

Memorandum of Understanding

The Delegations representing the Aeronautical Authorities of the Government of the Hashemite Kingdom of Jordan and the Government of Iceland whose names appear in attachment "A" met in Mumbai, India, during ICAO Air Services Negotiation Conference on the 22 October 2011 in order to assess their bilateral air transport relations and to negotiate an Air Services Agreement and to discuss matters relating to Air Services Agreement between the two countries. As a result of these discussions which were held in a very cordial and friendly atmosphere, the following understandings have been reached:

1- Air Services Agreement

After discussions, the Heads of the two Delegations initialled the Air Services Agreement (referred to as ASA hereinafter) on this day stated below in the English language (Attachment B).

The two Delegations agreed to prepare their respective ASA versions in the Arabic, Icelandic and English languages and to recommend to their respective Governments to sign the ASA at the earliest possible date. Place and date of the signing ceremony will be determined through diplomatic channels.

The two Delegations, furthermore, decided that they would each act in conformity with the spirit of the ASA on an administrative level from the date of its initialing until its entry into force.

2- Designation

The Jordanian delegation designated the following airlines to operate the agreed services on the specified routes:-

- Royal Jordanian Airline
- Royal Falcon
- Jordan Aviation

The Icelandic delegation designated the following airlines to operate the agreed services on the specified routes:-

- Icelandair
- Air Atlanta
- Bluebird

3- Frequency / Capacity

The designated airlines of the Hashemite Kingdom of Jordan and Iceland shall be entitled to operate based on 3rd and 4th Freedom traffic rights unlimited number of weekly frequencies and capacity with any type of aircraft, for combination of passengers and cargo to any points specified in the Annex to the ASA. Fifth freedom traffic rights will be conditional to approval by the relevant authorities of the Contracting Parties. Additionally, the Designated Airlines of both Contracting

parties are entitled to exercise, in all-cargo services third, fourth, and fifth freedom traffic rights.

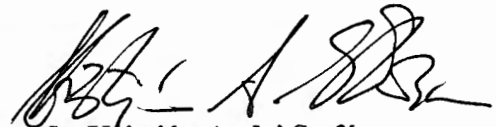
- 4- The Jordanian delegation indicated that open sky policy has been declared at "King Hussain international Airport" in Aqaba. Therefore any designated airlines of the Iceland are entitled to operate 5th Freedom traffic rights to/from King Hussain international Airport.
- 5- Both delegations have agreed to recommend to their respective financial authorities to enter into an agreement for the avoidance of double taxation between the two countries.
- 6- The Icelandic delegation proposed an Annex concerning Charter Operations to become part of the Agreement, (Attachment C). The delegation of the Government of the Hashemite Kingdom of Jordan expressed the need to consult with their relevant authorities. Such an Annex, if acceptable to the Government of the Hashemite Kingdom of Jordan, would be added to the agreed text as Annex of the ASA before its signature.
- 7- The Delegations agreed that paragraph 4 of article 10 concerning self handling, of the proposed ASA would not be applicable until 2016.

Both Delegations agreed that this Memorandum of Understanding will enter into force from the date of its signature.

Done at Mumbai, in two originals, on October the 22nd 2011 in the English language.



Eng. Khuloud A. Abu Hmaidan
Head of Delegation of the
Hashemite Kingdom of Jordan



Mr. Kristján Andri Stefánsson
Head of Delegation of Iceland

Attachment A

JORDAN DELEGATION :

1. Eng. Khuloud A. Abu Hmaidan
Commissioner of Air Transport Economic Regulatory
Civil Aviation Regulatory Commission
(Head of Delegation)
2. Mr. Ateyeh Akleh
Director Air Transport & International Relations
Civil Aviation Regulatory Commission
3. Eng. Nidal Erefej
Chief Air Transport
Ministry of Transport

Icelandic Delegation

Mr. Kristján Andri Stefánsson, Head of Delegation
Ambassador
Ministry for Foreign Affairs

Mr. Karl Alvarsson
Senior Legal Adviser,
Icelandic Civil Aviation Administration

**ANNEX
Charter Operations**

Section 1

Airlines of each Party designated under this Annex shall, in accordance with the terms of their designation, have the right to carry international charter traffic of passengers (and their accompanying baggage) and/or cargo (including, but not limited to, freight forwarder, split, and combination (passenger/cargo) charters):

Between any point or points in the territory of the Party that has designated the airline and any point or points in the territory of the other Party; and

Between any point or points in the territory of the other Party and any point or points in a third country or countries, provided that, except with respect to cargo charters, such service constitutes part of a continuous operation, with or without a change of aircraft, that includes service to the homeland for the purpose of carrying local traffic between the homeland and the territory of the other Party.

