

other than that of a creditor country or to any person not residing in or a national of a creditor country and which are or were payable in a non-German currency. This provision does not apply to debts arising from marketable securities payable in a creditor country.

## ARTICLE 11

### *Currency of Payment*

(1)—(a) Except as otherwise provided in the Annexes to the present Agreement, debts without a currency option shall be paid in the currency in which they are payable under the terms of the obligation. If such debts are denominated in German currency and, under the provisions of the Annexes to the present Agreement, are to be paid in a non-German currency, they shall be paid in the currency of the country in which the creditor resides.

(b) Notwithstanding the provisions of the preceding sub-paragraph, any payments agreements from time to time in force between the Government of the Federal Republic of Germany and the Government of a creditor country shall apply to debts which, under that sub-paragraph, are to be paid to persons residing in that country in a non-German currency. However, any such payments agreements shall apply to payments on bonded debts payable in a non-German currency other than the currency of the country party to the payments agreement only if the Government of such country agrees that such payments to persons residing in its territory may be made in its own currency.

(2)—(a) The question whether payment on debts with a currency option may continue to be required in a currency other than the currency of the country in which the loan was raised or from which credit was advanced shall be determined in a manner to be agreed upon among the Governments of the Federal Republic of Germany and of the countries the currencies of which are concerned.

(b) If a currency option provides for payment of a fixed amount of an alternative currency, the creditor shall be entitled to receive, in the currency of the country in which the loan was raised or from which credit was advanced, the equivalent, at the rate of exchange current on the date payment shall fall due, of such amount of the alternative currency as would have been payable if the option had been exercised.

(c) Payments on debts with a currency option made, prior to the determination provided for in sub-paragraph (a) of this paragraph, in the currency of the country in which the loan was raised or from which the credit was advanced, shall not be affected by such determination.

(3) The provisions of paragraphs (1) and (2) of this Article shall not apply to debts covered by paragraphs 2 and 3 of Annex I to the present Agreement.

(4) Any payments agreements from time to time in force between the Government of the Federal Republic of Germany and the Government of a creditor country shall apply to payments on debts which are subject to the provisions of paragraphs (2) and (3) of this Article provided that these payments are due in the currency of the creditor country.

(5) In the case of debts originating in business transactions of a registered branch office of a creditor, a condition of which was that payment should be made to the country where the branch office is located, such country shall be deemed to be the creditor country within the meaning of this Article.

## ARTICLE 12

### *Treatment of Gold Clauses*

In the settlement and discharge of any debt denominated in a non-German currency on a gold basis or with a gold clause, the amount to be paid shall,