

- (c) In the case of any particular holder, within such further time as the local authority may, on account of special circumstances, in its discretion allow.
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 interest payable on the existing securities, or to receive the new securities or any interest thereon, 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. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.
- (2) Every new debenture shall be for a sum of five pounds, fifty pounds, one hundred pounds, five hundred pounds, or one thousand pounds.
- (3) All new debentures shall be numbered consecutively, and as between the holders thereof shall rank equally.
- (4) 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.
- (5) 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.

#### INTEREST AND COUPONS.

14. (1) The rate of interest payable on new securities shall be four and one-quarter per centum per annum.
- (2) The interest on new securities shall be payable half-yearly on days corresponding to the maturity date of the securities.
15. (1) Separate coupons for each amount of interest payable on any debenture, in the form numbered (3) in the Second Schedule hereto, and numbered consecutively for each debenture, shall be attached thereto.
- (2) The signatures to coupons may be made by facsimiles thereof in lithograph or otherwise.

#### MATURITY DATE.

16. Every new security shall be redeemable at par on the thirty-first day of March, one thousand nine hundred and fifty-five.

#### PREMIUMS.

17. (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.
18. (1) Every premium to which any person is entitled under the last preceding clause shall be satisfied by payment of the amount thereof in cash.
- (2) 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.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

20. (1) In order to provide funds for the repayment of the new securities the local authority shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a consolidated sinking fund, of which the Public Trustee shall be the Commissioner.
- (2) For such purpose the local authority shall permanently appropriate for payment on or before the first day of April in each year following the date of conversion an annual contribution calculated at the rate of 2½ per cent. on the amount of the new securities, and shall pay each such contribution to the Public Trustee.
- (3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

21. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of the loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the Public Trustee shall be the Commissioner.
- (2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of