Air Services Agreement

between

the Government of the Kingdom of

Denmark

and

the Government of

Ukraine

Air Services Agreement between the Government of the Kingdom of Denmark and the Government of Ukraine

The Government of the Kingdom of Denmark and the Government of Ukraine, hereinafter referred to as the Contracting Parties

Being Parties to the Convention on International Civil Aviation and the International Air Services Transit Agreement, opened for signature at Chicago on the seventh day of December 1944, and

Desiring to conclude an Agreement, in conformity with the said Convention, for the main purpose of establishing scheduled air services between their respective territories;

Have agreed as follows:

Article 1 Definitions

For the purpose of this Agreement:

- (a) the term "Convention" means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December, 1944 and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or of the Convention under Articles 90 and 94 thereof so far as these Annexes and amendments have been adopted by both Contracting Parties;
- (b) the term "aeronautical authorities" means, in the case of the Kingdom of Denmark, the Ministry of Transport and, in the case of Ukraine, the Aviation Administration of the Ministry of Transport of Ukraine, or in both cases any person or body empowered to perform the functions presently exercised by the abovementioned authorities;

- (c) the term "designated airline" means an airline which has been designated in accordance with Article 3 of this Agreement;
- (d) the terms "territory", "air services", "international air service", "airline" and "stop for nontraffic purposes" have the meaning laid down in Articles 2 and 96 of the Convention;
- (e) "Agreement" means this Agreement, the Annexes attached thereto, and any amendments thereto;
- (f) "Annex" means the Annexes to this Agreement or as amended in accordance with the provisions of paragraph 2 of Article 17 of this Agreement. The Annexes form an integral part of this Agreement and all references to the Agreement shall include reference to the Annexes unless otherwise provided;
- (g) the term "tariff" means the prices to be paid for the carriage of passengers, baggage, and freight and the conditions under which those prices apply, including prices and conditions for other services performed by the carrier in connection with the air transportation, and including remuneration and conditions offered to agencies, but excluding remuneration or conditions for the carriage of mail;
- (h) the term "user charge" means a charge made to airlines by the competent authorities for the use of an airport or air navigation facilities for aircraft, passengers and cargo;
- (i) the term "agreed services" applies to air services established under this Agreement;
- (j) the term "specified routes" means air services specified in the Annex.

Article 2 Traffic Rights

1. Each Contracting Party grants to the other Contracting Party the following rights for the conduct of international air services by the airline or airlines designated by the other Contracting Party:

- (a) to fly across its territory without landing,
- (b) to make stops in its territory for nontraffic purposes,
- (c) to make stops in the said territory at the points specified in the Annex to this Agreement for the purpose of taking up and discharging on international traffic in passengers, cargo, and mail, separately or in combination.
- 2. Nothing in paragraph 1 of this Article shall be deemed to confer on a designated airline of one Contracting Party the privilege of taking up, in the territory of the other Contracting Party, passengers, cargo, and mail carried for remuneration or hire and destined for another point in the territory of that Contracting Party.
- 3. The airlines of each Contracting Party, other than those designated under Article 3 of this Agreement, shall also enjoy the rights specified in paragraph 1 (a) and (b) of this Article.

Article 3 Designation of Airlines

- 1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more airlines for the purpose of operating the agreed services on the specified routes and to withdraw or alter such designations.
- 2. On receipt of such designation the other Contracting Party shall, subject to the provisions of paragraphs (3) and (4) of this Article, without delay grant to the designated airline or airlines the appropriate operating authorization.
- 3. The aeronautical authorities of one Contracting Party may require an airline designated by the other Contracting Party to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities in conformity with the provisions of the Convention.
- 4. Each Contracting Party shall have the right to refuse to grant the operating authorisation referred to in paragraph (2) of this Article, or to impose such conditions, as it may deem necessary, on the exercise by a designated airline of the rights specified in Article 2, in any case where it is not satisfied that effective control of that airline is maintained in the territory of the other Contracting Party and that the airline is incorporated and has its principal place of business in the said territory.