In the performance of services covered by this Annex, airlines of each Party designated under this Annex shall also have the right: (1) to make stopovers at any points whether within or outside of the territory of either Party; (2) to carry transit traffic through the other Party's territory; and (3) to combine on the same aircraft traffic originating in one Party's territory, originating in the other Party's territory, and traffic originating in third countries.

Each Party shall extend favourable consideration to applications by airlines of the other Party to carry traffic not covered by this Annex on the basis of comity and reciprocity.

Section 2

Any airline designated by either Party performing international charter operations originating in the territory of either Party, whether on a one-way or round-trip basis, shall have the option of complying with the charter laws, regulations, and rules either of its homeland or of the other Party. If a Party applies different rules, regulations, terms, conditions, or limitations to one or more of its airlines, or to airlines of different countries, each designated airline shall be subject to the least restrictive of such criteria.

However, nothing contained in the preceding paragraph shall limit the rights of either Party to require airlines designated under this Annex by either Party to adhere to requirements relating to the protection of passenger funds and passenger cancellation and refund rights.

Section 3

Except with respect to the consumer protection rules referred to in the preceding paragraph, neither Party shall require an airline designated under this Annex by the other Party, in respect of the carriage of traffic from the territory of that other Party or of a third country on a one-way or round-trip basis, to submit more than a declaration of conformity with the applicable laws, regulations and rules referred to under section 2 of this Annex or of a waiver of these laws, regulations, or rules granted by the applicable aeronautical authorities.

AIR SERVICES AGREEMENT

BETWEEN

THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN

AND

THE GOVERNMENT OF ICELAND

The Government of the Hashemite Kingdom of Jordan and Government of Iceland, hereinafter referred to as the Contracting Parties,

Desiring to promote an international aviation system based on competition among Airlines in the marketplace with minimum governmental interference,

Desiring to promote their mutual relations in the field of civil aviation and thus to facilitate the expansion of international air services opportunities between them,

Recognizing that efficient and competitive international air services enhance trade, the welfare of consumers, and economic growth,

Desiring to make it possible for Airlines to offer the traveling and shipping public a variety of service options, and wishing to encourage individual Airlines to develop and implement innovative and competitive prices,

Being aware and committed to provide and to maintain the highest degree of safety and security in international air services and reaffirming their grave concern about acts or threats against the security of aircraft, which jeopardize the safety of persons or property, adversely affect the operation of air services, and undermine public confidence in the safety of civil aviation and

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

Have agreed as follows:

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Article 1 DEFINITIONS

1. For the purpose of this Agreement, unless the context otherwise requires:
 - 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 Annexes adopted under Article 90 of that Convention and any amendment of the Annexes or the Convention under Articles 90 and 94 thereof, which have been adopted by both Contracting Parties;
 - b) The term "**Agreement**" means this Agreement, its Annexes, and any amendments thereto;
 - c) The term "**Aeronautical Authorities**" means, in the case of the Government of the Hashemite Kingdom of Jordan, Civil Aviation Regulatory Commission and in case of the Government of Iceland the Ministry of the Interior or in both cases, any other authority or person legally empowered to perform the functions presently exercised by the said authorities;
 - d) The term "**Agreed Services**" means the international scheduled air services which can be operated, according to the provisions of this Agreement, on the specified routes;
 - e) The term "**Designated Airlines**" means Airlines which have been Designated and authorized in accordance with Article 3 of this Agreement;
 - f) The term "**Territory**" has the meaning specified in Article 2 of the Convention;
 - g) The terms "**Air Service**", "**International Air Service**", "**Airline**" and "**Stop for non - Traffic purposes**" have the meanings specified in Article 96 of the Convention;
 - h) The term "**Capacity**" means:
 - (i) in relation to an aircraft, the availability of seats and/or cargo of the said aircraft on a route or section of a route;
 - (ii) in relation to the Agreed Services, the Capacity of the aircraft used on such service, multiplied by the frequency operated by such aircraft over a given period on a route or a section of a route;
 - i) The term "**Tariff**" means the prices to be paid for the carriage of passengers and cargo and the conditions under which these prices apply, including prices and conditions for agency and other auxiliary services, but excluding remuneration and conditions for carriage of mail;
 - j) The term "**Traffic**" means passengers, baggage, cargo and mail;
 - k) The term "**User Charges**" means a charge made to Airlines by the competent authorities or permitted by those authorities to be made for the provision of airport property or facilities or of air navigation facilities, or related services and facilities, for aircraft, their crews, passengers and cargo.
2. The Annex to this Agreement and any amendments thereto forms an integral part of the Agreement.

