

until the unification of Germany, when payment on these Bonds will begin.

- (e) The amounts due in respect of the various issues of the 5½ per cent. International Loan 1930 are payable only in the currency of the country in which the issue was made. In view of the present economic and financial position in Germany, it is agreed that the basis for calculating the amount of currency so payable shall be the amount in U.S. Dollars to which the payment due in the currency of the country in which the issue was made would have been equivalent at the rates of exchange ruling when the Loan was issued. The nominal amount in U.S. Dollars so arrived at will then be reconverted into the respective currencies at the rate of exchange current on 1st August, 1952.

Should the rates of exchange ruling any of the currencies of issue on 1st August, 1952, alter thereafter by 5 per cent. or more, the instalments due after that date, while still being made in the currency of the country of issue, shall be calculated on the basis of the least depreciated currency (in relation to the rate of exchange current on 1st August, 1952) reconverted into the currency of issue at the rate of exchange current when the payment in question becomes due.

- (f) In all respects other than those indicated above, the terms of the original Loan contracts shall be maintained.
- (g) All expenses incidental to carrying out the above modifications of the original contracts shall be borne by the Government of the Federal Republic.

3. *The 6 per cent. External (Match) Loan 1930*

- (a) As on the first coupon date following 31st March, 1953, interest at 4 per cent. per annum.
- (b) As on the first coupon date following 31st March, 1958, a sinking fund of 1¼ per cent. shall be added to the above interest payments and constitute with them a cumulative annuity.
- (c) Arrears of interest to be recalculated at 4 per cent. simple interest but otherwise to receive the same treatment as the arrears in respect of the Young Loan.
- (d) The maturity date shall be extended to the year 1994.
- (e) As long as the service of the Match Loan is effected according to the provisions of this Settlement Plan, the payment for interest and amortisation of the Loan will be made at the office of the Skandinaviska Banken in Stockholm, Sweden, in Swedish Kronor equivalent to the amount due in U.S. dollars at the rate of exchange on the due date.
- (f) In all other respects other than collateral the Match Loan shall have the same treatment as the Young Loan.

4. *Konversionskasse Bonds*

The Federal Government will undertake to make the following payments in respect of Konversionskasse Bonds and Scrip:—

- (a) As on the first coupon or interest date following after 31st March, 1953, interest at the original contractual rates;
- (b) as on the first coupon date following after 31st March, 1958, a sinking fund of 2 per cent. per annum shall be added to the above interest payments and constitute with them a cumulative annuity;
- (c) the maturity dates of these bonds shall be extended by 17 years from the existing maturity dates;
- (d) two-thirds of the arrears of interest calculated at the contractual rates shall be waived. The remaining one-third shall be funded and carry the same interest and sinking fund as the original Bonds;