is made in respect of whole life policies under the full preliminary term method. Whatever method of valuation may be used by any company, the Acts require that the reserve made in respect of the life insurance benefits, apart from any guaranteed values in the policy, shall not be less at any duration than the reserve made in accordance with the prescribed method and in addition "that the method used shall make adequate provision for the guaranteed values at the subsequent durations of the policy according to the rate of interest and the table of mortality used in the valuation". In respect of policy obligations dependent on contingencies other than life contingencies, "the bases and methods of valuation employed by the company shall be such as to place an adequate value on the liabilities thereunder", negative reserves excluded. The actuary of the company responsible for the valuation must certify that the reserves are not less than the reserves required by the provisions of the Act, and in addition "that in his opinion the reserves make a good and sufficient provision for all unmatured obligations of the company under the terms of its policies". Thus, compliance with the more or less technical provisions of the Act is not in itself sufficient to enable an actuary to give the required certificate; the valuation must, in his opinion, in the nature of things make a good and sufficient reserve for all unmatured policy obligations. If, in the opinion of the Superintendent of Insurance, the facts and circumstances do not justify the certificate given by the actuary, he may make a special valuation and if necessary change the reserve in the liabilities of the company. Once in every five years, or oftener at his discretion, the Superintendent is required to make a valuation on the bases and methods the company purports to use; but if he should be of the opinion that the valuation of the company does not comply with the Act, his valuation must, of course, remedy the defect. In lieu of making a valuation, he may examine the valuation made by the company. The above probably sufficiently states the main principles of the valuation provisions of the Acts for present purposes.

The legislation of 1932 was occasioned by the Privy Council decision of 1931, which held in effect that the Insurance Act was not properly framed, having regard to the competence of Parliament in that behalf. The Act was consequently repealed and three Acts were passed, namely, The Department of Insurance Act, The Canadian and British Insurance Companies Act, and The Foreign Insurance Companies Act, being respectively cc. 45, 46 and 47, 22-23 Geo. V. Presumably it was found more convenient, legislatively and otherwise, to have three Acts in place of one. From an examination of these Acts in comparison with the Consolidated Insurance Act, 1927, it would appear that every provision of that Act has been retained in the 1932 Acts which could be retained consistently with the views taken concerning the effect of Privy Council decisions up to the date of enactment. The legislative form and verbiage has, however, been greatly changed. Several important provisions, enacted in 1910 and subsequently conserved in the Acts of 1932, have already been briefly reviewed. In a broad and general way it may be said that the core of the 1932 legislation is that companies formed or incorporated outside of Canada may not transact business in Canada unless registered by the Minister of Finance, and, precedent to first registration, a company, whether Canadian, British, or foreign, must satisfy the Minister of its soundness, solvency and *bona fides*. Thereafter, a company must make full and complete annual returns of its business and affairs, submit to examination by the Superintendent of Insurance, and otherwise continue to satisfy the Minister of its soundness and solvency, and to comply with the Acts.