

10% of the consolidated debt shall be evidenced by 8 year bonds maturing at the end of 9 years from the date of execution of this agreement;

10% of the consolidated debt shall be evidenced by 8½ year bonds maturing at the end of 9½ years from the date of execution of this agreement;

10% of the consolidated debt shall be evidenced by 9 year bonds maturing at the end of 10 years from the date of execution of this agreement.

6. The Bank for the Netherlands Indies agrees that, with respect to amounts paid by the Minister into the said special account during the twelve months period commencing one year from the date of execution of this agreement, there shall be a consolidation of the amounts so paid, and interest thereon as provided for in paragraph 4 of this agreement, at the end of the said twelve months period and the Bank for the Netherlands Indies shall thereupon acknowledge such consolidated debt by delivery to the Minister of bonds of a face value equal to such consolidated debt which bonds shall constitute valid, binding, absolute and unconditional obligations of the Bank for the Netherlands Indies; the bonds shall bear interest at the rate of two and one-quarter per centum per annum payable semi-annually on the first day of January and the first day of July and shall be for such terms as will result in 10% of the bonds maturing respectively at the end of 5½ years, 6 years, 6½ years, 7 years, 7½ years, 8 years, 8½ years, 9 years, 9½ years and 10 years from the date of execution of this agreement.

7. Any portion of the credit of Fifteen Million Dollars (\$15,000,000) Canadian, which has not been requisitioned by the Bank for the Netherlands Indies and paid by the Minister into the special account in the Bank of Canada pursuant to paragraph 2 of this agreement at the end of two years from the date of execution of this agreement shall be deemed to have lapsed and be no longer payable by the Minister, unless the Parties hereto mutually agree otherwise.

8. It is mutually agreed by the Parties hereto that if the Bank for the Netherlands Indies fails to acknowledge the consolidated debt as provided for in paragraphs 5 or 6 of this agreement, or fails to redeem any of the bonds on maturity, the whole amount of the loan shall thereupon become due and payable.

9. It is mutually agreed by the Parties hereto that payments by the Bank for the Netherlands Indies shall be in Canadian dollars or fine gold at the option of the Bank for the Netherlands Indies. The value of fine gold shall be calculated on the basis of the buying price for gold of the Canadian Foreign Exchange Control Board (or successor agency) on the day of its delivery. During such period as foreign exchange regulations in Canada require that exports from Canada to the Netherlands Indies result in the sale of a specified foreign currency to an Authorized Dealer of the Foreign Exchange Control Board (or successor agency) and permit Canadian importers of goods from the Netherlands Indies to make payment therefor in such specified foreign currency, any Canadian dollars used by the Bank for the Netherlands Indies to effect payments under this agreement shall be acquired by the sale through an Authorized Dealer of the Canadian Foreign Exchange Control Board (or successor agency) of such specified foreign currency at the published official buying rate, or in such other manner as may be mutually agreed upon by the Bank for the Netherlands Indies and the Minister.