5. When an airline has been so designated and authorized, it may begin to operate the agreed services, provided that the airline complies with all applicable provisions of this Agreement.

Article 4 Revocation, Suspension, and Imposition of Conditions

- 1. Each Contracting Party shall have the right to withhold or revoke an operating authorization or to suspend the exercise of the rights specified in Article 2 of this Agreement by an airline designated by the other Contracting Party, or to impose such conditions, as it may deem necessary, on the exercise of these rights:
 - (a) in any case where it is not satisfied that effective control of that airline is maintained in the territory of the other Contracting Party, which has designated the airline, and that the airline is incorporated and has its principal place of business in the said territory;
 - (b) in the case of failure by that airline to comply with the laws or regulations of the Contracting Party granting these rights; or
 - (c) in the case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.
- 2. Unless immediate revocation or suspension of the operating authorization mentioned in paragraph (1) of this Article or imposition of the conditions therein is essential to prevent further infringements of laws and regulations, such right shall be exercised only after consultation with the other Contracting Party.

In this case consultations shall be held within thirty (30) days from the date the other Contracting Party receives such request in writing.

Article 5 Utilization of Airports and Facilities

1. Neither Contracting Party shall impose on a designated airline of the other Contracting Party user charges higher than those imposed on its own airlines operating between the territories of the Contracting Parties.

Any air navigation facility charge imposed on international traffic performed by airlines designated by one of the Contracting Parties, shall be reasonably related to the cost of service rendered to the designated airline concerned, and levied in accordance with the relevant guidelines issued by the International Civil Aviation Organization (ICAO).

- 2. When operating the agreed services, the same uniform conditions shall apply to the use by the airlines of both Contracting Parties of airports as well as of all other facilities under their control.
- 3. Each Contracting Party shall encourage consultations on user charges between its competent charging authorities and the airlines using the services and facilities provided by those charging authorities, where practicable through those airlines' representative organizations. Reasonable notice of any proposals for changes in such charges should be given to such users to enable them to express their views before changes are made. Each Contracting Party shall further encourage its competent charging authorities and such users to exchange appropriate information concerning such charges.

Article 6 Customs Duties

- 1. Aircraft operated on international air services by the designated airlines of either Contracting Party, as well as their regular equipment, supplies of fuels and lubricants and aircraft stores (including food, beverages, and tobacco) on board such aircraft shall be relieved 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 reexported.
- 2. With the exception of charges based on the cost of the service provided, the following items shall also be relieved from the duties, fees and charges referred to in paragraph 1 in this Article:

- (a) aircraft stores, introduced into or supplied in the territory of a Contracting Party, and taken on board, within reasonable limits, for use on outbound aircraft engaged in an international air service of a designated airline of the other Contracting Party;
- (b) spare parts, including engines introduced into the territory of a Contracting Party for the maintenance or repair of aircraft used in an international air service of a designated airline of the other Contracting Party; and
- (c) fuel, lubricants, and consumable technical supplies introduced into or supplied in the territory of a Contracting Party for use in an aircraft engaged in an international air service of a designated airline of the other Contracting Party, even when these supplies are to be used on a part of the journey performed over the territory of the Contracting Party in which they are taken on board.
- 3. Equipment and supplies referred to in paragraphs (1) and (2) of this Article may be required to be kept under the supervision or control of the appropriate authorities.
- 4. The reliefs provided for by this Article shall also be available in situations where the designated airlines of one Contracting Party have entered into arrangements with another airline or airlines for the loan or transfer in the territory of the other Contracting Party of the items specified in paragraphs (1) and (2) of this Article provided such other airline or airlines similarly enjoy such reliefs from the other Contracting Party.
- 5. The relevant transport documents of a designated airline of either Contracting Party shall be exempt from customs duties and taxes in the territory of the other Contracting Party.

