province means a province of Canada, and includes the Yukon Territory and the Northwest Territories and their successors;

service includes a covered service;

state means a state of the United States of America, and the District of Columbia;

## territory means

- a) with respect to Canada, the territory to which its customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic laws, Canada may exercise rights with respect to the seabed and subsoil and their natural resources, and,
- b) with respect to the United States of America,
  - i) the customs territory of the United States of America which includes the fifty states, the District of Columbia and Puerto Rico,
  - ii) the foreign trade zones located in the United States of America and Puerto Rico, and
  - iii) any areas beyond the territorial seas of the United States of America within which, in accordance with international law and its domestic laws, the United States of America may exercise rights with respect to the seabed and subsoil and their natural resources;

third country means any country other than Canada or the United States of America or any territory not a part of the territory of the Parties; and

transition period means the period from the date of entry into force of this Agreement to either December 31, 1998 or such earlier date as the Parties may agree.

2. For purposes of this Agreement, unless otherwise specified, a reference to province or state includes local governments.