

ARTICLE 11

1. Each Contracting Party shall on a basis of reciprocity exempt the designated airline or airlines of the other Contracting Party to the fullest extent possible under its national law from import restrictions, customs duties, excise taxes, inspection fees and other national duties and charges on fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, printed publicity material distributed without charge, stores and other items intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Contracting Party operating the agreed services.

2. The immunities granted by this Article shall apply to the items referred to in paragraph 1 of this Article:

- (a) introduced into the territory of one Contracting Party by or on behalf of the designated airline or airlines of the other Contracting Party;
- (b) retained on board aircraft of the designated airline or airlines of one Contracting Party upon arriving in or leaving territory of the other Contracting Party;
- (c) taken on board aircraft of the designated airline or airlines of one Contracting Party in the territory of the other Contracting Party and intended for use in operating the agreed services;

whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the immunity, provided such items are not alienated in the territory of the said Contracting Party.

ARTICLE 12

1. The tariffs to be applied by a designated airline of one Contracting Party for carriage to or 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 and the tariffs of other airlines on the same routes.

2. The tariffs referred to in paragraph 1 of this Article shall be agreed upon between the designated airlines of the Contracting Parties, in consultation with other airlines operating over the whole or part of the route, using where possible the traffic conference procedures of the International Air Transport Association.

3. The tariffs so agreed shall be submitted for approval to the Aeronautical Authorities of the Contracting Parties at least thirty (30) days before the proposed date of their introduction; in special cases, the Aeronautical Authorities of the Contracting Parties may agree upon a shorter period. This approval may be given expressly. If neither of the Aeronautical Authorities has expressed disapproval within fifteen (15) days from the date of submission, these tariffs shall be considered as approved. In the event of the period for submission being reduced, the Aeronautical Authorities may agree that the period within which any disapproval must be notified shall be less than fifteen (15) days.