# A MASSACRE OF MEXICANS

## Yagui Indians Raid the Little Railway Station of Lancho on The C. Y. R. & P. Ry.

#### COL. MAXSON TELLS STORY.

saw Bodies of Victims While They Were Still Warm, Which Were Aven Burlal.

Los Angeles, Dec. 26,--Col. H. B. Maxson, vice president of the national irrigation congress, and secretary of the board of education of Reno, Nev., who has been spending the past few weeks in the state of Sonora, Mexico, arrived in Los Angeles today with a graphic story of the massacre of Mexleans and whites which occurred at the little station of Lancho, on the C. Y. R. & P. railroad last Saturday afternoon. According to the statement of Max. son, his train stopped an hour at Lan-cho. While there rumors were received that the Yaquis were upon the warpath, and that the few people in the neighborhood of the station and railroad were in danger. The station matter, a man named Thompson, bed the matter, and he said he and his wife would remain at their post.

The train bearing Col. Maxson and party had not left the station more than an hour when the Yaquis de-scended on the little party of Mex-icans and Americans and butchered four. Station Thompson and his wife escaped by boarding a work train that pulled in at the time. The train ap-peared after four of the people had been kliled, and Thompson and his wife defended themselves back of the barri-caded doors of the station. As the ork train appeared the Indians with-

drew The train bearing Col. Maxson and party continued to a station 15 miles farther along the line and then, as the signs of the desperado uprising came alarming, the party decided to turn. The train started back toward ancho, and when it arrived the staon house had been burned and demolished, and four human bodies lay along the tracks. The party stopped a few minutes in the hope that survivors might be found and taken to a place of safety. While the train was at the ruins of the sta-tion, the desperadoes appeared in the distance, but did not come within range of the few armed people on the train.

Train. The bodies of the victims were still warm when Maxson saw them, and with the aid of others on the train they were given hasty burial. Not many miles along the road the scene was duplicated. Four more dead bodies of Maxicans and Americans were

discovered along the tracks. The little band at this station had been able to repulse the attack of the Yaquis with the loss of but four of their number. The remaining members of the com-pany refused to leave on the train, but said that they could stand off the Indians until the next day, when the in-dians until the next day, when the ru-rales could reach the spot and sum-mary justice would be meted out to the murderers, if captured.

## COL. MANN'S TRIAL.

### Expert Decker Resumes Testimony as

To Disputed Handwriting. New York, Dec. 26.-The trial of Col. W. D. Mann on an indictment for perjury was resumed before Recorder Goff in the

W. D. Mann on an indictment for perjury was resumed before Recorder Goff in the court of general sessions today. Handwriting Expert D. C. Decker re-sumed his testimony as to the disputed "O. K." and "W. D. M." of the Count Reginald Ward letter. The witness stated that he had dis-covered that the characteristics of the let-ter "M" were also true of those found in the standard evidence of Colonel Mann's writing, but that the material for com-parison of handwriting in this case was very meager. During recess Mr. Littleton, counsel for Col. Mann, stated that he did not intend to cut short his defense merely to get through with the case. He thought it porsible to finish the trial by next Mon-day night. Recorder Goff will go from the recorder's bench to the supreme court at midnight next Monday, and if the Mann case is not finished by that time it may result in a mistrial. Several bank clerks testified that the disputed writing.

#### MAYOR SCHMITZ ANXIOUS FOR A CHANCE TO PLEAD.

San Francisco, Dec. 25.-When Superior Judge Dunne resumed the hearing of Abraham Ruef's motion to set aside the five extortion indictments at 10 o'clock this morning, a new attorney appeared in the person of William H. Metzen, who, on behalt of the mayor, reiteraled the many times repeated motion of Schmitz for a chance to plead. Metzen got his appointment as park commissioner from Schmitz. Schmitz. Metzen was cut short by Judge Dunne who, in response to Metzen's question, declared: "When these cases were called the de-

fendants were willing to stand together. After two or three days one of the de-fendants, Schmitz, attempted to disasso-clate himself from the defendant Ruef. I am not ready and cannot say when a decision will be reached, certainly not until the hearing of this motion is de-cided."

