

SESSION II.

1912.

NEW ZEALAND.

PROSPECTUS OF THE £4,500,000 LOAN:

NEW ZEALAND GOVERNMENT £3 10s. PER CENTUM TWO
YEARS DEBENTURES,

REPAYABLE AT PAR ON 1ST JULY, 1914.

Laid on the Table by Leave of the House.

ISSUE OF £4,500,000 AUTHORIZED BY THE NAVAL DEFENCE ACT, 1909, THE NEW ZEALAND STATE-GUARANTEED ADVANCES ACTS, 1909, 1910, AND 1911, THE AID TO PUBLIC WORKS AND LAND SETTLEMENT ACTS, 1900, 1901, 1903, 1904, 1908, AND 1911, THE GOVERNMENT RAILWAYS ACT, 1908, AND THE NEW ZEALAND LOANS ACT, 1908.

A FIRST dividend amounting to £1 8s. 7d. per cent., representing interest accrued from the 20th June, 1912, upon the various instalments as they severally become due, will be paid on the 1st January, 1913.

Price of issue, £99 per cent.

Under the New Zealand Public Debt Extinction Act, 1910, it is provided that a sinking fund shall be created in respect of this and any future debt, and of the whole of the then existing New Zealand public loans that had not already got a sinking fund.

The Governor and Company of the Bank of England are authorized by the agents appointed for raising and managing loans under the above Acts (Charles Wray Palliser, Esq., and Arthur Samuel Row, Esq.), to receive applications for £4,500,000 New Zealand Government Debentures, bearing interest at $3\frac{1}{2}$ per cent.

Of the proceeds of this issue the sum of £2,840,500 will be utilized for the repayment of sums temporarily borrowed, to provide for redemption of debentures previously issued under the above-mentioned Acts, and £459,500 under the Naval Defence Act, 1909, to meet the payments in respect of the New Zealand "Dreadnought" cruiser now under construction.

The debentures, which will be in denominations of £100, £500, and £1,000, will be payable to bearer, and will be redeemable at par, at the Bank of England, on the 1st July, 1914.

The interest will be payable half-yearly by coupon, at the Bank of England, on the 1st January and the 1st July. The first coupon, due the 1st January, 1913, will be for £1 8s. 7d. per cent., representing interest accrued to that date upon the various instalments as they severally become due.

Applications, which must be accompanied by a deposit of £5 per cent., will be received at the Chief Cashier's Office, Bank of England. In case of partial allotment, the balance of the amount paid as deposit will be applied towards the payment of the first instalment. Should there be a surplus after making that payment, such surplus will be refunded by cheque.

The dates on which the further payments will be required are as follows: On Thursday, the 20th June, 1912, £14 per cent.; on Tuesday, the 16th July, 1912, £30 per cent.; on Tuesday, the 20th August, 1912, £30 per cent.; on Tuesday, the 17th September, 1912, £20 per cent.; but the instalments may be paid in full on or after the 20th June, 1912, under discount at the rate of £3 10s. per cent. per annum. In case of default in the payment of any instalment at its proper date, the deposit and instalments previously paid will be liable to forfeiture.

Scrip certificates to bearer will be issued in exchange for the provisional receipts. These certificates, when fully paid, will be exchangeable into definitive bonds; due notice will be given in the public Press when the bonds are ready for delivery.

Applications should be made on the printed forms, which may be obtained at the Bank of England or at any of its branches; of Messrs. Mullens, Marshall, and Co., 13 George Street, Mansion House, E.C.; at the Bank of New Zealand, 1 Queen Victoria Street, E.C.; of Messrs. J. and A. Scrimgeour, Hatton Court, Threadneedle Street, E.C.; or of the High Commissioner for New Zealand, 13 Victoria Street, S.W. Copies of statement showing the condition and prospects of the Dominion may also be obtained of any of the foregoing.

The list will be closed on or before Wednesday, the 12th June, 1912.

Bank of England, 7th June, 1912.

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