

ARTICLE III

The provisions of Articles I and II shall not apply to:

- (a) tariff preferences or other advantages accorded at present by the Republic of the Philippines exclusively to the United States of America;
- (b) tariff preferences or other advantages accorded at present by Canada exclusively to countries and their dependent overseas territories entitled to the benefit of the British preferential tariff;
- (c) any preferences accorded under any agreement initiating the establishment of a customs union or free trade area to which either of the Contracting Parties is or may become a party, or under any scheme for the expansion of trade and economic cooperation among developing countries, to which either of the Contracting Parties is or may become a party, which are consistent with internationally accepted trading principles.

ARTICLE IV

1. Either Contracting Party shall be free to adopt remedial measures against the importation from the other Contracting Party of any commodity causing or threatening to cause serious injury to any industry in the importing country, or for balance of payments reasons.

2. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination, or a disguised restriction on international trade, no provision of the present Agreement shall be interpreted in such a manner as to prejudice measures that may be taken by either Contracting Party on moral or humanitarian grounds or for reasons of public health and public security, or measures concerning the trade in weapons, ammunition and military equipment, the protection of animals and plants against diseases and epidemics, the preservation of the national artistic, historical or archaeological heritage, and measures concerning the importation and exportation of gold and silver.

ARTICLE V

The provisions of the present Agreement shall not limit the right of either Contracting Party to accord tariff preferences or other advantages in respect of imports under military assistance, economic or financial development assistance programs or of military assistance, economic or financial development assistance agreements with any foreign government and its instrumentalities, corporation or association, or of the United Nations and the specialized agencies brought into relationship with the United Nations in accordance with the provisions of the Charter of the United Nations.

ARTICLE VI

Each Contracting Party shall accord to the trade of the other Contracting Party fair and equitable treatment with respect to imports for governmental use.