

## Enclosure 2 to No. 5.

BANK OF NEW ZEALAND to CROWN AGENTS.

DEAR SIR,—

Bank of New Zealand, London, 18th October, 1864.

I find by our advices from New Zealand that the Colonial Government is still drawing upon this Bank, under the impression that we have been placed in funds by the sale of the first million of the loan.

We have therefore to request, in pursuance with the instructions received from Mr. Wood; in his letter of 22nd July, that you will provide us with a sum of £50,000, on the 30th November next, in addition to the sum of £120,000, falling due on the 21st of same month.

I have, &amp;c.,

The Crown Agents for the Colonies,  
Spring Gardens.

F. LARKWORTHY,  
Managing Director.

## Enclosure 3 to No. 5.

CROWN AGENTS to BANK OF NEW ZEALAND.

SIR,—

Crown Colonies Office, 20th October, 1864.

I have to acknowledge the receipt of your letter of the 18th instant, stating that you find by your advices from New Zealand that the Colonial Government is still drawing upon the Bank of New Zealand, under impression that you have been placed in funds by the sale of the first million of the loan, and requesting therefore that the Crown Agents will, in pursuance of the instructions received from Mr. Reader Wood, in his letter of 22nd July last, provide you with a sum of £50,000, on the 30th November next, in addition to the sum of £120,000, falling due on the 21st of that month. On reference to Mr. Wood's letter of the 21st July last (no letter having been received from him of the date of the 22nd of that month) you will observe that the instructions in it are conditional, and that the issue of a further instalment of the loan is left to the judgment of the Crown Agents.

You are already aware that no exertions or sacrifices have been spared to place you in funds, and though the Crown Agents cannot pledge themselves to the payment of £50,000 on the 30th November next, they will be quite prepared to make over to you on that day any unappropriated balance belonging to the Government of New Zealand, after providing for the liabilities incurred under Mr. Wood's various instructions.

I have, &amp;c.,

F. Larkworthy, Esq., Managing Director,  
Bank of New Zealand.

W. C. SARGEANT.

## No. 6.

The Hon. the COLONIAL TREASURER to the DIRECTORS, Bank of New Zealand.

GENTLEMEN,—

Colonial Treasury, 2nd January, 1865.

I transmit to you an Order in Council dated 2nd January, 1865, appointing you agents for the disposal of £250,000, part of one million authorised to be raised by "The New Zealand Debentures Act, 1864," a copy of which I transmit. The object of the Act is to authorise the issue of one million of 8 per cent. debentures at short dates, in anticipation of the Three-million permanent Loan of 1863, and to be replaced out of the proceeds thereof when disposed of.

I transmit at the same time for your information an Act of the General Assembly authorising the rate of interest on the unraised portion of the Three-million Loan to be increased from 5 to 6 per cent.

Also a copy of an Order in Council dated the 28th of December ultimo, raising the rate of interest accordingly from 5 to 6 per cent.

Also an Act passed in the recent session of the General Assembly for increasing the Customs Tariff, by which it is expected that an addition will be made to the Colonial revenue of nearly £200,000 a year.

With a view to elucidate the general position of the Colonial finances, I enclose six copies of the Financial Statement of Mr. Fitzherbert, the Colonial Treasurer, in the House of Representatives.

In order that you may be acquainted with the steps taken by the Government in reference to the disposal of the unraised portion of the Three-million Loan, and of £500,000, (part of the one million 8 per cent. debentures), I transmit copy of instructions sent by this mail to Messrs. Julyan and Sargeant, the Crown agents, and also a copy of instructions sent to Messrs. Larkworthy and others.

I have now to convey to you the instructions of the New Zealand Government relative to the authority now transmitted to you for disposing of £250,000 8 per cent. debentures.

It is agreed between the Bank and the Government, that the Bank shall be allowed  $\frac{1}{2}$  per cent. commission upon the transaction, together with charges of advertisements, &c.

The debentures may be issued in such sums as you may think most advisable. The rate of interest will be 8 per cent. They may be made either with or without coupons, and be made payable either at the Colonial Treasury, Wellington, New Zealand, or at any place in Melbourne or Sydney, or at the Crown agents' or Bank of New Zealand in London, as you may think best. You will determine the periods of currency according to your judgment, bearing in mind that they cannot be made payable before the 31st December, 1865, nor later than the 31st December, 1867. If the debentures are made payable in London, the period of currency should not be less than eighteen months.

The debentures should be offered by public tender, after being sufficiently advertised throughout New Zealand and the Australian colonies. The tenders in New Zealand should be addressed (under cover) to the Colonial Treasurer, Wellington, and in the Australian Colonies, at such place or places as you may think fit.

The proceeds you will be so good as to place to the credit of the Colonial Government with the New Zealand Bank.

If from any circumstances you should fail to realise the debentures to a sufficient extent to cover