

paid for, new business not taken, change and increase, in 1900 and 1901 he included new business paid for, new business not taken, change and increase, and revived business; and in 1902 and 1903 he simply included new business paid for, so that the basis of comparison is not the same throughout. He has taken from the sworn reports and sometimes he has taken some figures, and sometimes left out those figures for other years.

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

Q. What years did he not take it accurately from the report?—A. I did not state that he did not take it accurately from the report. He did not take it on the same basis, not the same items. Now there is a schedule of exhibits of policies in 1900, policies and certificates written, revived or changed during the calendar year \$64,000,000. That includes revived, changed and not taken business.

Q. It says so there, does it?—A. It says so there.

Q. Where are the ones not taken?—A. It states in here the amount that went out of force during the year, \$48,949,000, and it gives in there, those that went out of force, policies terminated by lapse, and not taken during the year.

Q. How much was not taken?—A. That does not define that amount.

Q. What is the amount not taken?—A. It does not show there the difference between the amount not taken and the terminated by lapse, but it does show that in this item new business is included, revived and changes. When you come to 1903, the schedule there is made up more in detail, the blank calling for more in detail, and it shows, issued during the year, new business \$12,500,000, revived during the year \$1,974,000. As it included in most of the other the revived, to make a fair basis of comparison the revived should have been included in the 1903, but he excludes that.

Q. Look at the report yourself, and tell me from the report what that would be?—A. You cannot tell from the report what the revived would be, but the report shows that the revived was included in new business, and here with the knowledge of what was revived, the statement before him in making up his basis of comparison, he excludes the revived here while the report shows it was included there, thus making a different basis of comparison.

By the Hon. Mr. McSweeney :

Q. What was the amount that went out of force in 1903?—A. \$22,000,000. It is not a criticism of the accuracy of any of the figures taken on the basis of which they were computed merely; it is different computation for different years, and allowance must be made therefore in any estimate of the accuracy of the ratios. In the earlier years, 1890, for instance, the report does give the material fact, taking out the not taken, but notwithstanding that fact, and that the last years were based upon it with the not taken excluded, he leaves the not taken in.

Q. How much is included in 1903?—A. Issue of new business was \$12,500,000, the revived of that is \$1,900,000.

By Mr. Geoffrion, Counsel for the Company :

Q. Your own association, of course, keeps books?—A. They do.

Q. Do they keep their vouchers and documents also?—A. They do.

Q. All these charges concerning which there is conflict in this evidence can be verified, can they not, by an examination of the books and vouchers of the association?—A. Everything that relates to expenditures can be certified from the books and the vouchers of the association.

Q. Has the New York department examined into those charges?—A. They have.

Q. A statement has been made that a sum of \$15,000 was paid to Mr. Macdonald for the purpose of stopping certain threatened lawsuits; have you any statement to make on that question?—A. In 1897 the company reapportioned a portion of its