

No. 9676

**UNITED STATES OF AMERICA
and
GREECE**

Agreement concerning refunding of indebtedness due from Greece to the United States (with exhibits and schedule). Signed at Athens on 28 May 1964

Authentic text: English.

Registered by the United States of America on 2 July 1969.

**ÉTATS-UNIS D'AMÉRIQUE
et
GRÈCE**

Accord relatif au remboursement des dettes contractées par la Grèce envers les États-Unis d'Amérique (avec pièces justificatives et tableau). Signé à Athènes le 28 mai 1964.

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 2 juillet 1969.

AGREEMENT¹ BETWEEN THE UNITED STATES OF
AMERICA AND GREECE CONCERNING REFUNDING
OF INDEBTEDNESS DUE FROM GREECE TO THE
UNITED STATES

This Agreement made and entered into as of the twenty-eighth day of May, 1964, by and between the Government of the Kingdom of Greece (hereinafter referred to as Greece) and the Government of the United States of America (hereinafter referred to as the United States);

Witnesseth:

Whereas, Greece is indebted to the United States under Part II of the Agreement of May 10, 1929 and under Paragraph 1 (b) of the Agreement of May 24, 1932; and

Whereas, Greece and the United States wish to refund the aforementioned indebtedness due from Greece to the United States; and

Whereas, it is the intention of the United States to use all of the funds derived from the refunding to finance a cultural and educational exchange program between the United States and Greece involving students, teachers, professors, research scholars and specialists, and other educational and cultural activities as authorized under the Mutual Educational and Cultural Exchange Act of 1961, as amended:

Now, therefore, it is agreed that:

1. The amount of indebtedness to be funded is \$ 13,155,921.00, which has been computed as follows:

(a) Principal and interest due and unpaid as of August 10, 1933 on the bonds issued pursuant to Part II of the May 10, 1929 Agreement	\$11,315,496
(b) Principal and interest due and unpaid as of August 10, 1933 under paragraph 1 (b) of the May 24, 1932 Agreement	893,042
	\$12,208,538
(c) In lieu of arrears of interest from August 10, 1933 (\$12,208,538 capitalized at 7.76 percent)	\$ 947,383
Total indebtedness to be funded	\$13,155,921

¹ Came into force on 5 November 1966, in accordance with the provisions of paragraph 6.

2. On the day of notification to the Embassy of Greece by the Secretary of the Treasury of the United States of the entry into force of legislation referred to in paragraph 6 below, Greece will execute in favor of and deliver to the United States a bond in the principal amount of thirteen million, one hundred fifty-five thousand, nine hundred twenty-one dollars (\$ 13,155,921.00), hereinafter referred to as the total principal amount, in the form attached hereto as Exhibit A, whereupon the United States will surrender to Greece the unpaid bonds issued pursuant to Part II of the Agreement of May 10, 1929 including bonds numbered 5 and 6, and will discharge Greece, by an appropriate instrument in the form attached hereto as Exhibit B, of its obligations under paragraph 1 (b) of the Agreement of May 24, 1932. During the period in which there remains any principal sum due and unpaid on the bond issued pursuant to the first sentence of this paragraph, Greece shall provide annually a sinking fund of one-half of one percent ($\frac{1}{2}$ of 1 %) of the said total principal amount to be paid annually to redeem an equivalent amount of the principal. Payments from the sinking fund in redemption of an equivalent amount of the principal are due and payable beginning one year from the day of notification to the Embassy of Greece and annually thereafter until the total principal amount is paid in full.

3. Interest on the unpaid principal balance shall be at the rate of two percent (2 %) per annum to be paid annually beginning one year from the day of notification specified in paragraph 2 above until said total principal amount is paid in full. An amount equal to the difference between the interest due and payable one year from the day of notification provided for in paragraph 2 above and the interest payable in each succeeding year shall be provided annually to the sinking fund established by paragraph 2 above and paid annually to redeem an equivalent amount of the principal as provided for in that paragraph.

4. No reduction from principal or interest shall be made for or on account of any present or future taxes, duties or any other charges imposed or levied against the bond issued pursuant to this Agreement or the proceeds thereof by or within Greece or any political or taxing sub-division thereof.

5. The principal and interest payments made under the provisions of this Agreement and the bond issued pursuant thereto shall, to the extent all necessary action for this purpose is taken by the United States Congress and as determined by the Secretary of State, be made available by the United States for financing educational and cultural activities authorized under the Mutual Educational and Cultural Exchange Act of

1961, as amended, including the educational exchange program between the United States and Greece established by the " Agreement between the United States of America and the Government of Greece for Financing Educational Exchange Programs " dated December 13, 1963. ¹

6. The entry into force of the provisions of this Agreement is subject to the entry into force of legislation passed by the United States Congress and signed by the President of the United States authorizing the refunding of the debt of Greece to the United States under Part II of the Agreement of May 10, 1929 and paragraph 1 (b) of the Agreement of May 24, 1932 as provided in paragraphs 1 through 4 above and the use of the funds arising from this Agreement as provided in paragraph 5 above.

