



Treaty Series No. 7 (1931)

INTERNATIONAL AGREEMENT

IN REGARD TO THE

German 5½ per Cent. Loan, 1930

Paris, June 10, 1930

Presented by the Secretary of State for Foreign Affairs
to Parliament by Command of His Majesty

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International Agreement in regard to the German 5½ per Cent. Loan, 1930.

Paris, June 10, 1930.

THE duly authorised representatives of the Government of the United Kingdom of Great Britain and Northern Ireland, the Government of Canada, the Government of the Commonwealth of Australia, the Government of New Zealand, the Government of the Union of South Africa, the Government of India (hereinafter called the British Empire), the Government of the French Republic, the Government of the German Reich, the Government of His Majesty the King of Italy, the Government of His Majesty the Emperor of Japan, the Government of His Majesty the King of Yugoslavia, and the Government of the Republic of Portugal (hereinafter called the signatory Governments) have reached the following Agreement:—

ARTICLE 1.

The signatory Governments shall participate in the net proceeds of the German Government International 5½ per Cent. Loan 1930 (hereinafter

LES représentants dûment autorisés du Gouvernement du Reich Allemand, du Gouvernement du Royaume-Uni de Grande-Bretagne et de l'Irlande du Nord, du Gouvernement du Canada, du Gouvernement du Commonwealth d'Australie, du Gouvernement de Nouvelle-Zélande, du Gouvernement de l'Union Sud-Africaine, du Gouvernement de l'Inde (ci-après dénommés l' "Empire Britannique"), du Gouvernement de la République Française, du Gouvernement de Sa Majesté le Roi d'Italie, du Gouvernement de Sa Majesté l'Empereur du Japon, du Gouvernement de la République du Portugal et du Gouvernement de Sa Majesté le Roi de Yougoslavie (ci-après dénommés les "Gouvernements signataires") sont tombés d'accord sur ce qui suit :

ARTICLE 1^{er}.

Les Gouvernements signataires participeront au produit net de l'Emprunt International 5½ pour cent 1930 du Gouvernement allemand

DIE gehörig bevollmächtigten Vertreter der Regierung des Deutschen Reiches, der Regierung des Vereinigten Königreichs von Grossbritannien und Nordirland, der Regierung von Kanada, der Regierung des Australischen Bundes, der Regierung von Neuseeland, der Regierung der Süd-Afrikanischen Union, der Regierung von Indien (nachfolgend das Britische Reich genannt), der Regierung der Französischen Republik, der Regierung Seiner Majestät des Königs von Italien, der Regierung Seiner Majestät des Kaisers von Japan, der Regierung Seiner Majestät des Königs von Jugoslawien und der Regierung der Republik Portugal (nachfolgend die unterzeichneten Regierungen genannt) sind zu folgendem Abkommen gelangt :

ARTIKEL 1.

Die unterzeichneten Regierungen werden an dem Reinerlös der Internationalen 5½ Prozent Anleihe des Deutschen Reichs 1930 (nachfolgend

called the Loan) as follows:—

	The equivalent of Dollars.
France ...	132,215,000
Germany ...	100,000,000
British Empire	50,000,000
Italy ...	13,105,000
Japan ...	2,060,000
Jugoslavia ...	1,872,000
Portugal ...	748,000
	<hr/>
	300,000,000

If the exact amount of the net effective proceeds is greater or less than 300,000,000 dollars the total amount shall be distributed in the same proportions as those indicated above.

ARTICLE 2.

The net proceeds of the Loan shall be paid to the Bank for International Settlements to be distributed by it as follows: The net proceeds of the Franc Bonds shall be paid to France; the net proceeds of the Sterling Bonds shall be paid to the British Empire; the net proceeds of the Lire Bonds shall be paid to Italy; the net proceeds of the Reichsmark Bonds shall be paid to Germany; the net proceeds of the remaining Bonds shall be paid to France, Germany, Italy, Japan, Jugoslavia and Portugal in proportion to the shares referred to in article 1 so far as not already satisfied out of the net proceeds of the Reichsmark, Franc and Lire Bonds.

(ci-après dénommé "l'Emprunt") comme suit:

	Pour l'équivalent de Dollars.
France...	132.215.000
Allemagne ...	100.000.000
Empire Britannique...	50.000.000
Italie ...	13.105.000
Japon ...	2.060.000
Yougoslavie ...	1.872.000
Portugal ...	748.000
	<hr/>
	300.000.000

Si le montant exact du produit net effectif est supérieur ou inférieur à 300.000.000 de dollars, le montant total sera réparti dans les mêmes proportions que celles indiquées ci-dessus.

ARTICLE 2.

Le produit net de l'Emprunt sera versé à la Banque des Règlements Internationaux pour être réparti par elle ainsi qu'il suit: le produit net des obligations en francs sera versé à la France; le produit net des obligations en sterling sera versé à l'Empire Britannique; le produit net des obligations en liras sera versé à l'Italie; le produit net des obligations en reichsmarks sera versé à l'Allemagne; le produit net des obligations restantes sera versé à la France, à l'Allemagne, à l'Italie, au Japon, à la Yougoslavie et au Portugal proportionnellement aux parts visées à l'article 1^{er}, dans la mesure où ces parts n'auront pas été couvertes au moyen

die Anleihe genannt) in folgender Höhe beteiligt:

	Mit einem Gegenwert von Dollars.
Frankreich ...	132.215.000
Deutschland ...	100.000.000
Britisches Reich	50.000.000
Italien ...	13.105.000
Japan ...	2.060.000
Jugoslawien ...	1.872.000
Portugal ...	748.000
	<hr/>
	300.000.000

Wenn der genaue Betrag des tatsächlichen Reinerlöses der Anleihe mehr oder weniger als 300.000.000 Dollars beträgt, soll der Gesamtbetrag in demselben Verhältnis, wie oben angegeben, verteilt werden.

ARTIKEL 2.

Der Reinerlös der Anleihe ist an die Bank für Internationalen Zahlungsausgleich zu zahlen und von ihr in folgender Weise zu verteilen: der Reinerlös der Frankenschuldverschreibungen ist an Frankreich zu zahlen; der Reinerlös der Sterlingschuldverschreibungen ist an das Britische Reich zu zahlen; der Reinerlös der Lira-schuldverschreibungen ist an Italien zu zahlen; der Reinerlös der Reichsmarkschuldverschreibungen ist an Deutschland zu zahlen; der Reinerlös der übrigen Schuldverschreibungen ist an Frankreich, Deutschland, Italien, Japan, Jugoslawien und Portugal im Verhältnis ihrer in Artikel I angegebenen Anteile zu zahlen, soweit

du produit net des obligations en reichsmarks, en francs et en lires.

diese nicht bereits durch den Reinerlös der Reichsmark-, Franken- und Lira-schuldverschreibungen gedeckt sind.

ARTICLE 3.

