

proportion to the amount so repaid as the amount set out in the said Schedule as being payable in respect of such loans bears to the whole loan.

(7) Upon maturity or upon repayment by the Borough Council of the whole or any part of any of the loans enumerated in the said Schedule C, if and so far as no sinking funds or accrued profits of an undertaking, or proceeds of realization of assets created out of any respective loan, or other special fund in the hands or at the disposal of the Borough Council be available for repayment of such loan or part of a loan, so that such repayment cannot (except for the provisions of this subclause) be effected otherwise than by means of a special loan raised for the purpose, then the County Council shall pay to the Borough Council a one-hundred-and-forty-second ($\frac{1}{252}$) part of the amount for which (except for the provisions of this subclause) such special loan for repayment would require to be raised.

4. (1) The County Council shall, as from and including the 1st day of April, 1926, in every year during the currency of the loans enumerated in Schedule D hereto, and until the said loans and all interest charges thereon are fully discharged, pay to the Borough Council on account of the first alteration of boundaries the sum of three pounds fourteen shillings and four pence (£3 14s. 4d.) as its share of the interest, principal repayment, and sinking-fund charges on the said loans, being loans raised over areas now partly within the county.

(2) Such annual amount of three pounds fourteen shillings and four pence (£3 14s. 4d.) shall be payable by equal half-yearly instalments on the 1st day of March and 1st day of September commencing on the 1st day of September, 1926, the instalment due on the 1st day of September, 1926, being a proportionate one.

(3) Upon repayment by the Borough Council of any of the loans enumerated in the said Schedule D the said annual payment shall be reduced by the amount set out in the said Schedule as being payable in respect of the loan so repaid.

(4) In any year in which the County Council is called upon by the Borough Council to pay the sum of three pounds fourteen shillings and four pence (£3 14s. 4d.), or any part thereof as provided by this clause, the Borough Council shall return to the County Council an equivalent amount in consideration of the retention by the borough of the assets created out of the loans enumerated in the said Schedule D.

5. (1) The County Council shall, as from and including the 1st day of April, 1928, in every year during the currency of the loans enumerated in Schedule E hereto, and until the said loans and all interest charges thereon are fully discharged pay to the Borough Council, on account of the second alteration of boundaries, the sum of twenty-six pounds eight shillings (£26 8s.) as its share of the interest, principal repayment, and sinking-fund charges on the said loans, being loans raised over areas now partly within the county.

(2) Such annual amount of twenty-six pounds eight shillings (£26 8s.) shall be payable by equal half-yearly instalments on the 1st day of March and the 1st day of September commencing on the 1st day of September, 1928, the instalment due on the 1st day of September, 1928, being a proportionate one.

(3) The instalment due on the 1st day of September, 1928, and the half-yearly instalment due on the 1st day of March, 1929, amounting to twenty-four pounds four shillings (£24 4s.) shall be paid forthwith by the County Council to the Borough Council.

(4) If and so soon as the Borough Council establishes sinking funds for the partial or whole redemption of the following loans, being portion of the loans enumerated in the Schedule E hereto:—

(a) Te Kuiti Borough Municipal Buildings, Fire-station, and Contingencies Loan of £1,850;

(b) Te Kuiti Borough River Deviation, Land and Streets Loan of £3,150, being part of the Loan of £6,680;

then the annual amount of twenty-six pounds eight shillings (£26 8s.) mentioned in subclause (1) of this clause shall be increased by a three five-hundredth ($\frac{3}{500}$) part of the amounts paid yearly by the Borough Council towards the establishment of sinking funds for the above-mentioned loans, such increase in respect of amounts paid by the Borough Council to such sinking fund during any financial year to be payable, together with the half-yearly instalment payable pursuant to subclause (2) of this clause on the 1st day of September next following the close of such financial year.

(5) Upon repayment by the Borough Council of any of the loans enumerated in the said Schedule E the said annual payment shall be reduced by the amount set out in the said Schedule as being payable in respect of the loan so repaid.

(6) Upon partial repayment by the Borough Council out of sinking fund of any of the loans enumerated in the said Schedule E the said annual payment shall be reduced by a sum bearing the same proportion to the amount so repaid

as the amount set out in the said Schedule as being payable in respect of such loans bears to the whole loan.