7. Greece represents and agrees that the execution and delivery of this agreement have in all respects been duly authorized, and that all acts, conditions, and legal formalities which should have been completed prior to the making of this agreement have been completed as required by the laws of Greece and in conformity therewith.

IN WITNESS WHEREOF the undersigned, duly authorized, have caused this Agreement to be executed in duplicate at Athens, on the date first mentioned above.

For the Government
of the United States of America:
Henry R. LABOUISSÉ

For the Government
of the Kingdom of Greece:
Stavros COSTOPOULOS

EXHIBIT A

[FORM OF BOND]

\$13,155,921.00

[date]

THE KINGDOM OF GREECE

The Kingdom of Greece, hereinafter referred to as Greece, for value received, hereby promises to pay to the Government of the United States, hereinafter referred to as the United States, or order, the principal sum of thirteen million, one hundred

¹ United Nations, *Treaty Series*, vol. 494, p. 55.

fifty-five thousand, nine hundred twenty-one dollars (\$13,155,921.00), hereinafter referred to as the total principal amount, and to pay interest at the rate of two percent (2 %) per annum on the unpaid principal balance hereof annually beginning one year from the date hereof until said principal amount is paid in full. This bond is payable as to both principal and interest in United States dollars.

During the period in which there remains any principal sum due and unpaid on this bond, Greece shall provide annually a sinking fund of one-half of one percent ($\frac{1}{2}$ of 1 %) of the said total principal amount to be paid annually to redeem an equivalent amount of the principal. An amount equal to the difference between the interest due and payable one year from the date hereof and the interest payable in each succeeding year shall be provided annually to the sinking fund established herein and paid annually to redeem an equivalent amount of the principal. Payments from the sinking fund in redemption of an equivalent amount of the principal are due and payable beginning one year from the date hereof and annually thereafter until the total principal is paid in full.

Interest payments and payments from the sinking fund in redemption of the principal shall be made in the amounts set forth in the following schedule (p. 152).

Upon each payment in redemption of principal a notation of the date and amount thereof shall be made hereon. Interest payments and payments from the sinking fund in redemption of the principal shall be made at the Treasury of the United States in Washington, D.C., or at the option of the Secretary of the Treasury of the United States at the Federal Reserve Bank of New York.

Greece shall have the right to prepay, on any day on which an interest payment is due and payable, all of the unpaid principal balance.

No deduction from principal or interest shall be made for or on account of any present or future taxes, duties or any other charges imposed or levied against this bond or the proceeds thereof by or within Greece or any political or taxing subdivision thereof.

Upon default in the prompt and full delivery to the United States of any payments due to the United States under this bond, the entire unpaid principal hereof and interest thereon shall immediately become due and shall be payable at the option and upon the demand of the United States. The non-exercise by the United States of such right with respect to any particular default shall not constitute a waiver of such right with respect to such default or any other default.

IN WITNESS WHEREOF, Greece has caused this bond to be executed in its behalf at the city of _____ by its _____ thereunto duly authorized, as of _____

The Kingdom of Greece :

By _____

EXHIBIT B

RELEASE AND DISCHARGE

In consideration of the issuance of the bond provided for in paragraph 2 of the Agreement between the Government of the Kingdom of Greece and the Government of the United States of America of, 196....., and under the authority of Public Law of, the Government of the Kingdom of Greece is hereby released and discharged by the Government of the United States of America from all obligations and liabilities under paragraph 1(b) of the Agreement of May 24, 1932.

Dates :, 196.....

(Signed)

Secretary of the Treasury

AMORTIZATION OF GREEK INDEBTEDNESS TO THE UNITED STATES
UNDER AGREEMENTS OF MAY, 1929 AND MAY, 1932

AMORTIZATION SCHEDULE

Installment No.	Annual Payment		Total Payment	Balance After Payment
	Interest	Principal		
0	00	00	.00	13,155,921.00
1	263,118.42	65,779.60	328,898.02	13,090,141.40
2	261,802.83	67,095.19	328,898.02	13,023,046.21
3	260,460.92	68,437.10	328,898.02	12,954,609.11
4	259,092.18	69,805.84	328,898.02	12,884,803.27
5	257,696.07	71,201.95	328,898.02	12,813,601.32
6	256,272.03	72,625.99	328,898.02	12,740,975.33
7	254,819.51	74,078.51	328,898.02	12,666,896.82
8	253,337.94	75,560.08	328,898.02	12,591,336.74
9	251,826.73	77,071.29	328,898.02	12,514,265.45
10	250,285.31	78,612.71	328,898.02	12,435,652.74
11	248,713.05	80,184.97	328,898.02	12,355,467.77
12	247,109.36	81,788.66	328,898.02	12,273,679.11
13	245,473.58	83,424.44	328,898.02	12,190,254.67
14	243,805.09	85,092.93	328,898.02	12,105,161.74
15	242,103.23	86,794.79	328,898.02	12,018,366.95
16	240,367.34	88,530.68	328,898.02	11,929,836.27
17	238,596.73	90,301.29	328,898.02	11,839,534.98
18	236,790.70	92,107.32	328,898.02	11,747,427.66
19	234,948.55	93,949.47	328,898.02	11,653,478.19
20	233,069.56	95,828.46	328,898.02	11,557,649.73
21	231,152.99	97,745.03	328,898.02	11,459,904.70
22	229,198.09	99,699.93	328,898.02	11,360,204.77
23	227,204.10	101,693.92	328,898.02	11,258,510.85
24	225,170.22	103,727.80	328,898.02	11,154,783.05
25	223,095.66	105,802.36	328,898.02	11,048,980.69
26	220,979.61	107,918.41	328,898.02	10,941,062.28

