

CANADA

**EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT BETWEEN THE
GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE
REPUBLIC OF MALAWI RELATING TO CANADIAN INVESTMENTS IN
MALAWI INSURED BY THE GOVERNMENT OF CANADA THROUGH
ITS AGENT, THE EXPORT DEVELOPMENT CORPORATION**

I

The High Commissioner of Canada to the Minister of Finance of Malawi

Lusaka, Zambia, September 15, 1978

Sir,

I have the honour to refer to discussions which have recently taken place between representatives of our two Governments relating to investments in the Republic of Malawi which would further the development of economic relations between the Republic of Malawi and Canada, and to insurance of such investments by the Government of Canada, through its agent the Export Development Corporation. I also have the honour to confirm the following understandings reached as a result of those discussions.

1. In the event of a payment by the Export Development Corporation under a contract of insurance for any loss by reason of:

- (a) war, riot, insurrection, revolution or rebellion in the Republic of Malawi;
- (b) the arbitrary seizure, expropriation, confiscation or deprivation of use of any property by a Government, or agency thereof, in the Republic of Malawi;
- (c) any action by a Government, or agency thereof, in the Republic of Malawi, other than action of the kind described in sub-paragraph (b) that deprives the investor of any right in, or in connection with, an investment; and
- (d) any action by a Government, or agency thereof, in the Republic of Malawi, that prohibits or restricts transfer of any money or removal of any property from that country;

the said Corporation, hereinafter called the "Insuring Agency" shall be authorized by the Government of the Republic of Malawi to exercise the rights having devolved on it by law or having been assigned to it by the predecessor in title.

2. But to the extent that the laws of the Republic of Malawi partially or wholly invalidate the acquisition of any interests in any property within its national territory by the Insuring Agency, the Republic of Malawi shall permit the investor and the Insuring Agency to make appropriate arrangements pursuant to which such interests are transferred to an entity permitted to own such interests under the laws of the Republic of Malawi.