

MEMORANDUM OF UNDERSTANDING

1. Delegations representing the Governments of the Grand Duchy of Luxembourg and of the Dominican Republic met in Antalya on 21 October 2015 to discuss matters relating to air services between the two countries. The discussions were held in a friendly and cordial atmosphere.
2. The list of the delegations is attached at Appendix A.

Air Services Agreement

3. Both sides reviewed the draft Air Services Agreement (hereinafter – ASA) and came to an agreement on the wording of the ASA. Accordingly, the two delegations initialed the text of the ASA which is attached as Appendix B.

Designation

4. In accordance with Paragraph 1 of Article 3 of the initialed ASA, the delegation of the Grand-Duchy of Luxembourg designates CARGOLUX AIRLINES INTERNATIONAL S.A. while the delegation of the Dominican Republic will designate its carrier(s) for the operation of the Agreed Services on the routes specified in the annex of the ASA in due time.

Capacity and Frequencies

5. Each Contracting Party shall allow the designated airline(s) of the other Contracting Party to operate unlimited frequencies with full 3rd and 4th freedom rights, using any type of aircraft, for the operation of the agreed services as per the Route Schedule annexed to the ASA.

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5th Freedom traffic rights

6. In addition to the 3rd and 4th freedom traffic rights, the delegations have agreed that while operating passenger, all-cargo or a combination of both services on the agreed routes as specified in the Route Schedule annexed to the ASA, the designated airline(s) from both Contracting Parties are entitled to exercise 5th freedom traffic rights in both directions between points in the territory of the other Contracting Party and intermediate or beyond points.

7. The designated airline(s) of Luxembourg are entitled to exercise 5th freedom traffic rights to/from the following points: Amsterdam, Maastricht, Los Angeles, Miami, New York, Houston, Dallas, Chicago, Mexico, Guadalajara, Bogota, Quito, Latacunga, Viracopos, Manaus, Curitiba.

8. The aeronautical authorities of the Dominican Republic shall communicate the 5th freedom points that shall be operated by its designated airline(s) in due course.

9. Any additional point of 5th freedom shall be authorized by exchange of correspondence between the aeronautical authorities of both Contracting Parties.

7th Freedom traffic rights

9. In addition to the 3rd, 4th and 5th freedom traffic rights, the delegations have agreed that while operating all-cargo services on the agreed routes as specified in the Route Schedule annexed to the ASA, the designated airline(s) from both Contracting Parties are entitled to exercise 7th freedom traffic rights in both directions between points in the territory of the other Contracting Party and intermediate or beyond points.

10. The designated airline(s) of Luxembourg are entitled to exercise 7th freedom traffic rights to/from the following points: Amsterdam, Maastricht, Los Angeles, Miami, New York, Houston, Dallas, Chicago, Mexico, Guadalajara, Bogota, Quito, Latacunga, Viracopos, Manaus, Curitiba.

11. The aeronautical authorities of the Dominican Republic shall communicate the 7th freedom points that shall be operated by its designated airline(s) in due course.

12. Any additional point of 7th freedom shall be authorized by exchange of correspondence between the aeronautical authorities of both Contracting Parties.

Non-scheduled flights

13. The Contracting Parties shall give to the other Contracting Party, without delay, approval to conduct non-scheduled flights that are duly authorized by the other Contracting Party, in accordance with the legislation of each Contracting Party and the provisions of the MoU.

14. This Memorandum of Understanding shall come into force with immediate effect on the date of its signature and shall supersede any prior arrangements.

Done in Antalya on 21 October 2015.

For the Delegation
of the Grand Duchy of Luxembourg:


Isabelle Welter

For the Delegation of
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Luxembourg Delegation

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AGREEMENT

BETWEEN

THE GOVERNMENT OF THE GRAND DUCHY OF LUXEMBOURG

AND

THE GOVERNMENT OF THE DOMINICAN REPUBLIC,

ON

AIR SERVICES

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THE GOVERNMENT OF THE GRAND DUCHY OF LUXEMBOURG

AND

THE GOVERNMENT OF THE DOMINICAN REPUBLIC,

Being parties to the Convention on International Civil Aviation opened for signature at Chicago, on the 7th day of December, 1944;

