

APPENDIX No. 1

Q. He had claimed 10 per cent, which would be about \$2 ?—A. Yes.

Q. He was paid 5 per cent, \$1 ?—A. Yes.

Q. You prepared four or five copies, did you not ?—A. Yes.

Q. Are they ready?—A. Not quite ready.

Q. You heard Mr. Wells' evidence concerning the Moss contract?—A. Yes.

Q. You heard him charge that it had been changed, and in addition to that it had been improperly carried out, resulting in a very large loss to the association ?—A. Yes.

Q. I understand that was in reference to the contract of 1897 ?—A. Yes.

Q. Generally speaking the provisions of the contract of 1897, so far as they bear on this question, were that he was to get advances of \$3,500 per week?—A. Yes.

Q. In order to make advances, and that on the business obtained by his agents or by him he was to get a commission of 85 per cent on the first year's premium out of which he was to pay the agents and he was to get a renewal commission of a certain sum ?—A. Yes.

Q. Is that it ?—A. Yes.

By Mr. Coster, K.C., Counsel for the Committee :

Q. What was the renewal commission ?—A. One dollar and one-half a thousand on the five year business, and seventy-five cents per thousand on the ten year business.

By the Hon. Mr. Béique :

Q. For how long ?—A. Five years. In addition to that, there was a provision that the company would allow him \$200 per week for clerical force, expenses in his office, and that they would pay rentals to the amount of \$20,000 for agency offices.

By Mr. Coster, K.C., Counsel for the Committee :

Q. Is that in the contract ?—A. Yes, you will find it in the last two paragraphs of the contract of 1897. On the ten year distribution the first year's commission was 50 per cent, not 85 per cent.

By Mr. Geoffrion, Counsel for the Mutual Reserve :

Q. Have you prepared a statement of Mr. Moss's account, or have you caused to have prepared a statement of Mr. Moss's account showing all entries on the books relating to the 1897 contract ?—(Statement produced.)

By Mr. Coster, K.C., Counsel for the Committee :

Q. Was that made by yourself? Is the book-keeper here?—A. The man who made it is here.

Q. And he will be called to verify that ?—A. Yes.

Q. That is the same as was submitted to the Insurance Department of the State of New York ?—A. Oh, no. This is a statement showing everything that was paid under that contract, every dollar that was paid, advances retained by agents for Mr. Moss, the first year's premiums that were never received, and the renewals that accrued to the end of the five year, showing the whole results of the contract.

Q. And you submitted to the department Mr. Moss's accounts, and those differ, you say, from these?—A. At the time that examination was made, in 1889, they could not be brought down to the five-years renewals. This brings it down to the termination on the renewal contract, and is a synopsis of what is contained in several hundred pages of reports that were made to Mr. Moss at different times, and reports that were made to the department, and is, of course, a consolidated report. We could not bring it in to attempt to explain hundreds of pages of report. I understood the Committee desired presented to-day the result of that contract, and that is what I have made out. Of course, the amounts have to appear in lump sums, or else you would have an exhibit here that would fill hundreds of pages. They can be verified on the books of the company at the home office.