

Article III

If either of the two Governments establishes or maintains, formally or in effect, restrictions on the importation, exportation, sale, distribution or production of any article, in such terms that such operations or transactions are effected or conducted exclusively by particular Institutions or Organizations, the Government of the country establishing or maintaining such restrictions or practices agrees that, in respect of the foreign sales or purchases of such Agencies, the commerce of the other country shall receive fair and equitable treatment. To this end it is agreed that, in making their purchases or sales abroad, the said Institutions will be influenced solely by considerations of price, quality, marketability, transportation and terms of purchase or sale, which are ordinarily taken into account in a commercial transaction carried out by a private enterprise interested solely in the purchase or sale of such product on the most favourable terms.

Article IV

1. Articles the growth, produce or manufacture of Canada or Mexico shall, after importation into the other country, be exempt from all internal taxes, fees, charges or exactions other or higher than those payable on like articles of national origin or any other foreign origin.

2. The provisions of the previous paragraph shall not prevent the Government of Canada or the Government of the United Mexican States from imposing at any time on the importation of any article a charge equivalent to an internal tax imposed on a like domestic article or on the raw materials from which the said article may have been manufactured or produced in whole or in part.

3. The provisions of this Article in regard to granting of national treatment shall not affect the application of the laws now in force in Canada whereby leaf tobacco, spirits, beer, malt and malt syrup imported from abroad are subject to special taxes, nor shall they affect the applicability to goods produced or manufactured in Mexico of special excise taxes imposed under existing provisions of the Special War Revenue Act. In these respects, however, most-favoured-nation treatment shall apply.

4. Similarly, the provisions of this Article in regard to granting of national treatment shall not affect the application of the Mexican laws now in force which impose differential taxes on manufactured tobacco, wines and liquors imported from abroad as well as registration and certification dues on patent medicines and toilet and beauty preparations. In such cases most-favoured-nation treatment shall likewise be applied.

Article V

1. In the event that the Government of either country adopts any measure which, even though it does not conflict with the terms of this Agreement, is considered by the Government of the other country as tending to nullify or impair any of its objects, the Government which has adopted such a measure shall consider such representation and proposals as the other Government may make and shall afford adequate opportunity for consultation with a view to reaching a mutually satisfactory agreement.

2. The Government of each country shall accord sympathetic consideration to, and when requested shall afford adequate opportunity for consultation regarding, such representations as the other Government may make with respect