materials produced through the use of such materials shall not be reprocessed, and irradiated fuel elements containing the foregoing special nuclear materials removed from a reactor shall not be altered in form or in content by either party, unless the prior approval of the other party is obtained for such reprocessing or alteration.

In addition to the foregoing, it is the understanding of the United States that neither party shall enrich materials referred to above after transfer to greater than twenty percent in the uranium isotope 235 or 233 unless prior approval of the other party is obtained.

The United States is aware that, in addition to the sensitive technologies subject to the guidelines of the Nuclear Suppliers Group to which both countries have subscribed, the Canadian Government will not export from Canada nuclear reactor and certain other technologies and certain items of equipment without safeguards and controls and that appropriate provisions dealing with such technology and equipment will accordingly form part of the negotiation of the new Agreement for Cooperation between Canada and the United States.

I have the honor to propose that this Note and your reply confirming the foregoing, which complements the Agreement embodied in the Exchange of Notes which entered into force on March 25, 1976 (copy attached), shall constitute an Agreement between our two Governments and shall enter into force on the date of your reply and shall remain in force thereafter until a new Agreement for Cooperation Concerning Civil Uses of Atomic Energy enters into force.

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

THOMAS O. ENDERS

The Honorable Donald C. Jamieson, P.C., M.P., Secretary of State for External Affairs, Ottawa.