

*Article VII*

The operation of the designated Canadian airline shall be conducted in accordance with the air customs and immigration regulations prevailing from time to time in Newfoundland and Canada.

*Article VIII*

The Government of Newfoundland shall exempt from customs duties and taxes all aircraft, engines, parts and accessories, radio, motor tank trucks, material for original construction and equipment of hangars and buildings at the aerodromes, and all other equipment necessary for the operation of its services which may be imported by the designated Canadian airline or by the Government of Canada, provided that this exemption from duties shall not apply to vehicles or equipment of any class used on public highroads other than motor tank trucks, nor to other articles or materials not specified above, e.g. office supplies and equipment, consumable stores, wearing apparel of all kinds, foodstuffs imported by or for the Company or to be used in any hostel or by its employees or passengers.

*Article IX*

The Government of Newfoundland shall permit the entry, free of duty and taxes, of special aviation fuel and petroleum products necessary for the operation of the aircraft on the services.

*Article X*

The Canadian Government shall have the right to operate an airfield in Newfoundland at Goose Bay and the airline services referred to in *Article II* may use this airfield and the airfield at Gander as regular or alternate points of call, it being understood that the terminal of the local service to Newfoundland shall be Torbay, unless otherwise agreed.

*Article XI*

At the airfield at Goose Bay the Government of Canada may construct buildings required for the administration of the airfield and the accommodation of personnel and traffic and may grant concessions for the operation of these buildings. In the granting of concessions and in the employment of labour at the field the Government of Canada shall, wherever possible, give priority to citizens of Newfoundland.

*Article XII*

In the event that the Government of Canada desires to use the airfield at Buchans for regional services, the Government of Canada may take the necessary steps to provide the accommodation and facilities necessary for the administration of the airfield, for personnel and traffic, and for the operation of such buildings as may be required. In the granting of concessions and in the employment of labour at the field the Government of Canada shall, wherever possible, give priority to citizens of Newfoundland.