of the dismissal is shown by the fact that I should still be at perfect liberty to acquire the freehold without considering the bank. The following is a letter I received from the Bank of New Zealand, Napier, dated 27th February, 1890: I have received a letter from Hori Ropiha on behalf of other claimants, who have authorized him to receive all rents now due on the Mangatoro Block, asking that the rents should be remitted him by post. In acknowledging his letter I have referred him to you as the only party authorized to pay rent. Will you see to this?—Yours faithfully, T W BALFOUR."

1 *Mr Hall.*] When the Bank of New Zealand asked you to pay up your loan, how many days did they give you to find the money?—They gave me from 5 o'clock at night to 3 o'clock next day (see page 134, Supreme Court evidence).

2 Did you take any steps to find the money?—It was impossible to find the money in that time. I saw Mr Cotterill, of the firm of Wilson and Cotterill, and Burke, manager of the Bank of New South Wales. Burke said to me, "You ought to give me your account. I said, "Well, I would sooner give you my account than anybody else, but I have no excuse for leaving the Bank of New Zealand." Burke went on to say, "They make you pay for anything they are giving you." I said, "Of course I know that, but I don't feel, after making the large advances they have done voluntarily, that I ought to leave them. ' A month or two before this the Loan and Mercantile said to me, 'We have not as much money as you ought to have to develop that property, but we shall be only too glad to get your account." The manager of the Loan and Mercantile said, "If you like, I will talk to the Bank of New Zealand, and ask them whether they would like to have your account." He afterwards said to me, "You can have £20,000 if you like, in addition to what you have got from us." My account was marked up at once to £32,000 with the Bank of New Zealand, so that when Burke asked me to give the account to him not very long after this I felt some reluctance in leaving them. As soon as this asking for money began I found that the Bank of New South Wales said, "When we offered you money you would not take it; now we have disposed of our money among other people, and we have not got it to give you."

3. What did they offer you?—Anything I wanted.

4. Did they offer you any specific sum?—They did not specify a sum—they knew what I owed the bank.

5. What did you owe the Bank of New Zealand then?—Apparently about £44,000—the amount asked to be refunded to them. After this unpleasantness had begun and I found I was going to get no satisfaction from the Bank of New Zealand, I went to Cotterill for the first time, and I said, "Cotterill, this is an unpleasant business the bank is putting me in a hole, or trying to, and I shall have to put you in the witness-box if this comes into Court. ' This is what Cotterill said: 'I know all about it; and I know more than this, that the Bank of New Zealand thought I was going to get your account for Burke because he is my brother-in-law, and the Bank of New Zealand in consequence spoke of taking their legal business from our firm, Wilson and Cotterill.' Balfour, of the Bank of New Zealand, came to me in Napier, and said, "I have got a wire here: I have got £40,000 for you for seven years." He said, "If you will come down with me to the Loan and Mercantile, and give them a line to say that you leave the business with them for the seven years, that is all you have to do." So I walked down with him to the Loan and Mercantile, and gave them a letter to say that I left the business with them for seven years. Now, that tied me up, because in seven years this sale had not come off, and I could do nothing without the business.

6. How did it tie you up?—In this way: When I applied for the loan down here they said, 'We have got the sum you want at 6 per cent., but," they said, ' we must have the business." I then wrote up to the bank, and said I had got the offer of the £60,000, but that I could not get the money unless I got the business, and then the reply from the bank was by letter, stating that they could not part with the business unless they got a substantial bonus for letting it go.

7 You say you got an offer of £60,000: who made you that offer?—One of the Johnstons. He said he had the money in Christchurch—foreign money

8. Would that have paid the Bank of New Zealand off?—Yes, it would have paid the Bank of New Zealand off then.

9 And they refused to let you go because you had entered into an agreement to deal with the Loan and Mercantile?—Just so, unless I paid a bonus. That was by letter

10. How long was it after this that they foreclosed on you?—Certainly two or three years, as far as I can remember now

11 Did you have an offer of any other money to pay them off from any other people?—The Northern Investment Company offered £40,000 as an instalment. When this demand was made for the money I went up to Murdoch, in Auckland, and I said, "This is an extraordinary thing Both your local manager and inspector assured me that I should never suffer any inconvenience. They went on to say that, whoever else suffered, I should not be put to any inconvenience. These were Andrews, the inspector, and Balfour, the manager It is extraordinary this demand for the money I was going to have on easier terms than any one else. ' He said, "If you cannot pay us off, try and find half the money " Half the money was £28,000, and Murdoch was prepared, and offered, to take £28,000 on first mortgage. I started to find this £28,000 in Auckland, and asked Mr Aitken Connell to obtain it on commission, and he went to Murdoch to see that the thing would be all right, and he also went to Butt, the inspector, who knew all about it too. Then I tried Mr Moss, and requested him to find this £28,000 on commission, and he went to Murdoch and also to Butt to see that he was going on a proper errand; but neither Connell nor Moss could find the money in Auckland. Then I came down to Napier, and, instead of the bare £28,000, the Northern Investment Company said they would give me £40,000 at 6½ per cent. on first mortgage—that is, £12,000 more than the bank asked for The bank delayed just long enough for these people, the Northern Investment Company, to get a cable from Home to say that they must not advance any more money at less than 7 per cent., but they were ready to get it at 7 per cent. They made this offer formally to the Bank of New Zealand (see letter in evidence before the Committee), but no reply came, and at the end of three weeks Dobson, the manager of