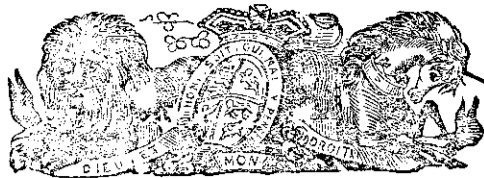


DOMINION OF



NEW ZEALAND.

PROSPECTUS

Discharged Soldiers Settlement Loan.

Issue of £6,000,000 5½-per-cent.

PRICE OF ISSUE: PAR. TERM OF LOAN: 12 YEARS.

SUBSCRIPTIONS COMPULSORY.

The attention of the public is specially drawn to the provisions of the Discharged Soldiers Settlement Loans Act, 1920, under which persons can be compelled to contribute to the Loan an amount equal to the yearly average of the land-tax and income-tax paid or payable by them for the three years ended on the thirty-first day of March, nineteen hundred and twenty.

All moneys invested under the compulsory clauses of the Act will bear interest at the rate of three per cent. per annum only.

N.B.—It must be noted that the amount fixed by Act is the MINIMUM subscription only. Every person is expected to invest to the full extent of his ability. Subscribers to previous Loans are not relieved from obligation to subscribe to this Loan.

THE SUBSCRIPTION-LIST WILL BE CLOSED ON THURSDAY, 25TH NOVEMBER, 1920.

The Loan is authorised to be raised under the Discharged Soldiers Settlement Loans Act, 1920, and pursuant to the New Zealand Loans Act, 1908, and both capital and interest will be charged upon the consolidated revenue of the Dominion.

The Loan will be utilized for the purposes of settlement on the land of discharged soldiers in terms of the Discharged Soldiers Settlement Act, 1915, and will take the form either of Inscribed Stock or Bearer-bonds, at the option of the subscriber, or Post Office Investment Certificates or other securities.

£2,500,000 of the Loan will be reserved for individual persons who desire to invest in Inscribed Stock which will be available for payment in New Zealand of death duties. Applications for this class of security must be specially marked. These securities will not be transferable, but may be exchanged at the Treasury for other available securities if so desired. Should applications be received in excess of £2,500,000, an allotment will be made by the Controller and Auditor-General, and any sums which cannot be accepted for Death Duty Stock may be invested in ordinary Stock or Bonds, at the option of the subscriber.

The issue is an investment authorised by the Trustee Act, 1908, and Trustees may invest therein.

Applications will not be accepted for less than £100, but investors may subscribe sums of £1 and upwards, for a period of five or ten years, at any Postal Money-order Office. (See below.)

The Bonds will be issued in denominations of £100, £500, and £1000, or such higher denominations as may be arranged, and will be payable to bearer.

Stock will not be issued for any amount under £100, and any sum applied for in excess of £100 must be a multiple of £10.

The Loan will be repaid at par at the Treasury, Wellington, or any branch of the Bank of New Zealand in the Dominion on 15th January, 1933.

The Minister of Finance may in special circumstances and by mutual arrangement accept investments for a shorter period than twelve years, bearing interest at a lower rate than five and a-half per cent. per annum, and issue securities therefor.

Interest on Bonds and Stock will be paid half-yearly, on 15th January and 15th July, and is NOT free of income-tax.

The first interest will be paid on 15th July, 1921.

Interest on fully-paid allotments and on the first instalment of instalment allotments will accrue from date of lodgment for credit of the Public Account at the nearest branch of any Bank or of any Postal Money-order Office.

Interest on second, third, fourth, and fifth lodgments of instalment allotments will date from the respective dates of payment shown under heading "Lodgments."

Interest on Inscribed Stock will be paid by Dividend Warrant, which will be transmitted by post, or the amount will be credited to a banking account; at the option of the subscribers.

Interest on Bonds will be paid on production of Coupon, except the first payment, which will be by Treasury cheque.

Both Warrants and Coupons will be payable, free of exchange, at the Treasury, Wellington, or at any Postal Money-order Office or branch of the Bank of New Zealand in the Dominion, or in London or Australia as may be arranged.

CONVERSION—Holders of Bonds issued under this loan will have the option of converting such Bonds into five and a-half per cent. Inscribed Stock on any half-yearly due date of interest.

LODGMENTS—Forms of application may be obtained and lodgments made at any Postal Money-order Office, or at any branch of the Bank, or at the Treasury at Wellington.

Lodgments will be made as follows:—

Fully-paid Allotments—

On application 100 per cent.

Instalment Allotments—

20 per cent. on application (first instalment);
20 per cent. (second instalment), Monday, 10th January, 1921;
20 per cent. (third instalment), Thursday, 17th February, 1921;
20 per cent. (fourth instalment), Monday, 21st March, 1921.
20 per cent. (fifth instalment), Thursday, 28th April, 1921.

Instalments may be prepaid.

In case of default in the payment of any instalment at its due date, instalments previously paid will be liable to forfeiture.

Provisional receipts will be issued for all payments, and in the case of investments in Bonds these receipts will be exchangeable for Bonds to Bearer as soon as the latter can be prepared.

In the case of Stock Investments, Inscription-certificates will be posted to investors when the amounts are fully paid up.

The Stock will be Inscribed in accordance with the New Zealand Inscribed Stock Act, 1917 (read in conjunction with the New Zealand Loans Act, 1908), and the inscription-books of the Loan will be kept at the Dominion Treasury, at Wellington, where all transfers of Stock will be made. Transfer-forms may be obtained at the Treasury.

The Banks have agreed to allow advances at a reasonable rate of interest to clients who desire to invest in the Loan but who have not the ready money to enable them to do so within the time prescribed.

Registered Sharebrokers will be allowed a commission of 5s per £100 on allotments made in respect of applications for this issue bearing their stamp, and forwarded to the Treasury through any Bank or Postal Money-order Office under cover of memorandum signed by the sharebroker. No commission will be allowed in respect of applications on forms which have not been printed by the Government Printer, or on applications not forwarded as aforesaid, or on applications for Post-office Investment Certificates, or on applications made after the closing of the Loan.

POST OFFICE INVESTMENTS CERTIFICATES.

To enable persons of moderate means to subscribe to the Loan, applications will be received at any Postal Money-order Office for Post Office Investment Certificates.

Investment Certificates are repayable, with interest compounded, at the end of five or ten years.

Full particulars regarding the Post Office Investment Certificates are obtainable at any Postal Money-order Office.

DEPRECIATION FUND.

Provision has been made for the establishment of a special fund not exceeding £50,000 per annum for the purpose of stabilising the value of securities issued under the authority of the Discharged Soldiers Settlement Act, 1920, and providing, in addition to the Sinking Funds established under the Public Debt Extinction Act, a further means of reducing the debt.

APPLICATIONS will close on 25th November, 1920, but the Minister of Finance reserves the right to close at a prior date or to extend the period.

Treasury, Wellington, N.Z.
12th November, 1920.

W. F. MASSEY,
Minister of Finance.