

which shall be disclosed in the books of such bank, but, nevertheless, without prejudice to the provision contained in the next clause; and also will, from time to time, pay the rents payable, and observe and perform the covenants and conditions to be fulfilled or observed by the selling bank under any lease or tenancy held by the selling bank, and agreed to be sold by it; but nothing in this clause contained shall render the purchasing bank liable in respect of any contract entered into by the selling bank with any of its officers or servants, or for any loss arising from the improper conduct or neglect of any of such officers or servants.

21. Notwithstanding anything contained in the last-preceding clause, the selling bank shall guarantee the purchasing bank against all loss which it may sustain in respect of any letters of credit granted by the selling bank prior to the time of the said business being transferred; but the purchasing bank shall elect within fourteen days thereafter whether it will stop or continue any credit in respect of such letters, or any of them, and after the expiration of such fourteen days the liability of the selling bank under this clause shall cease and determine in respect of any operation thereafter on any such letters of credit.

22. A list of the officers and servants of the selling bank shall be furnished to the purchasing bank, and their names shall be placed on such bank's register of applications for employment, and as many of such officers and servants shall be taken into the employ of such last-mentioned bank as the exigencies or interests thereof may require.

23. The purchasing bank shall be entitled at any time within six months from the time appointed for the transfer of the said business to reject any securities which it may consider contain onerous conditions.

24. The selling bank shall, if a written request in that behalf be made to it by the purchasing bank within nine months from the date appointed for the transfer of the said business at the cost and charges of the selling bank, complete any incomplete security (according to the nature of the security intended) for any of the assets sold and purchased as aforesaid, and in the event of the selling bank neglecting for a reasonable time to complete such security the purchasing bank may do so at the cost of the selling bank.

25. The selling bank shall guarantee—

- (a.) That the balance-sheet made up to the 31st day of May last in London, and up to the 31st day of August last in New Zealand, contains a true statement of the position of the selling bank at those dates, except as any variation thereof appears in this agreement.
- (b.) That all items (not included in the "A," "B," and "C" lists, and any securities held for the accounts therein) submitted to the purchasing bank during the negotiations for the sale and purchase were of the value which they were represented to be, but the landed property and bank premises appearing in such balance-sheet shall be taken at the values appearing in the said balance-sheet. The furniture and stationery mentioned in the said balance-sheet, after deducting an allowance in respect of working the business in London, has been assessed at £6,250.
- (c.) The accounts in the "A" and "B" lists, taken over by the purchasing bank, which have not in the meantime been paid off or reduced, shall, at the time appointed for the transfer of the business, be in as safe or substantially good position, having regard to the nature of the accounts and the circumstances of the debtors, as they were respectively in on the 31st day of August last.
- (d.) That the items shown in the balance-sheet as being *in transitu* between the various branches of the selling bank were of the values which they were represented to be in such balance-sheet.
- (e.) If any account taken over by the purchasing bank shall be wholly or partly secured by shares of the selling bank, such last-mentioned bank shall make good any deficiency which may arise in realising any such security to the extent to which such security was estimated in taking over such accounts, or any of them.
- (f.) That the selling bank will, if required by the purchasing bank within six months from the time when this contract takes effect, make good any defect in title to all or any of the assets sold which have been represented to consist of freehold land belonging to such bank as its own property, and not held by way of security only, and, as to leasehold properties, that all rents have been paid and all covenants performed in respect thereof up to the 31st of August last.

If the selling bank is unable or unwilling to make good any such defect in title within a reasonable time after being so requested so to do as aforesaid, compensation shall be allowed to the purchasing bank for any deficiency in value of any freehold property prejudicially affected by any such defect in title, such compensation to be settled by arbitration in case of disagreement between the parties hereto as to the amount thereof.

26. Agency work in connection with the liquidation of the selling bank shall be undertaken for such bank by the purchasing bank free of expense, except such charges as the purchasing bank may actually pay in respect thereof, but such last-mentioned bank shall not be under any obligation to carry out any agency work which it may consider detrimental to its own business.

27. There shall be excepted from the said contract for sale, the share-register, transfer-books, board minute-books, transfers of shares, and other documents relating to the ownership of shares in the selling bank, and also its seal, all of which shall remain the property of the selling bank. All other books of the selling bank shall become the property of the purchasing bank; but, until the dissolution of the selling bank, the purchasing bank shall produce and show, at such times and to such persons as the selling bank shall from time to time reasonably require, such books, documents, and papers of the selling bank passing to the purchasing bank; but the selling bank shall pay any actual outlay occasioned by such production.