

1. £100 9s. 8d.—*Messrs. Morison, Smith, and Morison*, solicitors: Work done on behalf of company; a claim against the company.

2. £14,000 and interest, and a share of royalties in Western B and Northern and Eastern Divisions.—*Sir J. P. Houfton estate*, per Messrs. Chapman, Cooke, Tripp, and Watson: Moneys advanced for payment of advance royalties and secured by debentures.

It is not clear whether the royalty claim is part of the security for the £14,000 or whether it is a separate transaction altogether. If the latter is the case, there are no particulars as to why the royalties were granted.

The debenture claim is a claim against the company only, and so also is the royalty claim if collateral to the debenture security.

3. (a) £15,630 plus interest; (b) £5,090 plus interest.—*Cammell, Laird, and Co.*, per Messrs. Bell, Gully, Mackenzie, and O'Leary.

(a) Is money advanced to Dr. Chapple to enable the company to pay royalties and secured by mortgage debentures of the company; (b) expenses incurred by Sir Haviland Hiley in investigating concessions and titles on behalf of Messrs. Cammell, Laird, and Co., secured by an agreement to mortgage its timber concessions and assets. Both are claims against the company.

4. (a) £14,700 plus interest; (b) £15,000 plus interest.—By *Bertram Philipps*, per Messrs. Bell, Gully, Mackenzie, and O'Leary.

Secured by agreements to mortgage the company's assets and pledge of debentures.

(a) £10,000 of this amount for advance royalties. A claim against the company.

(b) This is a claim as assignee of the Egmont Box Co. whose contract still subsists by statute. The position between the Egmont Box Co. and the Board has not yet been considered.

5. £569 9s. 6d.—*C. W. Nielsen*, solicitor: A claim for legal services as representing the Heuheu (L. M. Grace and others) debenture-holders from the company.

This is a claim against L. M. Grace and others, and arises not out of their position as owners of the land, but as debenture-holders from the company, and so is not a claim against the company, but against a section of the debenture-holders, and is not, I think, a claim contemplated by the section, as it does not arise out of the agreement.

6. £2,500.—*W. H. Grace*: (a) For services rendered to the Heuheu-Grace party and to his section of Native owners (up to 1927); (b) On account of £10,000 worth of shares that would have been allotted if the Duncan syndicate scheme had been finalized.

(a) The Heuheu-Grace party's claim is for debentures, and, so far as any portion of this claim relates to that, is not, I think, a claim contemplated by the section. In so far as the claim is for work on behalf of certain Native owners, there are not sufficient particulars supplied upon which to base any opinion.

(b) This is a claim for payment for services rendered to the Duncan syndicate, and is not a claim contemplated by the section.

7. £62,326 5s.—A claim by the Heuheu-Grace party under debentures from the company.

This claim represents (a) an original debt of £18,000 plus interest, of which debt and interest £5,000 has been paid, and (b) a debt of £8,200 plus interest, being the unpaid purchase-money of land sold to the company, the purchase-money being paid by debentures.

There can be no possible claim in respect of (b) the land is still the company's, though probably mortgaged, and the claimants agreed to accept debentures instead of cash, and does not arise in any way out of the agreements.

The debt of £18,000 was for services rendered the company on its formation.

(a) is therefore a claim against the company.

8. £13,000.—*K. D. Duncan syndicate*: A claim for loss incurred by reason of the failure by the syndicate to float a company to take over the Tongariro Co.'s rights.

I have read Mr. Duncan's letter, and his claim appears to be based on the ground that, as the Government has prevented, by the 1929 Act, his scheme of reconstruction from coming to fruition, the Native owners should pay him his expenses and compensation for the loss of profits he would otherwise have made.

I can see no justification for this claim either legally or morally.

I think that you should not deal with any claims of individual creditors of the company. The company itself should formulate its claim and it can urge the reasons put before it by its creditors in support of its general claim. If you decide to make any payment to the company, then the creditors of the company can arrange amongst themselves how the money is to be divided. If they cannot arrange this amongst themselves, it is hardly to be expected that the Board could do so.

I think the general attitude the Board should take up in regard to all these claims of an equitable nature is, What benefit have the owners derived from the expenditure of the moneys referred to in the claim. However, from a general point of view, I fail at present to see that the company has even any moral claim.

In 1908 it made a contract under which certain annual payments were to be made and a railway was to be built. In the petitions to Parliament for extension of time to build the railway it was made a strong feature that the great benefit the Natives would derive from the railway was the opening-up of their lands and the added value thereby given. The correspondence shows that because of this benefit the royalties payable were less than the usual ones then current.