

Republic of the Philippines shall permit the investor and the Insuring Agency to make appropriate arrangements pursuant to which such interests are transferred to an entity permitted to own such interests under the law of the Republic of the Philippines.

3. The Insuring Agency shall assert no greater rights than those of the transferring investor under the laws of the Republic of the Philippines with respect to any interest transferred or succeeded to as contemplated in paragraph 1.

4. Should the said Insuring Agency acquire, under investment insurance contracts, amounts and credits of the lawful currency of the Government of the Republic of the Philippines, the same Government of the Republic of the Philippines shall accord to those funds treatment no different than that which it would accord if such funds were to remain with the investor, and such funds shall be freely available to the Government of Canada to meet its expenditures in the national territory of the Republic of the Philippines.

5. This Agreement shall apply only with respect to insured investments in projects or activities which are permitted by and registered as such with the Government of the Republic of the Philippines where the Government of the Republic of the Philippines required such registration at the time that the insured investment was made.

6. (a) Differences between the two Governments concerning the interpretation and application of provisions of this Agreement or any claim in connection with the insurance of any investments insured in accordance with this Agreement against either of the two Governments which, in the opinion of the other, present a question of public international law, shall be settled, insofar as possible, through negotiations between the two Governments. If such differences cannot be resolved within a period of three months following the request for such negotiations, they shall be submitted, at the request of either Government, to an ad hoc tribunal for settlement in accordance with the rules agreed upon by the parties and applicable principles and rules of public international law.