Article 2
GRANT OF RIGHTS

1. Each Contracting Party grants to the other Contracting Party the rights specified in this Agreement for the purpose of establishing scheduled international air services on the routes specified in the Annex to this Agreement. The Airlines Designated by each Contracting Party shall enjoy the following rights:
 - a) to fly without landing across the Territory of the other Contracting Party;
 - b) to make stops in the said Territory for non-Traffic purposes and
 - c) while operating an agreed service on a specified route, to make stops in the Territories of the Contracting Parties at the points specified for that route in the Annex to this Agreement for the purpose of putting down and taking up international Traffic.
2. Nothing in paragraph (1) of this Article shall be deemed to confer on the Designated Airlines of one Contracting Party the privilege of taking up, in the Territory of the other Contracting Party, Traffic carried for remuneration or hire and destined for another point in the Territory of that other 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.
4. If due to armed conflict, natural disasters, or political disturbances a Designated Airline of one Contracting Party is unable to operate a service on its normal routing, the other Contracting Party shall use its best efforts to facilitate the continued operation of such service through appropriate temporary rearrangement of routes.

Article 3
DESIGNATION AND AUTHORIZATION

1. Each Contracting Party shall have the right to designate in writing to the other Contracting Party one or more Airlines to operate the Agreed Services in accordance with this Agreement and to withdraw or alter such designation.
2. On receipt of such designation and upon receipt of application from the Designated Airline, in the form and manner prescribed for operating authorization, each Contracting Party shall grant the appropriate operating authorization with minimum procedural delay, provided that:
 - a) the Designated Airline has its principal place of business in the Territory of the designating Contracting Party, where evidence of principle place of business is predicated upon the Airline being established and incorporated in the Territory of the designating Contracting Party in accordance with relevant national laws and regulations;
 - b) the substantial ownership and effective control of the Designated Airliies are vested in the Contracting Party designating the Airline(s) or in its nationals;
 - c) the Contracting Party designating the Airline has and maintains regulatory control of the Airline, where evidence of regulatory control is predicated upon but is not limited to:

the Airline holding a valid operating licence or permit issued by the licensing authority, such as an Air Operator Certificate (AOC), meeting the criteria of the designating Contracting Party for the operation of international air services as well as the designating Contracting Party having and maintaining safety and security oversight programmes in compliance with ICAO standards;

d) the Contracting Party designating the Airline is in compliance with the provisions set forth in Article 14 and Article 15; and

e) the Designated Airline is qualified to meet other conditions prescribed under the laws and regulations normally applied to the operation of international air transport services by the Contracting Party receiving the designation.

3. On receipt of the operating authorization of paragraph (2), a Designated Airline may at any time begin to operate the Agreed Services for which it is so Designated, provided that the Airline complies with the applicable provisions of this Agreement.

Article 4

REVOCATION AND SUSPENSION OF OPERATING AUTHORIZATIONS

1. Each Contracting Party shall have the right to 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 substantial ownership and effective control of that Airline are vested in the Contracting Party designating the Airline or in its nationals, or
 - b) in any case of failure by that Airline to comply with the laws and/or regulations of the Contracting Party granting these rights, or
 - c) in any case the Airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement, or
2. Unless immediate revocation, suspension or imposition of the conditions mentioned in paragraph (1) of this Article is essential to prevent further infringements of laws or regulations, such right shall be exercised only after consultation between the Aeronautical Authorities of the Contracting Parties.

Article 5

APPLICATION OF LAWS AND REGULATIONS

1. The laws and regulations of one Contracting Party relating to the admission into, stay in, or departure from its Territory of aircraft engaged in international air transport, or to the operation and navigation of such aircraft while within its Territory, shall be applied to the aircraft of both Contracting Parties without distinction as to nationality, and shall be complied with by the Designated Airlines of the other Contracting Party upon entering or departure from or while within the said Territory of that Contracting Party.

