

in the said Schedule to this Act for the computation, then the company shall apply to the Superintendent for approval of the table the company deems most appropriate for the computation;

- (c) The method of valuation shall be that specified in the said Schedule or any adaptation thereof approved by the Superintendent under the Schedule, or any other method the company deems appropriate: Provided that the method used shall be such that the reserve calculated in accordance therewith shall not be less at any duration than the reserve computed in accordance with the valuation provisions in the said Schedule, and that the method 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;
- (d) The reserve in the first policy year need not in any event exceed the reserve computed in accordance with the rate of interest and table of mortality used in the valuation and the method of valuation described in the said Schedule.

Method of valuation.

4. In computing the reserve for all unmatured obligations, guaranteed under the terms of or arising out of policies, dependent on contingencies other than life contingencies only, the bases and methods of valuation employed by the company shall be such as to place an adequate value on the liabilities thereunder, and shall be such that the value of the benefits under each and every policy shall in no case be less than the value placed upon the future premiums.

Policies issued before 1st January, 1927.

5. In respect of policies issued prior to the first day of January, one thousand nine hundred and twenty-seven, the reserve for unmatured obligations guaranteed thereunder dependent on life contingencies only shall, notwithstanding the provisions of the preceding subsections of this section, be computed in compliance with the provisions of the Insurance Act in force on the said date.

Summary to be included in annual statement.

6. There shall be included in the annual statement, in such detail as the Superintendent may require, a summary exhibit of the several bases and methods used in the valuation, of the classes of policies and amounts of insurance so valued, and of the reserve included in the liabilities, and there shall be appended to the summary exhibit a certificate by the actuary of the company, or by the actuary responsible for the valuation if the company has no actuary, to the effect that the reserves shown in the summary exhibit are not less than the reserves required by the provisions of this section, and in addition that in his opinion the reserves make a good and sufficient provision for all unmatured obligations of the company guaranteed under the terms of its policies.