

ARTICLE XIIEXEMPTIONS

1. Aircraft operated on international air services by the designated airline or airlines of either Contracting Party, as well as their regular equipment, supplies of fuels and lubricants, and aircraft stores (including food, beverages and tobacco) which are on board such aircraft shall be exempt, to the fullest extent possible under national law, on the basis of reciprocity, from all customs duties, inspection fees and other duties or taxes on arriving in the territory of the other Contracting Party, provided such equipment and supplies remain on board the aircraft up to such time as they are re-exported.

2. There shall also be exempt from the same duties and taxes, with the exception of charges corresponding to the service performed:

- a) aircraft stores taken on board in the territory of either Contracting Party, within the limits fixed by the authorities of the said Contracting Party, and for use on board the aircraft engaged in an international air service of the other Contracting Party,
- b) regular aircraft equipment, spare parts including engines, brought into the territory of either Contracting Party for the maintenance or repair of aircraft used on international air services by the designated airline or airlines of the other Contracting Party,
- c) fuels, lubricants and consumable technical supplies destined to supply aircraft operated on international air services by the designated airline of the Contracting Party, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they are taken on board, and
- d) printed ticket stock, air way bills, any printed material which bears the insignia of the company printed thereon and usual publicity material distributed without charge by that designated airline.

Items referred to in sub-paragraphs a), b), c) and d) above may be required to be kept under Customs supervision or control of the appropriate authorities.

3. Regular airborne equipment, as well as materials and supplies mentioned above, may be unloaded in the territory of the other Contracting Party only with the approval of the Customs Authorities of such territory. In such a case, they may be placed under the supervision of the said Authorities up to such time as they are re-exported or otherwise disposed of in accordance with Customs regulations.