

- (b) (i) The bonds of any company which bonds are secured by a mortgage *or hypothec* to trustees or a trust corporation or otherwise, upon real estate or other assets, of such company; or, Bonds secured by mortgage.
- 5 (ii) The debentures or other evidences of indebtedness of any company, which has been doing business for a term of not less than three years prior to the date of such investments, provided default shall not have been made by such company in the interest payments upon its debentures or other evidences of indebtedness within the said period of three years prior to such investment; or, Debentures
- 10 *(iii) The preferred stocks of any company which has paid regular dividends upon such stocks or upon its common stocks for not less than five years preceding the purchase of such preferred stocks, or the stocks of any company which are guaranteed by a company which has paid regular dividends upon its preferred or common stocks for not less than five years preceding the purchase of such guaranteed stocks; or,* Preferred stock.
- 15 (iv) The common stocks of any such company upon which regular dividends of at least four per cent per annum have been paid for the seven years next preceding the purchase of such stocks. Provided that not more than *thirty* per cent of the common stocks and not more than *thirty* per cent of the total issue of the stocks of any company shall be purchased by any such life insurance company, and that no company shall be permitted to invest in its own shares or in the shares of another life insurance company; or, Common stock.
- 20 (c) Ground rents, mortgages *or hypothecs* on real estate in Canada, or elsewhere where the company is carrying on its business, provided that the amount paid for any such mortgage *or hypothec* shall in no case exceed sixty per cent of the value of the real estate covered *thereby*;* or Real estate mortgages.
- 25 (d) Life or endowment policies or contracts issued by the company or by any other life insurance company licensed to transact business in Canada. Life policies
- 30 2. Any such life insurance company may lend its funds or any portion thereof on the security of— Lending funds.
- 35 (a) any of the bonds, debentures, stocks or other securities mentioned in the preceding subsection; or,
- 40 (b) real estate or leaseholds for a term or terms of years or other estate or interest therein in Canada or elsewhere where the company is carrying on business: Provided, however, that no such loan shall exceed sixty per cent of the value of the real estate or interest therein which forms the security for such loan, but this proviso shall not be deemed to prohibit a company from accepting as part payment for real estate sold by it, a mortgage *or hypothec* thereon for more than sixty per cent of the sale price of such real estate.
- 45 *3. The Treasury Board may authorize the acceptance by a company of bonds, stocks or debentures not fulfilling the foregoing requirements of this section (a) in payment or part payment for securities sold by such company, or (b) obtained under a bona fide arrangement for the reorganization of a company whose securities were previously owned by such company, or for the amalgamation
- 50 Other securities authorized by Treasury Board.
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