The Creditor Governments, having examined the terms of the General Bond* which has been submitted to them by the Bank for International Settlements, hereby approve the terms thereof.

The signatory Governments agree in declaring that the terms of the General Bond and those of the present Agreement conform with the New Plan† and with the Mobilisation Agreement‡ signed at The Hague on the 20th January, 1930, and that the due performance of the stipulations of the General Bond and of the present Agreement cannot result in the assumption by the German Government of any obligations other than those provided for by the New Plan.

The Bank for International Settlements in its capacity as Trustee for the Creditor Powers shall be fully empowered to approve the Definitive

* See p. 12.

† See Cmd. 3343, 3392 and 3484 (p. 18).

‡ See Cmd. 3484, p. 135.

ARTICLE 3.

Les Gouvernements créanciers, ayant examiné les dispositions de l'Obligation Générale (General Bond)* qui leur a été soumise par la Banque des Règlements Internationaux, approuvent ces dispositions par les présentes.

Les Gouvernements signataires sont d'accord pour déclarer que les dispositions de l'Obligation générale et celles du présent Accord sont conformes au Nouveau Plan et à l'Accord de Mobilisation signé à La Haye le 20 janvier 1930, et que la due exécution des stipulations de l'Obligation Générale et du présent Accord ne peut avoir pour résultat de faire assumer au Gouvernement allemand des obligations autres que celles prévues par le Nouveau Plan.

La Banque des Règlements Internationaux, en sa qualité de Trustee des Puissances créancières, aura tous pouvoirs pour approuver les Bons Dé-

* See page 12.

ARTIKEL 3.

Die Gläubigerregierungen haben die Bestimmungen der ihnen von der Bank für Internationalen Zahlungsausgleich unterbreiteten allgemeinen Schuldverschreibung (General Bond)* geprüft und stimmen ihrem Inhalt hiermit zu.

Die unterzeichneten Regierungen erklären übereinstimmend, dass die Bestimmungen der allgemeinen Schuldverschreibung und des gegenwärtigen Abkommens mit dem Neuen Plan und der im Haag am 20. Januar 1930 unterzeichneten Übereinkunft über die Mobilisierung vereinbar sind, und dass die ordnungsmässige Erfüllung der Bestimmungen in der allgemeinen Schuldverschreibung und dieser Übereinkunft nicht die Übernahme irgend welcher anderer Verpflichtungen für die Deutsche Regierung zur Folge haben kann als die, die im Neuen Plan vorgesehen sind.

Die Bank für Internationalen Zahlungsausgleich soll in ihrer Eigenschaft als Treuhänder der Gläubigermächte alle Vollmachten haben, um

* See p. 12.

Bonds referred to in the General Bond after having satisfied itself that they are in conformity therewith.

finitifs prévus par l'Obligation Générale après s'être assurée de leur conformité avec ladite Obligation Générale.

die endgültigen Schuldverschreibungen, die in der allgemeinen Schuldverschreibung vorgesehen sind, zu billigen, nachdem sie sich ihrer Übereinstimmung mit der allgemeinen Schuldverschreibung versichert hat.

ARTICLE 4.

The Creditor Governments agree to give to the Bank for International Settlements an irrevocable standing order to meet by deduction from their respective shares in the unconditional annuities in proportion to their respective shares in the net proceeds of the Loan two-thirds of—

(i) all amounts required to cover losses or deficiencies which may occur in connection with the service of the Loan after the due payment in full of each monthly instalment of the unconditional annuities to the Bank for International Settlements, including any exchange losses which may arise from the fact that the service of the Loan is to be paid half-yearly, whereas the said annuities are discharged by monthly payments of gold or gold exchange currencies equivalent, as laid down by the New Plan, on the monthly dates of payment, to a fixed number of Reichsmarks; and

ARTICLE 4.

Les Gouvernements créanciers conviennent de donner à la Banque des Règlements Internationaux un ordre permanent et irrévocable de faire face, par déduction sur leurs parts respectives dans les annuités inconditionnelles, proportionnellement à leurs parts respectives dans le produit de l'Emprunt, à deux tiers de :

1° tous montants nécessaires pour couvrir les pertes ou les insuffisances susceptibles de se produire en relation avec le service de l'Emprunt, après le dû et complet payement à la Banque des Règlements Internationaux de chacune des mensualités des annuités inconditionnelles, y compris toutes pertes de change susceptibles de résulter du fait que le service de l'Emprunt doit être assuré par semestrialités, tandis que lesdites annuités sont acquittées au moyen de versements mensuels en monnaies sur la base or ou de change or équivalentes, comme il est indiqué au Nouveau Plan, aux dates mensuelles de payement,

ARTIKEL 4.

Die Gläubigerregierungen werden übereinstimmend der Bank für Internationalen Zahlungsausgleich die unwiderrufliche Anweisung erteilen, durch Abzug von ihren Anteilen an den unbedingten Annuitäten im Verhältnis ihrer Anteile an dem Reinerlös der Anleihe folgende Beträge zu zwei Dritteln zu decken :

(i) Alle Beträge, die erforderlich sind, um Verluste oder Fehlbeträge zu decken, die nach ordnungsmässiger Zahlung jeder vollen Monatsrate der unbedingten Annuitäten an die Bank für Internationalen Zahlungsausgleich im Zusammenhang mit dem Dienst der Anleihe entstehen können. Hierzu gehören auch alle Kursverluste, die sich aus der Tatsache ergeben können, dass der Dienst der Anleihe halbjährlich zu leisten ist, während die genannten Annuitäten entsprechend den Bestimmungen des Neuen Planes an den monatlichen Zahlungsterminen durch monatliche Zahlungen in Gold oder Golddevisenwährun-

à un nombre fixe de reichsmarks, et

gen im Gegenwert eines festen Reichsmarkbetrages getilgt werden und

(ii) all charges (not including principal and interest) commissions, expenses and incidental costs in connection with the service of the Loan, as they are defined in the General Bond.

2° toutes charges (non compris le principal et les intérêts), commissions, dépenses et frais accessoires en relation avec le service de l'Emprunt, tels qu'ils sont définis dans l'Obligation Générale.

(ii) Alle Lasten (mit Ausschluss von Kapital und Zinsen), Provisionen, Aufwendungen und gelegentlichen Kosten im Zusammenhang mit dem Dienst der Anleihe, wie sie in der allgemeinen Schuldverschreibung bestimmt sind.

The Creditor Governments agree to take the necessary steps to ensure the due provision of the amounts required to carry out the stipulations of this article.

Les Gouvernements créanciers conviennent de prendre les mesures nécessaires pour assurer que seront dûment fournis les montants requis pour l'exécution des stipulations du présent article.

Die Gläubigerregierungen erklären sich damit einverstanden, die notwendigen Schritte zu tun, um die gebotene Anschaffung der zur Durchführung der Bestimmungen dieses Artikels erforderlichen Summen sicherzustellen.

