

International Offset Program

Commercial Transactions

Transaction Brief

Debt cancellation via discounted purchase and exchange of the claims of U.S. Creditors arising from the discriminatory settlement of the defaulted sovereign debt of the Government of China.

Description

Any private or governmental party owing money to the Government of the People’s Republic of China, including any of the state-owned enterprises of the Government of the People’s Republic of China, is eligible to purchase an equivalent value of defaulted full faith and credit Chinese Government sovereign bonds from affiliated program sponsors at 35% of contract value and exchange such bonds to the Government of the People’s Republic of China at 100% of the contract value to satisfy the debt owed, achieving debt cancellation at a 65% discount.

Instrument to be Offset

Commercial debts owed to the People’s Republic of China including its state-owned enterprises and including those enterprises owned by the People’s Liberation Army.

Eligible Participants

Commercial and governmental debtors of the People’s Republic of China including its state-owned enterprises and including debtors of enterprises owned by the People’s Liberation Army.

