

ARTICLE 3

DESIGNATION AND AUTHORIZATION OF AIRLINES

1. Each Contracting Party shall have the right to designate, by diplomatic note, an airline or airlines to operate the agreed services on the routes specified in this Agreement for that Contracting Party and to withdraw a designation or to substitute another airline for one previously designated.
2. Following receipt of a notice of designation or of substitution pursuant to paragraph 1 of this Article, the aeronautical authorities of the other Contracting Party shall, consistent with the laws and regulations of that Contracting Party, issue without delay to the airline or airlines so designated the required authorizations to operate the agreed services for which that airline has been designated.
3. The designated airline may begin to operate all or part of the agreed services at any time after it receives the authorizations provided that it complies with the provisions of this Agreement.

ARTICLE 4

**WITHOLDING, REVOCATION, SUSPENSION
AND LIMITATION OF AUTHORIZATION**

1. The aeronautical authorities of each Contracting Party shall have the right to withhold the authorizations referred to in Article 3 of this Agreement with respect to an airline designated by the other Contracting Party, and to revoke, suspend or impose conditions on such authorizations, temporarily or permanently :
 - (a) in the event of failure by such airline to qualify under the laws and regulations normally applied by the aeronautical authorities of the Contracting Party granting the rights;
 - (b) in the event of failure by such airline to comply with the laws and regulations of the Contracting Party granting the rights;
 - (c) in the event that they are not satisfied that substantial ownership and effective control of the airline are vested in the Contracting Party designating the airline or in its nationals; and
 - (d) in the event the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.