

Q. And you have debited him with all the agents' balances ?—A. Debited him with every dollar paid out on account of that contract, and credited ourselves with the reserve therefrom.

Q. Can you give us the purport of Exhibit 50b ?—A. This is Mr. Moss's own commission account. In that account nothing was kept of the advances at all but the payments made to him and the credit under the contract. He has charged himself with all the payments made to him and with excess of salaries and excess of rents. There are two credits, one to commissions on personal business—that is the 65 per cent on business done by himself personally, and then he is credited with the overriding commissions on the premiums received during 1897, and the balance shows a credit to his account of \$6,802 at the end of 1897.

Q. That is Moss's personal account ?—A. Yes.

Q. As distinguished from his account as general manager ?—A. The general manager's account simply covered the moneys that were deposited to his account before he accounted for them. The general manager's account contained nothing of commissions of that kind, but was just an account through which the advances passed.

Q. This exhibit, 50a, really contained to the debit of Moss. The same items as are contained in the statement Exhibit No. 50a, apart from the moneys advanced to agents or retained by agents ?—A. Yes, that is it. Perhaps I can make it a little plainer this way : by our system of book-keeping every agent had an account and he would be charged with his advances or with the moneys paid to him and credited with his commissions thereon. If he retained any money it was charged to him, and, of course, the commission credited. As far as the 65 per cent on business actually done, Mr. Moss was treated in the same way as an agent of the company, and he was charged with what was paid to him or retained by him and credited with his 65 per cent commission. The 20 per cent had been nowhere credited then. At the end of the year we credited on that account 20 per cent. That is the first time the 20 per cent had been touched. Up to that time it had been the 65 per cent ; so that it was really just the same account as kept with the other agents, except that at the end of the year he got his credit for the overriding commission on the premiums actually received.

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

Q. Does it show the amount of the 20 per cent overriding commission ?—A. Yes.

Q. What is the amount ?—A. \$93,810.78.

Q. That is the amount we have come up against so often ?—A. That is the 20 per cent overriding commission.

Q. He got that in addition to the \$182,000 ?—A. No, he did not.

By Mr. Geoffrion, Counsel for the Mutual Reserve :

Q. What does Exhibit 50c purport to show ?—A. It is Mr. Moss's account as general manager, charging him with all advances made by him to agents as shown by the vouchers of those agents. It is simply an account to show that he used the money that was advanced to him for the purposes for which it was advanced. He was charged with the advances made and credited when he accounted for that by vouchers as advances to agents, and then those amounts were charged to the agents.

Q. And he advanced \$528.75 more than he received for advances ?—A. Yes.

Q. Are the amounts put here year by year ?—A. It is a consolidated statement to get it into that shape.

By the Hon. Mr. Béique :

Q. Will you tell us this : Did the company, as a matter of fact, pay for the business done through Moss under that contract of 1897 more than 85 per cent, including the 65 per cent which as a rule was paid to the agents ?—A. They did not pay any more than the 85 per cent.

Q. The business did not cost the company any more than the 85 per cent ?—A. No, no more than the 85 per cent of the renewal commissions.