

**AIR SERVICES AGREEMENT
BETWEEN
THE GOVERNMENT OF ICELAND
AND
THE CABINET OF MINISTERS OF UKRAINE**

The Government of Iceland and the Cabinet of Ministers of Ukraine (hereinafter referred to as the "Parties");

BEING parties to the Convention on International Civil Aviation done at Chicago on 7 December 1944;

DESIRING to promote their mutual relations in the field of civil aviation and to conclude an Agreement for the purpose of establishing and operating scheduled air services between Ukraine and Iceland and beyond their respective territories;

DESIRING to promote an international aviation system based on competition among airlines in the marketplace with minimum government interference and regulation;

DESIRING to facilitate the expansion of international air service opportunities;

DESIRING to ensure 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;

Have agreed as follows:

Article 1
Definitions

For the purposes of this Agreement, unless otherwise stated, the term:

- (a) "aeronautical authorities" means, in the case of Ukraine, the State Aviation Administration and, in the case of Iceland, the Ministry of Communications or in both cases any person or body who may be authorized to perform functions at present exercisable by the abovementioned authorities;
- (b) "Agreement" means this Agreement, its Annex, forming an integral part, and any amendments thereto;
- (c) "agreed services" means scheduled international air services on the routes specified in the Annex to this Agreement for the transport of passengers, cargo and mail, separately or in combination;

- (d) "air service", "international air service", "airline" and "stop for non-traffic purposes" have the meanings respectively assigned to them in Article 96 of the Convention;
- (e) "capacity" in relation to an aircraft means, the payload of that aircraft available on a route or section of a route, and in relation to a specified route means capacity of an aircraft, used on such route, multiplied by number of flights, operated by such aircraft over a given period on this route or a section of the route;
- (f) "Convention" means the Convention on International Civil Aviation, done at Chicago on 7 December 1944, and includes: any amendment thereto that has entered into force under Article 94(a) of the Convention and has been ratified by both Parties, and any Annex or any amendments thereto adopted under Article 90 of the Convention, insofar as such Annexes or amendments are at any given time effective for both Parties;
- (g) "designated airline" means an airline designated and authorized in accordance with Article 3 of this Agreement;
- (h) "EEA EFTA States" means Member States of the European Free Trade Association that also are Parties to the Agreement on the European Economic Area;
- (i) "European Economic Area" (EEA) means the enhanced free trade area established by the Agreement on the European Economic Area, done at Oporto on 2 May 1992, between the European Community and its Member States on the one hand and the European Free Trade Association States (EFTA) with the exclusion of Switzerland on the other hand, of which Iceland is a Member State;
- (j) "Air Operator's Certificate" means a document issued by the competent authorities of the State of the Party to an airline which affirms that the airline in question has the professional ability and organization to secure the safe operation of aircraft for the aviation activities specified in the certificate;
- (k) "Legislation of the Party" means laws and regulations in force in the State of the Party;
- (l) "specified route" means any route specified in the Annex to this Agreement;
- (m) "standard" means any specifications for physical characteristics, configurations, material, performance, personnel or procedure, the uniform application of which is recognized as necessary for the safety or regularity of international air navigation, and to which the Parties will conform in accordance with the Convention; in the event of impossibility of compliance, the Parties shall compulsorily notify the International Civil Aviation Organization (hereinafter referred to as "ICAO") under Article 38 of the Convention;

- (n) "territory of the Party" means the territory of the State of the Party and has the meaning assigned to it in Article 2 of the Convention;
- (o) "tariff" means the price to be charged for the carriage of passengers, baggage and cargo, and the conditions under which this price applies, including prices and conditions for agency and other auxiliary services performed by the airline in connection with the air transportation, but excluding remuneration and conditions for the carriage of mail;
- (p) "user charges" means a charge or charges made to airlines by the competent authority of the State of the Party or permitted by that authority to be made for the provision of airport, air navigation or aviation security facilities or services, including related services and facilities for aircraft, their crews, passengers and cargo.

