

- (iii) the United States of America make subject to the Agreement, upon receipt, material transferred to the United States of America from a third party identified pursuant to (i) above when the third party informs the United States of America that the material is subject to a nuclear cooperation agreement between the third party and Canada; and
- (iv) notification and reporting procedures acceptable to both Parties relating to such transfers have been established.

(b) transfers other than those transfers referred to in (a) above shall continue to require the written agreement of the Parties prior to the transfer.

3. Further to Article XII (D) of the Agreement, Canada hereby provides its agreement for the transfer beyond the territorial jurisdiction of the United States of America, in any given period of 12 months, to any State Party to the Treaty on the Non-Proliferation of Nuclear Weapons, of the following materials and quantities:

- (a) special fissionable material (up to 50 effective grams);
- (b) natural uranium (up to 500 kilograms);
- (c) depleted uranium (up to 1000 kilograms); and
- (d) thorium (up to 1000 kilograms).

The appropriate governmental authorities shall establish reporting procedures for the purpose of reviewing the implementation of this provision.

4. With respect to Article X Bis A of the Agreement, paragraph 2 above shall be regarded as satisfying the requirement for prior exchange of notifications.

If the foregoing is acceptable to the Government of the United States of America, I have the honour to propose that this Letter, which is authentic in English and French, and your reply to that effect, shall constitute an agreement between our two Governments which shall enter into force on the date of your reply.

Please accept the assurances of my highest consideration.

Yours sincerely,

L. H. LEGAULT
*Minister (Economic) and
Deputy Chief of Mission*

Richard J. K. Stratford,
Deputy Assistant Secretary.