cided." "Then I understand." said Metzen, "That the court rules that we cannot separate." "The court has nothing to do with that. That is a matter wholly within the prov-ince of the defendants." replied the court. Argument was finally ended by Judge Dunne, who ordered Atty. Ach to proceed with the taking of testimony on Ruef's motion.

proceed with the taking of testimony on Ruef's motion. Ach answered the judge's command by calling Grand Jurof Alfred Greenebaum to the witness stand. The same line of questions were asked the juror as his been asked the others. Asst. Dist.-Atty. Hency made no objection to these questions with Ach attempted to make Greenbaum admit a political pre-judice against Ruef. Judge Dunne promptly ruled this line of inquiry as improper. Greenebaum admitted that he had read all the newspapers, that he had seen the announcement of Hency's ap-pointment and that he had followed the news of impanelling the grand jury.

NICOLAI DE RAYLAN.

Atty. Hance Believes She Was Young "Man" Langel.

feited

New York, Dec. 27.—Hiram O. Hance, a lawyer of 229 Broadway, is convinced that Nicolai de Raylan, the Chicago woman, who posed as a man, was employed in the offices of the late Col. T. C. Campbell, in this city, 10 years ago. The young Who posed as a man, was employed in the offices of the late Col. T. C. Campbell. In this city, 10 years ago. The young "man" secured employment as a sten-ographer under the name of Langel and because of his general appearance and ef-feminacy there was a disposition to twit Langel, but this disappeared when the woman came to the office, and was intro-duced as Langel's wife. Langel was very efficient and there was regret when illness forced "him" to give up work. Mr. Hance said he had studied the re-cently published photographs of De Ray-lan and was impressed with the almost complete identity with the features of Lan-gel Mr. Hance regards as confirmatory of the conclusion that Langel and De Raylan were one and the same, that De Raylan were one and the same, that De Raylan which Langel was unmistably af-

with which Langel was unmistably af-

#### CLOCKS TO BE HIGHER.

New York, Deef 27 .- Those who intend to buy clock or art metal ornaments will find the prices of those are going up, ad vances being effective Jan. I in new cata logues and price lists now being sent ou be manufacturers

the Maiden Lane, it was said yesterday that advances are general and average about 10 per cent. Increased cost of ma-teriais and labor is said to be the cause of the rise in price.

## AMERICAN MARES. Emperor William is Importing Some

DESERET EVENING NEWS THURSDAY DECEMBER 27 1906

with the busts of others who have been vice presidents of the United States, has been finished by James For His Farm. New York, Dec. 37.-Emperor William of Germany is importing American mares for his stock farms. Mabel L., a richly bred nare, eight years old, with a trial record of 2:104, is now aboard one of the American-Hamburg liners, and will be shipped to Germany today.

## CITY MARSHAL FRISBY.

Of Lamar, Colo., Shot and Killed by

A NEGRO DESPERADO.

Fires Into a Crowd, Shoots Two Peo-

ple and Escapes.

ple and Escapes. Marlin, Tex, Pec. 27.—While about 2,000 be, ple were assembled in the public square last night to enjoy the carnival at-trations, great excitement was caused by three pistol shots fired in rapid succes-sion and attended by deadly results. A regro girl, about 12 years old, was shot through the head and instantly killed. A negro, Hunt Broddls, received a fatal wound in the back. A negro, about 30 years of age, fled through the crowd, pis-tol in hand she ting behind him as he ran, with police in pursuit. Walter Tay-lor, a policemar, was slightly wounded in the am. The negro has not been cap-tured but is said to be wounded. The cause of the plooting is unknown.

ARTIST W. A. CLARK DEAD.

New York, Dec. 27 .--- Walter Apple

Two Strangers.

We are pleased to announce that Fol-ley's Honey and Tar for coughs, colds and lung troubles is not affected by the Na-tional Pure Food and Drug law as it con-tains no oplates or other harmful drugs, and we recommend it as a safe remedy for children and adults. For sale by F. J. Hill Drug Co.