Article 7 Storage of Airborne Equipment and Supplies

The regular airborne equipment, as well as the materials and supplies retained on board the aircraft 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 said authorities up to such time as they are re-exported or otherwise disposed of in accordance with customs regulations.

Article 8 Entry Clearance Regulations

- 1. Passengers in transit across the territory of either Contracting Party shall be subject to no more than a very simplified customs and immigration control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.
- 2. The laws and regulations of one Contracting Party regarding entry, clearance, transit, immigration, passports, customs, currency and quarantine shall be complied with by the designated airline or airlines of the other Contracting Party and by or on behalf of its crew, passengers, cargo and mail, upon transit of, admission to, departure from, and while within the territory of such a Contracting Party.

Article 9 Capacity Provisions

- 1. There shall be fair and equal opportunity for the designated airlines of each Contracting Party to operate air services on any route specified in the Annex to this Agreement.
- 2. In the operation of the agreed services on the routes specified in the Annex to this Agreement the designated airlines of either Contracting Party shall take into account the interests of the designated airline or airlines of the other Contracting Party so as not to affect unduly the air services which the latter airline or airlines operate.
- 3. The agreed services provided by a designated airline shall retain as its primary objective the provision of capacity adequate to current and reasonably anticipated requirements for the carriage of passengers, mail, and freight, coming from or destined for the territory of the Contracting Party designating the airline.

Article 10 Exchange of Statistics

The aeronautical authorities of either Contracting Party shall, on request, provide to the aeronautical authorities of the other Contracting Party such periodic or other statements of statistics, as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services by the designated airline or airlines of the first Contracting Party.

Such statements shall include all information required to determine the amount of traffic carried by the airline or airlines on the agreed services.

Article 11 Tariffs

- 1. The tariffs on any agreed service shall be established at reasonable levels due regard being paid to all relevant factors including cost of operation, reasonable profit, characteristics of services (such as standards of speed and class of service) and the tariffs charged by the other airline.
- 2. The tariffs referred to in paragraph 1 of this Article may be agreed in respect of each of the specified routes between the designated airlines concerned in consultation with the other airlines operating the whole or part of that route. The tariffs so agreed shall be subject to the approval of the aeronautical authorities of the Contracting Parties.

However, the designated airlines shall not be precluded from filing, nor the aeronautical authorities of the Contracting Parties from approving, any tariffs.

- 3. The tariffs referred to in paragraph 1 shall be submitted for the approval of the aeronautical authorities of the Contracting Parties at least sixty (60) days before the proposed date of their introduction, except where the said authorities agree to reduce this period in special cases.
- 4. Approval of tariffs may be given expressly; or, if neither of the aeronautical authorities have expressed disapproval within thirty (30) days from the date of receipt in accordance with paragraph 3 of this Article, the tariffs shall be considered as approved. In the event of the period of submission is being reduced, as provided for in paragraph 3, the aeronautical authorities may agree that the period, within which any disapproval may be notified, shall be reduced accordingly.
- 5. If either of the aeronautical authorities have expressed disapproval in accordance with paragraph 4 of this Article the aeronautical authorities of the Contracting Parties shall endeavour to agree upon the tariffs. For this purpose, one Contracting Party may, within 30 days of the service of the notice of disapproval, request consultations between the aeronautical authorities of the Contracting Parties which shall be held within 30 days from the date the other Contracting Party receives such request in writing.

- 6. If the aeronautical authorities can not agree on the approval of any tariff submitted to them under paragraph 2 of this Article or on the determination of any tariff under paragraph 3 and 5, the dispute shall be settled in accordance with the provisions of Article 17 of this Agreement.
- 7. The tariffs established in accordance with the provisions of this Article shall remain in force until new tariffs have been established in accordance with the provisions of this Article.

In approving tariffs, the aeronautical authorities of a Contracting Party may, however, attach to their approval such expiry dates, as they consider appropriate. Where a tariff has an expiry date, it shall remain in force until the due expiry date, unless withdrawn by the airline or airlines concerned or unless a replacement tariff is filed and approved prior to the expiry date.

