

Office of the  
 New York State General Agency of  
 the  
 Mutual Life Insurance Co. of New York.

Troy, N.Y. Dec<sup>r</sup> 8 1886

Cap<sup>t</sup> W Kingsbury

Cifton Springs NY

Do Sir In reply to Y<sup>r</sup>  
 favor of 7<sup>th</sup> about \$288.678 unpaid

A limited payment policy is one which  
 is issued with a specified number of payments  
 i.e. 10 pay<sup>t</sup> Life is limited to 10 payments  
 altho if an Endowment, it may not be pay<sup>t</sup>  
 under 20 year

The State Law fixes the reserve which  
 every Co must have to meet its liabilities. When  
 a policy becomes due by its terms, otherwise than  
 by death it is supposed that the reserve is equal  
 to the claim. If the policy is surrendered prior  
 to its maturity then the Co's reserve cannot  
 be equal to the face of the policy i.e. a 20 yr  
 E. surrendered at 10<sup>th</sup> year would only have  
 10 reserves laid up to meet it & by "full  
 reserve" is meant the entire sum so laid

aside - When the 10yr E. matures as you inquire, the whole amount becomes due & payable with all the additions - The question of Reserve has nothing to do with it -

Now in Mr Beldens case if he would calculate, it would be perfectly ruinous for any Co to agree to pay him \$5000. 10 yrs hence if he paid them \$345. a year. It could not be realized & carry his Ins. funds giving him the large dividend which he will receive. And from our figures under your question we should venture to say that we have no doubt but that at the end of 10 yrs his policy would be worth in cash of reserve & additions quite a little sum over the entire amount paid by him

While therefore the result of the limited pay' policies may therefore be so favorable, the Co could not bind themselves to pay the same sum because if the sumt could not warrant it, they must rob. some one else & that would be unjust

Do I make it clear? If not try again

J. L. Boardman for