

the provisions of the Dominion Acts applicable to assessment companies. Notwithstanding the exemption, fundamentally the business and the methods of the two types of institution as respects life insurance were fairly analogous, though the machinery differed. Eventually the provisions of the statutes originally designed for assessment companies were applied to fraternal societies, and continued to apply until the passing of the 1919 amendment to the Insurance Act.

The fate of friendly societies has been more fortunate than that of assessment companies. Many of them have gone through several readjustments of rates and benefits, and although this has meant loss in membership and a temporary setback, they are now doing business with due regard for sound principles. The 1919 amendment requires the benefit funds of friendly societies to be valued annually by an actuary, and if a deficiency in funds is shown, it must be made good within a reasonable period by an adjustment of rates or benefits. Thus, societies are in no way in the dark as to their actual condition, and if any weakness should be disclosed, the necessary remedy can be applied before anything in the nature of a serious situation arises.

It may be noted that an actuary performing valuations for a friendly society must be a Fellow of one or more of the following societies, namely, the Institute of Actuaries of Great Britain, the Faculty of Actuaries in Scotland or the Actuarial Society of America.

With the passing of the 1919 amendment, certain United States societies, previously transacting business in Canada under provincial authority, were required to obtain Dominion licenses or discontinue business. Up to July 15, 1923, thirteen of these societies were licensed, some of which were actuarially solvent at the date of first license; some have attained solvency since being licensed; the remainder have until March 31, 1925, to attain solvency; otherwise they must thereafter discontinue transacting business in Canada.

The 1922 amendment to the Insurance Act, 1917, in addition to some minor amendments, defines several new classes of insurance; permits life insurance companies to carry on other classes of insurance business under specified conditions; authorizes the issue of life policies, including indemnity benefits in event of accident or sickness, not exceeding a weekly payment of $\frac{1}{2}$ p.c. of the sum assured, and an additional accidental death benefit not exceeding the sum assured; provides for the valuation of securities redeemable at a fixed date, if the market values are "unduly depressed", at values in excess of the market values, but not higher than the values shown in the next preceding annual statement of the company; it also requires Government approval of agents soliciting applications for insurance.

In 1894 an Act was passed (see above) forbidding the transaction of life insurance in combination with any other insurance business. As above noted, this principle was reversed by the 1922 amendment, which authorizes a life company, on passing a by-law confirmed by the members of the company and sanctioned by the Treasury Board, to engage in any and all other classes of insurance business, provided separate funds (not separate assets) and accounts are maintained in respect of the life insurance business and in respect of the other classes of insurance business transacted. Before commencing any new classes of business an initial fund is to be set up, the amount to be fixed by the Treasury Board depending on the number and nature of the additional classes of business to be undertaken, but not less than \$50,000. For the purpose of setting up this initial fund a company may transfer thereto any amount to the credit of the shareholders' account in excess of paid up capital; also twenty-five p.c. of the surplus (allowance being made