

Basford and Attorney General Mitchell, and the principles of guidance to officials agreed to in 1977 by the Canadian Secretary of State for External Affairs and Ministers of Justice and Consumer and Corporate Affairs and by the United States Attorney General;

Have decided to act in accordance with the following Understanding.

## 1. Purpose

This Memorandum of Understanding outlines arrangements for notification and consultation between the Parties with respect to the application of their respective antitrust laws, with the purpose of avoiding or moderating conflicts of interests and policies. The Understanding also establishes procedures for closer cooperation in order to enhance the substantial benefits which both derive from mutual assistance in the enforcement of their antitrust laws.

## 2. Notification in General

(1) The Parties will notify each other whenever they become aware that their antitrust investigations or proceedings, or actions relating to antitrust investigations or proceedings of the other Party, involve national interests of the other or require the seeking of information located in the territory of the other.

(2) Situations requiring notification will include those in which:

- (i) An antitrust investigation is likely to inquire into activity carried out wholly or in part in the territory of the other Party;
- (ii) An antitrust investigation is likely to inquire into any activity carried out wholly or in part outside the territory of the investigating Party, and there is reason to believe that the activity is required, encouraged or approved by the other Party;
- (iii) It is expected that information to be sought is located in the territory of the other Party;
- (iv) Information is sought to be gathered by the personal visit of antitrust officials to the territory of the other Party;
- (v) An investigation, whether or not previously notified, may reasonably be expected to lead to a prosecution or other enforcement action likely to affect a national interest of the other Party.