend companies ismortality and expenses, and is credited with sued a \$10,000 15-year endowment policy, his share of any surplus interest earnings. at age 35, at a premium of \$678.50, on an The savings from mortality, expenses, and estimate that the dividend would be \$4,980 interest are determined each year. Each in its settlement, just made, the dividend year the company knows just what his risk was only \$2.010. Was it worth while, for has cost them to carry; therefore, each year the man should pay that cost and no more. In other words, as the cost of each policy same year the Connecticut Mutual issued is annually determined, the surplus, if there policy of the same kind, amount, at same is any safely divisible, should be annually returned, so that only the actual annual

dends, which the insured preferred to leave cost is annually paid. The only proper reason for deferring dividends is either that there is nothing to divide, or that there is something in the policy has been at the risk of forfeiture. condition of the company or its business which renders a division highly inexpe-

What Deferred Dividends Concest dividends put off that test to the end of a our surplus from \$4,557,977.91 to \$7,191, long period of years. By annual dividends man knows all the time just what his inidends he cannot know what its cost is until the end of the period, if he lives and holds on; but if he dies before that time. t will have cost him too much by the amount of surplus forfelted, and if lapses, it will have cost him too much by the amount of surplus forfeited, and also by the amount of reserve forfeited to still destroys its victim or impairs its vitality.

The annual dividend is a steady and pow

consequent high cost which it was originally invented to conceal, and which have been further enhanced by the rivalry made possible by taking some of the deferred dividend material to use in more vigorous pushing for business.

Reason of Our Own Course.

Holding such views, our course has no been optional. Our duty has been not to offer something else than true life insurance on its own right lines because it could easily be made popular, but to try to make the true thing popular by telling the whole truth about it, by administering it in its true spirit, working out its own proper results in our own company and letting these stand in judgment against the re suits of the expensive "investment" spec ulations. We have appealed only to those who desire life insurance only for the protection it gives, and not for the speculation that can be made of it. Therefore have we refused to follow any of the methods of the speculators. Such changes in policy plans and conditions as experience has shown to be desirable have been freely made. Every

condition not found to be necessary to the

proper protection of honest men and the

soundness of the company has been elemi-

nated. But we have not built with one

mains a life insurance company. Expenses Cut in All Business but Life

One of the most striking incidents of the last thirty years has been that general and extensive reduction of expenses in all commercial, manufacturing, transportation, and other enterprises, by which only have these enterprises been able to prosper in face of unprecedented competition. Present profits are largely, and often entirely, savings by reductions from former expenses Lower cost is the strongest factor in general business competition. So it should be in life insurance, of all things. But so it is not. The expense account of the companies pushing the deferred dividend investment schemes is from twice to three times the former standard of the most prudently managed companies. But, the dividend thereby affected being so long put off, the fact passes long unnoticed. When at last he gives up altogether, there is little or settling day comes, the striking failure of the dividend to realize the estimate is exnothing left to give his family paid up insurance which, but for the loan, would plained on other grounds than high commissions and expenses.

We have refused to compete in this way In order to maintain the low standard of cost to the great body of policy-holders we already have we have kept expenses down to the old standerd, and added only such business as could be had on the same terms

The Difficulties of Our Course. It must not be supposed that the mainenance of our position in all these matters has been free from difficulty. The high commissions of those companies have empted away many of our former agents and made it the more difficult to get others. Our agents with fair commissions with no margin in them for rebating, have worked up business only to see it taken from them by men whose commissions and allowances are such that they can rebate from 50 to 100 per cent of the premium, and yet have enough left to compensate their work. But, happily, we have been able to get and to hold as agents the men who take their work so seriously that they will not tempt their client to speculate in his family's protection, or, for higher pay, place him where his policy will cost him more than it ought. Adverse Criticism.

The position so steadfastly held by us and the efforts we have made from year to year to set forth the simple truth and expose the true character and evil effect of the demoralization whose growth we have here sketched, have, as a matter of course, brought upon us criticism and misrepresentation without stint. Success in gettin business by estimates, which have not been half fulfilled, has been cited as the complete justification of that method. In the heat of speculative competition, we have been labeled with every epithet signifying want of enterprise, ultra conservatism and lack of the modern spirit.

