

4093. Then the two guineas that were charged to Winter's estate were charged on account of the work done by your own office Solicitor?—Yes.

4094. Why were the particulars not stated in Winter's account in your ledger? Why was it not stated that it was paid on account of work done by the office Solicitor? Why was it not entered in that way?—I cannot say; it ought to have been.

4095. There is a balance of £460 odd?—Yes.

4096. Then, the £400, on which you allow 4 per cent., is not invested in any deficiency bill?—No.

4097. Then, the man has £460 odd at his credit in your book, and you select £400 of it and ear-mark it as an amount on which you are allowing 4 per cent.?—If I understand rightly that 4 per cent. is allowed on the floating balance.

4098. Then, if it is allowed on the floating balance, how is it that you only undertake to remit him £16 a year?—I am afraid I am rather at a loss, because these are things that come under the Accountant's view.

4099. Then are you in a fog about this account?—I have nothing to do with the accounts.

4100. Are you not responsible for them?—Undoubtedly.

4101. Whom did you recognise as next-of-kin?—The father.

4102. Did you write to him?—I am almost sure I did. Yes, I find I wrote to him on the 30th November, 1887.

4103. Did you ever write to him since then?—Yes; on the 24th of March, 1888.

4104. And since then?—Yes; on the 15th December, 1888.

4105. And since then?—The next appears to be a remittance through the Agent-General on the 3rd January, 1891.

4106. Then what is the space of time between the previous letter and that remittance?—Over two years.

4107. Mr. Hamerton, is that fair treatment of an account intrusted to you to deal with?—No.

4108. Then, do you not think it is very neglectful treatment?—I do.

4109. I understand you that it is the custom of this office to pay on the actual daily balance of such accounts?—No; we pay on the calendar quarter.

4110. Then you pay on the actual balance?—Yes.

4111. Do you remember when you did write to Mr. Winter asking him to forward you £100 if he wished you to take any steps to recover the insurance money?—Yes; in the event of his thinking an action-at-law should be instituted.

4112. This is what you wrote: "If you will remit to me £100 as a first deposit I shall proceed at once to take the necessary steps. Kindly advise me what course you prefer"?—Yes.

4113. Here was a life policy of £500 only disputed for want of the production of the actual policy. Why was it necessary to shock that poor man by asking him to send you the modest sum of £100 as a first deposit to recover a genuine policy of £500?—The company would not pay us.

4114. Why, a sharp practice solicitor would not have asked for more than a quarter of that sum. Do you not think that sum was an outrageous one to ask this next-of-kin to remit?—It might have been necessary for an action to be taken to make the company pay over the policy money.

4115. Would the company have resisted any fair claim after a certain length of time?—No; as a matter of fact, it did not after a lapse of time.

4116. Do you remember what Mr. Winter wrote you in reply? Here is what he wrote on the 21st February, 1889: "It is quite impossible for me, a poor man, to send you such a sum as £100 for the purpose of obtaining a friendly judgment." Do you know what a friendly judgment is?—Yes.

4117. If the insurance company had any doubts as to whether they should pay that policy or not, would they not have consented to a friendly suit?—Very likely.

4118. Then do you not think you made a great mistake in asking this man to remit you £100?—I might have been more moderate in the amount; no harm has eventuated.

4119. I ask again, do you think it is fair or proper treatment of a client's account intrusted to the Public Trustee to conduct to keep that client in ignorance for over two years of the state of his affairs?—No, I do not.

4120. I want you now to look at the papers in the estate of S. A. Holmes, a lunatic. You will notice that the lunatic was admitted into the Wellington Lunatic Asylum on the 24th November, 1883, and that Messrs. Buckley, Stafford, and Fitzherbert wrote to you on the 14th January, 1884, pointing out that Mrs. Holmes had freehold property?—Yes.

4121. You will notice that on the 29th April, 1884, you instructed Mr. S. Carroll to collect the rents. Mr. Charles Tringham, on the 21st April, 1884, had advanced £560 8s. 3d. on mortgage. These facts are correct, are they not?—Yes.

4122. Now, if you will refer to the ledger which is before you, you will notice that Mr. Carroll collected and handed to you rents as follows: £13 13s., £13 1s. 3d., £21 12s. 3d., £12 9s. 4d., up to the 31st December, 1884, making the total £60 15s. 10d.; out of which you disburse, up to that date, a total sum of £26 2s. 9d., leaving a balance to credit, on 31st December, of £34 13s. 1d. You will notice that other rents were collected up to the 23rd January amounting to £12 10s., and that you paid out after that £11 17s. 6d. for rates up to the 23rd January, leaving a balance to the credit of the estate of £32 8s. 1d. on the 23rd January?—Yes.

4123. There is no interest debited there as having been paid upon the mortgage from the time that Mr. Carroll began to collect the rents on the 29th April, 1884, the date of your instructions, up to the 23rd January, 1885?—No.

4124. So that, during the whole of that period, the Public Trust Office was collecting the rents and paying the mortgagee no interest?—That is so. Of course, it would have been paid if the claim had been sent in.