## Earl Fraser, the sculptor, at his stu-dio here. The cutting of the bust in marble will be finished this winter. NOTICE TO OUR CUSTOMERS.

#### BLACK HAND PLOT. Dr. M. G. Dadirrian Guarded by Police

Against One,

New York, Dec. 7.—Announcement was made today that Dr. Markar G. Dadir-rian, a well known Armeian physician and manufacturer, is being guarded by the police as the result of a "black hand" plot. The physician, it is said, has recently received two letters' threatening him with death if he failed to pay \$10,000 to the writers, and the police, to whom the case was reported, decided to guard his residence in Harlem night and day. Dr. Dadirrian is 70 years old and said to be wealthy. He is one of the most influential Armenians in the country, Though frightened by the demands he says he will die rather than pay the money to the blackmallers.

#### ASHORE ON MIDWAY ISLAND.

ASHORE ON MIDWAY ISLAND. Washington, Dec. 37.-The nayy depart-ment has received the following telegram from George C. Ward, vice president of the Commercial Pacific Cable company, supplementing that received yesterday regarding a vessel ashore near the Mid-way islands: "Our superintendent at Midway islands now reports name of bark is Carrollton and the owner Boudrow, San Francisco, aud mate's boat safe inside rect." The dispatch yesterday erroneously gave the name of the bark as Charles Boutrow and stated that the mate's boat with eight men had not yet been sighted.

#### U. S. SUITS AGAINST

S. P. CO. DISMISSED.

ton Clark, the well known artist and illustrator, died early today at his home in this city. Mr. Clark was 31 San Francisco, Dec. 27 .- The cases of the United States against the Southern Pacific company and against Mark W. Kuirk for illegal possession of government lands in Mariposa and Placer countles were dismissed yesterday in the United States circuit court on motion of Asst. United States Atty. George Clark. The suits were filed many years

In 1962 he married Miss Annie Hoyt ago and the defendants had settled with of Greenwich. Conn., who survives the government by paying the value of the government by paying the value of the lands.

#### BUST OF THE PRESIDENT. BROTHER KILLS BROTHER.

New York 4cc. 27.--The clay model of the bust of president Roosevelt to be executed in marble and set up in the senate chamber at Washington. Melvin Conklin Shoots Brother Elbert

## In Quarrel Over Property.

Lansing, Mich., Dec. 27.-Elbert Conklin, a stone mason, was shot and killed last hight in his home here by his brother, Melvin. They had quarreled over proper-ty matters. Mrs. Elbert Conklin tan from the house in terror and Melvin fred one shot at her, slightly wounding the wo-wan in the arm. Melvin is under arrest and appears to be insame or fsigning in-sanity.

#### BLIZZARD IN GREAT BRITAIN.

London. Dec. 27.—The blizzard which commenced Christmas night continues throughout Great Britain. The country districts in most of the northern parts of the country are snowbound, trains are blockaded, roads are impassable and rur-al villages temporarily cut off from com-munication.

#### DEATH FROM LOCKJAW.

never follows an injury dressed with Bucklen's Arnica Salve. Its antiseptic Bucklen's Arnica Salve. Its antiseptic and healing properties prevent blood poisoning. Chas. Oswald, merchant, of Rensselaersville, N. Y., writes: "It cured Seth Burch, of this place, of the ugliest sore on his neck I ever saw." Cures Cuts, Wounds, Burns and Sores. 25c at Z. C. M. I. Drug Dept., 112-114 S."Main St., drug store.

MURDER OR SUICIDE?

#### Russian Consul at Liverpool Found Dead in Bed.

Liverpool, Dec. 27.-The Russian consul-here, Col. Degetmann, was found dead in bod this morning having been killed by a pistol shot. Whether he was murdered or committed suddle has not been detar-mined. It is believed he took his own life, but the reason for his action has not transpired.

