

## DEBT FUNDING

*Agreement signed at Washington August 18, 1925*

*Approved by Belgium March 2, 1926*

*Approved by Act of Congress of April 30, 1926*

*Operative from June 15, 1925*

*Modified by agreement of June 10, 1932<sup>1</sup>*

Treasury Department print

AGREEMENT, Made the eighteenth day of August, 1925, at the City of Washington, District of Columbia, between the GOVERNMENT OF THE KINGDOM OF BELGIUM, hereinafter called BELGIUM, party of the first part, and the GOVERNMENT OF THE UNITED STATES OF AMERICA, hereinafter called the UNITED STATES, party of the second part.

WHEREAS, Belgium is indebted to the United States as of June 15, 1925, upon obligations in the aggregate principal amount of \$377,029,570.06, together with interest accrued and unpaid thereon; and

WHEREAS, Belgium 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 Belgium 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 indebtedness is divided into two classes—that incurred prior to November 11, 1918, hereinafter called Pre-Armistice indebtedness, and that incurred subsequent to November 11, 1918, hereinafter called Post-Armistice indebtedness.

(a) The amount of the Pre-Armistice indebtedness to be funded is \$171,780,000, which is the principal amount of the obligations of Belgium received by the United States for cash advances made prior to November 11, 1918.

(b) The amount of the Post-Armistice indebtedness to be funded after allowing for certain cash payments made or to be made by Belgium is \$246,000,000, which has been computed as follows:

Principal of obligations for cash advanced . . . . .	\$175,430,808.68	
Accrued and unpaid interest at $4\frac{1}{4}\%$ per annum to December 15, 1922 . . . . .	26,314,491.66	
		\$201,745,300.34

<sup>1</sup> *Post*, p. 561.