

ask for extension of time." [Extract from minutes of meeting of Board of Directors held on the 27th January, 1885.]

44. *The Chairman.*] Is that all the note that appears in the minute-book?—Yes.

45. There is no record on the minutes of your report to the Board?—No.

46. *Mr. Levestam.*] Was that unanimously agreed to?—It was.

47. *The Chairman.*] Who were present?—Mr. Tole was acting for the Colonial Treasurer as Chairman, and all the members were present except Sir Julius Vogel and the Solicitor-General.

48. You reported verbally to the Board what you have now stated to the Committee as to the extension of the buildings to suit the purposes of the association, and as to letting a large portion of the premises?—Yes. Here is a telegram which I received from Sir Julius Vogel on the 16th December, 1884, when I was in Christchurch:—

D. M. Luckie, Esq., Govt. Insurance Department, Christchurch. Wellington, 16th December, 1884.
I think it would be better that any purchase you agree to make should be subject to approval of Board not later than 17th January. The vendors will agree on that condition, as Board are sure to view favourably acquisition of good sites.
JULIUS VOGEL.

My telegram, in reply, dated the 17th, is as follows:—

Hon Sir Julius Vogel, Wellington. Christchurch, 17th December, 1884.
Your telegram only delivered this morning. I purposed wiring you similar effect, as old Act gives no power of purchase. Am best pleased with site partly vacant on left-hand Godley statue, just opposite post office. The vacant piece is corner near Cathedral, 72 by 60, but we might get twice the area. Have seen Harper and Scott, and meet former this afternoon. Harper appears doubt propriety of spending large sum on site and buildings, as Government have great pull and established business; but I feel sure great impetus will be given by new departure.
D. M. LUCKIE.

49. I would ask whether Mr. Harper was not in the position of agent for the seller?—No; the firm was acting for us.

50. That was as adviser to the association?—Yes. The next day I found out more about the corner building, and I sent this telegram to Sir Julius Vogel on the 18th December, 1884.

Hon. Sir J. Vogel, Wellington. Waikouaiti, 18th December, 1884.
ALLOTMENT mentioned yesterday too dear. Cost £10,000 six years ago. Maling best investment, very substantial building. Have asked Matson to value adjoining ground, 23ft. frontage; goes double depth of Maling's, and has right-of-way at back; price about £1,500. Fine tower could be erected there for about £2,500. No chance of bank garden.
D. M. LUCKIE.

51. Has the association a valuer of properties in the different localities?—We have two or three valuers in different places. At that time we had no valuer as we had not begun to lend any money on mortgage; in fact, the association was not in being at that time—in December, 1884.

52. Was Mr. Matson the person selected as the Government valuer?—Yes, on that occasion he was.

53. By you, or how?—I think Sir Julius Vogel mentioned to me that I had better get Mr. Matson to value the property.

54. Did you acquaint yourself with the position of the title in this property when you were at Christchurch?—I knew nothing more about it than that there was £6,250 of a mortgage to the National Insurance Company.

55. Did you understand that the mortgage was to that company?—Yes, I was under that impression. That is what was stated.

56. You did not examine the register to see what the title was?—No; we leave that to the lawyer, as a rule. I was told that it was a freehold property.

57. And did your adviser not render you any written statement as to the position of the property for the information of the Board?—I do not think so.

58. Have you any particulars now of the mortgages held?—No; none that I know of. I have heard there was another mortgage, but I know nothing about it. We only had dealings with the mortgage to the National Insurance Company for £6,250.

59. Have you any papers connected with the release of these mortgages in your office?—No; they are in the Audit safe; but I can get them.

60. Are the mortgages paid off?—They are paid off now; but they were not paid off at the time of the purchase. After the Committee had decided to purchase the equity of redemption, I arranged with Mr. Maling to get the National Insurance Company to take the amount of mortgage rather earlier than the time of its expiry, because we wanted to pay it off.

61. When was it paid off?—Last year—the 27th June, 1885. The following is a copy of a letter received from Messrs. Harper and Co.:—

DEAR SIR,— Hereford Street, Christchurch, New Zealand, 27th June, 1885.
Yours of the 26th instant, also a cheque for £6,429 15s. 10d., duly received. We will pay off the National Insurance Company on Monday. Messrs. Maling and Co. have paid us £36 9s. 2d., being one month's interest on the principal. This, with the cheque sent by you, leave £2 10s. short remitted, as per memorandum on the other side.
D. M. Luckie, Esq., Acting General Manager, We have, &c.,
New Zealand Government Life Insurance Association, Wellington. HARPER AND CO.

	£	s.	d.
Principal	6,250	0	0
Interest, 31st December to 30th June	218	15	0
	6,468	15	0
Cheque from you, £6,429 15s. 10d.; cheque from Maling and Co., £36 9s. 2d.	6,466	5	0
Balance		£2	10 0

62. At what date was the whole transaction completed, and the first instalment of the purchase-money paid?—The first instalment of purchase-money was paid on the 31st January, 1885. A deposit of £500 was paid to Maling and Co., by me, on approval, after Messrs. Fisher and Graham directed me to purchase.

63. Your evidence, so far as it goes, has referred to a Committee being appointed to complete