Article 2

Grant of Rights

1. Each Party grants the other Party's designated airlines the following rights for the conduct of scheduled international air services on the routes specified in the Annex to this Agreement:

- (a) the right to fly across its territory without landing;
- (b) the right to make stops in its territory for non-traffic purposes; and
- (c) the right to make stops in its territory at the points specified in the Annex to this Agreement for the purpose of taking on board and (or) discharging international traffic in passengers, baggage, cargo and mail, separately or in any combination while operating the agreed services.

2. Nothing in this Article shall be deemed to confer on the designated airline or airlines of one Party the right to take on board, in the territory of the other Party, passengers, their baggage, cargo, or mail carried for remuneration or hire and destined for another point in the territory of that other Party.

Article 3

Designation and Authorization

1. Each Party shall have the right to designate an airline or airlines for the purpose of operating the agreed services on each of the routes specified in the Annex to this Agreement and to withdraw or alter such designations. The notification of a designation, its withdrawal or alteration shall be made in writing and shall be transmitted to the other Party through diplomatic channels.

2. Upon receipt of such a designation and of applications from the designated airline, in the form and manner prescribed for operating authorizations and technical permissions, the other Party shall grant the appropriate authorizations and permissions with minimum procedural delay, provided:

(a) in the case of an airline designated by Ukraine:

- (i) it is established and incorporated in the territory of Ukraine and has a valid Operating License in accordance with its national legislation; and
- (ii) Ukraine exercises and maintains effective regulatory control of the airline; and
- (iii) the airline is owned, directly or through majority ownership, and is effectively controlled by Ukraine and (or) by nationals of Ukraine;

(b) in the case of an airline designated by Iceland:

- (i) it is established in the territory of Iceland in accordance with the Agreement on the European Economic Area, and has a valid Operating License in accordance with national legislation adopted in accordance with the Agreement on the European Economic Area; and
- (ii) effective regulatory control of the airline is exercised and maintained by Member State of the European Economic Area responsible for issuing its Air Operator's Certificate, and the relevant aeronautical authorities are clearly identified in the designation; and
- (iii) it is owned and shall continue to be owned directly or through majority ownership by Member States of the European Economic Area and (or) nationals of Member States of the European Economic Area and shall at all times be effectively controlled by such states and (or) nationals;

(c) the designated airline is qualified to meet the conditions prescribed under the legislation normally applied to the operation of international air services by the Party considering the application or applications; and

(d) the provisions set forth in Article 7 and Article 8 of this Agreement are being maintained and administered by the Party designating the airline.

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

Article 4
Revocation of Authorization

1. Either Party may revoke, withhold, suspend or limit the operating authorization or technical permissions of an airline designated by the other Party where:

(a) in the case of an airline designated by Ukraine:

- (i) it is not established or is not incorporated in the territory of Ukraine or does not have a valid Operating License in accordance with its national legislation; or
- (ii) Ukraine does not exercise or maintain effective regulatory control of the airline; or
- (iii) the airline is not owned, directly or through majority ownership, or is not effectively controlled by Ukraine and (or) by nationals of Ukraine;

(b) in the case of an airline designated by Iceland:

- (i) it is not established in the territory of Iceland under the Agreement on the European Economic Area, or does not have a valid Operating License in accordance with national legislation adopted in accordance with the Agreement on the European Economic Area; or
- (ii) effective regulatory control of the airline is not exercised or not maintained by the Member State of the European Economic Area responsible for issuing its Air Operator's Certificate, or the relevant aeronautical authorities are not clearly identified in the designation; or
- (iii) it is not owned, directly or through majority ownership, or it is not at all times effectively controlled by a Member State of the European Economic Area and (or) nationals of Member States of the European Economic Area;

(c) the designated airline is unable to prove that it is qualified to fulfill the conditions prescribed under the legislation normally applied to the operation of international air services by the Party considering the application or applications; or

(d) the designated airline fails to comply with the legislation of the Party granting the rights specified in Article 2 of this Agreement; or

(e) the designated airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement; or

(f) the Party, designating the airline, does not comply with the provisions of Article 7

or Article 8 of this Agreement.

