

1. Who may be Insured. The Act applies to all persons, male or female, domiciled and resident in Canada at time of application who served in and were honourably discharged from the Canadian naval, military or air forces whether they served overseas or in Canada. All persons who served in the Imperial or Allied Forces are also eligible if they were resident and domiciled in Canada in August, 1914. Widows of returned soldiers who died subsequent to discharge are eligible until September 1, 1921.

2. Amount of Insurance. Policies are issued for \$500, \$1,000, \$1,500, \$2,000, \$2,500, and so on up to a maximum of \$5,000. More than one policy may be obtained by one person, but the aggregate of all such policies must not exceed \$5,000.

3. Premiums. Premiums may be paid monthly, quarterly, half-yearly, yearly or in a single payment, according to the convenience of the insured. The annual premium is exactly twelve times the amount of the monthly rate. All premiums are payable in advance and are due on the first of the month. Thirty days' grace in which to make payments is allowed.

Premiums may be paid throughout life, or for ten, fifteen or twenty years or until age of 65. The insurance may also be paid for by a single premium. If a term of years is chosen the premium is higher, but at the end of the term the policy is fully paid up and no further premiums are payable. Table of rates on page 3.

4. How Payable. The maximum amount which may be paid in one sum at death is one-fifth of the amount of the policy. If the policy was for \$5,000 the maximum sum payable at death would be \$1,000. The balance is payable at the option of the insured in equal annual instalments over a period of five, ten, fifteen or twenty years, or for life, according to the desire of the policyholder. The various plans of payment are mathematically equivalent. The annual instalments are larger when a short period of payment is chosen. Following are illustrations of the various plans of payment:—

ANNUITY CERTAIN.

If the insurance is \$5,000 and the insured has chosen to have \$1,000 paid at death, the remaining \$4,000 can then be converted into an annuity certain for five, ten, fifteen, or twenty years. If a five-year term is chosen, the annual payments commence one year from the date of death of the insured and continue for five years and will be \$898.52 each. The benefit will then cease whether the beneficiary be alive or dead. If the beneficiary dies before the payments are completed the remaining payments will be made to the beneficiary's heirs.

If a ten-year period is chosen the annuity payments will be \$493.16; for a fifteen-year period, \$359.76; and for a twenty-year period, \$294.32 each.

LIFE ANNUITY.

If a life annuity is chosen the annual payments will depend upon the age of the beneficiary and payments will be continued throughout life, but will absolutely cease at death. For a beneficiary aged 25 years at the death of the insured, the life annuity provided by the remaining \$4,000 is \$219.16; for age 35, \$240.12; for age 45 \$272.28; for age 55, \$324.52; for age 65, \$431.84; and for age 75, \$679.24. The age of the beneficiary is to be taken as the age at the nearest birthday to the date of the death of the insured and the first annuity payment in each case will be made one year after the said date.