

applicable principles and rules of public international law. The arbitral tribunal shall consist of three members and shall be established as follows: each Government shall appoint one arbitrator; a third member, who shall act as Chairman, shall be appointed by the other two members. The Chairman shall not be a national of either country. The arbitrators shall be appointed within two months and the Chairman within three months of the date of receipt of either Government's request for arbitration. If the foregoing time limits are not met, either Government may, in the absence of any other agreement, request the Secretary General of the United Nations to make the necessary appointment or appointments and both Governments agree to accept such appointment or appointments. The arbitral tribunal shall decide by a majority vote. Its decision shall be final and binding on both Governments. Each of the Governments shall pay the expenses of its member and its representation in the proceedings before the arbitral tribunal; expenses of the Chairman and other costs shall be paid in equal parts by the two Governments. The arbitral tribunal may adopt other regulations concerning costs. In all other matters, the arbitral tribunal shall regulate its own procedures. Only the respective Governments may request arbitral procedure and participate in it.

7. The two Governments, recognizing the principles of equality, mutual benefit, and reciprocity that govern the relations between sovereign states, agree that, in the event that the Government of the People's Republic of China is authorized under its laws to issue coverage for investments in any project or activity within Canada under a program similar to the investment insurance program to which this Agreement relates, there shall be, upon the request of either Government, consultations as to how the rights and obligations governed by this Agreement would be reciprocated in respect of Chinese investments in Canada.

8. (a) If either Government considers it desirable to modify the provisions of this Agreement, this procedure may be carried out through a request for consultation and/or by correspondence and shall begin not later than sixty (60) days from the date of the request.

(b) The modifications of the Agreement agreed between the two Governments shall enter into force upon