

shall terminate services between Canada and Poland not later than one year following the notice of termination of the commercial arrangement.

4. (a) It is also understood that the designated airlines of the Contracting Parties shall retain each other as General Sales Agents for the sale of air transportation in Canada and Poland, in accordance with the General Sales Agency Agreement.
- (b) Unless otherwise agreed between the designated airlines of the two Contracting Parties all sales of transportation in Canada will be issued on Air Canada ticket stock and all sales of transportation in Poland will be issued on LOT Polish Airlines ticket stock.

*II—Article XI.* With reference to Article XI of the Agreement, it is understood that:

5. Although not specifically mentioned in the text of this Article, the personal and household effects of the representatives and staff of one designated airline delegated in the territory of the other Contracting Party shall be subject to the same favourable treatment as accorded to items enumerated in Article XI. This does not, however, apply to the airlines' "office equipment" which shall be treated in accordance with applicable national custom regulations and be subject to various rates of duty or to exemption depending on the nature of every individual item.

*III—Article XIII.* With reference to Article XIII, paragraph I of the Agreement, it is the understanding of my Government that:

6. According to the Polish national laws and regulations, the sales of air transportation in local currency involving payments in convertible currency are subject to individual permissions issued by the Polish National Bank.

7. In case of carriers belonging to the countries in which the Polish airline is allowed to engage in the sale of air transportation, operating to and from Poland according to an agreed programme under Pool or other commercial arrangements, a general permission can be obtained by the Polish airline acting as a general sales agent for a foreign carrier, authorizing sales in local currency on specified routes of the partner; the same carriers can also be authorized to make direct sales in Poland against payments in convertible currencies. Such facilities, aimed at creating similar sales opportunities for the designated airlines of the two countries, will also be granted in favour of the Canadian airline, provided that the agreement referred to in Article XIII paragraph 1 is in force, and provided further that, during the period of unilateral operation of the agreed services by the Polish designated airline similar facilities will be granted in favour of the Canadian airline for the sales in local currency on specified North Atlantic sectors that may be determined by agreement between the two designated airlines with the consent of the appropriate authorities of both Contracting Parties and in convertible currency for the whole Canadian airline's network. It is further understood that the Polish designated airline will be authorized to guarantee an agreed volume of sales in Poland on the Canadian airline's routes.