ARTICLE 5.

Nothing in this Agreement shall affect the priority in favour of the German External Loan 1924 as laid down by the New Plan.

ARTICLE 5.

Rien dans le présent accord ne modifiera la priorité en faveur de l'Emprunt extérieur allemand 1924 telle qu'elle a été instituée par le Nouveau Plan.

ARTIKEL 5.

Nichts in diesem Abkommen soll die Vorrangsrechte zu Gunsten der Deutschen Äusseren Anleihe 1924 beeinträchtigen, wie sie in dem Neuen Plan niedergelegt sind.

ARTICLE 6.

In accordance with Article 12 (g) of the Trust Agreement,* the Bank for International Settlements shall receive in respect of its expenses and commissions for the creation and issue of the Loan (i) the sum of £10,000 together with out-of-pocket expenses to be deducted from the net proceeds of the Loan, and (ii) each year an amount

ARTICLE 6.

Conformément à l'article 12 (g) du Contrat de Trust, la Banque des Règlements Internationaux recevra, au titre de ses dépenses et commissions pour la création et l'émission de l'Emprunt: (1°) Une somme de dix mille livres et la couverture de ses menues dépenses, à déduire du produit net de l'Emprunt, et (2°) chaque

ARTIKEL 6.

Gemäss Artikel 12 (g) des Treuhandvertrages soll die Bank für Internationalen Zahlungsausgleich für ihre Auslagen und Provisionen bei der Ausstellung und Begebung der Anleihe erhalten:

1° Den Betrag von £10.000 nebst kleinen Nebenspesen, der vom Nettoerlös der Anleihe abzuziehen ist, und

* See Cmd. 3484, p. 77.

equivalent to $\frac{1}{6}$ th (one-sixth) of 1 per cent. on the amounts paid in respect of coupons and drawn bonds, such amount to be included in the service moneys of the Loan.

année un montant équivalent à $\frac{1}{6}$ de 1 pour cent des sommes payées au titre des coupons et des obligations sorties au tirage, ce montant devant être compris dans le service de l'Emprunt.

2° Jährlich einen Betrag von $\frac{1}{6}$ % (einem Sechstel Prozent) der auf die Kupons oder auf die gezogenen Stücke gezahlten Beträge. Dieser Betrag ist auf die für den Dienst der Anleihe bestimmten Gelder anzurechnen.

The provisions of this Article shall remain in force failing any new arrangement; such new arrangement may be made at the end of the first yearly period, or at the end of any one of the following five yearly periods, at the request of one of the signatory Governments or of the Bank for International Settlements.

Les dispositions du présent article demeureront en vigueur en l'absence de tout nouvel arrangement; pareil nouvel arrangement pourra être conclu à la fin de la première période d'un an, ou de l'une quelconque des périodes de cinq ans ultérieures, à la requête de l'un des Gouvernements signataires ou de la Banque des Règlements Internationaux.

Die Bestimmungen dieses Artikels bleiben bis zum Abschluss eines neuen Abkommens in Kraft; ein neues Abkommen kann auf Ersuchen einer jeden der unterzeichneten Regierungen oder der Bank entweder am Ende des ersten Anleihejahres oder am Ende einer jeden danach folgenden Fünfjahresperiode abgeschlossen werden.

A special agreement will be made as to the commission to be paid to the Bank for International Settlements in the event of an anticipatory redemption of the Loan or any part thereof.

Un accord spécial sera conclu en ce qui concerne la commission à payer à la Banque au cas d'un amortissement anticipé de l'Emprunt ou de toute fraction de l'Emprunt.

Über die Provision, die im Falle einer vorzeitigen Tilgung der ganzen Anleihe oder eines Teils der Anleihe an die Bank zu zahlen ist, wird ein Sonderabkommen abgeschlossen werden.

ARTICLE 7.

It is understood that the provisions in the General Bond as regards the specific currencies on a gold or gold exchange standard to be paid for the service of the Loan do not prejudice the arrangements which may be made on this particular point for future Mobilisation Loans.

ARTICLE 7.

Il est entendu que les dispositions de l'Obligation Générale en ce qui concerne les monnaies spécifiques basées sur un étalon or ou sur un étalon de change or à verser pour le service de l'Emprunt, ne préjugent pas des accords qui pourront être conclus sur ce point particulier lors des futurs Emprunts de Mobilisation.

ARTIKEL 7.

Es besteht Einverständnis darüber, dass die Bestimmungen in der allgemeinen Schuldverschreibung über die besonderen Währungen auf einer Gold- oder Golddevisenbasis, in denen die Zahlungen für den Dienst der Anleihe zu leisten sind, kein Präjudiz für Abkommen bedeuten, die etwa über diesen besonderen Punkt für künftige Mobilisationsanleihen abgeschlossen werden könnten.

ARTICLE 8.

Pursuant to the provisions of paragraph 2 and of paragraph 4 of Article 4 of the German Debt Certificate,* the Bonds of the Loan shall be substituted for a corresponding amount of the total debt represented by Part A of the coupons, which shall, in return for the delivery to the Bank for International Settlements of the said Bonds, be endorsed accordingly up to and including the 1st June, 1965.

In consequence:—

a. If the Loan shall have been redeemed before the 1st June, 1965, by anticipation or otherwise the German Government shall be discharged from its obligation in respect of the unconditional annuities up to and including that date to the same extent as if the normal service of the Loan had continued to be payable and paid up to and including that date;

b. Interest on any moneys for the time being in the hands of or under the control of the Bank and not presently required to be applied in

ARTICLE 8.

En exécution des dispositions du paragraphe 2 et du paragraphe 4 de l'article 4 du Certificat de Dette allemand, les obligations de l'Emprunt se substitueront à un montant correspondant de la dette totale représentée par la partie A des coupons, qui seront, en contrepartie de la remise à la Banque des Règlements Internationaux desdites obligations, endossés corrélativement jusqu'au et y compris le 1^{er} juin 1965.

En conséquence :

a. Si l'Emprunt se trouve avoir été amorti avant le 1^{er} juin 1965 par anticipation ou d'une autre manière, le Gouvernement allemand sera déchargé de son obligation au titre des annuités inconditionnelles jusqu'à et y compris cette date dans la même mesure que si le service normal de l'Emprunt avait continué à être payable et à être payé jusqu'à et y compris cette date ;

b. Les intérêts sur toutes sommes se trouvant entre les mains ou sous le contrôle de la Banque et qui n'auront pas à être immédiate-

ARTIKEL 8.

Entsprechend den Bestimmungen des Artikels 4 Absatz 2 und 4 der deutschen Schuldbescheinigung treten die Schuldverschreibungen der Anleihe an die Stelle eines entsprechenden Betrages der gesamten Schuld, die durch Teil A der Kupons dargestellt wird. Diese Kupons sind Zug um Zug gegen Übergabe der genannten Schuldverschreibungen an die Bank für Internationalen Zahlungsausgleich für die Zeit bis zum 1^{ten} Juni 1965 einschliesslich mit einem entsprechenden Vermerk auf der Rückseite zu versehen.