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2. The laws and regulations of one Contracting Party respecting entry, clearance, transit, immigration, passports, customs, currency, sanitary requirements and quarantine shall be complied with by the Designated Airlines of the other Contracting Party and by or on behalf of their aircraft engaged in international air transport, crews, passengers, baggage, cargo and mail upon transit of, admission to, departure from and while within the Territory of such Contracting Party.
3. Neither of the Contracting Parties shall give preference to its own or any other Airline over the Airlines engaged in similar international air services of the other Contracting Party in the application of its regulations specified in paragraphs (1) and (2) of this Article or in the use of airports, airways, air Traffic services and associated facilities under its control.

Article 6

RECOGNITION OF CERTIFICATES AND LICENCES

1. Certificates of airworthiness, certificates of competency and licences issued or rendered valid by one Contracting Party shall, during the period of their validity, be recognized as valid by the other Contracting Party, provided that the requirements under which such certificates or licences were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention.
2. Each Contracting Party reserves the right, however, to refuse to recognize as valid, for the purpose of flights over its own Territory, certificates of competency and licences granted to or rendered valid for its own nationals by the other Contracting Party or by any other State.

Article 7

EXEMPTION FROM CUSTOMS AND OTHER DUTIES AND TAXES

1. Subject to the laws and regulations of the Contracting Party, aircraft operated on international services by the Designated Airlines of either Contracting Party, as well as their regular equipment, supplies of fuel and lubricants, and aircraft stores already on board, introduced into or taken on board such aircraft and intended solely for use by or in such aircraft shall, with respect to all customs duties, inspection fees and other similar duties or taxes, be accorded in the Territory of the other Contracting Party, treatment not less favourable than that granted by the other Contracting Party to its own Airline(s) operating scheduled international air services or to the Airlines of the most favoured nation.
2. The same treatment shall be accorded to spare parts entered into the Territory of either Contracting Party for maintenance or repair of aircraft used on international services by the Designated Airline(s) of the other Contracting Party.
3. Neither Contracting Party shall be obliged to grant to the Designated Airline(s) of the other Contracting Party exemption or remission of customs duty, inspection fees or similar charges unless such other Contracting Party grants exemption or remission of such charges to the Designated Airline(s) of the first Contracting Party.
4. 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 such 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.

5. Materials referred to in paragraphs (1), (2) and (4) of this Article may be required to be kept under Customs supervision or control.
6. The exemptions provided for by this Article shall also apply in situations where a designated airline of one Party has entered into arrangements with other airlines for the loan or transfer in the territory of the other Party of the items specified in paragraphs 1 and 2 of this Article, provided such other airlines similarly enjoy such exemptions from the other Party.
7. Nothing in this Agreement shall prevent either Party from imposing, on a non-discriminatory basis, taxes, levies, duties, fees or charges on fuel supplied in its territory for use in an aircraft of a designated air carrier of the other Party that operates between a point or points in the territory of the first Party and another point in the territory of that Party or a point in the territory of another European Community Member State, Iceland or Norway.

Article 8 DIRECT TRANSIT

Passengers, baggage and cargo in direct transit across the Territory of one Contracting Party and not leaving the area of the airport reserved for such purpose shall be subject to no more than a simplified control except in respect of measures relating to civil aviation security and narcotics control. Baggage and cargo in direct transit shall be exempt from customs duties and other charges.

Article 9 USER CHARGES

1. Neither Contracting Party shall impose or permit to be imposed on the Designated Airline(s) of the other Contracting Party User Charges higher than those imposed on their own Airlines operating similar international air services.
2. Each Contracting Party shall encourage consultations on User Charges between its competent charging authorities and 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 User Charges may be given to such users to enable them to express their views before changes are made.
3. User charges that may be imposed by the competent charging authorities or bodies of each Party on the airlines of the other Party shall be just, reasonable, not unjustly discriminatory, and equitably apportioned among categories of users.
4. User charges imposed on the airlines of the other Party may reflect, but shall not exceed, the full cost to the competent charging authorities or bodies of providing the appropriate airport, airport environmental, air navigation and aviation security facilities and services at the airport or within the airport system. Such full cost may include a

reasonable return on assets, after depreciation. Facilities and services for which charges are made shall be provided on an efficient and economic basis.

