ARTICLE 7

Article V of the Agreement is amended to read:

"ARTICLE V—Other Arrangements for Materials, Equipment and Devices, Major Critical Components, Components, Information and Services

"It is contemplated that, as provided in this Article, persons in either the United States or Canada may deal directly with either Party or with persons in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, either Party as well as persons under the jurisdiction of either Party will be permitted to make arrangements to transfer and export materials, equipment and devices, major critical components, components and information to, and perform services for, the other Party and such persons under the jurisdiction of the other Party as are authorized by the other Party to receive and possess such items and utilize such services, subject to:

- "A. Applicable laws, regulations and license requirements of the Parties; and
- "B. The approval of the Party to which the person is subject when such items or services are classified or when the furnishing of such items and services requires the communication of classified information."

ARTICLE 8

Article VI of the Agreement is amended by:

- (a) deleting the last two subparagraphs of paragraph A;
- (b) deleting ", except as provided in Article VII" from paragraph F; and
- (c) deleting paragraph D and relettering paragraphs E and F as D and E.

ARTICLE 9

Article VII of the Agreement shall be deleted and Article VI BIS of the Agreement is amended by renumbering it Article VII.

ARTICLE 10

Article VIII of the Agreement is amended by replacing the phrase "equipment and devices" in the first sentence with "equipment and devices, major critical components and components".

ARTICLE 11

Article X of the Agreement is amended to read: