

No. 3180

**CANADA
and
BELGIUM**

Financial Agreement (with exchange of notes). Signed at Ottawa, on 25 October 1945

Financial Agreement (with exchange of notes) amending the above-mentioned Agreement. Signed at Ottawa, on 2 May 1946

Exchange of notes constituting an agreement supplementing the Financial Agreement of 25 October 1945, as amended. Ottawa, 31 December 1946 and 28 February 1947

Supplementary Financial Agreement. Signed at Ottawa, on 24 October 1947

Official texts: English.

Registered by Canada on 13 March 1956.

**CANADA
et
BELGIQUE**

Accord financier (avec échange de notes). Signé à Ottawa, le 25 octobre 1945

Accord financier (avec échange de notes) modifiant l'Accord susmentionné. Signé à Ottawa, le 2 mai 1946

Échange de notes constituant un accord complétant l'Accord financier du 25 octobre 1945, sous sa forme modifiée. Ottawa, 31 décembre 1946 et 28 février 1947

Accord financier supplémentaire. Signé à Ottawa, le 24 octobre 1947

Textes officiels anglais.

Enregistrés par le Canada le 13 mars 1956.

No. 3180. FINANCIAL AGREEMENT¹ BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF BELGIUM. SIGNED AT OTTAWA, ON 25 OCTOBER 1945

AGREEMENT ENTERED INTO THIS 25th DAY OF OCTOBER, 1945

BETWEEN :

THE MINISTER OF FINANCE OF CANADA,
hereinafter referred to as “ the Minister ”,

Of the First Part,

AND

THE GOVERNMENT OF BELGIUM
represented by its Ambassador Extraordinary and Plenipotentiary to Canada,
His Excellency A. Paternotte de la Vaillée,

Of the Second Part :

WHEREAS the Government of Belgium has requested the Government of Canada to make loans to the Government of Belgium to enable the said Government to purchase Canadian-produced goods for export to Belgium, the Grand Duchy of Luxembourg and the Belgian Congo; and

WHEREAS by Order in Council P.C. 6678 dated October 25, 1945, the Minister has been duly authorized under The Export Credits Insurance Act to make the loans hereinafter referred to, on behalf of the Government of Canada; and

WHEREAS the Ambassador of Belgium to Canada, His Excellency A. Paternotte de la Vaillée, has been duly authorized by the Government of Belgium to execute this agreement on behalf of the Government of Belgium.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the Agreement by the Government of Belgium hereinafter set forth to expend moneys received by it by way of loan as hereinafter provided, solely for the purpose of purchasing from exporters and paying the cost of Canadian-produced goods (which terms “ exporters ”, “ Canadian-produced goods ” and “ cost of

¹ Came into force on 25 October 1945 by signature.

Canadian-produced goods" in this Agreement have the meaning assigned to them by The Export Credits Insurance Act of Canada or any regulations made thereunder) exported or to be exported to Belgium, the Grand Duchy of Luxembourg or the Belgian Congo, and the mutual covenants hereinafter contained, it is hereby agreed as follows :

1. Subject to the terms and conditions of this Agreement, the Minister, on behalf of the Government of Canada, agrees to lend to the Government of Belgium, such amounts not exceeding Twenty-five Million Canadian Dollars (\$25,000,000 Canadian) as may from time to time be requisitioned from the Minister by the Government of Belgium to enable the Government of Belgium to purchase from exporters and to pay the cost of Canadian-produced goods exported or to be exported from Canada to Belgium, the Grand Duchy of Luxembourg or the Belgian Congo.

2. The Minister will pay amounts requisitioned under paragraph one of this Agreement into the account of the National Bank of Belgium with the Bank of Canada, for the credit of the Government of Belgium.

3. The Government of Belgium will expend moneys received by it by way of loan under this Agreement solely for the purpose of purchasing from exporters and paying the cost of Canadian-produced goods exported or to be exported from Canada to Belgium, the Grand Duchy of Luxembourg or the Belgian Congo.

4. The Government of Belgium agrees to pay interest at the rate of three per centum per annum on each amount paid by the Minister into the said special account from the date when it is paid into the said special account until the date of consolidation of that particular amount of the debt into a consolidated debt to be evidenced by bonds of the Government of Belgium, as provided for in paragraphs 5 or 6 of this Agreement.

