

CONSENT TO CONVERSION.

7. The consent of the holder 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, together with interest thereon computed at the rate of four per centum per annum, shall be repaid by equal half-yearly instalments over a period of fifteen years, the first half-yearly instalment to fall due and be paid on the first day of October, one thousand nine hundred and thirty-seven, and subsequent half-yearly instalments to fall due and be paid on every first day of April and first day of October thereafter, the last half-yearly instalment to fall due and be paid on the first day of April, one thousand nine hundred and fifty-two.

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 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.

PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

10. The principal and interest in respect of new securities shall be payable at such place or places in New Zealand as may be directed by the holder.

APPLICATION OF EXISTING SINKING FUND.

11. (1) The existing sinking fund of the loan specified in the First Schedule hereto shall be applied by the Public Trustee as Commissioner thereof in accordance with the following provisions of this clause.

(2) All existing securities issued in respect of such loan and at the date of conversion held by the Public Trustee as Commissioner thereof shall be cancelled. Such cancellation shall be effected by the Commissioner or a person appointed by him for the purpose in the presence of an officer appointed by the Audit Office. On the cancellation of such debentures the liability of the local authority and of the Commissioner in respect of the debentures and of the moneys secured thereby shall forthwith cease.

(3) So much of the existing sinking fund as is not represented by the existing securities referred to in the last preceding subclause shall, so far as it will extend, be applied as follows:—

- (a) Firstly, in payment in accordance with the directions of the local authority of the costs and charges (not exceeding in the aggregate £850) of and incidental to the conversion of the existing securities to which this Order applies; and
- (b) As to the balance thereof in repayment as at the date of conversion of the principal secured by the existing securities issued in respect of such loan.

(4) Interest up to the date of conversion on any existing securities cancelled or repaid in accordance with the foregoing provisions of this clause shall be paid by the local authority out of the local fund.

SURRENDER OF CONVERTED SECURITIES AND PAYMENT OF INTEREST THEREON.

12. 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.

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

FIRST SCHEDULE.

LOAN TO BE CONVERTED.

Name.	Amount.	Rate of Interest.		Date of Maturity.
		Original.	Existing.	
Oamaru Harbour Board Loan	£ 215,000	Per Cent. 4	Per Cent. 4	1st April, 1952.

SECOND SCHEDULE.

FORMS.

(1) Notice.

OAMARU HARBOUR BOARD.

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, section 20 of the Finance Act (No. 2), 1935, and the Oamaru Harbour Board Loan Conversion Order, 1937, of debentures or other securities issued in respect of the following loan [*Particulars of loan*].

Notice is hereby given to the holders of debentures or other securities issued in respect of the above-mentioned loan that, with the consent of the holder thereof, the Oamaru Harbour Board intends to convert all such debentures or other securities into new debentures having new maturity dates and bearing interest at 4 per cent. per annum.