

were charged with any amount that they retained, and credited with their commission.

Q. Of sixty-five?—A. Yes.

Q. So they remained debited with the amount advanced to them, and with whatever amount they retained out of the premium, if they retained anything, and credited with their commission of sixty-five?—A. Yes.

Q. And Mr. Moss's personal account was credited with his twenty per cent?—A. It was at the close of the year, and not before.

Q. And when you closed accounts with him, you lumped in all those agents' accounts, and charged the debit balances of those agents' accounts to him?—A. I do not know that that was actually done upon the books of the company, but that is the way in which the account has been treated and is treated.

Q. But from the point of view of settlement?—A. That is what was done.

Q. If you had not given him a release in exchange of his having transferred to you deferred premiums and renewal premiums, that is what would have been done?—A. Yes, and that is in essence what has been done.

Q. But in view of the fact that you gave him a release of his indebtedness to the association in exchange for his transferring to you the deferred premiums that belonged to him—A. That those actual amounts were transferred in a lump on the books to his account, I am not prepared to say.

Q. But in his statement, in which the cost is shown to be less than eighty-five per cent—A. Other agents' balances are debited to Mr. Moss.

Q. So that, by that system of book-keeping, the association made no loss?—A. No.

Q. And even assuming the contract would have been altered, as stated by Mr. Burnham, the alteration did not change the carrying out of it?—A. There was no change from the beginning to the end, in the method of carrying out the contract, or keeping the accounts.

Q. And they were kept in accordance with the terms of the contract as originally drafted?—A. As the executive committee understood the contracts, yes, and as I personally understand it.

Q. You know nothing about that alleged change in the contract?—A. I never heard of it, until the charges were laid with the Insurance Department in 1899.

Q. Do you see any difference in the meaning of the contract, and the alleged—
Mr. COSTER objects.

Question withdrawn.

Q. Then there was a final warrant drawn, when Mr. Moss left, for the purpose of closing all his accounts and meeting his commissions, and so on?—A. Yes.

Q. This document reads as follows:—

EXHIBIT No. 51.

No. 5774. \$37,390.

NEW YORK, July 27, 1898.

The bookkeeper of the Mutual Reserve Fund Life Association will credit Moton D. Moss, general manager, \$8,352.34 Moton D. Moss special account \$29,038.63, thirty thousand three hundred and ninety 97-100 dollars (\$37,390.97), and charge the same to account of committed commissions.

In discharge of first year commissions accrued and to accrue and in discharge of renewal commissions accrued and commutation and discharge of renewal commissions to accrue under contracts between the association and the said Moss, in accordance with the general release executed July 23, 1898, and approved and ratified by the board of directors under date of July 27, 1898.

By order of the Executive Committee.

J. D. WELLS.
GEO. D. ELDRIDGE.
GEO. BURNHAM, JR.

Entered Journal H. folio 63, J. A. H.

Examined: August 5, 1898.

E. A. Powers.