

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 that 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 excepted from the operation of this Agreement.

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

ARTICLE VI

The Government of each Contracting Party shall give sympathetic consideration to any representation which the Government of the other Contracting party may make in respect of the implementation of the present Agreement.

ARTICLE VII

The present Agreement shall enter into force provisionally on the date of signature. It shall, however, be ratified as soon as possible thereafter by both Contracting Parties and shall enter into force definitively on the date of the exchange of the instruments of ratification which shall take place in Budapest.

It shall remain in force for a period of three years from the date of signature and may be renewed for a further period if both Contracting Parties agree thereto. To this end the Contracting Parties shall enter into negotiations for renewal of the agreement not less than six months before its date of expiration.

DONE in Ottawa this 11th day of June, 1964 in two copies in the English language.

MITCHELL W. SHARP

For the Government of Canada

PETER MOD

*For the Government of the
Hungarian People's Republic*