

New Zealand.

Title.

## ANALYSIS.

Preamble.

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| <p>1. Short Title.</p> <p>2. Empowering Board to convert securities that could be converted by the Council under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33.</p> | <p>3. Empowering Board to convert securities that could, with consent of holder, be converted by the Council under the Local Bodies' Loans Act, 1926.</p> |
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1933, No. 7.—*Local and Personal.*

AN ACT to enable the Auckland Transport Board to convert certain Loans heretofore raised by the Auckland City Council and for which the Board is now liable. Title.

[15th December, 1933.]

WHEREAS pursuant to the provisions of section fifty-seven of the Auckland Transport Board Act, 1928, the Auckland Transport Board (hereinafter called the Board) has taken over the tramway undertaking formerly carried on by the Auckland City Council (hereinafter called the Council) and has issued to the Council debentures indemnifying it in respect of various loans raised by the Council, and for the repayment of which the Board is now liable: Preamble.

And whereas it is desirable to empower the Board to convert the said loans as if the same had been raised by

the Board: And whereas some of the debentures issued in respect of the said loans are subject to the provisions of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, and some are not so subject, and it is desirable to deal differently with these two classes of debentures:

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

Short Title.

1. This Act may be cited as the Auckland Transport Board Empowering Act, 1933.

Empowering Board to convert securities that could be converted by the Council under the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33.

2. (1) This section applies only to securities in respect of which the Council has been indemnified by the Board, as recited in the Preamble to this Act, and which could be converted by the Council in accordance with the provisions of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33.

(2) The Board is hereby empowered to convert any securities to which this section applies, in accordance with the provisions of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, in the same manner in all respects as if it had issued such securities.

(3) Where pursuant to this section the Board converts any securities issued by the Council, then, as from the date from which the conversion takes effect as fixed by Order in Council under section thirteen of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, the Board shall be solely liable to the holder in respect of all the securities issued by the Council in respect of the same loan and dealt with in the same Order in Council (whether such securities are converted in accordance with the foregoing provisions of this section or not), and the liability of the Council in respect of such securities, if not theretofore determined, shall thereupon be determined.

(4) Where in accordance with the last preceding subsection the Board has become liable in respect of any securities issued by the Council, the Council shall, on the application of the Board, discharge and release, to the extent to which the Board has become so liable, securities issued by the Board to the Council for the purpose of indemnifying the Council in respect of such first-mentioned securities.

3. (1) This section applies only to securities in respect of which the Council has been indemnified by the Board, as recited in the Preamble to this Act, and which are not convertible by the Council in accordance with the provisions of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33.

(2) On application in that behalf made by the Board to the Local Government Loans Board, the Board may be empowered by the Governor-General by Order in Council to convert any securities to which this section applies, in accordance with the provisions of Part V of the Local Bodies' Loans Act, 1926, as modified in its application to such securities by this section and by the authorizing Order in Council, in the same manner in all respects as if the Board had issued such securities.

(3) In any authorizing Order in Council made for the purposes of this section, the Governor-General may make such provisions as he thinks fit, with respect to all or any of the following matters, namely :—

(a) The creation of sinking funds for the new securities ; the appointment of Commissioners for such sinking funds ; and the application of any existing sinking fund or any part thereof for the purposes of any existing securities or new securities, or in or towards paying the costs and charges (including premiums) of and incidental to the conversion :

(b) The security to be given by the Board for any conversion debentures :

Provided that nothing herein contained shall prejudice the existing security for the debentures representing so much of any loan as remains unconverted :

(c) Any other matters relating to the conversion or to the new securities.

(4) The Governor-General may from time to time, by subsequent Orders in Council, amend any Order in Council made for the purposes of this section by adding to, varying, or revoking the provisions thereof or any of such provisions :

Provided that nothing in any such amending Order in Council shall in any way prejudicially affect the security

Empowering Board to convert securities that could, with consent of holder, be converted by the Council under the Local Bodies' Loans Act, 1926.

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of the holders of any new securities issued before such amending Order in Council comes into force.

(5) Subject to the provisions of this section, every such Order in Council shall have the force of law as if it were enacted in this Act, anything to the contrary in any other Act notwithstanding.

(6) Sections ninety-five, one hundred and four, one hundred and five, and one hundred and six of the Local Bodies' Loans Act, 1926, shall not apply with respect to any conversion or proposed conversion by the Board under this section.