5. The Government of Belgium agrees that the amounts paid by the Minister into the account of the National Bank of Belgium for the credit of the Belgian Government, pursuant to this Agreement, during the period commencing on the date of the execution of this Agreement and ending on June 30, 1946, and interest thereon as provided in paragraph 4 of this Agreement, shall be consolidated into one amount called the consolidated debt at the end of the said period, and the Government of Belgium shall thereupon deliver to the Minister bonds of a face value equal to such consolidated debt, which bonds shall constitute valid, binding, absolute, and unconditional obligations of the Government of Belgium; the said bonds shall bear interest at the rate of three per centum per annum, payable semi-annually on the 31st day of December and the 30th day of June, and shall mature serially in thirty equal annual amounts of principal payable on the 30th of June, 1947, and on the 30th June in each year thereafter, up to and including the year 1976.

6. The Government of Belgium agrees that the amounts paid by the Minister into the account of the National Bank of Belgium for the credit of the Government of Belgium, pursuant to this Agreement, during the twelve months' period commencing July 1, 1946, and interest thereon, as, provided for in paragraph 4 of this Agreement, shall be consolidated into one amount called the consolidated debt at the end of the said twelve months' period, and the Government of Belgium shall thereupon pay on the 30th June, 1947, one-thirtieth of the amount of such consolidated debt, and shall deliver to the Minister bonds of a face value equal to the remainder of such consolidated debt, which bonds shall constitute valid, binding, absolute and unconditional obligations of the Government of Belgium; the bonds shall bear interest at the rate of three per centum per annum, payable semi-annually on the 31st day of December and the 30th day of June and shall mature serially in twenty-nine equal annual amounts of principal payable on the 30th June, 1948, and on the 30th June in each year thereafter, up to and including the year 1976.

7. Any portion of the total amount of Twenty-five Million Canadian Dollars (\$25,000,000, Canadian) referred to in paragraph one of this Agreement, which has not been requisitioned by the Government of Belgium in accordance with the said paragraph one on or before the 30th day of June, 1947, shall lapse and be no longer payable by the Minister unless the parties hereto mutually agree otherwise.

8. It is mutually agreed by the Parties hereto that if the Government of Belgium fails to deliver bonds as heretofore provided at the end of any of the periods referred to in paragraphs 5 or 6 of this Agreement, or fails to redeem any of the bonds on maturity, the whole amount of the loan shall thereupon become due and payable.

9. It is mutually agreed by the Parties hereto that payments by the Government of Belgium shall be in Canadian dollars or fine gold at the option of the Government of Belgium. The value of fine gold shall be calculated on the basis of the buying price for gold of the Canadian Foreign Exchange Control Board (or successor agency) on the date of its delivery. During such period as foreign exchange regulations in Canada require that exports from Canada to Belgium result in the sale of a specified foreign currency to an Authorized Dealer of the Foreign Exchange Control Board (or successor agency) and permit Canadian importers of goods from Belgium to make payment therefor in such specified foreign currency, any Canadian dollars used by the Government of Belgium to effect payments under this Agreement shall be acquired by the sale to an Authorized Dealer of the Canadian Foreign Exchange Control Board (or successor agency) of such specified foreign currency at the published official buying rate, or in such other manner as may be mutually agreed upon by the Government of Belgium and the Minister.

10. The Minister agrees that the Government of Belgium shall have the right to redeem any or all of the bonds prior to their maturities at par plus accrued interest if the Government of Belgium tenders payment in fine gold or Canadian dollars acquired in the manner provided by paragraph 9 of this Agreement.

J. L. ILSLEY
Minister of Finance for Canada

A. PATERNOTTE DE LA VAILLÉE
For the Government of Belgium

Witness :

R. B. BRYCE
L. COUVREUR

EXCHANGE OF NOTES

I

The Canadian Minister of Finance to the Ambassador of Belgium

Ottawa, October 25, 1945

Dear Sir,

In signing to-day with you the agreement for the provision of a credit of \$25,000,000 to the Government of Belgium under The Export Credits Insurance Act, I desire to place on record our understanding regarding our intention to proceed subsequently to increase the amount of this credit, our understanding regarding certain collateral points, and our understanding about the purchases which Belgium will make in Canada to be financed in Canadian dollars acquired from the sale of gold or foreign exchange convertible into gold.

In requesting the credit which has been furnished under the above-mentioned Agreement, you have asked that the amount be increased in the future in order to provide Belgium with enough Canadian funds to meet the cost of the program of purchases which your Government is contemplating in Canada. The amount you will require for this purpose will not be known until the amounts to be paid by Canada to Belgium in respect of currency, goods and services provided to the Canadian Army by Belgium have been determined, and furthermore our legislation does not permit us to provide you at this time with a credit of more than \$25,000,000.

