to do anything to involve him, and Henderson said that was all right; they would pay all expenses, and only wanted to make use of his name, as he did not want to take up the run in his own name. Scott was assured by Henderson that the company would undertake all responsibility and pay all expenses, and that if any correspondence or anything took place between himself and others in reference to the matter he was to submit the correspondence to them, and receive directions as to his action. That is how the thing stood. The next step was that he signed an authority to the agent of the company at Timaru to act for him. This took place about the end of February—the 27th February, 1891. What actually took place further appears from the correspondence and other documents that have been discovered to have been this: The first telegram seems to have been a telegram sent by Mr. Ritchie himself to the National Mortgage Company at Timaru, and it was in these words: "Please act on J. R. Scott's telegram." The next telegram was sent on the same day—sent by Mr. Ritchie, in Scott's name: "27th February, 1891.—National Mortgage Company, Timaru.—Please apply to-morrow morning on my behalf for Run 93A, Lake Ohau, paying necessary moneys.—JAS. R. SCOTT (per J. M. Ritchie)." There, your Honour will see, Mr. Ritchie seems to have taken a very deep interest in this transaction. The next telegram was a telegram sent by Scott himself, but not written by him—written by some person in their office: "Please apply to-morrow morning on my behalf for Run 93A, Lake Ohau, paying necessary moneys.—JAS. R. SCOTT." Your Honour will see that that was exactly word for word with the telegram Ritchie himself sent, signing Scott's name, per J. M. Ritchie. Then, on the next day Scott does nothing, but Ritchie is very anxious, for he sends a telegram to the National Mortgage Company at Timaru, as follows: "When is application 93A decided?—J. M. RITCHIE." The next thing was the reply from the manager at Timaru to Mr. Ritchie, as follows: "Timaru, 28th February, 1891.—General Manager, Dunedin.—Dear Sir,—Lake Ohau: I got your wire yesterday afternoon, and put in an application this morning, in Mr. J. R. Scott's name, for Run 93A. Please get Scott to sign, and return enclosed authority by express on Monday. Fussell"—that is the name of a clerk in the Land Office—"was not able to tell me what would be done supposing more than one application was lodged for any run; any way, no one has so far applied here for 93A. You will see Matheson on Tuesday, and find out what he means to do.—Yours truly, Wm. R. McLAREN, Manager." Matheson, your Honour, was the person supposed to be the intending competitor at this auction-sale; but, so far as Mr. Scott was concerned, Mr. Scott signed this authority, and he never, even up to the present time, has done anything with any letters or documents without at once submitting them to the National Mortgage Company, or to Mr. Henderson, or Mr. Ritchie, and simply obeying their instructions. But I shall go on. What next happened was that the application was lodged on the 28th of February. The law was that if there were more applicants than one it was to be put up to auction between the persons who applied; and the run appears to have been put up to auction in Christchurch, the head Land Office, not at Timaru. The next thing we know of the correspondence is on the 2nd of March—that is, two days later still—when Mr. Henderson sent a telegram, "Manager, Timaru.—Lake Ohau: In reply to yours of 28th ultimo, we now send you agent's authority, signed by Mr. James Robertson Scott in your favour.—W. H." The next is that Mr. Ritchie seems still so anxious that he sends a telegram on the same day, "National Mortgage, Christchurch.—Advise whether telegram is sufficient authority for you to bid for Lake Ohau.—J. M. RITCHIE." So that he seems to have been very anxious.

Mr. Haggitt: He was so anxious that he sent a "delayed" telegram.

Sir R. Stout: Yes, anxious. Very likely he sent it towards the afternoon; and even in trifles like this he appears to have been very careful of his own or of his principal's money. The next letter is the 5th March, 1891: "The Manager, Christchurch.—Dear Sir,—About Run 93A, which is for sale to-morrow, at the upset of £150, an authority has gone for you to bid for J. R. Scott, who authorises me to instruct you as follows:"—Now, as for that, Mr. Scott will say the instructions here he never gave, for the simple reason that he knew nothing about it. He had no cattle and no stock. The reason for putting these words in "authorises me," may have been that he did not want the manager to know that Scott was, to use a common word, a "dummy" for him—"The run is only wanted to get time for sale and delivery of the cattle (about 800) and sheep (about 5,500 wethers) now on it, and, if we could get from one to two months' time for this, Scott would not bid at all." Your Honour will see from this that it never was or could have been intended that this should be a *boná fide* bid to obtain the run, and that the whole object was to get rid of the cattle and the wethers—the cattle and the wethers belonging to the National Mortgage Company, or to Ritchie, or to Henderson, never to Scott; and the statement is that Scott would not have bid at all if they could get one or two months' time to get rid of the stock. Further, the letter says, "If we run the risk of being jammed"—not, if Scott runs the risk—"for the disposal of these sheep and cattle it will pay us to run up to £200, or even £250, as we can pay six months' rent only, and can then forfeit by non-payment. Possibly you might get hold of the applicants and put this view before them—not, of course, saying anything as to forfeiting, but merely that you have authority to bid for a man who is interested in the stock, and wants to sell and deliver them. I am wiring you about it, and shall give you a limit when I get your answer.—Yours truly, J. M. RITCHIE." Now, your Honour, this letter is either true or false. We are not to assume that Mr. Ritchie—it is signed by him—that Mr. Ritchie would write to the manager to tell another applicant a deliberate falsehood, and, if we are not to assume that, we are therefore to assume that the letter is true; and what does it say? The truth, then, is that he is to tell the man he has authority to bid for a man who has an interest in the stock. Who was the man who had an interest in the stock? It was not Scott; he had not a single tittle of interest in the stock. The only parties that had any interest in the stock were the National Mortgage Company, or Ritchie, or Henderson. This, then, shows the authority to bid so far as Scott is concerned, because we are not to assume that Ritchie was telling his agent to tell an untruth. The only authority they had on the face of the letter was that Scott was a mere agent, trustee, or dummy for them. Then, Mr. Ritchie says,