(7) Upon maturity or upon repayment by the Borough Council of the whole or any part of any of the loans enumerated in the said Schedule E, if and so far as no sinking funds, or accrued profits of an undertaking, or proceeds of realization of assets created out of any respective loan, or other special fund in the hands or at the disposal of the Borough Council be available for repayment of such loan or part of a loan, so that such repayment cannot (except for the provisions of this subclause) be effected otherwise than by means of a special loan raised for the purpose, then the County Council shall pay to the Borough Council a three five-hundredth ($\frac{3}{500}$) part of the amount for which (except for the provisions of this subclause) such special loan for repayment would require to be raised.

(8) That whereas the adjustment effected by this clause is based on the fact that the proportion which the rateable value of the area severed from the borough upon the second alteration of boundaries (taken for the purposes of this adjustment at £1,608) bears to the total rateable value of the borough is in the proportion approximately of three to five hundred: Now, therefore, if upon the revision of the district valuation-roll for the borough next hereafter to be made pursuant to section 8 of the Valuation of Land Act, 1925, should the proportion of the rateable value of the area severed from the borough upon the second alteration of boundaries (as the same shall stand assessed upon the date at which such revision shall take effect) bear to the total rateable value of the borough as fixed upon such revision a proportion exceeding the proportion of three to five hundred, then every instalment of twenty-six pounds eight shillings (£26 8s.) referred to in this clause falling due after the date when such revision takes effect shall be increased proportionately and the three five-hundredth ($\frac{3}{500}$) part referred to in subclause (4) and subclause (7) of this clause shall, as regards any payment required after the date aforesaid to be made under the said respective subclauses, be increased proportionately.

6. (1) The County Council shall, as from and including the 1st day of April, 1928, in every year during the currency of the loans enumerated in Schedule F hereto, and until the said loans and all interest charges thereon are fully discharged, pay to the Borough Council on account of the second alteration of boundaries the sum of three pounds ten shillings and sixpence (£3 10s. 6d.) as its share of the interest, principal repayment, and sinking-fund charges on the said loans, being loans raised over areas now partly within the county.

(2) Such annual amount of three pounds ten shillings and sixpence (£3 10s. 6d.) shall be payable by equal half-yearly instalments in the 1st day of March and the 1st day of September commencing on the 1st day of September, 1928, the instalment due on the 1st day of September, 1928, being a proportionate one.

(3) Upon repayment by the Borough Council of any of the loans enumerated in the said Schedule F the said annual payment shall be reduced by the amount set out in the said Schedule as being payable in respect of the loan so repaid.

(4) In any year in which the County Council is called upon by the Borough Council to pay the sum of three pounds ten shillings and sixpence (£3 10s. 6d.) or any part thereof, as provided by this clause, the Borough Council shall return to the County Council an equivalent amount in consideration of the retention by the borough of the assets created out of the loans enumerated in the said Schedule F.

7. (1) The County Council shall as from and including the 1st day of April, 1928, in every year during the currency of the loans enumerated in Schedule G hereto, and until the said loans and all interest charges thereon are fully discharged, pay to the Borough Council on account of the third alteration of boundaries the sum of eighteen pounds three shillings (£18 3s.) as its share of the interest, principal repayment, and sinking-fund charges on the said loans, being loans raised over areas now partly within the county.

(2) Such annual amount of eighteen pounds three shillings (£18 3s.) shall be payable by equal half-yearly instalments on the 1st day of March and the 1st day of September commencing on the 1st day of September, 1928, the instalment due on the 1st day of September, 1928, being a proportionate one.

(3) The instalment due on the 1st day of September, 1928, and the half-yearly instalment due on the 1st day of March, 1929, amounting to sixteen pounds twelve shillings and ninepence (£16 12s. 9d.) shall be paid forthwith by the County Council to the Borough Council.

(4) If and so soon as the Borough Council establishes sinking funds for the partial or whole redemption of the following loans, being portion of the loans enumerated in the Schedule G hereto:—

(a) Te Kuiti Borough Municipal Buildings, Fire-station, and Contingencies Loan of £1,850;