Even the extraordinary persistency with which our policy-holders have continued on has been, ignorantly perhaps, alleged as a danger because older men die faster than younger; as if the calculations of all companies must not and did not amply provide for the whole mortality of its membership and not merely for the younger or middle

It is in the great multitude of lapses and surrenders that the companies offering "investments" hope for a profit; it is by the staying solidity of our membership that we can get those best results which we seek. However agents of other companies migh strive against each other, they have joined to attack the Conneticut Mutual. Insinu ation, depreciation, slander, can do in moment and by a word that which much time and many words may fall to undo. The abundant defamatory liturature other companies has been supplemented by the highly paid services of certain insur-

Effect on Our Business. And all this was not without effect. It hindered our business. From 1874 to 1885, our amount at risk declined from \$185. "Dry rot" was alleged to have set in, and the extinction of the company to be in sight. Meantime we went on educating a clientage to the idea of insurance for its premiums and reserves for new business on a 3 per cent interest basis in 1882, and were laughed at for it-though all are now following that lead-bided our time, and waited for the results of long deferred dividends to appear; and they have appeared as al-

Failure of the "Investment."

As a device for investment the scheme

has failed; as a device for cheapening the insurance of even those who live to test the hope deferred, it has failed. For the simple annual dividends of the Connecticut Mutual, with no speculation in them, are exceeding the outcome of the estimates; and no man's surplus and no family's paidup insurance has been taken to do it with Let an example serve: Fifteen years ago this forty per cent of an estimate, to run the risk for fifteen years of losing all? The

age, at a premium of \$689.00, annual divi-

with the company to accumulate until his

policy should mature. His dividend, just

qaid, is \$3,163.80; and neither it nor his

The Tide Turned. Our amount in force has slowly rises from \$151,301,588 in 1885, to \$161,566,603 our assets, from \$54,383,649.95 to \$64,965, Annual dividends put the management 176.15; meanwhile, we have returned \$17, of a company to a constant test. Deferred 202,820.45 in dividends, and have increased 348.44, and notwithstanding the fact, that by reason of our few lapses and the perpurance is costing him. With deferred div- sistence of our policy-holders, our business has attained an average age far greater than that of the deferred dividend com-panies, with their enormous lapses, our mortality has been far inside that predicted

> That is not the kind of "dry rot" tha It seems more a process of sound growth and fruitfulness than that of decay,

by our tables and which we were prepared

size; we have striven for the highest quality of performance. Those of our members who are insured in other companies know how far we have succeeded. We are many times more than large enough for absolute stability and for the accomplishment of the highest results to our policy-holders. We shall be glad to extend our service to such wider clientage as we can secure without increasing the cost of our policies either to the new or to the 68,000 present members. who are our first care.

It is with such a history of performance and of fiedlity to true standards, rewarded by unparallaled results to our members that we offer our service and our simple best endeavor to those whose families need protection, and who themselves wish that protection to be secure, and to pay only its

Respectfully submitted.

JACOB L. GREENE, President. Hartford, February 9, 1901.

MAY BEGIN THE WORK SOON Dispatches from Guernacy Indicat Burlington Activity in the West.

hand and, with the other, prepared the way Dispatches from Guernsey, Wvo. indicate to tear down. The Connecticut Mutual rethat the Burlington is pushing its extension of the Guernsey-Salt Lake line and that there is a strong prospect of the work being started this year. It is said that the final survey of the line is being completed in the mountains just west of Guernsey and that as soon as this is com-

pleted the contracts will be let. Many railroad builders and graders are on hand looking over the ground preparatory to the bidding on the work. these in speaking of the work said that it will require from eight months to a year to push the road through the mountains. The line, as it is understood to have been selected, in many places follows deep and narrow canyons, where it will be necessary to drive many tunnels and construct several heavy bridges. The line is counted on to furnish some of the finest scenery that the picturesque Burlington will have to

Two of the leading officers have been selected for Senator Clark's San Pedro, Los Angeles & Salt Lake line, an item which adds additional strength to the idea that this line will be built at once. They are R. E. Wells, to be general manager, and E. W. Gillet, to be general freight and passenger agent. Both men come from the Santa Fe. Prescott & Phoenix.

