

DEBT FUNDING

Agreement signed at Washington May 8, 1930

Operative from January 1, 1928

Modified by agreement of September 14, 1932¹

Treasury Department print

AGREEMENT, Made the eighth day of May, 1930, at the City of Washington, District of Columbia, between THE FEDERAL GOVERNMENT OF THE REPUBLIC OF AUSTRIA, hereinafter called AUSTRIA, 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, Austria is indebted to the United States as of January 1, 1928, upon an obligation designated as bond No. 1, Relief series B of 1920 in the principal amount of \$24,055,708.92, together with interest accrued and unpaid thereon; and

WHEREAS, Austria desires to liquidate said indebtedness to the United States, both interest and principal, through the issue of bonds to the United States, and the United States is prepared to accept bonds from Austria upon the terms 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 indebtedness to be liquidated is \$34,630,968.68 which has been computed as follows:

Principal of relief obligations	\$24,055,708.92
Accrued and unpaid interest from September 4, 1920, to January 1, 1928, at 6% per annum	10,575,259.76

Total indebtedness as of January 1, 1928 \$34,630,968.68

2. *Payment.*—In order to provide for the liquidation of the indebtedness, Austria agrees to pay and the United States to accept the sum of \$33,428,500, to be paid in twenty-five equal annual installments of \$1,337,140 each, on the first day of January, 1943, and on the first day of January of each of the subsequent years to 1967, inclusive. In lieu of these twenty-five payments Austria may, at its option, issue to the United States, at par, bonds of Austria

¹ *Post*, p. 376.