

2. On receipt of such a designation by the other Contracting Party, the Aeronautical Authorities of this other Contracting Party shall, subject to the provisions of paragraph 3 of this Article, grant without delay to the airline so designated the appropriate operating authorization.

3. The aeronautical authorities of one Contracting Party may refuse to grant the operating authorization referred to in paragraph 2 of this Article, or may impose such conditions as they may deem necessary on the exercise by the designated airline of the rights granted pursuant to Article II, paragraph 2, of this Agreement, in any case where

- (a) the airline designated by the other Contracting Party is unable to satisfy them that it is qualified to fulfill the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by such authorities in conformity with the Convention;
- (b) these authorities are not satisfied that substantial ownership and effective control of that airline are vested in the Contracting Party designating the airline or in its nationals.

4. Upon receipt of such authorizations the airline may begin at any time to operate the agreed services, partly or in whole, provided that the airline complies with the applicable provisions of the Agreement and the tariffs established in accordance with the provisions of Article X of this Agreement are in force in respect of such services.

ARTICLE IV

1. The aeronautical authorities of each Contracting Party shall have the right to revoke or suspend the authorization referred to in Article III of this Agreement with respect to the airline designated by the other Contracting Party, or impose on it conditions, temporarily or permanently in any case where

- (a) such airline is unable to satisfy them that it is qualified to fulfil the conditions prescribed under the laws and regulations normally and reasonably applied to the operation of international air services by these authorities in conformity with the Convention;
- (b) such airline fails to comply with the laws and regulations of that Contracting Party;
- (c) these authorities 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;
- (d) such airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.