

*Local Authorities Loans 1956—Rates of Interest Applicable to Loans which are Subject to the Local Authorities Loans Exemption Order 1983*

PURSUANT to section 3A (3) of the Local Authorities Loans Act 1956 (as inserted by section 3 of the Local Authorities Loans Amendment Act 1982), notice is hereby given that the Local Authorities Loans Board (the "Board") has determined as follows:

1. This general determination shall:

- (a) apply to all money which any local authority may borrow after the 12th day of September 1983, by way of special loan and for which pursuant to the Local Authorities Loans Exemption Order 1983, it is exempted from obtaining the sanction of the Board and the consent of the Minister of Finance;
- (b) notwithstanding subclause (a) hereof, not apply to special loans wholly funded by the Housing Corporation of New Zealand or the Rural Banking and Finance Corporation of New Zealand.

2. The rate or rates of interest, that may be paid by any local authority in respect of any such money borrowed by it, shall be such as shall not produce to the lender or lenders a rate or rates of interest exceeding the following rates:

- (a) For money borrowed for any period of 1 or 2 years, 8.5 percent per annum;
- (b) For money borrowed for any period of 3, 4, or 5 years, 9.0 percent per annum;
- (c) For money borrowed for any period of 6 years or more, 9.5 percent per annum.

3. The general determination made by the Board and published in the *Gazette* on the 11th day of August 1983, at page 2600 is hereby consequentially cancelled.

Dated at Wellington this 9th day of September 1983.

C. H. TERRY, Chairman, Local Authorities Loans Board.