I wish to assure you, however, that the Canadian Government will be prepared to amend the Agreement signed to-day in order to increase the amount of the credit being furnished to Belgium, provided that the Canadian Parliament increases the amount which the Government may lend under The Export Credits Insurance Act. I understand it is also the intention of your Government to increase the amount of credit specified in this Agreement after our legislation

has been amended to make this possible and the total amount required by Belgium, which can be furnished by Canada, has been determined.

I wish also to record that I am prepared to agree to the redemption, under paragraph 10 of the Agreement, of the bonds to be given in accordance with the Agreement out of any Canadian dollars accruing to the Government of Belgium from current account transactions between Canada and Belgium (including Luxembourg and the Congo) and from the sale of Canadian securities held by residents of Belgium (including Luxembourg and the Congo), as authorized during the period in question by the Foreign Exchange Control Board (or successor agency). For this purpose, I shall be prepared to regard as current account transactions payments to Belgium in respect of currency, goods and services for the use of the Canadian Army. I am also prepared to agree to the use in the repayment of the credits advanced under the Agreement, of Canadian dollars acquired by Belgium from the International Monetary Fund or the International Bank for Reconstruction and Development. I also wish to confirm our understanding that the Foreign Exchange Control Board (or its successor agency) will sell to Belgium Canadian dollars in exchange for U.S. dollars, at the official rate in force on the day of the transaction, for the purpose of making repayments of the credit provided under the Agreement signed to-day.

I wish also to note that it is the intention of the two Governments that a certain proportion of the Canadian dollar requirements of Belgium shall be covered by the purchase from Canada of Canadian dollars for gold or foreign exchange convertible into gold. To implement this intention it is understood that the Government of Belgium, through the National Bank of Belgium, will within or at the end of each quarter year, commencing on or after to-day's date, during which the credits referred to in this letter are drawn upon, acquire Canadian dollars by the sale to Canada of gold or foreign exchange, convertible into gold, in an amount not less than twenty per cent of the amount of credit drawn during each such quarter year. Any acquisition of Canadian dollars by the sale to Canada of gold or foreign exchange convertible into gold between October 15, 1945, and the date of this Agreement will be included in this agreed amount and will reduce correspondingly the amount to be acquired in the next following quarterly period or periods. It is also understood that the Canadian dollars so acquired will be used to meet the current requirements of Belgium in Canada.

I would appreciate it if you would confirm the understandings set forth above.

Yours very truly,

J. L. ILSLEY
Canadian Minister of Finance

II

The Ambassador of Belgium to the Canadian Minister of Finance

Ottawa, October 27, 1945

Dear Sir,

I have the honour to acknowledge receipt of your letter of October 25 in which you refer to the Agreement for the provision of a credit of Twenty-five Million Canadian Dollars (\$25,000,000) to the Government of Belgium under The Export Credit Insurance Act and beg to confirm the understandings set forth in the said letter.

Yours very truly,

A. PATERNOTTE DE LA VAILLÉE
Ambassador of Belgium

FINANCIAL AGREEMENT¹ AMENDING THE AGREEMENT
OF 25 OCTOBER 1945² BETWEEN THE GOVERNMENT
OF CANADA AND THE GOVERNMENT OF BELGIUM.
SIGNED AT OTTAWA, ON 2 MAY 1946

AGREEMENT ENTERED INTO THIS SECOND DAY OF MAY, 1946

BETWEEN :

THE MINISTER OF FINANCE OF CANADA,

Of the First Part,

AND

THE GOVERNMENT OF BELGIUM,

represented by its Ambassador to Canada,

Of the Second Part:

WHEREAS the Government of Canada agreed to make a loan to the Government of Belgium not exceeding twenty-five million Canadian dollars (\$25,000,000 Canadian) under an Agreement entered into on the twenty-fifth day of October, 1945 (hereinafter called the principal Agreement);
and

WHEREAS the Government of Belgium has requested the Government of Canada to increase the amount of the loan from twenty-five million Canadian dollars (\$25,000,000 Canadian) to one hundred million Canadian dollars (\$100,000,000 Canadian); and

WHEREAS by Order in Council P.C. 1514 dated the sixteenth day of April, 1946, the Minister of Finance of Canada was authorized to enter into an Agreement with the Government of Belgium to amend the principal Agreement, to provide that the aggregate amount of the loan shall be one hundred million Canadian dollars (\$100,000,000 Canadian); and

WHEREAS the Ambassador of Belgium to Canada, His Excellency A. Paternotte de la Vaillée, has been duly authorized by the Government of Belgium to execute this Agreement on behalf of the Government of Belgium.