Article 10 COMMERCIAL ACTIVITIES

1. The Designated Airlines of each Contracting Party shall be allowed, on the basis of reciprocity, to maintain in the Territory of the other Contracting Party, their offices and representatives, as well as their commercial, operational and technical staff as required in connection with the operation of the Agreed Services.
2. The request for staff may, at the option of the Designated Airlines of each Contracting Party, be satisfied either by their own personnel or by using the services of any other organisation, company or Airlines operating in the Territory of the other Contracting Party, and authorised to perform such services in the Territory of that Contracting Party.
3. The representatives and staff shall be subject to the laws and regulations in force of the other Contracting Party, and, consistent with such laws and regulations:
 - a) each Contracting Party shall, on the basis of reciprocity and with minimum delay, grant the necessary employment authorizations, visitor visas or other similar documents to the representatives and staff referred to in paragraph (1) of this Article; and
 - b) Both Contracting Parties shall facilitate and expedite the requirement of employment authorizations for personnel performing certain temporary duties.
4. Each designated airline shall have the right to perform its own ground-handling in the territory of the other Party ("self-handling") or, at its option, select among competing agents for such services in whole or in part. The rights shall be subject only to physical constraints resulting from considerations of airport safety. Where such considerations preclude self-handling, ground services shall be available on an equal basis to all airlines; charges shall be based on the costs of services provided; and such services shall be comparable to the kind and quality of services as if self-handling were possible.
5. Any airline of each Party may engage in the sale of air services in the territory of the other Party directly and, at the airline's discretion, through its agents, except as may be specifically provided by the charter regulations of the country in which the charter originates that relate to the protection of passenger funds, passenger cancellation and refund rights. Each airline shall have the right to sell such transportation, and any person shall be free to purchase such transportation, in the currency of that territory or in freely convertible currencies.

Article 11 FINANCIAL PROVISIONS

1. Each Designated Airline shall have the right to sell and issue its own transportation documents in the Territory of the other Contracting Party directly and, at its discretion, through its agents. Such Airlines shall have the right to sell such transportation, and any

person shall be free to purchase such transportation in local currency or any convertible currency.

2. Each Designated Airline shall have the right to convert and remit to its country on demand, at the official rate of exchange, the excess of receipts over expenditures achieved in connection with the carriage of passengers, cargo and mail. The above mentioned transfer shall be made in convertible currencies and in accordance with the national laws and foreign exchange laws and regulations applicable.
3. In case special arrangements ruling the settlement of payments are in force between the Contracting Parties, the provisions of such arrangements shall be applied to the transfer of funds under paragraph (2) of this Article.

Article 12

PRINCIPLES GUIDING COMMERCIAL ACTIVITIES

1. The Contracting Parties shall, on reciprocal basis, allow Airlines to freely compete in providing the Agreed Services according to this Agreement, provided that fair and equal opportunity is provided for the Designated Airlines of both Contracting Parties to operate the Agreed Services on the specified routes between their respective territories.
2. No limitations shall be imposed on the Designated Airlines of both Contracting Parties in their operation of the Agreed Services, be it passengers, cargo and/or mail, with regard to Capacity, number of flights operated (frequency), and/or the type of aircraft used. The Designated Airlines of both Contracting Parties shall be free to decide the frequency and Capacity of their operation on the Agreed Services
3. Neither of the Contracting Parties shall unilaterally impose any limitations on the Capacity of the aircraft used by the Designated Airlines of the other Contracting Party, except as required for custom, technical, operational, and/or environmental requirements according to unified conditions.
4. The Designated Airlines of both Contracting Parties shall be allowed to set their Tariffs on commercial basis and in accordance with the commercial situation of the market, without violating the applicable competition laws.
5. The Designated Airlines of both Contracting Parties shall not be required to consult with the other Airlines operating over the whole or part of the route with regard to Tariffs.
6. The Aeronautical Authorities of a Contracting Party may require that a Designated Airline file its Tariffs for monitoring purposes. The Aeronautical Authorities of a Contracting Party shall not reject Tariffs so filed without providing a justified reason.
7. The Contracting Parties shall not unilaterally take any action to refuse the Tariffs of a Designated Airline or stop the application thereof, except in situations that the Aeronautical Authorities consider that the application of such Tariffs is, or will constitute a violation of the applicable competition laws.
8. If a Contracting Party considers the Tariffs of an Airline Designated by the other Contracting Party to be in violation of the relevant competition laws, any Contracting Party shall be entitled to ask for consultations. Such consultations shall be set within 30 days from the date of receipt of the consultations request. The Contracting Parties shall

cooperate in providing the necessary information for adopting the required solutions for the issue at hand.

