MEMORANDUM OF UNDERSTANDING

Delegations representing the Government of the Republic of Seychelles and the Government of the Dominican Republic (hereinafter referred to as "the Parties") met in Nairobi, Kenya, during the 11th day of December of 2018, with the purpose of holding air services consultations. The list of the delegations is in **Annex 1**.

As a result of the discussions, which were held in a cordial and friendly atmosphere, the two delegations agreed on a text of the Agreement on Air Service as **Annex 2**.

The Delegations of the Parties agreed to recommend to their respective governments to accelerate the talks aimed at the signing and adoption of an Agreement on Air Services.

In the present MOU text, the following agreements were reached between the Delegations:

I. Designation and Authorization of Airlines

- 1. Each Party shall have the right to designate one or more airlines for the operation of the agreed services, and to withdraw or alter said designations.
- 2. The Aeronautical Authorities of a Party may require an airline designated by the other Party to demonstrate:
 - a) That designated airline is constituted under the laws of the State that designates it, and that it has its domicile and main business office in the territory of said State or the substantial ownership and effective control of that airline are vested in the Party that designated that airline, nationals of that Party, or both;
 - b) That demonstrates that it is qualified to meet the conditions prescribed in the laws and regulations normally and reasonably applied to the operation of international air services by said authorities.
- 3. The Government of the Republic of Seychelles designates to carry out the agreed services to Air Seychelles.
- 4. The Dominican Republic informs the other Party, that they will later inform about their designated airline.
- 5. The Parties shall have the right to designate additional airline(s).

II. ROUTE SCHEDULE

a) The Designated Airline(s) of the Republic of Seychelles shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points of Origin	Intermediary Points	Points of destination	Points Beyond



Points in Seychelles	Any Points	Points in the Dominican Republic	Any Points

b) The Designated Airline(s) of the Dominican Republic shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points of Origin	Intermediary Points	Points of destination	Points Beyond
Points in the Dominican Republic	Any Points	Points in Seychelles	Any Points

Notes:

Each designated airline of either Contracting Party may, on any or all flights and at its option:

- 1. Operate flights in either or both directions;
- 2. Combine different flight numbers within one aircraft operation;
- 3. Serve behind, intermediate and beyond points and points in the territories of the Contracting Parties on the routes in any combination and in any order;
- 4. Make stopovers at any points whether within or outside the territory of the other Party;
- 5. Omit stops at any point or points;
- 6. Transfer traffic from any of its aircraft to any of its other aircraft at any point on the routes; and
- 7. Serve points behind any point in its territory with or without change of aircraft or flight number and may hold out and advertise such services to the public as through services;

without directional or geographic limitation and without loss of any right to carry traffic otherwise permissible under the present Agreement; provided that the service serves a point in the territory of the Contracting Party designating the airlines.

8. Each designated airline may serve behind, intermediate and points beyond not specified in the Annex to the present Agreement on condition that no traffic rights are exercised between these points and the territory of the other Contracting Party.

III. Traffic Rights and Frequencies

The designated airlines of the Parties shall, with immediate effect, be entitled to operate unlimited weekly frequencies with any aircraft type and no restrictions on points with:

93

ff

- a) 3rd and 4th traffic rights for passenger and cargo services or combination;
- b) 5th Freedom traffic rights may be permitted following authorization of the Parties
- c) As a way to stimulate commerce, the Parties agreed to grant 7th traffic rights for exclusively cargo flights.

IV. Commercial Activities

- 1. In operating or holding out the agreed services on the specified routes, any designated airline of one Party may enter into cooperative marketing arrangements such as code-sharing, blocked-space, with:
 - a) an airline(s) of the same Party, or
 - b) an airline(s) of the other Party; or
 - c) an airline(s) of a third country,

Provided that all airlines in such arrangements hold the appropriate authority and segments concerned and shall meet the requirements normally applied to such arrangements.