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties hereto covenant and agree with each other as follows :

1. The principal Agreement dated the twenty-fifth day of October, 1945,² is hereby amended by striking out the amount "twenty-five million Canadian

¹ Came into force on 2 May 1946 by signature.

² See p. 128 of this volume.

dollars (\$25,000,000 Canadian)" where it appears in paragraphs one and seven of the principal Agreement and substituting therefor "one hundred million Canadian dollars (\$100,000,000 Canadian)".

2. The Government of Belgium may expend any moneys received by it by way of loan under the principal Agreement as amended by this Agreement, for the purposes set out in the principal Agreement or for any other purpose approved by the Government of Canada for which loans may be made under Part II of The Export Credits Insurance Act of Canada as amended from time to time.

IN WITNESS WHEREOF the parties hereto have caused these presents to be signed on the day and year above mentioned.

J. L. ILSLEY
Minister of Finance for Canada

A. PATERNOTTE DE LA VAILLÉE
For the Government of Belgium

Witness :

W. C. CLARK
D. M. JOHNSON

EXCHANGE OF NOTES

I

The Canadian Minister of Finance to the Ambassador of Belgium

Ottawa, May 2, 1946

Dear Sir,

In my letter of October 25, 1945, delivered to you at the time of the signing of the agreement for the provision of a credit of \$25,000,000 to the Government of Belgium under the Export Credits Insurance Act, I said that as soon as Parliamentary authority had been granted the Government of Canada would be prepared to increase the amount of the credit to Belgium. As you are aware the necessary Parliamentary authority has been granted and I am now prepared to sign, on behalf of the Government of Canada, a supplementary agreement which will increase the amount of the credit from \$25,000,000 to \$100,000,000. In signing the supplementary agreement I wish to place on record my understanding that the provisions in my letter of October 25, 1945 (except those

referring to increasing the amount of credit) will apply to the additional credit being granted under the supplementary agreement signed to-day.

I would appreciate it if you would confirm this understanding.

Yours very truly,

J. L. ILSLEY
Canadian Minister of Finance

II

The Ambassador of Belgium to the Canadian Minister of Finance

Ottawa, May 2, 1946

Dear Sir,

I have the honour to acknowledge receipt of your letter of 2nd May, 1946, in which you refer to the supplementary Agreement increasing the amount of the credit to Belgium under the Export Credits Insurance Act from \$25,000,000 to \$100,000,000, and beg to confirm the understanding set forth in your letter.

Yours very truly,

A. PATERNOTTE DE LA VAILLÉE
Ambassador of Belgium

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE GOVERNMENT OF CANADA AND THE
GOVERNMENT OF BELGIUM SUPPLEMENTING THE
FINANCIAL AGREEMENT OF 25 OCTOBER 1945,² AS
AMENDED⁴. OTTAWA, 31 DECEMBER 1946 AND
28 FEBRUARY 1947

I

The Ambassador of Belgium to the Secretary of State for External Affairs

AMBASSADE DE BELGIQUE

No. 3075/C1:975-E

Ottawa, December 31, 1946

Sir :

I wish to refer to the financial agreement between the Government of Canada and the Government of Belgium signed at Ottawa on October 25, 1945,² as amended by the Agreement of May 2, 1946,³ under the authority of The Export Credits Insurance Act.

It is the understanding of my government that The Export Credits Insurance Act has now been amended by the Parliament of Canada to provide that the funds loaned under that Act may be used not only to enable the government receiving the funds to purchase Canadian-produced goods, but also to enable such funds to be used for the purchase of Canadian services and to enable the government receiving such loans to put them at the disposal of any person ordinarily resident in a country of that government to purchase Canadian-produced goods or Canadian services.

I wish, on behalf of my Government to request that, in accordance with the provision of paragraph 2 of the amending Agreement signed on 2nd May, 1946, the Government of Canada approve that these broader purposes and uses of the credit be now made applicable to the financial Agreement between our two Governments.

