

4. The Government of India shall reimburse to the Government of Canada the costs of inspection at the following rates:—
 - (a) for the inspection of any supplies or equipment other than MT stores:—3% of the actual invoiced purchase cost, at delivery, of the supplies and equipment inspected;
 - (b) for the inspection of MT stores:—1½% of the actual invoiced purchase cost, at delivery, of the stores inspected;
5. In addition to the rates to be charged under sub-paragraphs (a) and (b) of paragraph 4 above, the Government of India shall reimburse the Canadian Government for the actual total cost incurred, including administrative costs, for the proofing of guns and other weapons and for the proof-firing of ammunition; such costs to be covered by invoices prepared by the Inspection Services of the Department of National Defence, on the basis of the reports submitted by the Inspection Services of the said Department;
6. The reimbursements referred to in paragraph 5 above shall be effected by payment in Canadian funds by cheque issued in the name of the Government of India payable to the order of the Receiver General of Canada not later than one month after the completion of the inspection and the respatch of the invoices.
7. The arrangements described above may be cancelled by either Government by giving a notice one month prior to the date of the effective cancellation.

If these proposals are acceptable to the Government of Canada, this note and your reply thereto accepting them shall constitute an agreement in this matter between our two Governments.

Accept, Excellency, the assurances of my highest consideration.

R. R. SAKSENA.

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*From the Secretary of State for External Affairs
to the High Commissioner for India*

DEPARTMENT OF EXTERNAL AFFAIRS

No. D-22

OTTAWA, June 12, 1953.

EXCELLENCY,

I have the honour to refer to your Note of June 5, 1953 in which you propose arrangements for the inspection, prior to shipment to India, of supplies and equipment purchased by your Government in Canada.

The proposals in your Note are agreeable to the Government of Canada, and, therefore, in accordance with its terms, your Note and this reply constitute an agreement in this matter between our two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

L. B. PEARSON.