

## No. 8.

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

SIR,—

Colonial Bank of New Zealand, Dunedin, 12th April, 1876.

In reply to your invitation to the several Banks within this colony to tender for the General Government account, I have the honor, on behalf of this institution, to state that it does not feel justified in tendering singly under the conditions proposed in the *New Zealand Gazette* of 2nd March.

Should it be determined to divide the account among the Banks, this Bank will be prepared to take its portion.

Sir Julius Vogel, Colonial Treasurer of New Zealand,  
Wellington.

I have, &c.,  
L. O. BEAL,  
Manager.

## No. 9.

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

SIR,—

Inspector's Office,

Bank of New Zealand, Auckland, 13th April, 1876.

In compliance with your invitation, published in the *New Zealand Government Gazette*, and dated 25th February, 1876, I have the honor to state that this Bank is prepared to continue to transact the banking business of the Government, on the conditions specified in the *Gazette* notification above referred to, and embraced in clauses 1 to 24 thereof inclusive, with the amendment published in *Gazette* of 6th April, 1876.

Excepting that as regards sub-clauses 2 and 3 of clause 1, the Bank stipulates that in case the Government shall desire to remove from the custody of the Bank, either in London or the Colony, any sum or sums *beyond such as are needed for the actual requirements of the Government*, fifteen days' notice of intention to do so shall first be given, unless when any particular sum or sums are deposited intimation is at the same time given that they are specially at call; and that in event of the Government deciding to remove from the Bank, under clause 3, sums not required for ordinary Government disbursement, the balance at credit of the Government shall not then or thereafter be reduced below the amount of advances which the Bank shall then be under to the Government on Special Account, either in London or in the colony.

Deposits fixed for stated periods under sub-clause 4 of clause 25, are of course understood to be exempted from the operation of sub-clauses 2 and 3 of clause 1.

As to the facilities which this Bank can offer for the conduct of the Government business, as referred to under clause 22, I do not think it necessary to do more than refer to the management of the Government business during the last fourteen years, and to assure you that should our tender be accepted, every effort will be made to render the future as satisfactory as the past.

I append a list of our Branches and Agencies; and as the Bank is now represented at every important and many unimportant centres of population, it can only further undertake to lose no opportunity of occupying any new position which can offer inducements to the Bank and convenience to the Government.

In regard to terms for the various descriptions of business, as defined in the several sub-clauses of clause 25, I have the honor to quote as follows:—

Sub-clause (1). Interest at four (4) per cent.

Sub-clause (2). Interest at three (3) per cent.

Sub-clause (3). Interest at one (1) per cent under Bank of England rate.

Sub-clause (4):—

In London—No additional rate for three (3) months.

For six (6) months up to one hundred thousand pounds (£100,000), four (4) per cent.

For twelve (12) months up to two hundred thousand pounds (£200,000), five (5) per cent.

In the Colony—One-half ( $\frac{1}{2}$ ) per cent. above the rates offered by us to the public.

Sub-clause five (5):—

Overdraft in the Colony—One hundred thousand pounds (£100,000); or

Sub-clause (6):—

Overdraft in London—One hundred thousand pounds (£100,000).

Sub-clause seven (7):—

Would not be prepared to advance on Government securities payable in the Colony.

Sub-clauses eight (8) and nine (9).

On remittable securities, with power to remit and hypothecate advances up to three hundred thousand pounds (say £300,000) either in the colony or in London, with a margin of ten (10) per cent. of security calculated at latest market value of same, and to be drawn in sums not exceeding two hundred thousand pounds (£200,000) per month.

Sub-clause ten (10).

In the Colony—Under fifty thousand pounds (£50,000) six (6) per cent.

Above fifty thousand pounds (£50,000) seven (7) per cent.

In London—Five (5) per cent. per annum, or at one (1) per cent. above Bank of England rate, when such rate is in excess of five (5) per cent.

Sub-clause eleven (11).

One (1) month's notice for fifty thousand pounds (£50,000) or over.

Sub-clause twelve (12).

For sixty (60) days' sight drafts, par, and for shorter currencies, one-half ( $\frac{1}{2}$ ) per cent. below current rates to the public, but not worse than par.