AMORTIZATION OF GREEK INDEBTEDNESS TO THE UNITED STATES
UNDER AGREEMENTS OF MAY, 1929 AND MAY, 1932 (continued)

AMORTIZATION SCHEDULE

Installment No.	Annual Payment		Total Payment	Balance After Payment
	Interest	Principal		
27	218,821.25	110,076.77	328,898.02	10,830,985.51
28	216,619.71	112,278.31	328,898.02	10,718,707.20
29	214,374.14	114,523.88	328,898.02	10,604,183.32
30	212,083.67	116,814.35	328,898.02	10,487,368.97
31	209,747.38	119,150.64	328,898.02	10,368,218.33
32	207,354.37	121,533.65	328,898.02	10,246,684.68
33	204,933.69	123,964.33	328,898.02	10,122,720.35
34	202,454.41	126,443.61	328,898.02	9,996,276.74
35	199,925.53	128,972.49	328,898.02	9,867,304.25
36	197,346.08	131,551.94	328,898.02	9,735,752.31
37	194,715.05	134,182.97	328,898.02	9,601,569.34
38	192,031.39	136,866.63	328,898.02	9,464,702.71
39	189,294.05	139,603.97	328,898.02	9,325,098.74
40	186,501.97	142,396.05	328,898.02	9,182,702.69
41	183,654.05	145,243.97	328,898.02	9,037,458.72
42	180,749.17	148,148.85	328,898.02	8,889,309.87
43	177,786.20	151,111.82	328,898.02	8,738,198.05
44	174,763.96	154,134.06	328,898.02	8,584,063.99
45	171,681.28	157,216.74	328,898.02	8,426,847.25
46	168,536.94	160,361.08	328,898.02	8,266,486.17
47	165,329.72	163,568.30	328,898.02	8,102,917.87
48	162,058.36	166,839.56	328,898.02	7,936,078.21
49	158,721.56	170,176.46	328,898.02	7,765,901.75
50	155,318.04	173,579.98	328,898.02	7,592,321.77
51	151,846.44	177,051.58	328,898.02	7,415,270.19
52	148,305.40	180,592.62	328,898.02	7,234,677.57
53	144,693.55	184,204.47	328,898.02	7,050,473.10
54	141,009.46	187,888.56	328,898.02	6,862,584.54
55	137,251.69	191,646.33	328,898.02	6,670,938.21
56	133,418.76	195,479.26	328,898.02	6,475,458.95
57	129,509.18	199,388.84	328,898.02	6,276,070.11
58	125,521.40	203,376.62	328,898.02	6,072,693.49
59	121,453.87	207,444.15	328,898.02	5,865,249.34
60	117,304.99	211,593.03	328,898.02	5,653,656.31
61	113,073.13	215,824.89	328,898.02	5,437,831.42
62	108,756.63	220,141.39	328,898.02	5,217,690.03
63	104,353.80	224,544.22	328,898.02	4,993,145.81
64	99,862.92	229,035.10	328,898.02	4,764,110.71
65	95,282.21	233,615.81	328,898.02	4,530,494.90
66	90,609.90	238,288.12	328,898.02	4,292,206.78
67	85,844.14	243,053.88	328,898.02	4,049,152.90
68	80,983.06	247,914.96	328,898.02	3,801,237.94
69	76,024.76	252,873.26	328,898.02	3,548,364.68
70	70,967.29	257,930.73	328,898.02	3,290,433.95
71	65,808.68	263,089.34	328,898.02	3,027,344.61
72	60,546.89	268,351.13	328,898.02	2,758,993.48
73	55,179.87	273,718.15	328,898.02	2,485,275.33

AMORTIZATION OF GREEK INDEBTEDNESS TO THE UNITED STATES
UNDER AGREEMENTS OF MAY, 1929 AND MAY, 1932 (*concluded*)

AMORTIZATION SCHEDULE

Installment No.	Annual Payment		Total Payment	Balance After Payment
	Interest	Principal		
74	49,705.51	279,192.51	328,898.02	2,206,082.82
75	44,121.66	284,776.36	328,898.02	1,921,306.46
76	38,426.13	290,471.89	328,898.02	1,630,834.57
77	32,616.69	296,281.33	328,898.02	1,334,553.24
78	26,691.06	302,206.96	328,898.02	1,032,346.28
79	20,646.93	308,251.09	328,898.02	724,095.19
80	14,481.90	314,416.12	328,898.02	409,679.07
81	8,193.58	320,704.44	328,898.02	88,974.63
82	1,779.49	88,974.63	90,754.12	.00
TOTAL	13,575,572.74	13,155,921.00	26,731,493.74	