GOING AFTER PRAIRIE

One of Several Peats Which Trouble in the West. Prairie degs, cutworms and locowee are three subjects which are receiving considerable attention at the hands of the offi

cers of the Union Pacific Land company. The prairie dogs, cutworms and loco weed, or larkspur, are three pests which are causing the farmers in the western country no end of trouble. In the offices of the Union Pacific Land company are letters reporting the progress of the work. The governmental experimental stations in Colorado, Wyoming and the national headquarters have been induced to take an interest in the matter and make some experiments. Partial reports have already been submitted from the station of the University of Kansas on two of the sub

For the prairie dog no sure method has been found by which it can be exterminated, though the investigator suggests that if the dogs are shot when they are coming out of their holes, rather than when sitting on top, there is more hope for the man look ing for game. Several methods of poison ing are being developed. It has been hibernate in the alfalfa fields and that disking in the early spring will kill them

The locoweed is one of the worst pests of the western country. Cattle that eat it become sick, apparently an intoxication o the brain, but a liking for the weed follows. Cattle cannot graze in fields where this weed is found more than two years without fatal results. No satisfactory means of exterminating it has been discovered and the only suggestion the experimenters have offered so far is that cattle be removed from localities where the weed is.

Has Fatth in the West. William Harder, a general agent in the freight department of the Great Northern railway is in the city on his way home from a three months' trip in the east, during which time he has visited all of the principal railway centers east of here. His headquarters are in Portland and he is an enthusiastic believer in the future of the

Pacific coast states. Mr. Harder said that he has found a general western movement which has extended all the way from Maine. The farms in New England are playing out and the people are seeking the new country of the middle west, while the people there are pushing on to the western and north Pacific states.

Railway Notes and Personals. E. H. Wood, general freight agent for the Julion Pacific, left yesterday for Chicago on

J. B. Durham, chief rate clerk for the Oregon Short Line, with headquarters in Salt Lake City, was here yesterday on rail-

Charles S. LaFollette, traveling passenger agent for the Big Four, with head-quarters in Peoria, was here yesterday. He reports that the business of the Big Four this year is greater than that of last year, which, by the way, was heavy traffic. which, by the way, was heavy traffic.

The Burlington route is having prepared a handsome lot of colored pictures of Yellowstone park which it will soon distribute over the country. There are fifty pictures in the series and they are of unusual beauty, being in natural colors. The first samples of the lot arrived at the Burlington headquarters in this city yesterday.

The new train which the Burlington will place in its St. Louis-Denver service about May I. as announced several weeks ago, is now in the process of being named. The passenger department at the general offices in this city has sent a request to the agents along the line which the new train will traverse asking them for suggestions as to the name for the train. The competition is open to any one who has an idea on the subject.

The contract which Van Court & Winn

the subject.

The contract which Van Court & Winn of this city have in connection with the Rock Island extension from Liberal to El Paso is one of the heaviest pieces of work on that new line. Their contract calls for a cut through a mountain which is supposed to be solid, fine, red sandstone rock The cut will be about eighty-five feet deep and a mile long. About sixty men have already gone down from here and when the work is opened up the Omaha firm will put about 200 men to work.

ITINERARY OF THE BISHOP

Special Services to Be Held in Dioces Omaha with Bishop Seannell Present.

Father A. M. Colaneri, chancellor of the diocese, has sent out announcements of the spring visits of Bishop Scannell to the churches of the diocese of Omaha. Conferences will be held in the deaneries of the diocese, at which papers on different subjects will be presented and discussed by the assembled priests. The dates for the conferences are as follows: Omaha, April Columbus, April 10; Grand Island April West Point, April 23; O'Neill, April 24; Jackson, April 30.

Confirmation ceremonies will be held as follows: Columbus, May 5; Duncan, May 6; Platte Center, May 7; Tarnov, May 8; Humphrey, May 9; Hartington, May 19; Constance, May 20; St. Helena, May 21; Bow Valley, May 22; Emerson, June 3; Ponca, June 4; Newcastle, June 5; O'Neill, June 10; Spencer, June 11.

Croker is Coming Back. LONDON, Feb. 27 .- Richard Croker says take part in the coming campaign.

## TO HELP TAX COLLECTOR

Sweeping Measure is Now Pending Before Nebraska Legislature.

DRAWN BY ASSISTANT CITY ATTORNEY

Bill is Specially Designed to Put an End to Litigation Against the Payment of Taxes-Some of its Provisions.

If the bill now pending in the legislature and known as house roll 450, becomes a law, tax fighting in Omaha will be a thing of the past.

The measure was drafted by Assistant City Attorney James H. Adams. It provides that the mayor and council shall have authority to re-levy taxes which have been leclared invalid by the courts, either on account of slight irregularity in proceedings

or on jurisdictional grounds.

This is a sweeping bill. It applies to all sorts of taxes, but is of particular importance because of the large amount of special taxes which has been defeated in Omaha and will be relevied and collected in case the measure becomes a law.

