

Holdings of New Zealand Government $4\frac{1}{2}\%$ Inscribed Stock, 1944, surrendered in acceptance of this offer will be exchanged as on the 1st March, 1944, into New Zealand Government $3\frac{1}{2}\%$ Stock, 1960-1964, at the rate of £100 of such Stock for each £100 $4\frac{1}{2}\%$ Inscribed Stock surrendered. Any $4\frac{1}{2}\%$ Inscribed Stock not exchanged will be paid off at par on the 1st March, 1944.

Acceptance must be notified on the printed form sent herewith (in the case of a joint account the form is sent to the first-named holder).

NEW ZEALAND GOVERNMENT $3\frac{1}{2}\%$ STOCK, 1960-1964

Authorized to be raised under the New Zealand Loans Act, 1932

The Stock will be paid off at par at the Bank of England on the 1st March, 1964, but the New Zealand Government reserve to themselves the right to redeem at par on the 1st March, 1960, or on any date thereafter, all or any part (to be selected by drawings or otherwise) of the Stock then outstanding on giving at least three calendar months' notice by public advertisement in *The Times*.

Under the provisions of the New Zealand Loans Act, 1932, the principal of and interest on the Stock of this Issue are charged upon the Public Revenues of New Zealand.

Under the provisions of the New Zealand Land and Income Tax Act, 1923 (No. 21), income derived by a person not resident in New Zealand from New Zealand Government Stock the interest on which is payable in London is not liable to taxation in the Dominion.

By Act 40 and 41 Vict. Ch. 59, the revenues of the Dominion of New Zealand alone are liable in respect of the Stock and the interest thereon and the Consolidated Fund of the United Kingdom and the Commissioners of His Majesty's Treasury are neither directly nor indirectly liable or responsible for the payment of the Stock or of the interest thereon, or for any matter relating thereto.

The Repayment of the Public Debt Act passed by the New Zealand Parliament in 1925 instituted a method whereby the Dominion's Debt reduction resources are made available to purchase New Zealand Government securities on the open market for cancellation or to pay them off at maturity, thereby ensuring an actual reduction in the Public Debt annually. For this purpose, there is issued annually out of the Consolidated Fund of the Dominion a sum equal to $\frac{1}{2}$ per cent. of the Debt affected, and to this is added a sum equal to interest at $3\frac{1}{2}$ per cent. per annum on the Debt paid off under this scheme. By this means a portion of the savings in interest on the Debt paid off is applied to further repayments of Debt, so that the Debt reduction resources are increasing year by year.

Since the beginning of the present war the Dominion has repaid under the Repayment of the Public Debt Act, 1925, and from other sources, over £10,000,000 of New Zealand Government Stock domiciled in London.

The Stock will be transferable by deed in any usual or common form, in multiples of one penny, free of charge and stamp duty.

The Register of the Stock will be kept at the Bank of England.

Interest will be payable half-yearly on the 1st March and 1st September. The first payment, being a full six months' interest (less income-tax), will be made on the 1st September, 1944. Interest warrants will be transmitted by post.

Any $3\frac{1}{2}\%$ Stock which is not issued in exchange for holdings of $4\frac{1}{2}\%$ Inscribed Stock will be taken up for cash by the Reserve Bank of New Zealand at par, free of commission. Stock issued in exchange and Stock issued for cash will rank *pari passu* in all respects.

The Register of the $4\frac{1}{2}\%$ Inscribed Stock will be finally closed for transfers on the 11th February, 1944; holdings which have been exchanged will be transferable after the 1st February, 1944, as New Zealand Government $3\frac{1}{2}\%$ Stock, 1960-1964.

A commission of 5s. per £100 Stock will be paid to bankers or stockbrokers in respect of acceptances which bear their stamp.

Copies of this Notice may be obtained at the Bank of England, London E.C. 2, or at any of the Branches of the Bank of England; of Messrs. Mullens & Co., 13 George Street, London E.C. 4; at the Bank of New Zealand (the Bankers to the Government of New Zealand in London), 1 Queen Victoria Street, London E.C. 4; of Messrs. J. & A. Scrimgeour, 3 Lothbury, London E.C. 2; or at the Office of the High Commissioner for New Zealand, 415 Strand, London W.C. 2.

The offer will be closed on the 26th February, 1944.

Bank of England, London, 1st February, 1944.

Copy of Prospectus of Conversion Loans

Dominion of New Zealand

NEW ZEALAND GOVERNMENT CONVERSION LOANS

Issue of—

3-per-cent stock, maturing 15th April, 1960-63, with a premium of £3 per cent.; and $2\frac{1}{2}$ -per-cent. stock, maturing 15th April, 1949-51, with a premium of £1 per cent.
in exchange for 4-per-cent. stock and debentures maturing 15th February, 1943-46.

Public notice has been given in the *New Zealand Gazette* of intention to repay on the 15th May, 1944, stock and debentures of the 4-per-cent. loan maturing 15th February, 1943-46.

The Minister of Finance having declared the securities mentioned in the preceding paragraph to be convertible in terms of section 15 of the New Zealand Loans Act, 1932, the Reserve Bank gives notice that on behalf of the Minister it is authorized to receive applications for the conversion of such securities.