

SUPPLEMENTARY FINANCIAL AGREEMENT BETWEEN CANADA AND FRANCE

Signed at Ottawa, August 20, 1947

The Government of Canada and the Government of France:

Taking note of the Financial Agreement between them signed April 9, 1946, which is later referred to in this Agreement as the "Principal Agreement"* and by which Canada made available a total credit to France of \$242,500,000 to finance in part a program of purchases being made by France in Canada, and

Taking note also of the serious delays encountered in obtaining delivery in Canada of the major items of equipment being purchased by France, and

Believing it to be in the interests of both Canada and France that the \$70,700,000 of the credit not advanced to France by June 30, 1947, and which therefore lapsed and was no longer payable under the Principal Agreement should again be made available to France until June 30, 1948, and

Believing it also to be in the interest of both Canada and France that a corresponding and consequential extension of one year should be made in the date of final delivery to Canada of bonds to represent the debt incurred by France in receiving advances under this Agreement and the Principal Agreement, and in the date of maturity of such bonds;

Agree as follows:—

ARTICLE 1

Subject to the terms and conditions of this Agreement and to those Articles of the Principal Agreement specified in Article 9 below, the Government of Canada at the request of the Government of France agrees to lend to the Government of France such amounts not exceeding in the aggregate \$70,700,000 as may from time to time be requisitioned from the Government of Canada by the Government of France.

ARTICLE 2

The Minister of Finance of Canada will pay the amounts requisitioned under Article 1 of this Agreement into the account of the Bank of France with the Bank of Canada.

ARTICLE 3

The Government of France agrees to pay interest at the rate of three per centum per annum on each amount paid by the Minister of Finance of Canada into the account of the Bank of France with the Bank of Canada as provided in Article 2 of this Agreement from the date when it is paid into that account until the day in respect of which bonds for the consolidated amount thereof are issued in accordance with Article 5 of this Agreement, or of payment, whichever is earlier.

* For the text of the Principal Agreement see *Canada Treaty Series, 1946, No. 14.*