

I had a reply from Mr. Batger on the 16th—

Hon. W. J. Steward, Wellington.

Auckland, 16th October, 1885.

Your telegram received. Have convened directors for its consideration, and will reply after their meeting to-morrow.

JOHN BATGER, Secretary, Rotorua Railway.

I then wired Mr. Batger as follows :—

J. Batger, Esq., Secretary, Rotorua Railway Company, Auckland.

Wellington, 16th October, 1885.

When replying to-morrow to my telegram, please state also whether, failing purchaser for whole, directors will authorize sale of fifty thousand on terms mentioned.

W. J. STEWARD.

The Committee will see that my object was to get a good price for my clients, and, in order to do that, to arrange that there should be a line of at least £100,000 for disposal if I could not get the whole.

16. *Mr. Fulton.*] Where are these letters from?—From Wellington. Then I had a telegram on the 17th—

W. J. Steward, M.H.R., Wellington.

Auckland, 17th October, 1885.

DIRECTORS decline breaking the amount. Will accept offer, excepting accrued interest. Will allow half of that. Debentures deliverable as in terms company's agreement with Government.

JOHN BATGER, Secretary.

On the 17th October I wired Sir J. Vogel as follows :—

Hon. Sir J. Vogel, Christchurch.

Wellington, 17th October, 1885.

RECEIVED authority Rotorua Company sell one hundred fifteen thousand odd debentures, payable to them under article 2 of their agreement with Government. Can accept ninety-five, accrued interest divided—that is, company to receive ninety-five and half amount of interest accrued to date of sale. Will Treasury purchase on terms stated?

On the same date this reply came from Sir Julius Vogel :—

Major Steward, Wellington.

Christchurch, 17th October, 1885.

ROTORUA : No to your offer, but will purchase part of amount for ninety-five, including accrued interest.

JULIUS VOGEL.

17. *Mr. Barron.*] Where was that from?—From Christchurch. He said he would take £50,000.

I wired to Sir Julius Vogel,—

Hon. Sir J. Vogel, Christchurch.

Wellington, 18th October, 1885.

RAILWAY debentures, Waimate Rotorua : As amount interest accrued will by that date be increased by ten shillings, suggest that, on lines your proposal, you give 95.10, payable end November. Say if will do this. You state would take part Rotorua. Kindly say to what amount.

W. J. STEWARD.

Then there is a telegram, dated 19th October, from me to Mr. Batger—

John Batger, Esq., Secretary Rotorua Railway Company, Auckland.

Wellington, 19th October, 1885.

SORRY cannot place the whole. Have definite offer of ninety-five, including interest to 30th September, company to get advantage of further interest accruing to date of payment. Purchaser will take £50,000 certain—possibly more. As am positive you cannot sell to better advantage, hope to hear offer accepted. Reply before five to-morrow.

W. J. STEWARD.

Then, dated Auckland, 20th October, there is a telegram from Mr. Logan Campbell to me—

W. J. Steward, M.H.R., Wellington.

Auckland, 20th October, 1885.

WILL sell on your terms, equal ninety-two and half net. Whole amount issued to company, some hundred fifty-six thousand debentures, to be taken as issued. Cannot break the amount. Reply to-morrow.

LOGAN CAMPBELL.

On the 20th I also telegraphed to Sir Julius Vogel, stating that the Company would not break the parcel—

Hon. Sir Julius Vogel, Christchurch.

Wellington, 20th October, 1885.

ROTORUAS. : Company will not break parcel. Under their instructions I offer you one hundred fifteen thousand at ninety-three, company to receive interest to date purchase, or ninety-five *plus* interest accruing from first October, you taking interest accrued to 30th September. As these are your own terms as offered for fifty thousand, hope you will be able to close for the whole. Reply promptly.

W. J. STEWARD.

On the 20th also to Sir Julius Vogel—

Hon. Sir J. Vogel, Christchurch.

Wellington, 20th October, 1885.

ROTORUAS. Please read this in connection with previous telegram wired to-night. Sale of one hundred fifteen thousand odd figures contingent on your agreeing to take further forty thousand odd issuable under article seven, when issued, at ninety-three ex accrued interest to date issue.

W. J. STEWARD.

Then, on the 21st, dated Christchurch, comes the reply to mine,—

Major Steward, Wellington.

Christchurch, 21st October, 1885.

ROTORUA debentures : Will take 50,000 as soon as they can deliver at 95, with two per cent. accrued interest included. Will take balance, 65,000, on same terms not later than 20th December. Will take additional 40,000 at 93 on month's notice. Offer open until to-morrow evening.

JULIUS VOGEL.

Then there is the memorandum to Mr. Batger, dated the 22nd—

J. Batger, Esq., Rotorua Railway Company, Auckland.

Wellington, 22nd October, 1885.

WAITING reply my telegram of yesterday to Logan Campbell. Reply immediately.

W. J. STEWARD.

Next there is the reply to that, stating that the directors were holding a meeting—

W. J. Steward, Wellington.

Auckland, 22nd October, 1885.

DIRECTORS' meeting immediately. Will reply soon.

JOHN BATGER.

Then comes my reply to Mr. Logan Campbell on the 21st—

Logan Campbell, Esq., Rotorua Lakes, Auckland.

Wellington, 21st October, 1885.

IN accordance with your instructions of yesterday, propose to sell your debentures as follows : Purchaser to take fifty thousand so soon as you can deliver at ninety-five, including two per cent. accrued interest, and balance of sixty-five thousand (odd figures omitted) on same terms not later than twentieth December ; also additional forty thousand issuable under article seven of your agreement on month's notice at ninety-three, ex accrued interest. Reply immediately, intimating your concurrence. Will thereafter disclose name purchaser.

W. J. STEWARD.

By this time I had received authority from the Waimate Company to sell their debentures at the price offered. Then, from Mr. Logan Campbell on the 22nd (urgent) stating terms—

W. J. Steward, Esq., M.H.R., Wellington.

Auckland, 22nd October, 1885.

You may make absolute sale whole of debentures arising to company on following terms : No. 1 : Price, ninety-five with two per centum accrued interest, only equals ninety-three cash. Fifty thousand. Order granted on Government to receive debentures to said amount when same are deliverable. Money can be paid to a trust account with Bank of New Zealand, transferable to company when purchasers receives debentures. No. 2 : Sixty-five thousand odd on similar terms, ninety-five less 2 per cent. cash, payable 21st December. No. 3 : The forty thousand odd to be taken and paid for on similar terms, ninety-five less 2 per cent., as issued by Government. No. 4 : The additional interest allowed company under clause seven of agreement, which will be adjusted in account current between Government and company, will become payable also in 4-per-cent. debentures, in excess of the forty thousand. These now also offered at ninety-five less 2 per cent. No. 5 : Commission payable at respective periods of cash payments.

J. L. CAMPBELL, Chairman.