

ARTICLE II

Each Contracting Party shall accord to the products of the other Contracting Party, which have been in transit through the territory of any third country receiving most-favoured-nation treatment from the importing country, treatment no less favourable than that which would have been accorded to such products had they been transported from their place of origin to their destination without going through the territory of such third country. Each Contracting Party shall, however, be free to maintain its requirements of direct consignment existing on the date of signature of the present Agreement in respect of any goods in regard to which such direct consignment has relation to the Contracting Party's prescribed method of valuation for duty purposes.

ARTICLE III

The advantages accorded by Canada exclusively to countries and their dependent overseas territories entitled to the benefits of the British Preferential Tariff shall be expected from the operation of this Agreement.

The provisions of this Agreement shall not be construed to prevent advantages accorded by Bulgaria to adjacent countries in order to facilitate frontier traffic.

ARTICLE IV

No prohibitions or restrictions shall be applied by either Contracting Party on the importation or exportation of any product from or to the territory of the other Contracting Party which are not similarly applied to the importation or exportation of the like product from or to the territories of all third countries except for import or exchange restrictions applicable to all countries in like circumstances for the purpose of safeguarding the external financial position and balance of payments.

The provisions of the present Agreement shall not limit the right of either Contracting Party to apply prohibitions or restrictions of any kind directed to the protection of its essential security interests.

ARTICLE V

The merchant vessels of each Contracting Party and the cargoes of such vessels shall upon arrival at and departure from the seaports of the other Contracting Party and during the time spent in such seaports enjoy the treatment accorded to the most-favoured-nation.

The provisions of this Article shall not apply to the performance of harbour services including pilotage and towing, nor to coastal shipping.

ARTICLE VI

The Contracting Parties will facilitate visits for business purposes between the two countries.