

5. Costs

Members of the Committee and temporary members shall be reimbursed for all travel and out-of-pocket expenses incurred in connection with the performance of their duties and shall receive in addition remuneration to be established by the Committee for all time spent in connection with the performance of their duties.

All expenses and costs incurred by the Committee or its members or temporary members in a given dispute shall be borne by the particular German debtor involved. In any case, however, where the Committee or the appropriate sub-committee determines that resort to the Committee has not been made in good faith by a creditor or that the appeal is frivolous the costs and expenses shall be borne by such creditor to the extent directed by the Committee or sub-committee.

All other expenses of the Committee and its members, including compensation to the members when engaged in Committee affairs, shall be refunded by the debtors by assessment or otherwise.

ARTICLE X

Expenses of Creditors, Creditor Representatives and Others

1. The debtors affected by this Agreement shall pay all expenses incurred in connection with the Debt Conference or in the general execution of this Agreement by any Creditor Committee.

2. Expenses incurred by the creditors in connection with negotiations between a debtor and his creditors pursuant to Article VII of this Agreement shall be borne by the debtor involved. Such expenses and compensation shall be paid, in the case of non-bonded debt, to the creditors and, in the case of bonded debt, to the creditors' representatives appointed pursuant to Article VIII of this Agreement.

3. The term expenses, as used in paragraphs 1 and 2 of this Article, includes reasonable compensation for services. Any dispute as to the reasonableness of expenses payable under this Article may be referred to the Arbitration and Mediation Committee.

4. Payments provided for in this Article shall not stand in the way of or bar any creditors' representative from making and collecting additional charges from the bondholders or creditors.

ARTICLE XI

Entry into Force

No payments may be made, under the terms of any settlement offer made pursuant to this Agreement, prior to the date of entry into force of the contemplated Intergovernmental Agreement on German External Debts. Nevertheless, the debtors shall proceed expeditiously to prepare and present offers of settlement to their creditors in accordance with the provisions of Article VII of this Agreement, to conduct such negotiations as may be necessary, and otherwise to take all steps to forward the preparation of the new offers contemplated hereunder.