Demnach wird :

a. Wenn die Anleihe vor dem 1^{ten} Juni 1965 durch Rückkauf oder in anderer Weise getilgt worden ist, die Deutsche Regierung von ihrer Verpflichtung in Bezug auf die unbedingten Annuitäten bis zu diesem Tage einschliesslich in demselben Umfange entlastet sein, als wenn die Zahlungen für den normalen Anleihendienst bis zu diesem Tage einschliesslich hätten fortgeführt werden müssen und tatsächlich fortgeführt worden wären ;

b. Ferner werden Zinsen für irgend welche Geldbeträge, die sich während einer bestimmten Zeit in den Händen oder unter der

* See Cmd. 3484, p. 35.

the purchase or redemption of Bonds, payment of interest or otherwise as provided in the General Bond, shall be added to the moneys so in the hands or under the control of the Bank and shall operate to that extent to relieve or release the German Government from its obligation under the provisions of the said General Bond.

ment utilisées au rachat ou à l'amortissement des obligations, au paiement des intérêts ou de toute autre manière ainsi qu'il est prévu dans l'Obligation Générale, seront ajoutés aux sommes se trouvant ainsi entre les mains ou sous le contrôle de la Banque et auront pour effet, à due concurrence, de décharger ou de libérer le Gouvernement allemand de son obligation résultant des dispositions de ladite Obligation Générale.

Kontrolle der Bank befinden und die zur Zeit nicht für den Rückkauf oder die Tilgung von Schuldverschreibungen, Zins- oder andere Zahlungen, wie sie in der allgemeinen Schuldverschreibung vorgesehen sind, benötigt werden, den in der Hand oder unter der Kontrolle der Bank befindlichen Geldern zugeschlagen und in entsprechender Höhe dazu verwandt werden, die nach den Bestimmungen der erwähnten allgemeinen Schuldverschreibung bestehenden Verpflichtungen der Deutschen Regierung zu vermindern oder sie davon zu befreien.

ARTICLE 9.

This Agreement shall be notified to the Bank for International Settlements in order that it may take note thereof and give effect thereto so far as it is concerned, and may in particular confirm its concurrence with the declaration contained in Article 3 hereof, it being agreed by all the signatory Powers that the provisions of Article 3 above do not in any way limit, restrict or vary the rights of the holders of the bearer bonds under Articles 7, 8 and 9 respectively of the General Bond, which bearer bonds shall be the direct and unconditional obligations of the German Government.

ARTICLE 9.

Le présent Accord sera notifié à la Banque des Règlements Internationaux afin qu'elle puisse en prendre note et lui donner effet dans la mesure qui la concerne, et qu'elle puisse en particulier confirmer son accord avec la déclaration contenue dans l'article 3 qui précède, toutes les Puissances signataires étant d'accord sur le fait que les dispositions dudit article 3 ne limitent, restreignent ou modifient en aucune manière les droits qui découlent pour les détenteurs des obligations au porteur des articles 7, 8 et 9 respectivement de l'Obligation Générale, obligations au porteur qui constitueront les

ARTIKEL 9.

Dieses Abkommen soll der Bank für Internationalen Zahlungsausgleich mitgeteilt werden, damit sie von ihm Kenntnis nimmt, es soweit sie beteiligt ist, durchführt und insbesondere ihre Übereinstimmung mit der in Artikel 3 dieses Abkommens enthaltenen Erklärung bestätigt. Hierbei sind sich alle unterzeichneten Mächte darüber einig, dass die Bestimmungen des Artikels 3 in keiner Weise die Rechte der Inhaber der Schuldverschreibungen gemäss Artikel 7, 8 und 9 der allgemeinen Schuldverschreibung begrenzen, einschränken oder abändern, der Inhaberschuldverschreibungen, die die unmittel-

obligations directes et inconditionnelles du Gouvernement allemand.

baren und unbedingten Verpflichtungen der Deutschen Regierung sein sollen.

ARTICLE 10.

The present Agreement shall come into force on the date of its signature for all the signatory Governments with the exception of the Government of Japan, which has not yet ratified the New Plan. In the case of the Japanese Government the present Agreement shall come into force with retroactive effect from the date of its signature on the date of the notification by Japan that she has ratified the New Plan.* Pending such notification and without prejudice to its legal position, the Japanese Government authorises the Bank for International Settlements to deduct from the share in the unconditional annuities allocated to and held by the Bank for International Settlements in reserve for Japan, the amounts required to give immediate effect to Article 9 and the other stipulations of the General Bond and to the provisions of the present Agreement. The other signatory Governments consent to such deductions being made.

* No such notification had been received by the end of 1930.

ARTICLE 10.

Le présent Accord entrera en vigueur à la date de sa signature pour tous les Gouvernements signataires à l'exception du Gouvernement du Japon, qui n'a pas encore ratifié le Nouveau Plan. En ce qui concerne le Gouvernement japonais, le présent Accord entrera en vigueur, avec effet rétroactif à la date de sa signature, à la date de la notification par le Japon de sa ratification du Nouveau Plan. Pour la période qui précédera cette notification, et sans préjudice de sa position juridique, le Gouvernement japonais autorise la Banque des Règlements Internationaux à déduire de la part des annuités inconditionnelles qui est allouée au, et qui est mise en réserve par la Banque des Règlements Internationaux pour le Japon, les montants nécessaires pour donner immédiatement effet à l'article 9 et aux autres stipulations de l'Obligation Générale et aux dispositions du présent Accord; les autres Gouvernements signataires sont d'accord pour que les déductions susvisées soient effectuées.

ARTIKEL 10.

Das gegenwärtige Abkommen tritt für alle unterzeichneten Regierungen mit Ausnahme der Regierung von Japan, das den Neuen Plan noch nicht ratifiziert hat, am Tage der Unterzeichnung in Kraft. Im Falle der japanischen Regierung tritt das gegenwärtige Abkommen an dem Tage, an dem Japan die Ratifizierung des Neuen Plans bekanntgegeben hat, rückwirkend in Kraft. Für die Zeit bis zu dieser Bekanntgabe und ohne Präjudiz für ihre rechtliche Stellung ermächtigt die japanische Regierung die Bank für Internationalen Zahlungsausgleich, von dem Anteil an den unbedingten Annuitäten, der Japan zugeteilt ist und für Japan bei der Bank für Internationalen Zahlungsausgleich zurückgestellt wird, die Summen abzugreifen, die erforderlich sind, um dem Artikel 9 und den übrigen Vereinbarungen des General Bonds sowie den Bestimmungen des gegenwärtigen Abkommens sofort Wirksamkeit zu verleihen. Die anderen unterzeichneten Mächte stimmen dem zu, dass diese Abzüge bewirkt werden.

