Now it is hereby agreed as follows:—

PART I.—ACQUISITION OF OPERATING COMPANIES

1. The U.K. Government shall purchase all the shares of Cable and Wireless Ltd. which it does not already own at a price to be agreed or otherwise determined.

2. Each other Partner Government in whose territory a local company is operating external telecommunication services shall purchase all the shares in the local company which it does not already own or otherwise acquire the local company's undertaking.

The Partner Governments to whom this clause applies are set out in the first column of the First Schedule hereto and the companies whose shares or undertaking each such Partner Government is to acquire are set out in the second column opposite.

PART II.—ESTABLISHMENT OF COMMONWEALTH TELECOMMUNICATIONS BOARD AND NATIONAL BODIES

3. (1) For the purpose of promoting the efficiency and development of the external telecommunication services of the British Commonwealth and Empire the Partner Governments agree to the establishment of a body which shall be known as the Commonwealth Telecommunications Board and shall have the functions and constitutions set out in the Second Schedule hereto. This body is hereinafter referred to as "the Board".

(2) The functions and constitution of the Board may be amended in such manner and to such extent as the Partner Governments may, in the light of experience, agree to be expedient for carrying out more effectively the purposes for which the Board was established.

4. The Partner Governments shall contribute in such proportions as may be agreed to the expenses of the Board pending the establishment of the Central Fund.

5. For the purpose of acquiring the local assets hereinafter mentioned and of operating and maintaining its external telecommunication services each Partner Government shall either nominate an existing department or other body or establish a public corporation having the powers necessary to carry into effect the provisions of this Agreement.

The department, body or corporation so nominated or established by any Partner Government is hereinafter referred to, in relation to that Government, as "the National Body".

6. For the purpose of defining the relations between each Partner Government, the Board and the National Bodies and of providing for the expenses of the Board each Partner Government and, unless the National Body is a Department thereof, the National Body will enter into an agreement with the Board in the terms set out in the Third Schedule hereto.

PART III.—DIVISION AND TRANSFER OF ASSETS OF OPERATING COMPANIES

7. The U.K. Government shall procure that the assets of Cable and Wireless Ltd. shall as soon as practicable be divided and held in manner following, that is to say—

(*a*) Shares held by or for Cable and Wireless Ltd. or any subsidiaries thereof in the companies specified in the second column of the First Schedule hereto shall be transferred to the appropriate Partner