



SUPPLEMENT

TO THE

NEW ZEALAND GAZETTE

OF

THURSDAY, MAY 3, 1934.

Published by Authority.

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WELLINGTON, FRIDAY, MAY 4, 1934.

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LOCAL BODIES' LOANS CONVERSION  
ORDERS.

*Auckland City Loans Conversion Order, 1934.*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present:

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies:

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding:

And whereas the Auckland City Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and certain of such securities are existing securities to which the said Act applies:

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen:

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Auckland City Loans Conversion Order, 1934.
2. In this Order, unless the context otherwise requires,—
  - “The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33:
  - “The date of conversion” means the date specified in clause five of this Order:
  - “Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities:
  - “The local authority” means the Auckland City Council:
  - “Local fund” has the same meaning as in Part V of the Local Bodies' Loans Act, 1926:
  - “New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies:
  - “Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities to which the Act applies issued in respect of the loans or parts of loans particulars of which loans or parts are set out in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise:

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications:—

- (a) A newspaper circulating in the City of Auckland:
- (b) A newspaper circulating in the City of Wellington:
- (c) A newspaper circulating in the City of Christchurch:
- (d) A newspaper circulating in the City of Dunedin:

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of the prospectus issued by the local authority.

If the local authority reserves the right conferred by clause 16 (1) of this Order to repay securities at an earlier date, particulars of such right shall be inserted in the notice and in the prospectus referred to in this clause.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

#### RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or

(c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than two months from the date of conversion.

#### NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds.

(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 or Deputy 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.

14. (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 days corresponding to the maturity dates of the securities.

15. (1) Any new debenture for one thousand pounds or any sum in excess of one thousand pounds may, if the person entitled thereto so desires, be issued without coupons, and in any such case the interest thereon shall be payable by cheque. If any such new debenture is issued without coupons and default is made by the local authority in payment of any interest on any such debenture (whether or not a cheque has been issued for such interest), such interest shall be deemed to be a sum secured by a coupon which has not been paid upon due presentation thereof for payment.

(2) Except as provided in the last preceding subclause, 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.

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

#### MATURITY DATES.

16. (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: Provided that the local authority may stipulate in any such new securities for the redemption, at the option of the local authority, of such new securities on such earlier date (at any time after the first day of January, one thousand nine hundred and forty-four) as the local authority may specify in a notice in that behalf to be published in the *Gazette* at least six months before such earlier date.

(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) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

#### PREMIUMS.

17. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities 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 Fourth Schedule hereto.

18. (1) Every premium to which any person is entitled under the last preceding clause shall be satisfied by payment of the amount thereof in cash.

(2) All payments of cash in accordance with the last preceding subclause shall be made out of the sinking funds pursuant to the provisions of this Order in that behalf.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

20. (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 appoints shall be the Commissioners.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioners of the consolidated sinking fund on each first day of January following the date of conversion up to and including the first day of January, one thousand nine hundred and sixty-seven, a contribution of £20,725, increased in respect of each contribution by a sum equal to three and one-quarter per centum of the aggregate amount of new securities redeemable up to and including the first day of January preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

(3) In addition to the contributions payable to the consolidated sinking fund in accordance with the last preceding subclause there shall be paid to the Commissioners of such consolidated sinking fund, to be held as part thereof, all moneys and securities held at the date of conversion by the Auckland City Sinking Fund Commissioners, and representing the balance of the sum of ten thousand pounds, more or less, being the proceeds realized by the sale by the Tamaki Road Board of its electric-power plant to the Auckland Electric-power Board.

(4) The provisions of sections forty to forty-four of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

21. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan in the First Schedule hereto (other than the loans referred to in the next succeeding clause), the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which such persons as the local authority appoints shall be the Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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.

22. (1) Each of the existing sinking funds of the following loans referred to in the First Schedule hereto, namely: Streets Improvement Loan, £225,000; Auckland City Council Consolidated Loan of £500,000; Consolidated Loan, 1924, £847,000; and the existing sinking funds in respect of the Remuera Road Board Waterworks Loans of which there are existing securities outstanding amounting to £23,900, the securities of the Remuera Road Board Waterworks Extension Loan of £10,000 referred to in the First Schedule hereto being part thereof (of which loans some only of the securities issued in respect thereof are existing securities to which this Order applies) shall be applied by the Commissioners thereof in accordance with the following provisions of this clause.

(2) Out of the existing sinking funds in respect of the securities of the Remuera Road Board Waterworks Loans as referred to in the preceding subclause and of which there are outstanding securities amounting to £23,900, and of the Consolidated Loan, 1924, of £847,000, the Commissioners shall transfer the sums of £665 and £3,075 respectively to the Commissioners of the consolidated sinking fund hereinbefore required to be created for the new securities, to be held as part of that sinking fund.

(3) Subject to the payments thereout directed to be made by the preceding subclause (2) hereof each of the existing sinking funds referred to in the preceding paragraph (1) of this clause shall be held by the Commissioners thereof as security for the repayment of such of the securities in respect of which the sinking fund is held as are not converted into new securities in accordance with this Order.

23. Where in respect of any loan specified in the first column of the First Schedule hereto (other than the loans referred to in the last preceding clause) the whole of the securities issued in respect thereof and outstanding at the date of conversion are not existing securities to which the Act applies, the existing sinking fund of such loan shall be divided into two parts, the first of which shall bear to the second the same proportion which the amount of the outstanding existing securities to which the Act applies bears

to the amount of the outstanding existing securities to which the Act does not apply. The first part of such sinking fund shall be applied by the Commissioners thereof in accordance with the provisions of clause twenty-six hereof as if those existing securities issued in respect of the loan to which the Act applies were a separate loan to which that clause applies, and such first part of the sinking fund were the sinking fund of such separate loan, and the second part of such sinking fund shall be retained by the Commissioners as a sinking fund for those existing securities issued in respect of the loan to which the Act does not apply.

24. For the purposes of the next two succeeding clauses the sinking fund of every loan set out in the First Schedule hereto, of which the Public Trustee is holder of some only of the existing securities issued in respect thereof, shall be divided into two parts, the first of which shall bear to the second the same proportion which the amount of the existing securities so held by the Public Trustee bears to the amount of the existing securities held by persons other than the Public Trustee. The said parts shall be applied as follows:—

- (a) The first part of such sinking fund shall be applied by the Commissioner thereof in accordance with the provisions of clause twenty-five hereof as if the existing securities issued in respect of the loan and held by the Public Trustee were a separate loan within the meaning of that clause, and such first part of the sinking fund were the sinking fund of such separate loan.
- (b) The second part of such sinking fund shall be applied by the Commissioner thereof in accordance with the provisions of clause twenty-six hereof as if the existing securities issued in respect of the loan and held by persons other than the Public Trustee were a separate loan within the meaning of that clause and such second part of the sinking fund were the sinking fund of such separate loan.

25. (1) The existing sinking fund of every loan in the First Schedule hereto the existing securities issued in respect of which are held by the Public Trustee shall be applied by the Public Trustee as Commissioner thereof 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 issued in respect of such loan;
  - (b) Secondly, in payment, in accordance with the directions of the local authority, of any cash premium payments required by this Order to be made in respect of the conversion of existing securities issued in respect of such loan or of any other loan to which this clause applies;
  - (c) Thirdly, in so far as the funds are represented by moneys in the Common Fund of the Public Trust Office, in repayment to the extent directed by the local authority and being an amount the multiple of one hundred pounds of the principal secured by existing securities issued in respect of such loan and held by the Public Trustee; and
  - (d) Fourthly, in transferring the balance including any part of the fund not invested in the Common Fund of the Public Trust Office to the Commissioners of the consolidated sinking fund hereinbefore required to be created for the new securities, to be held as part of that sinking fund.
- (2) Interest up to the date of conversion on any existing securities so repaid in accordance with paragraph (c) of the last preceding subclause shall be paid by the local authority out of the local fund.

26. The existing sinking fund of every loan referred to in the First Schedule (other than the loans referred to in the preceding clauses twenty-two and twenty-five hereof) 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 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 issued in respect of such loan;
- (b) Secondly, in payment in accordance with the directions of the local authority of any cash premium payments required by this Order to be made in respect of the conversion of existing securities whether issued in respect of such loan or of any other loan to which the clause applies;
- (c) Thirdly, in payment in accordance with the directions of the local authority of the costs and charges of and incidental to the conversion of any existing securities to which this Order applies (whether issued in respect of the said loan or of any other loan referred to in the First Schedule hereto): Provided, however, that the aggregate amount so paid out of all the existing sinking funds to which this clause applies shall in no case exceed £2,000; and
- (d) Fourthly, in transferring the balance to the Commissioners 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.

27. (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.

28. 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.

29. 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.		
	£	s.	d.	Per Cent.	Per Cent.	
Streets Improvement Loan £225,000, 1911 (issue of £100,000, 1915)	100,000	0	0	4½	4½	1st Aug., 1935.
Workers' Homes Loan .. .. .	3,000	0	0	5	4½	1st Feb., 1936.
The City of Auckland Consolidated Loan, 1914, of £137,000 (part)	50,000	0	0	4½	4½	1st Aug., 1936.
The City of Auckland Consolidated Loan, 1914, of £137,000 (part)	37,000	0	0	5	4½	}
Consolidated Loan, 1914, of £137,000 (part)	5,000	0	0	5	4½	
Consolidated Loan, 1914, of £137,000 (part)	45,000	0	0	5½	4½	}
Beach Road and Jermyn Street Improvement Loan of £50,000	25,000	0	0	5	4½	
Grey Lynn Water-supply Extension Loan of £10,000 (part)	3,000	0	0	5	4½	}
Grey Lynn Water-supply Extension Loan of £10,000 (part)	7,000	0	0	5½	4½	
Market Loan of £55,000, 1915 .. .. .	55,000	0	0	5½	4½	10th Jan., 1937.
Remuera Area Drainage Loan of £30,000 (part)	13,000	0	0	5½	4½	}
Remuera Area Drainage Loan of £30,000 (part)	17,000	0	0	5½	4½	
Fish-market Loan of £20,000 (part) ..	12,000	0	0	5	4½	}
Fish-market Loan of £20,000 (part) ..	8,000	0	0	5½	4½	
Borough of Newton £2,500 Loan, 1888 ..	200	0	0	6	4½	1st May, 1938.
Streets Improvement Additional Loan, 1918, of £22,500	22,500	0	0	5½	4½	1st April, 1939.
Avondale Borough Council Construction of Main Highway (Great North Road) Special Loan of £7,500	150	0	0	6	4½	2nd Mar., 1939.
Grey Lynn Street Improvement and Drainage Loan of £90,000	25,000	0	0	5½	4½	20th April, 1941.
The Auckland City Borrowing Act, 1899, and Finance Act, 1921, £100,000 Loan (B issue)	34,000	0	0	6	4½	18th April, 1942.
Crematorium Loan, £4,000 .. .. .	100	0	0	5½	4½	1st June, 1942.
The Auckland City Borrowing Act, 1899, and Finance Act, 1921, £100,000 Loan (C issue)	8,000	0	0	5½	4½	23rd Nov., 1943.
The Auckland City Borrowing Act, 1899, and Finance Act, 1921, £100,000 Loan (D issue)	9,600	0	0	5½	4½	1st July, 1944.
Zoological Garden Loan of £10,000 (part) ..	8,500	0	0	5½	4½	1st Jan., 1944.
Refuse Destructor Additional Loan of £7,500 (part)	500	0	0	5½	4½	"
Abattoir Additional Loan of £20,000, 1923 (part)	13,500	0	0	5½	4½	"
Auckland City Council Loan of £23,000, 1923, portion of a Consolidated Loan of £500,000 (part)	22,000	0	0	5½	4½	"
Antecedent Liability Loan of £89,500 (part)	6,500	0	0	5½	4½	"
Auckland City Council's Loan of £17,000, 1923 (portion of a Consolidated Loan of £500,000)	17,000	0	0	5½	4½	9th Aug., 1944.
Avondale Borough Council Motor-truck and Roadmaking-plant Special Loan of £1,500	1,500	0	0	6	4½	1st Sept., 1944.
Borough of Grey Lynn Supplementary Loan of £1,250 to the Roads and Streets Improvement Loan of £12,500	1,250	0	0	5	4½	1st Aug., 1946.
Borough of Grey Lynn Supplementary Loan of £3,250 to the Surrey Hills Estate and other Roads and Improvements Loan of £32,500	3,250	0	0	5	4½	"
Borough of Grey Lynn Loan of £3,000 ..	8,000	0	0	5	4½	1st Sept., 1946.
Borough of Grey Lynn Special Loan of £10,000 for extinction of bank overdraft	10,000	0	0	5	4½	1st June, 1947.

LOANS TO BE CONVERTED—*continued.*

Name.	Amount.		Rate of Interest.		Date of Maturity.
			Original.	Existing.	
	£	s. d.	Per Cent.	Per Cent.	
Auckland City Streets Improvements Supplementary Loan, 1928, of £71,000	71,000	0 0	5½	4½	15th Jan., 1949.
Tamaki West Road Board Water-supply Loan, 1912, of £10,000	10,000	0 0	5	4½	1st June, 1949.
Avondale Borough Council Town Hall Completion and Furnishing Special Loan of £1,200	1,200	0 0	6	4½	1st Sept., 1949.
Avondale Borough Council Avondale Sewer Reticulation Special-rating Area No. 1 Special Loan of £15,000	15,000	0 0	6	4½	"
Avondale Borough Council Purchase of Motor Hose-reel for Fire-prevention Purposes Special Loan of £750	750	0 0	6	4½	1st Oct., 1949.
Epsom Road Board Epsom Drainage Loan, 1914, of £55,000	55,000	0 0	5	4½	1st Jan., 1950.
Epsom Road Board Epsom Drainage Completion Loan, 1916, of £5,500	5,500	0 0	5½	4½	"
Point Chevalier Road Board General Road Improvement Loan of £11,500, 1913	11,500	0 0	5	4½	11th ,, 1950.
Point Chevalier Road Board General Road Improvement (Supplementary) Loan of £1,100	1,100	0 0	5½	4½	11th ,, 1953.
Epsom Road Board Epsom Water-supply Loan, 1916, of £3,500	3,500	0 0	5½	4½	1st July, 1950
Remuera Road Board Waterworks Extension Loan of £10,000 (an issue under authorizations of £30,000 for waterworks purposes, securities in respect of which are now current totalling £23,900)	10,000	0 0	5	4½	1st Nov., 1950.
Remuera Main Road Redemption Loan, 1929, of £2,300	2,300	0 0	5½	4½	1st Mar., 1951.
Remuera Road Board No. 2 Area Drainage Completion Loan	3,700	0 0	5	4½	22nd Mar., 1951.
Remuera Road Board Waterworks and Road Construction Completion Loan	4,200	0 0	5	4½	"
Tamaki West Road Board Water-supply Supplementary Loan of £1,000, 1914	1,000	0 0	5½	4½	1st June, 1951.
Streets Improvement Loan, 1919, of £165,000 (part)	80,000	0 0	5½	4½	} 1st July, 1952.
Streets Improvement Loan, 1919, of £165,000 (part)	25,000	0 0	5½	4½	
Streets Improvements Supplementary Loan, 1927, of £19,000	19,000	0 0	5½	4½	
Queen Street Paving Redemption Loan, 1932, of £5,000	5,000	0 0	5½	4½	1st Nov., 1952.
Water-supply Extension Redemption Loan, 1932, £15,800	15,800	0 0	5½	4½	4th Nov., 1952.
Avondale Borough Council Road Board Offices Loan, 1916	1,000	0 0	5½	4½	1st April, 1953.
Victoria Park Redemption Loan, 1929, £1,600	1,600	0 0	5½	4½	1st Mar., 1956.
Grafton Bridge Redemption Loan, 1929, £5,200	5,200	0 0	5½	4½	"
Municipal Abattoir Additional Renewal Loan, 1929, £7,400	7,400	0 0	5½	4½	15th Mar., 1956.
Municipal Abattoir Renewal Loan, 1929, £21,000	21,000	0 0	5½	4½	"
Parnell Drainage Extension Loan of £10,000	10,000	0 0	5½	4½	8th Nov., 1956.
Tamaki West Road Board Electric Light Loan of £9,000, 1920	9,000	0 0	5½	4½	1st Dec., 1956.
Streets Formation, Drainage, and Refuse Destructor Redemption Loan, 1927, of £41,812	41,800	0 0	5½	4½	1st Sept., 1957.
Drainage Works Supplementary Loan, 1927, of £12,000	12,000	0 0	5½	4½	16th Nov., 1957.
Municipal Abattoirs Extension Loan, 1927, of £30,000	30,000	0 0	5½	4½	5th Mar., 1958.
Town Hall (Supplementary) Redemption Loan, 1932, £9,300	9,300	0 0	5½	4½	1st Nov., 1958.
Tamaki West Road Board Waterworks Extension, Additions to Office and Caretaker's Residence Loan, £3,000 (part)	400	0 0	6	4½	1st Mar., 1959.
Tamaki West Road Board Main Roads Loan of £16,500	16,500	0 0	6	4½	"
Tamaki West Road Board Main Roads (Supplemental) Loan, 1924, of £1,650	1,650	0 0	5½	4½	"
Tamaki West Road Board Foreshore Improvement Loan of £10,000 (part)	100	0 0	6	4½	"
Tamaki West Road Board Foreshore Improvement Loan of £10,000 (part)	9,900	0 0	5½	4½	"
Tamaki West Road Board Antecedent Liability Loan, 1922	4,800	0 0	6	4½	"
Tamaki West Road Board Electric Light Extension Loan, 1923, of £12,000 (part)	5,000	0 0	5½	4½	"
Tamaki West Road Board Electric Light Extension Loan, 1923, of £12,000 (part)	7,000	0 0	5½	4½	"

