

On the understanding that the two Governments will satisfactorily resolve the Strand 3 Issues, including Articles 2 & 3 and other constitutional matters, we would accept and operate:

1. An 85 member Northern Ireland Assembly with executive and legislative authority on the lines of the 1973 model, as per the sub committee report of June 10, incorporating the various protections for minorities etc. Committee Chairmen, drawn proportionally from the Assembly and appointed by the Panel, would be Heads of Departments and would sit as a Finance and Departmental Co-ordination Committee.
2. Within such framework as emerges in Strand 3, an agreed North-South structure, in which the Chairmen would meet with Southern Ministers, which would operate by consensus and have executive authority to deal with matters of mutual interest and concern.
3. The replacement of the Anglo Irish Agreement by a tripartite structure involving the two Sovereign Governments and representatives of the Northern Ireland Assembly.