

- (d) the maturity dates of these Loans shall be extended by 20 years from the existing maturity dates;
- (e) in respects other than those indicated above, the terms of the original loan contracts shall be maintained unless otherwise agreed by the creditor in special circumstances. Where exceptional circumstances peculiar to a particular debtor are such as to satisfy the creditors' representatives that it is impracticable for that debtor to conform to the general arrangement, such adjustment as may seem necessary shall be made by agreement between the debtor and the creditors' representatives.
- (f) Bonds issued and payable outside of the territory of the Federal Republic denominated in Reichsmark shall be converted, at the rate of 10:1, into Deutsche Mark. They will carry interest at the original contractual rate. Arrears of interest shall be funded on the same basis and shall carry the same rate of interest. The bonds shall be extended for a period of 15 years after the maturity date, and will be redeemable in equal annuities, the first being due on the first coupon maturity date in 1958. Interest and redemption moneys will be transferred in the currency of the country where the bondholder has his residence.
- (g) Reference to an "original contract" or to an "original contractual interest" shall be read as reference to the contract or the relative contractual interest subsisting between creditor and debtor at the time when the borrowing was first made or the obligation was first incurred, unless a conversion (herein called an "effective conversion") was made before 9th June, 1933, or was made on or after that date on account of the insolvency or threatened insolvency of the debtor or as a result of free negotiation; provided that—
 - (i) in disputed cases the decision shall lie with a Court of Arbitration where the burden shall be on the debtor to prove that the arrangement was freely negotiated, and
 - (ii) arrangements made where the German Custodian of Enemy Property or a person appointed by a German authority in an occupied territory represented the creditors or resulting from mere acceptance by the creditor of a unilateral offer made by the debtor shall be presumed not to have been freely negotiated.

In calculating future interest and arrears of interest under the general formula, the original contractual rate shall apply. Where, however, an effective conversion has taken place the converted rate of interest shall apply; provided that in such case the converted rate shall not be subject to any reduction either as to arrears of interest or as to future interest, unless the debtor prefers calculation on the basis of the original contractual rate under the general formula.

- (h) All expenses incidental to carrying out the above modifications of the original contracts shall be borne by the debtors.
- (i) Where the remaining capital amount of the total of all bond issues in foreign currency of a particular debtor is small, the debtor may offer an earlier repayment and final settlement of the entire amount of such indebtedness and arrears of interest without regard to the limitations and provisions under (d) above relative to the prolongation of the indebtedness.
- (j) All corporate obligations guaranteed by a State, city, municipality or other governmental body shall be settled in accordance with "Agreed Recommendations for the Settlement of Medium and Long-Term