

APPLICATION OF EXISTING SINKING FUNDS.

19. The existing sinking fund of every loan referred to in the First Schedule hereto shall be applied by the Commissioners thereof in or towards making the following payments, in the following order of priority, namely:—

- (a) Firstly, in transferring to the Commissioners of the sinking fund hereinbefore required to be created for the unconverted securities issued in respect of such loan a sum which bears the same proportion to the amount of such existing sinking fund at the date of conversion as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan;
- (b) Secondly, in payment, in accordance with the directions of the local authority, of any cash payments required by this Order to be made in respect of premiums; and
- (c) Thirdly, in transferring the balance to the Commissioners of the consolidated sinking fund required to be created for the new securities issued under the authority of the Christchurch Tramway Board Loans Conversion Order (No. 2).

CONSOLIDATED SPECIAL RATE.

20. (1) As a security for the new securities and the unconverted securities the local authority shall forthwith, by resolution gazetted (in the form numbered (3) in the Second Schedule hereto), make and levy a special rate over the whole of the district of the local authority to provide for the payment of the half-yearly instalments of principal and interest in respect of the new securities and of interest and sinking fund in respect of the unconverted securities.

(2) Subject to the provisions of this Order, the provisions of the Local Bodies' Loans Act, 1926, and of any other Act shall, so far as applicable and with all necessary modifications, apply with respect to such special rate, and with respect to the interest, instalments of principal and interest, and other charges in respect of such securities as if such special rate were made and levied in respect of a special loan raised under Part I of the said Local Bodies' Loans Act, 1926.

(3) Upon the making of such special rate every special rate theretofore made in respect of any existing securities to which this Order applies shall cease to be a security for such existing securities. ■

SECURITIES HELD BY TRUSTEES.

21. 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. ■

BROKERAGE.

22. The local authority shall not, in respect of the conversion into new securities of any existing securities to which this Order applies, enter into any contract for the payment of brokerage at a rate exceeding one-quarter per centum of the amount of such existing securities.

FIRST SCHEDULE.
LOANS TO BE CONVERTED.

Name.	Amount.	Rate of Interest.		Date of Maturity.
		Original.	Existing.	
No. 2 Loan	£ 55,000	4½	4½	1st October, 1934.
No. 6	10,000	4½	4½	1st
No. 9	24,000	4½	4½	1st
No. 10	5,800	4½	4½	1st
No. 11	7,000	4½	4½	1st
No. 12	7,700	4½	4½	1st
No. 13	14,600	4½	4½	1st
No. 14	1,750	4½	4½	1st
No. 17 .. (£85,600)* ..	83,000	6½	5½	1st
No. 18 .. (£35,000)* ..	34,800	6½	5½	1st
No. 19	20,000	6½	5½	1st
No. 20	20,000	5½	4½	1st
No. 21	5,000	5½	4½	1st
No. 22	8,500	5½	4½	1st
No. 23	8,000	5½	4½	1st
No. 24	20,000	5½	4½	1st
No. 25	27,000	5½	4½	1st
No. 26	2,700	5½	4½	1st
No. 27	2,000	5½	4½	1st
No. 28	1,000	5½	4½	1st
No. 28	7,250	5½	4½	1st
No. 16	15,850	5½	4½	31st March, 1944.
No. 15 .. (£288,400)* ..	268,800	5½	4½	1st October, ..
No. 29	9,100	5½	4½	1st
No. 30	5,900	5½	4½	1st
No. 32	8,000	5½	4½	1st .. 1950.
No. 33	10,000	5½	4½	1st .. 1955.
No. 34	7,700	5	4½	1st .. 1951.
No. 35	10,500	5½	4½	1st .. 1947.
Total	£700,950			

* Part only of these loans being converted.