

sold and disposed of, so that such company shall no longer retain any interest therein, except by way of security.

Forfeiture
of lands.

2. Any such parcel of land, or any interest therein, not within the exceptions hereinbefore mentioned, which has been held by such company for a longer period than twelve years without being disposed of, shall be *liable to be forfeited* to His Majesty for the use of Canada: Provided that:—

Notice of
intention.

(a) No such forfeiture shall take effect until the expiration of at least six calendar months after notice in writing to the company by the Minister of the intention of His Majesty to claim the forfeiture; and

Company
may sell
before
forfeiture is
effected.

(b) *The company may, notwithstanding such notice, before the forfeiture is effected, sell or dispose of the property free from liability to forfeiture.*

Statement
as to lands.

3. It shall be the duty of such company to give the Minister when required a full and correct statement of all lands at the date of such statement held by the company, or in trust for it, and subject to the foregoing provisos.

Appraise-
ment of real
estate by
direction of
Superinten-
dent.

68. *If upon an examination of the assets of a Canadian company or in the case of a company incorporated or legally formed elsewhere than in Canada and licensed under this Act, the assets in Canada of such company as defined in subsection 2 of section 20 of this Act, it appears to the Superintendent, or if he has any reason to suppose, that the value placed by the company upon the real estate owned by it or any parcel thereof is too great, he may either require such company to procure an appraisement of such real estate by one or more competent valuers, or may himself procure such appraisement at the company's expense and the appraised value, if it varies materially from the return made by the company, may be substituted in the annual report prepared for the Minister by the Superintendent. If, upon such examination, it appears to the Superintendent, or if he has any reason to suppose that the amount secured by mortgage *or hypothec* upon any parcel of real estate together with the interest due and accrued thereon, is greater than the value of such parcel, or that such parcel is not sufficient security for such loan and interest, he may in like manner require the company to procure an appraisement thereof, or may himself at the company's expense procure such appraisement, and if from the appraised value it appears that such parcel of real estate is not adequate security for the loan and interest, he may write off such loan and interest a sum sufficient to reduce the same to such an amount as may fairly be realizable from such security, in no case to exceed such appraised value, and may insert such reduced amount in his said annual report.*

Special audit
of books by
direction of
Superinten-
dent

2. *If upon any examination of a Canadian company's affairs it appears to the Superintendent for any reason desirable that a complete and thorough audit of the books of the company should be made or if a company makes a written request for such audit, the Superintendent may nominate a competent accountant who shall, under the direction of the Superintendent, make a special audit of the company's books, accounts and securities and report thereon to the Superintendent in writing verified by the oath of such accountant. The expenses of such special audit shall be borne by the company and the auditor's account therefor when*