

AGREEMENT

made the twenty-seventh day of January, 1926, between the Kingdom of Italy (hereinafter called Italy) and the United Kingdom of Great Britain and Northern Ireland (hereinafter called Great Britain).

WHEREAS Great Britain holds Italian Sterling Treasury Bills to the value of £610,840,000, representing the war debt of Italy to Great Britain,

AND WHEREAS Italy and Great Britain desire to arrive at a friendly settlement of this debt, within the capacity of Italy,

NOW, THEREFORE, the Rt. Hon. Winston Leonard Spencer Churchill, Chancellor of the Exchequer of Great Britain, and the Count Giuseppe Volpi di Misurata, Finance Minister of Italy, after having taken into account all relevant considerations, duly authorised thereunto by their respective Governments subject to such ratification as may be required, have agreed as follows :—

1. Italy agrees to pay, and Great Britain to accept, in satisfaction of the aforesaid war debt, the following Annuities :—

In respect of the current financial year	£2,000,000
In respect of the next two financial years	£4,000,000 a year
In respect of the next four financial years	£4,250,000 a year
In respect of succeeding financial years until 1986-87	£4,500,000 a year
In respect of the financial year 1987-88	£2,250,000

The above payments will be made in sterling at the Bank of England, London, on the 15th March, 1926, and thereafter in equal half-yearly instalments on the 15th September and 15th March of each year, so that the last payment will be made on the 15th September, 1987.

2. Italy will issue and deliver to the British Treasury on or before the 20th February, 1926, a bond substantially in the form set out in the Annex to this agreement in respect of each of the payments provided for in article 1 of this agreement.

3. The payments due under all bonds issued in accordance with this agreement shall be made without deduction for, and shall be exempt from any and all taxes and other public dues, present or future, imposed by or under authority of Italy or any political or local taxing authority within Italy.

4. Italy, at its option, upon not less than ninety days' notice to Great Britain, may postpone such part of any of the half-yearly