

(2) The local authority shall so fix the respective maturity dates of the new securities that the aggregate amount of principal secured by the new securities maturing on each of such dates shall, if practicable, be a multiple of one hundred pounds, and, subject thereto, shall, as nearly as may be, bear the same proportion to the aggregate amount of principal secured by all the new securities as the sum set opposite that date in the Third Schedule hereto bears to the total amount specified in that Schedule.

(3) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

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 Fourth Schedule hereto.

18. (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.

(2) The local authority shall pay in cash such portion (if any) of the aggregate amount of all such premiums to which any person is entitled as is required to reduce to the nearest multiple of five pounds the aggregate amount of new securities (including new securities issued by way of premium) to which such person is entitled, and may, if it thinks fit, pay in cash the whole or any part of the balance of any such aggregate amount of premium.

(3) All payments of cash in accordance with the last preceding subclause that are not made out of any sinking fund pursuant to the provisions of this Order (if any) in that behalf 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.

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 and shall pay to the Commissioner of the consolidated sinking fund on the thirtieth day of September, one thousand nine hundred and thirty-five, and on each thirty-first day of March and thirtieth day of September thereafter, up to and including the thirty-first day of March, one thousand nine hundred and thirty-seven, a contribution of seven hundred pounds and on the thirtieth day of September, one thousand nine hundred and thirty-seven, and on every thirty-first day of March and thirtieth day of September thereafter, up to and including the thirty-first day of March, one thousand nine hundred and sixty-seven, a contribution of two thousand nine hundred and twenty pounds, increased in respect of each contribution by a sum equal to two and one-eighth per centum of the aggregate amount of new securities redeemable on any date prior to that on which such contribution is payable, and reduced by the aggregate of the sums which during the six months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities. The amount deductible under the proviso to subsection three of section twenty of the Electric-power Boards Amendment Act, 1927, from the total amount of the charge for depreciation in the financial year ending on the thirty-first day of March, one thousand nine hundred and thirty-five, and in every financial year thereafter during the currency of the conversion loan shall be five thousand eight hundred and forty pounds.

(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 any loan referred to in the First Schedule hereto, for which a sinking fund was provided, 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 persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(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 principal secured by all the existing securities issued in respect of such loan, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.