Subject to this approval, I wish to confirm that the Government of Belgium agrees that the moneys received by it under the financial Agreement of 25th October, 1945, as amended on 2nd May, 1946, will be used only by it or by persons ordinarily resident in Belgium to whom it transfers any of such moneys,

¹ Came into force on 28 February 1947 by the exchange of the said notes.

² See p. 128 of this volume.

³ See p. 140 of this volume.

and only for the purpose of paying the cost of Canadian services or Canadian-produced goods purchased from exporters and exported to Belgium.

I wish also to confirm our understanding that, in using the credit for these purposes, the various arrangements specified in the exchange of letters on October 25 and 27, 1945, regarding certain matters relating to the financial Agreements will continue in effect.

It is further agreed that, in accordance with recent discussions on the subject, we will be prepared to co-operate with the Department of Finance and the Department of Trade and Commerce in working out mutually suitable arrangements for using the credit for these broader purposes. In particular, we will be prepared to furnish to these Departments information regarding the uses for which the credit is made by the Government of Belgium or by others to whom the credit may be transferred.

Accept, Sir, the renewed assurances of my highest consideration.

A. PATERNOTTE DE LA VAILLÉE

II

The Secretary of State for External Affairs to the Ambassador of Belgium

DEPARTMENT OF EXTERNAL AFFAIRS

No. 15

Ottawa, February 28, 1947

Excellency,

I have the honour to refer to your note dated December 31, regarding the financial agreement between the Government of Canada and the Government of Belgium signed at Ottawa on October 25, 1945, as amended on May 2, 1946.

By Order in Council dated January 31, 1947, the Government of Canada has authorized the Minister of Finance, after consultation with the Minister of Trade and Commerce, to make such arrangements with the Government of Belgium as are desirable to enable the funds received by the Government of Belgium by way of the loan agreement, in addition to the purposes set out in the said agreement, as amended, to be used also to pay the cost of Canadian services and to enable persons ordinarily resident in Belgium to pay the cost of Canadian-produced goods or the cost of Canadian services.

I wish, therefore, in accordance with that authority, and on the advice of the Minister of Finance, to confirm that the moneys received by the Government of Belgium under the financial agreement dated October 25, 1945, as amended on May 2, 1946, may be used to pay the cost of Canadian services as defined

in The Export Credits Insurance Act and may also be made available by your Government to persons ordinarily resident in Belgium to pay the cost of Canadian services or the cost of Canadian-produced goods purchased from an exporter and exported or to be exported from Canada to Belgium.

I wish also to confirm our understanding of the other points set forth in your letter.

Accept, Excellency, the renewed assurances of my highest consideration.

L. B. PEARSON

For the Secretary of State for External Affairs

SUPPLEMENTARY FINANCIAL AGREEMENT¹ BETWEEN
THE GOVERNMENT OF CANADA AND THE GOVERNMENT
OF BELGIUM. SIGNED AT OTTAWA, ON
24 OCTOBER 1947

AGREEMENT ENTERED INTO THIS 24th DAY OF OCTOBER, 1947

BETWEEN :

THE MINISTER OF FINANCE OF CANADA,
hereinafter referred to as “ the Minister ”,

Of the First Part,

AND

THE GOVERNMENT OF BELGIUM

represented by its Ambassador Extraordinary and Plenipotentiary to Canada,
His Excellency A. Paternotte de la Vaillée,

Of the Second Part:

WHEREAS by an Agreement dated October 25, 1945,² as amended on May 2, 1946,³ which is later referred to in this Agreement as the “ Principal Agreement ”, the Government of Canada agreed to lend amounts not exceeding \$100,000,000 to the Government of Belgium to finance in part a program of purchases being made by Belgium in Canada, such amounts to be advanced from time to time as requisitioned by the Government of Belgium and any amounts thereof not so requisitioned on or before June 30, 1947, to lapse and be no longer payable unless otherwise agreed; and

WHEREAS an amount of \$37,000,000 was not requisitioned on or before June 30, 1947, and therefore lapsed; and

WHEREAS it has been requested by the Government of Belgium and it is in the interests of both Canada and Belgium that the said amount of \$37,000,000 should again be made available for borrowing by the Government of Belgium on or before December 31, 1948; and

WHEREAS by Order in Council P.C. 4321 dated October 24, 1947, the Minister has been duly authorized under The Export Credits Insurance Act

¹ Came into force on 24 October 1947 by signature.

² See p. 128 of this volume.