- 2. The designated airlines of both Parties shall, when holding services out for sale, in terms of code share, blocked-space or other joint venture arrangements, make it clear to the purchaser at the point of sale which airline will be the operating airline on each sector of the service and with which airline(s) the purchaser is entering into a contractual relationship.
- 3 Each code-sharing frequency operated by the designated airlines of either country will count as one (1) frequency, whereas, the code-sharing services of the marketing carrier will not be counted as a frequency.
- 4. All code-sharing arrangements are subject to approval by the aeronautical authorities of both Contracting Parties.
- 5. The designated airlines of each Party shall have the right to pay for local expenses in the territory of the other Party in the acceptable currency as specified by local regulations.

V. Charter Operation

- 1. Airlines of each Party shall have the right to transport charter-type passengers (and the accompanying baggage) international traffic and / or cargo (including, among others, a combination of passengers / cargo).
- 2. Each Party shall, subject to reciprocity, respond within the deadlines established by the authorities of the Parties, without delay, requests for non-scheduled or charter operations made by airlines that are duly authorized by the other Party.
- 3. Provisions concerning the application of laws, granting of rights, recognition of certificates and licenses, aviation safety, aviation security, user rights, customs duties, statistics and consultations and all other relevant articles on this agreement, including local tax rates shall also apply to non-scheduled or charter flights operated by the airlines of a Party to and from the territory of the other Party.

This Memorandum of Understanding (MOU) enters into force on the date of its signature.

Done at Nairobi, Kenya, on the 11th day of the month of December of the year 2018, in two originals, in the English language.

For the Government of the Republic of Seychelles

Gilbert Faure

For the Government of the Dominican Republic

Luis Erneste Camilo Garcia

DELEGATION OF THE REPUBLIC OF SEYCHELLES

HEAD OF DELEGATION

Mr Gilbert Faure

Chief Executive Officer

Seychelles Civil Aviation Authority

DELEGATES

Mr. Garry Albert

Chief Executive Officer- Designated

Seychelles Civil Aviation Authority

Mr Alan Renaud

Principal Secretary, Civil Aviation, Ports and Marine Ministry of Tourism, Civil Aviation, Ports and Marine

Ms Florence Marengo

Head Air Transport,

Seychelles Civil Aviation Authority

Mr Kurtis Lespoir

Air Transport Officer

Seychelles Civil Aviation Authority

Ms Thelma Dubignon

Assistant Air Transport Officer

Seychelles Civil Aviation Authority

DELEGATION OF THE DOMINICAN REPUBLIC

HEAD OF DELEGATION

Lic. Luis Ernesto Camilo Garcia

President

Civil Aviation Board of the Dominican Republic, JAC

DELEGATES

Dr. Alejandro Herrera Rodriguez

General Director

Dominican Institute of Civil Aviation, IDAC

S.E. Carlos Veras

Ambassador

Permanent Representative of the Dominican Republic to ICAO

Dra. Bernarda Franco Candelario

Head of Air Transport Department, JAC

Mrs. Himilce Tejada

Adviser, JAC

Mrs. Maria Luisa Hernández Rodríguez

International Agreements Analyst, JAC

Annex 2

AIR SERVICES AGREEMENT BETWEEN THE REPUBLIC OF SEYCHELLES AND THE DOMINICAN REPUBLIC





Preamble

The Government of the Republic of Seychelles and the Government of the Dominican Republic hereinafter referred to as the "Parties";

BEING Parties to the Convention on International Civil Aviation opened for signature at Chicago on the seventh day of December 1944;

ACKNOWLEDGING the importance of air transportation as a means of creating and preserving friendship, understanding and co-operation between the peoples of their respective territories;

WISHING to contribute to the progress of international civil aviation;

DESIRING to conclude an Agreement for the purpose of establishing and operating air services between and beyond their respective territories;

HAVE AGREED as follows:



ARTICLE 1 Definitions

- 1. For the purpose of this Agreement, unless the context otherwise requires:
 - a) The term "Aeronautical Authorities' means in the case of the Republic of Seychelles, the Seychelles Civil Aviation Authority and, in the case of Dominican Republic, the Civil Aviation Board or in both cases any person or body, authorized to exercise the functions presently assigned to the said authorities;
 - b) The term "Agreed Services" means scheduled air services on the routes specified in the Annex(es) to this Agreement for the transportation of passengers, cargo and mail, separately or in combination;
 - c) The term "Agreement" means this Agreement, its Annexes, and any amendments thereto;
 - d) The term " Air Service", "International Air Service", "Airline" and "Stop for non-traffic purposes" have meanings respectively assigned to them in Article 96 of the Convention;
 - e) The term "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 Convention under articles 90 and 94 thereof which have been adopted by both Contracting Parties;
 - f) The term "Capacity" is the amount(s) of services provided under this Agreement, usually measured in the number of flights (frequencies) or seats or tonnes of cargo offered in a market (city pair, or country to country) or on a route during a specific period, such as daily, weekly, seasonally or annually;
 - g) The term "Designated Airline(s)" means an airline or airlines which one Contracting Party has designated, in accordance with Article 7 of this Agreement, for operation of the agreed air services;
 - h) The term "Tariff" 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 auxiliary service, but excluding remuneration and conditions for the carriage of mail;

i) The term "**Territory**" has the meaning given to it under Article 2 of the Convention;

In the case of the Dominican Republic the terms Sovereignty and Territory, in relation to a State, have the meaning in accordance with the provisions of Article 1 and 2 of the Chicago Convention, namely: Sovereignty: The States recognize that every State has sovereignty full and exclusive in the airspace located in its territory. "Territory": For the purposes of this Convention, are considered as the territory of a State, the terrestrial areas and the territorial waters adjacent them that are under the sovereignty, dominion, protection or mandate that State.

- j) The term "Traffic" means passengers, baggage, cargo and mail.
- k) The term 'User Charges" means a charge made to Airlines by the competent authorities or permitted by those authorities to be made for the provision of airport property or facilities or of air navigation facilities, or related services and facilities, for aircraft, their flight crews, passengers and cargo
- 2 The Annex to this Agreement and any amendments thereto forms an integral part of the Agreement.

ARTICLE 2 Applicability of the Chicago Convention

The provisions of this Agreement shall be subject to the provisions of the Convention in so far as those provisions are applicable to international air services.

ARTICLE 3 Grant of Rights

- 1. Each Party grants to the other Party the rights specified in this Agreement for the purpose of operating air services on the routes specified in the schedules of the Annex. Such services and routes are hereinafter called "agreed services" and "specified routes" respectively.
- 2. Subject to the provisions of the present Agreement the airline designated by each Party shall enjoy the following rights, while operating international air services:
 - a) the right to fly without landing across the territory of the other Party;

96

He

- b) the right to make stops in the territory of the other Party for non-traffic purposes;
- c) the right to embark and disembark passengers, baggage, cargo and mail on the specified routes subject to the provisions contained in the Annex.
- 3. Nothing in paragraph 2 of this Article shall be deemed to confer on the designated airline of one Party the privilege of embarking, in the territory of the other Party, passengers, baggage, cargo and mail carried for remuneration or hire and destined for another point in the territory of that Contracting Party.
- 4 The Airlines of each Party, other than those designated under Article 7 of the present Agreement, shall also enjoy the rights specified in paragraph 2(a) and (b) of this Article.
- 5. If because of armed conflict, natural calamities, political disturbances or disruptive developments, the designated airline of one Party is unable to operate a service on its normal routes, the other Contracting Party shall use its best efforts to facilitate the continued operation of such service through appropriate rearrangements of such routes, including the temporary granting of alternative rights, as mutually decided by the Parties.

