Capy with 5 sent to
F.O. in P. L. No. 1086 BRITISH BUBASSY, No. 688. Dec. 15

Sir.

WASHINGTON, D. C. December 18th, 1940

In accordance with instructions from His Hajesty's Principal Secretary of State for Foreign Affairs, I have the honour to acknowledge the receipt of your note of the 4th December enclosing a statement of the amounts due from His Majesty's Government in the United Kingdom under the provisions of the Debt Agreement of the 19th June, 1923, and the Moratorium Agreement of the 4th June, 1932.

I am directed to express the appreciation of His Hajesty's Government of the assurance that the Government of the United States is fully disposed to discuss any proposals which His Majesty's Government may desire to put forward in regard to the payment of this indebtedness; and in return I am to assure you that His Esjesty's Covernment will be willing to reopen discussions on the subject whenever circumstances are such as to warrant the hope that a autiafactory result might be reached.

> I have the honour to be, With the highest consideration. Sir.

> > Your most obedient, humble servant,

(DOD.) R.E. BUTLER Charge d'Affaires

The Honourable Cordell Mull,

> Secretary of State of the United States. Washington, D. C.

OHSP: RB