LOANS TO BE CONVERTED—*continued.*

Name.	Amount.		Rate of Interest.		Date of Maturity.
			Original.	Existing.	
	£	s. d.	Per Cent.	Per Cent.	
Tamaki West Road Board Subsidiary Roads Improvement Loan, 1923, of £32,000 (part)	10,100	0 0	5½	4½	1st Mar., 1959.
Tamaki West Road Board Subsidiary Roads Improvement Loan, 1923, of £32,000 (part)	18,900	0 0	5½	4½	"
Tamaki Road Board Subsidiary Roads Improvement Loan, 1923, of £32,000 (part)	3,000	0 0	5½	4½	1st Sept., 1961.
Tamaki West Road Board Drainage Loan, 1923, of £90,000 (part)	5,000	0 0	5½	4½	1st Mar., 1959.
Tamaki West Road Board Drainage Loan, 1923, of £90,000 (part)	20,000	0 0	5½	4½	1st Mar., 1959.
Tamaki Road Board Drainage Loan, 1923, of £90,000 (part)	21,000	0 0	5½	4½	1st Sept., 1961.
Tamaki Road Board Drainage Loan, 1923, of £90,000 (part)	9,000	0 0	6	4½	1st Mar., 1962.
Tamaki Road Board Drainage Loan, 1923, of £90,000 (part)	2,000	0 0	5½	4½	1st Sept., 1963.
Tamaki Road Board Drainage Loan, 1923, of £90,000 (part)	10,000	0 0	5½	4½	1st Mar., 1964.
Tamaki District Drainage Loan (1923), of £90,000 (part)	23,000	0 0	5½	4½	1st Sept., 1965.
Auckland City Relief of Unemployment Loan, 1929, of £25,200	25,200	0 0	5½	4½	15th Oct., 1959.
Consolidated Loan, 1924, £847,000 (being that part thereof represented by Debentures numbered 1-3 of issue of £107,000)	30,000	0 0	5½	4½	1st Dec., 1959.
Remuera Library Loan of £12,000	12,000	0 0	5½	4½	1st Jan., 1960.
Filtration Plants (Nihotupu and Waitakere) Loan of £70,000	70,000	0 0	5½	4½	11th Mar., 1960.
Avondale Borough Council Special Town Hall Loan of £5,000	5,000	0 0	6	4½	1st Sept., 1960.
Avondale Borough Council Special Town Hall Supplemental Loan of £500	500	0 0	6	4½	1st Mar., 1961.
Tamaki West Road Board Recreation Reserve Loan Repayment Loan, 1924, of £500	500	0 0	5½	4½	1st Sept., 1960.
Tamaki West Road Board General Roads Improvement Loan, 1924, of £47,500 (part)	5,800	0 0	5½	4½	"
Tamaki Road Board General Roads Improvement Loan, 1924, of £47,500 (part)	15,000	0 0	5½	4½	1st Sept., 1961.
Tamaki Road Board General Roads Improvement Loan, 1924, of £47,500 (part)	2,000	0 0	5½	4½	1st Mar., 1962.
Tamaki Road Board General Roads Improvement Loan, 1924, of £47,500 (part)	5,000	0 0	5½	4½	1st Sept., 1962.
Tamaki Road Board General Roads Improvement Loan, 1924, of £47,500 (part)	12,000	0 0	6	4½	1st Mar., 1963.
Tamaki Road Board General Roads Improvement Loan, 1924, of £47,500 (part)	5,000	0 0	5½	4½	1st Sept., 1963.
Tamaki Road Board General Roads Improvement Loan, 1924, of £47,500 (part)	2,700	0 0	5½	4½	1st Mar., 1964.
Tamaki West Road Board Electric Light and Waterworks Extension Loan, 1924, of £18,000 (part)	3,000	0 0	5½	4½	1st Sept., 1960.
Tamaki West Road Board Electric Light and Waterworks Extension Loan, 1924, of £18,000 (part)	5,000	0 0	6	4½	" 1961.
Tamaki Road Board Electric Light and Waterworks Extension Loan, 1924, of £18,000 (part)	2,000	0 0	5½	4½	" 1963.
Tamaki West Road Board Office, Fire-station, and Bathing-sheds Loan, 1924, of £4,750 (part)	3,150	0 0	5½	4½	" 1960.
Tamaki Road Board Office, Fire-station, and Bathing-sheds Loan, 1924, of £4,750 (part)	1,300	0 0	6	4½	1st Sept., 1962.
Tamaki Road Board Office, Fire-station, and Bathing-sheds Loan, 1924, of £4,750 (part)	300	0 0	6	4½	1st Mar., 1963.
Tamaki Road Board Offices, Fire-brigade, and Bathing-sheds 10 per cent. additional Loan, £475	475	0 0	6	4½	"
Tamaki West Road Board Water-mains and Electric Light Extension Loan of £8,000, 1924	8,000	0 0	6	4½	1st Dec., 1960.
Avondale Borough Main Sewer Loan of £14,000, 1924	14,000	0 0	6	4½	1st May, 1961.
Avondale Borough Avondale South Water Reticulation Special-rating Area Loan of £7,000, 1924	7,000	0 0	6	4½	"
Avondale Borough Waterview Water Reticulation Special-rating Area Loan of £3,000, 1924	3,000	0 0	6	4½	"



LOANS TO BE CONVERTED—*continued.*

Name.	Amount.		Rate of Interest.		Date of Maturity.
			Original.	Existing.	
	£	s. d.	Per Cent.	Per Cent.	
Avondale Borough South Ward Street Improvements and Stormwater Drainage Loan of £17,000, 1924	17,000	0 0	6	4½	1st May, 1961.
Avondale Borough North Ward Street Improvements and Stormwater Drainage Loan of £18,000, 1924	18,000	0 0	6	4½	„
Relief of Unemployment Loan, 1931, £29,250	29,250	0 0	5½	4½	15th Sept., 1961.
Auckland City Relief of Unemployment Loan, 1928, of £10,000	10,000	0 0	5½	4½	1st Dec., 1961.
Avondale Borough Roadmaking Plant Loan of £5,500, 1925	5,500	0 0	6	4½	1st Feb., 1962.
Avondale Borough Council Central Ward Streets Improvements Loan	15,500	0 0	6	4½	1st Mar., 1962.
Avondale Borough Main Sewer Supplementary Loan of £1,000, 1925	1,000	0 0	6	4½	1st May, 1962.
Avondale Borough Council Blockhouse Bay Water Reticulation Special-rating Area Loan	7,500	0 0	6	4½	„
Avondale Borough Streets Improvement Loan of £3,500, 1925	3,500	0 0	6	4½	1st June, 1962.
Tamaki Road Board Foreshore Repayment Loan, 1926, of £2,750	2,750	0 0	6	4½	1st Sept., 1962.
Purewa Stream Bridge Loan of £12,000, 1931	12,000	0 0	5½	4½	4th Nov., 1962.
Tamaki Road Board Unemployment Loan, 1926, of £2,000	2,000	0 0	6	4½	1st Mar., 1963.
Tamaki Road Board Waterfront Roadway Loan, 1926, of £100,000	20,000	0 0	5½	4½	1st Feb., 1963.
Tamaki Road Board Waterfront Road Loan, 1926, of £100,000 (part)	20,000	0 0	5½	4½	1st Mar., 1963.
Tamaki Road Board Waterfront Roadway Loan, £100,000 (part)	20,000	0 0	5½	4½	1st Sept., 1963.
Avondale Borough Council Blockhouse Bay Water Reticulation Loan, 1926	3,500	0 0	6	4½	1st May, 1963.
Avondale Borough Sewer Reticulation Loan of £10,300, 1927	10,300	0 0	6	4½	1st Oct., 1963.
Avondale Borough Main Sewer Extension Loan of £1,200, 1927	1,200	0 0	6	4½	„
Part Consolidated Loan 1924 Supplementary Loan, 1930	14,100	0 0	5½	4½	21st Oct., 1964.
Drainage Loan, 1930, of £115,000 (part issued)	90,000	0 0	5½	4½	1st July, 1965.
Ponsonby Park Redemption Loan, 1932, of £18,550	18,500	0 0	5½	4½	1st June, 1969.
Tamaki District (City of Auckland) Drainage Loan, 1931, of £50,000	10,000	0 0	5½	4½	„
Total .. .. .	£1,797,275	0 0			

## SECOND SCHEDULE.

## FORMS.

## (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

[If the local authority reserves the right conferred by clause 16 (1) of the Order to repay at an earlier date, particulars of such right to be inserted.]

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the day of , 19 .

, Mayor.

(2) *New debenture.*

No. [Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . . New debenture for £ , payable at , in New Zealand, on the day of , 19 , issued by the [Name of local authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at , in New Zealand, on or after the day of , 19 , the bearer thereof will be entitled to receive £ . [If the local authority reserves the right conferred by clause 16 (1) of the Order to repay at an earlier date, particulars of such right to be inserted.] Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of per centum per annum, payable on the day of and the day of in each year, on presentation of the attached coupons.

Issued under the common seal of the the day of , 19 .

[L.S.] A.B., Mayor [or Deputy Mayor].  
C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No. New debenture No. of the [Name of local authority], New Zealand, issued under Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . .

On presentation of this coupon at , in New Zealand, on or after the day of , 19 , the bearer hereof will be entitled to receive £ .

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Mayor.  
C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the loans set out in the First Schedule to that Order, and also the interest, sinking fund, and other charges on the unconverted securities issued in respect of such loans, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value on the basis of [State whether capital, unimproved, or annual] value of all rateable property of the district, and that such special rate shall be an annually recurring rate during the currency of such securities, and be payable half-yearly on the day of and the day of [or yearly on the day of ] in each and every year until the last maturity date of such securities, being the day of , 19 , or until all such securities are fully paid off.

THIRD SCHEDULE.

MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £1,791,175.	Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £1,791,175.
	£		£
1st January, 1935 ..	24,400	1st January, 1952	49,000
" 1936 ..	29,100	" 1953	50,500
" 1937 ..	30,100	" 1954	52,150
" 1938 ..	31,000	" 1955	53,900
" 1939 ..	32,050	" 1956	55,900
" 1940 ..	33,250	" 1957	57,700
" 1941 ..	34,400	" 1958	59,500
" 1942 ..	35,400	" 1959	61,550
" 1943 ..	36,700	" 1960	63,500
" 1944 ..	38,100	" 1961	65,500
" 1945 ..	39,050	" 1962	67,700
" 1946 ..	40,500	" 1963	69,950
" 1947 ..	41,700	" 1964	72,100
" 1948 ..	43,100	" 1965	74,550
" 1949 ..	44,500	" 1966	76,900
" 1950 ..	45,900	" 1967	234,125
" 1951 ..	47,400		
Total ..	..	..	£1,791,175

## FOURTH SCHEDULE.

## COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0·488998	$19\frac{1}{2}$	12·891438
1	0·967235	20	13·096761
$1\frac{1}{2}$	1·434948	$20\frac{1}{2}$	13·297566
2	1·892370	21	13·493952
$2\frac{1}{2}$	2·339726	$21\frac{1}{2}$	13·686017
3	2·777238	22	13·873855
$3\frac{1}{2}$	3·205123	$22\frac{1}{2}$	14·057560
4	3·623592	23	14·237222
$4\frac{1}{2}$	4·032853	$23\frac{1}{2}$	14·412931
5	4·433108	24	14·584774
$5\frac{1}{2}$	4·824556	$24\frac{1}{2}$	14·752835
6	5·207389	25	14·917198
$6\frac{1}{2}$	5·581799	$25\frac{1}{2}$	15·077944
7	5·947970	26	15·235153
$7\frac{1}{2}$	6·306083	$26\frac{1}{2}$	15·388903
8	6·656316	27	15·539270
$8\frac{1}{2}$	6·998842	$27\frac{1}{2}$	15·686327
9	7·333831	28	15·830149
$9\frac{1}{2}$	7·661448	$28\frac{1}{2}$	15·970806
10	7·981856	29	16·108367
$10\frac{1}{2}$	8·295214	$29\frac{1}{2}$	16·242902
11	8·601676	30	16·374476
$11\frac{1}{2}$	8·901395	$30\frac{1}{2}$	16·503155
12	9·194518	31	16·629003
$12\frac{1}{2}$	9·481191	$31\frac{1}{2}$	16·752081
13	9·761556	32	16·872451
$13\frac{1}{2}$	10·035752	$32\frac{1}{2}$	16·990172
14	10·303914	33	17·105303
$14\frac{1}{2}$	10·566175	$33\frac{1}{2}$	17·217900
15	10·822665	34	17·328020
$15\frac{1}{2}$	11·073511	$34\frac{1}{2}$	17·435716
16	11·318837	35	17·541042
$16\frac{1}{2}$	11·558765	$35\frac{1}{2}$	17·644051
17	11·793413	36	17·744793
$17\frac{1}{2}$	12·022898	$36\frac{1}{2}$	17·843319
18	12·247333	37	17·939676
$18\frac{1}{2}$	12·466829	$37\frac{1}{2}$	18·033913
19	12·681496		

## Example of Working.

Conversion as from 15th December, 1933, of 6-per-cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{4}$ -per-cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

	£
One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is .. .. .	4·8
One year's interest on £100 at new rate ( $4\frac{1}{4}$ per cent.) is .. .. .	4·25
Difference is .. .. .	£0·55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9·761556.

