

The chairman of the company (Mr. Macarthy) waited upon the committee and handed to them a circular signed by Mr. Charles N. Greenland, dated Wellington, 22nd November, 1892, contained in an envelope bearing the Westport post-mark, 27th November, 1892, purporting to be an *ad interim* report and certificate upon certain matters referred by the company to Messrs. T. K. Macdonald, A. H. Miles, and himself. Mr. Macarthy strongly protested as to the unfairness of any such circular being issued, more especially as Mr. Greenland's statements were untrue.

Mr. Miles reported receipt of a letter addressed to Mr. Macdonald and himself by Mr. Charles N. Greenland stating that "As already wired to you, I have applied for leave of absence. [See copy of application attached.] The end of each month is always a very busy time with me, and a time at which I can least be spared. I was surprised at your protest to my leaving Wellington at the expiration of my second term of leave of absence, as I had clearly told you both on several occasions that I should not be able to stay much longer away from my duties in Westport. You know how I pressed on every occasion I could for the inquiry to proceed on the specific charges made by Mr. O'Connor against the directors, and when this was met by constant adjournments I saw it was futile for me to expect to see the inquiry completed during my then present leave of absence—hence my return to Westport. I will wire you directly my fresh leave of absence is granted to me."

The committee forwarded the following reply to Mr. Greenland:—

"DEAR SIR,—

"Wellington, 3rd December, 1892.

"Your letter of the 26th ultimo addressed to the care of Mr. A. H. Miles was received by us this morning. We are sorry to learn from same that your avocations have prevented your attendance at the committee, and we observe from your letter now before us that you are still in a state of uncertainty as to the further leave of absence you have applied for.

"We cannot allow your statement to pass as to what you term the 'constant adjournments' taking place without reminding you that, while you are quite correct in saying that you were anxious for the inquiry to go on, still, your eagerness in this respect was not evinced until Mr. O'Connor had finished his statement of charges, when you were undoubtedly anxious for the inquiry to be hurried on without giving the directors an opportunity of making a counter-statement in their defence and in reply to Mr. O'Connor.

"We have seen a document bearing your signature, dated the 22nd instant, purporting to be an *ad interim* report and certificate by you upon certain matters referred by the company to Messrs. T. K. Macdonald, A. H. Miles, and yourself. We must express our extreme astonishment at your conduct in issuing such a document. You have never heard one word of the directors' defence, and yet you have deliberately committed yourself to definite conclusions of a most condemnatory character. You not only do so, but, without any consultation with your colleagues, you communicate to shareholders a series of statements which we have no hesitation in saying are most untrue and misleading. That you should not send us a copy of the document you have issued, although dated six days prior to the letter under acknowledgment, is another proof of the peculiar conduct displayed by you in connection with the inquiry—conduct which we feel bound to tell you warrants the accuracy of the statement made by you in the company's office—that you had 'come from Westport to watch Mr. O'Connor's interest.'

"Yours truly,

"T. KENNEDY MACDONALD,

"ALFRED H. MILES.

"Chas. N. Greenland, Esq., Westport."

Consideration of the evidence and records was proceeded with until the adjournment. The committee adjourned until 10.30 a.m. on Monday.

Fourteenth Day, Monday, 5th December, 1892.

The committee met at 10.30 a.m. *Present*: Messrs. Macdonald and Miles. The minutes of previous meeting were read and confirmed.

The committee were occupied all day in examining the books and documents of the company, and in considering portion of their report.

At 5 p.m. the committee adjourned till 10.30 a.m. next day.

Fifteenth Day, Tuesday, 6th December, 1892.

The committee met at 10.30 a.m. *Present*: Messrs. Macdonald and Miles. The minutes of previous meetings were read and confirmed.

The committee were engaged all day in the analysis of evidence and the preparation of their report.

The committee adjourned till 10 a.m. next day.

Sixteenth Day, Wednesday, 7th December, 1892.

The Committee met at 10 a.m. *Present*: Messrs. Macdonald and Miles. The minutes of previous meeting were read and confirmed.

The committee were engaged in the examination of evidence and the books of the company.

During the day the committee interviewed the manager of the Bank of New Zealand, and examined a number of cheques referred to in the evidence of Mr. Macarthy.

The committee concluded the preparation of their report, signed the same, and advised the directors of its completion.