

might to some extent defeat the good purpose of the present arrangement. It is agreed that the utmost care shall be taken by both Governments to see that only such Customs regulations are adopted as are reasonably necessary for the protection of the Treasury against fraud; that no regulation shall be made or maintained which unreasonably hampers the more liberal exchange of commodities now proposed; that representations on either side as to the unfavourable operation of any regulation will receive from the other all due consideration, with the earnest purpose of removing any just cause of complaint; and that, if any further legislation is found necessary to enable either Government to carry out the purposes of this provision, such legislation will be sought from Congress or Parliament as the case may be.

12. The Government of Canada agrees that, until otherwise determined by them, the licenses hitherto issued to United States fishing vessels under the provisions of section 3 of chapter 47 of the Revised Statutes of Canada, granting to such vessels certain privileges on the Atlantic coast of Canada, shall continue to be issued and that the fee to be paid to the Government of Canada for such license by the owner or commander of any such United States vessel shall hereafter be one dollar per annum.

13. It is understood that upon a day and hour to be agreed upon between the two Governments, the President of the United States will communicate to Congress the conclusions now reached and recommend the adoption of such legislation as may be necessary on the part of the United States to give effect to the proposed arrangement.

14. It is understood that simultaneously with the sending of such communication to the United States Congress by the President, the Canadian Government will communicate to the Parliament of Canada the conclusions now reached, and will thereupon take the necessary steps to procure such legislation as is required to give effect to the proposed arrangement.

15. Such legislation on the part of the United States may contain a provision that it shall not come into operation until the United States Government are assured that corresponding legislation has been or will be passed by the Parliament of Canada; and in like manner the legislation on the part of Canada may contain a provision that it shall not come into operation until the Government of Canada are assured that corresponding legislation has been passed or will be passed by the Congress of the United States.

Yours faithfully,

(Sgd.) W. S. FIELDING.

WM. PATERSON.

The Honourable P. C. Knox,
Secretary of State,
Washington, D. C.