£0·55 multiplied by 9·761556 is £5·3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or, alternatively, by ascertaining 5·3688558 per cent. of the amount of the principal in each case.

*Hamilton Borough Loans Conversion Order, 1934 (No. 1).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present :

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies :

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding :

And whereas the Hamilton Borough Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies :

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen :

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Hamilton Borough Loans Conversion Order, 1934 (No. 1).
2. In this Order, unless the context otherwise requires,—
  - “The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33 :
  - “The date of conversion” means the date specified in clause five of this Order :
  - “Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three ; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :
  - “The local authority” means the Hamilton Borough Council :
  - “Local fund” has the same meaning as in Part V of the Local Bodies’ Loans Act, 1926 :
  - “New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies :
  - “Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans or parts of loans particulars of which are set out in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise :

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications :—

- (a) A newspaper circulating in the City of Auckland :
- (b) A newspaper circulating in the City of Wellington :
- (c) A newspaper circulating in the City of Christchurch :
- (d) A newspaper circulating in the City of Dunedin.
- (e) A newspaper published in Hamilton.

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of the prospectus (if any) issued by the local authority, or, if no prospectus is issued, by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

#### RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or

(c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than two months from the date of conversion.

#### NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds, provided that in the case of the Unemployment Relief Loan (1927) of nine hundred and thirty-one pounds, it shall be lawful to issue a debenture for thirty-one pounds.

(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.

14. (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 days corresponding to the maturity dates of the securities.

15. (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.

#### MATURITY DATES.

16. (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) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

#### PREMIUMS.

17. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities 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 Fourth Schedule hereto.

18. (1) Every premium to which any person is entitled under the last preceding clause shall be satisfied by payment of the amount thereof in cash.

(2) All payments of cash in accordance with the last preceding subclause shall be made by the local authority out of the local fund, and charged to the appropriate account.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

20. (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 the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the consolidated sinking fund on each thirty-first day of March following the date of conversion up to and including the thirty-first day of March, one thousand nine hundred and sixty, a contribution of £4,140 10s., increased in respect of each contribution by a sum equal to four per centum of the aggregate amount of new securities redeemable up to and including the first day of July preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

Provided that the amount of the annual contributions, calculated as aforesaid, payable on or after the thirty-first day of March, one thousand nine hundred and forty-six, shall be reduced as follows:—

(a) In the case of each of the contributions payable on the thirty-first day of March, one thousand nine hundred and forty-six, and on every thirty-first day of March thereafter up to and including the thirty-first day of March, one thousand nine hundred and fifty, by the sum of £3,970 5s.

(b) In the case of each of the contributions payable on the thirty-first day of March, one thousand nine hundred and fifty-one, and on every thirty-first day of March thereafter up to and including the thirty-first day of March, one thousand nine hundred and fifty-six, by the sum of £7,877 10s.

(c) In the case of each of the contributions payable on the thirty-first day of March, one thousand nine hundred and fifty-seven, and on every thirty-first day of March thereafter, by the sum of £10,083 10s.

(3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

21. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan or part of such loan to which this Order applies, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

22. (1) The existing sinking fund of each of the first three loans specified in the First Schedule hereto shall be applied by the Commissioners thereof 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 issued in respect of such loan;

(b) Secondly, as far as it will extend to the nearest multiple of £100 in repayment as at the date of conversion of the principal secured by the existing securities issued in respect of such loan; and

(c) Thirdly, 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.

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

23. (1) The existing sinking fund of every loan referred to in the First Schedule (other than the loans referred to in the last preceding clause) 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 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 the 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.

(2) Where the sinking fund of any loan is at the date of conversion held as security not only for those existing securities issued in respect of the loan to which this Order applies but also for other securities to which this Order does not apply, such sinking fund shall be equitably apportioned between those securities to which this Order does so apply and those securities to which this Order does not so apply, and the last preceding subclause shall in relation to any such sinking fund be construed as applying only to the part thereof so apportioned to the existing securities to which this Order applies.

#### 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.	
Frankton Borough Council Electric Lighting Loan, 1914	2,000	5	4½	1st July, 1950.
The Town Board of the Frankton District Electric Light Loan	7,500	4½	4½	1st August, 1948.
The Frankton Borough Council Supplementary Lighting Loan of £750 (1913)	750	5	4½	1st March, 1950.
1919 Electricity Loan of £2,500	2,500	5½	4½	1st September, 1955.
Electricity 10-per-cent. Loan of £2,600	2,600	6½	5½	1st January, 1955.
Electricity and Waterworks £33,000 Loan (part)	25,000	5½	4½	1st January, 1955.
Electricity and Waterworks £33,000 Loan (part)	8,000	6½	5½	1st January, 1955.
Electricity Loan £12,000 ..	12,000	5½	4½	1st September, 1947.
Antecedent Liability Loan £22,113 16s. 5d. (part) (a)	10,000	5½	4½	1st October, 1938.
Streets, Bridge, and Gasworks Loan, £37,472 (part) (b)	12,000	4½	4½	1st February, 1947.
Gasworks Loan of £38,000 ..	38,000	4½	4½	1st January, 1941.
Gasworks Loan of £7,000 ..	7,000	4½	4½	1st July, 1947.

LOANS TO BE CONVERTED—*continued.*

Name.	Amount.	Rate of Interest.		Date of Maturity.
		Original.	Existing.	
Gasworks No. 3 Loan of £5,500 (part) (c)	£ 4,800	Per Cent. 4½	Per Cent. 4½	1st January, 1950.
Gasworks Loan of £5,000 (balance)	600	5¼	4¼	1st January, 1955.
Gasworks £8,000 (part) ..	2,950	5½	4½	1st October, 1948.
Gasworks £8,000 (part) ..	1,400	5¾	4¾	1st October, 1948.
Gasworks £8,000 (part) ..	3,650	6	4¾	1st October, 1948.
Section 320-325 West (1916) ..	700	5	4½	1st January, 1936.
Waterworks Extension Loan, £5,199	1,100	4½	4¼	1st February, 1947.
Waterworks No. 6 Loan, £7,500 (part)	5,500	5½	4½	1st July, 1950.
Waterworks No. 6 Loan, £7,500 (part)	2,000	4½	4¼	1st July, 1950.
Saleyards Loan, £1,500 ..	1,100	4½	4¼	1st January, 1947.
Claudlands Waterworks Loan, £8,000	8,000	4½	4¼	1st October, 1949.
Borough of Frankton Electric Lighting and Waterworks Loan, £6,000, 1914 (part)	4,000	4½	4¼	13th September, 1950.
Waterworks Loan, £10,000 (part)	7,500	5½	4½	1st March, 1958.
Waterworks Loan, £10,000 (part)	2,500	5¼	4¼	1st March, 1958.
Waterworks Loan, £40,670 (1928) (part)	6,600	5¼	4¼	1st August, 1959.
Waitewhiriwhiri Sanitary Loan, £16,000	13,100	5¾	4½	1st June, 1947.
Unemployment Relief No. 2, £2,000 Loan	2,000	5¾	4½	1st November, 1954.
Unemployment Relief Loan, £931 (1927)	931	5¾	4½	1st August, 1954.
Unemployment Relief £1,000 Loan	1,000	5¾	4½	1st April, 1963.
Unemployment Relief £700 Loan	700	5¾	4½	1st April, 1963.
Unemployment Relief Loan, £1,000 (1928)	1,000	5½	4½	1st October, 1953.
Relief £3,000 Loan (1929) ..	2,900	5½	4¼	1st August, 1959.
Unemployment Relief £8,500 Loan, 1930 (part)	8,000	5¾	4½	1st July, 1960.
Unemployment Relief £8,500 Loan, 1930 (part)	500	5½	4½	1st July, 1960.
Sewerage Loan £6,000 ..	6,000	5¾	4½	1st January, 1962.
Unemployment Relief £850 10-per-cent. Loan (1931)	600	5¼	4¼	1st June, 1961.
Total .. ..	216,481			

- (a) Of the debentures issued in respect of this loan this Order applies only to those numbered 2 to 11.  
 (b) Of the debentures issued in respect of this loan this Order applies only to those numbered 1 to 12.  
 (c) Of the debentures issued in respect of this loan this Order applies only to those numbered 1 to 48.

## SECOND SCHEDULE.

## FORMS.

## (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the day of , 19 .

, Mayor.



(2) *New Debenture.*

No. . . . .

[*Name of local authority*], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the . . . . . Loans Conversion Order, 19 . . . . .  
 New debenture for £ . . . . ., payable at . . . . ., in New Zealand, on the  
 day of . . . . ., 19 . . . . ., issued by the [*Name of local authority*], New Zealand, under the  
 above-mentioned Act and Order pursuant to a resolution passed and confirmed by the  
 said Council [or Board, or as the case may be] as provided by section 9 (2) of the said  
 Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the  
 Government or public revenues of New Zealand.)

On presentation of this debenture at . . . . ., in New Zealand, on or after  
 the . . . . . day of . . . . ., 19 . . . . ., the bearer thereof will be entitled to receive £ . . . . .  
 Interest on this debenture will cease after the day when the payment falls due unless  
 default is made in payment.

This debenture bears interest at the rate of . . . . . per centum per annum, payable  
 on the . . . . . day of . . . . . and the . . . . . day of . . . . . in each year, on pre-  
 sentation of the attached coupons.

Issued under the common seal of the  
 the . . . . . day of . . . . ., 19 . . . . .

[L.S.] . . . . . A.B., Mayor.  
 C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No. . . . .

New debenture No. . . . . of the [*Name of local authority*], New Zealand, issued  
 under Part II of the Local Authorities Interest Reduction and Loans Conversion Act,  
 1932-33, and the . . . . . Loans Conversion Order, 19 . . . . .

On presentation of this coupon at . . . . ., in New Zealand, on or after the  
 day of . . . . ., 19 . . . . ., the bearer hereof will be entitled to receive £ . . . . .

(N.B.—The holder of this coupon has no claim in respect thereof upon the  
 Government or public revenues of New Zealand.)

A.B., Mayor.  
 C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the  
 Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the  
 . . . . . Loans Conversion Order, 19 . . . . ., the [*Name of local authority*] hereby resolves  
 as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on  
 the new securities authorized to be issued by the [*Name of local authority*] under the  
 above-mentioned Act and Order in conversion of existing securities issued in respect  
 of the loans set out in the First Schedule to that Order, and also the interest, sinking  
 fund, and other charges on the unconverted securities issued in respect of such loans,  
 the said [*Name of local authority*] hereby makes and levies a special rate of [*State amount  
 in the pound*] upon the rateable value on the basis of [*State whether capital, unimproved,  
 or annual*] value of all rateable property of the district, and that such special rate shall  
 be an annually recurring rate during the currency of such securities, and be payable  
 half-yearly on the . . . . . day of . . . . . and the . . . . . day of . . . . . [or yearly on  
 the . . . . . day of . . . . .] in each and every year until the last maturity date of  
 such securities, being the . . . . . day of . . . . ., 19 . . . . ., or until all such securities  
 are fully paid off.

THIRD SCHEDULE.

MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be in- creased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £208,881.	Date.	Aggregate Amount of Principal, to be in- creased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £208,881.
1st July, 1935 ..	£ 6,981	1st July, 1948 ..	£ 9,300
" 1936 ..	9,000	" 1949 ..	9,500
" 1937 ..	9,500	" 1950 ..	10,000
" 1938 ..	10,700	" 1951 ..	4,200
" 1939 ..	11,200	" 1952 ..	4,300
" 1940 ..	11,700	" 1953 ..	4,400
" 1941 ..	12,200	" 1954 ..	4,500
" 1942 ..	12,600	" 1955 ..	4,700
" 1943 ..	13,100	" 1956 ..	4,100
" 1944 ..	13,800	" 1957 ..	2,400
" 1945 ..	14,500	" 1958 ..	2,600
" 1946 ..	8,800	" 1959 ..	2,800
" 1947 ..	9,000	" 1960 ..	3,000
Total ..	..	..	£208,881

## FOURTH SCHEDULE.

## COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0.488998	$19\frac{1}{2}$	12.891438
1	0.967235	20	13.096761
$1\frac{1}{2}$	1.434948	$20\frac{1}{2}$	13.297566
2	1.892370	21	13.493952
$2\frac{1}{2}$	2.339726	$21\frac{1}{2}$	13.686017
3	2.777238	22	13.873855
$3\frac{1}{2}$	3.205123	$22\frac{1}{2}$	14.057560
4	3.623592	23	14.237222
$4\frac{1}{2}$	4.032853	$23\frac{1}{2}$	14.412931
5	4.433108	24	14.584774
$5\frac{1}{2}$	4.824556	$24\frac{1}{2}$	14.752835
6	5.207389	25	14.917198
$6\frac{1}{2}$	5.581799	$25\frac{1}{2}$	15.077944
7	5.947970	26	15.235153
$7\frac{1}{2}$	6.306083	$26\frac{1}{2}$	15.388903
8	6.656316	27	15.539270
$8\frac{1}{2}$	6.998842	$27\frac{1}{2}$	15.686327
9	7.333831	28	15.830149
$9\frac{1}{2}$	7.661448	$28\frac{1}{2}$	15.970806
10	7.981856	29	16.108367
$10\frac{1}{2}$	8.295214	$29\frac{1}{2}$	16.242902
11	8.601676	30	16.374476
$11\frac{1}{2}$	8.901395	$30\frac{1}{2}$	16.503155
12	9.194518	31	16.629003
$12\frac{1}{2}$	9.481191	$31\frac{1}{2}$	16.752081
13	9.761556	32	16.872451
$13\frac{1}{2}$	10.035752	$32\frac{1}{2}$	16.990172
14	10.303914	33	17.105303
$14\frac{1}{2}$	10.566175	$33\frac{1}{2}$	17.217900
15	10.822665	34	17.328020
$15\frac{1}{2}$	11.073511	$34\frac{1}{2}$	17.435716
16	11.318837	35	17.541042
$16\frac{1}{2}$	11.558765	$35\frac{1}{2}$	17.644051
17	11.793413	36	17.744793
$17\frac{1}{2}$	12.022898	$36\frac{1}{2}$	17.843319
18	12.247333	37	17.939676
$18\frac{1}{2}$	12.466829	$37\frac{1}{2}$	18.033913
19	12.681496		

## Example of Working.

Conversion as from 15th December, 1933, of 6 per cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{2}$  per cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is .. .. .	£	4.8
One year's interest on £100 at new rate ( $4\frac{1}{2}$ per cent.) is .. .. .		4.25

Difference is .. .. . £0.55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or, alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.

(T. 49/307/12.)

F. D. THOMSON,  
Clerk of the Executive Council.

*Hamilton Borough Loans Conversion Order, 1934 (No. 2).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present :

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies :

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding :

And whereas the Hamilton Borough Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies :

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen :

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Hamilton Borough Loans Conversion Order, 1934 (No. 2).