ARTICLE 4 Designation and Operating Authorisation

- 1. Each Party shall have the right to designate one or more airline(s) for the purpose of operating the agreed services. Such designation shall be effected by virtue of a written notification between the Aeronautical Authorities of both Parties.
- 2. The Aeronautical Authorities which have received the notification of designation shall, subject to the provisions of paragraphs 3 and 4 of this Article, grant without delay to the designated airline(s) of the other Party the necessary operating authorization, on the routes specified in the route schedule, provided that:
 - The airline (s) is constituted under the laws of the State that designates it, and that its main establishment is located in the territory of that State.
 - That the State that designates the airline (s) has effective regulatory control of the airline.



- 3. The Aeronautical Authorities of one Party may require the airline(s) designated by the other Party 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 provisions of the Convention.
- 4. Each Party shall have the right to refuse to grant the operating authorisations reffered to in paragraph 2 of this Article, or to impose such conditions as it may deem necessary on the exercise by a designated airline of the rights specified in Article 3 of this Agreement.
- 5. Having received the operating authorization, provided for under paragraphs 3 and 4 of this Article, the designated Airline(s) may at any time operate the agreed services, provided that the Airline complies with the applicable provisions of this Agreement.

ARTICLE 5 Revocation and Suspension of Operating Authorization

- 1. Each Party shall have the right to revoke an operating authorization or to suspend the exercise of the rights specified in Article 3 of this Agreement by the designated airline(s) of the other Party or to impose such conditions as it may deem necessary on the exercise of such right, if:
 - a) the airline(s) does not fulfill the criteria stated in paragraph 4 of Article 4;
 - b) the said airline(s) fails to comply with or has infringed the laws or regulations of the Party granting these rights, or
 - c) the said airline(s) fails to operate the agreed services in accordance with the conditions prescribed under the present Agreement.
- 2. Such a right shall be exercised only after consultation with the other Party, unless immediate revocation, suspension or imposition of the conditions provided for under paragraph 1 of this Article is essential to prevent further infringements of laws and regulations.

ARTICLE 6 Principles Governing the Operation of Agreed Services

1. The designated airline(s) of each Party shall have fair and equal opportunity to carry on the agreed services traffic embarked in the territory of one Party and disembarked in the territory of the other Party or vice versa. The designated airline(s) of each Party in providing capacity for the carriage of traffic embarked in the territory of the other Party and disembarked at points on the specified routes of

ST

vice versa shall take into consideration the primary interest of the designated airline(s) of the other Party in such traffic so as not to affect unduly that interest of the latter airline.

- The agreed services provided by the designated airline(s) of each Party shall be closely related to the requirements of the public for transportation on the specified routes, and each shall have as its primary objective the provision of capacity adequate to meet the demands to carry passengers, cargo and mail embarked or disembarked in the territory of the Party which has designated the airline(s) as specified in the Annex to this Agreement.
- 3. Provision for the carriage of passengers, cargo and mail embarked in the territory of the other Party and disembarked at points on the specified routes in the territories of States other than that designating the airline(s) shall be made in accordance with the general principle that capacity shall be related to:
 - a) the requirements of traffic embarked or disembarked in the territory of the Party which has designated the airline(s);
 - b) the requirements of traffic of the area through which the airline(s) passes, after taking account of other air services established by airlines of the States situated in the area;
 - c) the requirement of through airline operations.

ARTICLE 7 Application of Laws, Regulations and Procedures

- 1. The laws and regulations of one Contracting Party governing entry into and departure from its territory of aircraft engaged in international air navigation or flights of such aircraft over that territory shall apply to the designated airline(s) of the other Contracting Party.
- The laws and regulations of one Contracting Party governing entry into, sojourn in, and departure from its territory of passengers, flight crew, baggage, cargo or mail, such as formalities regarding entry, exit, emigration and immigration, as well as customs and sanitary measures shall apply to passengers, flight crew, baggage, cargo or mail carried by the aircraft of the designated airline(s) of the other Contracting Party while they are within the said territory.
- 3. Neither Contracting Party may grant any preference to its own airline(s) nor any other airline(s) with regard to the designated airline(s) of the other Contracting Party in the application of the laws and regulations provided for in this Article.