## A CONSUMPTIVE TURKEY

Was to Grace a Christmas Dinner But

#### Was Found to be Diseased.

Chicago, Dec. 27 .- Dr. Whalen of the Chicago health department, has begun an investigation following the discovery that a turkey intended to grace a "hristmas dinner was in the last stages

of consumption J. Inwood had purchased a live tur-key on Christmas eve from Charles Klobr, a butcher. The gobbler was fat

Alon, a butcher. The good health, but when killed peculiar white spots were found on the heart and liver. Mr. In-wood held a conference with the butch. er, who refused to take the dead turkey

back. Then the matter was taken up with the health department.

Drs. Whalen and Blehn of the city laboratory held an autopsy over the diseased organs and reported the foul was in the last stages of consumption. nspectors were sent to the butcher's shop, but it was decided that the butchcould not be held responsible as had purchased the turkey in good faith. Efforts are now being made to dis-cover the farm from which the turkey came, as it is believed that others may be similarly affected.

## A FATAL QUARREL.

#### Al Davidson Shoots His Landlady and Then Himself.

St. Louis, Dec. 27 .- A quarrel today between Al Davidson and his landlady, Mrs. Frieda Wiegel, terminated in Davidson shooting Mrs. Weigel in the head and killing himself by a bullet through his brain. Davidson left a life insurance policy, in which his mother, Mrs. Sarah E. Davidson, of 219 South Ninth street, San Jose, California, is named

as the beneficiary.

It goes to the root of disease, invigorates, strengthens, exhilerates. Its life-producing properties are not contained in any other know n remedy. Hollis-ter's Rocky Mountain Tea. Tea or Tablets, 35 cents. Z. C. M. Drug Dept. 112-114 South Main Street.

### YAQUI OUTRAGES.

#### Indians Kill Eleven Mexicans and One American

El Paso, Texas, Dec. 27 .- A special to the Herald from Nogales this morning BRVBT

"Details are arriving here of a terrible butchery of a party of Mexicans by Yaqui Indians near a place called Valoncia, 60 miles below Guaymas. Eleven Mexicans and one American were killed, and from all accounts there were over a hundred Indians in the attacking party. The employes on the Southern Pa-cific railroad at that section are fright-ened and it is said many are leaving and the massacre may delay the road to Guadalajara."

#### EXPOSURE.

To cold draughts of air, to keen and cutting winds, sudden changes of the temperature, scanty clothing, undue expo-sure of the throat and neck after public speaking and singing, bring on coughs and colds.

colda. Ballard's Horehound Syrup is the best cure. Mrs. A. Barr, Houston, Tex., writes, Jan. 31. 1962: "One bottle of Ballard's Horehound Syrup cured me of a very bad cough. It is very pleasant to take. Sold by Z. C. M. I. Drug Dept., 112 and 114 South Main Street. B





Two Strangers. Lamar, Colo., Dec. 27.--City Marshal Horace Frisby was shot and killed here last night by two strangers, who subac-quently escaped. There were no wit-terses to the killing but Sheriff George Thomas heard the shots and arrived at the scene in time to see the two men-making their escape. The sheriff fired sev-eral shots at them and succeeded in wounding one of them but not severely events to prevent him from getting away. There is no el to the mruderers, but it is supposed that they were two men who have been hanging around the town for several days and acting in a suspicious manner. WILL INTEREST MANY. WILL INTEREST MANY. Every person should know that good health is impossible if the kidneys are de-ranged. Foley's Kidney Cure will cure kidney and bladder disease in every form, and will build up and strengthen these organs so they will perform their func-tions properly. No danger of Bright's dis-ease or diabates if Foley's Kidney Cure is taken in time. For sale by F. J. Hill Drug Co.

# Review of 1906 and Announcement for 1907.

## To the Field Force.

#### GENTLEMEN:

It is our custom to address you each year at the time of our annual Superintendents' Convention. Usually this is held about the middle of January, and the topic of the BULLETIN is naturally the Annual Statement of the Company. This year the Suprintendents meet in convention the middle of December, and obviously the record of the year is made up, and it would be premature to set forth the progress of the Company in its business and finances. We shall have something very pleasant to say to you before we close about what you have accomplished; but our immediate object is to tell you about our plans for next year.