2. In this Order, unless the context otherwise requires,—

“The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33 :

“The date of conversion” means the date specified in clause five of this Order :

“Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three ; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :

“The local authority” means the Hamilton Borough Council :

“New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies :

“Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans or parts of loans particulars of which are set out in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise :

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications :—

- (a) A newspaper circulating in the City of Auckland :
- (b) A newspaper circulating in the City of Wellington :
- (c) A newspaper circulating in the City of Christchurch :
- (d) A newspaper circulating in the City of Dunedin :
- (e) A newspaper published in Hamilton.

B\*

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of the prospectus (if any) issued by the local authority, or, if no prospectus is issued, by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

#### RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion; or

(c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than two months from the date of conversion.

#### NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds, provided that in the case of the Streets, Bridge, and Gasworks Loan (part) it shall be lawful to issue a new debenture for twenty-two pounds.

(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.

14. (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 days corresponding to the maturity dates of the securities.

15. (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.

#### MATURITY DATES.

16. (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) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

#### PREMIUMS.

17. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part 1 of the Act, exceeds the rate of interest payable on the new securities 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 Fourth Schedule hereto.

18. (1) Every premium to which any person is entitled under the last preceding clause shall be satisfied by payment of the amount thereof in cash.

(2) All payments of cash in accordance with the last preceding subclause shall be made by the local authority out of the balances at the date of conversion standing to the credit of any of the special-rate accounts of any of the loans referred to in the First Schedule hereto.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

20. (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 the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the consolidated sinking fund on each thirty-first day of March following the date of conversion up to and including the thirty-first day of March, one thousand nine hundred and fifty-six, a contribution of £703, increased in respect of each contribution by a sum equal to four per centum of the aggregate amount of new securities redeemable up to and including the first day of July preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

(3) The provisions of subsections four, five, and six of section ninety-five of the *Local Bodies' Loans Act, 1926*, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

21. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan or part of such loan to which this Order applies, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

22. (1) The existing sinking fund of every loan referred to in the First Schedule 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 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 the 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.

(2) Where the sinking fund of any loan is, at the date of conversion, held as security not only for those existing securities issued in respect of the loan to which this Order applies but also for other securities to which this Order does not apply, such sinking fund shall be equitably apportioned between those securities to which this Order does so apply and those securities to which this Order does not so apply, and the last preceding subclause shall in relation to any such sinking fund be construed as applying only to the part of the sinking fund so apportioned to the existing securities to which this Order applies.

#### CONSOLIDATED SPECIAL RATE.

23. (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 to provide for the payment of interest, sinking fund, and other charges in respect of such securities. Such special rate shall be made and levied over the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the First Schedule hereto was made and levied.

(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.

24. 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.

25. 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.	
Alexandra Street Loan, £1,200	1,200	4½	4½	1st August, 1947.
Streets, Bridge, and Gasworks Loan, £37,472 (part)*	25,472	4½	4½	1st February, 1947.
Drainage Loan of £5,000 ..	5,000	4½	4½	1st February, 1947.
£6,000 Loan, 1886 ..	3,000	4½	4½	1st August, 1936.
Drainage Loan, £2,500 ..	2,500	4½	4½	1st February, 1949.
Streets, Land Improvements, Stormwater Drainage, Street Lighting, and No. 1 Bridge Loan	45,800	4½	4½	1st October, 1947.
Hamilton Bridge Loan, £1,700	1,700	4½	4½	1st April, 1947.
Streets Loan, £4,000 (1917) ..	4,000	4½	4½	1st October, 1947.
Baths, Domain Board, Library, and Town Hall Loan	3,950	4½	4½	1st October, 1947.
Town Hall Loan, £2,200 ..	2,200	5¾	4¾	1st June, 1943.
Saleyards Loan, £2,000 ..	2,000	4½	4½	1st February, 1947.
Horse Bazaar Loan, £2,500 ..	2,500	4½	4½	1st February, 1948.
Total .. ..	£99,322			

\* Of the debentures issued in respect of this loan this Order applies only to those numbered 13 to 114.

#### SECOND SCHEDULE.

##### FORMS.

##### (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the            day of            , 19 .

, Mayor.

(2) *New Debenture.*

No. . . . .

[Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . . . .  
 New debenture for £ . . . . ., payable at . . . . ., in New Zealand, on the  
 day of . . . . ., 19 . . . . ., issued by the [Name of local authority], New Zealand, under the  
 above-mentioned Act and Order pursuant to a resolution passed and confirmed by the  
 said Council [or Board, or as the case may be] as provided by section 9 (2) of the said  
 Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the  
 Government or public revenues of New Zealand.)

On presentation of this debenture at . . . . . in New Zealand, on or after the  
 day of . . . . ., 19 . . . . ., the bearer thereof will be entitled to receive £ . . . . .  
 Interest on this debenture will cease after the day when the payment falls due unless  
 default is made in payment.

This debenture bears interest at the rate of . . . . . per centum per annum, payable  
 on the . . . . . day of . . . . . and the . . . . . day of . . . . . in each year, on  
 presentation of the attached coupons.

Issued under the common seal of the  
 the . . . . . day of . . . . ., 19 . . . . .

[L.s.] . . . . . A.B., Mayor.  
 . . . . . C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupons.*

No. . . . .

New debenture No. . . . . of the [Name of local authority], New Zealand, issued  
 under Part II of the Local Authorities Interest Reduction and Loans Conversion Act,  
 1932-33, and the Loans Conversion Order, 19 . . . . .

On presentation of this coupon at . . . . ., in New Zealand, on or after the  
 day of . . . . ., 19 . . . . ., the bearer hereof will be entitled to receive £ . . . . .

(N.B.—The holder of this coupon has no claim in respect thereof upon the  
 Government or public revenues of New Zealand.)

A.B., Mayor.  
 C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the  
 Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the  
 Loans Conversion Order, 19 . . . . ., the [Name of local authority] hereby resolves  
 as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on  
 the new securities authorized to be issued by the [Name of local authority] under the  
 above-mentioned Act and Order in conversion of existing securities issued in respect  
 of the loans set out in the First Schedule to that Order, and also the interest, sinking  
 fund, and other charges on the unconverted securities issued in respect of such loans,  
 the said [Name of local authority] hereby makes and levies a special rate of [State amount  
 in the pound] upon the rateable value on the basis of [State whether capital, unimproved,  
 or annual] value of all rateable property within the whole of that area of the district  
 of the local authority over any part of which any existing special rate in respect of the  
 loans specified in the aforesaid First Schedule was made and levied, and that such special  
 rate shall be an annually recurring rate during the currency of such securities, and be  
 payable half-yearly on the . . . . . day of . . . . . and the . . . . . day of . . . . . [or  
 yearly on the . . . . . day of . . . . .] in each and every year until the last maturity  
 date of such securities, being the . . . . . day of . . . . ., 19 . . . . ., or until all such securities  
 are fully paid off.

THIRD SCHEDULE.

MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £99,322.	Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £99,322.
1st July, 1935	£ 1,822	1st July, 1946	£ 3,000
" 1936	1,900	" 1947	19,700
" 1937	4,800	" 1948	12,600
" 1938	2,100	" 1949	4,500
" 1939	2,100	" 1950	3,700
" 1940	2,200	" 1951	3,900
" 1941	2,300	" 1952	4,100
" 1942	2,400	" 1953	4,300
" 1943	2,600	" 1954	4,700
" 1944	3,000	" 1955	4,900
" 1945	2,800	" 1956	5,900
Total	..	..	£99,322

## FOURTH SCHEDULE.

## COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

(a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and

(b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0.488998	$19\frac{1}{2}$	12.891438
1	0.967235	20	13.096761
$1\frac{1}{2}$	1.434948	$20\frac{1}{2}$	13.297566
2	1.892370	21	13.493952
$2\frac{1}{2}$	2.339726	$21\frac{1}{2}$	13.686017
3	2.777238	22	13.873855
$3\frac{1}{2}$	3.205123	$22\frac{1}{2}$	14.057560
4	3.623592	23	14.237222
$4\frac{1}{2}$	4.032853	$23\frac{1}{2}$	14.412931
5	4.433108	24	14.584774
$5\frac{1}{2}$	4.824556	$24\frac{1}{2}$	14.752835
6	5.207389	25	14.917198
$6\frac{1}{2}$	5.581799	$25\frac{1}{2}$	15.077944
7	5.947970	26	15.235153
$7\frac{1}{2}$	6.306083	$26\frac{1}{2}$	15.388903
8	6.656316	27	15.539270
$8\frac{1}{2}$	6.998842	$27\frac{1}{2}$	15.686327
9	7.333831	28	15.830149
$9\frac{1}{2}$	7.661448	$28\frac{1}{2}$	15.970806
10	7.981856	29	16.108367
$10\frac{1}{2}$	8.295214	$29\frac{1}{2}$	16.242902
11	8.601676	30	16.374476
$11\frac{1}{2}$	8.901395	$30\frac{1}{2}$	16.503155
12	9.194518	31	16.629003
$12\frac{1}{2}$	9.481191	$31\frac{1}{2}$	16.752081
13	9.761556	32	16.872451
$13\frac{1}{2}$	10.035752	$32\frac{1}{2}$	16.990172
14	10.303914	33	17.105303
$14\frac{1}{2}$	10.566175	$33\frac{1}{2}$	17.217900
15	10.822665	34	17.328020
$15\frac{1}{2}$	11.073511	$34\frac{1}{2}$	17.435716
16	11.318837	35	17.541042
$16\frac{1}{2}$	11.558765	$35\frac{1}{2}$	17.644051
17	11.793413	36	17.744793
$17\frac{1}{2}$	12.022898	$36\frac{1}{2}$	17.843319
18	12.247333	37	17.939676
$18\frac{1}{2}$	12.466829	$37\frac{1}{2}$	18.033913
19	12.681496		

## Example of Working.

Conversion as from 15th December, 1933, of 6 per cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{4}$  per cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is .. ..	£
One year's interest on £100 at new rate ( $4\frac{1}{4}$ per cent.) is .. ..	4.25
Difference is .. .. .	£0.55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or, alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.

(T. 49/307/12.)

F. D. THOMSON,  
Clerk of the Executive Council.



*Hamilton Borough Loans Conversion Order, 1934 (No. 3).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present:

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies:

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding:

And whereas the Hamilton Borough Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loan specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies:

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen:

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Hamilton Borough Loans Conversion Order, 1934 (No. 3).
2. In this Order, unless the context otherwise requires,—
  - “The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33:
  - “The date of conversion” means the date specified in clause five of this Order:
  - “Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities:
  - “The local authority” means the Hamilton Borough Council:
  - “Local fund” has the same meaning as in Part V of the Local Bodies' Loans Act, 1926:
  - “New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies:
  - “Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loan particulars of which are set out in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise:

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications:—

- (a) A newspaper circulating in the City of Auckland :
- (b) A newspaper circulating in the City of Wellington :
- (c) A newspaper circulating in the City of Christchurch :
- (d) A newspaper circulating in the City of Dunedin :
- (e) A newspaper published in Hamilton.

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice, accompanied by a copy of the prospectus (if any) issued by the local authority, or, if no prospectus is issued, by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

## RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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

- (a) At any time before the expiration of fourteen days from the date of conversion ;  
or
- (b) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or
- (c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than two months from the date of conversion.

## NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds.

(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.

14. (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 days corresponding to the maturity dates of the securities.

15. (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.

## MATURITY DATES.

16. (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.

## PREMIUMS.

17. The holder of any 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 Fourth Schedule hereto.

18. (1) Every premium to which any person is entitled under the last preceding clause shall be satisfied by payment of the amount thereof in cash.

(2) All payments of cash in accordance with the last preceding subclause that are not made out of any unexpended balances of loan-moneys, pursuant to the authority in that behalf conferred on the local authority by the next succeeding clause hereof, shall be made by the local authority out of the local fund, and charged to the appropriate account.

19. The local authority is hereby authorized, out of the unexpended balance in its hand at the date of conversion of the loan-moneys raised in respect of the loan specified in the First Schedule hereto, to pay the whole or any part of the premiums to which any person is entitled under the provisions of the last preceding clause.

## PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

## SINKING FUND FOR NEW SECURITIES.

21. (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 sinking fund, of which the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the sinking fund on each thirty-first day of March following the date of conversion up to and including the thirty-first day of March, one thousand nine hundred and sixty-one, a contribution of one hundred and sixty-four pounds, increased in respect of each contribution by a sum equal to four per centum of the aggregate amount of new securities redeemable up to and including the first day of July preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to the sinking fund for unconverted securities.

(3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

## SINKING FUND FOR UNCONVERTED SECURITIES.

22. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of the loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

## APPLICATION OF EXISTING SINKING FUNDS.

23. The existing sinking fund of the loan referred to in the First Schedule 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 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 issued in respect of such loan; and

(b) Secondly, in transferring the balance to the Commissioner of the sinking fund hereinbefore required to be created for the new securities, to be held as part of that sinking fund.

## 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 to provide for the payment of interest, sinking fund, and other charges in respect of such securities. Such special rate shall be made and levied over the whole of that area of the district of the local authority over any part of which the existing special rate in respect of the loan specified in the First Schedule hereto was made and levied.

(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.

##### LOAN TO BE CONVERTED.

Name.	Amount.	Rate of Interest.		Date of Maturity.
		Original.	Existing.	
Maeroa Water and Drainage £18,400 Loan (part)	£ 16,400	Per Cent. 5½	Per Cent. 4½	1st December, 1962.

#### SECOND SCHEDULE.

##### FORMS.

##### (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , 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 by the [Name of local authority] in respect of the above-mentioned loan that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the            day of            , 19 .            , Mayor.

##### (2) New Debenture.

No.            .  
[Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . New debenture for £            , payable at            , in New Zealand, on the day of            , 19 , issued by the [Name of local authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at \_\_\_\_\_, in New Zealand, on or after the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, the bearer thereof will be entitled to receive £\_\_\_\_. Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of \_\_\_\_\_ per centum per annum, payable on the \_\_\_\_\_ day of \_\_\_\_\_ and the \_\_\_\_\_ day of \_\_\_\_\_ in each year, on presentation of the attached coupons.

Issued under the common seal of the \_\_\_\_\_ the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

[L.S.] A.B., Mayor.  
C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No. \_\_\_\_\_  
New debenture No. \_\_\_\_\_ of the [Name of local authority], New Zealand, issued under Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the \_\_\_\_\_ Loans Conversion Order, 19\_\_\_\_.

On presentation of this coupon at \_\_\_\_\_, in New Zealand on or after the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, the bearer hereof will be entitled to receive £\_\_\_\_.

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Mayor.  
C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the

Loans Conversion Order, 19\_\_\_\_, the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the loan set out in the First Schedule to that Order, and also the interest, sinking fund, and other charges on the unconverted securities issued in respect of such loan, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value on the basis of [State whether capital, unimproved, or annual] value of all rateable property within the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loan specified in the aforesaid First Schedule was made and levied, and that such special rate shall be an annually recurring rate during the currency of such securities, and be payable half-yearly on the \_\_\_\_\_ day of \_\_\_\_\_ and the \_\_\_\_\_ day of \_\_\_\_\_ [or yearly on the \_\_\_\_\_ day of \_\_\_\_\_] in each and every year until the last maturity date of such securities, being the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, or until all such securities are fully paid off.