ARTICLE 11.

ARTICLE 11.

ARTIKEL 11.

The present Agreement is drawn up in the German, English and French languages, the German text, the English text and the French text being equally authentic.

Le présent Accord est rédigé en langue allemande, en langue anglaise et en langue française, les textes allemand, anglais et français étant authentiques.

Das gegenwärtige Abkommen ist in deutscher, englischer und französischer Sprache abgefasst. Der deutsche Text, der englische Text und der französische Text sind in gleicher Weise massgebend.

Done at Paris the 10th day of June, 1930.

Fait à Paris, le 10 juin 1930.

Paris, den 10. Juni 1930.

- S. D. WALEY.
- JEAN DESY.
- S. D. WALEY.
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GERMAN GOVERNMENT INTERNATIONAL $5\frac{1}{2}$ PER CENT.
LOAN 1930.

GENERAL BOND.

June 10, 1930.

THESE Presents are entered into between the Government of the German Reich (hereinafter called "the German Government") of the one part and the Bank for International Settlements as Trustee for the holders of Bonds for the time being issued and outstanding under the provisions of these presents (hereinafter called "the Bank") of the other part.

Whereas :

(a) Under and by virtue of an Agreement (hereinafter called "The Hague Agreement") dated the twentieth day of January One thousand nine hundred and thirty and made at The Hague between the Government of the German Reich, the Government of His Majesty the King of the Belgians, the Government of the United Kingdom of Great Britain and Northern Ireland, the Government of Canada, the Government of the Commonwealth of Australia, the Government of New Zealand, the Government of the Union of South Africa, the Government of India, the Government of the French Republic, the Government of the Greek Republic, the Government of His Majesty the King of Italy, the Government of His Majesty the Emperor of Japan, the Government of the Republic of Poland, the Government of the Republic of Portugal, the Government of His Majesty the King of Roumania, the Government of the Czecho-Slovak Republic and the Government of His Majesty the King of Jugoslavia, the German Government has undertaken to pay to the Bank for International Settlements for the benefit of the other parties to The Hague Agreement (in addition to the postponable annuities mentioned therein) unconditional and non-postponable annuities (hereinafter called "the unconditional annuities") of Six Hundred and Twelve Million Reichsmarks per annum during the period therein specified and in respect of both the said postponable annuities and the unconditional annuities has constituted as collateral guarantee a special tax payable to the German Government by the German Railway Company and has undertaken subject to the charge securing the German External Loan 1924 to reserve free from any charge securing any loan or credit in priority to or *pari passu* with the said postponable and unconditional annuities the proceeds of the Customs the Tobacco Taxes the Beer Tax and the Tax on Spirits (Administration of the Monopoly) and such additional revenues as may be required by the Bank for International Settlements pursuant to the conditions contained in The Hague Agreement.

(b) The German Government in pursuance of The Hague Agreement has deposited with the Bank for International Settle-

ments a Debt Certificate* with Coupons attached representing the unconditional and the said postponable annuities.

(c) The Hague Agreement provides for the mobilisation in the conditions there laid down of the unconditional annuities or any part thereof by the creation of issuable Bonds of the German Government in substitution *pro tanto* for the Coupons representing the unconditional annuities.

(d) By a further Agreement† (hereinafter called "the Mobilisation Agreement" which together with The Hague Agreement are hereinafter referred to as "The Hague Agreements") made at The Hague in January One thousand nine hundred and thirty between the Government of the German Reich the Government of the United Kingdom of Great Britain and Northern Ireland the Government of the French Republic the Government of His Majesty the King of Italy the Government of His Majesty the Emperor of Japan the Government of the Republic of Portugal and the Government of His Majesty the King of Jugoslavia it was agreed that Bonds of the German Government should be issued of a nominal amount sufficient to produce an effective sum of Three Hundred Million Dollars and that of the proceeds thereof two-thirds should be paid to the Creditor Governments entitled to a share in the unconditional annuities and one-third should be paid to the German Government and that the service of the said Bonds should be provided as to two-thirds out of the unconditional annuities and as to one-third by payments by the German Government to the Bank for International Settlements.

(e) By Law Number 7 of the thirteenth day of March One thousand nine hundred and thirty which was duly promulgated on the nineteenth day of March One thousand nine hundred and thirty and by Law Number 21 of the thirtieth day of May One thousand nine hundred and thirty which was duly promulgated on the fourth day of June One thousand nine hundred and thirty the German Government is empowered to issue the said Bonds and for this purpose to enter into all necessary arrangements with bankers and other parties and to execute or cause to be executed all necessary contracts and other documents in relation thereto including a General Bond containing the covenants and provisions in these presents more particularly set forth.

(f) It has been agreed between the German Government and the Creditor Governments entitled to a share in the unconditional annuities that the said Bonds shall be issued in the countries and in the currencies hereinafter specified and that the said issue shall be called the "German Government International 5½ per Cent. Loan 1930" (hereinafter referred to as "the Loan") and shall be subject to the provisions herein contained.

(g) Under an Agreement dated tenth June, 1930‡ between the German Government and the Creditor Governments entitled to a share in the unconditional annuities, the said Creditor Governments have given to the Bank for International Settlements an

* See Cmd. 3484, p. 31.

† See Cmd. 3484, p. 135.

‡ Article 4 (on p. 5 hereof).

irrevocable standing order to meet, by deduction from their respective shares in the unconditional annuities in proportion to their respective shares in the net proceeds of the Loan, two-thirds of:

- (i) all amounts required to cover losses or deficiencies, including any exchange losses, which may occur after the payment in full to the Bank of each monthly instalment of the unconditional annuities, and
- (ii) all charges, commissions, expenses and incidental costs in connection with the service of the Loan, as they are defined in the General Bond

and the last mentioned Agreement provides* that the Creditor Governments shall take the necessary steps to ensure the due provision of the amounts required to carry out the stipulations of this paragraph.

Now these Presents Witness and Declare as follows:—

I.

These presents and all Bonds issued hereunder bind validly the German Reich and the Government thereof for the time being.

II.