#### INDUSTRIAL DEPARTMENT.

You have known from tumerous addresses, both oral and written, what our ambition has been for years in the Industrial part of our business. You will bear us witness that our treatment of the policy-holders has been one of progressive liberality ever since the present administration of the Company began. The very first year of its incumbency Paid-up policies-theretofore unknown to Industrial insurance in this country-were announced; and every year since then something has been done for Industrial policy-holders beyond any promise made in the policies. Bulletin No. 195 set forth these concessions and bounties up to its date and since then the successive years have marked by progressive gifts and benefits offered to policy-holders; and this year the Company has been disbursing the enormous sum of about two millions of dollars in voluntary dividends upon non-participating Industrial policies; bringing the total amount of unpromised dividends in twelve years about ten millions of dollars to Industrial policy holders in the form of dividends on premiums, dividends on death claims and increases of benefits upon existing policies.

We have been enabled to accomplish this work all these years by steady improvements in business methods, by steady extensions of business territory, by steady additions to insurance in force, by watchfulness in writing and taking care of business, resulting in a decreasing death rate, decreasing lapse rate and decreasing expense rate. These improvements we have announced to you from year to year; but perhaps from this very fact-their gradual, steady progressiveness-you have failed to grasp their full significance. Yet year by year we have told you our aim, to reduce expenses, to improve the death rate, to better the policies, to distribute the surplus, so that each year a larger proportionate amount could be returned to the policy-holders and a smaller proportionate amount used in ex-

Within the last few years our disbursements for death claims have been so continuously and markedly less in proportion to inome and our improvements in ratio of expenses shown so steady an improvement, that we thought the time had come to make a scientific survey, so to speak, of the technical features of the busiess. We have made investigations into our mortality and drawn off into various periods our experience of mortality. The mortality tables upon which our present tables are founded were taken from experience of 1890-1894. A comparison of this with tables taken from the experience of other periods has shown a steady improvement in mortality. In the case of children the result is really startling. Take, for instance, age two next birthday. Our present table shows 49.3 deaths per thousand; a table 1896-1905 shows but 36.9; age three the figures are respectively 32 and 24.3; age five 16 and 9.8; age ten 5.5 and 3.8, and this improvement runs through the Infantile table. As to adults, there is also a marked improvement.

These facts convince us that the time has come to construct new tables of benefits founded upon our experience of 1896-1905; and we are confirmed in our conviction by the fact that a table drawn from the years 1901-1905 shows a better experience than that of the full decade. And it seems to us just to base these tables upon the experience, of white lives; and to give benefits based upon the improvement which we feel certain is permanent. How great this improvement is we illustrate by a few figures comparing the table upon which our present benefits are based with a table of white lives for the last ten years. Deaths per thousand: age two next birthday 49.3 reduced to 34.7; age three 32 to 22.5; age four 21.5 to 13.2; age five 16 to 9.5; age ten 5.5 to 3.4; age twenty 10.5 to7.1; age thirty 15.7 to 11.1; age forty 19.3 to 14.3. The other element besides mortality involved in a table of benefits is of course the expense.

Bulletin No. 475.-New York, December 8th, 1906.

As you know, our ratio of expense to premium income has been falling for some years; this year the reduction has been phenominal and will reach, we think, by the end of the year, three per cent! This alone means a saving of nearly one and a half millions of dollars! We shall show a lower ratio of expense for 1906 than has been experienced by any industrial company in the world.

