

effect it cuts off our right of assessment, and the accrued liabilities should be paid from the extra amounts that have been accumulated. It will be, as an average, sixty days before we will get a payment from these people when the change is made.

By the Hon. Mr. McMullen:

Q. You purpose paying the accrued policies out of the funds in the hands of the government?—A. We expect to furnish the money. It cannot be taken out of the hands of the government. We expect to furnish that money, but the money in the hands of the government will counterbalance this that we furnish for the payment of the accrued death losses.

By the Hon. Mr. Sullivan:

Q. And you will have a claim on the government?—A. Only it will be as an offset against the accumulated risk.

By the Hon. Mr. Wilson:

Q. If you take \$152,000 out and pay the claims yourself, what do you do with the \$152,000?—A. It is not taken out; it is distributed to the members.

Q. And will be apportioned to the members who will not insure under the old line, and what is to become of those that still remain on the annual assessment?—A. Yes, and they get their proportion of the \$115,000.

By Mr. Sullivan:

Q. How do they get it?—A. The Bill defines how they will get it.

By the Hon. Mr. Domville:

Q. Who gets the money?—A. It remains with the government. Not a dollar of the money with the government is to be withdrawn under that Bill.

By the Hon. Mr. Wilson:

Q. Is that as an asset of the company or in what position will it be when you take out \$152,000?—A. Against that \$152,000 which remains in the hands of the government, there will be charged against us a liability of \$152,000 if that Bill goes into effect, and that is to offset it.

By the Hon. Mr. Béique:

Q. The whole deposit remains?—A. Yes.

The Committee then adjourned until 10.15 a.m. to-morrow.

OTTAWA, Tuesday, July 19, 1904.

The Committee met at 10.15 a.m.

Examination of George D. Eldridge continued:—

By Mr. Geoffrion, Counsel for the Mutual Reserve:

Q. Statements have been filed concerning the Bankers' Life Association of Des Moines. Have you any remark to make concerning the manner in which they make their report?—A. In the matter of a comparison with any company, the manner of
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