

recognised as valid by the other contracting party for the purpose of operating the services specified in the Annex. Each contracting party reserves the right, however, to refuse to recognise for the purpose of flight above its own territory, certificates of competency and licenses granted to any of its own nationals, by any authority other than its own.

ARTICLE VII

(1) The laws and regulations of a contracting party relating to entry into, 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 apply to aircraft of a designated airline of the other contracting party.

(2) The laws and regulations of a contracting party relating to the entry into, sojourn in and 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 applicable to the passengers, crew and cargo of aircraft of a designated airline of the other contracting party, while in the territory of the former contracting party.

ARTICLE VIII

(1) Notwithstanding the other provisions of this Agreement, if either contracting party is not satisfied that substantial ownership and effective control of an airline designated under this agreement are vested in nationals of the other contracting party, such contracting party may withhold or revoke the rights conferred under this Agreement for such airline to operate air services specified in the Annex.

For the purpose of this Article nationals of the United Kingdom and nationals of Australia shall be considered to be nationals of New Zealand.

(2) Each contracting party reserves the right to withhold or revoke operating permission granted under this Agreement to a designated airline of the other contracting party in case of failure by such airline to comply with the laws and regulations of the first contracting party as referred to in Article VII, or otherwise to fulfill the conditions under which operating permission is granted in accordance with this Agreement.

ARTICLE IX

If either of the contracting parties considers it desirable to modify any provision or provisions of this Agreement or its Annex it shall notify the other contracting party of the desired modification and such modification may be made by direct agreement between the aeronautical authorities of both contracting parties; such agreement to be confirmed by exchange of notes.

ARTICLE X

(1) If any dispute arises between the contracting parties relating to the interpretation or application of the present Agreement, the contracting parties shall in the first place endeavour to settle it by negotiation between themselves.