

- (c) taken on board aircraft of a designated airline of one Contracting Party in the territory of the other Contracting Party;

whether or not such items are used or consumed wholly within the territory of the Contracting Party granting the exemption, provided such items are not alienated in the territory of the said Contracting Party.

3. The regular airborne equipment, as well as the materials and supplies normally retained on board the aircraft of a designated airline of either Contracting Party, may be unloaded in the territory of the other Contracting Party only with the approval of the Customs authorities of that territory. In such case, they may be placed under the supervision of those authorities until they are re-exported or otherwise disposed of in accordance with Customs regulations.

4. Baggage and cargo in direct transit across the territory of either Contracting Party shall be exempt from customs duties and other similar charges.

ARTICLE 13

Tariffs

1. For the purposes of this Article:

- (a) "Price" means any fare, rate or charge contained in tariffs (including frequent flyer plans or other benefits provided in association with air transportation) for the carriage of passengers (including their baggage) and/or cargo (excluding mail) on scheduled air services and the conditions directly governing the availability or applicability of such fare, rate or charge, excluding general terms and conditions of carriage;
- (b) "General Terms and Conditions of Carriage" means those terms and conditions contained in tariffs which are broadly applicable to air transportation and not directly related to any price; and
- (c) "Match" means the continuation or introduction, on a timely basis, of an identical or similar (but not lower) price.

2. Prices for carriage by the designated airline or airlines of one Contracting Party to or from the territory of the other Contracting Party shall be established at reasonable levels due regard being paid to all relevant factors, including the interests of users, cost of operation, characteristics of service, reasonable profit, prices of other airlines and other commercial considerations in the marketplace.

3. The prices referred to in paragraph 2 of this Article may be developed individually or, at the option of the designated airline or airlines, through coordination with each other or with other airlines. A designated airline shall be responsible only to its own aeronautical authorities for the justification of its prices.