When a tariff has been approved without an expiry date, and where no new tariff has been filed and approved, this tariff shall remain in force, until the aeronautical authorities of the Contracting Party concerned gives notice to the airline(s) concerned terminating its approval. Such notice shall be given at least ninety (90) days before the intended expiry date of the tariff.

8. No tariff shall come into force if the aeronautical authorities of either Contracting Party have not approved it.

Article 12 Airline Representation and Transfer of Earnings

- 1. Each Contracting Party grants to the designated airline or airlines of the other Contracting Party, on the basis of reciprocity, the right to maintain in its territory its representatives including office, administrative, commercial and technical personnel as may be necessary for the requirements of the designated airline concerned.
- 2. The designated airline or airlines of both Contracting Parties shall have the right to engage in the sale of air transportation in the territory of the other Contracting Party, either directly or through agents. The Contracting Parties shall not restrict the right of the designated airline or airlines of each Contracting Party to sell, and of any person to purchase, such transportation in local or in any freely convertible currency. Nor shall the Contracting Parties restrict the right of the designated airlines to pay in local or any freely convertible currency their locally incurred costs, subject to the national regulations of the Contracting Parties.

3. Each designated airline shall, in compliance with the applicable laws and regulations of the Contracting Party, have the right to convert and remit to its country on demand local revenues in excess of sums locally disbursed. Conversion and remittance shall be permitted without restrictions at the rate of exchange applicable to current transactions which is in effect at the time such revenues are presented for conversion and remittance, and shall not be subject to any charges except those normally made by banks for carrying out such conversion and remittance. The designated airlines shall have the right to freely transfer earnings in convertible currencies.

Article 13 Approval of Flight Schedules

The airline or airlines designated by one Contracting Party shall submit its or their traffic programme for approval to the aeronautical authorities of the other Contracting Party at least forty-five (45) days prior to the beginning of the operation. The programme shall include in particular the timetables, the frequency of the services and the types of aircraft to be used.

Any alteration made in an approved air traffic programme at a later date shall also be submitted for approval.

Article 14 Aviation Security

- 1. Each Contracting Party reaffirms that its obligation to the other Contracting Party to protect the security of civil aviation against unlawful interference forms an integral part of this Agreement. Each Contracting Party shall in particular act in conformity with the aviation security provisions of the "Convention on Offences and Certain Other Acts Committed on Board Aircraft", signed at Tokyo on 14 September 1963, the "Convention for the Suppression of Unlawful Seizure of Aircraft", signed at The Hague on 16 December 1970, the "Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation", signed at Montreal on 23 September 1971, and "Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on 23 September 1971", signed at Montreal on 24 February 1988.
- 2. Each Contracting Party shall be provided at its request with all necessary assistance by the other Contracting Party to prevent acts of unlawful seizure of civil aircraft and

other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities and any other threat to the security of civil aviation.

- 3. The Contracting Parties shall, in their mutual relations, act in conformity with the applicable aviation security provisions established by the International Civil Aviation Organization and designated as Annexes to the Convention on International Civil Aviation, opened for signature at Chicago on 7 December 1944. Each Contracting Party shall require that operators of aircraft of its registry or operators of aircraft having their principal place of business or permanent residence in its territory, and the operators of airports in its territory, act in conformity with such aviation security provisions.
- 4. Each Contracting Party agrees that operators of aircraft may be required to observe the aviation security provisions referred to in paragraph (3) of this Article required by the other Contracting Party for entry into, departure from or while within the territory of that other Contracting Party. Each Contracting Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo, mail and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give sympathetic consideration to any request from the other Contracting Party for reasonable special security measures to meet a particular threat.
- 5. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, each Contracting Party shall assist the other Contracting Party by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

Article 14 bis Aviation Safety

- 1. Each Contracting Party may request consultations at any time concerning safety standards in any area relating to aircrew, aircraft or their operation adopted by the other Contracting Party. Such consultations shall take place within thirty (30) days of that request.
- 2. If, following such consultations, one Contracting Party finds that the other Contracting Party does not effectively maintain and administer safety standards in any such area that are at least equal to the minimum standards established at that time pursuant to the Convention, the first Contracting Party shall notify the other

Contracting Party of those findings and the steps considered necessary to conform with those minimum standards, and that other Contracting Party shall take appropriate corrective action. Failure by the other Contracting Party to take appropriate action within fifteen (15) days or such longer period as may be agreed, shall be grounds for the application of Article 4 of this Agreement.

