£25,000, or thereabouts, to pay off old New Zealand Debentures.

£185,000, (the balance) as may be required for the purchase of Native Lands to be paid in New Zealand.

And with the further understanding that the New Zealand Government shall be at liberty to diminish the payment in New Zealand and increase those in London, by an amount not exceeding £30,000, (Thirty thousand pounds).

All the Debentures to bear date, and to carry interest, for a period of three months prior to the time at which the different instalments of the Loan are actually paid.

The Bank make no charge in respect to the payments whether at home or abroad.

The terms are accepted by the undersigned Lords Commissioners of Her Majesty's Treasury.

The Secretary of the Union Bank of Australia to Jas. Wilson, Esq.

Union Bank of Australia,
13th January, 1858.

SIR,—

I have the honor to acknowledge receipt of your letter of the 11th instant, addressed to the Chairman of this Bank, informing him that the terms mentioned in my letter of 31st ultimo, for the negotiation of the Loan of £500,000, to be raised under the guarantee of the Imperial Government in the terms of the Act 20 and 21 Vict., c. 51 are in accordance with those which have already been approved of by their Lordships, and handing copy of an undertaking which he will be called upon to sign when the Lords Commissioners of Her Majesty's Treasury shall have received the formal application of the Governor of New Zealand in respect of the Loan of Five hundred thousand pounds arranged for.

This letter I have laid before the Directors ; and I am desired to express their thanks for the information you have been pleased to give them, and to state that the Chairman of Committees has been authorised to sign the terms of the agreement as soon as it is intimated that the formal Act on the part of the Governor of New Zealand is completed.

I have &c.,
(Signed) H. W. SAUNDERS,
Secretary.

H. Merivale, Esq., to Sir C. E. Trevelyan, K.C.B.

Downing street,
9th February, 1858.

SIR,—

With reference to the request contained in your letter of the 20th ultimo, I am directed by Mr. Labouchere to transmit to you, for the information of the Lords Commissioners of the Treasury, the Copy of a despatch from the Governor of New Zealand forwarding a distinct request to their Lordships to borrow the sum of £300,000 under the provisions of the New Zealand Loan Act, together with copy of a letter which has been addressed on the subject to Mr. Henry Sewell by his Responsible Advisers.

I am, &c.,
(Signed) H. MERIVALE.

James Wilson, Esq., M.P. to Herman Merivale, Esq.

Treasury Chambers,
25th February, 1858.

SIR,—

With reference to your letter of the 9th instant, I am commanded by the Lords Commissioners of Her Majesty's Treasury to acquaint you, for the information of Mr. Secretary Labouchere, that their Lordships being now authorised to raise a portion of the Guaranteed Loan for New Zealand, under the provisions of the Act 20 and 21 Vict., c. 51, have this day completed the agreement with the Union Bank of Australia, according to the form transmitted with the letter of this Board of 20th ultimo.

I am to state that the Interest on the Debentures for £300,000, will be payable at the Bank of England, the first half yearly payment becoming due on the first July next, and that according to the practice in similar cases, a commission of ten shillings per cent. will be payable to the Bank of England upon the payments to be made.

Their Lordships would therefore suggest to Mr. Labouchere the expediency of instructing the Governor of New Zealand to cause provision to be made for this charge in the remittances to be made from the Colony for Interest on the Guaranteed Loan, and at the same time to impress upon him the necessity of making the payments into the Treasury chest in New Zealand in sufficient time to allow of the requisite funds being placed in the hands of the Bank of England on or before the 1st of July and 1st January in each a-year, as the Colony will be liable, under the provisions of the Imperial Act, to a charge of five per cent. for any advance that may be required from the British Exchequer, in case the remittances should not be received at the proper time.

I am, &c.,
(Signed) JAMES WILSON.