

## FIFTH SCHEDULE.

## ANSWER TO QUESTION 8.

THE AMOUNTS OF ALL ANNUITIES OTHER THAN THOSE SPECIFIED UNDER HEADING NO. 7.

Table.	Class of Annuity.	Amount of Annuities.	Annual Premiums.	Single Premiums.	Total Premiums received to 31st December, 1890.
VIII.	Survivorship .. .. .	£ s. d. 300 0 0	£ s. d. ..	£ s. d. 1,137 0 0	£ s. d. 1,137 0 0
X.	Deferred .. .. .	50 0 0	10 16 0	..	187 4 0
	Totals .. .. .	£350 0 0	£10 16 0	£1,137 0 0	£1,324 4 0

*Question 9.*—The average rate of interest at which the funds of the Department were invested at the close of each year during the period since the last investigation.

*Answer.*—At the close of each financial year the average rate of interest at which the funds of the Department were invested for that year was as follows:—

	£	s.	d.
1886 .. .. .	4	19	9
1887 .. .. .	5	3	8
1888 .. .. .	5	5	7
1889 .. .. .	5	7	3
1890 .. .. .	5	8	11

*Question 10.*—A table of minimum values, if any, allowed for the surrender of policies for the whole term of life, and for endowments and endowment assurances; or a statement of the method pursued in calculating such surrender values, with instances of its application to policies of different standing, and taken out at various interval ages, from the youngest to the oldest.

*Answer.*—The minimum surrender values for whole-life and endowment assurance policies issued at the present rates of premium are given in Appendix No. 8. In the case of children's endowments (premiums returnable) half the premiums paid are returned as surrender value after one year, and 90 per cent. after two years. Endowments without return of premium are treated specially.

*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 at increased rates. Great refinement is not attempted in the assessment of lives, proposals being as a rule either accepted at par, with an extra premium of 10s. per cent. of the sum assured, an extra of 20s. per cent., or declined. The alternative of a fixed contingent debt in lieu of extra premium, if not remissible, is always offered.

The true age is taken as the basis of valuation and surrender calculations, excepting in the cases of bonuses and 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. Morris Fox, the Actuary to the Department.

JOSEPHUS H. RICHARDSON,  
Government Insurance Commissioner.