

### ARTICLE III

#### Designation

Each Contracting Party shall have the right to designate, by diplomatic note two airlines to operate the agreed services for such a Contracting Party and to withdraw the designation of either airline or to substitute another airline for one previously designated.

### ARTICLE IV

#### Authorization

1. Following receipt of a notice of designation or of substitution pursuant to Article III of this Agreement, the aeronautical authorities of the other Contracting Party shall, consistent with the laws and regulations of that Contracting Party, grant without delay to an airline so designated the appropriate authorizations to operate the agreed services for which that airline has been designated.
2. Upon receipt of such authorizations each designated airline may begin at any time to operate the agreed services, in whole or in part, provided that the airline complies with the applicable provisions of this Agreement and tariffs, established in accordance with the provisions of Article XIV of this Agreement, are in force in respect of such services.

### ARTICLE V

#### Withholding, Revocation and Limitation of Authorization

1. The aeronautical authorities of each Contracting Party shall have the right to withhold the authorizations referred to in Article IV of this Agreement with respect to an airline designated by the other Contracting Party, and to revoke or impose conditions, temporarily or permanently, on such authorizations:
  - (a) in the event of failure by such airline to comply with 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 its nationals; and
  - (d) in the event that the other Contracting Party is not maintaining and administering the standards as set forth in Article VII and Article VIII of this Agreement.
2. Unless immediate action is essential to prevent infringement of the laws and regulations referred to above or unless safety or security requires immediate action under this Article, Article VII or Article VIII, the rights enumerated in paragraph 1 of this Article shall be exercised only after consultations with the aeronautical authorities of the other Contracting Party in conformity with Article XX of this Agreement