

(d) Fourthly, in realizing and converting into money the balance of such fund and transferring the proceeds on or before the thirtieth day of September, one thousand nine hundred and thirty-five, to the Commissioner of the consolidated sinking fund hereinbefore required to be created for the new securities, to be held as part of that sinking fund.

23. The existing sinking fund of every loan referred to in the First Schedule of which the Public Trustee is Sinking Fund Commissioner shall be applied by the Public Trustee as Commissioner thereof, so far as it will extend, in or towards making the following payments, in the following order of priority, namely:—

- (a) First, 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 in respect of which such sinking fund is held; and
- (b) Secondly, in transferring the balance to the Commissioner of the consolidated sinking fund hereinbefore required to be created for the new securities, to be held as part of that sinking fund.

CONSOLIDATED SPECIAL RATE.

24. (1) As a security for the new securities and the unconverted securities the local authority shall forthwith, by resolution gazetted (in the form numbered (4) 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 interest, sinking fund, and other charges in respect of such 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 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.

25. 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.

26. 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.	
	£	Per Cent.	Per Cent.	
Nelson City Council Loan of £4,000 (1905)	4,000	4½	4¼	1st October, 1935.
Fire Appliances Loan, 1930 ..	1,600	5½	4½	1st December, 1935.
Nelson City Council Loan of £5,900 (1906)	5,900	4½	4¼	1st March, 1936.
Gas Reticulation Loan, 1906 ..	2,500	4½	4¼	1st October, 1936.
Bridges Reinstatement Loan	2,500	4½	4¼	1st May, 1937.
Relief of Unemployment Loan, 1927 (Queen's Drive) ..	300	5½	4½	1st December, 1939.
Streets Improvement, &c., Loan, 1925	7,700	5¾	4¾	1st March, 1940.
Nelson City Council Loan, 1925 (Freshwater Swimming-baths)	8,800	5¾	4¾	1st May, 1940.
Reserves Improvement Loan, 1925	5,700	5¾	4¾	1st July, 1940.
Sands Reserve Loan, 1928 ..	3,000	5½	4½	1st November, 1940.
Drainage Renewal Loan, 1925	55,000	5¾	4¾	1st December, 1940.
Streets Improvement, &c., Loan, 1925 (second portion, 1926)	3,000	5¾	4¾	1st March, 1941.
Traffic-bridge Loan, 1925 (first portion)	2,000	5¾	4¾	1st May, 1941.
Traffic-bridge Loan, 1925, (second portion)	2,400	5¾	4¾	1st May, 1941.
Streets Improvement, &c., Loan, 1925 (third portion, 1926)	1,000	5¾	4¾	1st May, 1941.
Streets Improvement, &c., Loan, 1925 (fourth portion, 1926)	1,000	5¾	4¾	1st September, 1941.
Streets Improvement, &c., Loan, 1925 (fifth portion, 1926)	2,000	5¾	4¾	1st October, 1941.
Streets Improvement, &c., Loan, 1925 (sixth portion, 1926)	3,000	5¾	4¾	1st November, 1941.