

from any company that I floated. Only one company has written to me and asked me if I was prepared to forego my interest as vendor; I said, "Certainly." If any of these companies went into liquidation I would not claim a penny for my interest as vendor, so as a contributor I must lose. I never had a shilling, directly or indirectly, as vendor, except in shares.

63. By whose instructions would brokerage be charged by Cook and Gray on the shares on which no money had been paid, if it has been charged?—I do not know how that has occurred, not being there. I presume that when a company was floated my office, in rendering its statement to the company, would make its charge for brokerage on the shares that were allotted. Very often a broker would send in an application for shares without paying the application-money. If the man was a good man they would be allotted to him. What I cannot understand is how the auditor missed charging the brokerage back.

64. I wanted to know by whose authority it would be charged in the first place: would it be a clerk in your office, or the other partner, or who?—I do not know how that could be. The secretary to the company would put in the application. Not having been there, and so much of this being news to me, until I look the matter up I cannot say.

*Mr. Easton:* With your permission, gentlemen, I should like to entirely repudiate Mr. Cook's statement that I am either a connection or a relation of his. I landed here on the 17th January, 1900, and until the 23rd April, 1900, I had never heard of a Mr. Cook. What induced me to believe that Mr. Cook was a man to be trusted was the fact that he had been appointed by the Supreme Court as liquidator of several large estates.

THURSDAY, 22ND AUGUST, 1901.

WILLIAM HOLSTED in attendance, and examined on oath. (No. 3.)

1. *The Chairman.*] What is your name?—William Holsted.
2. What is your occupation, Mr. Holsted?—I am the secretary of various companies.
3. Where do you reside?—In Dunedin.
4. Do you know Mr. Cook?—I do.
5. And Mr. Easton?—Yes.
6. I believe you were working in Mr. Cook's office until lately, were you not?—I was managing for Mr. Cook, at Dunedin, up till the 13th April.
7. We will deal with the Tucker Flat Company first. I have here the share register of the company: will you please tell the Committee how many original shares Mr. Cook holds in that company?—800 contributing shares.
8. How many vendors' shares?—Vendors' shares were not allotted. I am not aware of the number of vendors' shares that he was to have obtained.
9. Does not the agreement give the number?—Yes; 1,500 fully paid-up shares were apparently, according to the prospectus, to have been distributed between the vendors.
10. *Mr. Herries.*] With reference to the contributing shares; how many were taken up?—6,000.
11. Were they all taken up then?—Yes, fully subscribed.
12. *The Chairman.*] Will you explain why the vendors' shares were not allotted?—That was a matter for the directors. The company's solicitor advised them not to allot the vendors' shares until certain documents had been completed.
13. According to the share register, Mr. Cook owes £65 in calls?—Yes; there have been two calls struck; he owes one call.
14. That call was struck on the 29th January, 1901?—Yes.
15. Mrs. Cook owes £100 in calls?—Yes, the first and second calls.
16. Has any shareholder been summoned for calls in this company?—No.
17. *Mr. Easton.*] Who signed the articles of association in the Tucker Flat Company, Mr. Holsted?—William George Somerville, stationer, Dunedin; Charles V. G. Leijon, Dunedin; Allan Holmes, solicitor, Dunedin; J. Davidson, accountant, Dunedin; James Gregg Sawell, Dunedin; William Holsted, manager, Dunedin; and Thomas Henry Thompson, accountant, Dunedin. Those are the seven names here in the articles.
18. Where are those single shares shown and the moneys accounted for?—I do not quite understand your question.
19. I take it that each of those seven is responsible for one share?—Yes.
20. I want to know where those single shares are shown on the register, and how the money received on them has been accounted for?—I take it that Mr. Somerville holds fifty or a hundred shares; Mr. Leijon is the same; Mr. Holmes is the holder of only one share: that is not shown on the register.
21. Why is it not shown?—I could not give an explanation of that; I presume that Mr. Holmes's is a share transferred from Mr. Cook's holding.
22. Should not the holder of each share be shown?—The total number of shares allotted is shown on the register, but whether each single share should be shown is a matter which I would not like to give an opinion upon. All the shares are included in the total number allotted to the various holders.
23. How many of the seven who signed the articles of association are not shown on the register?—Three—Mr. Holmes, Mr. Thompson, and myself.
24. Then, three people who signed those articles of association, and were supposed to have taken up one share each, have never paid anything on these shares, and their names do not appear on the share register: is that so?—I do not think you put the question quite fairly. As a matter of fact, my share was a gift from Mr. Cook, and he paid my calls.