

2. The Minister will pay amounts requisitioned under paragraph one of this Agreement into the account of the National Bank of Belgium with the Bank of Canada, for the credit of the Government of Belgium.

3. The Government of Belgium will expend moneys received by it by way of loan under this Agreement solely for the purpose of purchasing from exporters and paying the cost of Canadian-produced goods exported or to be exported from Canada to Belgium, the Grand Duchy of Luxembourg or the Belgian Congo.

4. The Government of Belgium agrees to pay interest at the rate of three per centum per annum on each amount paid by the Minister into the said special account from the date when it is paid into the said special account until the date of consolidation of that particular amount of the debt into a consolidated debt to be evidenced by bonds of the Government of Belgium, as provided for in paragraphs 5 or 6 of this Agreement.

5. The Government of Belgium agrees that the amounts paid by the Minister into the account of the National Bank of Belgium for the credit of the Belgian Government, pursuant to this Agreement, during the period commencing on the date of the execution of this Agreement and ending on June 30, 1946, and interest thereon as provided in paragraph 4 of this Agreement, shall be consolidated into one amount called the consolidated debt at the end of the said period, and the Government of Belgium shall thereupon deliver to the Minister bonds of a face value equal to such consolidated debt, which bonds shall constitute valid, binding, absolute, and unconditional obligations of the Government of Belgium; the said bonds shall bear interest at the rate of three per centum per annum, payable semi-annually on the 31st day of December and the 30th day of June, and shall mature serially in thirty equal annual amounts of principal payable on the 30th of June, 1947, and on the 30th June in each year thereafter, up to and including the year 1976.

6. The Government of Belgium agrees that the amounts paid by the Minister into the account of the National Bank of Belgium for the credit of the Government of Belgium, pursuant to this Agreement, during the twelve months' period commencing July 1, 1946, and interest thereon, as provided for in paragraph 4 of this Agreement, shall be consolidated into one amount called the consolidated debt at the end of the said twelve months' period, and the Government of Belgium shall thereupon pay on the 30th June, 1947, one-thirtieth of the amount of such consolidated debt, and shall deliver to the Minister bonds of a face value equal to the remainder of such consolidated debt, which bonds shall constitute valid, binding, absolute and unconditional obligations of the Government of Belgium; the bonds shall bear interest at the rate of three per centum per annum, payable semi-annually on the 31st day of December and the 30th day of June and shall mature serially in twenty-nine equal annual amounts of principal payable on the 30th June, 1948, and on the 30th June in each year thereafter, up to and including the year 1976.

7. Any portion of the total amount of Twenty-five Million Canadian Dollars (\$25,000,000, Canadian) referred to in paragraph one of this Agreement, which has not been requisitioned by the Government of Belgium in accordance with the said paragraph one on or before the 30th day of June, 1947, shall lapse 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 Government of Belgium fails to deliver bonds as heretofore provided at the end of any of the periods referred to 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.