

DATE OF CONVERSION.

5. The date from which the conversion of existing securities into new securities shall take effect shall be the ninth day of January, one thousand nine hundred and thirty-five.

NOTICE TO HOLDER OF EXISTING SECURITIES.

6. The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto, together with a copy of this Order, to be forwarded by registered letter not later than the date of conversion to the holder of the existing securities to which this Order applies.

CONSENT TO CONVERSION.

7. The consent of the holders of the existing securities to the conversion thereof in accordance with this Order shall, if given, be signified in writing not later than the date of conversion, and when given shall be irrevocable.

NEW SECURITIES.

8. The aggregate amount of principal secured by the new securities to be issued in conversion of existing securities to which this Order applies (including new securities to be issued by way of premium), together with interest thereon computed at the rate of four and one-quarter per centum per annum, shall be repaid by equal half-yearly instalments over a period of twenty-six years, the first half-yearly instalment to fall due and be paid on the ninth day of July, one thousand nine hundred and thirty-five, and subsequent half-yearly instalments to fall due and be paid on every ninth day of January and ninth day of July thereafter, the last half-yearly instalment to fall due and be paid on the ninth day of January, one thousand nine hundred and sixty-one.

9. (1) New securities for the amount of each half-yearly instalment referred to in the preceding clause shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) All new debentures shall be numbered consecutively, and as between the holders thereof shall rank equally.

(3) 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.

(4) 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.

PREMIUMS.

10. The holder of the existing securities to which this Order applies 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.

11. (1) 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. Such additional securities shall be deemed to be secured in the same manner in all respects as the existing securities are secured.

(2) 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.

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

APPLICATION OF EXISTING SINKING FUNDS.

13. The existing sinking fund of the loan in the First Schedule hereto shall on the issue of the new securities be paid or transferred to the Commissioners of the Consolidated Sinking Fund created in respect of the new securities issued in accordance with the provisions of the Auckland Harbour Board Loans Conversion Order, 1934, and shall be held by such Commissioners as part of such Consolidated Sinking Fund.

SURRENDER OF CONVERTED SECURITIES, AND PAYMENT OF INTEREST THEREON.

14. The holder of the existing securities converted into new securities shall surrender the existing securities in Wellington in exchange for the new securities, and shall be entitled to receive on the date of conversion interest on the existing securities for the period ending on the date of conversion.

PAYMENT OF COSTS OF CONVERSION.

15. All costs, charges, and expenses incidental to the conversion shall be borne and paid by the local authority.