The total nominal amount of the Loan shall be represented by—

Reichsmark Bonds to the amount of "36,000,000 Reichsmarks"
(hereinafter referred to as "the Reichsmark Bonds")

Dollar Bonds to the amount of "98,250,000 Dollars"
(hereinafter referred to as "the Dollar Bonds")

Belga Bonds to the amount of "35,000,000 Belgas"
(hereinafter referred to as "the Belga Bonds")

Franc Bonds to the amount of "2,515,000,000 Francs"
(hereinafter referred to as "the Franc Bonds")

Sterling Bonds to the amount of "12,000,000 Pounds Sterling"
(hereinafter referred to as "the Sterling Bonds")

Florin Bonds to the amount of "73,000,000 Florins"
(hereinafter referred to as "the Florin Bonds")

Lira Bonds to the amount of "110,000,000 Lire"
(hereinafter referred to as "the Lira Bonds")

Krona Bonds to the amount of "110,000,000 Kronor"
(hereinafter referred to as "the Krona Bonds")

and Swiss Franc Bonds to the amount of "92,000,000 Swiss Francs (hereinafter referred to as "the Swiss Franc Bonds")

the effective equivalent of all such Bonds being approximately Three Hundred Million dollars as provided in the Mobilisation Agreement. The Reichsmark Bonds, the Dollar Bonds, the Belga Bonds, the Franc Bonds, the Sterling Bonds, the Florin Bonds, the Lira Bonds, the Krona Bonds and the Swiss Franc Bonds shall be payable to Bearer, and shall rank *pari passu* in all respects irrespective of date or place of issue or otherwise.

* See p. 6.

III.

These presents are printed in the German, English and French languages. Each Definitive Bond shall be printed or engraved in the German, English and French languages and the language of the country in which the same is issued. In the event of any divergence between the texts the English text shall prevail both in respect of these presents and Definitive Bonds.

IV.

The Definitive Bonds shall be issued in such denominations as may be approved by the Bank and by the respective issuing Bankers.

V.

All the Bonds shall bear interest at the rate of five and a half per centum per annum payable by equal half-yearly payments on the first day of June and the first day of December in each year. Each Definitive Bond shall have attached thereto coupons for the payment of the half-yearly interest up to and including the first day of June One thousand nine hundred and sixty-five. Pending the preparation and delivery of Definitive Bonds temporary scrip or a temporary Bond or Bonds expressed to be exchangeable for Definitive Bonds when ready for delivery may be issued in such denomination or denominations and in such form as may be approved by the Bank and by the respective issuing Bankers.

VI.

(a) The principal and interest of each Bond shall be payable, at such bank or banks or other financial institution or institutions as shall from time to time be named by the Bank situate in the country where the Bonds shall respectively be issued, in the currency of the country in which it is issued, the unit of such currency being defined for the purpose of these presents in all circumstances by the weight of fine gold determined by law as at present in force. The Bondholder is entitled to receive the equivalent at the due date of the same gold value in the currency of the place of payment, but not less than the nominal amount of the principal and interest specified in each Bond.

(b) The payment of the amounts due in the above named currencies calculated in accordance with the foregoing provisions and all other provisions herein contained may, however, at the option of the holder, be effected on any foreign market where any of the Bonds are quoted in the currency of that market at the then current rate of exchange.

(c) Mention may be made on the Bonds of any issue of the equivalent at mint parity of one or more of the other currencies

in which Bonds are issued, provided always that no right to be paid in such other currency at mint parity shall be entailed thereby.

(d) Wherever the currencies of the Bonds are referred to in these presents, they shall, whenever the context permits, be construed as meaning the currencies as defined by this Article.

(c) If the Bank so request, one month at least in advance of the payment dates, the German Government shall, in effecting the payments referred to in Articles VIII and IX of these presents, furnish one or more currencies on a gold or gold exchange standard in lieu of any one or more of the currencies named in the said Articles to an amount equivalent to the said currency or currencies taken at mint parity, provided always that such request shall only be made for the purpose of enabling the Bondholders to receive payment in the currencies to which they are entitled at their present gold values in accordance with the provisions of this Article.

(f) For the purpose of applying the provisions of this Article the Bank shall have the sole right of interpreting such provisions and absolute discretion from time to time to adopt any method or methods it may consider appropriate with a view to giving effect to the same, and no Bondholder or person representing or acting on behalf of a Bondholder shall be entitled to question any such decision or method or any act of omission or commission on the part of the Bank in executing such decision or method by legal proceedings or otherwise or to call for evidence of the correctness thereof.

VII.

The German Government hereby acknowledges that it is indebted to the Bank in the sums of—

36,000,000	Reichsmarks
98,250,000	Dollars
35,000,000	Belgas
2,515,000,000	Francs
12,000,000	Pounds Sterling
73,000,000	Florins
110,000,000	Lire
110,000,000	Kronor and
92,000,000	Swiss Francs.

carrying interest at the rate and payable on the dates and repayable on the terms in these presents contained and the German Government hereby covenants to pay to the Bondholder the principal and interest secured by the Bonds of the Loan as and when the same shall become due and payable and shall also pay all charges, commissions, expenses and incidental costs in connection with the service of the Loan. The German Government further covenants and declares that nothing in these presents or in The Hague Agreement or elsewhere limits, restricts or varies or shall be deemed to limit, restrict or vary the rights of the holders of the Bearer Bonds which Bonds shall be the direct and unconditional obligations of the German Government.

VIII.

For the purpose of payment of the interest on and the creation of a Sinking Fund for the redemption of the Loan there shall be provided by the German Government in respect of the Reichsmark Bonds, the Dollar Bonds, the Belga Bonds, the Franc Bonds, the Sterling Bonds, the Florin Bonds, the Lira Bonds, the Krona Bonds and the Swiss Franc Bonds in each financial year (as hereinafter defined) commencing with the financial year ending on the first day of June One thousand nine hundred and thirty-one fixed gross annual sums of—

2,339,097·48	Reichsmarks
6,383,786·87	Dollars
2,274,122·55	Belgas
163,411,948·95	Francs
779,699·16	Pounds Sterling
4,743,169·89	Florins
7,147,242·30	Lire
7,147,242·30	Kronor and
5,977,693·56	Swiss Francs

respectively. Provided nevertheless that in each financial year after any partial redemption of Bonds pursuant to Article XIII hereof the amount of each of the said fixed gross annual sums shall be reduced to an amount which bears the same proportion to the amount of the corresponding fixed gross annual sum payable in the financial year at the end of which such partial redemption takes place as the nominal amount of Reichsmark Bonds, Dollar Bonds, Belga Bonds, Franc Bonds, Sterling Bonds, Florin Bonds, Lira Bonds, Krona Bonds or Swiss Franc Bonds as the case may be outstanding after such partial redemption bears to the nominal amount of Reichsmark Bonds, Dollar Bonds, Belga Bonds, Franc Bonds, Sterling Bonds, Florin Bonds, Lira Bonds, Krona Bonds or Swiss Franc Bonds as the case may be which but for such partial redemption would have been so outstanding. The following provisions as to redemption shall have effect:—

- (a) For the purpose of this Article the period of the Loan shall be deemed to be divided into financial years expiring on the first day of June in each calendar year.
- (b) For the Reichsmark Bonds the Dollar Bonds the Belga Bonds the Franc Bonds the Sterling Bonds the Florin Bonds the Lira Bonds the Krona Bonds and the Swiss Franc Bonds respectively in each financial year the balance of each of the said fixed gross annual sums or reduced gross fixed annual sums as the case may be (after providing for the payment of the current financial year's interest on the outstanding Reichsmark Bonds Dollar Bonds Belga Bonds Franc Bonds Sterling Bonds Florin Bonds Lira Bonds Krona Bonds and Swiss Franc

Bonds as the case may be) shall subject to the provisions hereinafter contained be applied by or under the direction of the Bank in or for the redemption in manner hereinafter mentioned of such number of such Bonds as the amount of such balance will suffice to redeem at par (100 per cent.) such Bonds being selected by drawings as hereinafter mentioned.

