

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

I

The High Commissioner for Canada to the Premier of Saint Lucia

Port of Spain, November 18, 1970

No. 258

MY DEAR PREMIER,

I have the honour to refer to conversations which have recently taken place between representatives of our two Governments relating to investments in St. Lucia which would further development of economic relations between St. Lucia and Canada, and to guarantees 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 conversations:

1. In the event of payment by the Export Development Corporation of any loss under a Contract of Insurance the Corporation will be recognized by the Government of St. Lucia and by the laws of St. Lucia as successor to, or subrogated to all the rights of the investor for the purpose of recovering the amount of that loss, and

2. In the event of payment by the Corporation of any loss under a Contract of Insurance the Corporation will be accorded by your Government and by the laws of St. Lucia treatment as favourable as that accorded other persons suffering loss by reason of the causes described below:

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

3. This Agreement shall apply only with respect to insured investments in projects or activities approved by the Government of St. Lucia.

4. In the event of nationalization or expropriation of industry or business, regardless of item (2) above, the investor, or in a case where a claim has been paid, the Government of Canada, will be entitled to fair compensation for properties thus confiscated.

5. Differences between the two Governments concerning the interpretation and application of provisions of this Agreement shall be settled, insofar