

3. Have you the documents?—No, I have not.

4. Did you tell the bank that you had this understanding with the Natives?—Certainly.

5. And have you any proof of your having done so? Did you write them that you had the understanding?—Well, that I could not tell you from memory. I am quite positive that I told them.

6. Are you aware that no mention whatever of such an understanding is made in your mortgage nor in the lease? Have you anything that you can bring in support of your claim? Are you aware that no mention whatever of it is made with the Natives either in the mortgage or in the lease with the bank?—Yes, I am aware of that; but at the same time I can give you the reason why it is not put in.

7. You said in your evidence that the bank agreed to accept, say, £28,000 in 1884, and to take a second mortgage for the balance. Have you any writing to that effect?—the bank said they would accept payment of £28,000 and take a second mortgage for the unpaid balance?—Now, I have summoned Mr. Butt here to answer one or two of those questions. However, I can only tell you this: the Northern Investment Company—I am speaking from memory now—sent Captain Russell and Mr. James N. Williams up to Mangatoro, after conferring with the bank, to report on Mangatoro, and the result, I presume, of their report to their company was that they made an offer to the Bank of New Zealand of £40,000 instead of the £28,000.

8. May I accept that answer, which is to the effect that you have no writing. You say, Mr. Hamilton, you have no writing?—Yes.

9. Did not the bank require other conditions as to security for the balance if they required it on second mortgage?—What other security?

10. If they allowed the balance of their debt to remain on second mortgage, was there not a condition attached to it?—Certainly not; there was no condition whatever.

11. You said that a contemplated partner made an offer to you. Did you advise the bank that a partner was available in order that the bank might consider the question as to whether the partner might not take up the responsibility?—I could not tell you from memory whether I advised the bank about the partner, but the action of the bank in accepting, or rather offering, those terms prevented me from taking a partner.

12. You did not tell the bank about the partner?—I could not tell you from memory now, but they prevented me by their offer from taking a partner.

13. You said also the year's expenditure was fully wiped out by the proceeds of wool, &c. How do you account for the persistent growth of the account?—I think that is subject to correction. What I meant to say was that the usual custom in working the Station Account was to draw against the growing clip—against the probable sales of stock; when the growing clip was realised and the stock was sold that went as a credit against the advances that had been made for working the station. The Improvement Account was a separate account altogether. It was not placed to come out of the Station Account at all.

14. You said the bank-manager asked you to assist in the sale of this property, Mr. Hamilton, or that they would sell without you. Did you refuse to join in and sell the property?—I did refuse, if you speak of the time when the manager came up, while it was still my property. I refused to assist them to sell.

15. And the bank was therefore compelled to sell by order of the Registrar; and in consequence, the bank having bought in at £5,000, you were left owing the bank some £60,000?—That is so.

16. Was it really because you refused to help the bank to sell that you were landed with this deficiency still on your shoulders?—It was not because I refused. I refused to assist the bank to sell, but I do not allow that there was any reason in that, for the bank bought in for £5,000, and left me with £60,000 liability. They did that because there was no chance of there being a buyer.

17. The sale was by auction, and open to the public and competition?—Yes; and I was told that there was not a soul in the auction-room. I was told that there was the auctioneer there, the solicitor for the bank, and the local bank-manager. I was asked by the president of the bank, as I was in Auckland, to remain entirely away from the property until it was put up and sold, so that anything I might have been supposed to have done to prejudice the sale could not have happened.

18. You mentioned in your evidence that Mr. Todd had advised you to file and get rid of your liability of £60,000. If Mr. Todd did so, then it would be quite as a personal matter, and not in any way as a recommendation from the bank. Mr. Todd is Chairman of the Assets Board, and has no connection with the bank?—It was a private conversation between Mr. Todd and myself.

19. *Mr. O'Meara.*] A private conversation?—Yes, between Mr. Todd and myself in the Assets Board's Office. I was trying to find some way to get the property into my own hands. He said, "If I were you I should file and try and get rid of the liability to the bank. You have £60,000 hanging over your head, and you cannot do anything with the property until you have that disposed of." Mr. Todd had nothing to do with the bank.

20. *The Chairman.*] What year was that in?—About four years ago.

*Mr. Foster:* My recollection of your remark, Mr. Hamilton, was that the bank advised you to do so-and-so, and then you mentioned Mr. Todd's name. I wanted to remove any impression that it was a bank officer who said that.

*The Chairman:* Do you want to make out, Mr. Foster, that if he was Chairman of the Assets Board he had no authority with the bank?

*Mr. Foster:* He had no authority to speak of such a subject for the bank any more than I do in the bank's concern.

*Mr. Herries:* We have no evidence that it was a personal matter.

*Mr. Foster:* I do not look upon Mr. Todd as in any way connected with the bank.