One other element goes into the construction of tables of benefits; and that is the maturity of the policies. When we made up our present table we were convinced that the public was enamoured of endowments. Our Industrial business has been issued for ten years, as you know, mainly upon Endowment tables-Increasing Life and Endowment policies and Twenty-year Endowments forming a very large proportion, in some years over 90 per cent., of our total business. One disadvantage of this table has been that it largely increased the reserve. Our children's Increasing Life and Endowment policies have been endowments payable after periods of 47 years and upwards according to age of issue. Compared with Life tables issued by other companies these have made necessary the accumulation of an increase of many millions of dollars in reserve. Unthinking persons come to the conclusion that this piles up the wealth of the Company, forgetting that along with the increase of assets runs the increase of liabilities, and that the wealth of a company consists in its surplus; and completely overlooking the remarkable fact that we have deliberately kept down our surplus to about ten per cent. of our assets by annual distributions of the excess of surplus earned to the policy-holders who contrib-uted to it. Public opinion has changed and now cares more for death benefits than endowments. We are in business to please the Limited Payment Life contracts are thought preferable to Endowments. We have resolved therefore to discontinue our increasing Life and Endowment policies, which were designated to meet the public demand formerly existing, and which were, we believe, the first tables ever scientifically constructed for Industrial policies. Our new Industrial policies will therefore be Whole Life contracts. But we think that as to these there are signs of a belief on the part of the public that payment of premiums ought to cease with old age. It is hard for many people to see what to any mathematician is self-evident, that in life insurance the companies are enabled to pay the policies in full on lives of those who die soon after ance only by the receipt of the premiums from those who live out and beyond their expectations; and that the apparent hardship upon those who live long is only the contribution to the unfortunate which is the essential basis of life insurance. However, it is possible, of course to make tables for limited payments, and the problem is therefore to fix an age that shall not be so young as to raise the premiums or (what is the same in Industrial insurance where the unit is the premium and not the amount of insurance to reduce the benefits unduly; and on the other hand to fix the age not so old that the benefits of the limits of payment of premiums shall be lost. We have fixed age 75 as the limit of payment of premiums because at that age we are enabled to only slightly reduce the benefits during life and because we have not received many complaints of the necessity of paying premiums up to that age. And to the occas-ional complain that "people never live to such old age." we may answer that in 1906 we shall have voluntarily, as matter of grace, paid about 2,700 claims as Endowments on policies issued as Whole life on persons reaching age 80 after paying premiums for 15 years or over

Constructing a table of benefits upon these four principles-Whole Life instead of Endowments; our recent mortality experi-ence instead of our old; a loading proportioned to our reduced ax-penses; and the payment of premiums ceasing after age 75 we shall put forth for 1907 new tables in the Industrial department which are better than any company has heretofore issued and bet-ter than we have ever before this felt safe to issue.

The most striking change is in the Infantile table, because there we substitute Life tables with payment of premiums limited to age 75 for our comparatively short increasing Endowment tables now in use; and are therefore enabled to pay in benefits what we have been compelled to hold as reserve liability upon the endowment features.

Our new Infantile tables will pay nearly as much in death bene-fits for a weekly premium of five cents as we have heretofore pail for a weekly premium of ten cents. It is of course understood that the law fixes a maximum of benefits payable upon children and this we cannot exceed. We have therefore increased the benefits at the later ages for persistence. Thus at age two at entry the benefit in case of death at age nine is \$173, while the benefit at age 3 at entry dying at age 9 is \$169, and the benefit at age four at entry dying at age nine is \$165, and so on. This is a recognition of the dying at age nine is the, and as on. This is a recognition of the additional years for which premiums have been paid by these en-tering at earlier ages when death occurs at the same age. It fol-lows from this large increase of benefits for five cents that here-after no policy will be issued under the Infantile tables for a total

after no policy will be issued under the infantile tables for a total premlum of more than five cents. And to meet a desire for less insurance, especially in large families, we have a table with pro-portionate benefits for a weekly premium of three cents. Our Adult tables show an increase of benefits for the same premium based strictly upon our tables of mortality. At age ten the increase is 12 ½ per cent over our present Life table and near-iy 18 per cent, over our increasing Life and Endowment table. At

age 20 the increase is over nine per cent, and over 23 per cent, [ age 20 the increase is over nine per cent, and over 23 per cent, respectively; at age 30 the increase is nearly six per cent, and nearly 20 per cent, respectively; at age 40 the increase is two per cent, and over 13 per cent, respectively, and so on. And in com-paring these tables with our present Whole Life tables (and with those of most of the other Industrial companies) it must not be for-gotten that these old tables provide for payment of premium dur-ing the whole of life, while under our new tables payment of premiums ceases at age 75. We have increased the immediate benefits under all of these

policies in accordance with the rule we made retroactive this year, to half-benefits during the first six months and full benefits thereafter.

