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THE AMBASSADOR OF CANADA TO THE VICE-MINISTER OF
FOREIGN AFFAIRS OF THE PEOPLE'S REPUBLIC OF CHINA

Peking, June 4, 1973

No 146

YOUR EXCELLENCY,

I have the honour to acknowledge receipt of your Note of June 4, 1973 the English text of which reads as follows:

"On behalf of the Government of the People's Republic of China, I have the honour to confirm that the representatives of our two Governments have recently reached the following agreement in talks on the question of repayment of the loan contracted by the Chinese Ming Sung Industrial Company Ltd., on October 30, 1946 from three chartered banks of Canada.

The Government of the People's Republic of China undertakes to repay the principal and interest in accordance with the provisions of the loan agreement concluded between the Chinese Ming Sung Industrial Company Ltd., and the three chartered banks of Canada and agrees that the principal and interest to be repaid amount to fourteen million four hundred sixty-nine thousand one hundred eighty-three Canadian dollars and six cents.

In response to the request of the Government of Canada, the Government of the People's Republic of China agrees to repay the said amount in cash. All related credit rights and debt obligations will terminate on the day when the Government of Canada receives the above amount.

Both Governments agree that registration of the seven vessels, Hu Men, Yu Men, Yen Men, Shih Men, Chi Men, Lung Men and Chien Men in Canada and the agreement on the hypothecation of the seven vessels to the Canadian banks will all be written off and that all related legal and other procedures required to be fulfilled in Canada will be the responsibility of the Government of Canada. In order to be able to cancel the registration of the seven vessels, the Government of Canada will provide the Government of the People's Republic of China with a bill of sale giving them clear title to the vessels.

If the above points receive Your Excellency's confirmation in a reply note, the present note and your reply shall form an agreement between the Government of the People's Republic of China and the Government of Canada on settling and terminating the loans contracted by the Chinese Ming Sung Industrial Company Ltd., from the Canadian banks on October 30, 1946 which will come into force on the date of your reply."

I have the honour to state that the Government of Canada accepts these proposals which correctly record the agreement reached by representatives of our two Governments and agrees that your note and this reply, which is equally authentic both in English and French, shall constitute an agreement between our two Governments on this matter, which shall enter into force on the date of this reply.