

ance with the provisions of Article 13 of the Agreement are in force in respect of such services.

ARTICLE 6

Withholding, revocation or limitation of authorizations

(1) The aeronautical authorities of each Contracting Party shall have the right to withhold the authorizations referred to in Article 5 from an airline designated by the other Contracting Party, to revoke such authorizations, or to impose on them conditions, temporarily or permanently:

- (a) in any case where they are not satisfied that a designated airline is qualified to fulfill the conditions prescribed under the laws and regulations normally and reasonably applied by them to the operation of international air services in conformity with the provisions of the Convention;
- (b) in the event of failure by such airline to comply with the laws and regulations of that Contracting Party;
- (c) in the event that they are not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or its nationals; and
- (d) in case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.

(2) Unless immediate action is essential to prevent infringement of the laws and regulations referred to above, the rights enumerated in paragraph (1) of this Article respecting revocation or imposition of conditions shall be exercised only after consultations with the other Contracting Party in accordance with Article 16.

ARTICLE 7

Laws and Regulations

(1) Subject to the provisions of the Convention, the laws and regulations of one Contracting Party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the designated airlines of the other Contracting Party no less favourably than to aircraft of airlines of the first Contracting Party or to aircraft of airlines of other parties to the Convention, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first Contracting Party.

(2) The laws and regulations of a Contracting Party as to the admission to or departure from its territory of passengers, crew or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs and quarantine shall be complied with by or on behalf of the passengers, crew, or cargo of the designated airlines of the other Contracting Party upon entrance into or departure from, or while within the territory of the first Contracting Party.

(3) Neither of the Contracting Parties shall give a preference to its own or any other airline over the designated airline or airlines of the other Contracting Party engaged in operating an agreed service in the application of its