

time putting their proposal before us, and we will have to reject or accept . . . which I think we have a good chance of getting . . . so we just want to know in what position we stand with your Board in this matter.

*Mr. Perry* : Yes. Of course, you have our letter of a short time ago ?

*Mr. Lysnar* : I got your letter, but, of course, a letter like that is impracticable to take action on ; it is all "ifs" and "conditions," and one thing and another, that one does not know where one stands. We cannot afford to bring a boat here and then find that you have so many conditions it is impossible for us to fulfil, and so forth. This letter is all full of qualifications and conditions we do not know where we are.

*Mr. Perry* : Yes, well, in your letter (in answer to ours) of the 16th October you say that the boat belongs to the company practically : is that so ?

*Mr. Lysnar* : That is so. I do not know why your Board should question that ; we have stated so before. There has been some false information circulated to your Board, and it is not true nor justifiable.

*Mr. Perry* : And that you have the means of carrying out any contracts you enter into ?

*Mr. Lysnar* : Yes. Our agents at Home are responsible people, and they are agreeable to that. All our current obligation is accounted for and liabilities ahead, &c. Fortunately, we were able to earn a freight to the Argentine after your Board had excluded her from here. That gave us a fair profit, although the freight is on a much lower basis than the New Zealand. We made over £14,000 over our Argentine business. Of course, that was two trips, it is not, of course, as far as from here.

*Mr. Perry* : We have here a copy from the Registry Office of a sworn statement made quite lately—

*Mr. Lysnar* : By whom ?

*Mr. Perry* : By yourself—dated 23rd February, 1924, which we must take notice of.

*Mr. Lysnar* : That is only in connection with the license fees, and we have asked for a . . . of the license until we bring the boat—trading in New Zealand, when we will notify them and pay a fee for it.

*Mr. Hunt* : But you say there that you have no financial interest.

*Mr. Lysnar* : We did nothing of the sort . . . no financial earnings at the present time in the New Zealand trade.

*Mr. Perry* : Your statement is : "I am chairman of the directors . . ." [Reads full statement.]

*Mr. Lysnar* : The position has changed since then. We have fixed the question of the amount payable to the bank, and that has been arranged for with the small exception of one outside director, and we are entitled to balance of the shares. The money has come in better than was anticipated. In the terms of the settlement the directors, of course, of the company were to have anything over a certain amount collected. We are, on the figures as they stand to-day, £22,000 of a surplus.

*Mr. Hunt* : . . . the boat in the hands of the mortgagees. It has been . . . by the mortgagees there.

*Mr. Lysnar* : Who says so ?

*Mr. Hunt* : You say so.

*Mr. Lysnar* : We say there we are not going to bring that out here—

*Mr. Hunt* : Your company is a bankrupt concern.

*Mr. Lysnar* : The position is we are not a bankrupt concern.

*Mr. Hunt* : You have stated so yourself—that you have no funds, and we cannot afford to jeopardize the interests of the producers by entering into contracts with people who cannot carry them out.

*Mr. Lysnar* : As I say, the position has altered since then, and the directors will have at their disposal from practically now on the matter of £22,000 of unpaid capital. It is for them to say in what way that is to be used in requirements necessary, but the bank have no claim on that now. We did not know at the time of that . . . we were doing so to avoid having to pay about £300 a year for license fee.

*Mr. Hunt* : We will not deal with a bankrupt concern. From all the evidence we have we won't deal, so that it is just as well to put it straight out.

*Mr. Lysnar* : I have stated in the letter that anything you require in a reasonable way we are prepared to carry out.

*Mr. Perry* : But that is not sufficient ; it has got to be --

*Mr. Lysnar* : You had better write us a letter and say you think our company is a bankrupt concern and what information you require.

*Mr. Hunt* : We have told you what evidence we desire.

*Mr. Lysnar* : The object of this was simply to see if we could not get a quick solution of this matter, because as we have pointed out we may get a cable at any time.

*Mr. Hunt* : We won't deal. You have to consider that your company is unable to carry out its obligations.

*Mr. Lysnar* : If you will state that in writing, then, of course, we know what to do.

*Mr. Perry* : You refuse to give us proper information that will confirm this statement.

*Mr. Lysnar* : I did not refuse at all. I told you that since that statement was made the position has altered.

*Mr. Hunt* : Give us the alteration in writing. From all evidence your concern is bankrupt and is not able to carry out its financial obligations, and we cannot deal with you.

*Mr. Lysnar* : I have here the balance-sheet of the operations of the boat at Home recently, which I have no objection to you seeing, and that shows, as I told you a little time ago, that after that