

EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF CANADA AND THE
GOVERNMENT OF BARBADOS CONSTITUTING AN AGREEMENT RELATING
TO CANADIAN INVESTMENTS IN BARBADOS INSURED BY THE GOVERN-
MENT OF CANADA THROUGH ITS AGENT, THE EXPORT DEVELOPMENT
CORPORATION

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The High Commissioner for Canada to the Prime Minister of Barbados

Port of Spain, October 26, 1970.

No. 226

DEAR PRIME MINISTER,

I have the honour to refer to conversations which have recently taken place between representatives of our two Governments relating to investments in Barbados which would further development of economic relations between Barbados and Canada, and to guarantees of such investments by the Government of Canada, through its agent the Export Development Corporation. I also have the honour to confirm the following understandings reached as a result of these conversations:

1. In the event of payment by the Export Development Corporation of any loss under a Contract of Insurance issued pursuant to this Agreement the Corporation will be recognized by the Government of Barbados and by the laws of Barbados as successor to, or subrogated to all the rights of the investor for the purpose of recovering the amount of that loss.

2. In the event of payment by the Corporation of any loss under a Contract of Insurance issued pursuant to this Agreement the Corporation will be accorded by the Government of Barbados and by the laws of Barbados treatment as favourable as that accorded other persons suffering loss by reason of the causes described below:

- (a) War, riot, insurrection, revolution or rebellion in Barbados;
- (b) The arbitrary seizure, expropriation, confiscation or deprivation of use of any property by a Government, or agency thereof, in Barbados;
- (c) Any action by a Government, or agency thereof, in Barbados, other than action of the kind described in paragraph (b) that deprives the investor of any rights in, or in connection with, an investment; and
- (d) Any action by a Government, or agency thereof, in Barbados that prohibits or restricts transfer of any money or removal of any property from that country.

3. This Agreement shall apply only with respect to insured investments in projects or activities approved by the Government of Barbados.

4. In the event of nationalization or expropriation of industry or business, regardless of item (2) above, the investor, or in a case where a claim has been