ARTICLE 8 Aviation Security

- 1. Consistent with their rights and obligations under international law, as signatories or as Parties to the following conventions, the Parties reaffirm that their mutual obligation to protect the safety 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 Contracting Parties shall in particular act in conformity with the provisions of the Convention on offenses 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, its Supplementary Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, signed at Montreal on 24 February 1988,the Convention on the Marking of Plastic Explosives for the Purpose of Detection, signed at Montreal on 1 March 1991, as well as with any other Convention and Protocol relating to the Security of Civil Aviation which both Contracting Parties adhere to.
- 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 flight crew, airports and air navigation facilities, and any other threat to the security of civil aviation.
- 3. The Parties shall, in their mutual relations, act in conformity with the aviation security provisions established by the International Civil Aviation Organization and designated as annexes to the convention on International Civil Aviation 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 territory and the operators of airports in their 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 referred to in paragraph 3 above required by the other Party for entry into, departure from, or while within, the territory of that other contracting Party. Each Party shall ensure that adequate measures are effectively applied within its territory to protect the aircraft and to inspect passengers, flight 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 flight crew, airports or air navigation facilities occurs, the Parties shall assist each other by

S

facilitating communications and other appropriate measures intended to terminate rapidly and safely such incident or threat thereof.

6. When a Party has reasonable grounds to believe that the other Party has departed from the aviation security provisions of this Article, the aeronautical authorities of that Party may request immediate consultations with the aeronautical authorities of the other Party. Failure to reach a satisfactory Agreement within 15 (fifteen) days from the date of such request shall constitute grounds to withhold, revoke, limit, or impose conditions on the operating authorization and technical permission of an airline of that Party. When required by an emergency, a Party may take interim action prior to the expiry of 15 (fifteen) days. Any action taken in accordance with this paragraph shall cease at the time of compliance by the other Party, with the security provisions of this Article.

ARTICLE 9 Aviation Safety

- 1. Each Party may request consultations at any time concerning safety standards in any area relating to air flight crews, aircraft or their operation adopted by the other Party. Such consultations shall take place within 30 days of that request.
- 2. If, following such consultations, one Party finds that the other Party does not effectively maintain and administer safety standards in any such area that are at least equal to the minimum standards established at that time pursuant to the Convention, the first Party shall notify the other Party of those findings and the steps considered necessary to conform with those minimum standards, and the other Party to take appropriate corrective action. Failure by the other Party to take appropriate action within 15 days or such longer period as may be agreed this Agreement to revoke or suspend operating authorisaiton.
- 3. Notwithstanding the obligation mentioned in Article 33 of the Convention-it is agreed that any aircraft operated by or, under a lease agreement, on behalf of the airline of one Party on services to or from the territory of the other Party, may, while within the territory of the other Party be made the subject of an examination by the authorized representatives of the other Party, on board and around the aircraft to check both the validity of the aircraft documents and those of its flight crew and the apparent condition of the aircraft and its equipment (in this Article called "ramp inspection"), provided this does not lead to unreasonable delay.
- 4. 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 purposes 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 flight 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 onvention.

- 5. In the event that access for the purpose of undertaking a ramp inspection of air aircraft operated by an airline of one Party in accordance with paragraph (3) of this Article is denied by a representative of that airline, the other contracting party shall be free to infer that serous concerns of the type referred to in paragraph (4) of this Article arise and draw the conclusions referred in that paragraph.
- 6. Each Party reserves the right to suspend or vary the operating authorization of an airline of the other Party immediately in the event the first Contracting Party concludes, whether as a result of a ramp inspection, a series of ramp inspections, a denial of access for ramp inspection, consultation or otherwise, that immediate action is essential to the safety of an airline operation.
- 7. Any action by one Party in accordance with paragraphs (2) or (6) of this Article shall be discontinued once the basis for the taking of that action ceases to exist.

