

ARTICLE X

Exemption from Taxes or Similar Charges

1. The Kyrgyz Party shall exempt Assistance provided under this Agreement from all duties, taxes and similar charges, with the exception of profit taxes, road taxes and deductions to the emergency fund. More particularly:

- (a) The Kyrgyz Party shall exempt remuneration to foreign natural persons and foreign legal persons, for work undertaken and services performed by such persons for the implementation of Cooperation Projects undertaken pursuant to this Agreement from income tax, social security tax contributions and similar charges within the territory of the Kyrgyz Republic. With regard to remuneration exempted by this Paragraph, the Kyrgyz Party shall not have any obligations in terms of any charges and payments to the persons, indicated in this Paragraph, at the expense of the social security system or any other government funds.
- (b) The Kyrgyz Party shall ensure that the Contributor, its personnel, principal contractors and suppliers of goods, works or services may import into, and export out of, the territory of the Kyrgyz Republic goods (equipment, supplies, materials) or services required to implement this Agreement or Cooperation Projects undertaken pursuant to this Agreement without customs or any other type of duties, taxes or similar charges.
- (c) The Kyrgyz Party shall exempt the supplies (sale or transfer of goods, works, services) that are provided by the economic entities (organizations, general contractors) to supply goods, perform works or provide services under the Cooperation Arrangements that are implemented within the framework of this Agreement, from any duties, taxes or similar charges.

2. Imposition of taxation or similar charges shall be regarded by the Canadian Party as a valid reason for suspension or termination of a Cooperation Project, or to not initiate a Cooperation Project.

3. The Kyrgyz Party shall be responsible for procedures ensuring the implementation of this Article. Necessary documents and certificates shall be issued by the relevant competent authority in accordance with the legislation of the Kyrgyz Republic.