2. Unless immediate action is essential to prevent further non-compliance mentioned in paragraph 1(d), 1(e) or 1(f) of this Article, the rights established by this Article shall be exercised only after consultations with the other Party, in conformity with Article 15 of this Agreement.

3. This Article does not limit the rights of either Party to withhold, revoke, limit or impose conditions on the operating authorization or technical permission of a designated airline or airlines of the other Party in accordance with the provisions of Article 7 and Article 8 of this Agreement.

Article 5

Application of Legislation

1. While entering, being within, or leaving the territory of one Party, its legislation relating to the operation and navigation of aircraft engaged in international air services shall be complied with by the other Party's designated airlines.

2. While entering, being within, or leaving the territory of one Party, its legislation relating to the admission to or departure from its territory of passengers, crew or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs and quarantine or, in the case of mail, postal regulations) shall be complied with by, or on behalf of, such passengers, crew or cargo of the other Party's designated airlines.

3. Neither Party shall give preference to its own or any other airline over a designated airline of the other Party engaged in similar international air services in the application of the legislation provided for in this Article.

Article 6

Recognition of Certificates and Licenses

1. Each Party shall recognize as valid, for the purpose of operating the agreed services provided for in this Agreement, certificates of airworthiness, certificates of competency, and licenses issued or validated by the State responsible for the regulatory control of a designated airline and still in force, provided that the requirements under which such certificates or licenses were issued or validated are equal to the minimum standards that are established or may be established pursuant to the Convention.

2. Each Party reserves the right, however, to refuse to recognize as valid, for the purpose of flights above or landing within its own territory, certificates of competency and licenses granted to or validated for the nationals of its State by the other Party.

Article 7

Safety

1. Either Party may at any time request consultations with the other Party concerning the safety standards in any area relating to aeronautical facilities, aircrews, aircraft, and their operation maintained by the other Party. Such consultations shall take place within thirty (30) days of the date of receipt of that request.

2. If, following such consultations, one Party finds that the other Party does not effectively maintain and administer safety standards in the areas referred to in paragraph 1 of this Article that are at least equal to the minimum standards established at that time pursuant to the Convention, the other Party shall be informed by the first Party of such findings and of the steps considered necessary to conform with the said standards. The other Party shall then take appropriate corrective action. Failure by the other 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. Pursuant to Article 16 of the Convention, it is further agreed that any aircraft operated by, or on behalf of, a designated airline of one Party, on services to or from the territory of the other Party, may, while within the territory of the other Party, be the subject of a search by the authorized representatives of the aeronautical authorities of the other Party (hereinafter referred to as "ramp inspection"), provided this does not cause unreasonable delay in the operation of the aircraft. Notwithstanding the obligations mentioned in Article 33 of the Convention, the purpose of this inspection is to verify the validity of the relevant aircraft documentation, the licenses of its crew, and that the aircraft equipment and the condition of the aircraft conform to the safety standards established at that time pursuant to the Convention.

4. If any ramp inspection or a 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 Party which authorized representatives are carrying out the inspection shall, for the purposes of Article 33 of the Convention, be free to conclude that the requirements under which the certificates 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 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 designated airline or airlines of one Party in accordance with paragraph 3 of this Article is denied by the representative of that airline or airlines, the other Party may draw the conclusion referred to in paragraph 4 of this Article.

6. Each Party reserves the right to suspend or vary the operating authorization and technical permissions of the designated airline of the other Party immediately in the event the first Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultations or otherwise, that immediate action is essential to the safety of an airline operation.

7. Any action by one Party in relation to the designated airline or airlines of the other Party in accordance with paragraph 2 or 6 of this Article shall be discontinued once the basis of the taking of that action ceases to exist.