- 3. Notwithstanding the obligations mentioned in Article 33 of the Convention, it is agreed that any aircraft operated by the airline or airlines of one Contracting Party on services to or from the territory of another Party, may, while within the territory of the other Contracting Party, be made the subject of an examination by the authorized representatives of the other Contracting Party, on board and around the aircraft to check both the validity of the aircraft documents and those of its crew and the apparent condition of the aircraft and its equipment (in this Article called "ramp inspection"), provided this does not lead to unreasonable delay.
- 4. If any such ramp inspection or series of ramp inspections gives rise to:
 - (a) serious concerns that an aircraft or the operation of an aircraft does not comply with the minimum standards established at that time pursuant to the Convention, or
 - (b) serious concerns that there is a lack of effective maintenance and administration of safety standards established at that time pursuant to the Convention,

the Contracting Party carrying out the inspection shall, for the purposes of Article 33 of the Convention, be free to conclude that the requirements under which the certificate or licenses in respect of that aircraft or in respect of the crew of that aircraft had been issued or rendered valid, or that the requirements under which that aircraft is operated, are not equal to or above the minimum standards established pursuant to the Convention.

- 5. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by the airline or airlines of one Contracting Party in accordance with paragraph 3 above is denied by the representative of that airline or airlines, the other Contracting Party shall be free to infer that serious concerns of the type referred to in paragraph 4 above arise and draw the conclusions referred in that paragraph.
- 6. Each Contracting Party reserves the right to suspend or vary the operating authorization of an airline or airlines of the other Contracting Party immediately in the event the first Contracting Party concludes, whether as a result of a ramp inspection, consultation or otherwise, that immediate action is essential to the safety of an airline operation.

7. Any action by one Contracting Party in accordance with paragraphs 2 or 6 above shall be discontinued once the basis for the taking of that action ceases to exist.

Article 15 Consultation

Either Contracting Party may at any time request consultations on the implementation, interpretation or application of this Agreement or compliance with the Agreement. Such consultations, which may be between aeronautical authorities, shall begin within a period of sixty (60) days from the date the other Contracting Party receives a written request, unless otherwise agreed by the Contracting Parties.

Article 16 Amendments

- 1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it may request consultation with the other Contracting Party; such consultation, which may be between aeronautical authorities, and which may be through discussion or by correspondence, shall begin within a period of sixty (60) days of the date of the receipt of the request, unless otherwise agreed by the Contracting Parties. Any modifications so agreed shall come into force when approved in accordance with the constitutional requirements of both Contracting Parties and as confirmed by an exchange of diplomatic notes.
- 2. Modifications to the Annexes to this Agreement may be made by direct agreement between the aeronautical authorities of the Contracting Parties.

Article 17 Settlement of Disputes

- 1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavour to settle it by negotiation.
- 2. If the Contracting Parties fail to reach a settlement of the dispute by negotiation, they may agree to refer the dispute for decision to an arbitrator, or the dispute may at the request of either Contracting Party be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be

appointed by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by either Contracting Party from the other of a notice through diplomatic channels requesting arbitration of the dispute and the third arbitrator shall be appointed within a further period of sixty (60) days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. In all cases, the third arbitrator shall be a national of a third State, shall act as president of the tribunal, and shall determine the place, where arbitration will be held. If the President considers that he is a national of a State which cannot be regarded as neutral in relation to the dispute, the most Senior Vice-President who is not disqualified on that ground shall make the appointment. The arbitral tribunal shall reach its decision by a majority of votes.

