

## DEBT FUNDING

*Agreement signed at Washington October 28, 1925*

*Operative from December 15, 1922*

*Approved by Estonia March 26, 1926*

*Approved by Act of Congress of April 30, 1926 <sup>1</sup>*

*Modified by agreement of June 11, 1932 <sup>2</sup>*

Treasury Department print

AGREEMENT, Made the twenty-eighth day of October, 1925, at the City of Washington, District of Columbia, between THE REPUBLIC OF ESTHONIA, hereinafter called ESTHONIA, party of the first part, and THE UNITED STATES OF AMERICA, hereinafter called the UNITED STATES, party of the second part.

WHEREAS, Esthonia is indebted to the United States as of December 15, 1922, upon obligations in the aggregate principal amount of \$13,999,145.60, together with interest accrued and unpaid thereon; and

WHEREAS, Esthonia desires to fund said indebtedness to the United States, both principal and interest, through the issue of bonds to the United States, and the United States is prepared to accept bonds from Esthonia upon the terms and conditions hereinafter set forth;

Now, therefore, in consideration of the premises and of the mutual covenants herein contained, it is agreed as follows:

1. *Amount of Indebtedness.* The amount of the indebtedness to be funded, after allowing for cash payments made or to be made by Esthonia and the credit set out below, is \$13,830,000, which has been computed as follows:

Principal amount of obligations to be funded . . . . .	\$13,999,145.60
Credit allowed for total loss of cargo on sinking of S. S. JOHN RUSS sunk by a mine in Baltic Sea . . . . .	1,932,923.45
	<hr/> \$12,066,222.15
Interest accrued and unpaid thereon to December 15, 1922, at the rate of 4¼ per cent a year . . . . .	1,765,219.73
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Total principal and interest accrued and unpaid as of Decem- ber 15, 1922 . . . . .	\$13,831,441.88
To be paid in cash by Esthonia upon execution of Agree- ment . . . . .	1,441.88
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Total indebtedness to be funded into bonds . . . . .	\$13,830,000.00

<sup>1</sup> 44 Stat. 377.

<sup>2</sup> *Post*, p. 642.