- (c) The drawings shall be made in respect of any financial year in which drawings are necessary between the first day of April and the fifteenth day of May and in such places in such manner and by and in the presence of such person or persons and at such times and subject to such regulations as the Bank after consultation with the Reichs Debt Administration (Reichsschuldenverwaltung) may deem expedient.
- (d) Forthwith after any such drawing shall have been effected the Bank shall take or cause to be taken such steps as the Bank after consultation with the Reichs Debt Administration shall deem convenient and as shall be in conformity with the provisions of the Definitive Bonds by advertisement in newspapers or otherwise for notifying the Bondholders whose Bonds shall have been drawn for redemption and for naming a time and place and generally for providing for the presentation for payment and cancellation of such Bonds complete with unmatured interest coupons against payment of the principal moneys thereby secured. The Bank may also where necessary publish or cause to be published in each year a list of the numbers of the Bonds drawn in preceding years which have not been presented for payment. No drawn Bond for the payment of which due provision has been made shall continue to carry interest after the due date for payment of the principal moneys. All drawn Bonds shall be due for payment of the principal moneys on the first day of June immediately following the date of drawing. The Bonds presented for payment must have attached thereto all unmatured coupons and in the event of one or more of such coupons being absent the amount of the same shall be deducted from the sum payable to the Bondholder.
- (e) Notwithstanding anything hereinbefore contained the German Government shall be entitled during any financial year prior to the first day of April to purchase Bonds at or below par (100 per cent.) plus accrued interest but exclusive of commissions and other expenses incidental to purchase. To the extent that on or before such first day of April in any financial year the German Government proves to the satisfaction of the Bank such purchases in respect of any particular issue during such financial year the amount applicable in respect of such financial year under the preceding provisions of this Article for the redemption of the Reichsmark Bonds

- Dollar Bonds Belga Bonds Franc Bonds Sterling Bonds Florin Bonds Lira Bonds Krona Bonds and Swiss Franc Bonds as the case may be shall on the first day of June in such financial year be reduced by the actual purchase price (exclusive of accrued interest commissions and other expenses incidental to purchase) paid by the German Government for the purchase during such financial year of such Bonds respectively and any necessary adjustments shall be made accordingly. The Bank may at the request of the German Government apply the whole or any portion of the moneys in the hands or under the control of the Bank and applicable in accordance with the provisions of these presents to the redemption in respect of any financial year of Reichsmark Bonds Dollar Bonds Belga Bonds Franc Bonds Sterling Bonds Florin Bonds Lira Bonds Krona Bonds or Swiss Franc Bonds at any time during any such financial year not later than the fifteenth day of May in such financial year in or towards the purchase of such Bonds at or below par (100 per cent.) plus accrued interest but exclusive of commissions and other expenses incidental to purchase and the Bank may accordingly purchase such Bonds or cause or allow the same to be purchased. The German Government shall reimburse the Bank for accrued interest commissions and other expenses incidental to the purchase of such Bonds and the Bank shall make all adjustments necessary to give effect to the foregoing provisions. Provided always that in applying the provisions of this sub-clause the redemption monies applicable to any particular issue can be used only in the redemption of Bonds of that issue.
- (f) In each financial year in which Bonds are purchased under the provisions of sub-clause (e) hereof the half-yearly payment or payments of interest on such purchased Bonds accruing during the period from the date of purchase up to and including the end of such financial year shall be credited to the German Government.
- (g) All Bonds redeemed or purchased under this Article shall be cancelled in the manner required by the Bank and lodged with the Bank or dealt with as the Bank after consultation with the Reichs Debt Administration may direct and the German Government shall not be entitled to re-issue such Bonds or to make any fresh issue of Bonds or other obligations in the place thereof. The German Government shall in each financial year and within two months after the first day of June in such financial year provide the Bank with particulars of all Bonds and unmatured coupons cancelled during or in respect of the preceding financial year.
- (h) In carrying out the provisions of this Article it is the intention that the Bank shall have regard to the powers

and duties imposed upon the Reichs Debt Administration by the Laws of Germany so far as the same are applicable thereto.

IX.

For the purpose of providing the amounts required for paying or providing for interest and redemption and all other monies payable by the German Government under these presents and the Bonds of the Loan (hereinafter called the service monies) there shall in accordance with the provisions of The Hague Agreements be paid to the Bank by the German Government in each year ending the first day of June :

- (a) As part of the unconditional annuities which are the direct and unconditional obligation of the German Government, sums in Reichsmarks, Dollars, Belgas, Francs, Sterling, Florins, Lire, Kronor and Swiss Francs respectively equal to two-thirds of the amounts required for the service monies in respect of the Reichsmark Bonds, Dollar Bonds, Belga Bonds, Franc Bonds, Sterling Bonds, Florin Bonds, Lira Bonds, Krona Bonds and Swiss Franc Bonds respectively and the said payments forming part of the unconditional annuities shall operate to discharge the German Government to the extent of their equivalent in Reichsmarks calculated at the average of the middle rates prevailing on the Berlin Bourse during the fifteen days preceding the date hereinafter fixed for payment of each monthly instalment from its obligation to pay the unconditional annuities to the Bank for International Settlements pursuant to The Hague Agreement—the not yet mobilised portions of the unconditional annuities ranking *pari passu* with the payments provided for in this paragraph.
- (b) Out of the general revenues of the German Government, sums in Reichsmarks, Dollars, Belgas, Francs, Sterling, Florins, Lire, Kronor and Swiss Francs respectively equal to one-third of the amounts required for the service monies in respect of the Reichsmark Bonds, Dollar Bonds, Belga Bonds, Franc Bonds, Sterling Bonds, Florin Bonds, Lira Bonds, Krona Bonds and Swiss Franc Bonds respectively.

The German Government shall on the fifteenth day of every month or if the fifteenth is not a working day then on the working day next following commencing with the sixteenth day of June One thousand nine hundred and thirty pay to the Bank one-twelfth part of the respective sums in Reichsmarks, Dollars, Belgas, Francs, Sterling, Florins, Lire, Kronor and Swiss Francs as provided for in sub-clauses (a) and (b) above.

X.

Any portion of the Loan then outstanding shall be redeemed (with accrued interest) on the first day of June One thousand nine hundred and sixty-five.

XI.