Article 13

APPROVAL OF FLIGHT SCHEDULES

1. The flight schedules of the Agreed Services may be required to be submitted by the Designated Airlines of one Contracting Party for the approval of the Aeronautical Authorities of the other Contracting Party at least thirty (30) days before the intended date of their implementation. Any modification to such flight schedules shall also be submitted to the Aeronautical Authorities of the other Contracting Party for approval at least thirty (30) days in advance.
2. The Designated Airlines shall also furnish any other information as may be required to satisfy the Aeronautical Authorities of the other Contracting Party that the requirements of the Agreement are being duly observed.

Article 14

AVIATION SECURITY

1. Consistent with their rights and obligations under international law, the Contracting Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. Without limiting the generality of their rights and obligations under international law, the Contracting Parties shall in particular act in conformity with the 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 and the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, signed at Montreal on 23 September 1971 and the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on February 24 1988 and all other international instruments in the same field which the Contracting Parties may be Parties to.
2. The Contracting Parties shall provide upon request, all necessary assistance to each other 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 aviation security provisions established by the International Civil Aviation Organization (hereinafter referred to as ICAO) and Designated as Annexes to the Convention, to the extent that such security provisions are applicable to the Contracting Parties; they shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or permanent residence in their Territory and the operators of airports in their Territory act in conformity with such aviation security provisions.
4. Each Contracting Party agrees that such operators of aircraft may be required to observe the aviation security provisions referred to in paragraph (3) above, required by the other Contracting Party for entry into, departure from, or while within the Territory of that other Contracting Party.

5. 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 and aircraft stores prior to and during boarding or loading. Each Contracting Party shall also give positive consideration to any request from the other Contracting Party for reasonable special security measures to meet a particular threat.
6. 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, the Contracting Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.
7. Each Contracting Party shall take measures, as it may find practicable, to ensure that an aircraft subjected to an act of unlawful seizure or other acts of unlawful interference, which has landed in its Territory is detained on the ground unless its departure is necessitated by the overriding duty to protect human life. Wherever practicable, such measures shall be taken on the basis of mutual consultations.
8. Should one Contracting Party have problems with regard to the aviation security provisions of this Article, the Aeronautical Authorities of either Contracting Party may request immediate consultations with the Aeronautical Authorities of the other Contracting Party.

Article 15 **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 (Revocation and Suspension of Operating Authorization).
- (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 Contracting Party may, while within the territory of the other Contracting Party, be made the subject of an examination by the authorised 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 licences 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 to in that paragraph.
- (6) Each Contracting Party reserves the right to suspend or vary the operating authorisation 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, a series of ramp inspections, a denial of access for 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.
- (8) The designated airlines of each Contracting Party shall be a non-listed in any Banning list (or equivalent) published by recognized Safety Agency or Airworthiness Authority.

Article 16

CONSULTATIONS AND AMENDMENTS

- 1. Either Contracting Party may at any time request consultations on the implementation, interpretation, application or amendment of this Agreement. Such consultation, which may be between Aeronautical Authorities and which may be through discussions or by correspondence, shall begin within a period of sixty (60) days of the date on which the other Contracting Party received a written request.
- 2. Any amendments so agreed shall come into force when they have been confirmed by an exchange of diplomatic notes upon completion of their respective constitutional formalities.
- 3. Amendments to the Annex may be made directly by the Aeronautical Authorities of the Contracting Parties.

