

3. I accordingly beg leave to apply for the amount of interest due to me for the above-named period. I had proposed forwarding you a copy of the correspondence which has passed between the Bank of England and myself on the subject, but by the Chief Accountant's last letter I learn that he has already furnished, or is about to furnish you with a copy.

4. By the correspondence above referred to, I think you will perceive that the debenture-holders' acceptance of the new 5-per-cent. debentures of 1885, and of the conversion to 4-per-cent. Consolidated Stock of 1892, was upon the terms offered in the Bank of England notice of the 6th of March, 1885—which notice states that the conversion would take place 15th April, 1892, and contains no condition that the stock-holders should receive no interest between that date and the 1st May, 1892.

The Agent-General for New Zealand.

I have, &c.,

ALGERNON DE HORSEY, Admiral.

*Enclosure 3 in No. 10.*

SIR,—

I beg to acknowledge the receipt of your letter of the 18th instant, referring to correspondence between the Bank of England and yourself respecting the New Zealand 5-per-cent. debentures convertible this year into New Zealand 4-per-cent. Stock, and to inform you that it will receive the consideration of the Agent-General (who is at present out of town) as soon as he returns to the office.

I am, &c.,

WALTER KENNAWAY,

Secretary, Agent-General's Department.

Admiral A. de Horsey, Melcombe House, Cowes.

*Enclosure 4 in No. 10.*

SIR,—

In further reference to your letter of the 18th instant, I am directed by the Agent-General to inform you that, having given careful consideration to the matter which you have brought under his notice, and also to the correspondence which has already taken place between yourself and the Bank of England, he has no hesitation, on behalf of the New Zealand Government, in confirming the statement made by the Bank—namely, that no interest will be paid for the period between the 15th April and 1st May as regards the stock into which the 5-per-cent. debentures to which you refer have been converted.

Assuming that you were the original owner of the Consol debentures before they were converted into 5-per-cent. debentures, convertible in their turn into 4-per-cent. Inscribed Stock, I am to direct your attention to the fact (in addition to that mentioned by the Bank, that on the face of the debentures issued in exchange for those surrendered it was distinctly stated that interest would commence on the 1st May), that it was notified on the receipts issued by the bank in 1885 and 1886 in exchange for the original debentures that the new debentures would expire on the 15th April, 1892, when they would be converted into 4-per-cent. Stock, with interest accruing from the 1st May, 1892, and that when the new debentures were issued the holders gave a receipt for the same as containing that condition.

And I am also to remind you that the 4-per-cent. Stock, on and after the 1st April, can only be inscribed in the books of the Bank of England ex dividend, and that stock issued or transferred to any person purchasing or otherwise procuring it on the 15th of that month can only be obtained subject to that condition.

I am, &c.,

WALTER KENNAWAY,

Secretary, Agent-General's Department.

Admiral A. de Horsey, Melcombe House, Cowes.

*Enclosure 5 in No. 10.*

SIR,—

I have the honour to acknowledge the receipt of a letter of the 26th, addressed to me by your Secretary (in reference to my former one of the 18th instant), by which I learn that, on behalf of the New Zealand Government, you confirm the statement made by the Bank of England that no interest will be paid on my New Zealand Consolidated 4-per-cent. Stock for the period between 15th April and 1st May of this year.

2. Under the above circumstances, and whilst thanking you for the courtesy of your letter, I beg leave to place formally on record with you the following statements in support of the application for the fifteen days' interest made to you in my letter of the 18th instant, and in reply to yours of the 26th instant.

(a.) You are correct in assuming that I was the original owner of the Consol debentures before they were converted, my holding of £1,000 (now converted into £1,070) dating from August, 1881.

(b.) My acceptance in 1885 of the conversion of 1892 was on the terms of the Bank of England notice issued "on behalf of the Agents appointed by the Governor of New Zealand in Council" on the 6th March, 1885, and on no other terms.

(c.) The condition stated to be on the face of the debentures of 1885 (that interest would not commence until 1st May) was not included in the said Bank of England notice was not therefore known to me when I accepted the conversion on the terms of that notice, and could not be known to me until after I received the new debentures: it therefore formed no part of the conditions under which the conversion was accepted by me.

(d.) The receipt to which you allude as containing a notification that the interest would only accrue from 1st May, 1892, was not received by me; and if such receipt was furnished to my bankers (Messrs. Cocks, Biddulph, and Co.) on my behalf, it was, nevertheless, too late to alter the conditions on which the conversion had been accepted—after a holder had delivered up his original debentures.

(e.) Neither when the new debentures of 1885 were issued nor at any other time did I give a receipt for the same as containing a condition to forfeit fifteen days' interest; nor did I authorise any person on my behalf to give such receipt, nor could such receipt, if given, alter the accepted terms of conversion.

3. Under the facts as above stated, I again beg leave to claim, as my indisputable right, interest at 4 per cent. on my £1,070 New Zealand Consolidated Stock from the time of conversion, as stated in, and in accordance with, the Bank of England notice issued 6th March, 1885, on behalf of the Government of New Zealand.

4. It may possibly have been intended to insert the condition about the fifteen days' interest in the Bank of England notice, and its omission may have been by oversight. Of this I know nothing; but no such unfulfilled intention can affect the stockholder's right to fulfilment of the terms offered in the official notice and accepted by them.

5. My interest, personally, in the subject of this letter is too trifling (about £1 15s.) for me to entertain a thought of my singly taking proceedings to recover the amount in a Court of law. But I may observe that, if the other holders of the £5,772,500 5-per-cent. loan of 1868 are similarly interested, the amount of interest unpaid, and as I hold, due, would, I think, be between £9,000 and £10,000.

6. I shall be much obliged if you will favour me with an acknowledgment of the receipt of this letter.

I have, &c.,

ALGERNON DE HORSEY, Admiral.

The Agent-General for New Zealand.

*Enclosure 6 in No. 10.*

SIR,—

I am directed by the Agent-General to acknowledge the receipt of your letter of the 30th ultimo, relating to the conversion of the New Zealand Guaranteed 5-per-cent. Consolidated Debentures into 4-per-cent. Consolidated Stock.

I am, &c.,

WALTER KENNAWAY,

Secretary, Agent-General's Department.

Admiral A. de Horsey, Melcombe House, Cowes.