Ottawa, December 20, 1955.

.NO. DL 40

Excellency:

I have the honour to refer to recent discussions in Ottawa between Canadian and Norwegian defence officials concerning the loan by Canada of three Prestonian Class Frigates to Norway.

The terms of agreement which were worked out in Ottawa are contained in the Annex to this Note.

These terms are agreeable to my Government. I propose, therefore, that, if the terms are also acceptable to your Government, your reply to that effect and this Note should constitute an Agreement between our respective Governments, effective on the date of the Exchange of Notes. In accordance with paragraph 7 of the Annex, this Agreement may be terminated for any ship or ships on receipt of six calendar months' notice by either Government.

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

(Sgd.) L.B. Pearson Secretary of State for External Affairs.

His Excellency
Arne Christian Gunneng,
Ambassador of Norway,
Ottawa, Ontario.

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