

dition, might entail a serious loss on the colony, which will probably have its own machinery for making the payment in London before the time when the debentures will be called in or become due.

4. It is not my fault that I am thus late in making this suggestion. No copy of the proposed debenture was sent to me by the other Agents, and it was not until I had requested the same for quite a week that I last night received a copy.

Sir Penrose G. Julyan, K.C.M.G.
I. E. Featherston, Esq.
W. C. Sargeant, Esq.

I have, &c.,
JULIUS VOGEL.

Enclosure 5 in No. 11.

The LOAN AGENTS to the Hon. Sir J. VOGEL.

SIR,—

London, 12th May, 1875.

We have had the honor to receive your letter of the 6th instant, pointing out that the form of debenture which it is proposed to issue for the Four Million Loan contains a provision that the principal of the loan will be payable at the offices of the Crown Agents for the Colonies, and expressing your opinion that, as nothing about the principal being made payable there was expressed in the advertisement, it would be sufficient to say that it will be payable in London.

In reply, we have only to remind you that by clause 2 of our contract with Messrs. N. M. Rothschild and Sons, prepared by Mr. Mackrell under your dictation, it is expressly provided that the loan shall be paid off at the offices of the Crown Agents for the Colonies; and by clause 3 it is further provided that the bonds shall be similar to those issued in 1874.

These conditions were, we think, in the interests of both parties to the contract, wisely included therein, for had the debentures of this loan not been identical in these respects with those of the previous issue, we are of opinion that their marketable value would have been considerably lessened, and that the difficulties now experienced by the contractors, and by the syndicate formed under them, in getting these securities taken up by *bonâ fide* investors, would have been greatly aggravated.

While we regret that some delay inadvertently took place in complying with your verbal request to be supplied with a copy of the debenture bond, we are glad to find that no serious consequences are likely to result from that delay; but we may be allowed to remind you that, under the supposition that it might be your wish to aid your colleagues in carrying out the details which devolved upon the Agents for the loan, you were, at a much earlier stage of the proceedings, requested to state whether or not you desired any of the bonds sent to your house, and that your verbal reply was in the negative.

We have, &c.,
P. G. JULYAN.
I. E. FEATHERSTON.
W. C. SARGEANT.

The Hon. Julius Vogel, 87, Gloucester Place.

No. 12.

The Hon. Sir J. VOGEL to the Hon. Dr. POLLEN.

7, Westminster Chambers, Victoria Street, Westminster, S.W.,
31st May, 1875.

SIR,—

I have the honor to forward to you herewith copy of correspondence respecting the negotiation of the Four Million Loan, in continuation of that enclosed in my letter *visâ* Brindisi, No. 111, of 12th May.

The Hon. Dr. Pollen, &c.

I have, &c.,
JULIUS VOGEL.

Enclosure 1 in No. 12.

The Hon. Sir J. VOGEL to the LOAN AGENTS.

7, Westminster Chambers, Victoria Street, Westminster, S.W.,
25th May, 1875.

GENTLEMEN,—

I have the honor to acknowledge the receipt of your letter of May 12, in reply to mine of May 5.

2. I shall confine my reply to the subjects to which you specially refer.

3. I do not agree with you that in my letter I misstated the nature of the mistake you made in wrongly issuing bonds. All errors and mistakes are more or less susceptible of favourable definitions; and I do not remember to have ever read one more plausible than that which you employ. One hundred thousand pounds of debentures, under "The Defence and Other Purposes Loan Act," were issued by you without any authority for doing so. You were authorized to raise money under "The Immigration and Public Works Loan Act." On former occasions you had been authorized to raise money under both Acts, but your warrant on this occasion only gave you power under "The Immigration and Public Works Act." The issue you made was grossly illegal, and was the result of indefensible carelessness. Your statement that the mistake consisted of "simply a mis-description in the printed heading of one hundred debentures, whereby the wrong Act was quoted," is an example of how all errors may be glossed over by ingenious descriptions.