ARTICLE 10 Recognition of Certificates and Licenses

- 1. Certificates of air worthiness, certificates of competency and licenses issued or rendered valid by one of the Parties shall, during the period of their validity, be recognized as valid by the other Party, provided that the requirements under which such certificates or licenses were issued or rendered valid are equal to or above the minimum standards which may be established pursuant to the Convention.
- 2. Each Party reserves the right, however, to refuse to recognize as valid, for the purpose of flights over its own territory, certificates of competency and licenses granted to or rendered valid for its own nationals by the other Party or by any other State.
- 3. If the privileges or conditions of the licenses or certificates referred to in paragraph 1 above, issued by the aeronautical authorities of one Party to any person or designated airline or in respect of an aircraft used in the operation of the agreed

St

services, should permit a difference from the minimum standards established under the Convention, and which difference has been filed with the International Civil Aviation Organisation, the other Party may request consultations between the aeronautical authorities with a view to clarifying the practice in question.

ARTICLE 11 Custom Duties and Other Taxes

- 1. On arriving in the territory of the other Party, aircraft operated on international services by the designated airline(s) of one Party, as well as their normal equipment, fuel and lubricants, aircraft stores including food, beverages and tobacco carried on board such aircraft, shall be exempted, on a reciprocity basis, from all duties or taxes, provided such equipment, supplies and stores remain on board the aircraft until they are re-exported or consumed during flight over that territory on the agreed service.
- 2. They shall also be exempt from the same duties and taxes, with exception of charges corresponding to the services rendered:
 - a) aircraft stores taken on board in the territory of one Party, within the limits fixed by the competent authorities of the said Contracting Party, and intended for use on board the aircraft operated on an international service by the designated airline(s) of the other Party;
 - b) aircraft spare parts and normal board equipment imported into the territory of one Party for the maintenance or repair of aircraft operated on international services:
 - c) Lubricants destined for the designated airline of one Contracting Party to supply aircraft operated on international services, even when these supplies are to be used on the part of the journey performed over the territory of the Contracting Party in which they have been taken on board;
- 3. The regular airborne equipment, as well as the materials and supplies normally retained on board of the aircraft of a designated airline 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.
- 4. Passengers, baggage and cargo in direct transit across the territory of one Party and not leaving the area of the airport reserved for such purpose shall at the utmost be subject to a very simplified control. Baggage and cargo in direct transit shall be exempted from duties and taxes, customs duties included.

J

ARTICLE 12 User Charges

- The charges applied to users for the use of airports, their facilities and other facilities and services, as well as any charge for the use of air navigation facilities, communication and services, will be established in accordance with the laws and regulations of each Party.
- 2. Charges for the use of airport and air navigation facilities and services offered by one Party to the designated airline(s) of the other Party shall not be higher than those which have to be paid by national aircraft operating on scheduled international services.

ARTICLE 13 Commercial Activities

- 1 Each Party shall accord the designated airline(s) of the other Party the right to sell and market international air services and related products in its territory, either directly or through agents or other intermediaries of the designated airlines' choice, including the right to establish offices, both on-line and off-line.
- 2 Each designated airline shall have the right to sell air services in the currency of the other Party or, at its discretion, in freely convertible currencies of other countries, and any person shall be free to purchase such air services in currencies accepted by that designated airline.
- 3 The designated airline(s) of each Party shall have the right, in accordance with the laws and regulations of the other Party relating to entry, residence and employment, to bring into and maintain in the territory of the other Party their own managerial, technical, operational and other specialist staff who are required for the operation of international air services.

ARTICLE 14 Conversion and Transfer of Revenues

Each Contracting Party shall grant to the designated airline(s) of the other Contracting Party, the right of free transfer of the excess of receipts over expenditure earned by that airline in the territory of the other Contracting Party in connection with the carriage of passengers, baggage, mail and cargo. Such transfer shall be at the official rate of exchange, where such a rate exists or otherwise at a rate equivalent to that at which the receipts were earned and will be subject to the

A

charges normally applied by banks. If such transfers are regulated by a special Agreement between the Parties, this special Agreement shall apply

