

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

(4) 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.

(5) Every new debenture shall be signed by the Mayor, 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.

#### INTEREST AND COUPONS.

9. (1) The rate of interest payable on new securities shall be four and one-quarter per centum per annum.

(2) The interest on new securities shall be payable half-yearly on the thirty-first day of May and the thirtieth day of November in every year.

10. (1) Separate coupons for each amount of interest payable on any debenture, in the form numbered (3) in the Second Schedule hereto, and numbered consecutively for each debenture, shall be attached thereto.

(2) The signatures to coupons may be made by facsimiles thereof in lithograph or otherwise.

#### SURRENDER OF EXISTING SECURITIES AND PAYMENT OF INTEREST THEREON.

11. The holder of the existing securities converted into new securities shall surrender the existing securities 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.

#### MATURITY DATES.

12. (1) Every new security shall be redeemable at par on such one of the maturity dates set out in the Third Schedule hereto as is specified in that behalf in the security.

(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) The new securities maturing on the thirty-first day of May, one thousand nine hundred and sixty-five, shall contain a provision that they are redeemable with interest to the date of redemption at the option of the local authority on such earlier date as the local authority may specify in a notice in that behalf—

(a) Given by registered post in any case where the address of the holder of such securities is known; or

(b) To be published in the *Gazette*—  
in either case at least three months before such earlier date fixed by the local authority for the redemption of such securities.

#### PREMIUMS.

13. 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 of eleven thousand pounds.

14. (1) Subject to the provisions of this clause as to payment in cash, every premium to which the holder 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 premiums to which any person is entitled as may be required to reduce to the nearest multiple of five pounds the aggregate amount of principal represented by the new securities (including new securities issued by way of premium) to which such person is entitled.

(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 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.

15. The principal and interest in respect of new securities shall be payable at Sydney, in Australia.

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

16. (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 such persons as the local authority shall appoint shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioners of the consolidated sinking fund on each of the maturity dates specified in the Third Schedule hereto, a contribution of one thousand three hundred and ninety-one 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 redeemed or redeemable up to and including the maturity date immediately preceding that on which such contribution is payable.

(3) Subject to the provisions of this Order the provisions of sections forty to forty-four of the Local Bodies' Loans Act, 1926, shall, so far as applicable and with all necessary modifications, apply with respect to such sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

17. (1) The existing sinking fund of every loan referred to in the First Schedule hereto shall be applied by the Commissioners thereof, so far as it will extend in or towards making the following payments, in the following order of priority, namely:—

(a) First, in payment, in accordance with the directions of the local authority, of any cash premium payments required by this Order to be made to reduce to the nearest multiple of five pounds the aggregate amount of principal represented by the new securities (including new securities issued by way of premiums) to which the holder is entitled on the conversion of the existing securities to which this Order applies (whether issued in respect of such loan or of any other loan referred to in the First Schedule hereto);