

It is to be noted that the amendment does not affect the validity of a policy as security, but relates only to its protection in the event of bankruptcy or death.

Section 4 of the amending Act repeals subsections (1) and (2) of section 66 of the main Act, which section was imperfect in form, and it more clearly defines the policies to which the protection referred to extends. The protection is limited to policies dependent on accident, sickness, death, or other contingencies of life, but the following classes of policies coming within this description are excepted from the protection conferred:—

- (a.) Policies certainly payable at the end of a shorter term than seven years :
- (b.) Policies in respect of which the premiums are payable at longer intervals than one year, or are payable by unequal instalments, unless in either case the policy has actually been in force for at least seven years :
- (c.) Any policy in respect of which the premiums are not payable during the continuation of the policy, or a term of seven years at least, unless in either case the policy has actually been in force at least seven years.

It will be observed that except in the first instance policies of the description referred to which have actually been in force for seven years at the date of bankruptcy or death are fully protected.

The foregoing statement is, of course, to be read subject to the provisions of subsection (3) of section 66 of the principal Act, which limits the protection conferred by sections 65 and 66 to an amount of £2,000, together with accrued or allotted profits, or, in the case of annuities, to the annual sum of £104.

Section 5, the remaining provision in the Act, empowers an insurance company to transfer a policy on the death of the policyholder (not being the person insured) to any person who satisfactorily establishes his right to receive the policy, without requiring probate or letters of administration. This power is restricted, however, to policies in respect of which the premiums paid do not exceed the sum of £200, or where the sum payable, exclusive of bonuses, does not exceed that sum.

*Death Duties Amendment Act, 1925.*—Another recent statutory enactment bearing upon insurance policies as estate assets is contained in the Death Duties Amendment Act, 1925. By section 2 of that Act the proceeds of insurance policies comprised in any estate (whether or not the deceased was the person insured therein) are exempted from estate duty up to a maximum of £1,000. The rate of estate duty payable by the estate is nevertheless determined without reference to this deduction: in other words, although life-policy money up to £1,000 is free from estate duty, yet in determining what rate of duty an estate will pay under the graduated scale appended to the Death Duties Act, 1921, such life-policy money is included in the dutiable balance. Take, for example, an estate where the net balance is £7,000, made up of general assets (£6,000) and life-policy money (£1,000). In order to determine the rate of estate duty the estate is regarded as valued at £7,000, so that 5 per cent. is payable. Such rate, however, is levied only on £6,000, thus exempting the proceeds of the life policy from the impost.

It will be seen that the policy of the Legislature has been to confer considerable privileges in regard to life-insurance policies. By virtue of these provisions the insurance policy presents a convenient method of ensuring future provision for dependants.

Such provisions are another example of the attention paid by modern legislation to the social conditions and requirements of our time.

#### SHARES OF MISSING BENEFICIARIES.

53. A matter of considerable importance in the administration of estates is the tracing of missing beneficiaries and dealing with the shares of persons who cannot be traced. The extensive machinery of the Office enables it to prosecute expeditiously and effectively inquiries in regard to missing beneficiaries. It has