We have introduced into all of these policies new features the way of surrender values. Paid-up policies will be granted after three years instead of five; extended insurance will be granted after three years at the option of the holder; and cash surrenders will be paid after ten years. The policies will be in new and attrac-tive forms, with three pages instead of two, in order to set forth all of the concessions, making the rights of the policy-holders so plain that any one will be able to tell what he is entitled to. And the whole contract will be expressed in the policy, doing away en-tirely with the necessity of a copy of the application, using the form in this respect for all policies which we adopted many years ago for policies under \$300.

#### ORDINARY DEPARTMENT.

One of the most striking results of the Armstrong Investiga-tion was the adoption of a provision restricting expenses for the first year of the life of the policy. And what is most interesting as well as complimentary to the METROPOLITAN is the fact, which appeared in the newspaper discussion at the time of the adoption of the report and bills, that this restriction by law was justified by the experience of this Company in the matter of expense as shown by an analysis of its annual reports. It is true that this Company kept its expenses almost within the limit prescribed by the new statute. But the statute is a penal one and we cannot run any risk of overrunning the limit of expense. This necessitates a reduction of commissions, but the reduction will be very much less than that made necessary by the companies issuing participating policies. This Company will not issue after this year any other than non-participating policies. In fact, in the true sense of the term we have not issued any other for nearly fifteen years, for, as we have often explained, the Intermediate and Special Class policies were based upon stock or a non-participating load-Class policies were based upon stock or a non-participating load-ing and the dividends promised, if earned, were expected to be derived from the mortality. These policies were entirely novel and we had little experience to guide us. The intermediate policies were based upon our industrial table of mortality and were de-signed for industrial risks who could afford to pay annual in-stead of weekly premiums; and the mortality of such a class could not be foretoid. The Special Class policies were for sub-standard risks as to which the mortality could not be accurately predicted. What we undertook to do was to pay back to the policy-holders the gain from such improvement in mortality over the expected as should be actually experienced. As participating the expected as should be actually experienced. As participating policies are based upon a higher or so-called mutual loading out of which dividends are expected to be earned, we claim that out of which dividends are expected to be earned, we claim that our I termediate and Special Class policies based upon a stock loading were in principle non-participating. All of our other policies in the Ordinary Department were by their terms non-participating. The law has justified us in the principles we adopted fifteen years ago, and today the Armstrong laws and the similar ones prepared for other States are a vindication of the Metropolitan principles in which you have been trained. We have now an experience of Intermediate and Special Class risks which enable us to prepare non-participating tables. The tables of premiums as to these policies have heretofore been completely readjusted. We think you will find them most attractive. We realize that we shall henceforth have more competition in

We realize that we shall henceforth have more competition in non-participating policies. Other companies have announced their purpose to restrict their issue to this form. We have therefore purpose to restrict their issue to this form. We have therefore thought it in your interest as well as our own and in the interest, of the public, which is superior to both, to use a part of the reduc-tion of commission to effect some reduction of premium. New tables have been prepared which we think will be attractive to our customers and which therefore will be profitable to you. In adjusting these commissions we have thought it only just to re-store to the Superintendents an interest in them which we were commission a few years see and which we transfer compelled to withdraw a few years ago and whick you remember the Vice-President promised at the time to restore when we should the vice-fresident promised at the time to restore when we should be alle to arrange it. And we have also recognized the good work of Assistant Superintendents by giving them an interest in the work of their agents. We realize that the dutles of Super-intendents and Assistants include the instruction and training of Industrial agents in the work of the Ordinary Department. We want all of our agents to be all-around insurance men. Our Sup-crimiendents and assistants have imposed upon them as a duty the supervision the constant help and encouragement and the advecsupervision, the constant help and encouragement and the educa-tion of their agents. We have made it an interest as well as a duty

