

3. Similarly, products exported from the territory of a Contracting Party and consigned to the territory of the other Contracting Party shall not be subject, in regard to matters referred to in the first paragraph of this Article, to any duties, taxes or charges other or higher, or to any rules or formalities more burdensome, than those to which like products when consigned to the territory of any third country are or may hereafter be subject.

4. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by either Contracting Party, in regard to the matters referred to in the first paragraph of this Article, to any product of any third country shall be accorded immediately and without compensation to like products originating in the territory of the other Contracting Party, and irrespective of the nationality of the carrier.

### ARTICLE III

1. Each Contracting Party shall accord the products of the other Contracting Party, which have been in transit through the territory of any third country receiving most-favoured-nation treatment from the importing country, treatment no less favourable than that which would have been accorded to such products had they been transported from their place of origin to their destination without going through the territory of such third country.

2. Each Contracting Party shall remain free to maintain any provision in effect on the date of signature of the present Agreement, regarding direct shipment insofar as it relates to its method of determining value for duty.

### ARTICLE IV

No prohibitions or restrictions shall be applied by either Contracting Party on the importation or exportation of any product from or to the territory of the other Contracting Party which are not similarly applied to the importation or exportation of the like product from or to the territories of all third countries.

### ARTICLE V

The foregoing provisions of this Agreement shall not apply:

- (a) to advantages now accorded or which may hereafter be accorded by Canada to countries and their dependent overseas territories entitled to the benefits of the British Preferential Tariff or to certain British Commonwealth countries in Trade Agreements;
- (b) to advantages now accorded or which may hereafter be accorded by either Contracting Party to developing countries on the basis of its domestic legislation;