

release for 10s., and you had better do it." I said, "I have always paid people what I owed them"; and I said, "I do not want this release." Then the people said, "We will give you five years—and ten years—to pay this off"; and this was put down in black and white. It is a bill.

69. *Mr. Hall.*] It is a bill?—Yes. It is here with the papers I have put in (see Exhibit A). There is the amount, and the survey is still unpaid-for.

70. You say that on the 23rd March, 1888, the Northern Investment Company offered £40,000 for a term of three years. That is a copy of the letter that you have put in from the company (see Exhibit C)?—Yes, that is their own statement.

71. Who valued the land?—To the best of my knowledge and belief, Captain Russell and Mr. J. N. Williams. Anyhow, they were up there, and I went round with them for some purpose connected with it.

72. You think that James Williams and Captain Russell did it?—Yes, I am pretty well sure of it.

73. Do you know their valuation?—I do not.

74. Now, two days later the bank foreclosed?—Not two days, surely. It is twelve months later you are referring to.

75. No, in 1888?—That is a mistake in the printing.

76. Now, they offered it to you at 6½ per cent?—They offered it to the bank, not to me.

77. What were you paying at the time?—I cannot remember. I should think it would be certain to be 8 per cent. I will tell you what I go on: Mr. J. N. Wilson, who was solicitor acting for the bank as well as for me, asked me to come straight up to Auckland and see the board there about some of this business, and he proposed to the board that they should make my account 6 per cent.; that the 8 per cent. was an excessive rate. The reply was then, I think, through Mr. Tolhurst, to the effect that the Bank of New Zealand had plenty of use and outlets for its money at 8 per cent., and that they could not do it under that rate.

78. Now, had you ever been a defaulter in payment of your interest?—No, I do not think so. I had the statement of the manager himself—Balfour—that the place had always paid interest, and when it was sold up and bought in there is a statement of the account here on the sale-notes, and there is another statement by the accountant which shows it was paying 8 per cent. interest and that there was a surplus of about £3,000 besides.

79. What reason did the bank give to you for foreclosing?—Because they wanted the money.

80. Did they give you any reason for refusing the £40,000? You say they wanted the money. Did they give you any reason for refusing the £40,000 then?—The manager for the Northern Investment Company wired to Murray, I think, about the offer they had made, and just one word came back by telegram, which was "Declined." There was no explanation or anything else, so I was told by the manager of the company.

81. Do you remember, at the time that this estate was advertised, what the annual income was?—About £13,000 gross.

82. How many sheep did they shear on the estate?—Forty thousand.

83. About £13,000 a year, you say, was the gross takings from the estate?—Yes.

84. What were the expenses?—The statement of the accountant who is managing the place now is this: Working-expenses, £2,554; rates, taxes, carriage of wool to port, £886; making £3,442.

85. Was this in the year 1889 or 1888?—This was on the 31st March, 1889.

86. And what was the amount of interest?—The interest was £5,574 at 8 per cent.

87. And the total?—The total expenses were, including buying sheep £1,234—that is hardly a legitimate expense, that is capital—including that, £10,251. Now the income at the same time would be down at £13,179.

88. You say that at the time they foreclosed the estate was actually giving a profit of some £3,000?—Yes, after paying 8 per cent. Not only that, but their own statement goes to show that.

89. Now, under those conditions, you had naturally asked them the reason why they were foreclosing when the estate was paying them so well. You say that you were not paying less than 8 per cent.; and you also allege that one of the officers of the bank had informed you that they wanted their money so that they could let it out to the very best advantage to the bank, and that 8 per cent., they considered, was a fair thing. Were you paying them the same rate of interest as they were getting from ordinary customers in similar or on smaller sums?—My impression is that I was paying 1 per cent. more than the ordinary people were paying.

90. So that their reason for foreclosing was not a good one?—It certainly appeared to me that the Bank of New Zealand had got a whole host of things that were not paying—that were only paying nominal interest—and things that had fallen into their hands; and here was a thing which was paying not only interest, but going up at the rate of 50 per cent. in income per annum. I do not know that any one could find the reason for their selling except that they wanted the money.

91. Now, here is the advertisement of the Bank of New Zealand, and here is a statement of their income, and here is also the statement as to the value of the estate?—They have given no valuation there, I think, except that which has been made by a gentleman who did not impart his valuation to me. Mr. White, this gentleman, was with me over the place for about ten days, but he did not say what his valuation was or anything about it.

92. He states here that the net return for the wool was £5,540 16s. 6d. the last year, 1888?—This is the next year that they give here. It is a very large increase.

93. Now, do you regard this statement containing the advertisement-sheet as being reliable?—Quite.

94. You do not consider it exaggerated?—Not the least bit; and not only that, but that statement has been made at intervals by all the reputable judges in the country. The people that had