- 3. The expenses of the tribunal shall be shared equally between the Contracting Parties.
- 4. The Contracting Parties undertake to comply with any decision given under paragraph (2) of this Article.
- 5. If and so long as either Contracting Party fails to comply with any decision under paragraph (2) of this Article, the other Contracting Party may limit, withhold or revoke any rights or privileges which it has granted by virtue of this Agreement to the Contracting Party in default or to the designated airline or airlines in default.

Article 18 Registration

This Agreement and its Annexes and any subsequent amendment thereto shall be registered with the International Civil Aviation Organization.

Article 19 Termination

This Agreement has been concluded for an unlimited period of time.

Either Contracting Party may, however, at any time give notice in writing to the other Contracting Party of its decision to terminate this Agreement; such notice shall be simultaneously communicated to the International Civil Aviation Organization. In such case the Agreement shall terminate twelve (12) months after the date of receipt

of the notice by the other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other Contracting Party, notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization.

Article 20 Entry into Force

This Agreement will enter into force on the date of signature. The Agreement concerning Air Services between Denmark and The Union of Soviet Socialist Republics, done at Moscow on 31 March 1956, together with all subsequent amendments, protocols, memoranda and annexes is not in force between Denmark and Ukraine.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done, in duplicate, at Kylo- this 27th Must 2001 in the English, Ukrainian and Danish languages, all texts being equally authentic. In case of dispute, the English text shall prevail.

FOR THE GOVERNMENT OF THE KINGDOM OF DENMARK

FOR THE GOVERNMENT OF UKRAINE

ANNEX

1. a) Routes to be operated in both directions by the airlines designated by the Government of the Kingdom of Denmark:

Column 1

Column 2

Points in Denmark

Kyiv and two additional points

in Ukraine

Note: The two additional points in Ukraine will be specified later by the aeronautical authorities of Denmark. Such points may be restricted by the other Contracting Party only for national security, customs, technical, operational or environmental reasons under uniform conditions consistent with Article 15 of the Convention.

b) Routes to be operated in both directions by the airlines designated by the Government of Ukraine:

Column 1

Column 2

Points in Ukraine

Copenhagen and two additional

points in Denmark

Note: The two additional points in Denmark will be specified later by the aeronautical authorities of Ukraine. Such points may be restricted by the other Contracting Party only for national security, customs, technical, ope-

rational or environmental reasons under uniform conditions consistent with Article 15 of the Convention.

- 2. Nothing will prevent a designated airline of either Contracting Party to serve intermediate and/or beyond points, provided that no commercial rights are exercised between those points and the territory of the other Contracting Party. However, the carriage of own stop-over traffic on such sectors shall be permitted.
- 3. The exercise of any 5th freedom rights would have to be agreed upon between the competent aeronautical authorities of the Contracting Parties.
- 4. In operating or holding out services on the agreed routes, any designated airline of one Contracting Party may enter into co-operative marketing arrangements such as blocked-space or code sharing arrangements, with
 - a) an airline or airlines of either Contracting Party; and/or
 - b) one airline of a third Party, via one intermediate point. Should such third Party not authorize or allow comparable arrangements between the airlines of the other Contracting Party and other airlines on services to, from and via such third country, the Contracting Parties have the right not to accept such arrangements.

The above provisions are, however, subject to the conditions that all airlines in such arrangements 1) hold the appropriate route rights; 2) meet the requirements applied to such arrangements regarding information to customers and filing procedures; and 3) operate the agreed services within the limits of frequencies and capacity specified by the respective Air Services Agreements between the Contracting Parties and the competent authorities of the third Party concerned.

5. The provisions of b) and 3) of para 4 above are valid for two full IATA periods from the date of signature of this Agreement. These provisions shall be pro-

longed automatically unless any Contracting Party should notify the other Contracting Party, not later than 30 days before the termination of the two IATA periods, about any inconsistency of the code sharing arrangements with the provisions of para 4 b) of this Annex.