

Enclosure in C.

SCHEDULE of INTEREST and SINKING FUNDS payable in London.

| When Payable in each Year. | Purpose. | To whom Bank is to Pay the Money. | Amounts. |
|----------------------------|------------------|-----------------------------------|----------|
| | | | £ |
| 1st January | Interest ... | Lords of H.M. Treasury | 8,500 |
| 1st " | Sinking Fund ... | " | 4,250 |
| 15th " | Interest ... | Crown Agents | 25,000 |
| 15th " | Sinking Fund ... | " | 5,000 |
| 15th March | Interest ... | " | 15,000 |
| 15th " | Sinking Fund ... | " | 5,000 |
| 1st April | Interest .. | Lords of H.M. Treasury | 1,500 |
| 1st " | Sinking Fund ... | " | 750 |
| 1st " | Interest ... | Bank of New Zealand | 15,000 |
| 1st May | Interest ... | Crown Agents | 10,000 |
| 1st " | Sinking Fund ... | " | 2,500 |
| 15th June | Interest ... | " | 30,000 |
| 15th " | Sinking Fund ... | " | 10,000 |
| 1st July | Interest .. | Lords of H.M. Treasury | 8,500 |
| 1st " | Sinking Fund ... | " | 4,250 |
| 15th " | Interest ... | Crown Agents | 25,000 |
| 15th " | Sinking Fund ... | " | 5,000 |
| 15th September | Interest ... | " | 15,000 |
| 15th " | Sinking Fund ... | " | 5,000 |
| 1st October | Interest ... | Lords of H.M. Treasury | 1,500 |
| 1st " | Sinking Fund ... | " | 750 |
| 1st " | Interest ... | Bank of New Zealand | 15,000 |
| 1st November | Interest ... | Crown Agents | 10,000 |
| 1st " | Sinking Fund ... | " | 2,500 |
| 15th December | Interest ... | " | 30,000 |
| 15th " | Sinking Fund ... | " | 10,000 |
| | | | £265,000 |

Treasury, Wellington, 12th June, 1868.

D.

Mr. T. M. STEWART to the Hon. J. HALL.

SIR,—

Bank of New Zealand, Wellington, 24th June, 1868.

I have the honor to acknowledge receipt of your letter of 12th inst., proposing that the Bank should provide funds in London for the due payment of interest and sinking fund on account of the various loans of the Colony, according to the dates specified in the accompanying Schedule.

In reply, I have to state, on behalf of the Bank, that we shall be glad to meet the views of the Government in this matter, and will arrange for the transmission of funds to meet the payment due on 1st November, subject to the terms hereafter to be agreed upon.

As the settlement of these terms will require careful consideration, I am under the necessity of consulting with the Inspector of the Bank before submitting any definite proposal to you, but I trust that, before the departure of the mail on the 8th proximo, I shall be able to lay before you a statement of the different dates on which it would be necessary to place the Bank in funds here to meet the payments in London, and the terms on which we can undertake to make these remittances.

I have, &c.,

The Hon. the Colonial Treasurer,
Wellington.T. M. STEWART,
Acting Manager.

E.

Mr. T. M. STEWART to the Hon. J. HALL.

SIR,—

Bank of New Zealand, Wellington, 8th July, 1868.

Referring to my letter of 24th ultimo, in reply to yours of 12th idem, as to the terms on which the Bank will be prepared to provide funds in London for the due payment of interest and sinking fund on account of the various loans of the Colony, I have the honor to inform you that the Bank will undertake the responsibility of forwarding the necessary remittances, provided the Government agree to the following modification of the arrangement hitherto subsisting in regard to sixty days' bills, namely, that in future a premium of $\frac{1}{2}$ per cent. will be charged on remittances made at that currency. Such a modification it is hoped will appear reasonable when it is remembered that, at the time the existing terms were agreed upon (in March, 1867), the amount to be provided in London was not more than one-third of what has now to be remitted, and since that date the selling rate to the public has uniformly been $1\frac{1}{2}$ premium.

As desired, a statement is enclosed of the dates on which the several amounts should be paid here to secure their transmission by sixty days' drafts in sufficient time to mature in London as the payments become due.

I have, &c.,

The Hon. the Colonial Treasurer,
Wellington.T. M. STEWART,
Acting Manager.