

*Conversion Offer.*—In accordance with the terms of this Prospectus holders of convertible securities are offered conversion as from the 15th May, 1944, into either—

- (a) 3-per-cent. stock maturing 15th April, 1960-63; or
- (b) 2½-per-cent. stock maturing 15th April, 1949-51.

*Interest on Convertible Securities.*—Interest accruing subsequent to the 15th February, 1944, on convertible securities will be calculated up to and paid on the 15th May, 1944, after which date interest will cease. Interest payable for any period being less than a full half-year will be calculated on a daily basis and will be paid by means of interest warrants transmitted by post.

*Premium on Conversion.*—Holders who tender their convertible securities for conversion in terms of this Prospectus will receive new securities of the same nominal value plus a premium of—

- (1) £3 per centum on the nominal value of the securities tendered for conversion into the 3-per-cent. loan maturing 15th April, 1960-63;
- (2) £1 per centum on the nominal value of the securities tendered for conversion into the 2½-per-cent. loan maturing 15th April, 1949-51.

All premiums due on conversion will be met by the issue of securities in the new loans for amounts of £5 or multiples thereof. Fractional amounts of £5 will be paid in cash on the conversion date.

*Applications.*—Holders accepting the offer of conversion must indicate on the form of application whether they desire new securities in the 3-per-cent. loan maturing 1960-63 or in the 2½-per-cent. loan maturing 1949-51, and must transmit their applications on the prescribed form to the Reserve Bank of New Zealand, Wellington, or lodge them with the District Treasury Officer at Auckland, Christchurch, or Dunedin, or with any branch of any trading bank, postal money-order office, or trustee savings-bank in the Dominion for transmission to the Reserve Bank.

Applications for conversion may be for the whole or a part of any holding to which the offer applies, but must be for a multiple of £5 and must be accompanied by any relative documents of title such as debentures (with interest coupons intact in respect of the period subsequent to the 15th February, 1944) or certificates of title to stock in cases where such certificates have been issued.

*Assented Stock.*—From the date of the closing of the lists for conversion applications until the 15th May, 1944, holdings in respect of which conversion applications have been received will be regarded as "Assented" stock or debentures.

*Closing of Registers.*—The register relating to the 4-per-cent. 1943-46 stock will be closed for transfers on the 10th April, 1944. Repayment of principal and the final payment of interest will be made to the registered holders of the stock as at that date, and conversion will be effected only in the names of the registered holders of the stock on that date.

*Securities not converted.*—Convertible securities subject to this offer and not converted will be repaid at par on the 15th May, 1944, on presentation to the Reserve Bank of New Zealand of a request for redemption on the prescribed form, accompanied by the relative documents of title such as debentures (with interest coupons intact in respect of the period subsequent to the 15th February, 1944) or certificates of title to stock where such titles are on issue.

Redemption requests with documents of title, such as debentures, may be lodged at the District Treasury Offices at Auckland, Christchurch, or Dunedin, or at any branch of any trading bank or trustee savings-bank in New Zealand, or at any postal money-order office in the Dominion, for transmission to the Reserve Bank.

*New Securities.*—Ordinary registered stock tendered for conversion will be replaced by ordinary registered stock in either of the new issues in accordance with the application submitted.

Death-duty stock will be replaced by stock having the same condition of availability for the payment of death duty attaching thereto.

Debentures tendered will be replaced by ordinary registered stock.

Holders of stock in either of the new issues may, by making application on the prescribed form, exchange such stock for Bearer Stock Certificates with interest coupons annexed.

*Interest on New Securities.*—Interest on new securities issued in conversion will be paid on the 15th April and the 15th October in each year. The first payment, being interest from the 15th May, 1944, to the 15th October, 1944, will be calculated on a daily basis and will be made on the last-mentioned date.

Interest on stock will be paid free of inland exchange by means of interest warrants which will be transmitted by post. Existing instructions for the payment of interest in the Dominion will apply in respect of stock in the new issues.

Interest on stock certificates to bearer is paid free of inland exchange by means of coupons annexed to the certificates. Interest coupons may be presented at the Reserve Bank of New Zealand, Wellington, at any branch of the Bank of New Zealand, or at any postal money-order office in New Zealand.

*Transfers.*—The Register of stock for both the new issues will be kept at the Reserve Bank of New Zealand, Wellington, where transfers will be registered without payment of any fee.

Stock certificates to bearer (until the name of some person is inserted therein as the holder) are transferable by delivery.

*Certificates of Title.*—Certificates of title surrendered with applications for conversion will be cancelled. Any holder requiring a certificate of title for stock of either of the new issues must make separate application on the prescribed form. No fee is payable for the issue of a certificate of title.