

4. The Government of Canada shall assume, on a yearly basis, 75 percent of the rent and of the escalation of the operating costs and 100 percent of any escalation of taxes; the Organization agrees, on its part, to assume, on a yearly basis, 25 percent of the rent and of the escalation of the operating costs. In accordance with Section 6 of Article II of the Headquarters Agreement, the Government of Canada shall continue to exempt the Organization from all direct taxes; however the Organization shall not claim exemption from taxes which are, in fact, no more than charges for public utility services. The Organization shall pay the cost of water and electricity as specified in the Lease. The provisions of this Supplementary Agreement shall apply to any expansion space required by the Organization and foreseen in Section 11.2 and 11.3 of the Lease or otherwise made available to the Organization.

ARTICLE II

Obligations under the Lease

1. Taking into consideration that the said premises are rented solely and exclusively for the needs of the Organization's Headquarters, the Government of Canada shall, as the Lessee, assure that the Lessor complies with its obligations as specified in the lease or as they may be prescribed in the Civil Code of the Province of Quebec or under any other law.

2. Subject to Article I, paragraph 4, the Organization shall, as the lawful occupant of the premises, exercise the rights, fulfill the obligations and assume all the liabilities of, and in lieu of, the Lessee specified in the Lease or as they may be prescribed in the Civil Code of the Province of Quebec or under any other law.

3. Notwithstanding any references in this Supplementary Agreement to the Lease between the Government of Canada and the owner of the premises, the mutual rights and obligations of the Government of Canada and the Organization with respect to the Headquarters premises shall be governed by this Supplementary Agreement.

ARTICLE III

Space allocated to Representatives

The Organization shall have the right to provide space for occupancy by Representatives of Member States on the Council and by Members of the Air Navigation Commission on conditions it may determine consistent with the Lease.

ARTICLE IV

Security

The Organization shall provide on the Headquarters premises internal security measures required by the nature, function and operations of the Organization.