

## No. 26.

THE HON. THE COLONIAL TREASURER TO MR. MURDOCH.

SIR,—

Treasury, September 27th, 1864.

I beg to acknowledge the receipt of your letter of this day's date, proposing terms on which only further advances can be made by the Bank to the General Government of New Zealand.

The terms that you propose are generally satisfactory to the Colonial Government; but in the 4th clause an alteration is necessary. In that clause you propose that "Debentures for half a million sterling be now deposited with the Bank in Auckland, with authority to the Bank should all advances made or to be made to the Government not be repaid before 31st December next, to hypothecate, or if necessary to sell such debentures to the extent of such advances, at whatever price they will fetch." The Bank should have power to hypothecate only in the Australian Colonies; and if a necessity to sell should arise, the debentures should be placed upon the open market in London only, for sale, after all the usual means by advertising and otherwise shall have been taken to ensure the best price; and that prior to any sale of the debentures being effected in London, the Agents for the negotiation of the loan there shall have power to redeem them, by paying to the Bank in London the amount due from the New Zealand Government.

With this alteration, the Government will be prepared to comply with the terms proposed.

I have, &amp;c.,

READER WOOD.

D. L. Murdoch, Esquire,  
Inspector Bank of New Zealand.

## No. 27.

MR. MURDOCH TO THE HON. THE COLONIAL TREASURER.

SIR,—

Bank of New Zealand, Auckland, September 27th, 1864.

I beg to acknowledge receipt of your letter of this date, intimating that the Government will be prepared to comply with the terms proposed by me for further advances to be granted by this Bank on an alteration of clause 4 being acceded to, restricting the Bank to hypothecating the Debentures only in the Australian Colonies, and if a necessity to sell should arise, the debentures to be placed upon the open market in London only, for sale, after all the usual means by advertising and otherwise shall have been taken to ensure the best price; and that prior to any sale of the debentures being effected in London, the Agents for the negotiation of the loan there shall have power to redeem them, by paying to the Bank in London the amount due from the New Zealand Government.

I readily concede the amendment you propose as to the sale of the debentures, but the power to hypothecate must be left quite unfettered, as the necessity for so doing might arise either in the Australian Colonies or London.

Be good enough to let me know if this will meet the views of the Government.

I have, &amp;c.

The Honourable the Colonial Treasurer,  
&c., &c.

D. L. MURDOCH,  
Inspector.

## No. 28.

THE HON. THE COLONIAL TREASURER TO MR. MURDOCH.

SIR,—

In reply to your letter of this day's date upon the subject of the possible hypothecation of the debentures, the Government have no desire to fetter the Bank's power of hypothecation, the expression "to hypothecate only in the Australian Colonies," was simply intended by me to exclude the possibility of sale on the part of the Bank—the Government fully acknowledges the right of the Bank to hypothecate in these Colonies or elsewhere.

I have, &amp;c.,

D. L. Murdoch, Esquire.

READER WOOD.

## No. 29.

AN ACT TO GUARANTEE THE LIQUIDATION OF A LOAN FOR THE SERVICE OF THE COLONY OF NEW ZEALAND.

WHEREAS by an Act of the General Assembly of New Zealand, passed in the twenty-seventh year of the reign of Her Majesty, intituled "An Act for raising a Loan of Three million Pounds Sterling for the public service of the Colony of New Zealand," it was enacted, that it should be lawful for the Governor of New Zealand to appoint the agent or agents therein mentioned, with authority to borrow and raise on behalf of the said Colony such sum or sums of money, not exceeding in all Three million Pounds sterling as the said Governor might direct: And whereas it is expedient that the Commissioners of Her Majesty's Treasury should be authorized to guarantee the payment of interest and repayment of the principal of part of the sum so to be borrowed, not exceeding the amount of One million Pounds sterling, upon the conditions herein-after mentioned: Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows.