

- (e) identified material shall be secured with precautions acceptable to the supplying Contracting Party.

ARTICLE IV

Safeguards

1. Each supplying Contracting Party shall be permitted to assure itself that the provisions of this Agreement are complied with and, in particular, that identified material is being used for peaceful purposes only, and to that end the supplying Contracting Party shall have the right:

(a) to examine the design of equipment (including nuclear reactors) or facilities in which identified material is to be used or stored, with a view to ensuring that such identified material will not further any military purpose and that effective application of the safeguards provided for in this Agreement shall be feasible;

(b) to require the maintenance and production of adequate records to assist in ensuring accountability for identified material;

(c) to call for and receive progress reports;

(d) to approve the means to be used for the chemical processing of identified material after irradiation, with a view to ensuring that such processing will not lend itself to diversion of identified material to military use;

(e) to send representatives, designated by it after consultation with the other Contracting Party, into the territory of the latter, which representatives shall have access at all times to all places, equipment and facilities where identified material is used, stored or located, to all data relating to such identified material, and to all persons who by reason of their occupation deal with such identified material or such data, as may be necessary to account for all identified material and to determine whether such identified material is being used for peaceful purposes only. Such representatives, provided they shall not thereby be delayed or otherwise impeded in the exercise of their functions, shall be accompanied by representatives of the other Contracting Party if the latter so requests.

2. At or after the time the International Atomic Energy Agency is in a position to carry out the safeguards functions provided for in its Statute, the Contracting Parties will consult together to determine whether and to what extent they may wish to modify the safeguards provisions set out in this Agreement so that they may conform more closely with those of the said Statute, and to have the application of safeguards carried out by the said Agency.

3. Each Contracting Party, if it has determined that identified material is furthering a military purpose, shall have the right to suspend or cancel scheduled delivery of source material, special nuclear material, and fuel, and to require the return of all identified material under the control of the other Contracting Party.

ARTICLE V

Exceptions

1. There shall be excluded from the scope of this Agreement:

(a) the supply of information, equipment, facilities or materials, and access to equipment or facilities considered by a Contracting Party as