

73. *Mr. Hutchison.*] And you will also ascertain whether the bankrupt is indebted to the Bank of New Zealand apart from the Colonial Bank?—Very well.

74. And the securities, if any, that the Bank of New Zealand holds in respect of its claim? Had you any correspondence as to the appointment of liquidators of the Colonial Bank?—I have no knowledge of any.

75. Will you ascertain if there is any?—Yes; I can do that.

76. Or as to the purchase of the Ward Association. I would direct your attention to what I understand has been sworn to by Mr. Cook, who is now liquidator of the Ward Association. He says, "I knew of a correspondence between the Bank of New Zealand and the Colonial Bank, and of a suggestion made that the position to be arrived at by Messrs. Smith and Reid." Have you any recollection of that correspondence?—No.

77. I ask you, Mr. Booth, if you know of any correspondence between the two banks as to the appointments of liquidators of the Colonial Bank or in connection with the Ward Association?—I have no knowledge of anything.

78. In the Ward Association?—I have no knowledge that we had anything to do with the matter.

79. Or between the two banks as to the appointment of liquidators of the Colonial Bank?—I have no knowledge of any.

80. I want to put this question to you as I did before, as to whether there has been any correspondence by the bank as to an investigation into the position of the Ward Association?—

*Mr. Seddon:* I object.

Discussion ensued.

*The Chairman:* With reference to this question, I am afraid my only course is to rule as I did before—that at the present time the question is premature and irrelevant. I have to do that because Mr. Booth, in his evidence on oath, has stated definitely and distinctly that there has been no writing-off.

81. *Mr. Hutchison.*] You are aware that the Ward Association is in liquidation?—Yes.

82. And, consequently, in the same position as Riley—a bankrupt? —

*Mr. Seddon:* I object.

*The Chairman:* I would like to hear that question again.

83. *Mr. Hutchison.*] You know, Mr. Booth, that the Ward Association is in the same position as a private person who is bankrupt?—I know by the public prints, but have no knowledge of it as a director.

84. Is not the Ward Association, now in liquidation, a debtor to the Bank of New Zealand? —

*Mr. Seddon:* I object.

*The Chairman:* I must again point out that under our order of reference we are precluded from inquiry into the affairs of persons or companies except where there has been a writing-off.

85. *Mr. Hutchison.*] Has there been any writing-off in the case of John Riley?—I am not able to give any information with reference to any particular accounts.

86. You know that on a previous day you did give information with reference to John Riley. You remember giving some information, do you not?—I shall be quite willing to give what I stated when I see the evidence and the context.

87. *The Chairman.*] The question is, "Have there been any writings-off in the case of John Riley?"—I am not able to depart from the position we have taken up with regard to private accounts; but as to this particular question I can say there has been no writing-off.

88. There has been no writing-off from the account of John Riley?—No.

89. *Mr. Hutchison.*] Now, can you say there have been no writings-off for the Ward Company?—I must decline to answer any question as to that.

90. Do you suggest that the Bank of New Zealand did not comply with clause 18 of the contract of purchase in any respect?—We complied with it as I explained before. We kept the money from the beginning. And what objection could we have, since we had the money in hand, to put it to the credit of the accounts? There it was left, and we never wrote anything off.

91. Do you suggest that you did not comply in some respect with clause 18?—No; I believe we did comply with the intention of clause 18.

92. You got your security under it?—We did.

93. And complied with the intention of the clause?—With what we believed to be the intention of the clause, and what we believe was the intention of the clause when it was framed.

94. And you kept the money you received in respect of the "C" list from the Colonial Bank?—We had it from the beginning.

95. How much did you keep; did you keep the cover?—Yes; the whole of it.

96. The cover in respect of the "C" list—£55,233?—I believe that was the amount.

97. That is part of the cover of £375,772, taken as against the two lists. You kept £55,233 in respect of the "C" list, being part of the total cover—£327,305—taken as against both "B" and "C"?—That is so.

98. And £55,233 is the amount you credited to the larger sum representing the accounts in the "C" list?—Yes.

99. You held the money in hand?—Yes.

100. And when the accounts were taken over by the liquidators you handed back that part of the cover?—Yes; we handed the whole of it to them.

101. Were there any securities you also handed to the bank in connection with the "C" list?—I am not able to say anything more about the matter, because it would involve a disclosure in reference to an account that had been in the bank for years, and is a good account in the bank now, so far as the Bank of New Zealand is concerned.

102. It involves a good account?—It would involve reference to it.