## THIRD SCHEDULE.

## MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £16,400.	Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £16,400.
1st July, 1936 ..	£ 500	1st July, 1949 ..	£ 500
.. 1937 ..	500	.. 1950 ..	500
.. 1938 ..	500	.. 1951 ..	600
.. 1939 ..	600	.. 1952 ..	600
.. 1940 ..	600	.. 1953 ..	600
.. 1941 ..	700	.. 1954 ..	600
.. 1942 ..	700	.. 1955 ..	600
.. 1943 ..	700	.. 1956 ..	700
.. 1944 ..	500	.. 1957 ..	700
.. 1945 ..	500	.. 1958 ..	800
.. 1946 ..	500	.. 1959 ..	800
.. 1947 ..	500	.. 1960 ..	800
.. 1948 ..	500	.. 1961 ..	1,300
Total ..	..	..	£16,400

## FOURTH SCHEDULE.

## COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0.488998	$19\frac{1}{2}$	12.891438
1	0.967235	20	13.096761
$1\frac{1}{2}$	1.434948	$20\frac{1}{2}$	13.297566
2	1.892370	21	13.493952
$2\frac{1}{2}$	2.339726	$21\frac{1}{2}$	13.686017
3	2.777238	22	13.873855
$3\frac{1}{2}$	3.205123	$22\frac{1}{2}$	14.057560
4	3.623592	23	14.237222
$4\frac{1}{2}$	4.032853	$23\frac{1}{2}$	14.412931
5	4.433108	24	14.584774
$5\frac{1}{2}$	4.824556	$24\frac{1}{2}$	14.752835
6	5.207389	25	14.917198
$6\frac{1}{2}$	5.581799	$25\frac{1}{2}$	15.077944
7	5.947970	26	15.235153
$7\frac{1}{2}$	6.306083	$26\frac{1}{2}$	15.388903
8	6.656316	27	15.539270
$8\frac{1}{2}$	6.998842	$27\frac{1}{2}$	15.686327
9	7.333831	28	15.830149
$9\frac{1}{2}$	7.661448	$28\frac{1}{2}$	15.970806
10	7.981856	29	16.108367
$10\frac{1}{2}$	8.295214	$29\frac{1}{2}$	16.242902
11	8.601676	30	16.374476
$11\frac{1}{2}$	8.901395	$30\frac{1}{2}$	16.503155
12	9.194518	31	16.629003
$12\frac{1}{2}$	9.481191	$31\frac{1}{2}$	16.752081
13	9.761556	32	16.872451
$13\frac{1}{2}$	10.035752	$32\frac{1}{2}$	16.990172
14	10.303914	33	17.105303
$14\frac{1}{2}$	10.566175	$33\frac{1}{2}$	17.217900
15	10.822665	34	17.328020
$15\frac{1}{2}$	11.073511	$34\frac{1}{2}$	17.435716
16	11.318837	35	17.541042
$16\frac{1}{2}$	11.558765	$35\frac{1}{2}$	17.644051
17	11.793413	36	17.744793
$17\frac{1}{2}$	12.022898	$36\frac{1}{2}$	17.843319
18	12.247333	37	17.939676
$18\frac{1}{2}$	12.466829	$37\frac{1}{2}$	18.033913
19	12.681496		

## Example of Working.

Conversion as from 15th December, 1933, of 6-per-cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{2}$ -per-cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is .. .. .	£	4.8
One year's interest on £100 at new rate ( $4\frac{1}{2}$ per cent.) is .. .. .	£	4.25
Difference is .. .. .	£	0.55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.

(T. 49/307/12.)

F. D. THOMSON,  
Clerk of the Executive Council.

*Hamilton Borough Loans Conversion Order, 1934 (No. 4).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present :

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies :

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding :

And whereas the Hamilton Borough Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies :

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen :

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Hamilton Borough Loans Conversion Order, 1934 (No. 4).

2. In this Order, unless the context otherwise requires,—

“The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33 :

“The date of conversion” means the date specified in clause five of this Order :

“Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three ; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :

“The local authority” means the Hamilton Borough Council :

“New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies :

“Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans specified in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise :

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications :—

- (a) A newspaper circulating in the City of Auckland :
- (b) A newspaper circulating in the City of Wellington :
- (c) A newspaper circulating in the City of Christchurch :
- (d) A newspaper circulating in the City of Dunedin :
- (e) A newspaper published in Hamilton :

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of the prospectus (if any) issued by the local authority, or, if no prospectus is issued, by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

#### RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or

(c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending in the date of conversion shall be payable not later than two months from the date of conversion.

#### NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds.

(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.

14. 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 thereof 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, without premium.

#### INTEREST AND COUPONS.

15. (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 first day of January and the first day of July in each year.

16. (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.

#### MATURITY DATE.

17. Every new security shall be redeemable at par on the first day of July, one thousand nine hundred and sixty.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

19. (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 the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the consolidated sinking fund on each thirty-first day of March following the date of conversion up to and including the thirty-first day of March, one thousand nine hundred and sixty, a contribution of one hundred and



thirty-two pounds, reduced in respect of each contribution by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

(3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

20 (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

21. The existing sinking fund of every loan referred to in the First Schedule 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 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 issued in respect of such loan; 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.

22. (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 to provide for the payment of interest, sinking fund, and other charges in respect of such securities. Such special rate shall be made and levied over the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the First Schedule hereto was made and levied.

(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.

23. 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.	
Claudlands Streets Loan, £10,000	£ 10,000	Per Cent. 4½	Per Cent. 4¼	1st April, 1948.
Claudlands Streets Loan, £1,000	1,000	4½	4¼	
Total .. ..	£11,000			

## SECOND SCHEDULE.

## FORMS.

## (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at  $4\frac{1}{2}$  per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the day of , 19 .

, Mayor.

## (2) New Debenture.

No.

[Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 New debenture for £ , payable at , in New Zealand, on the day of , 19 , issued by the [Name of local authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at , in New Zealand, on or after the day of , 19 , the bearer thereof will be entitled to receive £ . Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of per centum per annum, payable on the day of and the day of in each year, on presentation of the attached coupons.

Issued under the common seal of the the day of , 19 .

[L.S.] A.B., Mayor.  
C.D., Treasurer [or other officer appointed for the purpose].

## (3) Coupon.

No.

New debenture No. of the [Name of local authority], New Zealand, issued under Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 .

On presentation of this coupon at , in New Zealand, on or after the day of , 19 , the bearer hereof will be entitled to receive £ .

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Mayor.  
C.D., Treasurer [or other officer appointed to sign debentures].

## (4) Resolution making Special Rate.

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the loans set out in the First Schedule to that Order, and also the interest, sinking fund, and other charges on the unconverted securities issued in respect of such loans, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value on the basis of [State whether capital, unimproved, or annual] value of all rateable property within the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the aforesaid First Schedule was made and levied, and that such special rate shall be an annually recurring rate during the currency of such securities, and be payable half-yearly on the day of and the day of [or yearly on the day of ] in each and every year until the last maturity date of such securities, being the day of , 19 , or until all such securities are fully paid off.

F. D. THOMSON,  
Clerk of the Executive Council.

*Hamilton Borough Loans Conversion Order, 1934 (No. 5).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present :

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies :

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding :

And whereas the Hamilton Borough Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies :

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen :

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Hamilton Borough Loans Conversion Order, 1934 (No. 5).

2. In this Order, unless the context otherwise requires,—

“The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33 :

“The date of conversion” means the date specified in clause five of this Order :

“Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :

“The local authority” means the Hamilton Borough Council :

“New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies or to provide for payment of premiums in cash :

“Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans or parts of loans particulars of which are set out in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise :

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications :—

- (a) A newspaper circulating in the City of Auckland :
- (b) A newspaper circulating in the City of Wellington :
- (c) A newspaper circulating in the City of Christchurch :
- (d) A newspaper circulating in the City of Dunedin :
- (e) A newspaper published in Hamilton.

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of the prospectus (if any) issued by the local authority, or, if no prospectus is issued, by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

#### RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or

(c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than two months from the date of conversion.

#### NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds.

(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.

14. (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 days corresponding to the maturity dates of the securities.

15. (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.

#### MATURITY DATES.

16. (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) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

#### PREMIUMS.

17. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities 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 Fourth Schedule hereto.

18. (1) Subject to the provisions of this clause as to payment in cash, 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, or so much thereof as is not paid in cash, as the case may be.

(2) The local authority may, if it thinks fit, pay in cash the whole or any part of the premiums to which any person is entitled pursuant to the preceding subclause.

(3) All payment of cash in accordance with the last preceding subclause may be made by the local authority—

- (a) To an amount not exceeding four hundred pounds out of moneys borrowed in accordance with the next succeeding clause; and
- (b) To the extent by which the aggregate of all premiums to which holders are entitled on the conversion of existing securities to which this Order applies exceeds four hundred pounds, out of moneys standing at the date of conversion to the credit of the special rate account of any loan referred to in the First Schedule hereto.

(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.

19. (1) For the purpose of providing for cash premium payments the local authority may create, issue, and sell at par new securities for an aggregate amount not exceeding four hundred pounds, bearing interest at a rate not exceeding four and one-quarter per centum per annum, and redeemable at par on the first day of July, one thousand nine hundred and thirty-five.

(2) Pending the raising of the moneys by the sale of any such new securities the local authority may borrow the said sum of four hundred pounds, or any part thereof, by the hypothecation of such new securities at a rate of interest not exceeding five per centum per annum.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

21. (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 the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the consolidated sinking fund on each thirty-first day of March following the date of conversion up to and including the thirty-first day of March, one thousand nine hundred and sixty-one, a contribution of three hundred and sixty-three pounds, increased in respect of each contribution by a sum equal to four per centum of the aggregate amount of new securities redeemable up to and including the first day of July preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

(3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

22. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan or part of such loan to which this Order applies, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

23. (1) The existing sinking fund of every loan referred to in the First Schedule 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 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 the 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.

(2) Where the sinking fund of any loan is at the date of conversion held as security not only for those existing securities issued in respect of the loan to which this Order applies, but also for other securities to which this Order does not apply, such sinking fund shall be equitably apportioned between those securities to which this Order does so apply and those securities to which this Order does not so apply, and the last preceding subclause shall, in relation to any such sinking fund, be construed as applying only to that part of the sinking fund so apportioned to the existing securities to which this Order applies.

## 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 to provide for the payment of interest, sinking fund, and other charges in respect of such securities. Such special rate shall be made and levied over the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the First Schedule hereto was made and levied.

(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.	
Drainage No. 3 Loan, £11,000	11,000	4½	4½	1st January, 1950.
Hamilton Stormwater Drainage Loan, £22,000 (part)	5,000	5½	4½	1st February, 1943.
Hamilton Stormwater Drainage Loan, £22,000 (part)	5,000	5½	4½	1st July, 1958.
Hamilton Stormwater Drainage Loan, £22,000 (part)	12,000	5½	4½	1st August, 1943.
Hamilton Stormwater Drainage 10-per-cent. Loan, £2,200	2,200	5½	4½	1st August, 1947.
Gasworks No. 3 Loan, £5,500 (part)*	700	4½	4½	1st January, 1950.
Total .. ..	£35,900			

\* Of the debentures issued in respect of this loan this Order applies only to those numbered 49 to 55.

## SECOND SCHEDULE.

## FORMS.

## (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the            day of            , 19 .

, Mayor.

(2) *New Debenture.*

No.

[Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . . New debenture for £ , payable at , in New Zealand, on the day of , 19 , issued by the [Name of local authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at , in New Zealand, on or after the day of , 19 , the bearer thereof will be entitled to receive £ . Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of per centum per annum, payable on the day of and the day of in each year, on presentation of the attached coupons.

Issued under the common seal of the the day of , 19 .

A.B., Mayor.

[L.S.]

C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No.

New debenture No. of the [Name of local authority], New Zealand, issued under Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . .

On presentation of this coupon at , in New Zealand, on or after the day of , 19 , the bearer hereof will be entitled to receive £ .

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Mayor.

C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the loans set out in the First Schedule to that Order, and also the interest, sinking fund, and other charges on the unconverted securities issued in respect of such loans, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value on the basis of [State whether capital, unimproved, or annual] value of all rateable property within the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the aforesaid First Schedule was made and levied, and that such special rate shall be an annually recurring rate during the currency of such securities, and be payable half-yearly on the day of and the day of [or yearly on the day of ] in each and every year until the last maturity date of such securities, being the day of , 19 , or until all such securities are fully paid off.

## THIRD SCHEDULE.

## MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £36,300.	Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £36,300.
1st July, 1935	£ 600	1st July, 1949	£ 1,100
" 1936	600	" 1950	4,200
" 1937	600	" 1951	1,200
" 1938	700	" 1952	1,200
" 1939	700	" 1953	1,300
" 1940	700	" 1954	1,300
" 1941	800	" 1955	1,400
" 1942	800	" 1956	1,400
" 1943	1,500	" 1957	1,500
" 1944	2,400	" 1958	2,000
" 1945	900	" 1959	1,600
" 1946	1,000	" 1960	1,700
" 1947	1,200	" 1961	2,800
" 1948	1,100		
Total	£ 36,300		£ 36,300

## FOURTH SCHEDULE.

## COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely :—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities ; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0.488998	$19\frac{1}{2}$	12.891438
1	0.967235	20	13.096761
$1\frac{1}{2}$	1.434948	$20\frac{1}{2}$	13.297566
2	1.892370	21	13.493952
$2\frac{1}{2}$	2.339726	$21\frac{1}{2}$	13.686017
3	2.777238	22	13.873855
$3\frac{1}{2}$	3.205123	$22\frac{1}{2}$	14.057560
4	3.623592	23	14.237222
$4\frac{1}{2}$	4.032853	$23\frac{1}{2}$	14.412931
5	4.433108	24	14.584774
$5\frac{1}{2}$	4.824556	$24\frac{1}{2}$	14.752835
6	5.207389	25	14.917198
$6\frac{1}{2}$	5.581799	$25\frac{1}{2}$	15.077944
7	5.947970	26	15.235153
$7\frac{1}{2}$	6.306083	$26\frac{1}{2}$	15.388903
8	6.656316	27	15.539270
$8\frac{1}{2}$	6.998842	$27\frac{1}{2}$	15.686327
9	7.333831	28	15.830149
$9\frac{1}{2}$	7.661448	$28\frac{1}{2}$	15.970806
10	7.981856	29	16.108367
$10\frac{1}{2}$	8.295214	$29\frac{1}{2}$	16.242902
11	8.601676	30	16.374476
$11\frac{1}{2}$	8.901395	$30\frac{1}{2}$	16.503155
12	9.194518	31	16.629003
$12\frac{1}{2}$	9.481191	$31\frac{1}{2}$	16.752081
13	9.761556	32	16.872451
$13\frac{1}{2}$	10.035752	$32\frac{1}{2}$	16.990172
14	10.303914	33	17.105303
$14\frac{1}{2}$	10.566175	$33\frac{1}{2}$	17.217900
15	10.822665	34	17.328020
$15\frac{1}{2}$	11.073511	$34\frac{1}{2}$	17.435716
16	11.318837	35	17.541042
$16\frac{1}{2}$	11.558765	$35\frac{1}{2}$	17.644051
17	11.793413	36	17.744793
$17\frac{1}{2}$	12.022898	$36\frac{1}{2}$	17.843319
18	12.247333	37	17.939676
$18\frac{1}{2}$	12.466829	$37\frac{1}{2}$	18.033913
19	12.681496		

## Example of Working.

Conversion as from 15th December, 1933, of 6-per-cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{2}$ -per-cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is .. .. .	£	4.8
One year's interest on £100 at new rate ( $4\frac{1}{2}$ per cent.) is .. .. .		4.25

Difference is .. .. . £0.55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.



