

When the shareholders of a company have received compensation before the private assets have been restored to the liquidator of the firm, C.A.A. shall remit through the authorized French bank referred to in Paragraph 5 of Article 4 above, to holders of credit vouchers a number of C.N.E. bonds corresponding to the value of the private assets; the bank shall be responsible for the allotment of these bonds among the Canadian holders and in the case of a fraction of less than one tenth of a bond held by one bearer only, for the allotment of the amount in cash resulting from the sale of the above-mentioned bonds.

PART III—RIGHTS PERTAINING TO CREDIT VOUCHERS—THEIR REPAYMENT—ASSIGNMENT OR USE AS SECURITY

ARTICLE 6

Credit vouchers issued to Canadian claimants shall from June 1st, 1950, bear interest at the rate of 3% and additional interest at variable rates as provided in Article 13 of the Law of April 8, 1946, and in Article 4 of the Law of August 12, 1948.

Both the fixed interest and the additional interest payable in accordance with the preceding paragraph of this Article to Canadian holders of credit vouchers who are not French residents shall be transferable in accordance with the provisions of any Payments Agreement in force, under the terms and in accordance with the general principles governing stock transfers.

If any additional interest is paid as part of the Premium on Redemption mentioned hereunder, such additional interest shall not be transferable and shall be credited to Canadians Reinvestment Account mentioned in Article 11.

Credit vouchers issued to Canadian claimants shall also carry the right to the Premium on Redemption provided for in Article 4 of the Law of August 12, 1948.

ARTICLE 7

The total value of the credit vouchers whether provisional or final shall be subject, in respect both of capital and of fixed interest, to an exchange guarantee based on the rate of exchange between the French franc and the U.S.A. dollar as it was in Paris on April 8, 1946, i.e., at the rate of 119.10 French francs for one dollar.

Payments in redemption of capital shall be made in French francs and shall take account of the said exchange guarantee.

The C.A.A. shall make an annual redemption payment equal to one-seventh of the total value of each credit voucher.

If, however, in any year more than one-seventh of the Bonds mentioned at the end of Article 4 are paid off as a result of drawing by lot, the credit vouchers shall be redeemed by an equivalent amount at the due date for redemption payments in the following year. Thereafter, redemption payments in respect of credit vouchers shall be made in as many fractions of the total principal sum remaining unredeemed as there are remaining due dates.

At the due date of any redemption payment, the nominal amount in French francs of this redemption payment shall be multiplied by the quotient obtained by dividing by 119.10 the rate of exchange of the U.S. dollar on the free exchange-market in Paris on the due date concerned. If there is no quotation of the U.S. dollar on that date the rate used shall be the first quotation on the free exchange-market on the last market day. If on the date concerned the quotation of the U.S. dollar on the free market in Paris