Desiring to conclude an agreement for the purpose of establishing air services between and beyond their respective territories;

Desiring to ensure the highest degree of safety and security in international air transport;

Have agreed as follows:

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ARTICLE 1
Definitions

For the purpose of this Agreement, unless the context otherwise requires, the term:

- (a) the « aeronautical authorities » means: in the case of the Grand Duchy of Luxembourg, the Minister responsible for the subject of Civil Aviation and, in the case of the Dominican Republic the Civil Aviation Board or, in both cases, any other authority or person empowered to perform the functions now exercised by the said authorities;
- (b) the « agreed ~~services~~ » means scheduled air services on the routes specified in the Annex to this Agreement for the transport of passengers, cargo and mail, separately or in combination;
- (c) the Agreement » means this Agreement, its Annex, and many amendments thereto;
- (d) the « Convention » means the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944 and includes any Annex adopted under Article 90 of that Convention and any amendment of the Annexes or of the Convention under Articles 90 and 94 thereof so far as those Annexes and amendments have been adopted or ratified by both Parties;
- (e) the « designated airline » means an airline which has been designated and authorized in accordance with Article 3 of this Agreement;
- (f) the « tariffs » means the prices to be paid for the carriage of passengers, baggage and cargo and the conditions under which those prices apply, including prices and conditions for agency and other ancillary services, but excluding remuneration and conditions for the carriage of mail;
- (g) « air services », « international air service », « airline » and « stop for non-traffic purposes » have the meaning respectively assigned to them in Article 96 of the Convention.
- (h) « territory » in relation to a State, means the land areas and territorial waters adjacent airspace above them, under the sovereignty of that State.

ARTICLE 2
Grant of Rights

- 1. Each Party grants to the other Party the following rights for the conduct of international air services by the airline designated by the other Party:
 - (a) to fly without landing across the territory of the other Party;
 - (b) to make stops in the said territory for non-traffic purposes;
 - (c) to make stops in the said territory for the purpose of taking up an discharging, while operating the routes specified in the Annex, international traffic in passengers, cargo and mail, separately or in combination.
 - (d) The rights specified in paragraphs a) and b) of paragraph 1 above, they will also be guaranteed to non-designated airlines of each Party

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2. Nothing in paragraph 1 of this article shall be deemed to confer on a designated airline of one Party the privilege of taking up, in the territory of the other Party, passengers, cargo and mail carried for remuneration or hire and destined for another point in the territory of that other Party.

ARTICLE 3

Designation and Authorization

1. Each Party shall have the right to designate in writing through diplomatic channels to the other Party one or more airlines to operate the agreed services on the specified routes and to withdraw or alter such designations.
2. On receipt of such designation and subject to the provisions of Article 4 of this Agreement, the aeronautical authorities of the other Party shall grant without delay to the airline or airlines so designated the appropriate authorizations to operate the agreed services for which that airline has been designated.
3. Upon receipt of such authorizations the 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 that airline is qualified to meet the conditions prescribed under the laws and regulations normally applied to the operation of international air transportation by the Party receiving the designation.

ARTICLE 4

Revocation and Limitation of Authorization

1. The aeronautical authorities of the Dominican Republic shall have the right to withhold the authorization referred to in Article 3 of this Agreement with respect to an airline designated by the Grand Duchy of Luxembourg, to revoke or suspend such authorizations or impose conditions, temporarily or permanently, in case:
 - (a) it is not established in the territory of the Grand Duchy of Luxembourg under the treaty establishing the European Union or does not have a valid Operating Licence in accordance with European Union law; or
 - (b) effective regulatory control of the airline is not exercised or not maintained by the European Union Member State responsible for issuing its Air Operator's Certificate, or the relevant aeronautical authority is not clearly identified in the designation; or
 - (c) the airline is not owned, directly or through majority ownership, or it is not effectively controlled by Member States of the European Union or the European Free Trade Association and/or by nationals of such states, or
 - (d) of failure by the airline to comply with the laws and regulations of the Dominican Republic; or
 - (e) the airline otherwise fails to operate in accordance with the conditions prescribed under this agreement;
2. The aeronautical authorities of the Grand Duchy of Luxembourg shall have the right to withhold the authorization referred to in Article 3 of this Agreement with respect to an airline designated by the Dominican Republic, to revoke or suspend such authorizations or impose conditions, temporarily or permanently, in case:
 - (a) it is not established in the territory of the Dominican Republic and does not have a valid Operating Licence delivered by the authorities of the Dominican Republic; or

