The Penrhyn natives have not received any value for this money, and Mr. Harries has it certainly only in trust. The Judge has also decided, after hearing the case, that the money should be returned to the natives. I therefore concur with Judge Tepou in the representation he has made to you. Whatever the ultimate result may be, the money should certainly not be sent away. I have, &c.,

FREDERICK J. Moss,

British Resident.

Messrs. Donald and Edenborough, Rarotonga.

Enclosure No. 5.

COPY OF LETTER RECEIVED ON THE 3RD OCTOBER, 1892, IN REPLY TO LETTER SENT BY BRITISH RESIDENT ON THAT DATE TO MESSRS. DONALD AND EDENBOROUGH.

Rarotonga, 3rd October, 1892.

SIR.-We have the honour to acknowledge receipt of your despatch re the Penrhyn money, and to inform you that we have no intention of sending the money to New Zealand, as we require it here ourselves. We have also to inform you that we, at the same time, protest against being directed by Judge Tepou to hand this money over to these natives. We have communicated with our senior partner on the subject, and, until we receive instructions from him, we do not feel justified in giving the money up.

You are now going to New Zealand, and you will be able to state the case to Mr. Donald, and ascertain from him the fact of the vessel having been purchased from Mr. George Niccol for the Penrhyn natives.

The "Norval," purchased by Mr. Donald, would leave Auckland on or about the 18th September, and would be due here in a week hence.

The vessel was purchased for these people by Mr. Donald on an order given to the master of "Torea." And that these people gave this order is fully proved by the fact of their paying the " Torea.' Captain Harries this money; and now, because a few of them made an agreement with Captain Piltz to purchase his vessel, agreeing also to pay him \$500 for breach of agreement, they want to leave a British firm in the lurch, and to bear the consequences of their folly.

We have, &c.,

DONALD AND EDENBOROUGH,

Per R.E.

Enclosure No. 6.

COPY OF LETTER SENT TO MR. THOMAS HARRIES, RAROTONGA, ON THE 3RD OCTOBER, 1892. British Residency, Rarotonga, 3rd October, 1892.

SIR,-Judge Tepou writes to me that he has been informed that the money held by you for certain Penrhyn natives is to be sent to Auckland by the "Richmond" against the wish of the owners, who have protested against this being done. Judge Tepou asks me to help him in the matter, and I therefore point out to you that you have no right to part with the money while no value has been received for it by the natives, and when the Judge, after hearing the case, has decided that the money should be returned to them. I have, &c.,

Mr. Thomas Harries, Rarotonga.

FREDERICK J. Moss,

British Resident.

Enclosure No. 7.

TRANSLATION OF LETTER FROM THE PENRHYN NATIVES IN RAROTONGA (REPRESENTING THE HAU OF PENRHYN), DATED THE 6TH OCTOBER, 1892, AND ADDRESSED TO JUDGE TEPOU AND THE

BRITISH RESIDENT.

THESE are our words to you. Harries told the Government and Governors of Tongareva, "You give the money into my hands as payment, for there is a vessel for you in the harbour at Rarotonga." He also asked for a mate, cook, and sailors to take the ship to our home. Another thing, when we arrived in the harbour of Rarotonga there was no vessel, so we asked for our money to be returned,

and his reply was that he had put it into the bank. Another thing: when in the harbour Harries wrote a letter and gave it to one of the men to sign in the name of the Government, and not knowing what was in the letter. Do not listen to his words.

MAUTA.	Mataio.
Pau.	IRO.
VAEVAE.	TIANI.
TATA.	RAEA.
TUAINE.	ETURAI.

Enclosure No. 8.

TRANSLATION OF LETTER FROM THE GOVERNMENT OF PENRHYN TO THE BRITISH RESIDENT, SENT BY THEM FOURTEEN DAYS BEFORE THE ARRIVAL OF THE "NORVAL" AT PENRHYN.

This letter is to you, E Moti, Governor.

SALUTATIONS to you, with Christ's blessing! Amen. We, the Government and Governor of Tongareva, write this letter to you because of our trouble. We all know that this is a world in which we are easily misled. My reason for saying

19th November, 1892.