

*His Honour* : Is the admission by Mr. Ritchie that he believes he did mention it. If he did not, is it not the simplest thing for Mr. Ritchie to look and see if he said anything to the directors about Mr. Scott's matter, and, if so, to give an extract?

*Mr. Haggitt* : We have never refused to do so. My learned friend seems to think they need an order of discovery. We have to produce anything in writing at any time in connection with the run.

*His Honour* : No; in connection with the transaction with Scott. It is limited strictly to that. If Ritchie reported to the directors in London anything about the transactions with Scott Mr. Chapman wants to know it, and he has a right to see it.

*Mr. Haggitt* : I understand we have to produce extracts to the London directors of anything having reference to the transactions with Scott, and nothing else.

*His Honour* : Yes.

*Mr. Haggitt* : Then, we have no objection.

The Court then adjourned, at 5.30 p.m., until 10.30 on the following morning.

TUESDAY, 23RD FEBRUARY, 1892.

The Court resumed at 10.30 a.m.

JOHN MACFARLANE RITCHIE, recalled and examined.

933. *Mr. Haggitt*.] You were to look at your London letter-book, and see what letters you have written to London on this matter: have you done so?—Yes.

934. Do you find you were correct in stating that you had written to the London office explaining the debit against Scott in the company's books?—No.

935. How was that?—I merely referred to the whole account, Maitland and Stronach, which was the original account. I did not refer to this particular item.

936. Have you ascertained how that was referred to in the report to London?—I do not think I referred to that particular item at all, so far as I can discover.

937. How was the London office informed as to the account?—The London office was informed that the account was practically bad—the balance that remained at it; but nothing was said about the entry made as a debit to Scott.

938. You were speaking about your own letter. I am asking how you intimated to the London office that Scott's account was not an available sum?—Well, it was not, except that in the ledger balance there was put against it "Account, Lake Ohau."

939. Opposite the item in the ledger balance sent Home there was written "Account, Lake Ohau;" but what would that convey?—That would represent that that sum represented a sum that practically belonged to Maitland and Stronach's account.

940. And so, that account being considerably to the bad, that entry of Scott's?—Would make it still more so.

941. Well, now, do you produce extracts from your letters to the directors?—Yes.

942. What dates are they?—The first is the 23rd February, 1891.

*Mr. Chapman* : That is before the transaction with Scott.

*Mr. Haggitt* : It is after the first transaction.

*Mr. Chapman* : We have nothing to do with it.

*Witness* : It relates to it.

*Mr. Chapman* : Excuse me, no question is put by counsel.

*His Honour* : No, that is so. We have nothing to do with it. It may have been with reference to these runs, but that is not the point.

*Mr. Haggitt* : It is with reference to these runs, and with reference to the former transaction—Run 93; we have evidence as to that. However, what we propose to do is to hand these to your Honour.

*Mr. Chapman* : They are not relevant.

*Mr. Haggitt* : You asked for them.

*Mr. Chapman* : I did not. I asked for one thing, which Mr. Ritchie says does not exist.

*Mr. Haggitt* : Then, you do not want them? If my friend says he does not want them there is an end to them; we do not want them.

WILLIAM HENDERSON, recalled and examined.

943. *Mr. Haggitt* : You said yesterday you thought you had sent a telegram to Mr. Ritchie?—Yes.

944. Have you searched for that telegram?—Yes.

945. Do you find you did not send it?—No, I did not send a telegram. I stated that if I did send a telegram it would be in the letter-book; and I find I did not send a telegram.

946. *His Honour* : When was this?

*Mr. Haggitt* : After Mr. Chapman saw Mr. Henderson. Chapman and Henderson were both under the impression that Henderson sent a telegram to Ritchie.

*Mr. Chapman* : I asked the question of Mr. Henderson. I do not know what suggested it to me. Mr. Henderson had not told me so, certainly, because I had no interview with Henderson after Mr. Haggitt saw him.

*Mr. Haggitt* : I may say that I was under that impression personally; it appears that Mr. Chapman was too.

*Mr. Chapman* : My impression was, and what I asked was, whether he sent a telegram to the Timaru office to expedite my telegram to Mr. Ritchie. I sent one, and I got it into my head that Mr. Henderson sent one too. I do not know how.

947. *Mr. Haggitt*.] You were asked to look for Messrs. Perry and Perry's bill of costs, and for a memorandum handed to you by Mr. Logie: have you done so?—Yes.

948. Have you succeeded in finding them?—No, I have not traced them: I cannot find them.