

ARTICLE 7

(1) The tariffs on any agreed service 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 the tariffs of other airlines for any part of the specified route. These tariffs shall be determined in accordance with the following provisions of this Article.

(2) The tariffs referred to in paragraph (1) of this Article shall, if possible, be agreed in respect of each route between the designated airlines of the contracting parties, in consultation with other airlines operating over the whole or part of that route, and such agreement shall, where possible, be reached through the rate-fixing machinery of the International Air Transport Association. The tariffs so agreed shall be subject to the approval of the aeronautical authorities of both contracting parties.

(3) In the event of disagreement between the designated airlines concerning the tariffs, the aeronautical authorities of the contracting parties shall endeavour to determine them by agreement between themselves.

(4) A designated airline of either contracting party shall file with the aeronautical authorities of both contracting parties any tariff determined under paragraph (2) of this Article which it proposes to establish, at least thirty days before the date on which it proposes that the tariff shall come into effect; provided that the aeronautical authorities of the contracting parties may in particular cases vary the period of thirty days.

(5) If the aeronautical authorities of one of the contracting parties are dissatisfied with a tariff filed in accordance with paragraph (4) of this Article they shall so notify in writing the aeronautical authorities of the other contracting party and any designated airline filing the tariff, within fifteen days of the date of filing or in particular cases within such other period as may be agreed by both authorities.

(6) After notification under paragraph (5) of this Article, the aeronautical authorities of both contracting parties shall endeavour to secure agreement on the tariff to be established.

(7) If the aeronautical authorities of the contracting parties cannot secure agreement, the dispute shall be settled in accordance with the provisions of Article 10 of the present Agreement.

(8) Each contracting party shall, within the limits of its legal powers, ensure that no tariff filed under paragraph (4) of this Article shall come into effect as long as the aeronautical authorities of either contracting party are dissatisfied with it.