

August next, and enquired whether His Catholic Majesty's Government would agree to the above date as that from which the said stipulations shall apply to Canada.

It was suggested that, notwithstanding the provisions of Clause 3 (a) of the Modus Vivendi concluded in Madrid by an exchange of notes between Senor Marques de Magaz and Sir Horace Rumbold, in the name of Canada, on the 10th April, 1925, that the provisions of the said notes shall cease to have effect as from midnight the 31st July-1st August, 1928.

In reply I have the honour to inform Your Excellency that His Catholic Majesty's Government is entirely in agreement with the above proposal, and therefore considers that the agreement in question should be completed by the present Note and Your note to which I reply, the said agreement entering into force on the 1st August, 1928.

I avail myself, etc.,

MARQUES DE ESTELLA.

The Honourable P. W. RAMSAY,
His Britannic Majesty's Charge d'Affaires.

His Majesty the King of Spain,
His Excellency Senor Don Juan Fernandez Pardo, His Majesty's
Foreign Affairs, Senator, Knight Grand Cross of the Order
Leopold II of Belgium,
who after having communicated to each other their respective proposals
found in good and due form, have agreed to the following articles:—

Article 1

There shall be between the territories of the two contracting parties reciprocal freedom of commerce and navigation.
The subjects of each of the two contracting parties shall have the right to come with their ships and cargoes to all places and ports in the territories of the other, to which subjects of that contracting party are or may be permitted to come, and shall enjoy the same rights, privileges, liberties, immunities and exemptions in matters of commerce and navigation as may be enjoyed by subjects of that contracting party.
The subjects of each of the contracting parties shall not be liable in respect of their persons or property or in respect of their commerce or industry to any taxes, whether general or local, or to imposts or obligations of any kind, other than those which are or may be imposed upon the subjects of the other or subjects or citizens of the most favoured nation.
It is nevertheless understood that the treatment to be accorded to the subjects of each contracting party to the territories of the other shall be not less favourable than the treatment accorded to the subjects of the other signatory contracting party to the territories of the most favoured nation.

Article 2

The contracting parties agree that in all matters relating to navigation and liberty, any treaties, laws or ordinances which are in force or may hereafter be enacted or may hereafter be extended to the subjects or citizens of any other foreign State shall be extended to the subjects or citizens of the other contracting party, without prejudice to the stipulations of the present Note, in so far as they relate to the commerce, navigation and industry of such contracting party, shall be placed in all respects on a footing not less favourable than that accorded to the subjects or citizens of the most favoured nation.