

C  
O  
P  
Y

*January 5, 1925*

Mr. M.O. Nelson,  
The National City Company,  
Holmens Kanal 16,  
Copenhagen.

Dear Mr. Nelson,

There is enclosed a memorandum dealing with the application of the payments into the Amortization Fund for interest and principal of the Finland Municipal Loan. It represents the view of the National City Company, as well as that of the Fiscal Agent. Will you please read it, and at a convenient time discuss the matter with your friends in the government offices and advise us whether or not they are in agreement with us in this matter.

With best wishes for the year, I am,

Yours very truly,

(signed) Sherman Allen.

Assistant Trust Officer.

C  
O  
P  
Y

January 5, 1925.

Re: Finland Municipal Loan:

Under the contract covering the Finland Municipal Loan of \$7,000,000 face amount, there is paid to the Fiscal Agent quarterly, prior to January, April, July and October 1, \$71,275.36 and \$59,039.40, as an interest and sinking fund. The portion not required for interest on the bonds is applicable to the sinking fund. The interest dates for the bonds are April 1 and October 1 and the second payments to the amortization fund are due five days prior to the interest dates.

The payments of January 1 having been made, the question arises shall we set aside all of the money received for interest or apportion part of the money to interest and the balance to sinking fund, expending the latter for the purchase of bonds.

I have discussed the matter with Mr. Schoepperle of The National City Company, who agrees with us that sound judgment demands that we interpret the contract to mean that the interest shall first be set aside and that purchases for sinking fund shall be made in anticipation of the second payment.

The contract provides that bonds shall be drawn for the sinking fund if money is available forty days before the interest date. This makes it necessary for us - so long as bonds can be purchased in the open market - to anticipate the sinking fund payment and arrange the purchase of bonds for delivery when the money is available more than forty days prior to the interest date and before the receipt of the second and fourth quarterly payments into the amortization fund.

(signed) Sherman Allen,  
Assistant Trust Officer.

LN.