I don't think they would sell for $20,000 but that is only my opinion in view of the advisability of their owning these properties on the grounds already referred to.

In January 1919 my Company would have bid at auction if the properties were put up under a reserve—that is, fix a limit. If limit was $5,000 and I know there would be competition I would inform the Chairman and cable to Neilson secretary of the Company. If there was competition the Plaintiff Company would have gone beyond $5,000. They have approved of my action in the purchase for $11,200. I offered through Humphrys because I did not know where Mrs. Hubbard lived and I knew Humphrys was in touch with her. I could easily get her address but never bothered to do so. I must have heard of Gravesande action at the time it was brought. I knew well about the will action when it was started. I knew Humphrys was the barrister in both of these actions for Mrs. Hubbard. At the first meeting in October 1916 after Humphrys, a proxy Director was spoken to as to whether Hubbard was going to sell. This is the first time he was approached. By "in touch" I meant could get hold of her, would see her. I knew he was counsel for her in two actions and would be able to communicate with her. I knew Cameron and Shepherd were her solicitors. I did not see them. Mr. J. A. King approached Humphrys and I continued to do so. I knew Mr. Humphrys was connected with Mr. Burrowes, very friendly, and Burrowes was co-executor with Mrs. Hubbard and all three friendly so through Humphrys was the most likely way of purchasing the properties. I knew Mrs. Hubbard felt sore at something J. A. King had said. I knew this before Humphrys was approached. I knew Mrs. Hubbard had refused to see my father on the question of the sale of the same properties by the curators, I never saw the option. Humphrys said it was in his safe. I never inquired as to the circumstances under which he obtained the option from Mrs. Hubbard. I knew the actions were still pending and he was her counsel. I never thought at all of making inquiries. Plaintiff Company did not dispense with Emory's services. This is Mr. Neilson's letter dated 4th September 1918 (*tendered and marked "M. 6"*).

(Counsel for Plaintiffs states that Plaintiff Company never suggested that the Defendant Emory had been dismissed on the contrary he left unknown to the Company when they were making arrangements to employ him on the expiration of the war.)

I know Mahaicabally the whole of it is contiguous to Semerie. I think there are 19 lots. The Plaintiff Company own most of them but not Lot 13. This is owned by one Browne. This lot is between our property, Lots 12 and 14. I think Plaintiff Company own Lot 16. Plaintiff Company not financing Appellants in *Gravesande* v. *Hubbard.*

"F. 15" of 20th February 1919. I know Mr. Hubbard left no children or grandchildren, and if an intestacy she would have come in for the greater part of the estate. Under the other will, I never saw it, but I understood that a Miss Barry got the better part of it.

Q. Would you expect Humphrys to keep the $500 if the transport was not passed?—*A.* No, and I would not have expected him to keep it.

In the letter of December if the transport was not passed the money was to be returned.

"G. 7" does not challenge Humphrys' statements. I have challenged it in conversation with Mr. Humphrys since the first action was begun. I did not challenge it because Humphrys has never said "the agreement is cancelled, here is your $500." He offered to return the $500 and cancel the agreement. I know his offer to return was genuine. If he had sent the money we would have started an action at once.

Re-examined.

With reference to the condition of purchase Humphrys knew what the conditions were and that probably was the reason no specific mention was made of it in the letter.

There never was any agreement that in the event of Mrs. Hubbard owning the properties as she claimed and refusing to transport to Humphrys that the Company would release Humphrys nor any suggestion to this effect.

The position was that Hubbard not being the owner and unable to transport to Humphrys he would not be liable to the Company.

To the Court: In the event of the Court holding that the relationship of client and legal adviser existed and refused specific performance Humphrys would be liable to the Plaintiff Company in damages. The Company has already told him they would take no action in the matter.

If Hubbard sold to anyone else then the Plaintiff Company would take action against Humphrys, except solicitor and client prevailed.

I knew Humphrys was acting for Mrs. Hubbard in those actions and could get into touch with her and that was why we approached him. I did not look on him as representing Hubbard in the sale of these properties. We did not approach him as agent or otherwise but only as he was in touch with her. He would see her in the actions and could ask her if she was willing to sell to the Company, more so than anyone else who was not connected with her. By "more so" I mean the opportunity of asking her. I only looked on Humphrys as an ordinary purchaser and vendor to the Company.

To the Court: I knew what his profit was to be at this time. It was not more than an ordinary purchaser would make.

It was not ever in my mind that purchasing through Humphrys the Company would get any advantage. He was never our agent.

In a jocular way I referred to the profits. I thought of him as a proxy Director and selling to the Company.

6th January 1921.

Re-examination—*continued.*

We were beating each other down and I would not like to swear $11,200 was suggested by me. "J. 5" is a list of properties and the prices