8. With reference to paragraph 2 of this Article, if it is determined that one Party remains in non-compliance with the said standards when the agreed time period has lapsed, the Secretary General of ICAO should be advised thereof. The latter should also be advised of the subsequent satisfactory resolution of the situation.

Article 8

Aviation Security

1. In accordance with their rights and obligations under international law, the 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 Parties shall in particular act in conformity with the provisions of the *Convention on Offences and Certain Other Acts Committed on Board Aircraft*, done at Tokyo on 14 September 1963, the *Convention for the Suppression of Unlawful Seizure of Aircraft*, done at The Hague on 16 December 1970, the *Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation*, done at Montreal on 23 September 1971, and the *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*, signed at Montreal on 24 February 1988, and the *Convention on the Marking of Plastic Explosives for the Purpose of Detection*, done at Montreal on 1 March 1991, and any other international agreement relating to the security of civil aviation to which the States of both Parties adhere to.

2. Upon request the Parties shall provide each other with all necessary assistance 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 address any other threat to the security of civil aviation.

3. The Parties shall, in their mutual relations, act in conformity with the aviation security standards and appropriate recommended practices established by the ICAO and

designated as Annexes to the Convention to the extent that such security provisions are applicable to the Parties. The Parties shall require that operators of aircraft of their registry, operators of aircraft which have their principal place of business or permanent residence in their territory and operators of airports in their territory act in conformity with such aviation security provisions.

4. Each Party agrees that its operators of aircraft shall be required to observe the aviation security provisions referred to in paragraph 3 of this Article required by the other Party for entry into, departure from or while within the territory of that other Party. Each Party shall ensure that adequate measures are effectively applied within its territory to protect aircraft and to inspect passengers, crew, and their baggage and carry-on items, as well as cargo and aircraft stores, prior to and during boarding or loading. Each Party shall also give positive consideration to any request from the other Party for special security measures to meet a particular threat.

5. When an incident or threat of an incident of unlawful seizure of aircraft or other unlawful acts against the safety of passengers, crew, aircraft, airports or air navigation facilities occurs, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

6. When a Party has reasonable grounds to believe that the other Party has departed from the aviation security provisions of this Article, the aeronautical authorities of that Party may request immediate consultations with the aeronautical authorities of the other Party. Failure to reach a satisfactory agreement within fifteen (15) days from the date of receipt of such a request shall constitute grounds to withhold, revoke, limit, or impose conditions on the operating authorization and technical permissions of a designated airline or airlines of that other Party. When required by an emergency, a Party may take interim action prior to the expiry of fifteen (15) days.

Article 9

Commercial Opportunities

1. The designated airlines of each Party shall have the right to establish their own representative offices in the territory of the other Party for the promotion and sale of air services.

2. The designated airlines of each Party shall be entitled, in accordance with the legislation of the other Party relating to entry, residence and employment, to bring in and maintain in the territory of the other Party managerial, sales, technical, operational and other specialist staff required for the provision of air services.

3. The designated airlines of each Party shall have the right to perform their own ground-handling in the territory of the other Party ("self-handling") or, at their 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-handling 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.

4. Any designated airline of each Party may engage in the sale of air services in the territory of the other Party directly or, at the designated airline's discretion, through its agents. Each designated airline shall have the right to sell air services, and any person shall be free to purchase such services, in national currency or in any freely convertible currency, in accordance with the currency legislation of the other Party.

5. Each designated airline of the Parties shall have the right to convert and remit to its country in accordance with the currency legislation of each Party the excess of receipts over expenditure achieved in the territory of the other Party in connection with the carriage of passengers, cargo and mail on the agreed services. Conversion and remittance shall be permitted promptly without restrictions or taxation in respect thereof at the rate of exchange applicable to current transactions and remittance on the date the carrier makes the initial application for remittance.

