

ARTICLE III

The airline designated by each Contracting Party shall enjoy, while operating the agreed services, the rights:

- (i) to fly its aircraft across the territory of the other Contracting Party;
- (ii) to make stops in the said territory for non-traffic purposes; and
- (iii) subject to the provisions of Article VI, to make stops in the said territory at the points specified in the Annex to this Agreement for the purposes of setting down and picking up international traffic in passengers, cargo and mail.

ARTICLE IV

(A) Each of the agreed services may be inaugurated immediately or at a later date at the option of the Contracting Party to whom the rights are granted, on condition that:

- (i) the Contracting Party to whom the rights have been granted shall have designated an airline (hereinafter referred to as a "designated airline") for the specified routes;
- (ii) the Contracting Party which grants the rights shall have given to the designated airline the appropriate operating permission in accordance with its laws and regulations, and it shall do so with the least possible delay.

(B) The designated airline may be required to satisfy the aeronautical authorities of the Contracting Party granting the rights that it is qualified to fulfill the conditions prescribed by or under the laws and regulations normally applied by those authorities to the operation of international air services.

ARTICLE V

(A) Each Contracting Party shall have the right to refuse to accept the designation of an airline and to withhold or revoke the grant to a designated airline of the rights specified in Article III of this Agreement, or to impose such conditions as it may deem necessary on the exercise by the designated airline of those rights 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.

(B) Each Contracting Party shall have the authority to suspend the exercise by a designated airline of the rights specified in Article III of this Agreement or to impose such conditions as it may deem necessary on the exercise by that airline of those rights where the airline fails to comply with the laws or regulations of the Contracting Party granting those rights or otherwise fails to operate in accordance with the conditions prescribed in this Agreement, provided that, unless immediate suspension is considered necessary in the interest of safety, this authority shall be exercised only after consultation with the other Contracting Party.

(C) In the event of action by one Contracting Party under this Article, the rights of the other Contracting Party under Article XII shall not be prejudiced.