

various occasions offered to resell the entire property to him on certain conditions which he has never been able to carry out, and these negotiations came entirely to an end in November last, when our clients entered into an agreement for the disposal of their entire interest in a great bulk of the property to a syndicate formed by Messrs. Scrimgeour. As matters now stand our clients will certainly not accept any such sum as £12,000, which would not nearly cover our clients' outlay and expenses for their interest in the property and the expenses they have incurred. If Mr. Jones or his friends are prepared to offer £30,000 cash down, or half that amount, with ample security for the balance, it is not improbable that we might be able to arrange a sale of the property on these terms; but the matter cannot long remain open, as already arrangements are under consideration for surveying and lotting out the entire property for sale in New Zealand, under the direction of Mr. Travers, of Wellington, and certain parties who are acting there with him, and the completion of this arrangement is not likely to be much longer delayed. Under this arrangement, if carried out, the whole of the surface lands will be disposed of, leaving the question as to the minerals to be dealt with later on.—We are, yours faithfully, FLOWER, NUSSEY AND FELLOWES.—E. G. Jellicoe, Esq., Langland Bay Hotel, near Swansea." That is £30,000 he held it to be worth. It was held by the High Court that he was only entitled to what he paid for it.

22. *Hon. Mr. Anstey.*] In your statement you say it was 1894. In your petition you say it was 1895 that Mr. Jellicoe wrote?—I have made an error in the petition. It was in 1894. At any rate, I had several opportunities of selling this property, but this claim by Flower always cropped up and stopped it. His only claim was for what he paid for it, and he could have got that at any time. Knowing that he was putting in a claim for £30,000, a writ was issued in the King's Bench Division of the High Court between Jones and Flower, Hopkinson, and others. This is the statement of claim, and I would like to put it in, because it shows the numerous instances I had of selling the property, but this man Flower always cropped up and claimed the ownership. This claim gives all the particulars about it. You will see more in that with regard to Flower's conduct than if I were to talk for half an hour. The action came on for slander of title before Mr. Justice Bingham in the Court of King's Bench on the 24th July, 1894. This ended on the third morning of the trial, when they said in Court they would compromise and withdraw if I would consent to give them £17,000 and pay their costs. At this time there was an offer before me to sell the property for £200,000. I took the advice of Sir John Lawson Walton. We believed that we would get a heavy verdict, because there was no real defence, but Hopkinson was bankrupt, Fellowes was only a clerk, and Flower had not much left. I said, "Leave us to treat with him," as I would have done anything to be out of law and get hold of the property. On the 27th July, 1904, terms were arranged under which if I did not pay the £17,000 at the end of two years I was to give a mortgage over the property. I did not pay the money. Unfortunately, these troubles came cropping up again after the compromise even. I gave a mortgage, and there was six months' extension.

23. *Hon. Captain Tucker.*] How could you give a mortgage when the property had been sold?—I will explain that to you. They went through a form of reconveyance to me so as to get a mortgage. It was a trick.

24. The property was back in you again?—Yes. It was their way of carrying out a trick. I did not pay the money, and there was an extension of six months granted by adding another £500 to the mortgage. That is the truth of the whole position. After giving this mortgage I was about to sell the property through Messrs. Doyle and Wright, besides through other sources. Flower died immediately after the compromise of 1904, in September—about two months after the compromise. Then his executors took possession of the estate, Mrs. Lefroy, Lefroy, and Colin Campbell. At the compromise in 1904 I raised three objections to it. One was that Flower had already frequently stopped my sale of the property, and he might do it again; secondly, I refused to give them a title under the Land Transfer Registry Act, because I had a private Act of my own; and I would not take over the tenants because a mortgage cannot create a tenancy—they had no right to put them on the property. The Court held that he bought the property in trust for me as my solicitor, and a mortgagee cannot create a tenancy except by express terms. I put in the Court order that they arranged that they should join in removing the tenants. That was No. 1. No. 2 was that as I was about selling the property it did not matter under what statute I gave them the right to register. Well, I waived that point. No. 3 was, if this report got circulated again and damned my sale, where was I? The jury was kept sitting in the box while this was being arranged. The Judge then invited the counsel for both sides into his room. He said, and it was agreed by counsel, I was right in not taking over the tenants; secondly, he said it did not matter under what Act I gave them the power to register; and, thirdly, that if this report cropped up again preventing me selling the property it would render the contract void and the Court would protect me. Well, they again stopped my sale, and I have had ample evidence to prove it. The people who were buying from me were Messrs. Doyle and Wright, but while they were dealing with me for the property this report cropped up again and it stopped me from selling. In the meantime the executors put the property up for sale in New Plymouth on the 10th August, 1907, and bought it in for themselves.

25. *Mr. Craigie.*] For how much?—The upset price, £14,000.

26. *Mr. Statham.*] Did they sell through the Court here?—Yes.

27. There was no secret about their buying it in themselves?—No, it was an open sale.

28. *Mr. Bell.*] You gave them a mortgage as a result of the Court order, I understand?—That is so, but it was a condition that if they prevented my dealing with the property both that mortgage and the compact made in the Court would be void.

29. You are putting that order in?—Yes. I took counsel's advice on it. Sir John Lawson Walton advised me. I spoke to him about it, and he replied, "Have you proof that they did this again?" I said, "I have." I will put the proof in.