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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 negotiations.
2. If the Contracting Parties fail to reach a settlement by negotiations, they may agree to refer the dispute for an advisory opinion to some person or body.
3. If the Contracting Parties fail to reach a settlement pursuant to paragraphs (1) and (2) above, the dispute shall be referred to a Tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be agreed upon 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 by such a Tribunal and the third arbitrator shall be appointed within a further period of sixty (60) days. If either of the Contracting Parties fails to nominate its arbitrator within the period specified, the President of the Council of ICAO may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case may require; provided that if the President of the Council of ICAO is a national of either Contracting Party, the senior Vice-President of the Council or if he is such a national, the Senior Member of the Council who is not such a national may be requested to make the appointments as the case may be. The third arbitrator, however, shall be a national of a third state and shall act as the President of the Tribunal and shall determine the place where arbitration will be held.
4. The Tribunal shall determine its own procedures.
5. The expenses of the Tribunal shall be shared equally between the Contracting Parties.
6. The Contracting Parties undertake to comply with any decision delivered in application of this Article.
7. If and so long as either Contracting Party or its Designated Airline fails to comply with the decisions given under paragraph (3) 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.

Article 18
**REGISTRATION WITH THE INTERNATIONAL CIVIL AVIATION
ORGANIZATION**

This Agreement and any subsequent modification to it shall be registered with ICAO by the Government of Iceland.

Article 19
APPLICABILITY OF MULTILATERAL CONVENTIONS

If a general multilateral air convention comes into force in respect of both Contracting Parties, the provisions of such convention shall prevail.



Article 20
TERMINATION

Either Contracting Party may at any time give notice in writing through diplomatic channels to the other Contracting Party of its intention to terminate this Agreement. In such case this Agreement shall terminate twelve (12) months after the date of receipt of the notice by other Contracting Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period. The notice of termination shall be simultaneously communicated to ICAO. In the absence of acknowledgement of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by ICAO.

Article 21
ENTRY INTO FORCE

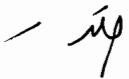
1. This Agreement shall enter into force on the date of receipt of the last written notification by which the Contracting Parties have notified each other, through diplomatic channels, that their respective internal legal requirements for the entry into force of this Agreement have been fulfilled.
2. This Agreement shall be provisionally applied from the date of its signature.

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

Done at on this day of in two originals, in the Arabic, Icelandic and English languages, all the texts being equally authentic. In the case of the divergence of interpretation the English text shall prevail.

For the Government of
the Hashemite Kingdom of Jordan

For the Government of
Iceland



A N N E X

ROUTE SCHEDULE

- A. The Designated Airline or Airlines of the Hashemite Kingdom of Jordan shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points in Jordan	Intermediate points	Points in Iceland	Points beyond
any point	any point	any point	any point

For all-cargo service or services, between Iceland and any point or points.

- B. The Designated Airline or Airlines of Iceland shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points in Iceland	Intermediate points	Points in Jordan	Points beyond
any point	any point	any point	any point

For all-cargo service or services, between the Hashemite Kingdom of Jordan and any point or points.

NOTES

1. Any point or points on the specified routes may be omitted by the Designated Airlines of either Contracting Party on one or all flights, provided that the point of origin or arrival is in the Territory of that Contracting Party.
2. Fifth freedom traffic rights maybe excercised by airlines designated by either contracting party, subject to the approval of aeronautical authorities of both contracting parties. Additionally, the Designated Airlines of both Contracting parties are entitled to exercise, in all-cargo services only, full fifth freedom traffic rights.
3. In operating air services on the specified routes any Designated Airline of one Contracting Party may enter into co-operative marketing arrangements such as blocked-space, code-sharing or leasing code-share arrangement with:
 - a) an Airline or Airlines of the same Contracting Party,
 - b) an Airline or Airlines of the other Contracting Party,
 - c) an Airline or Airlines of a third party. Should such a third party not authorise 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 Aeronautical Authorities of the concerned Contracting Party have the right not to accept such arrangements.



4. The above provisions on third-party code-share are, however, subject to the conditions that all Airlines in such arrangements:
 - a) have received approval from and meet the requirements applied to such arrangements by the Aeronautical Authorities of the Contracting Parties,
 - b) hold the underlying Traffic rights and meet the terms of this Agreement,
 - c) provide the consumers with the proper information concerning such code-share arrangements.
6. Operate flights in either or both directions;
7. Combine different flight numbers within one aircraft operation;

Change of Gauge

On any segment or segments of the aforementioned routes, any designated airline may perform international air services without any limitation as to change, at any point on the route, in type or number of aircraft operated, provided that, with the exception of all-cargo services, in the outbound direction, the transportation beyond such point is a continuation of the transportation from the territory of the Party that has designated the airline and, in the inbound direction, the transportation to the territory of the Party that has designated the airline is a continuation of the transportation from beyond such point.

