

Customer	Claim	Conversion rate	Claim in US\$
B	50	1.0	50
C	150	1.0	150
D	\$100	1.0	100
D	£300	1.5	450
D	150	1.0	150
Total			1000.00

Determine assets available for distribution to customers, converting to U.S. dollars:

Location	Assets	Conversion rate	Assets in U.S. dollars	Shortfall due to sovereign action percentage	Actual shortfall due to sovereign action	Amount actually available
U.S.	\$100	1.0	\$100	.....	.....	\$100
U.K.	£300	1.5	450	.....	.....	450
U.K.	200	1.0	200	.....	.....	200
Germany	150	1.0	150	100%	\$150	0
Total			900.00	.....	150.00	750.00

Determine the percentage of shortfall that is not attributable to sovereign action: Shortfall Percentage = $(1 - 900/1000) = (1 - 90\%) = 10\%$.

Reduce each customer's claim by the shortfall percentage:

Customer	Claim in US\$	Allocated shortfall (non-sovereign)	Claim in U.S. dollars after allocated shortfall
A	\$100	\$10.00	\$90.00
B	50	5.00	45.00
C	150	15.00	135.00
D	700	70.00	63.00
Total	1000.00	100.00	900.00

Reduction in Claims for Shortfall Due to Sovereign Action

Due to sovereign action, none of the money in Germany is available.

Customer	Presumed location of funds		
	U.S.	U.K.	Germany
A	\$100	.....	.....
B .....	.....	\$50	.....
C .....	.....	.....	\$150
D	100	450	150
Total	200.00	500.00	300.00

Calculation of the allocation of the shortfall due to sovereign action Germany (\$150 shortfall to be allocated):

Customer	Allocation share	Allocation Share of actual shortfall	Actual shortfall allocated
C	\$150/\$300	50% of \$150	\$75
D	150/\$300	50% of \$150	75
Total			150.00

Claims After Reductions

Customer	Claim in U.S. dollars after allocated non-sovereign shortfall	Allocation of shortfall due to sovereign action from Germany	Claim after all reductions
A	\$90	.....	\$90
B	45	.....	45
C	135	\$75	60
D	630	75	555