*Hamilton Borough Loans Conversion Order, 1934 (No. 6).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present :

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies :

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding :

And whereas the Hamilton Borough Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies :

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen :

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Hamilton Borough Loans Conversion Order, 1934 (No. 6).
2. In this Order, unless the context otherwise requires,—
  - “ The Act ” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33 :
  - “ The date of conversion ” means the date specified in clause five of this Order :
  - “ Existing securities ” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three ; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :
  - “ The local authority ” means the Hamilton Borough Council :
  - “ New securities ” or “ new debentures ” means securities or debentures issued in accordance with the Order in conversion of existing securities to which this Order applies, or to provide for payment of premiums in cash :
  - “ Unconverted securities ” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans or parts of loans particulars of which are set out in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise :

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications :—

- (a) A newspaper circulating in the City of Auckland :
- (b) A newspaper circulating in the City of Wellington :
- (c) A newspaper circulating in the City of Christchurch :
- (d) A newspaper circulating in the City of Dunedin :
- (e) A newspaper published in Hamilton :

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of the prospectus (if any) issued by the local authority, or, if no prospectus is issued, by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

#### RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or

(c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than two months from the date of conversion.

#### NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds.

(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.

14. (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 days corresponding to the maturity dates of the securities.

15. (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.

#### MATURITY DATES.

16. (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) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

#### PREMIUMS.

17. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities 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 Fourth Schedule hereto.

18. (1) Subject to the provisions of this clause as to payment in cash, 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, or so much thereof as is not paid in cash, as the case may be.

(2) The local authority may, if it thinks fit, pay in cash the whole or any part of the premiums to which any person is entitled pursuant to the preceding subclause.

(3) All payment of cash in accordance with the last preceding subclause may be made by the local authority—

(a) To an amount not exceeding eight hundred pounds out of moneys borrowed in accordance with the next succeeding clause; and

(b) To the extent by which the aggregate of all premiums to which holders are entitled on the conversion of existing securities to which this Order applies exceeds eight hundred pounds, out of moneys standing at the date of conversion to the credit of the special rate account of any loan referred to in the First Schedule hereto.

(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.

19. (1) For the purpose of providing for cash premium payments the local authority may create, issue, and sell at par new securities for an aggregate amount not exceeding eight hundred pounds, bearing interest at a rate not exceeding four and one-quarter per centum per annum, and redeemable at par on such one or more of the maturity dates (not being later than the first day of July, one thousand nine hundred and thirty-seven) set out in the Third Schedule hereto as may be determined by the local authority.

(2) Pending the raising of the moneys by the sale of any such new securities the local authority may borrow the said sum of eight hundred pounds, or any part thereof, by the hypothecation of such new securities at a rate of interest not exceeding five per centum per annum.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

21. (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 the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the consolidated sinking fund on each thirty-first day of March following the date of conversion up to and including the thirty-first day of March, one thousand nine hundred and sixty-three, a contribution of three hundred and sixty pounds, increased in respect of each contribution by a sum equal to four per centum of the aggregate amount of new securities redeemable up to and including the first day of July preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

(3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

22. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

23. The existing sinking fund of every loan referred to in the First Schedule 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 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 issued in respect of such loan; 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 to provide for the payment of interest, sinking fund, and other charges in respect of such securities. Such special rate shall be made and levied over the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the First Schedule hereto was made and levied.

(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.	
Frankton Area Stormwater Drainage £30,000 Loan (part)	12,000	5½	4½	1st August, 1943.
Frankton Area Stormwater Drainage £30,000 Loan (part)	5,000	5½	4½	1st July, 1958.
Frankton Area Stormwater Drainage £30,000 Loan (part)	5,000	5½	4½	1st February, 1943.
Frankton Area Stormwater Drainage £30,000 Loan (part)	8,000	6	4½	1st August 1944.
Frankton Area Stormwater Drainage 10-per-cent. Loan, £3,000	3,000	5½	4½	1st April, 1946.
Frankton Town Board Loan, £800	800	5	4½	1st August, 1936.
Frankton Drainage Board Loan, £650	650	5	4½	1st April, 1936.
Total .. ..	£34,450			

#### SECOND SCHEDULE.

##### FORMS.

##### (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the            day of            , 19 .

, Mayor.

(2) *New Debentures.*

No.

[Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . . New debenture for £ . . . , payable at . . . , in New Zealand, on the day of . . . , 19 . . . , issued by the [Name of Local Authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at . . . , in New Zealand, on or after the . . . day of . . . , 19 . . . , the bearer thereof will be entitled to receive £ . . . Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of . . . per centum per annum, payable on the . . . day of . . . and the . . . day of . . . in each year, on presentation of the attached coupons.

Issued under the common seal of the . . . day of . . . , 19 . . .

[L.S.] A.B., Mayor.  
C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No.

New debenture No. . . . of the [Name of local authority], New Zealand, issued under part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . .

On presentation of this coupon at . . . , in New Zealand, on or after the . . . day of . . . , 19 . . . , the bearer hereof will be entitled to receive £ . . .

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Mayor.  
C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . . , the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the loans set out in the First Schedule to that Order, and also the interest, sinking fund, and other charges on the unconverted securities issued in respect of such loans, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value on the basis of [State whether capital, unimproved, or annual] value of all rateable property within the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the aforesaid First Schedule was made and levied, and that such special rate shall be an annually recurring rate during the currency of such securities, and be payable half-yearly on the . . . day of . . . and the . . . day of . . . [or yearly on the . . . day of . . . ] in each and every year until the last maturity date of such securities, being the . . . day of . . . , 19 . . . , or until all such securities are fully paid off.

THIRD SCHEDULE.

MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £35,250.	Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £35,250.
1st July, 1935	£ 500	1st July, 1950	£ 1,000
" 1936	850	" 1951	1,100
" 1937	900	" 1952	1,100
" 1938	600	" 1953	1,200
" 1939	600	" 1954	1,200
" 1940	700	" 1955	1,200
" 1941	700	" 1956	1,300
" 1942	800	" 1957	1,300
" 1943	1,400	" 1958	2,000
" 1944	2,300	" 1959	1,500
" 1945	1,700	" 1960	1,600
" 1946	1,100	" 1961	1,600
" 1947	900	" 1962	1,700
" 1948	900	" 1963	1,700
" 1949	1,000	1st Jan., 1964	800
Total	..	..	£35,250

## FOURTH SCHEDULE.

## COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0.488998	$19\frac{1}{2}$	12.891438
1	0.967235	20	13.096761
$1\frac{1}{2}$	1.434948	$20\frac{1}{2}$	13.297566
2	1.892370	21	13.493952
$2\frac{1}{2}$	2.339726	$21\frac{1}{2}$	13.686017
3	2.777238	22	13.873855
$3\frac{1}{2}$	3.205123	$22\frac{1}{2}$	14.057560
4	3.623592	23	14.237222
$4\frac{1}{2}$	4.032853	$23\frac{1}{2}$	14.412931
5	4.433108	24	14.584774
$5\frac{1}{2}$	4.824556	$24\frac{1}{2}$	14.752835
6	5.207389	25	14.917198
$6\frac{1}{2}$	5.581799	$25\frac{1}{2}$	15.077944
7	5.947970	26	15.235153
$7\frac{1}{2}$	6.306083	$26\frac{1}{2}$	15.388903
8	6.656316	27	15.539270
$8\frac{1}{2}$	6.998842	$27\frac{1}{2}$	15.686327
9	7.333831	28	15.830149
$9\frac{1}{2}$	7.661448	$28\frac{1}{2}$	15.970806
10	7.981856	29	16.108367
$10\frac{1}{2}$	8.295214	$29\frac{1}{2}$	16.242902
11	8.601676	30	16.374476
$11\frac{1}{2}$	8.901395	$30\frac{1}{2}$	16.503155
12	9.194518	31	16.629003
$12\frac{1}{2}$	9.481191	$31\frac{1}{2}$	16.752081
13	9.761556	32	16.872451
$13\frac{1}{2}$	10.035752	$32\frac{1}{2}$	16.990172
14	10.303914	33	17.105303
$14\frac{1}{2}$	10.566175	$33\frac{1}{2}$	17.217900
15	10.822665	34	17.328020
$15\frac{1}{2}$	11.073511	$34\frac{1}{2}$	17.435716
16	11.318837	35	17.541042
$16\frac{1}{2}$	11.558765	$35\frac{1}{2}$	17.644051
17	11.793413	36	17.744793
$17\frac{1}{2}$	12.022898	$36\frac{1}{2}$	17.843319
18	12.247333	37	17.939676
$18\frac{1}{2}$	12.466829	$37\frac{1}{2}$	18.033913
19	12.681496		

## Example of Working.

Conversion as from 15th December, 1933, of 6 per cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{2}$  per cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

	£
One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is .. .. .	4.8
One year's interest on £100 at new rate ( $4\frac{1}{2}$ per cent.) is .. .. .	4.25
Difference is .. .. .	£0.55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or, alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.

(T. 49/307/12.)

F. D. THOMSON,  
Clerk of the Executive Council.

*Hamilton Borough Loans Conversion Order, 1934 (No. 7).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present :

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies :

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding :

And whereas the Hamilton Borough Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies :

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen :

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Hamilton Borough Loans Conversion Order, 1934 (No. 7).

2. In this Order, unless the context otherwise requires,—

“The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33 :

“The date of conversion” means the date specified in clause five of this Order :

“Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three ; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :

“The local authority” means the Hamilton Borough Council :

“Local fund” has the same meaning as in Part V of the Local Bodies' Loans Act, 1926 :

“New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies, or to provide for payment of premiums in cash :

“Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans or parts of loans particulars of which are set out in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid but not otherwise :

Provided that a certificate signed by the Mayor and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published, not later than fourteen days before the date of conversion, at least once in each of the following publications:—

- (a) A newspaper circulating in the City of Auckland :
- (b) A newspaper circulating in the City of Wellington :
- (c) A newspaper circulating in the City of Christchurch :
- (d) A newspaper circulating in the City of Dunedin :
- (e) A newspaper published in Hamilton :

And where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of the prospectus (if any) issued by the local authority, or, if no prospectus is issued, by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

## RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or
- (c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on any such existing securities for the period ending on the date of conversion shall be payable not later than two months from the date of conversion.

## NEW SECURITIES.

13. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds, or any sum in excess of one hundred pounds.

(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.

14. (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 days corresponding to the maturity dates of the securities.

15. (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.

## MATURITY DATES.

16. (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) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

#### PREMIUMS.

17. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities 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 Fourth Schedule hereto.

18. (1) Subject to the provisions of this clause as to payment in cash, 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, or so much thereof as is not paid in cash, as the case may be.

(2) The local authority may, if it thinks fit, pay in cash the whole or any part of the premiums to which any person is entitled pursuant to the preceding subclause.

(3) All payment of cash in accordance with the last preceding subclause may be made by the local authority—

(a) To an amount not exceeding seven thousand two hundred pounds out of moneys borrowed in accordance with the next succeeding clause; and

(b) To the extent by which the aggregate of all premiums to which holders are entitled on the conversion of existing securities to which this Order applies exceeds seven thousand two hundred pounds, out of moneys standing at the date of conversion, to the credit of the special rate account of any loan referred to in the First Schedule hereto.

(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.

19. (1) For the purpose of providing for cash premium payments the local authority may create, issue, and sell at par new securities for an aggregate amount not exceeding seven thousand two hundred pounds, bearing interest at a rate not exceeding four and one-quarter per centum per annum, and redeemable at par on such one or more of the maturity dates (not being later than the first day of July, one thousand nine hundred and thirty-eight) set out in the Third Schedule hereto as may be determined by the local authority.

(2) Pending the raising of the moneys by the sale of any such new securities the local authority may borrow the said sum of seven thousand two hundred pounds, or any part thereof, by the hypothecation of such new securities at a rate of interest not exceeding five per centum per annum.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

21. (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 the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the consolidated sinking fund on each thirty-first day of March following the date of conversion up to and including the thirty-first day of March, one thousand nine hundred and sixty-three, a contribution of three thousand and ninety-four pounds one shilling, increased in respect of each contribution by a sum equal to four per centum of the aggregate amount of new securities redeemable up to and including the first day of July preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

(3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

22. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan or part of such loan to which this Order applies, and shall pay such sum to the Commissioners

yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

23. (1) The existing sinking fund of any loan in the First Schedule hereto the securities issued in respect of which are held by the Public Trustee shall be applied by the Commissioner 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 issued in respect of such loan;
- (b) Secondly, as far as it will extend, to the nearest multiple of one hundred pounds, in repayment as at the date of conversion of the principal secured by the existing securities issued in respect of such loan; and
- (c) Thirdly, 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.

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

24. (1) The existing sinking fund of every loan referred to in the First Schedule (other than the loans referred to in the last preceding clause) shall be applied by the Commissioners thereof 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 the 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.

(2) Where the sinking fund of any loan is at the date of conversion held as security, not only for those existing securities issued in respect of a loan to which this Order applies, but also for other securities to which this Order does not apply, such sinking fund shall be equitably apportioned between those securities to which this Order does so apply and those securities to which this Order does not so apply, and the last preceding subclause shall in relation to any such sinking fund be construed as applying only to that part of the sinking fund so apportioned to the existing securities to which this Order applies.

#### CONSOLIDATED SPECIAL RATE.

25. (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 to provide for the payment of interest, sinking fund, and other charges in respect of such securities. Such special rate shall be made and levied over the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the First Schedule hereto was made and levied.

(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.

26. 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.

27. 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.	
Various Works Loan, £20,000	20,000	5½	4½	1st January, 1955.
Antecedent Liability Loan, £22,113 16s. 5d. (part)*	12,100	6	4½	1st October, 1938.
Drainage Loan, £110,000 (part)	45,000	5¾	4¾	1st March, 1943.
Drainage Loan, £110,000 (part)	600	5½	4¾	1st October, 1955.
Drainage 10 - per - cent. Loan, £11,000 (part)	6,500	5½	4¾	1st November, 1948.
Drainage 10 - per - cent. Loan, £11,000 (part)	4,500	5¾	4¾	1st November, 1948.
Drainage Advances Loan, £7,000 (part)	2,000	5¾	4¾	1st February, 1943.
Streets Loan, £80,000 (part) ..	36,000	5½	4¾	1st August, 1943.
Streets Loan, £80,000 (part) ..	9,300	6	4¾	1st December, 1934.
Streets Loan, £80,000 (part) ..	19,700	5¾	4¾	1st June, 1943.
Streets Loan, £80,000 (part) ..	5,000	5¾	4¾	1st February, 1943.
Sewerage Drainage Loan, £26,800 (part)	1,500	6	4¾	1st August, 1934.
Sewerage Drainage Loan, £26,800 (part)	300	5¾	4¾	1st December, 1935.
Sewerage Drainage Loan, £26,800 (part)	1,000	5¾	4¾	1st April, 1946.
Sewerage Drainage Loan, £26,800 (part)	20,400	6	4¾	1st August, 1944.
Sewerage Drainage Loan, £26,800 (part)	3,600	5¾	4¾	1st August, 1944.
Sewer Drainage 10 - per - cent. Loan, £2,680	2,600	5¾	4¾	1st January, 1963.
Streets Loan, £70,000 ..	70,000	6	4¾	1st August, 1944.
Drainage and Library Renewal Loan of £51,500 (part)	4,200	5½	4¾	1st February, 1958.
Streets 10-per-cent. Loan of £7,000	7,000	5¾	4¾	1st November, 1962.
Total .. ..	£271,300			

\* This Order applies only to Debenture No. 1 of £12,100 issued in respect of this loan.

