

(2) Fuel and oil, aircraft stores, spare parts and equipment introduced into the territory of one State by the other State or by nationals of the other State, and intended solely for use by aircraft of such other State shall be accorded national and most-favoured-nation treatment with respect to the imposition of customs and excise duties and taxes, inspection fees or other national duties or charges by the state whose territory is entered.

(3) The fuel and oil, aircraft stores, spare parts and equipment retained on board civil aircraft of the airlines authorized to operate the routes and services described in the Annex, shall, upon arrival in or leaving the territory of the other State, be exempt from the imposition of customs and excise duties and taxes, inspection fees or other national duties or charges even though such supplies be used or consumed by such aircraft on flights in that territory;

(4) Neither of them will give a preference to its own airlines against the airlines of the other State in the application of its customs, immigration quarantine and similar regulations or in the use of airport, airways or other facilities.

ARTICLE 5

Notwithstanding the other provisions of this Agreement, if either Contracting Party is not satisfied that substantial ownership and effective control of a designated airline 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 the agreed services.

ARTICLE 6

Each Contracting Party reserves the right to withhold or revoke rights conferred under this Agreement for the operation of the agreed services by any 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 or otherwise to fulfil the conditions under which the rights are granted in accordance with this Agreement.

ARTICLE 7

If either of the Contracting Parties considers it desirable to modify any provision 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 competent aeronautical authorities of both Contracting Parties to be confirmed by exchange of notes between the Contracting Parties.

ARTICLE 8

(a) If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement or of its Annex, the Contracting Parties shall in the first place endeavour to settle it by negotiation between themselves.