Pursuant to The Hague Agreement the annual direct tax of Six Hundred and Sixty Million Reichsmarks payable to the German Government by the German Railway Company shall be and remain constituted as collateral guarantee in respect of the payments therein specified including the payments provided to be made by the German Government pursuant to Article IX sub-clause (a) hereof.

XII.

Pursuant to The Hague Agreement and in particular subject to the charge securing the German External Loan 1924 the German Government shall not while any part of the unconditional or the said postponable annuities remains outstanding create without the consent of the Bank for International Settlements acting in accordance with The Hague Agreement any mortgage or charge upon the Customs; the Tobacco Taxes, the Beer Tax or the Tax on Spirits (Administration of the Monopoly) to secure any other loan or credit of the German Government in priority to or *pari passu* with the said annuities.

XIII.

The German Government shall be entitled to redeem at par (100 per cent.) (plus accrued interest) the whole of the outstanding Bonds of the Loan or any part thereof equivalent to approximately Thirty Million dollars or multiples thereof on the first day of June One thousand nine hundred and thirty-five or on any first day of June thereafter subject to not less than six calendar months' previous notice to the Bank. Notice of such redemption shall be given by public advertisement in such newspapers or otherwise in such places and in such manner as the Bank shall require and the redemption generally shall (subject as is by this Article specifically provided for) be effected in accordance with such regulations and provisions as the Bank shall make in connection therewith or in the event of the Bank failing to make any such specific regulations or provision then in such manner as the Bank shall approve. At least sixty days prior to the expiration of the notice the German Government shall in accordance with the said regulations and provisions or with the approval of the Bank as the case may be pay to the Bank in Reichsmarks, Dollars, Belgas, Francs, Sterling, Florins, Lire, Kronor and Swiss Francs respectively the full nominal amount calculated as provided by Article VI hereof of the Bonds so to be redeemed together with interest up to the expiration

of the notice provided always that nothing in this Article contained shall relieve the German Government from the due fulfilment of its obligations under any of the other provisions of these presents. In the case of any partial redemption the sum to be applied in such redemption shall be divided as nearly as may be between the Reichsmark Bonds, Dollar Bonds, Belga Bonds, Franc Bonds, Sterling Bonds, Florin Bonds, Lira Bonds, Krona Bonds and Swiss Franc Bonds in proportion to the total nominal amount of Reichsmark Bonds, Dollar Bonds, Belga Bonds, Franc Bonds, Sterling Bonds, Florin Bonds, Lira Bonds, Krona Bonds and Swiss Franc Bonds then outstanding respectively (calculated at the par of exchange as on the date of these presents) and the Bonds to be so redeemed shall be determined by drawings to be conducted in the manner and in accordance with the provisions set out in Article VIII hereof.

XIV.

Nothing in these presents shall prevent further loans or bonds issued to mobilise the unconditional annuities ranking *pari passu* as to payment with the Bonds of the present Loan.

XV.

Any moneys for the time being in the hands of or under the control of the Bank under the foregoing provisions of these presents and not presently required to be applied in the purchase or redemption of Bonds payment of interest or otherwise as hereinbefore provided may be placed on deposit by or under the direction of the Bank with such bank or banks or other financial Institution or Institutions and at such rate or varying rates of interest and generally on such terms as the Bank may in its sole discretion think fit or the Bank may purchase with the same and hold short-term Government obligations and all interest or other income when actually received by the Bank shall be added to the moneys so in the hands of or under the control of the Bank and shall operate to that extent to relieve or release the German Government from its obligations under the foregoing provisions of these presents.

XVI.

The principal and interest of all the Bonds issued in respect of the Loan shall be paid by the German Government without deduction for all present or future German taxes stamp or other duties dues or public charges of any kind whatsoever and neither shall this General Bond nor any Bond or any other document or letter bearing upon the said Loan be subject to any German registration fees stamp duties or other similar duties. The principal and interest of the Bonds will be paid in time of war as well as of peace and no matter whether the holders of the Bonds are subjects of a state friendly or hostile to the German Reich and in no case will the same be attached or sequestrated.

XVII.

All temporary Bonds (if any) shall be signed by some person or persons duly authorised hereto by the German Government and Definitive Bonds shall be signed on behalf of the German Government by at least two members of the Reichs Debt Administration (all of whose signatures may be facsimile signatures reproduced either by engraving lithography or any other suitable process). In addition where the Regulations of any Stock Exchange under which the Definitive Bonds of any particular issue are issued so require such Bonds shall be signed and/or countersigned (as the case may be) in writing in accordance with such Regulations by some person or persons duly authorised in that behalf by Resolution of the Reichs Debt Administration.

XVIII.

In case any of the said Bonds shall at any time become mutilated or destroyed or lost a new Bond of like amount tenor and date will be issued by the German Government in exchange for and upon cancellation of the Bond so mutilated and its coupons or in lieu of the Bond so destroyed or lost and its coupons but in the case of destroyed or lost Bonds only upon receipt by the Bank and a representative of the German Government of evidence satisfactory to them that such Bonds and coupons were destroyed or lost and upon receipt also of a satisfactory indemnity.

XIX.

In the event of any interest or principal moneys not being punctually claimed when due by the person or persons entitled thereto the Bank shall hold the same on trust for the person or persons entitled thereto under the provisions of these presents but in the meantime the Bank shall in no case be obliged to deposit or to invest any such moneys in its hands or under its control so that the same may earn interest or other income but such moneys may be kept on current account without interest. Furthermore, the Bank shall not in any event be obliged to retain or hold any moneys due in respect of principal or interest subsequently to the expiration of five calendar years after the date on which the last outstanding Bond of the Loan should have been paid off but the Bank may in its discretion pay the same to the German Government who shall continue to hold such moneys upon the same terms and subject to the same obligations as the Bank would have held them and the receipt of the German Government to the Bank for any of such moneys so paid as aforesaid shall be and remain a good and sufficient discharge to the Bank for such moneys and in respect of claims by all persons in respect thereof.

XX.

The term "Bonds" where used in these presents shall where the context so admits or requires be deemed to mean the Temporary Bonds and/or the Definitive Bonds of the Loan which are to be issued by the German Government to the persons and corporations entitled thereto: the form of such Bonds shall be in accordance with the requirements of the Stock Exchange Regulations of the country of issue and subject thereto shall be such as the Bank approves or prescribes the Bank co-operating with the Reichs Debt Administration and the respective issuing bankers with regard to the form of the Definitive Bonds.

XXI.

No increased obligation on the part of the German Government shall be deemed to have been created by reason only of the fact that besides the acknowledgments of indebtedness of the German Government herein contained or provided for acknowledgments of indebtedness shall also be contained in the Temporary and Definitive Bonds issued in accordance with these presents.

Being duly empowered to bind as well the German Reich as any Government thereof for the time being I the undersigned being the present Minister of Finances have hereunto set my hand and seal this tenth day of June One thousand nine hundred and thirty.

DR. PAUL MOLDENHAUER.