acquaint Mr. Rush that having laid before His Majesty's Government the correspondence which passed last year between the Secretary of the Department of State and the Undersigned upon the subject of a proposal to reduce the Naval Force of the respective countries upon the American lakes he has received the commands of His Royal Highness the Prince Regent to acquaint the Government of the United States, that His Royal Highness is willing to accede to the proposition made to the Undersigned by the Secretary of the Department of State in his note of the 2nd of August last.

His Royal Highness, acting in the name and on the behalf of His Majesty, agrees, that the Naval Force to be maintained upon the American lakes by His Majesty and the Government of the United States shall henceforth be confined to the follow-

ing vessels on each side—that is:

On Lake Ontario to one vessel not exceeding one hundred tons burthen and armed with one eighteen-pound cannon.

On the Upper Lakes to two vessels not exceeding like bur-

then each and armed with like force.

On the waters of Lake Champlain to one vessel not exceeding like burthen and armed with like force.

And His Royal Highness agrees, that all other armed vessels, on these lakes shall be forthwith dismantled, and that no other vessels of war shall be there built or armed.

His Royal Highness further agrees, that if either party should hereafter be desirous of annulling this stipulation, and should give notice to that effect to the other party, it shall cease to be binding after the expiration of six months from the date of such notice.

The Undersigned has it in command from His Royal Highness the Prince Regent to acquaint the American Government, that His Royal Highness has issued orders to His Majesty's Officers on the lakes directing, that the Naval Force so to be limited shall be restricted to such services as will in no respect interfere with the proper duties of the armed vessels of the other party.

The Undersigned has the honour to renew to Mr. Rush the assurances of his highest consideration.

CHARLES BAGOT.