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- (b) effective regulatory control of the airline is not exercised or maintained by the authorities of the Dominican Republic; or
- (c) the airline is not owned, directly or through majority ownership, or it is not effectively controlled by nationals of the Dominican Republic; or
- (d) of failure by the airline to comply with the laws and regulations of the Grand Duchy of Luxembourg; or
- (e) in case the airline otherwise fails to operate in accordance with the conditions prescribed under this Agreement.

3. Unless immediate action is essential to prevent infringement of the laws and regulations referred to above, ~~according to~~ Articles 6 and 7 of this Agreement, the rights enumerated in paragraph 1 and 2 of this article shall be exercised only after consultations with the aeronautical authorities of the other Party in conformity with Article 18 of this Agreement.

ARTICLE 5

Application of Laws and Regulations

1. The laws, regulations and procedures of one Party relating to the admission to, remaining in, or departure from its territory of aircraft engaged in international air navigation or to the operation and navigation of such aircraft shall be complied with by the airline or airlines of the other Party upon entrance into, departure from and while within the said territory.
2. The laws and regulations of one Party respecting entry, clearance, transit, immigration, passports, customs and quarantine shall be complied with by the airline or airlines of the other Party and by or on behalf of its crews, passengers, cargo and mail upon transit of, admission to, departure from and while within the territory of such a Party.
3. Neither of the Parties shall give preference to its own or any other airline over an airline of the other Party engaged in similar international air services in the application of its customs, immigration, quarantine and similar regulations.
4. Passengers, baggage and cargo in direct transit through the territory of either Party and not leaving the area of the airport reserved for such purpose shall be subject to no more than a simplified control. Baggage and cargo in direct transit shall be exempt from customs duties and other similar taxes.

ARTICLE 6

Recognition of Certificates and Licences (Safety)

1. Certificates of airworthiness, certificates of competency and licences, issued or validated by one Party and still in force, shall be recognized as valid by the other Party for the purpose of operating the agreed services on the routes specified in the Annex provided that such certificates or licences were issued or validated pursuant to, and in conformity with, the standards established under the Convention. Each Party reserves the right, however, to refuse to recognize, for the purpose of flights above its own territory, certificates of competency and licences granted to its own nationals by the other Party.
2. Each Party may request consultations concerning the safety standards maintained by the other Party relating to the aeronautical facilities, aircrew, aircraft, and operation of the designated airlines. Such consultations shall take place within thirty (30) days of that request.

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3. If, following such consultations, one Party finds that the other Party does not effectively maintain and administer safety standards and requirements in these areas that at least equal the minimum standards which may be established pursuant to the Convention, the other Party shall be notified of such findings and the necessity to conform with these minimum standards, and the other Party shall take appropriate corrective action. Each Party reserves the right to withhold, revoke or limit the operating authorization or technical permission of an airline or airlines designated by the other Party in the event the other Party does not take such appropriate action within fifteen (15) days, or such longer period as may be agreed.

4. Pursuant to Article 16 of the Convention, it is further agreed that, any aircraft operated by, or on behalf of an airline of one Party, on service to or from the territory of another Party, may, while within the territory of the other Party be the subject of a search by the authorized representatives of the other Party, provided this does not cause unreasonable delay in the operation of the aircraft. Notwithstanding the obligations mentioned in Article 33 of the Chicago Convention, the purpose of this search is to verify the validity of the relevant aircraft documentation, the licensing of its crew, and that the aircraft equipment and the condition of the aircraft conform to the Standards established at that time pursuant to the Convention.

5. If any such ramp inspection or series of ramp inspections gives rise to:
- a) serious concerns that an aircraft or the operation of an aircraft does not comply with the minimum standards established at that time pursuant to the Convention; or
 - b) serious concerns that there is a lack of effective maintenance and administration of safety standards established at that time pursuant to the Convention,

the Party carrying out the inspection shall, for the purpose of Article 33 of the Convention, be free to conclude that the requirements under which the certificate or licenses in respect of that aircraft or in respect of the crew of that aircraft had been issued or rendered valid, or that the requirements under which that aircraft is operated, are not equal to or above the minimum standards established pursuant to the Convention.

