ARTICLE II

Whenever the Government of either country proposes to impose or alter quantitative restrictions upon imports from the other country, or to allocate shares to the countries of export or change existing allocations, it shall give notice thereof in writing to the other Government and shall afford such other Government an opportunity to consult with it in respect of the proposed action.

ARTICLE III

- 1. Articles the growth, produce or manufacture of Nicaragua or Canada 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 Nicaragua 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 the granting of national treatment shall not apply to the laws at present in force in Canada whereby leaf-tobaccco, spirits, beer, malt and malt syrup imported from abroad are subject to special taxes, nor shall they affect the application to the natural or manufactured products in Nicaragua of the special excise taxes imposed by the stipulations in force of the Special War Tax Law. In this respect, however, most-favoured-nation treatment shall apply.

ARTICLE IV

- 1. If either country establishes or maintains a monopoly for the importation, exportation, sale, distribution or production of a particular commodity or grants exclusive privileges, formally or in effect, to one or more agencies to import, export, sell, distribute or produce a particular commodity, the Government of the country establishing or maintaining such monopoly, or granting such monopoly privileges, agrees that in respect of the foreign purchases or sales of such monopoly or agencies the commerce of the other country shall receive fair and equitable treatment. To this end it is agreed that in making its foreign purchases or sales of any product such monopoly or agency will be influenced solely by those considerations such as price, quality, marketability, transportation and terms of purchase or sale, which would ordinarily be taken into account by a private commercial enterprise interested solely in selling or purchasing such product on the most favourable terms.
- 2. In awarding contracts for public works and in purchasing supplies, neither Government shall discriminate against articles the growth, produce or manufacture of the territories of the other country in favour of those of any other foreign country.

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