

6. In operating or holding out the authorized services on the agreed routes, any designated airline of one Party may enter into cooperative marketing arrangements such as blocked-space, code-sharing or leasing arrangements, with

- (a) an airline or airlines of either Party;
- (b) an airline or airlines of a third country; and
- (c) a surface transportation provider of any country;

provided that all participants in such arrangements (i) hold the appropriate authority and (ii) meet the requirements normally applied to such arrangements, including any requirements that passengers and shippers not be misled as to the facts concerning such transportation.

7. Intermodal Service

- (a) Notwithstanding any other provision of this Agreement, airlines and indirect providers of cargo transportation of both Parties shall be permitted, without restriction, to employ in connection with international air transportation any surface transportation for cargo to or from any points in the territories of the Parties or in third countries, including transport to and from all airports with customs facilities, and including, where applicable, the right to transport cargo in bond under applicable laws and regulations. Such cargo, whether moving by surface or by air, shall have access to airport customs processing and facilities. Airlines may elect to perform their own surface transportation or to provide it through arrangements with other surface carriers, including surface transportation operated by other airlines and indirect providers of cargo air transportation. Such intermodal cargo services may be offered at a single, through price for the air and surface transportation combined, provided that shippers are not misled as to the facts concerning such transportation.
- (b) With respect to the employment of surface transport for air cargo, nothing in the above subparagraph (a) shall be deemed to confer on the airline or airlines of one Party any new or additional rights, to take on board, in the territory of the other Party, air traffic destined for another point in the territory of that other Party.

ARTICLE 12

Application of Laws

- 1. While entering, within, or leaving the territory of one Party, its laws and regulations relating to the operation and navigation of aircraft shall be complied with by the other Party's airlines.