whole thing-have nothing more to do with it;" and they believe that, as Scott is not a man of large means, the Government is likely to allow the run to be abandoned, and that nothing more will be heard of it, and that Scott will not be put to any trouble. However, the Government thought better of it, and did not choose to allow the run to be abandoned. The next thing is that Perry and Perry appear for Scott, and there is the fining, and they send him a wire. time Scott was away, and Mr. Logie replied to it after, I believe, consulting with Mr. Henderson. Then, the next thing that happens is that Perry and Perry think there may be an appeal against the conviction, and a telegram—" What is decided to do re appeal?"—is sent to Scott. Scott takes it at once to Mr. Ritchie, and Mr. Ritchie himself wrote the reply on the back in pencil, and the reply was, "What time would be gained by appeal, and at what cost?" That was what Mr. Ritchie suggested should be sent, and that was sent. The result was that Scott was fined without any appeal. The defendants consulted their own lawyer; they told Scott they would consult Mr. Haggitt, and he, apparently, advised against the appeal.

Mr. Scott never knew what the advice of their own solicitor, and the yearly that the was, but they told him they had taken the advice of their own solicitor, and the result was that the appeal was not gone on with. The next thing is that the fine is enforced, and has to be paid. Scott told Ritchie, and he said perhaps it would be better that no money should pass in the meantime—of course, the object being that in case of accident they did not want any money to pass in the meantime, as that might make evidence against them. There is only one other thing that it may be necessary—I do not know that it is necessary—to open, and that is, an interview between Mr. Scott and Mr. Ritchie in reference to the rabbit question. Scott saw Ritchie and told him that he supposed the thing had quietened down now as he had not heard anything for some time, and Mr. Ritchie told him that he supposed that was so, and that "it was better not to meet the devil half-way." That, I suppose, meant that it was better not to stir the matter up, but to allow the thing to rest if the Government chose to allow it to rest. That is our case. We have, therefore, first this: Scott's positive statement that Henderson told him they would indemnify him. Then, the whole of the actions and circumstances of the transactions—that they pay the rent; that they do not wish to pay money in connection with the rabbits in the meantime, that that was to stand over for future action; and that they know all the steps taken about the run just as if they were the owners. Then, they neither consult Scott about the amount of rent nor make any arrangement about the stock; and your Honour will see from Mr. Martin's letter that he offers to sell to another buyer the run, sheep, cattle and all as a going concern. How, in the face of their own letters, and in the face of Scott's evidence, they can say that Scott was not their agent I do not know. I hope it will not, and I do not see how, in the face of their letters, it can, come to a question of veracity, but if it comes to a question of veracity I submit that people who send letters or telegrams which they have to say in the box are untrue cannot be believed, and Mr. Ritchie has put himself in that position; because in this telegram to Messrs. Smith, Chapman, Sinclair, and White, in reply to one from tion; because in this telegram to Messrs. Smith, Chapman, Sinclair, and White, in reply to one from the firm, he says, on the 7th of December, "Have nothing to do with Scott whatever. Have paid fully for such use as we got of run." There is an admission on the face of the pleadings that that reply was not true. Why was that reply sent, excepting to bluff Scott, and to make out that he had been paid for the use of the run. If, unfortunately, there should be any conflict of testimony—and I do not see how there can be, in the face of this statement—I submit to the Court that your Honour will be bound to accept their own letters as corroborating Scott's testimony, and there I submit is an end of the matter. What then happened afterwards is detailed in and there, I submit, is an end of the matter. What then happened afterwards is detailed in the statement of claim, and, practically, is not denied. Scott was arrested, and after Scott was arrested they first said, apparently, they would do something for him, and they got a man sent to appear as bail for him; but that man, I suppose, could not make the necessary affidavit of value, that he was worth the large sum claimed, and therefore nothing more came of it. I submit to the Court that Scott is entitled to this indemnity. I do not know if it is necessary to remark upon it, but I believe they have an entry in their ledger to this effect: "J. R. Scott, in account National Mortgage Company: To Timaru rent account, Lake Ohau, £76 1s.; Run 93A, rent of, £115: total, £191 1s." But they have no credit entry against it for the use of the run. If there had been any arrangement such as they allege in their statement of defence, surely that arrangement would have been shown on the credit side as against this debit entry. The fact is that there was no such arrangement; that Scott was simply asked for the use of his name; and, in the face of their own correspondence, it is conclusively proved that they simply wanted Scott to take up the run, and that as soon as they got their sheep and cattle off it was to be abandoned. The reason they did not take it up in their own name is plainly obvious—that if they took the run in their own name the Government might not choose to allow them to abandon it, and they would have to stick to it for the whole term of the license. In order to get rid of that they employed Scott. They assumed whole term of the license. In order to get rid of that they employed Scott. They assumed that the Government would not insist upon his keeping the run, as he was not a man of large means; and therefore they thought, if they used Scott's name, they would be able to get rid of the run. That is the attitude they then took up; but now, when the Government, apparently, is the run. That is the attitude they then took up; but now, when the Government, apparently, is not going to allow Scott to get rid of the run, they turn round and say, "You are not our agent; you are the owner of the run." I submit that is utterly ridiculous, in the face of Mr. Ritchie's correspondence and the correspondence of the office; that the case is abundantly clear that Scott was merely an agent, and nothing else, and that he is therefore entitled to occupy the run, the license for which is for ten years. They thought fit to pay £190 to get the use of the country for four or five months, and then they thought they could chuck the whole thing up and let it go when they pleased. To show that that was so, Mr. Henderson contemplated that Mr. Scott might be made a bankrupt, and in one instance Henderson asked Scott whether his furniture was not settled upon his wife, leaving, therefore, nothing for the Official Assignee to get hold of. Then it was thought he might sail gracefully through the Bankruptcy Court, they piloting him all the time he was there. However, Mr. Scott told Mr. Henderson he did not know that his furniture was