6. In the event that access for the purpose of undertaking a ramp inspection of an aircraft operated by the Airline or Airlines of one Party in accordance with paragraph 3 above is denied by the representative of that Airline or Airlines, the other Party shall be free to infer that serious concerns of the type referred to in paragraph 4 above arise and to draw the conclusions referred to in that paragraph.

7. Each Party reserves the right to immediately suspend or vary the operating authorization of an Airline or Airlines of the other Party, in the event the first Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultations or otherwise, that immediate action is essential to the safety of the Airline's operation.

8. Any action by one Party in accordance with paragraphs 2 or 6 above shall be discontinued once the basis for the taking of that action ceases to exist.

ARTICLE 7
Aviation Security

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1. Consistent with their rights and obligations under international law, the Parties reaffirm that their obligation to each other to protect the security of civil aviation against acts of unlawful interference forms an integral part of this Agreement. Without limiting the generality of their rights and obligations under international law, the Parties shall in particular act in conformity with the provisions of the Convention on Offences and Certain Other Acts Committed on Board Aircraft, signed at Tokyo on 14 September 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970 and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971, and the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988, and the Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March 1991, and any other convention or protocol relating to civil aviation security which is binding on both Parties.

2. The Parties shall provide upon request all necessary assistance to each other to prevent acts of unlawful seizure of civil aircraft and other unlawful acts against the safety of such aircraft, their passengers and crew, airports and air navigation facilities, and any other threat to security of civil aviation.

3. The Parties shall act in conformity with the aviation security provisions and technical requirements established by the International Civil Aviation Organization and designated as Annexes to the Convention on International Civil Aviation to the extent that such security provisions and requirements are applicable to the Parties; they shall require that operators of aircraft of their registry or operators of aircraft who have their principal place of business or permanent residence in their state territory act in conformity with such aviation security provisions.

4. Each Party agrees that such operators of aircraft may be required to observe the aviation security provisions and requirements referred to in paragraph 3 above required by the other Party for entry into, departure from, or while within the state territory of that other Party.

Each Party shall ensure that adequate measures are effectively applied within its state territory to protect the aircraft and to inspect passengers, crew, carry-on items, baggage, cargo and aircraft stores prior to and during boarding or loading. Each Party shall also give sympathetic consideration to any request from the other Party for reasonable special security measures to meet a particular threat.

5. When an incident or threat of an incident of unlawful seizure of civil aircraft or other unlawful acts against the safety of such aircraft, their passengers and crew, airports or air navigation facilities occurs, the Parties shall assist each other by facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

6. Should one Party have problems with regard to the aviation security provisions of this Article, the aeronautical authorities of either Party may request immediate consultations with the aeronautical authorities of the other Party.

ARTICLE 8

Customs Duties and Other Charges

1. Each Party shall on a basis of reciprocity exempt the designated airline or airlines of the other Party to the fullest extent possible under its national law from import restrictions, customs duties, excise taxes, inspection fees and other national duties and charges on aircraft, fuel, lubricating oils, consumable technical supplies, spare parts including engines, regular aircraft

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equipment, aircraft stores (including liquor, tobacco and other products destined for sale to passengers in limited quantities during the flight) and other items intended for use or used solely in connection with the operation or servicing of aircraft of the designated airline or airlines of such other Party operating the agreed services.

2. The exemptions granted by this Article shall apply to the items referred to in paragraph 1 of this Article;

(a) introduced into the territory of one Party by or on behalf of the designated airline or airlines of the other Party;

(b) retained on board aircraft of the designated airline or airlines of one Party upon arriving in or leaving the territory of the other Party;

(c) taken on board aircraft of the designated airline or airlines of one Party in the territory of the other Party and intended for use in operating the agreed services;

whether or not such items are used or consumed wholly within the territory of the Party granting the exemption, provided such items are not alienated in the territory of the said Party.

