

4. If at any time while the payments under Article 1 of this Agreement are continuing it appears that the aggregate payments effectively received by Great Britain under Allied War Debt Funding Agreements and on account of Reparations or of Liberation Bonds exceed the aggregate payments effectively made by Great Britain to the Government of the United States of America in respect of war debts, an account shall be drawn up by the British Treasury, interest at 5 per cent. being allowed on both sides of the account; and if that account shows that the receipts exceed the payments, Great Britain will credit the Serb-Croat-Slovene Government against the payments next due by them under Article 1 of this Agreement, with such proportion of that excess as the payments effectively made by the Serb-Croat-Slovene Government under Article 1 of this Agreement bear to the aggregate sums effectively received by Great Britain under all Allied War Debt Funding Agreements. Thereafter a similar account will be drawn up by the British Treasury each year and any further excess of the receipts over the payments shall each year give rise to a credit to the Serb-Croat-Slovene Government of a proportion of such excess calculated in the manner indicated above. On the other hand, any deficit shall be made good by an increase in the payments next due by the Serb-Croat-Slovene Government up to a similar proportion of such deficit within the limit of the total amount of the credits already allowed to the Serb-Croat-Slovene Government under this Article. For the purpose of this Article any capital sums which may hereafter be realised by Great Britain in respect of Reparations or of Liberation Bonds will be taken at their annual value, taking account of amortisation.

5. The accounts relating to the war debt of the Serb-Croat-Slovene Government to Great Britain shall be finally closed, and, save as provided in Article 1 of this Agreement, His Britannic Majesty's Government in Great Britain and the Serb-Croat-Slovene Government mutually renounce all claims and counter-claims arising out of the War Debt of the Serb-Croat-Slovene Kingdom to Great Britain.

6. Upon the execution of this Agreement and the delivery to Great Britain of the Bonds provided for in Article 3, duly executed, His Britannic Majesty's Government in Great Britain will cancel and return to the Serb-Croat-Slovene Government the Serbian Treasury Bills which they at present hold.

Signed in duplicate at London on the ninth day of August, 1927.

For His Britannic Majesty's Government in Great Britain :

WINSTON S. CHURCHILL.

For the Serb-Croat-Slovene Government :

G. DIOURITCH.