885. You told him you had taken it?—I must have told him.

886. That is your expression, "I must have told him": do you remember ever telling him?—No; I have no distinct recollection.

887. Who paid for it?—It is charged to the company's account.

888. And never debited to Scott?—Not yet; neither will it be.

889. What is the meaning of your expression a moment ago?—I do not think the account is rendered yet.

890. What was the meaning of the expression "Not yet"?—It will not be charged to Scott at all; it will be charged to Lake Ohau Account.

891. Quite so. Do you take any supervision of the company's books?—Yes.

892. And you attend to these matters yourself?—The statements come before me.

893. And it is your duty to see them go out, I suppose?—Not "go out."

894. Well, to see them properly made up?—Monthly returns are made from all branches, our own included, and the ledger accounts are made up from the returns, and come before me.

Re-examined by Mr. Solomon.

895. *Mr. Solomon.*] In asking Mr. Haggitt's advice, were the circumstances of the case—the relationship of Scott—mentioned at all?—Yes.

896. The only question I want to ask you—for the suggestion is this——

Mr. Chapman: No, it is not.

897. *Mr. Solomon.*] Do you not think you had better wait to hear what it is before you say it is not? (To witness:) The suggestion is, if you have no interest in the run, why pay Mr. Haggitt for advising about Scott—why put your company to the expense of getting Mr. Haggitt's opinion if it is Scott's affair and not yours?—For one thing, I wished to know whether there was any likelihood of disturbance with regard to the run.

898. You wanted to know if you ran a risk?—Yes; the main thing was the stock while we had occupation from Scott.

899. You guaranteed occupation to your buyers?—Yes.

900. So that you had an interest in the matter as well as Scott?—Yes, as far as that went. There is one other matter I should like to explain, with regard to what Mr. Scott said regarding the furniture, and my suggestion to see the trustees. That bears quite a different light from what Mr. Scott put upon it.

901. Tell us, please?—Mr. Scott came to me and told me his wife was ill, and that he was afraid of his household being interfered with, and of his losing his home. I said to him, "I thought that your furniture was in your wife's name when you were a bankrupt a few years ago—that your creditors gave it." He said, "Well, I am not sure about that." I said, "Who are the trustees?" and he said "Mr. Hazlett is one of the trustees: I think I had better see him about it." I said, "I think you had."

902. The weather was becoming a little threatening at that time?—Yes. He told me that a detective had been up to the house about breakfast-hour. Scott was a little excited, and he said, if he went back again he would shoot him.

903. Shoot you?—Oh, no! Scott was always very friendly with me.

904. When you first went into the transaction with Scott, and suggested to him to take up this or similar runs, did he say anything to you about his financial position?—He told me that he had nothing; that the Government could not come against him for anything; and afterwards he told me they could only take his office-table. That was the reason I suggested to him about the furniture being his wife's.

905. So that at the time you told him he ran a risk in taking up the run?—Yes; I said that more than once.

906. I want to ask you this: Was it ever mentioned at any time when you told Mr. Scott that he ran a risk of getting into a difficulty—was ever anything said as to whether, if he did get into difficulty, the company would help him out, or see him through?—No, never.

907. Do you mean to say you told him he could not look to the company?—He understood that distinctly.

908. Did you tell him so in so many words?—Yes. He never seemed to think he need ask for it.

909. You say you told him so?—I told him so, yes.

910. *Mr. Chapman.*] You say he never seemed to think he need ask for the company's indemnity?—No.

911. Was the company's indemnity spoken of at all?—No, never.

912. That was left silent?—Yes.

913. The company's indemnifying him was not brought up, but you swear you never reassured him—never said you would see him through?—Yes.

914. The subject of the company's backing him was never brought up?—Never asked for.

915. And never offered?—No.

916. And never came into the conversation?—It came into the conversation when I told him he must take the whole risk.

917. At the first transaction?—No; on the 27th February.

918. Not the 6th January?—No; the 27th February. He understood while I was present from Mr. Ritchie that he was to run the risk.

919. Somehow this subject of the company's indemnity was never brought up?—Never put in that way—never in question.

920. You expected things would take the course they had always taken before. I mean that he would chuck up the lease, and the Government would forfeit?—That had been the course.