³ See p. 140 of this volume.

to make the loans hereinafter referred to, on behalf of the Government of Canada; and

WHEREAS the Ambassador of Belgium to Canada, His Excellency A. Paternotte de la Vaillée, has been duly authorized by the Government of Belgium to execute this Agreement on behalf of the Government of Belgium.

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties hereto covenant and agree with each other as follows :

1. In this Agreement the terms “ exporters ”, “ Canadian-produced goods ”, “ cost of Canadian-produced goods ” and “ Canadian services ” have the meaning assigned to them by The Export Credits Insurance Act of Canada or any regulations made thereunder.

2. Subject to the terms and conditions of this Agreement, the Minister, on behalf of the Government of Canada agrees to lend to the Government of Belgium such amounts not exceeding \$37,000,000, Canadian, as may from time to time be requisitioned from the Minister by the Government of Belgium.

3. The Minister will pay amounts requisitioned under paragraph 2 of this Agreement into the account of the National Bank of Belgium with the Bank of Canada, for the credit of the Government of Belgium.

4. The Government of Belgium agrees that any monies received by it by way of loan as herein provided will be used by it or by persons ordinarily resident in Belgium to whom it transfers any of such monies only for the purpose of paying the cost of Canadian services or Canadian-produced goods purchased from exporters and exported or to be exported to Belgium, the Grand Duchy of Luxembourg or the Belgian Congo.

5. The Government of Belgium agrees to pay interest at the rate of three (3) per centum per annum on each amount paid by the Minister into the said special account from the date when it is paid into that account until the day in respect of which bonds for the consolidated amount thereof are issued in accordance with paragraph 6 of this Agreement or of payment, whichever is earlier.

6. The Government of Belgium agrees that the amounts paid by the Minister into the account of the National Bank of Belgium for the credit of the Government of Belgium, pursuant to this Agreement, and interest thereon as provided in paragraph 5 of this Agreement, shall, subject to any repayment made as provided in paragraph 10 of this Agreement, be consolidated into one amount called the consolidated debt on December 31, 1948, and the Government of Belgium shall thereupon deliver to the Minister bonds in respect of the amount of the consolidated debt owing on December 31, 1948, of a face value equal thereto, which bonds shall constitute valid, binding, absolute, and unconditional obligations of the Government of Belgium, shall bear interest from

December 31, 1948, at the rate of three (3) per centum per annum payable semi-annually on the 30th day of June and the 31st day of December, and shall mature serially in twenty-eight equal annual amounts of principal payable on June 30, 1949, and on June 30 in each year thereafter up to and including the year 1976.

7. Any portion of the credit of \$37,000,000, Canadian, which has not been requisitioned by the Government of Belgium in accordance with paragraph 2 of this Agreement on or before December 31, 1948, shall lapse and be no longer payable by the Minister.

8. It is mutually agreed by the parties hereto that if the Government of Belgium fails to acknowledge the consolidated debt at the time referred to in paragraph 6 of this Agreement, or fails to redeem any of the bonds on maturity, the whole amount of the loan shall thereupon become due and payable.

9. It is mutually agreed by the parties hereto that payments by the Government of Belgium under this Agreement and under bonds issued pursuant thereto shall be in Canadian dollars or fine gold at the option of the Government of Belgium. The value of fine gold shall be calculated on the basis of the buying price for gold of the Canadian Foreign Exchange Control Board (or successor agency) on the day of its delivery. During such period as foreign exchange regulations in Canada require that exports from Canada to Belgium shall be paid for in Canadian dollars from certain specified or restricted sources or in a specified foreign currency, then any Canadian dollars used by the Government of Belgium to effect payments under this Agreement may be obtained by the Government of Belgium from such specified or restricted sources or shall be obtained through the sale of such specified foreign currency to an authorized dealer of the Foreign Exchange Control Board (or successor agency) at the published official buying rate, or in such other manner as may be mutually agreed upon by the Government of Belgium and the Minister.

10. The Minister agrees that the Government of Belgium shall have the right to repay any amount required to be consolidated under this Agreement, or any part thereof, before the consolidation thereof, with interest to the day of payment, or to redeem any or all of the bonds prior to their maturities at par plus accrued interest if in either case the Government of Belgium makes payment in fine gold or in Canadian dollars acquired in the manner provided by Paragraph 9 of this Agreement.

D. C. ABBOTT

Minister of Finance of Canada

A. PATERNOTTE DE LA VAILLÉE

For the Government of Belgium

Witness:

D. A. BENTLEY

L. COUVREUR