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A

Paper Money

The Oriental Bank Corporation use notes-paper money, at some of their Branches, but have not yet done so in Japan, believing that a local circulation in Yokohama would be of little or no value.

To derive any decided advantage from the use of notes in Japan they would require to circulate freely at all open ports, and even in the interior of the country as a circulating medium among all inhabitants.

The Japanese Government could assist the Bank to establish a good circulation and for this the Bank would be willing to pay a revenue to the Government in proportion to the average amount of notes in circulation.

This revenue would be the only direct advantage which the Japanese Government would derive and to receive this revenue they would require to issue certain notifications telling all inhabitants that the notes of the Oriental Bank Corporation would be received by the Government at all Government offices and all open ports as a legal payment for duties, and generally in any other way at the discretion of the Government. Convey a preference for the notes of the Oriental Bank Corporation only.

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B

These notes would be payable
at the Bank in Yokohama, and any
one presenting them there would
get coin for them at once.

The revenue or payment to the
Government would be calculated
on the lowest amount in cir-
culation during each month &
supposing the average for a year
to be \$1,000,000 - and the rate of
payment to be 2% the profit
to the Government for one year
would be \$20,000 - on \$5,000,000
the profit would of course be \$100,000

As the revenue which the Bank
proposes to pay to the Government
is very high, it would be necessary
to limit arrangements to one
year, and renew them according
to circumstances, - the Japanese
Government however having the
power to withdraw from the
arrangement at any time.

John

Oriental Bank Corporation
Yokohama 22d Dec 1869