ARTICLE 15 Cooperative Arrangements

- 1 In operating or holding out the agreed services on the routes specified in the Annex to this Agreement, the designated airline(s) of each Party shall be permitted to enter into cooperative marketing arrangements such as blocked-space or code-sharing arrangements, with:
 - (a) an airline or airlines of the same Party;
 - (b) an airline or airlines of the other Party;
 - (c) an airline or airlines of a third country; and
 - (d) a surface transportation provider of any country,

provided that,

- (i) all airlines in such arrangements hold the appropriate authority to operate on the routes and segments concerned; and
- (ii) in respect of any tickets sold, the airline makes it clear to the purchaser at the point of sale which airline will actually operate each sector of the service and with which airline or airlines the purchaser is entering into a contractual relationship.
- Where a designated airline operates the agreed services under code-sharing arrangements as the operating airline, the operated capacity shall be counted against the capacity entitlements of the Party designating the said airline. Capacity offered by a designated airline acting as the marketing airline on the code-share services operated by other airlines shall not be counted against the capacity entitlements of the Party designating the said marketing airline.

ARTICLE 16 Aircraft Leasing

- 1 Each Party may prevent the use of leased aircraft for air services under this Agreement, which does not comply with Article 9 (Aviation Safety) of this Agreement.
- 2 Subject to paragraph (1) of this Article, the designated airlines of each Party may use aircraft (or aircraft and crew) leased (dry or wet) from any company, including other

ST

airlines, provided that this will not result in a lessor airline exercising traffic rights it does not have.

ARTICLE 17 Tariffs

- 1. The tariffs applicable between the territories of the two Parties shall be established at reasonable levels, due regard being paid to all relevant factors, including the cost of operation, the interests of users, reasonable profit, class of service and, when it is deemed appropriate, the tariffs of other airlines operating over whole or part of the routes specified in the Annex.
- 2. Each Party shall allow prices for air transport to be established by each designated airline based upon commercial consideration in the marketplace. Intervention by the Parties shall be limited to:
 - a) prevention of unreasonably discriminatory prices or practices;
 - b) protection of consumers from prices that are unreasonably high or restrictive due to the abuse of a dominant position; and
 - c) protection of airline from prices that are artificially low due to direct or indirect government subsidy or support.
- 3. Each Party may require notification to or filing with its Aeronautical Authorities of prices to be charged to or from its territory by airline(s) of the other Party. Notification or filing by the airlines of both parties may be required not more than 30 days before the proposed date of effectiveness. In individual cases, notification or filing may be permitted on shorter notice than normally required. Neither Party shall require the notification nor filing by airline of the other may Party of prices charged by charterers to the public, except as be required on a non-discriminatory basis for information purposes.
- 4. Neither Party shall take unilateral action to prevent the inauguration or continuation of a price proposed to be charged by:
 - a) an airline of either Party for international air transport between the territories of the Parties.
 - b) an airline of one Party for international air transport between the territory of the other Party and any other country, including in both cases transportation on an interline or intraline basis. If either Party believes that any such price is inconsistent with the consideration set forth in paragraph 1 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 resolution of the issue.

- 5 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. The price shall take effect without prejudice to paragraph 2 of this Article.
- In case of tariff change, there shall be no approval required by the Aeronautical Authorities of the Contracting Parties concerned for tariff to be charged by the designated airline for the carriage of passenger, cargo and mail. The airline shall in this case file such tariffs before they enter into effect.

ARTICLE 18 Time-Table Submission

- 1. As long in advance as practicable, but not less than thirty (30) days, before the introduction of an agreed service or any modification thereof, or within thirty (30) days after receipt of a request from the Aeronautical Authorities, the designated airline(s) of a Party shall submit to the Aeronautical Authorities of the other Party, information regarding the nature of service, time-tables, types of aircraft including the capacity provided on each of the specified routes and any other information for approval.
- 2. The designated airline(s) shall also furnish any other information as may be required to satisfy the Aeronautical Authorities of the other Party that the requirements of the present Agreement are being duly observed.

