

Interest on Securities Being Repaid.—Interest on the securities to be repaid will be calculated up to and paid on the date fixed for repayment, after which interest will cease.

Interest payable for any period being less than a full half-year will be calculated on a daily basis and paid by warrants which will be transmitted by post.

Offer of Conversion.—The Reserve Bank of New Zealand gives notice that on behalf of the Minister of Finance it is authorized to receive applications for the issue of stock in conversion of any or all of the above securities.

In accordance with the terms of this Prospectus holders of convertible securities are offered conversion as from the 15th June, 1949, into either:—

(a) 3-per-cent. stock maturing 15th June, 1961/64; or

(b) $2\frac{1}{2}$ -per-cent. stock maturing 15th June, 1954/55.

Interest on the new securities issued in conversion will be paid half-yearly on the 15th June and 15th December, and the first payment will be that for the half-year ending 15th December, 1949, and will be paid on that date.

Death Duty Stock.—Any person who accepts the offer of conversion into either of the new issues may stipulate in the form of application that the whole or any portion of the stock (being a multiple of £5) to be issued to him will be available for payment of death duties in terms of section 40 of the New Zealand Loans Act, 1932.

The attention of persons who hold Death Duty stock in the loans to be repaid is directed to the fact that the conditions of availability for payment of death duties will not attach to the securities to be issued in conversion unless the necessary stipulation is made in the form of conversion application.

Death Duty stock is not transferable as such from person to person but may be exchanged for ordinary stock which is transferable.

Applications.—Holders accepting the offer of conversion must transmit their applications on the prescribed form to the Reserve Bank of New Zealand, Wellington, or lodge them with the District Treasury Officer at Auckland, Christchurch, or Dunedin, or with any branch of any trading bank or trustee savings bank or at any postal money-order office in the Dominion, for transmission to the Reserve Bank.

Applications for conversion may be for the whole or a part of any holding to which this offer applies, but must be for a multiple of £5 and must be accompanied by any relative documents of title such as certificates of title to stock in cases where such certificates have been issued.

In the case of $2\frac{1}{2}$ -per-cent. stock certificates maturing 15th June, 1949, the coupon in respect of interest due on that date should be detached before such stock certificates are surrendered for conversion; in the case of $2\frac{1}{2}$ -per-cent. stock certificates maturing 15th February, 1950, and 4-per-cent. stock certificates maturing 15th May, 1952, all coupons in respect of interest due subsequent to the 15th June, 1949, should be surrendered intact with the stock certificates.

Securities Not Converted.—Any registered stock subject to the offer contained in this Prospectus and not converted will be repaid at par on the 15th June, 1949. The non-receipt of an application for conversion by the 14th April, 1949, will be taken to indicate that repayment is required and a warrant will be issued and forwarded by post to the registered address of the stockholder in time for negotiation on the 15th June, 1949.

Repayment of stock certificates will be made only on receipt in the Reserve Bank of the actual stock certificates accompanied by an application for repayment.

New Securities.—New Zealand Government Stock will be issued in the following forms as applicants may direct—

(a) Registered stock transferable by Memorandum of Transfer:

(b) Death Duty stock under section 40 of the New Zealand Loans Act, 1932.