

3. For the purpose of such inquiry, the Superintendent may examine under oath the officers or agents of such company relative to its business. Examination under oath.

40. A report of all companies so visited by the Superintendent shall be entered in a book kept for that purpose, with notes and memoranda showing the condition of each company, after such investigation. Report of visits.

2. A special report shall be communicated in writing to the Minister, stating the Superintendent's opinion as to the standing and financial position of every company so visited, and all other matters desirable to be made known to the Minister. Special report to Minister

41. If it appears to the Superintendent that the assets of any company are insufficient to justify its continuance of business, *having regard to the requirements of sections 14 to 20 inclusive of this Act*, or that it is unsafe for the public to effect insurance with it, he shall make a special report on the affairs of such company to the Minister. Report when assets become insufficient.

2. If the Minister, after full consideration of the report, and after a reasonable time has been given to the company to be heard by him, and upon such further inquiry and investigation as he sees proper to make, reports to the Governor in Council that he agrees with the Superintendent in the opinion so expressed in his report, the Governor in Council may, if he also concurs in such opinion, suspend or cancel the license of such company. Governor in Council may suspend license of company.

3. Such company shall, during such suspension or cancellation, be held to be unlicensed and unauthorized to do further business. **The Superintendent may, however, issue such modified or conditional license as may be necessary for the protection of policyholders.** Effect of suspension.

42. Once in every five years, or oftener at the discretion of the Minister, the Superintendent shall himself value *by the net premium method*, or procure to be so valued under his supervision, all the policies of life insurance of Canadian companies, and the Canadian policies of life insurance companies other than Canadian companies, licensed under this Act to transact the business of life insurance in Canada. Valuation of policies of life insurance in Canada.

2. Such valuation shall, as to policies issued on or after the first day of January, one thousand nine hundred, and bonus additions or profits declared in respect thereof, be based on the British Offices Life Tables, 1893, O^m (5), and on a rate of interest of three and one-half per cent per annum; and as to policies issued prior to the said date, and bonus additions or profits declared in respect thereof, such valuation shall, until the first day of January, * * * one thousand nine hundred and fifteen, be based on the said mortality table, and a rate of interest of four per cent per annum; and on and after the first day of January, one thousand nine hundred and fifteen, be based on the same mortality table, and a rate of interest of three and one-half per cent per annum. Basis of valuation.

3. *It shall be allowable for any Canadian company, in preparing its statement of liabilities, to deduct from the value of* Deduction from value of policies.