

ments falling due on or after the 15th September, 1928, as the sum of one million pounds (£1,000,000) to any sub-
 at 15th March or 15th September, not more than two years
 t from its due date, but only on condition that in case Italy
 at any time exercise this option as to the payment of any
 ment, the instalments falling due in the second succeeding
 cannot be postponed at all unless and until the instalments
 vo years and one year previous thereto shall actually have
 paid in full. All such postponed payments shall bear
 st at the rate of 5 per cent. per annum, payable half-yearly.

The accounts relating to the war debt of Italy to Great
 n, including the accounts in connection with the Wheat
 tive and War Risks Insurance schemes, shall be finally
 , and the British Treasury shall be entitled to retain any
 credited or to be credited to Italy in respect of such
 nts. Save as provided in this Agreement, the contracting
 s and their agents reciprocally renounce all claims or
 er-claims against the other contracting party or their agents
 spect of the above-mentioned accounts or the services and
 ies to which they relate.

at Britain likewise renounces all claims outstanding against
 in respect of the hire of ex-enemy shipping.

If at any time it appears that the aggregate payments
 vely received by Great Britain under Allied War Debt
 ing Agreements and on account of reparations or of
 ation bonds exceed the aggregate payments effectively,
 by Great Britain to the Government of the United States
 erica in respect of war debts, an account shall be drawn
 the British Treasury, interest at 5 per cent. being allowed
 th sides of the account; and if that account shows that
 cepts exceed the payments, Great Britain will credit Italy
 st the payments next due by Italy under Article 1 of this
 ment with such proportion of that excess as the payments
 vely made by Italy under Article 1 of this Agreement bear
 aggregate sums effectively received by Great Britain under
 Allied War Debt Funding Agreements. Thereafter, a similar
 nt will be drawn up by the British Treasury each year, and
 urther excess of the receipts over the payments shall each
 give rise to a credit to Italy of a proportion of such excess
 ated in the manner indicated above. On the other hand,
 eficit shall be made good by an increase in the payments
 ue by Italy up to a similar proportion of such deficit within
 mit of the total amount of the credits already allowed to
 under this Article.

the purpose of this Article any capital sums which may
 fter be realised by Great Britain in respect of Reparations or
 eration Bonds will be taken at their annual value, taking
 nt of amortisation.