6. The designated airlines of each Party shall be permitted to pay for local expenses, including purchases of fuel, in the territory of the other Party in national currency. At their discretion, the designated airlines of each Party may pay for such expenses in the territory of the other Party in any freely convertible currency according to the legislation of that other Party.

7. Issues on the avoidance of double taxation shall be governed by the Convention between the Government of Ukraine and the Government of Iceland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital signed at Kyiv on 8 November 2006.

Article 10

Customs Duties and Charges

1. Each Party shall on the basis of reciprocity exempt a designated airline of the other Party to the fullest extent possible under its national legislation from customs duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft equipment, aircraft stores (including but not limited to such items as food, beverages and liquor, tobacco and other products destined for sale or to be used solely in connection with the operation or servicing of aircraft) and other items, such as printed ticket stock, air waybills, any printed material which bears the insignia of the designated airline printed thereon and usual publicity material distributed free of charge by that designated airline intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline of such other Party operating the agreed services.

2. The exemptions granted by this Article shall apply to the items referred to in paragraph 1:

- (a) introduced into the territory of Party by or on behalf of the designated airline of the other Party; or
- (b) retained on board aircraft of the designated airline of one Party upon arrival in or leaving the territory of the other Party; or
- (c) taken on board aircraft of the designated airline of one Party in the territory of the other Party and intended for use in operating the agreed services;

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

3. The regular airborne equipment, as well as the materials and supplies normally retained on board the aircraft of the designated airline of either Party, may be unloaded in the territory of the other Party only with the approval of the customs authorities of the State of that other Party. In such case, they may be placed under supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with the customs legislation of this Party.

4. The exemptions provided for by this Article shall also be available 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 paragraph 1 of this Article, provided such other airlines similarly enjoy such exemptions from that other Party.

5. 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) the designated airline of Ukraine that operates between a point or points in the territory of Iceland and another point or points in the territory of Iceland or in the territory of another European Union Member State or EEA EFTA State; and
- (b) the designated airline of the Iceland that operates between a point or points in the territory of Ukraine and another point or points in the territory of Ukraine.

Article 11

Direct Transit

Passengers, baggage and cargo in direct transit across the territory of either Party and not leaving the area of the airport reserved for such purpose shall only be subject to an

aviation security control, except that security measures against violence, air piracy and illegal transportation of narcotic substances require differently. The baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes and charges.

Article 12

User Charges

1. User charges that may be imposed by the competent charging authorities or bodies of the State of each Party on the designated airlines of the other Party shall be just, reasonable, not unjustly discriminatory, and equitably apportioned among categories of users. In any event, any such user charges shall be assessed on the designated airlines of the other Party on terms not less favourable than the most favourable terms available to any other airline at the time the charges are assessed.

2. Each Party shall encourage consultations between the competent charging authorities or bodies of its State and the designated airlines using the services and facilities, and shall encourage the competent charging authorities or bodies and the designated airlines to exchange such information as may be necessary to permit an accurate review of the reasonableness of the charges in accordance with the principles specified in paragraph 1 of this Article. Each Party shall encourage the competent charging authorities or bodies of its State to provide such airlines with reasonable notice of any proposal for changes in user charges to enable them to express their views before changes are made.

Article 13

Fair Competition and Approval of Schedules

1. Each Party shall allow fair and equal opportunities for the designated airlines of both Parties to compete freely in providing the international air services governed by this Agreement.

2. Each Party shall allow each designated airline to determine the capacity of the specified route based upon operation flexibility established in the Annex to this Agreement. The aeronautical authorities of neither Party shall unilaterally limit the volume of traffic, frequency or regularity of service, or the aircraft type or types operated by the designated airlines of the other Party, except as may be required for customs, technical, operational, or environmental reasons under uniform conditions consistent with Article 15 of the Convention.

3. Neither Party shall impose on the other Party's designated airlines a first-refusal requirement, uplift ratio, no-objection fee, or any other requirement with respect to capacity, frequency or traffic that would be inconsistent with the purposes of this Agreement.

