

9. Dissent from the conversion of any existing securities may be signified—

(a) At any time before the expiration of fourteen days from the date of conversion ;
or

(b) 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 in respect of the existing securities, or to receive the new securities or any instalment of principal and interest payable in respect thereof, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on the outstanding principal represented by 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. The aggregate amount of principal secured by the new securities to be issued in conversion of existing securities to which this Order applies, 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 years, the first half-yearly instalment to fall due and be paid on the first day of April, one thousand nine hundred and thirty-six, and subsequent half-yearly instalments to fall due and be paid on every first day of October and first day of April thereafter, the last half-yearly instalment to fall due and be paid on the first day of October, one thousand nine hundred and fifty-five.

14. (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.

15. As the existing securities to which this Order applies bear 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, the holders of such existing securities shall on the conversion thereof be entitled to receive new securities for the same aggregate amount of principal as is secured by the existing securities, without premium.

PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

APPLICATION OF EXISTING SINKING FUNDS.

17. (1) The existing sinking fund held by the Public Trustee in respect of the Water and Lighting Loan of £12,200 and the Water and Lighting Extra Loan of £1,220 referred to in the First Schedule hereto shall be applied by the Public Trustee as Commissioner thereof as follows :—

(a) As to the sum of £2,795 13s. 1d. in repayment as at the date of conversion of the principal secured by those debentures issued in respect of the Water and Lighting Loan of £12,200 to which the Wanganui-Rangitikei Electric-power Board Loans Conversion Order, 1935, applies ; and

(b) As to the balance of such existing sinking fund in repayment as at the date of conversion of the principal secured by those existing securities issued in respect of the said Water and Lighting Loan of £12,200 to which this Order applies.

(2) Interest up to the date of conversion on any existing securities so repaid in accordance with the last preceding subclause shall be paid by the local authority out of the local fund.

18. (1) The existing sinking fund of the Water and Lighting Extension Loan of £4,780 referred to in the First Schedule hereto shall be applied by the Public Trustee as Commissioner thereof, so far as it will extend, in repayment as at the date of conversion of the principal secured by the existing securities issued in respect of such loan.

(2) Interest up to the date of conversion on any existing securities so repaid in accordance with the last preceding subclause shall be paid by the local authority out of the local fund.

CONSOLIDATED SPECIAL RATE.

19. (1) As a security for the new 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 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.

BROKERAGE.

20. 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.