424. Did Mr. Henderson say anything particular that you remember besides dictating that ?— No, nothing particular.

425. Did he say anything to you you remember?—He told me before I commenced to write

this that it was to be private; it was to be kept secret.
426. That you were not to mention anything; that it was to be kept secret?—That I was to hold my tongue in the matter.

427. Did you also write a telegram?—I wrote one, I think, to Foster, if I recollect aright.

428. The Chief Inspector of Stock in Christchurch?—Yes.

429. Did you originate that or did any one dictate it to you?—It was dictated. 430. Who dictated it?—Mr. Henderson.

431. Do you remember the answer coming to that?—There was an answer which I showed to Mr. Henderson.

432. Was Mr. Scott in town when the answer came ?—No; Mr. Scott had gone South.

433. Mr. Scott had gone away South, and an answer came which you showed to Mr. Hender-Do you know when the answer came?—The day after, I think—about the 27th.

434. What did Mr. Henderson say?—He came over and told me to see Mr. Ritchie, the Sheep Inspector.

435. Anything further?—He told me to represent that I had come from Mr. Scott.

436. Told you to represent to the Sheep Inspector that you had come from Mr. Scott?—Yes, about this run at Timaru, saying that he had received a communication from Christchurch, and asking him if he could have the case withdrawn that was coming on at Timaru.

437. Did you see the Inspector?—I did.

438. Mr. Inspector Ritchie?—I did; yes.

439. Did you know where his office was?—I did not.

440. Who told you where to go?-Mr. Henderson told me I would find the office in the Government Buildings.

- 441. You got an answer from Mr. J. D. Ritchie?—I did. 442. Did you convey that answer to Mr. Henderson?—After writing it. I called at the office and wrote down exactly what Mr. Ritchie said, and then delivered it to Mr. Henderson.
- 443. You called back at Mr. Scott's office and wrote down a memorandum of what Mr. J. D. Ritchie had said, and took that and delivered it to Mr. Henderson?—I did.

Mr. Chapman: I should like to have that.

Mr. Haggitt: If you have a copy of it put in the copy. We have no special notice to produce it

Mr. Chapman: No, we went as far as we could; we got an affidavit of documents.

444. Mr. Chapman.] Will you tell us what it contained?—It is dated "Dunedin, 27th May,
1891.—Memorandum.—Mr. Henderson,—I saw Chief Inspector Ritchie, who states he consulted the Law Officers in this case when he (Mr. Ritchie) was in Wellington, and they state, so long as Mr. Scott holds the run he must be held responsible, and he cannot withdraw the case. He had also received a communication from Mr. Foster, Christchurch, on the subject; and he also stated that sheep were still running on the land when he visited it a short time ago, and to advise Mr. Scott that things must take their course.—Yours truly, W. Logie." Signed by myself.

445. Did you see Mr. Henderson when you took that over?—I delivered it personally.

446. Did you ever get it back?—No.

447. Did he say anything?—Nothing particular. I do not know that he made any remarks then.

448. Did you keep Mr. Scott's books?—Yes.

449. Have you his books there?—I have the cash-book and ledger.

450. And how did you enter the costs, five guineas, paid to Messrs. Perry and Perry?—I should enter it in the cash-book from the block, and then debit it in the ledger. I debited it to the National Mortgage Company, because I understood it was on their account it was paid.

Cross-examined by Mr. HAGGITT.

451. Mr. Haggitt.] Who told you to debit the money so. You did not do it of your own motion? When I see the accounts written out I debit them accordingly.

452. You did it of your own motion?—As I keep the books, I should make all the entries as written in the cheques.

453. His Honour. You have the block of the cheque-book there: in whose handwriting is that? - ${f Mine}.$

- 454. Mr. Haggitt.] You did it entirely of your own accord?—Quite so.
 455. Sir R. Stout.] Why did you put "N. M. A. Coy." there?—Because it is their account.
 456. Why did you put it there?—Because I perfectly understood it was an account of theirs.
 457. Mr. Haggitt.] From whom?—From Mr. Scott; from hearsay all through. I understood
- from the first how the matter stood, though this was my first connection with the case.

Mr. Haggitt: That will do.

Sir R. Stout: That will be our case, with the documents put in.

Mr. Solomon: The course we propose to adopt is to open and record our view of the evidence and the facts of the case; and at the close of the evidence it is for the other side to move. understand, is the usual course adopted. It will be for the plaintiff to move for a decree if he thinks himself entitled. I suppose the plaintiff does not object to that.

Mr. Chapman: It is the usual course. We do not object.

Mr. Solomon: The question between the parties before the Court will resolve itself at the con-

clusion of the evidence into a very short and simple question of fact. As to the law that my learned friend Sir R. Stout stated, that an agent is entitled to be indemnified by the person who employs