CHAPTER 4.

An Act to enable Her Majesty the Queen to carry into effect a Convention made for facilitating the raising of a Loan by the Government of Greece. [1st April 1898.]

WHEREAS the Government of Her Majesty the Queen has entered into a Convention with the Governments of France, Russia, and Greece, containing articles to the effect set forth in the schedule to this Act for facilitating the raising of a loan by the Government of Greece, and, in pursuance of Her Majesty's gracious recommendation in that behalf, it is expedient to enable Her Majesty to carry into effect the said Convention:

Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

Power to the Queen to guarantee annuity required for the service of a loan to be raised by the Government of Greece.

1.—(1.) Her Majesty the Queen may guarantee jointly with the Governments named in Article nine of the Convention set forth in the schedule to this Act, and severally upon the terms and conditions set forth in the Articles in that schedule, the regular payment of the annuity required under the said Articles for the service of the loan to be raised as therein mentioned by the Government of Greece.

(2.) In the event of the power specified in Article eleven in the schedule (respecting the conversion of the loan) being exercised, Her Majesty the Queen may, in substitution for the former guarantee, guarantee jointly with the said Governments and severally the regular payment of such annual sum as appears to Her Majesty to be required for the effective exercise of the said power, so that the annual sum so guaranteed does not exceed in amount or continue for a longer time than the annuity previously guaranteed.

(3.) The Treasury shall charge on and issue out of the Consolidated Fund of the United Kingdom, or the growing produce thereof, such sums as may from time to time be required for fulfilling the guarantee of Her Majesty in pursuance of this Act.

(4.) All sums paid from time to time in or towards the repayment of any sum issued out of the Consolidated Fund in pursuance of this Act shall be paid into the Exchequer.

(5.) The Treasury shall, during the continuance of the said guarantee, lay before both Houses of Parliament in every year within one month after the thirty-first day of March, an account up to that day of the total sums, if any, which have been either issued from the Consolidated Fund in pursuance of this Act, or paid in or towards repayment of any money so issued.

Short title.

2. This Act may be cited as the Greek Loan Act, 1898.

SCHEDULE.

ARTICLES contained in a CONVENTION made in March, one thousand eight hundred and ninety-eight, between the GOVERNMENTS of GREAT BRITAIN, FRANCE, RUSSIA, and GREECE, respecting the guarantee of a LOAN of £6,800,000 to be issued by the GOVERNMENT of GREECE, the ENGLISH TRANSLATION of which Articles is as follows:—

I.—*Issue of the Loan.*

ARTICLE I.

The Hellenic Government may issue, under the guarantee afforded by the present Convention, at an effective rate of interest not exceeding $2\frac{3}{4}$ per cent., and for a period of not more than sixty years, the amount of bonds necessary to produce a net maximum sum of 170,000,000 fr., 6,800,000*l.*, or 63,750,000 roubles, which shall be employed in the manner provided in Articles 7 and 10 of the Law regarding the Control.

The conditions of this loan will be settled by mutual agreement between the three Guaranteeing Powers and the Hellenic Government. They will form the subject of a Règlement which will be sanctioned by a Royal Decree, issued in the Council of Ministers under special legislative authorization.

ARTICLE II.

Of the capital fixed by Article I., the amount of bonds necessary to produce a net sum of 150,000,000 fr., 6,000,000*l.*, or 56,250,000 roubles will be issued immediately.

The bonds intended eventually to cover the deficits of the year 1898 and the following years, up to a maximum of 20,000,000 fr., will be issued as they are required, under special legislative authorizations, which must have been previously submitted for the approval of the International Commission, in accordance with Article 10 of the Law regarding the Control.

The power to issue these bonds will not extend beyond the year 1903.

ARTICLE III.

The expenses of issue, of negotiation, and of commission, will be added to the capital of the loans referred to in the preceding Article.

II.—*Service of the Loan.*

ARTICLE IV.

The service of the loan will be provided for by a fixed annuity, calculated, including amortization, at 3·6 per cent. of the nominal capital, and furnished by the revenues assigned for the service of the Hellenic Public Debt, according to the provisions of the Law regarding the Control.

The amortization shall not, however, commence till 1903, and for the first five years the annuity to be provided by the Hellenic Government will be 2·5 per cent. of the nominal capital of the loans issued.

ARTICLE V.

The coupons will be paid in gold on the 1st April and 1st October of each year, at places to be fixed hereafter.

ARTICLE VI.

The portion of the annuity fixed by Article III. which is not absorbed by the service of the interest will be assigned for the amortization of the loan. The amortization will be carried out at par by drawings. If, however, the price is below par, it may be effected by purchases in the market.

III.—*Employment of the Proceeds of the Loan.*

ARTICLE VII.

The proceeds of the loan will be employed by the International Commission in the manner laid down in Articles 7 and 10 of the Law regarding the control.

ARTICLE VIII.

The conditions of the conversion or repayment of the floating gold debt will form the subject of a Royal Decree, which shall previously be submitted for the approval of the International Commission.

The bonds destined to cover the sums in gold borrowed from the banks of issue under the Laws on the forced currency, as well as the other advances in gold made by those banks, will be deposited at the Bank of France, which will not give them up without the concurrence of the International Commission.

The coupons of these bonds will be detached, and forwarded to the banks of issue.

IV.—*Guarantee of the Loan.*

ARTICLE IX.

The Governments of France, Great Britain, and Russia undertake to guarantee jointly and severally, or to apply to their Parliaments for authority to guarantee jointly and severally, the regular service of the annuity fixed by Article IV.

ARTICLE X.

The conditions under which advances are to be made if the guarantee becomes effective, and the manner in which they are to be repaid, will be determined by a future Convention.

ARTICLE XI.

The Hellenic Government will have the right with the consent of the three Guaranteeing Powers, to effect the conversion of the loan at any time after the 1st April 1918.

It will be bound to exercise this power at the collective request of the three Guaranteeing Powers, who will come to an agreement as to the circumstances under which this request is to be made.

V.—*General Provisions.*

ARTICLE XII.

The capital and interest of the bonds issued in accordance with Articles I. and II. of the present Convention will be free from any taxes, dues, or charges for the benefit of the Hellenic Government.

ARTICLE XIII.

The present Convention will be ratified, and the ratifications will be exchanged at Paris, at the earliest possible date.