3. The regular airborne equipment, as well as the materials and supplies normally retained on board the aircraft of the designated airline or airlines of either Party may be unloaded in the territory of the other Party only with the approval of the Customs authorities of that territory. In such case, they may be placed under the supervision of the said authorities up to such time as they are re-exported or otherwise disposed of in accordance with Customs regulations.

ARTICLE 9

Capacity

1. The designated airline or airlines of the Parties shall have a fair and equal opportunity to operate the agreed services covered by this Agreement.

2. The capacity provided by each designated airline shall be such as will enable that airline at a reasonable load factor to provide the agreed services taking full account of the requirements of through-airline operations.

3. Neither Party may unilaterally impose any restrictions on the designated airline or airlines of the other Party with respect to capacity, frequency or type of aircraft employed in connection with services over any of the routes specified in the Annex to this Agreement. In the event that one of the Parties believes that the operation proposed or conducted by the airline of the other Party unduly affects the agreed services provided by its designated airline, it may request consultation pursuant to Article 18 of this Agreement.

ARTICLE 10

Tariffs

1. Each Party shall allow prices for air transportation to be established by each designated airline based upon commercial considerations in the marketplace. Intervention by the Parties shall be limited to:

a) prevention of predatory or discriminatory prices or practises;

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b) protection of consumers from prices that are unduly high or restrictive because of the abuse of a dominant position; and

c) protection of airlines from prices that are artificially low because of direct or indirect governmental subsidy or support.

2. Each Party may require notification to or filing with its aeronautical authorities of prices proposed to be charged to or from its territory by airlines of the other Party. Notification or filing by the airlines of both Parties may be required no more than 60 days before the proposed date of effectiveness. In individual cases, notification or filing may be permitted on shorter notice than normally required.

3. Neither Party shall take unilateral action to prevent the inauguration or continuation of a price proposed to be charged or charged by (a) an airline of either Party or by an airline of a third country for international air transportation between the territories of the Parties, or (b) an airline of one Party or an airline of a third country for international air transportation between the territory of the other Party and any other country, including in both cases transportation on an interline or intra-line basis.

If either Party believes that any such price is inconsistent with the considerations set forth in paragraph (a) of this Article, it shall request consultations and notify the other Party of the reasons for its dissatisfaction as soon as possible. These consultations shall be held not later than 30 days after receipt of the request, and the parties shall cooperate in securing information necessary for reasoned resolution of the issue. If the Parties reach agreement with respect to a price for which a notice of dissatisfaction has been given, each Party shall use its best efforts to put that agreement into effect. Without mutual agreement, that price shall go into or continue in effect.

4. Notwithstanding paragraph (3) of this Article, each Party shall allow (a) any airline of either Party (or any airline of a third country) to meet a lower or more competitive price proposed or charged by any other airline for international air transportation between the territories of the Parties, and (b) any airline of one Party to meet a lower or more competitive price proposed or charged by any other airline for international air transportation between the territory of the other Party and a third country. As used herein, the term « meet » means the right to establish on a timely basis, using such expedited procedures as may be necessary, an identical or similar price on a direct, interline or intra-line basis, notwithstanding differences in conditions relating to routing, roundtrip requirements, connections, type of service or aircraft type; or such price through a combination of prices.

ARTICLE 11

Airline Representatives

1. The designated airline or airlines of one Party shall be allowed, on the basis of reciprocity, to bring into and to maintain in the territory of the other Party their representatives and commercial, operational and technical staff as required in connection with the operation of agreed services.

2. These staff requirements may, at the option of the designated airline or airlines of one Party, be satisfied by its own personnel or by using the services of any other organization, company or airline operating in the territory of the other Party, and authorized to perform such services in the territory of that Party.

3. The representatives and staff shall be subject to the laws and regulations in force of the other Party, and, consistent with such laws and regulations, each Party shall, on the basis of reciprocity

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and with the minimum of delay, grant the necessary employment authorizations, visitor visas or other similar documents to the representatives and staff referred to in paragraph 1 of this Article.

