

Sub-Enclosure 2 to Enclosure in No. 5.

MR. ARBUTHNOT TO THE DIRECTORS OF THE UNION BANK OF AUSTRALIA.

27th December, 1860.

GENTLEMEN,—

With reference to your letter of the 15th instant, enclosing a receipt of the Colonial Treasurer of New Zealand for a payment to him, by the Bank's Manager at Auckland, of £10,000 (on the 18th September, 1860) on account of the guaranteed Loan to that Colony, I am directed by the Lords Commissioners of Her Majesty's Treasury, to draw your attention to the letter of this Board of 16th June, and to your reply of 28th June last, on the subject of the delivery to you of the remainder of the Debentures for £50,000, (Series E.,) dated 1st October, 1859, and bearing interest from that date, which were prepared on the requisition of the Governor of New Zealand, dated 17th September, 1859.

You will be aware that £20,000 of this Series of Debentures remain on hand and are available for delivery, on the production of the necessary receipts from the Colonial Treasurer, for corresponding sums paid to the Colonial Government by the Union Bank.

Their Lordships wish to be informed whether you will accept £10,000 of these Debentures on the present occasion, minus two of the Coupons, viz., those for the interest due for the half years to 31st March and 30th September, 1860, the interest thereon to commence on the 1st October, 1860.

Their Lordships believe that the issue of Debentures on these conditions will not interfere with the arrangements under which the Union Bank take these Debentures, unless you should on your part consider that there is an objection owing to the circumstance that these Debentures for £10,000 will be redeemable at the expiration of 29 years from the date of their delivery.

Their Lordships presume that in the event of the delivery of the Debentures, as above proposed, the amount of interest for the period between 18th September and the 1st October, 1860, on the sum of £10,000, will be adjusted in the account of the Union Bank with the Colonial Government of New Zealand, in the manner adopted on previous similar occasions.

I am, &c.,

G. ARBUTHNOT.

To the Secretary H. M. Treasury,
Whitehall, S.W.

Sub-Enclosure 3 to Enclosure in No. 5.

MR. SAUNDERS TO THE SECRETARY OF HER MAJESTY'S TREASURY.

Union Bank of Australia,
38, Old Broad Street, London, E.C.
31st December, 1860.

SIR,—

I am desired by the Directors to thank you for your letter of 27th instant, and to express their willingness to receive £10,000 of the Debentures of the New Zealand Loan already prepared, minus the Coupons for Interest due to 31st March and 30th September last, but upon the understanding, that, in the Bank's account with the Colonial Government of New Zealand, interest will be charged from 18th June, the Contract stipulating for its payment for three months prior to the dates of actual payment of Cash by the Bank.

I am further instructed to state that, in complying with the proposal with which you favored the Directors on 16th June, it was intended to express their readiness to receive the £20,000 of Debentures which have been prepared, whenever the Bank should become entitled to Debentures for that amount, and that the Directors will accept the remaining £10,000 thereof hereafter, subject to such Coupons and Interest as may be due, upon the foregoing principle, according to the period of payment.

I have, &c.,

H. W. D. SAUNDERS,
Secretary.

Sub-Enclosure 4 to Enclosure in No. 5.

MR. HAMILTON TO THE DIRECTORS OF THE UNION BANK OF AUSTRALIA.

Treasury Chambers,
10th January, 1861.

GENTLEMEN,—

With reference to your letter of the 31st ultimo, I am directed by the Lords Commissioners of Her Majesty's Treasury, to acquaint you that their Lordships will direct the