a duty, Our new policies will be found most attractive in form and even more attractive in substance. They contain all of the advant-ages and concessions which we can afford to give and which the public have a right to expect. The surrender values will be found to be generous and take the optional forms of extended insurance,

paid-up insurance and cash. They are the standard forms of the New York Department, the work of experts which have the New York Department, the work of experts which have legislative approval. They are as plain to the understanding as they can be made. We have discontinued many plans as un-necessary. We shall issue Ordinary Life, Limited Payment, Endowment and Term plans; and we have applied for permis-sion and hope to issue in addition three plans which the public have stamped with their approval—namely, the Optional Life or Endowment, under a new name, the Modified Endowment with Life Option, the Guaranteed Dividend, else under a new with Life Option; the Guaranteed Dividend, also under a new and more descriptive name, the Guaranteed Increased Endow-ment; and the Reduced Premium Life under its new name, with Reduced Premium after 20 years.

Gentlemen, we are entitled to say that the Armstrong Investigation was a vindication of the methods and practices of the METROPOLITAN LIFE. The Armstrong laws are in many respects a distinct recognition of the work we have done, together these many years. See that you appreciate this fact to the utmost. Show that you do by making the year 1907 an unexampled year for the issue of more policies, for larger insurance, for greater gain, for less lapses and not-takens, at a loss expense, at a greater return to policy-holders than you have ever done. Live up to your blessings! Show that you appreciate the reward which the Legislature has conferred upon your good work of the past! Make 1907 the greatest because the basit was in the former blessing. the best year in the Company's history'

#### TH18 YEAR, 1906.

You have started well. Last year, the year of the inves-stigation, you did the largest business we had ever done. The first part of this year the paralysis which seemed, unreasonably and unnecessarily, to have fallen upon the business in general, appeared to have affected even you-even more unreasonably and unnecessarily. Finding this to be the fact, the Vice-Presi-dent appealed to you in personal conferences with the Superintendents in little groups all over the country; pointed out to you the facts and conclusions of the Armstrong inquiry and the results as embodied in legislation; showed you the essen-tial approval we had received in our work in both departtial approval we had received in our work in both depart-ments, and asked you to respond to all this for the remainder of the year by making the best record you had ever made. This was in May and June. It would be most ungrateful not to make this public and general acknowledgment of your response to the appeal, and on behalf of the Vice-President I give to you his personal thanks and add our official acknowledgments. The year is not yet ended and we cannot therefore tell the whole story. But for the months July to November, inclusive, whole story. But for the months July to Novemb compared with the same months of previous years:

You made the largest amount of Industrial increase which the Company ever made, except in 1894 and 1903.

The agents wrote the largest amount of Industrial business, average per man, of any of the last ton years,

The average increase per man was larger than for any of the past ten years.

The ratio of lapses was the third lowest for ten years past. The number of transferred accounts was the lowest for eight years, notwithstanding the larger force of men with which we started and the larger reduction in the force we have made this year.

The collections were the best in the history of the Company? The death claims reached the lowest ratio for the last 25 years-hotwithstanding the increased average age of the policyholders

The special salary to agents averaged the largest In the last ten years; and yet we saved \$100,000 in the total compared with last year.

The saving in total cost in these items alone, medical fees (bacause of a reduction in number of applications). Assistants' salaries and special salary, was at the rate of a million dollars

a year. We may add that the Pacific Coast kept up with the pro-cession by the remarakable feat of covering for the year the enormous lapse caused by the earthquake and is certain to close the year with a handsome increase. In the Ordinary Department September about equalled Sep-tember of last year, while October and November largely ex-ceeded the corresponding months of last year, and December promises to be a record breaker! And taking the last six months for comparison—June

And taking the last six months for comparison—June And taking the last six months for comparison—June to November, inclusive—you wrote more Ordinary than ever was written by the Company in the corresponding months and exceeded 1905 by over six millions and a half; and this it must be remembered by more than 3,000 less men! We are proud of this record, and we are grateful to you for your generous response. We cannot say more than to wish for you and yours the happiest and most prosperous year of your lives in 1907! Vary sincerely yours

Very sincerely yours.