4. The designated airline of either Party shall submit schedules of the agreed services for approval to the aeronautical authorities of the other Party at least forty-five (45) days before the proposed date of their introduction. In special cases, this time limit may be reduced subject to the consent of the said authorities. Any further amendments concerning the approved schedule of any designated airline of either Party shall be submitted to the aeronautical authorities of the other Party for approval.

Article 14

Tariffs

1. The tariffs on any agreed service shall be established by the designated airlines of both Parties at reasonable levels, due regard being paid to all relevant factors, including cost of operation, reasonable profit, and characteristics of service. The aeronautical authorities of the Parties shall consider unacceptable tariffs that are unreasonably discriminatory, unduly high or restrictive because of the abuse of a dominant position, or artificially low because of direct or indirect subsidy or support.

2. The aeronautical authorities of each Party may require notification or filing of tariffs for carriage on passenger air services operated by a designated airline pursuant to this Agreement. This shall not include cargo tariffs, or tariffs to be charged by a designated airline of the other Party for carriage between the points in the territory of the first Party and a third state.

3. Intervention by the aeronautical authorities of the Parties shall be limited to:

- (a) the prevention of unreasonably low or discriminatory tariffs; or
- (b) the protection of consumers from tariffs that are unreasonably high or unreasonably restrictive due either to the abuse of a dominant position or to concerted practices among airlines; or
- (c) the protection of airlines from tariffs that are artificially low because of direct or indirect subsidy or support.

4. If the aeronautical authorities of either Party believe that any such tariff is inconsistent with the considerations set out in this Article, they shall send appropriate notice to the designated airline in question. The aeronautical authorities sending this notice may request consultations with the aeronautical authorities of the other Party and notify of the reasons for their dissatisfaction within fourteen (14) days from receiving the filing. These consultations shall be held not later than thirty (30) days after receipt of the request. If the aeronautical authorities of the Parties reach agreement with respect to tariffs for which a notice of dissatisfaction has been given, the aeronautical authorities of each Party shall use its best efforts to put such an agreement into effect. Without such mutual agreement to the contrary, the previously existing tariffs shall continue in effect.

Article 15
Consultations

1. In a spirit of close co-operation, either Party may, at any time, request consultations relating to this Agreement, its implementation, satisfactory compliance, interpretation, application or amendment of this Agreement.
2. Such consultations, which may be held between the aeronautical authorities, shall begin within a period of sixty (60) days from the date the other Party receives a written request, unless otherwise agreed by the Parties.

Article 16
Settlement of Disputes

1. Any dispute relating to the interpretation or application of this Agreement shall be settled by negotiations between the aeronautical authorities of the Parties.
2. If the aeronautical authorities fail to reach an agreement, the dispute shall be settled by the Parties through diplomatic channels, otherwise in accordance with the Convention.

Article 17
Amendments

1. If either Party considers it desirable to amend any provision of this Agreement, it may request consultations between the aeronautical authorities of both Parties in relation to the proposed amendments. Such consultations shall commence within a period of sixty (60) days from the date of receipt of the request by the other Party, unless otherwise agreed by the Parties.
2. Any amendments to this Agreement shall be made by the mutual agreement of the Parties in writing through the relevant protocol, which constitutes an integral part of this Agreement and shall enter into force pursuant to paragraph 1 of Article 19 of this Agreement.
3. Any amendments to the Annex of this Agreement shall be agreed directly by the aeronautical authorities of the Parties and shall enter into force pursuant to paragraph 1 of Article 19 of this Agreement.
4. If an international multilateral air transport agreement that is applicable to both Parties comes into force, this Agreement shall be deemed to be amended accordingly.

Article 18
Registration with ICAO

This Agreement and all amendments thereto shall be registered upon their signature with the ICAO.

