

ARTICLE 5

Withholding, Revocation, Suspension and Limitation of Authorization

1. Notwithstanding paragraph 1 of Article 4 (Authorization), each Contracting Party shall have the right, through its aeronautical authorities, to withhold the authorizations referred to in Article 4 with respect to an airline designated by the other Contracting Party, and to revoke, suspend or impose conditions on those authorizations, temporarily or permanently:

- (a) in the event of failure by the airline to qualify under the laws and regulations normally applied by the aeronautical authorities of the Contracting Party granting the authorizations;
- (b) in the event of failure by the airline to comply with the laws and regulations of the Contracting Party granting the authorizations;
- (c) in the event that they are not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or its nationals; or
- (d) in the event the airline otherwise fails to operate in a manner consistent with the conditions set out in this Agreement.

2. The rights enumerated in paragraph 1 shall be exercised only after consultations are held between the aeronautical authorities of the Contracting Parties in accordance with Article 20 (Consultations), unless immediate action is essential to prevent infringement of the laws and regulations referred to in subparagraphs 1(a) or (b) or unless action is required for safety or security in accordance with the provisions of Articles 7 (Safety Standards, Certificates and Licences) or 8 (Aviation Security).

ARTICLE 6

Application of Laws

1. Each Contracting Party shall require compliance with:

- (a) its laws, regulations and procedures relating to the admission to, remaining in, or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of those aircraft, by the designated airlines of the other Contracting Party upon entrance into, departure from and while within that territory; and