

OTTAWA, July 18, 1904.

The Committee resumed at 8.15.

Mr. Geoffrion, Counsel for the Mutual Reserve, applied to the Committee for an order for the attendance of Mr. Thomas Bradshaw, an actuary in the Imperial Life Assurance Company, of Toronto.

The Committee agreed to sanction the order.

Hon. Mr. McMULLEN.—A letter was referred to by counsel for the Mutual Reserve, alleged to have been written by the witness, Paterson, to the Crown Attorney of New York, with reference to stopping publication of the 'Counselor' if the prosecution were dropped. They have had ample time to produce that letter, and I think it should be produced before Mr. Paterson's evidence is closed.

Mr. GEOFFRION.—We have sent to New York to obtain the letter, but the messenger has not yet returned.

Hon. Mr. PELLETIER.—In the meantime I move that the witness be discharged. I object to his being paid while he is no longer a witness for the Committee.

The motion was lost on division.

GEORGE D. ELDRIDGE, Vice-President and Actuary of the Mutual Reserve Fund Life Association, was recalled, sworn, and examined as follows:—

*By Mr. Geoffrion, Counsel for the Mutual Reserve:*

Q. You have already been examined in this case. You are the vice-president and actuary of the association?—A. Yes.

Q. You have heard the statement made by Mr. Paterson to the effect that the policy-holders known as the fifteen-year class had been, towards 1897 or 1898, I don't know which, put into a class with this effect, that they were to pay alone for death losses occurring in their class, have you heard that statement?—A. I have.

Q. What have you to say concerning that?—A. There has never been any action of the association placing them in a class by themselves compelling them to pay their own losses, and that they have not, as a matter of fact, been placed in a class for that purpose.

Q. Whenever a loss occurs in the fifteen-year class among whom is the apportionment made?—A. Among all the members of the company.

Q. All the members on the assessment system?—A. No, all the members of the company. There is no division, so far as paying death losses is concerned, between the different members of the company, but all must contribute their share towards the payment of the current death losses on the basis of the insurance that they are carrying.

Q. It has always been that?—A. It has always been that.

*By the Chairman:*

Q. That is indiscriminately?—A. Yes, without regard to class.

ELDRIDGE