

- (4.) The interest on the current account balances in both the Dominion and London is to be calculated and credited to the Public Account at Wellington and London respectively half-yearly on the last days of March and September. The interest on deposits made for fixed periods is to be paid at the end of each period for which the deposit has been fixed.

On Advances.

17. The Bank will be prepared to make advances to the Government, either in the Dominion or in London, or in both, of such amounts and on such terms as to currency, rate of interest, security, &c., as shall be mutually agreed upon from time to time between the Government and the Bank.

18. Whenever the Government has obtained advances from the Bank under this agreement, the Government shall not be at liberty to place any sums of money on deposit with other banks so long as such advances remain unpaid, and any sums previously so deposited shall, on maturity of the deposits be placed with the Bank, if the Bank so requires.

19. The Government shall not obtain advances from or through any other bank, except upon failure to obtain the amount required from or through the Bank at a rate of interest considered by the Government to be reasonable.

But this provision shall not apply to any advances which the Government may obtain in London.

REMITTANCES BY POST AND WIRE.

20. The Bank will make—

- (1.) Remittances within the Dominion by post or wire free of charge:
- (2.) Transfers to and from London at a concession of $\frac{1}{8}$ per cent. on the best rate conceded to the public, but not to be below par:
- (3.) Remittances from New Zealand to the Australian States (other than Queensland and West Australia), or *vice versa* at $\frac{1}{8}$ per cent. premium. To Queensland or West Australia, or *vice versa* at $\frac{1}{4}$ per cent. premium.

21. On all cheques of private persons paid into a Government account and drawn on some other place than that at which they are paid in the Bank will receive exchange at the then current rate.

AS TO PAYMENT OF DEBENTURES AND INTEREST.

22. The Bank will, if required, pay at any of its branches Treasury bills, debentures, or coupons for interest payable in London or Australia at $\frac{1}{8}$ per cent. commission; and in New Zealand free of commission.

MISCELLANEOUS PROVISIONS.

23. This agreement may be determined by either the Treasury or the Bank at any time on giving six calendar months' notice in writing to that effect.

24. Nothing in this agreement shall be deemed to prejudice any right or power which the Governor in Council or any Commissioners appointed by him may have under the seventy-first section of the Public Revenues Act, 1910; nor shall this agreement prevent the Treasury from obtaining an Order in Council authorizing the withdrawal of all or any part of the moneys lying to the credit of the Government in the Bank within the Dominion should it at any time consider the position of the Bank unsafe.

25. This agreement is to be deemed to have taken effect as from 1st August, 1914.

Signed by the said James Allen, in the presence
of—

G. F. C. CAMPBELL,
Secretary to the Treasury, Wellington.

J. ALLEN.

The common seal of the Bank of New Zealand
was hereunto affixed, pursuant to an order of
the Board of Directors, in the presence of—

R. W. KANE,
W. WATSON,
M. KENNEDY,
J. H. UPTON,
W. CALLENDER, General Manager.

} Directors.

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SEAL.
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