Grants Authority to Council.

Not only would taxes which are declared invalid in the future be affected by this law. It is retroactive and would grant the council authority to relevy and collect all taxes which have been defeated in the past. Supreme courts in many states have held that such a law is valid and the measure now pending was fashioned after laws which are on the statute books of several states. City councils have authority to grant councils the right to levy taxes for improvements without any petitions from property-holders. This being true, the courts have held that a council has authority to render a tax valid.

In discussing the proposed law City At-torney W. J. Connell said: "I believe that a council can be granted the right to correct slight irregularities in proceedings and relevy taxes which have been voldable because of such errors. I doubt whether the legislature can empower a council to re-levy a tax which was defeated for jurisdic-

Councilman Hascall expressed an opinion similar to that of the city attorney, and said that a distinction must be made between void and voidable taxes. In cases where there is some mistake in the proceeding he thinks it may be within the province of a council and mayor to correct the error and relvy the tax. But where there has been a failure to comply with the provisions of the charter concerning the steps in making improvements Councilman Hascall questions whether a council can be granted authority to make the tax valid. Will End Litigation.

Thousands of dollars worth of taxes which have been defeated in Omaha will be rendered valid in case this bill becomes a law. It will put an end to pending litigation, in which large sums are involved. The compromise paving bill, which has been favorably acted on by legislative committees, will simplify special assessments made in the future and do away with much special tax litigation. This measure requires petitions for both paving and repaving and stops property owners from questioning the validity of a petition after mprovements have been made.

Future paving tax will be comparatively safe from defeat after this compromise measure has been passed, and the bill prepared by Mr. Adams is intended to protect the past taxes, which are being assailed so furiously

SETS MR. COLE A-GUESSING Puts Him on the Anxious Seat for Fear of Game Law

Violation. David Cole was in a quandary the other day and for several hours did not know whether he was to be made the victim of designing persons or was to be injured by blundering friend. The event proved both of his surmises incorrect, but for twelve hours he trembled.

In the morning mail he received a postal card from an interior town which said: "We today ship you a case of poultry and game.

The signature on the card was illegible and Mr. Cole, remembering the prairie chickens he was forced to incinerate some days ago, anticipated a further holocaust. Then he thought that possibly a representative of some of the sportsmen clubs would be present when the game arrived to prosecute him as an example. There was no way to stop the consignment and when it arrived Mr. Cole did not know whether to accept it or throw it into the river. He finally decided to open the box and found that it contained domestic fowls and wild ducks, which are not prohibited. He now insists that consignors specify the kind and character of game shipped.

Omahans are to be given an opportunity to see a fine display of Belgian hares. On March 5. 6 and 7 the Nebraska Belgian Hare club will give a show in this city. Rabbiters in all parts of the state have promised to bring some of their finest animals for exhibition. One of the features of the show will be Belgian hare dinners which are to be served all three days. Prof. Crabtree of Denver, who is now holding a Belgian hare institute in this city, will assist in conducting the show. Belgian Hare Show.

Of Winona, Minnesota, Well Known in That City, Cured of Liver and Stomach Troubles by Cascarine.

The Only Treatment That Did Her Any Good After Four Years' Sickness.

Winona, Minn, Feb. 27 .-- Mrs. Katy Noottieman, a social leader, is well again after four years of suffering. She was cured by Cascarine, after a few weeks treatment. She suffered from constipation and billousness and spent hundreds of dollars with doctors to get well, but she became worse She never used any special treatment before, but after a talk with her physician he prescribed her Cascarine, the great family remedy for diseases of the stomach, bowels, liver and kidneys. After using one bottle she felt much better and after a second bottle was used she was well and cured absolutely of her billousness and stomach troubles.

Cascarine is the greatest laxative tonic in existence. It is gentle in action, pleasing in taste, and will not grip the most delicate stomach. It will tone up your entire system, making you feel like a new person. Cascarine is not a pill or tablet. It comes in bottles wrapped in blue and

Go to your druggist and buy a bottle to-

Price per bottle 50 cents. If your druggist basn't it, ask him to get it for you of The manufacturers of Cascarine will send absolutely free a valuable book on diseases

of the stomach, liver, bowels and kidneys to any address. Address Res Bros. & Co., Minnespolis, Louisville and New York.

If you are suffering with Piles, buy Red he will return to America in good time to Cross Pile Cure. It cures every case. At all druggists, or sent direct for \$1.