

## COMMERCIAL RELATIONS

*Exchanges of notes at Santiago January 6 and February 1, 1938  
Entered into force provisionally February 1, 1938; definitively January 5,  
1940*

*Extended provisionally by agreement of February 20 and 24, 1939 <sup>1</sup>  
Supplemented by agreement of July 30, 1945, <sup>2</sup> as modified and extended*

52 Stat. 1479; Executive Agreement Series 119

*The American Chargé d'Affaires to the Minister of Foreign Affairs*

EMBASSY OF THE  
UNITED STATES OF AMERICA  
*Santiago, January 6, 1938*

No. 616

EXCELLENCY:

I have the honor to confirm to Your Excellency the terms of the provisional commercial agreement which our respective Governments have agreed to establish pending the negotiation of a more comprehensive commercial agreement or of a definitive treaty of friendship, commerce and navigation, as follows:

1. The contracting parties agree to concede reciprocally unconditional and unlimited most-favored-nation treatment in all that concerns customs duties and all accessory imposts, the manner of applying duties as well as the rules and formalities to which customs operations can be submitted.

2. In the event that the Government of the United States of America or the Republic of Chile establishes or maintains any form of quantitative restriction or control of the importation or sale of any article in which the other country has an interest, or imposes a lower duty or charge on the importation or sale of a specified quantity of any such article than the duty or charge imposed on importations in excess of such quantity, it shall allot to the other country during any quota period a share of the total quantity of any such article permitted to be imported or sold or permitted to be imported or sold at such lower duty or charge which is equivalent to the proportion of the total importation of such article which such other country supplied during a previous representative period, unless it be mutually agreed to dispense with such allocation.

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<sup>1</sup> EAS 144, *post*, p. 590.

<sup>2</sup> TIAS 1529, *post*, p. 620.