ARTICLE 12

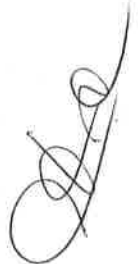
Commercial Opportunities and Transfer of Funds

1. Each designated airline shall have the right to engage in the sale of air transportation in the territory of the other Party directly and, at its discretion, through its agents. Each designated airline shall have the right to sell transportation in the currency of that territory or, to the extent permitted by national law, in freely convertible currencies of other countries, and to the same extent any person shall be free to ~~purchase~~ such transportation in currencies accepted for sale by that airline.
2. In accordance with the laws and regulations each Party grants to any designated airline of the other Party the right of free transfer at the official rate of exchange of the excess of receipts over expenditure earned by that airline in its territory in connection with the carriage of passengers, mail and cargo.

ARTICLE 13

Fair Competition Clause

1. The Parties acknowledge that it is their joint objective to have a fair and competitive environment and fair and equal opportunity for the airlines of both Parties to compete in operating the agreed services on the specified routes. Therefore, the Parties shall take all appropriate measures to ensure the full enforcement of this objective.
2. The Parties assert that free, fair and undistorted competition is important to promote the objectives of this Agreement and note that the existence of comprehensive competition laws and of an independent competition authority as well as the sound and effective enforcement of their respective competition laws are important for the efficient provision of air transport services. The competition laws of each Party addressing the issues covered by this Article, as amended from time to time, shall apply to the operation of the air carriers within the jurisdiction of the respective Party. The Parties share the objectives of compatibility and convergence of Competition law and of its effective application. They will cooperate as appropriate and where relevant on the effective application of competition law, including by allowing the disclosure, in accordance with their respective rules and jurisprudence, by their respective airline(s) or other nationals of information pertinent to a competition law action by the competition authorities of each other.
3. Nothing in this Agreement shall affect, limit or jeopardise in any way the authority and powers of the relevant competition authorities and courts of either Party (and of the European Commission), and all matters relating to the enforcement of competition law shall continue to fall under the exclusive competence of those authorities and courts. Therefore, any action taken pursuant to this Article by a Party shall be without prejudice to any possible actions taken by those authorities and courts.
4. Any action taken pursuant to this Article shall fall under the exclusive responsibility of the Parties and shall be exclusively directed towards the other Party and/or to airline(s) providing air transport services to/from the Parties. Such action shall not be subject to the dispute settlement procedure foreseen in Article 19.
5. Each Party shall eliminate all forms of discrimination or unfair practices which would adversely affect the fair and equal opportunity of the airlines of the other Party to compete in providing air transport services.



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6. Neither Party shall provide or permit public subsidies or support to their respective airlines if these subsidies or support would significantly and adversely affect, in an unjustified way, the fair and equal opportunity of the airlines of the other Party to compete in providing air transport services. Such public subsidies or support may include, but are not limited to: cross-subsidisation; the setting-off of operational losses; the provision of capital; grants; guarantees; loans or insurance on privileged terms; protection from bankruptcy; foregoing the recovery of amounts due; foregoing a normal return on public funds invested; tax relief or tax exemptions; compensation for financial burdens imposed by public authorities; and access on a discriminatory or non-commercial basis to air navigation or airport facilities and services, fuel, ground handling, security, computer reservation systems, slot allocation or other related facilities and services necessary for the operation of air services.

7. When a Party provides public subsidies or support in the sense of paragraph 6 above to an airline, it shall ensure the transparency of such measure through any appropriate means, which may include requiring that the airline identifies the subsidy or support clearly and separately in its accounts.

8. Each Party shall, at the request of the other Party, provide to the other Party within a reasonable time and according to each Parties' national legislation, financial reports relating to the entities under the jurisdiction of the first Party, and any other such information that may be reasonably requested by the other Party to ensure that the provisions of this Article are being complied with. This may include detailed information relating to subsidies or support in the sense of paragraph 6 above. The requesting Party shall ensure the confidential treatment of the information accessed.

