

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

9. Dissent from the conversion of any existing securities may be signified at any time not later than the first day of March, one thousand nine hundred and thirty-four.

10. The dissent of the holder of any existing securities from the conversion of those securities into new securities shall be signified in writing, and shall be deemed to be signified when such writing is received by the local authority or by any person authorized by the local authority to receive it.

SURRENDER OF CONVERTED SECURITIES, AND PAYMENT OF INTEREST THEREON.

11. The holder of any existing securities converted into new securities (whether the conversion is on application or after failure to dissent) shall not be entitled to demand payment of any instalment of principal and interest payable in respect of the existing securities, or to receive the new securities or any instalment of principal and interest payable thereunder, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than one month from the date of conversion.

NEW SECURITIES.

13. The aggregate amount of new securities issued in conversion of existing securities to which this Order applies (including new securities issued by way of premium), together with interest thereon computed at the rate of four and one-quarter per centum per annum, shall be repaid by equal half-yearly instalments over a period of twenty-one years and a half, the first half-yearly instalment to fall due and be paid on the first day of October, one thousand nine hundred and thirty-four, and subsequent half-yearly instalments to be made on every first day of April and first day of October thereafter, the last half-yearly instalment to fall due and be paid on the first day of October, one thousand nine hundred and fifty-five.

14. (1) New securities for each of the instalments referred to in the last preceding clause shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) All new debentures shall be numbered consecutively, and as between the holders thereof shall rank equally.

(3) Every new debenture shall state on its face the fact that the holder has no claim in respect thereof upon the Government or public revenues of New Zealand.

(4) Every new debenture shall be signed by the Chairman, countersigned by the Treasurer or some other officer appointed by the local authority for the purpose, and sealed with the common seal of the local authority.

PREMIUMS.

15. (1) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, does not exceed the rate of interest payable on the new securities shall on the conversion of such securities be entitled to receive new securities for the same aggregate amount of principal as is secured by the existing securities.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities shall on the conversion of such securities be entitled to receive new securities for the same aggregate amount of principal as is secured by the existing securities, and, in addition thereto, shall be entitled to receive a premium on such principal computed in accordance with the Third Schedule hereto.

16. (1) Subject to the provisions of this clause as to payment in cash, every premium to which any person is entitled under the last preceding clause shall be satisfied by issuing to him additional new securities for the amount of such premium, or so much thereof as is not paid in cash, as the case may be: Provided that the aggregate amount of such additional new securities shall not exceed £500.

(2) The local authority may, if it thinks fit, pay in cash the whole or any part of the aggregate amount of all such premiums to which any person is entitled.

(3) All payments of cash in accordance with the last preceding subclause shall be made by the local authority out of the local fund and charged to the appropriate account.

(4) The power of the local authority to issue new securities in accordance with this Order shall be deemed to include the power to issue any additional new securities required for the purposes of this clause.

PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

17. The principal and interest in respect of new securities shall be payable in New Zealand.

SECURITIES HELD BY TRUSTEES.

18. The provisions of sections twenty-two, twenty-three, and twenty-four of the New Zealand Debt Conversion Act, 1932-33 (relating to the adjustment of premiums as between capital and income and to the powers of trustees and other persons in relation thereto), shall apply with respect to existing securities converted into new securities in accordance with this Order in the same way as they apply with respect to securities converted under that Act, save that the references in the said section twenty-two to the first day of April, one thousand nine hundred and thirty-three, shall be construed as references to the day following the date of conversion.