## SECOND SCHEDULE.

## FORMS.

## (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars].

Dated the day of , 19 .

, Mayor.

E

(2) *New Debenture.*

No.

[Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . . New debenture for £ . . . payable at . . . in New Zealand, on the day of . . . 19 . . . issued by the [Name of local authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at . . . in New Zealand, on or after the day of . . . 19 . . . the bearer thereof will be entitled to receive £ . . . Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of . . . per centum per annum, payable on the . . . day of . . . and the . . . day of . . . in each year, on presentation of the attached coupons.

Issued under the common seal of the . . . the . . . day of . . . 19 . . .

[L.S.]

A.B., Mayor.

C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No.

New debenture No. . . . of the [Name of local authority], New Zealand, issued under Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . .

On presentation of this coupon at . . . in New Zealand, on or after the day of . . . 19 . . . the bearer hereof will be entitled to receive £ . . .

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Mayor.

C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 . . . the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest, sinking fund, and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the loans set out in the First Schedule to that Order, and also the interest, sinking fund, and other charges on the unconverted securities issued in respect of such loans, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value on the basis of [State whether capital, unimproved, or annual] value of all rateable property within the whole of that area of the district of the local authority over any part of which any existing special rate in respect of the loans specified in the aforesaid First Schedule was made and levied, and that such special rate shall be an annually recurring rate during the currency of such securities and be payable half-yearly on the . . . day of . . . and the . . . day of . . . [or yearly on the . . . day of . . .] in each and every year until the last maturity date of such securities, being the . . . day of . . . 19 . . . or until all such securities are fully paid off.

## THIRD SCHEDULE.

## MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £274,200.	Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £274,200.
	£		£
1st July, 1935 ..	4,300	1st July, 1950 ..	9,400
" 1936 ..	4,600	" 1951 ..	9,700
" 1937 ..	4,900	" 1952 ..	10,000
" 1938 ..	5,200	" 1953 ..	10,500
" 1939 ..	5,500	" 1954 ..	10,900
" 1940 ..	5,800	" 1955 ..	11,300
" 1941 ..	6,100	" 1956 ..	11,700
" 1942 ..	6,500	" 1957 ..	12,100
" 1943 ..	6,800	" 1958 ..	12,600
" 1944 ..	7,200	" 1959 ..	12,900
" 1945 ..	7,600	" 1960 ..	13,300
" 1946 ..	7,900	" 1961 ..	13,700
" 1947 ..	8,300	" 1962 ..	14,200
" 1948 ..	8,700	" 1963 ..	14,900
" 1949 ..	9,000	1st January, 1964 ..	8,600
Total ..	..	..	£274,200

FOURTH SCHEDULE.

COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely :—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities ; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0.488998	$19\frac{1}{2}$	12.891438
1	0.967235	20	13.096761
$1\frac{1}{2}$	1.434948	$20\frac{1}{2}$	13.297566
2	1.892370	21	13.493952
$2\frac{1}{2}$	2.339726	$21\frac{1}{2}$	13.686017
3	2.777238	22	13.873855
$3\frac{1}{2}$	3.205123	$22\frac{1}{2}$	14.057560
4	3.623592	23	14.237222
$4\frac{1}{2}$	4.032853	$23\frac{1}{2}$	14.412931
5	4.433108	24	14.584774
$5\frac{1}{2}$	4.824556	$24\frac{1}{2}$	14.752835
6	5.207389	25	14.917198
$6\frac{1}{2}$	5.581799	$25\frac{1}{2}$	15.077944
7	5.947970	26	15.235153
$7\frac{1}{2}$	6.306083	$26\frac{1}{2}$	15.388903
8	6.656316	27	15.539270
$8\frac{1}{2}$	6.998842	$27\frac{1}{2}$	15.686327
9	7.333831	28	15.830149
$9\frac{1}{2}$	7.661448	$28\frac{1}{2}$	15.970806
10	7.981856	29	16.108367
$10\frac{1}{2}$	8.295214	$29\frac{1}{2}$	16.242902
11	8.601676	30	16.374476
$11\frac{1}{2}$	8.901395	$30\frac{1}{2}$	16.503155
12	9.194518	31	16.629003
$12\frac{1}{2}$	9.481191	$31\frac{1}{2}$	16.752081
13	9.761556	32	16.872451
$13\frac{1}{2}$	10.035752	$32\frac{1}{2}$	16.990172
14	10.303914	33	17.105303
$14\frac{1}{2}$	10.566175	$33\frac{1}{2}$	17.217900
15	10.822665	34	17.328020
$15\frac{1}{2}$	11.073511	$34\frac{1}{2}$	17.435716
16	11.318837	35	17.541042
$16\frac{1}{2}$	11.558765	$35\frac{1}{2}$	17.644051
17	11.793413	36	17.744793
$17\frac{1}{2}$	12.022898	$36\frac{1}{2}$	17.843319
18	12.247333	37	17.939676
$18\frac{1}{2}$	12.466829	$37\frac{1}{2}$	18.033913
19	12.681496		

Example of Working.

Conversion as from 15th December, 1933, of 6-per-cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{2}$ -per-cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is .. .. .	£	4.8
One year's interest on £100 at new rate ( $4\frac{1}{2}$ per cent.) is .. .. .		4.25
Difference is .. .. .		£0.55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or, alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.

(T. 49/307/12.)

F. D. THOMSON,  
Clerk of the Executive Council.

*Awatere County Loans Conversion Order, 1934 (No. 1).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present :

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies :

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding :

And whereas the Awatere County Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies :

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen :

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Awatere County Loans Conversion Order, 1934 (No. 1).
2. In this Order, unless the context otherwise requires,—
  - “The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33 :
  - “The date of conversion” means the date specified in clause five of this Order :
  - “Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three ; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :
  - “The local authority” means the Awatere County Council :
  - “Local fund” has the same meaning as in Part V of the Local Bodies' Loans Act, 1926 :
  - “New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies :
  - “Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans specified in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise :

Provided that a certificate signed by the Chairman of the local authority and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

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

## NOTICE TO HOLDERS OF EXISTING SECURITIES.

6. (1) The local authority shall cause a notice in the form numbered (1) in the Second Schedule hereto to be published in the *Gazette* not later than fourteen days before the date of conversion, and where the address of any holder of existing securities to which this Order applies is known, shall forward by registered letter to such holder a copy of such notice accompanied by a copy of this Order.

(2) In addition to the notices required by the last preceding subclause, the local authority may give such further notice in relation to the conversion (whether by way of advertisement or otherwise) as it thinks fit.

#### RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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) If the holder of the securities (or, where the holder is a trustee, any person whose consent would, but for this Order, be required for conversion) is during the whole of the time between the date of the publication of this Order in the *Gazette* and the expiration of the period referred to in the last preceding paragraph absent from New Zealand, at any time before the expiration of three months from the date of conversion ; or

(c) 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 on the existing securities, or to receive the new securities or any interest thereon, until he has surrendered the existing securities to the local authority.

12. Subject to the provisions of the last preceding clause, the interest on 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. (1) New securities shall be issued in the form of debentures in the form numbered (2) in the Second Schedule hereto.

(2) Every new debenture shall be for a sum of five pounds, twenty-five pounds, fifty pounds, one hundred pounds or any sum in excess of one hundred pounds.

(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 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.

#### INTEREST AND COUPONS.

14. (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 days corresponding to the maturity dates of the securities.

15. (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.

#### MATURITY DATES.

16. (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) Subject to the foregoing provisions of this clause and to the express wish of any holder who desires to have the maturity date of his securities postponed, the maturity dates of the new securities shall as nearly as practicable be in the same chronological order as the maturity dates of the existing securities in conversion of which they are respectively issued.

#### PREMIUMS.

17. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities 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 Fourth Schedule hereto.

18. (1) Subject to the provisions of this clause as to payment in cash, 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, or so much thereof as is not paid in cash, as the case may be.

(2) The local authority shall pay in cash the amount (if any) required to reduce to the nearest multiple of five pounds the aggregate amount of all such premiums to which any person is entitled, and may, if it thinks fit, pay in cash the whole or any part of the balance of any such aggregate amount.

(3) All payments of cash in accordance with the last preceding subclause 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.

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

#### CONSOLIDATED SINKING FUND FOR NEW SECURITIES.

20. (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 the Public Trustee shall be the Commissioner.

(2) For such purpose the local authority shall permanently appropriate and shall pay to the Commissioner of the consolidated sinking fund on each first day of July following the date of conversion up to and including the first day of July, one thousand nine hundred and fifty, a contribution of seven hundred and thirty pounds, increased in respect of each contribution by a sum equal to four per centum of the aggregate amount of new securities redeemable up to and including the first day of July preceding the date on which such contribution is payable, and reduced by the aggregate of the sums which during the twelve months preceding the date of payment of such contribution have, pursuant to the provisions of the next succeeding clause, been paid to any sinking funds for unconverted securities.

(3) The provisions of subsections four, five, and six of section ninety-five of the Local Bodies' Loans Act, 1926, shall apply with respect to such sinking fund.

#### SINKING FUND FOR UNCONVERTED SECURITIES.

21. (1) If dissent is signified in accordance with the provisions of this Order from the conversion of any existing securities issued in respect of any loan referred to in the First Schedule hereto, the local authority, in order to provide funds for the repayment of the unconverted securities issued in respect of such loan, shall forthwith make provision for the creation, pursuant to a resolution of the local authority, of a sinking fund, of which the persons who at the date of conversion were Sinking Fund Commissioners in respect of such loan shall be the first Commissioners.

(2) For such purpose the local authority shall permanently appropriate a sum which bears the same proportion to the annual contribution payable, before the date of conversion, to the existing sinking fund of such loan as the aggregate amount of principal secured by such unconverted securities bears to the aggregate amount of principal secured by all the existing securities issued in respect of such loan, and shall pay such sum to the Commissioners yearly and every year until the maturity date of such unconverted securities, or until the Commissioners are satisfied that the accumulations of sinking fund will suffice to redeem such securities at maturity.

(3) The first of such yearly payments shall be made not later than one year after the date on which the last annual contribution payable before the date of conversion to the existing sinking fund of such loan was payable.

(4) 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:

Provided that nothing in the said sections or in this Order shall authorize the removal or suspension of the Public Trustee as Commissioner of any sinking fund.

#### APPLICATION OF EXISTING SINKING FUNDS.

22. (1) The existing sinking fund of every loan in the First Schedule hereto, the securities issued in respect of which are held by the Public Trustee, shall be applied by the Commissioners thereof 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 issued in respect of such loan;
- (b) Secondly, as far as it will extend to the nearest multiple of £5 in repayment as at the date of conversion of the principal secured by the existing securities held by the Public Trustee in respect of such loan; and
- (c) Thirdly, 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.

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



23. The existing sinking fund of every loan referred to in the First Schedule (other than the loans referred to in the last preceding clause) 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 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 issued in respect of such loan; 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.	
Hospital Contribution Loan £2,000, 1915	2,000	5½	4½	1st March, 1951.
Hospital Contribution Loan £1,300, 1916	1,300	5½	4½	1st April, 1952.
Hospital Contribution Loan £3,000, 1922	2,200	6½	5½	1st July, 1932.
Flood Damage Loan, 1926 ..	6,000	6	4½	1st February, 1946.
Dashwood Deviation Loan, 1928, of £10,000	10,000	5½	4½	1st August, 1944.
Total .. ..	£21,500			

#### SECOND SCHEDULE.

##### FORMS.

##### (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversions will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .

If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars.]

Dated the                      day of                      , 19                      .

Chairman.

(2) *New Debenture.*

No.                      .

[Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the                      Loans Conversion Order, 19                      . New debenture for £                      , payable at                      , in New Zealand, on the day of                      , 19                      , issued by the [Name of local authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at                      , in New Zealand, on or after the                      day of                      , 19                      , the bearer thereof will be entitled to receive £                      . Interest on this debenture will cease after the day when the payment falls due unless default is made in payment.

This debenture bears interest at the rate of                      per centum per annum, payable on the                      day of                      and the                      day of                      in each year, on presentation of the attached coupons.

Issued under the common seal of the                      the                      day of                      , 19                      .

[L.S.]

A.B., Chairman.

C.D., Treasurer [or other officer appointed for the purpose].

(3) *Coupon.*

No.                      .

New debenture No.                      of the [Name of local authority], New Zealand, issued under Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the                      Loans Conversion Order, 19                      .

On presentation of this coupon at                      , in New Zealand, on or after the day of                      , 19                      , the bearer hereof will be entitled to receive £                      .

(N.B.—The holder of this coupon has no claim in respect thereof upon the Government or public revenues of New Zealand.)

A.B., Chairman.

C.D., Treasurer [or other officer appointed to sign debentures].

(4) *Resolution making Special Rate.*

In pursuance and exercise of the powers vested in it in that behalf by Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the                      Loans Conversion Order, 19                      , the [Name of local authority] hereby resolves as follows:—

That, for the purpose of providing the interest, sinking-fund, and other charges on the new securities authorized to be issued by the [Name of local authority] under the above-mentioned Act and Order in conversion of existing securities issued in respect of the loans set out in the First Schedule to that Order, and also the interest, sinking fund, and other charges on the unconverted securities issued in respect of such loans, the said [Name of local authority] hereby makes and levies a special rate of [State amount in the pound] upon the rateable value on the basis of [State whether capital, unimproved, or annual] value of all rateable property of the district, and that such special rate shall be an annually recurring rate during the currency of such securities, and be payable half-yearly on the                      day of                      and the                      day of                      [or yearly on the                      day of                      ] in each and every year until the last maturity date of such securities, being the                      day of                      , 19                      , or until all such securities are fully paid off.

THIRD SCHEDULE.

MATURITY DATES OF NEW SECURITIES.

Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £19,750.	Date.	Aggregate Amount of Principal, to be increased or reduced proportionately in accordance with Clause 16 (2) of this Order if the Total Amount is greater or less than £19,750.
1st July, 1935	£ 800	1st July, 1943	£ 1,400
" 1936	800	" 1944	1,400
" 1937	900	" 1945	1,400
" 1938	900	" 1946	1,400
" 1939	900	" 1947	1,500
" 1940	1,200	" 1948	1,500
" 1941	1,300	" 1949	1,500
" 1942	1,300	" 1950	1,550
Total	..	..	£19,750

## FOURTH SCHEDULE.

## COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years.		Years.	
$\frac{1}{2}$	0.488998	$19\frac{1}{2}$	12.891438
1	0.967235	20	13.096761
$1\frac{1}{2}$	1.434948	$20\frac{1}{2}$	13.297566
2	1.892370	21	13.493952
$2\frac{1}{2}$	2.339726	$21\frac{1}{2}$	13.686017
3	2.777238	22	13.873855
$3\frac{1}{2}$	3.205123	$22\frac{1}{2}$	14.057560
4	3.623592	23	14.237222
$4\frac{1}{2}$	4.032853	$23\frac{1}{2}$	14.412931
5	4.433108	24	14.584774
$5\frac{1}{2}$	4.824556	$24\frac{1}{2}$	14.752835
6	5.207389	25	14.917198
$6\frac{1}{2}$	5.581799	$25\frac{1}{2}$	15.077944
7	5.947970	26	15.235153
$7\frac{1}{2}$	6.306083	$26\frac{1}{2}$	15.388903
8	6.656316	27	15.539270
$8\frac{1}{2}$	6.998842	$27\frac{1}{2}$	15.686327
9	7.333831	28	15.830149
$9\frac{1}{2}$	7.661448	$28\frac{1}{2}$	15.970806
10	7.981856	29	16.108367
$10\frac{1}{2}$	8.295214	$29\frac{1}{2}$	16.242902
11	8.601676	30	16.374476
$11\frac{1}{2}$	8.901395	$30\frac{1}{2}$	16.503155
12	9.194518	31	16.629003
$12\frac{1}{2}$	9.481191	$31\frac{1}{2}$	16.752081
13	9.761556	32	16.872451
$13\frac{1}{2}$	10.035752	$32\frac{1}{2}$	16.990172
14	10.303914	33	17.105303
$14\frac{1}{2}$	10.566175	$33\frac{1}{2}$	17.217900
15	10.822665	34	17.328020
$15\frac{1}{2}$	11.073511	$34\frac{1}{2}$	17.435716
16	11.318837	35	17.541042
$16\frac{1}{2}$	11.558765	$35\frac{1}{2}$	17.644051
17	11.793413	36	17.744793
$17\frac{1}{2}$	12.022898	$36\frac{1}{2}$	17.843319
18	12.247333	37	17.939676
$18\frac{1}{2}$	12.466829	$37\frac{1}{2}$	18.033913
19	12.681496		

## Example of Working.

Conversion as from 15th December, 1933, of 6-per-cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{2}$ -per-cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{2}$  per cent. per annum.

One year's interest on £100 at existing rate ( $4\frac{1}{2}$ per cent.) is	..	..	£	4.8
One year's interest on £100 at new rate ( $4\frac{1}{2}$ per cent.) is	..	..	..	4.25

Difference is	..	..	..	..	..	£0.55
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Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.

*Awatere County Loans Conversion Order, 1934 (No. 2).*

BLEDISLOE, Governor-General.

## ORDER IN COUNCIL.

At the Government Buildings at Wellington, this 27th day of April, 1934.

Present:

THE RIGHT HON. G. W. FORBES PRESIDING IN COUNCIL.

WHEREAS it is provided by section nine of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, that, with the precedent consent of the Governor-General, given by Order in Council under section thirteen of the said Act, after compliance with the provisions of Part II of the Act, and subject to and in accordance with the provisions of such Order in Council, any local authority may issue new securities in conversion of any existing securities to which the said Act applies:

And whereas by the said section thirteen it is further provided that the Governor-General, by the Order in Council giving his consent to the conversion of existing securities by a local authority, may make such provisions as he thinks fit with respect to all or any of the matters specified in the said section, and that, subject to the provisions of the said Act, every Order in Council under the said section shall have the force of law as if enacted in the said Act, anything to the contrary in any other Act or in any regulations made under the said Act or any other Act notwithstanding:

And whereas the Awatere County Council (being a local authority within the meaning of the said Act) has issued securities in respect of the loans specified in the First Schedule hereto, and such securities are existing securities to which the said Act applies:

And whereas the said local authority, being desirous of issuing new securities in conversion of such existing securities, has complied with the provisions of Part II of the said Act, and it is expedient that the precedent consent of the Governor-General to such conversion should be given as required by the said Act, and that by this Order the provisions hereinafter set forth should be made with respect to the matters specified in the said section thirteen:

Now, therefore, His Excellency the Governor-General of the Dominion of New Zealand, acting by and with the advice and consent of the Executive Council of the said Dominion, and in pursuance and exercise of the powers and authorities conferred on him by the said Act, and of all other powers and authorities enabling him in this behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

## PRELIMINARY.

1. This Order may be cited as the Awatere County Loans Conversion Order, 1934 (No. 2).
2. In this Order, unless the context otherwise requires,—
  - “The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33:
  - “The date of conversion” means the date specified in clause five of this Order:
  - “Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities:
  - “The local authority” means the Awatere County Council:
  - “New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies:
  - “Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

## APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans specified in the First Schedule hereto.

## SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise:

Provided that a certificate signed by the Chairman of the local authority and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

## DATE OF CONVERSION.

5. The date from which the conversion of existing securities into new securities shall take effect shall be the twenty-first day of July, one thousand nine hundred and thirty-four.

## NOTICE TO HOLDERS 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 fourteen days before the date of conversion to every holder of existing securities to which this Order applies.

## RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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 instalment of principal and 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-five years, the first half-yearly instalment to fall due and be paid on the twenty-first day of January, one thousand nine hundred and thirty five, and subsequent half-yearly instalments to fall due and be paid on every twenty-first day of July and twenty-first day of January thereafter, the last half-yearly instalment to fall due and be paid on the twenty-first day of July, one thousand nine hundred and fifty-nine.

14. (1) New securities for 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.

## BROKERAGE.

17. 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.	
Medway Bridge Loan (part) ..	1,000*	4½	4½	21st January, 1956.
Medway Bridge Loan (part) ..	1,000*	4½	4½	21st January, 1957.
Medway Bridge Supplementary Loan	700*	4½	4½	21st January, 1959.
Total .. ..	£2,700			

\* Less amount of principal redeemed up to date of conversion.



behalf, doth hereby consent to the issue by the said local authority of new securities in conversion of any existing securities to which this Order applies, and with respect to such conversion doth hereby make the following provisions.

PRELIMINARY.

1. This Order may be cited as the Awatere County Loans Conversion Order, 1934 (No. 3).
2. In this Order, unless the context otherwise requires,—
  - “The Act” means the Local Authorities Interest Reduction and Loans Conversion Act, 1932–33 :
  - “The date of conversion” means the date specified in clause five of this Order :
  - “Existing securities” means debentures or other securities issued by the local authority before the first day of April, one thousand nine hundred and thirty-three ; and includes any securities issued on or after that date, but before the date of conversion, in replacement (as that term is defined in the Act) of any such securities :
  - “The local authority” means the Awatere County Council :
  - “Local fund” has the same meaning as in Part V of the Local Bodies’ Loans Act, 1926 :
  - “New securities” or “new debentures” means securities or debentures issued in accordance with this Order in conversion of existing securities to which this Order applies :
  - “Unconverted securities” means existing securities to which this Order applies and in respect of which dissent from conversion is signified in accordance with the provisions of this Order.

APPLICATION OF ORDER.

3. This Order shall apply to all existing securities issued in respect of the loans specified in the First Schedule hereto.

SPECIAL RESOLUTION OF LOCAL AUTHORITY.

4. (1) If the local authority so resolves by a resolution passed and confirmed as provided by subsection two of section nine of the Act, it may, subject to and in accordance with the provisions of this Order, issue new securities in conversion of existing securities to which this Order applies.

(2) The following provisions of this Order shall come into force if such a resolution is passed and confirmed as aforesaid, but not otherwise :

Provided that a certificate signed by the Chairman of the local authority and published in the *Gazette* to the effect that such a resolution has been duly passed and confirmed shall be conclusive evidence of the facts therein certified.

DATE OF CONVERSION.

5. The date from which the conversion of existing securities into new securities shall take effect shall be the twenty-first day of July, one thousand nine hundred and thirty-four.

NOTICE TO HOLDERS 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 fourteen days before the date of conversion to every holder of existing securities to which this Order applies.

RIGHT TO APPLY FOR OR DISSENT FROM CONVERSION.

7. The holder of any existing securities to which this Order applies may make application to the local authority in writing for the conversion of such securities into new securities in accordance with this Order. Every application under this clause shall be accompanied by the securities to which it relates.

8. If the holder of any existing securities to which this Order applies does not, within the time and in the manner provided by this Order, signify his dissent from the conversion of such securities into new securities, the existing securities shall be converted into new securities in the same manner as if application had been made under the last preceding clause.

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 instalment of principal and 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 thirty years, the first half-yearly instalment to fall due and be paid on the twenty-first day of January, one thousand nine hundred and thirty-five, and subsequent half-yearly instalments to fall due and be paid on every twenty-first day of July and twenty-first day of January thereafter, the last half-yearly instalment to fall due and be paid on the twenty-first day of July, one thousand nine hundred and sixty-four.

14. (1) New securities for 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.

15. (1) The holder of any existing securities bearing 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 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.

(2) The holder of any existing securities bearing interest at a rate which, as reduced in accordance with Part I of the Act, exceeds the rate of interest payable on the new securities 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.

16. (1) Every premium to which any person is entitled under the last preceding clause shall be satisfied by payment of the amount thereof in cash.

(2) All payments of cash in accordance with the last preceding subclause shall be made by the local authority out of the local fund, and charged to the appropriate account.

#### PLACE FOR PAYMENT OF PRINCIPAL AND INTEREST.

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

#### SECURITIES HELD BY TRUSTEES.

18. 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.

19. 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.	
Limestone Bridge Loan (part)	1,000*	4½	4½	21st July, 1959.
Limestone Bridge Loan (part)	1,000*	4½	4½	21st July, 1961.
Limestone Bridge Loan (part)	1,000*	4½	4½	21st July, 1962.
Limestone Bridge Loan (part)	920*	4½	4½	21st January, 1963.
Limestone Bridge Supplementary Loan	320*	6	4½	21st January, 1965.
Total .. ..	£4,240			

\* Less amount of principal redeemed up to date of conversion.

#### SECOND SCHEDULE.

##### FORMS.

##### (1) Notice.

[Name of local authority.]

CONVERSION under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the Loans Conversion Order, 19 , of debentures or other securities issued in respect of the following loans [Particulars of loans].

Notice is hereby given to the holders of debentures or other securities issued by the [Name of local authority] in respect of the above-mentioned loans that it is intended to convert all such debentures or other securities (except those in respect of which dissent is duly signified) into new debentures having new maturity dates and bearing interest at 4½ per cent. per annum.

The conversion will take effect from [Date of conversion].

Application for conversion must be made in writing and be accompanied by the securities to which it relates.

Dissent from the conversion of any existing debentures or other securities may be signified by the holder by notice in writing delivered to [Name or designation and address of at least one person authorized to receive dissents] on or before the day of , 19 .



If notice of dissent from the conversion of any debentures or other securities is not received by that date the securities will be converted.

The rate of interest on any debentures or other securities in respect of which dissent is signified as aforesaid will, by virtue of section 18 of the above-mentioned Act, be reduced to two-thirds of the original rate as from the [Date of conversion].

Further particulars as to the new debentures and the conversion generally may be obtained from [Name or designation and address of at least one person authorized to give particulars.]

Dated the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_, Chairman.

(2) *New Debenture.*

No. \_\_\_\_\_ [Name of local authority], New Zealand.

New debenture, issued pursuant to Part II of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and the \_\_\_\_\_ Loans Conversion Order, 19\_\_\_\_. New debenture for £ \_\_\_\_\_, payable at \_\_\_\_\_, in New Zealand, on the day of \_\_\_\_\_, 19\_\_\_\_, issued by the [Name of local authority], New Zealand, under the above-mentioned Act and Order pursuant to a resolution passed and confirmed by the said Council [or Board, or as the case may be] as provided by section 9 (2) of the said Act.

(N.B.—The holder of this debenture has no claim in respect thereof upon the Government or public revenues of New Zealand.)

On presentation of this debenture at \_\_\_\_\_, in New Zealand, on or after the day of \_\_\_\_\_, 19\_\_\_\_, the bearer thereof will be entitled to receive £ \_\_\_\_\_.

Issued under the common seal of the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

[L.S.] \_\_\_\_\_ A.B., Chairman.  
C.D., Treasurer [or other officer appointed for the purpose].

THIRD SCHEDULE.

COMPUTATION OF PREMIUMS.

1. THE amount of the premium payable on the conversion of any existing securities shall be equal to the product obtained by multiplying the following factors, namely:—

- (a) The difference between one year's interest on the amount of principal secured by the existing securities at the rate payable thereon immediately before the date of conversion and one year's interest on the same amount at the rate payable on the new securities; and
- (b) The appropriate factor specified in the Table of Factors hereinafter set out, according to the period between the date of conversion and the maturity date of the existing securities.

2. For the purpose of computing any such period as is mentioned in paragraph (b) of the last preceding clause, any fraction of a half-year that is not less than three months shall be counted as a half-year, and any such fraction that is less than three months shall not be taken into account.

Table of Factors.

Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.	Period from Date of Conversion to Maturity Date of Existing Securities.	Factor.
Years. ½	0.488998	Years. 19½	12.891438
1	0.967235	20	13.096761
1½	1.434948	20½	13.297566
2	1.892370	21	13.493952
2½	2.339726	21½	13.686017
3	2.777238	22	13.873855
3½	3.205123	22½	14.057560
4	3.623592	23	14.237222
4½	4.032853	23½	14.412931
5	4.433108	24	14.584774
5½	4.824556	24½	14.752835
6	5.207389	25	14.917198
6½	5.581799	25½	15.077944
7	5.947970	26	15.235153
7½	6.306083	26½	15.388903
8	6.656316	27	15.539270
8½	6.998842	27½	15.686327
9	7.333831	28	15.830149
9½	7.661448	28½	15.970806
10	7.981856	29	16.108367
10½	8.295214	29½	16.242902
11	8.601676	30	16.374476
11½	8.901395	30½	16.503155
12	9.194518	31	16.629003
12½	9.481191	31½	16.752081
13	9.761556	32	16.872451
13½	10.035752	32½	16.990172
14	10.303914	33	17.105303
14½	10.566175	33½	17.217900
15	10.822665	34	17.328020
15½	11.073511	34½	17.435716
16	11.318837	35	17.541042
16½	11.558765	35½	17.644051
17	11.793413	36	17.744793
17½	12.022898	36½	17.843319
18	12.247333	37	17.939676
18½	12.466829	37½	18.033913
19	12.681496		

*Example of Working.*

Conversion as from 15th December, 1933, of 6 per cent. securities for £100, maturing 14th January, 1947, into  $4\frac{1}{4}$  per cent. securities.

Interest rate on existing securities (as reduced by Part I of the Act) is  $4\frac{1}{4}$  per cent. per annum.

	£
One year's interest on £100 at existing rate ( $4\frac{1}{4}$ per cent.) is .. ..	4.8
One year's interest on £100 at new rate ( $4\frac{1}{4}$ per cent.) is .. ..	4.25
	<hr/>
Difference is .. .. .	£0.55

Period from date of conversion (15th December, 1933) to existing maturity date (14th January, 1947) is 13 years 30 days, counted as 13 years.

Factor for 13 years is 9.761556.

£0.55 multiplied by 9.761556 is £5.3688558, or £5 7s. 4d., which is the premium for £100 of the existing securities.

The premiums on other amounts of existing securities of the same class can be computed in the same way, or, alternatively, by ascertaining 5.3688558 per cent. of the amount of the principal in each case.

(T. 49/422/3.)

F. D. THOMSON,  
Clerk of the Executive Council.