9. Without prejudice to any action undertaken by the relevant competition authority and/or court for the enforcement of the rules referred to in paragraphs 5 and 6,

a) if one Party finds that an airline is being subject to discrimination or unfair practices in the sense of paragraphs 5 or 6 above and that this can be substantiated, it may request consultations on this matter according to Article 18 with the other Party with a view to solving the problem. By derogation of Article 18, such consultations shall start within a period of thirty (30) days of the receipt of the request. In the meantime, the Parties shall exchange sufficient information to enable a full examination of the concern expressed by one of the Parties.

b) if the Parties fail to reach a resolution of the matter through consultations within thirty (30) days from the start of consultations or consultations do not start within a period of thirty (30) days of the receipt of the request concerning an alleged violation of paragraphs 5 or 6 above, the Party which requested the consultation shall have the right to suspend the exercise of the rights specified in this Agreement by the airline(s) of the other Party by refusing, withholding, revoking or suspending the operating authorisation/permit, or to impose such conditions as it may deem necessary on the exercise of such rights, or impose duties or take other actions. Any action taken pursuant to this paragraph shall be appropriate, proportionate and restricted with regard to scope and duration to what is strictly necessary.

10. Each Party shall effectively apply antitrust laws in accordance with paragraph 2, and shall prohibit airline(s):

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- a) in conjunction with any other airline(s) to enter into agreements, take decisions or engage in concerted practices which may affect air transport services to/from that Party and which have as their object or effect the prevention, restriction or distortion of competition. This prohibition may be declared inapplicable where such agreements, decisions or practices contribute to improving the production or distribution of services or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and do not: (a) impose on the airlines concerned restrictions which are not indispensable to the attainment of these objectives; (b) afford such airlines the possibility of eliminating competition in respect of a substantial part of the services in question, and
- b) to abuse a dominant position in a way which may affect air transport services to/from that Party.

11. Each Party shall entrust the enforcement of the antitrust rules referred to in paragraph 10 above exclusively to its relevant and independent competition authority and/or court.

12. Without prejudice to any action undertaken by the relevant competition authority and/or court for the enforcement of the rules referred to in paragraph 10, if one Party finds that an airline suffers from an alleged violation of paragraph 10 above and that this can be substantiated, it may request consultations on this matter, according to Article 18, with the other Party with a view to solving the problem. By derogation of Article 18, such consultations shall start within a period of thirty (30) days of the receipt of the request. In the meantime, the Parties shall exchange sufficient information to enable a full examination of the concern expressed by one of the Parties.

13. If the Parties fail to reach a resolution of the matter through consultations within thirty (30) days from the start of consultations or consultations do not start within a period of thirty (30) days of the receipt of the request concerning an alleged violation of paragraph 10, and provided the relevant competent competition authority or court has found an antitrust violation, the Party which requested the consultation shall have the right to suspend the exercise of the rights specified in this Agreement by the airline(s) of the other Party by refusing, withholding, revoking or suspending the operating authorisation/permit, or to impose such conditions as it may deem necessary on the exercise of such rights, or impose duties or take other actions. Any action taken pursuant to this paragraph shall be appropriate, proportionate and restricted with regard to scope and duration to what is strictly necessary.

ARTICLE 14 Cooperative Arrangements

The designated airlines of each Party that hold the required authorisations to operate the agreed air services will be entitled to operate and/or offer the agreed services on the specified routes or in any of the sections of those routes by way of different cooperative arrangements such as code-sharing, blocked-space, joint venture or other ways of cooperation with:

- a) an airline or airlines of one Party, or
- b) an airline or airlines of the other Party, or
- c) an airlines or airlines of a third country;

provided that such carriers hold the appropriate authority to operate the routes and segments concerned.



The Parties agree to take the necessary action to ensure that consumers are fully informed and protected with respect to codeshared flights operating to or from their territory.

ARTICLE 15
Intermodal Cargo Transport

Notwithstanding any other provision of this Agreement, airlines and indirect providers of air cargo transportation of both Parties shall be permitted, without restriction, to employ any surface transportation for air cargo to or from 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 air cargo in bond under applicable laws and regulations. Such air cargo, whether moving by surface or by air, shall have access to airport customs and processing 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 air cargo 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.

ARTICLE 16
User Charges

1. Fees and other charges for the use of each airport including its installations, technical and other facilities and services as well as any charges for the use of air navigation facilities, communication facilities and services shall be made in accordance with the rates and tariffs established by each Party.
2. The designated airline or airlines of one Party shall not pay higher fees than those imposed on the designated airline or airlines of the other Party and/or on any other foreign airlines operating similar international services, for the use of installations and services of the other Party.

