for conversion and the actual inscription of stock to be given in exchange; but, meanwhile, you will expect us not to delay reporting the terms of the operation itself, and its announcement by the Bank of England on our behalf.

We enclose herewith copy of the correspondence that took place with the bank.

Immediately after the conference at the bank we sent you a cablegram,* copy of which is appended, informing you of the operation being announced.

We have, &c.,
F. D. BELL,
P. G. JULYAN,
Stock Agents.

The Hon. the Colonial Treasurer, Wellington.

## Enclosure 1 in No. 27.

PUBLIC DEBT of NEW ZEALAND.—Conversion of Further Portions of the Debt of the Colony into 4-per-cent. Consolidated Stock.

THE Governor and Company of the Bank of England give notice that, on behalf of the Agents appointed by the Governor of New Zealand in Council, under "The New Zealand Consolidated Stock Act, 1877," and Amendment Act, 1881 (Sir Francis Dillon Bell, K.C.M.G., and Sir Penrose Goodchild Julyan, K.C.M.G., C.B.), they are authorized to invite holders of debentures of the following issues, being loans which formed part of the public debt of the colony prior to the 30th September, 1880, to bring in their bonds for conversion into 4-per-cent. consolidated stock, inscribed at the Bank of England, with interest payable half-yearly on the 1st May and 1st November.

Applications for conversion will be received at the Chief Cashier's Office, Bank of England, up to noon on Friday, the 30th day of November next, and the conversion of the respective debentures will be made on the terms following, that is to say,—

1. £6,000,000 4½-per-cent. 5-30 debentures (1904–1905), at the rate of £103 of stock for every £100 in debentures;
2. £1,250,000 5-per-cent. 5-30 debentures (1906), at the rate of £103 10s. of stock for every £100 in debentures;
3. £1,832,000 debentures issued under "The New Zealand Treasury Bills Acts, 1879 and 1880," at the rate of £100 of stock for every £100 in debentures.

The coupon for the current half-year on debentures which may be sent in for conversion will be paid in full, and holders will receive interest at 4 per cent. per annum, calculated on the amount of stock, from the date on which debenture-interest ceases: thus, interest on the 5-30 debentures (1904–1905) will be paid at 4½ per cent. up to the 1st February, 1884; that on the 5-30 debentures (1906) will be paid at 5 per cent. up to the 15th January, 1884; and that on the debentures issued under the Acts of 1879 and 1880 at 5 per cent. up to the 1st January, 1884.

The stock will be inscribed on or after the 1st May, 1884, and will then rank *pari passu* with the 4-per-cent. consolidated stock already created and issued, and, as in the case of that stock, will be repayable at par on the 1st November, 1929.

The debentures—from which the current half-year's coupon should be detached—must be left at the bank three clear days for verification. Holders will receive in exchange scrip certificates with a coupon attached for interest for the broken period to the 1st May, 1884: these certificates must be surrendered when the stock is inscribed.

The stock registers are kept at the Bank of England, where all assignments and transfers are made; and holders of the stock may (on payment of the usual fee) take out stock certificates to bearer, with coupons attached, which certificates may be re-inscribed into stock at the will of the holder.

The bank will transmit dividend warrants through the post, if desired.

All transfers and stock certificates are free of stamp duty.

By the Act 40 and 41 Vict., c. 59, the revenues of the Colony of New Zealand alone will be liable in respect of the stock and the dividends thereon; and the Consolidated Fund of the United Kingdom, and the Commissioners of Her Majesty's Treasury, will not be directly or indirectly liable or responsible for the payment of the stock or of the dividends thereon, or for any matter relating thereto.

Applications must be made on the printed forms, which may be obtained at the Chief Cashier's Office, Bank of England; of Messrs. Mullens, Marshall, and Co., 4, Lombard Street; Messrs. J. and A. Scrimgeour, 18, Old Broad Street; and at the office of the Agent-General for New Zealand, 7, Westminster Chambers, where also copies of the above-named Acts and Orders in Council may be seen.

Bank of England, 20th September, 1883.

## Enclosure 2 in No. 27.

The STOCK AGENTS to the BANK of ENGLAND.

GENTLEMEN,— 7, Westminster Chambers, London, S.W., 19th September, 1883.

It will be in your recollection that, on the 12th April, 1881, the Agent-General for New Zealand informed you that the New Zealand Government had then, for some time, under their consideration the question of converting a further portion of the existing public debt of the colony into 4-per-cent. inscribed stock. Circumstances delayed from time to time the fulfilment of their inten-

* Vide No. 26.