

4. Passengers in transit across the territory of either Contracting Party shall be subject to no more than a very simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

### ARTICLE XIII

#### TARIFFS

1. The tariffs for carriage on agreed services to and from the territory of the other Contracting Party shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit, characteristics of service (such as standards of speed and accommodation) and, where it is deemed suitable, the tariffs of other airlines for any part of the specified route.
2. The designated airlines of the Contracting Parties shall consult and endeavour to reach agreement, whenever possible, on the tariffs referred to in paragraph 1 of this Article; such agreement shall be reached whenever possible, through coordination with each other or through an appropriate international tariff coordination mechanism.
3. The tariffs shall be submitted to and received by the aeronautical authorities of the Contracting Parties at least forty-five (45) days before the proposed date of their introduction; in special cases, a shorter period may be accepted by aeronautical authorities. If within thirty (30) days from the date of receipt the aeronautical authorities of one Contracting Party have not notified the aeronautical authorities of the other Contracting Party that they are dissatisfied with the tariff submitted to them, such tariff shall be considered to be acceptable and shall come into effect on the date stated in the proposed tariff. In the event that a shorter period for the submission of a tariff is accepted by the aeronautical authorities, they may also agree that the period for giving notice of dissatisfaction be less than thirty (30) days.
4. If a tariff cannot be established in accordance with the provisions of paragraph 2 of this Article, or if during the period applicable in accordance with paragraph 3 of this Article a notice of dissatisfaction has been given, the aeronautical authorities of the Contracting Parties shall endeavour to determine the tariff by agreement between themselves. Consultations between the aeronautical authorities will be held in accordance with Article XIX of this Agreement.
5. If the aeronautical authorities cannot agree on any tariff submitted to them under paragraph 3 of this Article or on the determination of any tariff under paragraph 4 of this Article the dispute shall be settled in accordance with the provisions of Article XXI of this Agreement.