ARTICLE 17
Statistics

The aeronautical authorities of either Party shall supply to the aeronautical authorities of the other Party at their request, such periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the capacity provided on the agreed services.

ARTICLE 18
Consultation

1. In a spirit of close co-operation, the aeronautical authorities of the Parties shall consult each other from time to time with a view to ensuring the implementation of, and satisfactory compliance with, the provisions of this Agreement and of its Annex, and shall also consult when necessary to provide for modification thereof.
2. Either Party may request consultations, which may be through discussion or by correspondence and shall begin within a period of sixty (60) days of the date of the request, unless both Parties agree to an extension of this period.

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ARTICLE 19
Settlement of Disputes

1. If any dispute arises between the Parties relating to the interpretation or application of this Agreement, the Parties shall in the first place endeavour to settle it by negotiation.

2. If the Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body, or either Party may submit the dispute for decision to a tribunal of three arbitrators, one to be nominated by each Party and the third to be appointed by the two arbitrators. Each of the Parties shall nominate an arbitrator within a period of sixty (60) days from the date of receipt by ~~either~~ Party from the other of a notice through diplomatic channels requesting arbitration of the dispute and the third arbitrator shall be appointed within a further period of sixty (60) days. If either of the Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the period specified, the President of the Council of the International Civil Aviation Organization may be requested by either Party to appoint an arbitrator or arbitrators as the case requires.

In all cases the third arbitrator shall be a national of a third State and shall act as President of the arbitral tribunal.

3. The Parties shall comply with any decision given under paragraph 2. of this Article.

ARTICLE 20
Modification of Agreement

1. If either of the Parties considers it desirable to modify any provision of this Agreement, it may request consultations with the other Party. Such consultations, which may be between aeronautical authorities and which may be through discussion or by correspondence, shall begin within a period of sixty (60) days from the date of the request unless both Parties agree to an extension of this period. Any modifications so agreed shall come into force when they have been confirmed by an exchange of diplomatic notes.

2. Modifications of the Annex shall be made by direct agreement between the aeronautical authorities of the Parties. Such modification would be effective from the date of the approval of the aeronautical authorities.

ARTICLE 21
Multilateral Convention

This Agreement and its Annexes will be amended so as to conform with any multilateral convention which may become binding on both Parties.

ARTICLE 22
Termination

Either Party may at any time give notice in writing through diplomatic channels to the other Party of its decision to terminate this Agreement; such notice shall be communicated simultaneously to the International Civil Aviation Organization. The Agreement shall terminate twelve (12) months after the date of receipt of the notice by the other Party, unless the notice to terminate is withdrawn by agreement before the expiry of this period. In the absence of acknowledgement of receipt by the other Party the notice shall be deemed to have been received fourteen (14) days after receipt of the notice by the International Civil Aviation Organization.



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ARTICLE 23

Registration

This Agreement and any amendment thereto shall be registered with the International Civil Aviation Organization.

ARTICLE 24

Entry into Force

This Agreement shall be approved according to the constitutional requirements of each Party and shall enter into force on the date of an exchange of diplomatic notes confirming that all the constitutional procedures required for the entry into force of this Agreement by each Party have been completed.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement.

Done in () this () day of () 201 (), in duplicate in English, Spanish and French, all texts being equally authentic. In case of any divergence of interpretation, the text in English should prevail.

FOR THE GOVERNMENT OF THE
GRAND DUCHY OF LUXEMBOURG

FOR THE GOVERNMENT
OF THE DOMINICAN REPUBLIC

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ROUTE ANNEX

Routes to be operated by the designated airline or airlines of Luxembourg:

Luxembourg - Intermediate points - Points in the Dominican Republic - Points beyond

Routes to be operated by the designated airline or airlines of the Dominican Republic:

Points in the Dominican Republic - Intermediate points - Luxembourg - Points beyond

1. Any intermediate and/or beyond points may be served by the designated airline or airlines from both Parties without exercising 5th freedom traffic rights.
2. The exercise of 5th freedom traffic rights may be agreed upon by the aeronautical authorities of both Parties.
3. The designated airline or airlines of each Party may on any or all flights omit calling at any of the points on the routes specified above, and may serve them in any order, provided that the agreed services on these routes begin in the Party designating the airline or airlines

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