

(b) Where the existing securities are not in the form of stock, they shall accompany the notice of dissent and shall thereupon be exchanged for New Zealand Government stock.

(c) New Zealand Government stock exchanged for existing securities in respect of which notice of dissent has been given as provided in this Prospectus shall conform with the conditions of the existing securities in respect of duration, redemption, rate of interest, and in all other respects. No interest due for any period after the 31st March, 1933, will be paid on existing securities, other than stock, until such securities have been exchanged for New Zealand Government stock.

(d) Stock in respect of which notice of dissent has been given, and New Zealand Government stock issued in exchange for existing securities other than stock in respect of which notice of dissent has been given, shall not be exchangeable for New Zealand Government debentures, nor shall stock certificates be issued in respect of such stock.

20. (a) Notice of dissent may be given on or before the 24th March, 1933.

(b) Where the holder of the securities (or, where the holder is a trustee, any person whose consent would be required for conversion) is, during the whole of the time between the passing of the New Zealand Debt Conversion Act, 1932-33, and the 24th March, 1933, absent from New Zealand, the time in which dissent may be given is extended to 1st June, 1933.

(c) In special circumstances the Minister of Finance may extend the time in the case of any particular holder.

CONVERSION OF SECURITIES WHEN DISSENT NOT NOTIFIED.

21. Where written dissent is not notified in the manner and within the period prescribed by the Act, the relative securities will be deemed to be converted into new securities, and holders will be required to exchange their existing securities for new securities in accordance with this Prospectus. No interest due for any period after the 31st March, 1933, will be paid until this exchange has been made.

MISCELLANEOUS.

22. New securities in the form of New Zealand Government stock will be issued to the person who is the registered holder of existing securities on the 31st March, 1933.

23. New securities in the form of New Zealand Government debentures will be delivered to the applicant for conversion in accordance with the directions in the form of application.

24. The issue is an investment authorized by the Trustee Act, 1908, and trustees are expressly authorized and empowered to convert or withhold dissent from the conversion of any existing securities into new securities, and no action, suit, or other proceedings shall be commenced, prosecuted, or maintained against any trustee upon the ground of any action taken by such trustee to convert, or upon the failure of such trustee to dissent from conversion of, existing securities into new securities in accordance with this Prospectus. Provision is contained in the New Zealand Debt Conversion Act, 1932-33, for adjustments as between income and capital consequent on conversion of securities held by trustees.

25. New securities issued in exchange for existing securities with the condition of availability for payment of death duty attaching thereto shall retain such condition for the period of duration of the new securities.

26. Forms of application may be obtained at any postal money-order office in New Zealand, at any branch of any bank in New Zealand, and at the New Zealand Government Treasury Offices at Auckland, Wellington, Christchurch, and Dunedin.

CLOSING OF REGISTERS.

27. Registers of Stock will be closed from the 6th March, 1933, until the 20th April, 1933, or such earlier date as is fixed by the Minister of Finance, for all transactions in respect of New Zealand Government stock other than transactions provided for in this Prospectus.

Wellington, N.Z., 4th March, 1933.

J. G. COATES, Minister of Finance.

THE SCHEDULE.

METHOD OF DETERMINING THE AMOUNT OF NEW SECURITIES TO BE ISSUED IN LIEU OF EXISTING SECURITIES.

1. The conversion is based on a reduction of the interest rate on existing securities by 20 per cent., but so that in no case, except free-of-income-tax securities, will the rate be reduced below 4 per cent.

2. Where the interest rate on the new securities is not lower than the interest rate on existing securities reduced by 20 per cent. no adjustment of capital is required and new securities will be issued for the same amount as the existing securities.

3. Where the interest rate on the new securities involves a reduction of more than 20 per cent. in the interest rate on the existing securities a premium will be granted in the form of additional new securities (fractions of £5 being adjusted in terms of paragraph 15 hereof).

4. The following table showing the rates of premium for the various classes of existing securities is based on the actuarial tables appearing in the Schedule to the New Zealand Debt Conversion Act, 1932-33. The premium in every case is the actuarial equivalent of the difference in future income for the term of the existing security at the original interest rate less 20 per cent. and at the conversion rate of 4 per cent. or $3\frac{1}{2}$ per cent., as the case may be.