

III. To the extent to which the purchases of military equipment in Canada by the representative of the Netherlands Ordnance through the agency of the Canadian Government were in excess of the sum of \$8,400,000 referred to in paragraph I, sub-paragraph (c) above, such excess purchases were not included in this settlement.

If the foregoing is acceptable to the Government of the Netherlands as an accurate statement of the agreement reached, this note and your reply thereto will be regarded as placing this agreement on record.

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

PIERRE DUPUY

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*The Minister for Foreign Affairs of the Netherlands
To the Canadian Ambassador to the Netherlands*

MINISTRY OF FOREIGN AFFAIRS, ECONOMIC DEPARTMENT

THE HAGUE, October 28, 1948.

No. 103643, '46.

SIR,

I have the honour to acknowledge receipt of your Note of the 28th November 1946, concerning the transfer of Canadian Army stores and equipment to the Netherlands Government, reading as follows:

"I have the honour to refer to the negotiations recently conducted between representatives of the Netherlands Government and of the Canadian Government relative to the transfer of Canadian Army stores and equipment to the Netherlands Government, the settlement of claims resulting from the presence of Canadian Forces in the Netherlands, also related matters. As a result of these negotiations, it is my understanding that the following agreement was reached:

I. The Government of Canada:

- (a) agreed to transfer to the Government of the Netherlands all Canadian Army stores and equipment physically situated in the Netherlands on April 1st, 1946;
- (b) agreed to transfer to the Government of the Netherlands stores and equipment from other sources to meet balances (less deficiencies as agreed) of orders already placed with European representative of War Assets Corporation up to and including March 1st, 1946;
- (c) undertook to pay accounts for supplies for the Netherlands Army purchased in Canada through the agency of the Government of Canada to an amount not exceeding \$8,400,000.