

The rate of interest on any debentures in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate.

A prospectus giving further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the            day of            , 19    .

Chairman.

(2) *New Debenture.*

No.            .

[Name of local authority], of [Name of district], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the            Loans Conversion Order, 19    . New debenture for £            , payable at            , in New Zealand, on the day of            , 19    , issued by the [Name of local authority], of [Name of district], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at            , in New Zealand, on or after the day of            , 19    , the bearer thereof will be entitled to receive £            . [If the local authority reserves the right conferred by clause 16 (1) of the Order to repay at an earlier date, particulars of such right to be inserted.] Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of            per centum per annum, payable on the            day of            and the            day of            in each year, on presentation of the attached coupons.

Issued under the common seal of the [Name of local authority], the            day of            , 19    .

[L.s.]            A.B., Chairman.

C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No.            .

New debenture No.            of the [Name of local authority], of [Name of district], New Zealand, issued under Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the            Loans Conversion Order, 19    .

On presentation of this coupon at            , in New Zealand, on or after the day of            , 19    , the bearer hereof will be entitled to receive £            .

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Chairman.

C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the            Loans Conversion Order, 19    , the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the following loans [State particulars of loans], and also the interest and other charges on the unconverted securities issued in respect of such loans, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value of all rateable property of the [Name of district or special-rating area], comprising [Name the district—e.g., the whole of the County of            ; or, in the case of a special-rating area, name the ward, riding, or other statutory subdivision comprising the same ; or, if not such a subdivision, describe by its boundaries, and state the numbers of the sections and blocks comprising the same, and name of survey district. If the special-rating area has no specific name, refer to it as "special-rating area"]; and that such special rate shall be an annually recurring rate during the currency of such securities, and be payable half-yearly on the            day of            and the            day of            [or yearly on the            day of            ] in each and every year until the last maturity date of such securities, being the            day of            , 19    , or until all such securities are fully paid off.

THIRD SCHEDULE.

COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.