

C. Pursuant to Article VIII(1) of the Treaty, portions of the Canadian Entitlement may be disposed of within the United States with the authorization of Canada and the United States evidenced by an exchange of notes; and

D. By exchange of notes dated September 16, 1964, Canada and the United States authorized the sale of the Canadian Entitlement within the United States pursuant to Article VIII of the Treaty; the sale expires in steps occurring March 31, 1998, March 31, 1999, and March 31, 2003; and

E. By an exchange of notes (the "1999 Exchange of Notes") Canada and the United States are authorizing disposals of all or portions of the Canadian Entitlement within the United States with satisfaction of the U.S. obligation under the Treaty to be made by deliveries and reduction of the U.S. obligation to deliver the Canadian Entitlement in accordance with this Agreement; and

F. Under the terms of the Canada - British Columbia Agreement dated July 8, 1963, all proprietary rights, title, and interests in the Canadian Entitlement accruing to Canada belong to the Province of British Columbia; and

G. By the 1999 Exchange of Notes Canada has, under Article XIV(1) of the Treaty, designated British Columbia as the Canadian entity under the Treaty for the limited purpose of making arrangements for disposals of all or portions of the Canadian Entitlement within the United States.

NOW THEREFORE in accordance with the Treaty and the 1999 Exchange of Notes, Bonneville and British Columbia (the "Parties") agree as follows:

1. **Effective Date and Term**

This Agreement shall be effective upon the entry into force of the 1999 Exchange of Notes and shall continue in full force and effect until 2400 hours on September 15, 2024, unless terminated earlier in accordance with its terms. All then outstanding obligations shall continue until satisfied.