

ARTICLE XIII

Each Contracting Party shall exempt from income tax, and all other taxes on income imposed by it, all income derived from the operation of aircraft in international traffic in accordance with the provisions of the Exchange of Notes between the Government of Canada and the Swiss Federal Council concerning the taxation of enterprises operating ships and aircraft concluded on September 22, 1959⁽¹⁾, and any amendment thereto.

ARTICLE XIV

1. In a spirit of close co-operation, each Contracting Party or its aeronautical authorities shall consult each other from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement and the Schedule.

2. A consultation requested by one of the Contracting Parties or their aeronautical authorities shall begin within a period of sixty (60) days of the date of receipt of such a request.

ARTICLE XV

1. Any modification of the present Agreement shall enter into force when the two Contracting Parties will have notified to each other the fulfilment of their constitutional procedures relating to the conclusion and the entering into force of international agreements.

2. Modifications to the Annex of the present Agreement may be agreed directly between the aeronautical authorities of the Contracting Parties. They shall enter into force after having been confirmed by an exchange of diplomatic notes.

ARTICLE XVI

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavour to settle it by direct negotiation or through diplomatic channels.

2. If the Contracting Parties fail to reach a settlement by negotiation or through diplomatic channels, they may submit the dispute for decision to a Tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be appointed by the two arbitrators. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute and the third arbitrator shall be appointed within a further period of sixty (60) days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. In all cases, the third arbitrator shall be a national of a third State, shall act as President of the Tribunal and shall determine its own procedure and the place where arbitration will be held.

⁽¹⁾ Treaty Series 1959/24