

**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF CANADA AND
THE GOVERNMENT OF THE REPUBLIC OF MALTA CONSTITUTING
AN AGREEMENT RELATING TO FOREIGN INVESTMENT INSURANCE
(WITH ARRANGEMENT)**

I

*The High Commissioner of Canada to the Acting Secretary of
Foreign Affairs of Malta.*

Valletta, May 24, 1982

Sir,

I have the honour to refer to discussions which have recently taken place between representatives of our two Governments relating to investments in the Republic of Malta which would further the development of economic relations between Canada and the Republic of Malta, and to insurance of such investments by the Government of Canada, through its agent the Export Development Corporation. I also have the honour to confirm the following understandings reached as a result of those discussions:

1. In the event of a payment by the Export Development Corporation under a contract of insurance for any loss by reason of:

- (a) war, riot, insurrection, revolution or rebellion in the Republic of Malta;
- (b) the arbitrary seizure, expropriation, confiscation or deprivation of use of any property by a Government, or an agency thereof, in the Republic of Malta;
- (c) any action by a Government, or an agency thereof, in the Republic of Malta other than action of the kind described in sub-paragraph (b) that deprives the investor of any rights in, or in connection with, an investment; and
- (d) any action by a Government, or an agency thereof, in the Republic of Malta that prohibits or restricts the transfer of any money or the removal of any property from that country;

the said Corporation, hereinafter called the "Insuring Agency" shall be authorized by the Government of the Republic of Malta to exercise the rights having devolved on it by law or having been assigned to it by the predecessor in title.

2. But to the extent that the laws of the Republic of Malta partially or wholly invalidate the acquisition of any interests in any property within its national territory by the Insuring Agency, the Republic of Malta shall permit the investor and the Insuring Agency to make appropriate arrangements pursuant to which such interests are transferred to an entity permitted to own such interests under the laws of the Republic of Malta.