

£3 : 10s. PER CENT. CONVERSION LOAN.

Redeemable at par on any half-yearly interest date on and after the 1st April, 1961, at the option of His Majesty's Government, at three months' notice.

Interest payable half-yearly on the 1st April and 1st October.

First Dividend, for a full half-year's Interest, payable 1st October, 1921.

The Stock is an investment authorised by "The Trustee Act, 1893."

OFFER TO HOLDERS OF £5 % NATIONAL WAR BONDS due on or before 1st SEPTEMBER, 1925.

Holders of these Bonds may surrender their holdings for conversion as on the 1st April, 1921, and receive in exchange therefor holdings of £3 : 10s. % CONVERSION LOAN calculated as under:—

£163	{	£3 : 10s. % Conversion Loan in exchange for each £100 nominal of £5 % National War Bonds	}	due 1st October, 1922.
£162	{	" " "	}	" 1st April, 1923.
		" " "		" 1st September, 1923.
£161	{	" " "	}	" 1st February, 1924.
		" " "		" 1st October, 1924.
£160	{	" " "	}	" 1st April, 1925.
		" " "		" 1st September, 1925.

Interest to the 1st April, 1921, from the date of the last preceding dividend will be paid on completion of conversion in respect of Converted Bonds the half-yearly interest on which was payable on dates other than the 1st April and 1st October.

Registered holdings will be convertible into Stock, which will in each case be transferable in the same manner as the converted holding. Bearer Bonds will be convertible into Stock "transferable in the Books" or "transferable by Deed," at the option of the Holder. Bearer Bonds surrendered for conversion must be accompanied by all coupons due subsequent to the 1st April, 1921.

Stock will be exchangeable, without payment of any fee, for Bond Certificates to Bearer in denominations of £50, £100, £200, £500, £1,000 and £5,000, and such Certificates will be exchangeable in due course for Bonds to Bearer of like denominations with Coupons attached, or may be re-exchanged for Stock.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND AND THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND are authorised to receive from holders of National War Bonds due on or before the 1st September, 1925, applications for the conversion of their holdings into £3 : 10s. per Cent. Conversion Loan at the respective rates set forth above.

The Principal and Interest of the Loan will be a charge on the Consolidated Fund of the United Kingdom.

The Loan will not be redeemable before the 1st April, 1961, but on and after that date may be redeemed at par on any half-yearly interest date at the option of the Government on three months' notice being given in the "London Gazette."

Commencing with the half-year ending 1st April, 1922, a sum equal to not less than one per Cent. of the amount of the Loan outstanding at the close of any half-year during which the average daily price of the Loan, as certified by the Bank of England, has been below 90 will be set aside as a Sinking Fund to be employed during the succeeding half-year in the purchase of the Loan in the Market for cancellation.

The Books of the Loan will be kept at the Bank of England and at the Bank of Ireland.

Holdings may be in the form of (1) Inscribed Stock "transferable in the Books," (2) Registered Stock "transferable by Deed," or (3) Bonds to Bearer in denominations of £50, £100, £200, £500, £1,000 and £5,000, and the several forms of holding will be interchangeable without payment of any fee. Stock will be transferable in sums which are even multiples of one penny.

Interest will be payable half-yearly, on the 1st April and 1st October, the first dividend, for a full half-year's interest, being payable on the 1st October, 1921. Interest on Stock will be paid by Warrants transmitted by post; interest on Bonds to Bearer will be paid by Coupon.

Powers of Attorney for the transfer of Inscribed Stock, Deeds for the transfer of Registered Stock, and Bonds to Bearer will be free of Stamp Duty.

A commission as under will be allowed to Bankers and Stockbrokers in respect of applications bearing their stamp, viz. :—

On applications received by the Bank of England or Bank of Ireland not later than the 18th May, 1921.	} 5s. per £100 nominal of National War Bonds converted.
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On applications received after the 18th May, 1921.	} 2s. 6d. per £100 nominal of National War Bonds converted.
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Applications must be made on the printed forms, which may be obtained, together with copies of this Prospectus, at the Bank of England; at the Bank of Ireland; or Messrs. Mullens, Marshall, Steer, Lawford & Co., 13, George Street, Mansion House, E.C. 4; and at any Bank or Stock Exchange in the United Kingdom.

Application Forms have already been sent by post to all holders of Registered Bonds (in the case of joint accounts—to the first holder).

Applications must be lodged at the Bank of England or the Bank of Ireland not later than Saturday, the 28th May, 1921.

BANK OF ENGLAND, LONDON,
26th April, 1921.

N.B.—National War Bonds of the Post Office Issue will not be convertible at the Bank of England. They will be convertible at the Post Office under the arrangements set forth in the Separate Prospectus issued by H.M. Postmaster-General.