

ARTICLE 12
TARIFFS

- (1) The tariffs to be applied by the designated airline or airlines of one Contracting Party for carriage to and from the territory of the other Contracting Party shall be established on the basis of market considerations. In the application of their powers under paragraphs 3 and 4 of this Article, the aeronautical authorities of the two Contracting Parties shall have as their primary objective to ensure that tariffs are not:
- (a) predatory or discriminatory;
 - (b) excessive, restrictive, or introduced in an attempt to exploit a dominant market position.
- (2) The tariffs referred to in paragraph 1 of this Article shall be agreed upon, if possible, between the designated airlines of the Contracting Parties. Such agreement may be reached through coordination with other airlines. However, in the event the designated airlines cannot agree, a designated airline shall not be precluded from submitting any proposed tariff unilaterally if circumstances so warrant. Unless otherwise determined in the application of paragraph 4 of this Article, each designated airline shall be responsible only to its aeronautical authorities for the justification and reasonableness of the tariffs so agreed.
- (3) Tariffs referred to in paragraph 2 of this Article shall be submitted to and received by the aeronautical authorities of the Contracting Parties at least forty-five (45) days before the proposed date of their introduction, unless the aeronautical authorities of both Contracting Parties permit the filing to be made on shorter notice. Prompt and