

In these tables I find that the figures in the first two columns x and ax are absolute and unchangeable, and that the third Ax and the fourth Px are variable. Column x gives the age, which is the governing factor. Column ax gives the discounting factor, which governs the present value of an annuity of \$1 payable at the end of the year; but when the annuity is payable in advance it has to be increased by one. Column Px gives the amount of the usual annual premium for an insurance of \$1. Column Ax gives the product of the multiplication of the discounting factor ax plus one, by the actual annual premium charged for an insurance of \$1.

The present value in the sum assured (\$1,000) by the policy on the life of P. C. Vernon is found by ascertaining that she is now of the age of 46 years. For that age the discounting factor is 12.9267 plus one (equals 13.9267), as the premium was payable in advance. The annual premium charged by this association for that age is \$15.44. These multiplied together give \$215.028248.

The present value of a life annuity equal to the future premiums which would become payable during the probable duration of life of the said P. C. Vernon is obtained by taking the same discounting factor (13.9267) and multiplying it by \$13.10, the amount of the annual premium she had been paying for the insurance, beginning at the age of 42, of \$1,000 on her life, which gives \$182.439770.

Present value in the sum assured	\$215 02
Present value of future premiums	182 43

Which would make the amount to be allowed to P. C. Vernon	\$32 59
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But, as the actuaries make it \$33.28, I allow that sum.

Applying the same computation to the claim of J. R. Vernon on his policy for \$1,000, who was insured at the age of 41 (premium \$12.76), and he is now of the age of 45 years (premium \$14.68), I allow the sum stated by the actuaries, \$32.29.

As the claims made are so largely in excess of the premiums paid for the 4 years' insurance and of the amounts allowed, I let the claimants bear their own costs.

[Note—This judgment of the Master was given on a reference back, directed by the Divisional Court (1 O. L. R. 257), and was partly reversed on appeal (2 O. L. R. 682).]