Article 19
Entry into force and Termination

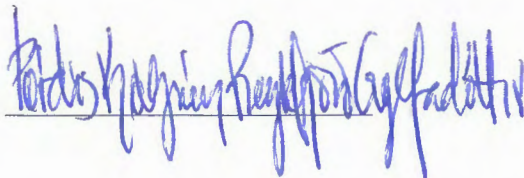
1. This Agreement shall be concluded for an indefinite period and shall enter into force on the date of receipt through diplomatic channels of the latest written notification by the Parties confirming that their internal legal procedures necessary for the entry into force of this Agreement have been completed.

2. Either Party may, at any time, give notice in writing to the other Party of its decision to terminate this Agreement. Such notice shall be sent simultaneously to the ICAO. This Agreement shall terminate at midnight at the place of receipt of the notice immediately before the first anniversary of the date of receipt of the notice by the other Party, unless the notice is withdrawn by agreement of the Parties before the end of this period. In the absence of acknowledgement of receipt by the other Party, the notice shall be deemed to have been received fourteen (14) days after the date it was received by the ICAO.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Stockholm, this 2nd day of December two thousand and twenty one, in duplicate, in Ukrainian and English languages, each text being equally authentic. In case of divergence of interpretation of provisions of this Agreement, the English text shall prevail.

For the Government
of Iceland



For the Cabinet of Ministers
of Ukraine



**ANNEX TO
AIR SERVICES AGREEMENT
BETWEEN
THE CABINET OF MINISTERS OF UKRAINE
AND
THE GOVERNMENT OF ICELAND**

Section 1

I. Routes Schedule

Routes to be operated by the designated airlines of Ukraine:

Points in the territory of Ukraine	Intermediate points	Points in the territory of Iceland	Points beyond
Any points	Any points	Any points	Any points

Note:

No traffic may be picked up at an intermediate point to be set down in the territory of Iceland nor picked up in the territory of Iceland to be set down at a point beyond and vice versa, except as may from time to time be jointly agreed by the aeronautical authorities of the Parties.

Routes to be operated by the designated airlines of Iceland:

Points in the territory of Iceland	Intermediate points	Points in the territory of Ukraine	Points beyond
Any points	Any points	Any points	Any points

Note:

No traffic may be picked up at an intermediate point to be set down in the territory of Ukraine nor picked up in the territory of Ukraine to be set down at a point beyond and vice versa, except as may from time to time be jointly agreed by the aeronautical authorities of the Parties.

The exercise of fifth and seventh freedom traffic rights, without any restriction whatsoever, in any type of service (passenger, cargo, separately or in combination), shall be agreed upon between the aeronautical authorities of the Parties.

II. Code Sharing

1. While operating air services on the specified routes the designated airlines of one Party may enter into co-operative marketing arrangements, including but not limited to code-sharing and (or) blocked-space agreements, with the designated airline or airlines of the same Party, the other Party and an airline or airlines of the third party, which hold the appropriate authorization to provide such services.

2. Each airline involved in code-sharing arrangements shall, in respect of any ticket sold by it, make clear to the purchaser at the point of sale which airline will operate each sector of the services and with which airline the purchaser is entering into a contractual relationship.

III. Additional Conditions

The aeronautical authorities of both Parties may, by mutual agreement, determine the additional conditions for the operation of the agreed services on the routes specified in this Annex.

Section 2

Operational Flexibility

Each designated airline of the Parties may on any or all flights and at its option:

- (a) Operate flights in either or both directions;
- (b) Combine different flight numbers within one aircraft operation;
- (c) Omit stops at any point or points;
- (d) Transfer traffic from any of its aircraft to any of its other aircraft at any point on the specified routes;
- (e) Make stopovers at any points whether within or outside the territory of either Party;
- (f) Carry transit traffic through the other Party's territory.

Section 3

Change of Gauge

In operating the agreed services, the designated airlines of each Party may be permitted to change aircraft at the points on the specified routes using identical or different flight numbers on the concerned sectors.