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*FIFTH SCHEDULE.*

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*Question 11.*—A statement to be furnished of the manner in which policies on unhealthy lives are dealt with.

*Answer.*—When proposals are made on lives which, although not of such inferior quality as to merit total rejection, are considered not to reach the requisite standard for insurance at the ordinary rates of premium, such proposals are accepted either at an increased premium or subject to a contingent debt.

The true age is taken as the basis of surrender calculations, except in the cases of paid-up policies, the surrender values of which are calculated at the rated-up ages.

The Appendices alluded to above have been compiled under the immediate supervision of Mr. G. W. MELVILLE, F.F.A.

A. E. ALLISON,

*Government Insurance Commissioner.*

18th June, 1930.

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