ARTICLE 19 Provision of Statistics

The aeronautical authorities of each Party shall provide, or shall cause their designated airline(s) to provide, the aeronautical authorities of the other Party, upon request, periodic or other statements of statistics as may be reasonably required for the purpose of reviewing the operation of the agreed services, including statistics showing the initial origins and final destinations of the traffic.

ARTICLE 20 Consultation

Either Party may at any time request consultations on any problem related to the implementation, interpretation, application or amendment of this Agreement. Such consultations, which may be between the Aeronautical Authorities and through

discussions or correspondence, shall begin within a period of sixty (60) days from the date the other Party receives a written request, unless otherwise agreed by the Parties.

ARTICLE 21 Dispute Settlements

- 1. If any dispute arises between the Contracting Parties relating to the implementation, interpretation or application of this Agreement, the Contracting Parties shall in the first place endeavor to settle it by negotiation.
- 2. If the Contracting Parties fail to reach a settlement by negotiation, they may agree to refer the dispute for decision to some person or body, or the dispute may at the request of either Contracting Party be submitted for decision to a tribunal of three arbitrators, one to be nominated by each Contracting Party and the third to be appointed by the two so nominated. Each of the Contracting Parties shall nominate an arbitrator within a period of sixty (60) days from the date of a written receipt by either Contracting Party from the other of a notice through the diplomatic channel requesting arbitration of the dispute, and the third arbitrator shall be appointed within a further period of thirty (30) days. If either of the Contracting Parties fails to nominate an arbitrator within the period specified, or if the third arbitrator is not appointed within the specified period, the President of the Council of the International Civil Aviation Organization may be requested by either Contracting Party to appoint an arbitrator or arbitrators as the case requires. Where the President possesses the nationality of one of the two Contracting Parties or is otherwise prevented from carrying out this function, his deputy in office shall make the necessary appointments. The third arbitrator shall be a national of a third Contracting State and shall act as president of the arbitral body.
- 3. Each Contracting Party shall be responsible for the cost of its nominated arbitrator and both Contracting Parties shall share equally all further expenses involved in the activities of the tribunal including expenses of the president.
- 4. The arbitral tribunal shall determine its own procedure.
- 5. The Contracting Parties undertake to comply with any decision given under paragraphs 2 and 4 of this Article.
- 6. If and so long as either Contracting Party or the designated airline(s) of either Contracting Party fails to comply with a decision given under paragraphs 2 and 4 of this Article, the other Contracting Party may limit, withhold or revoke any rights or privileges which it has granted by virtue of the present Agreement to the Contracting Party in default or to the designated airline in default as the case may be.



ARTICLE 22 Amendments

- 1. If either of the Contracting Parties considers it desirable to modify any provision of this Agreement, it shall request consultation in accordance with the provisions of article 20 of this Agreement and consultation will be confirmed by an exchange of Diplomatic Notes.
- 2. If the amendment relates to the provision of the Agreement other than those of the annex, the amendment shall be approved by each Contracting Party in accordance with its constitutional procedures.
- 3. If the amendments relate only to the provision of the annex it shall be agreed upon between the Aeronautical Authorities of both Contracting Parties.
- 4. In the event of the conclusion of any general multilateral convention concerning air transport by which both Contracting Parties become bound, the present Agreement shall be so modified as to conform to the provision of such a convention.

ARTICLE 23 Termination

- 1. Each Contracting Party may at any time give notice in writing, through Diplomatic channels, to the other Contracting Party of its decision to terminate the present Agreement. Such notice shall simultaneously be communicated to the International Civil Aviation Organization (ICAO).
- 2. The Agreement shall terminate at the mid night (at the place of a written receipt of the notice) after twelve (12) months from the date of receipt of the notice by the other Contracting Party, unless the notice is withdrawn by mutual agreement before the expiry of this period.
- 3. In the absence of acknowledgment of receipt by the other Contracting Party, the notice shall be deemed to have been received fourteen (14) days after the receipt of the notice by the International Civil Aviation Organization (ICAO).

ARTICLE 24 Registration with ICAO

This Agreement and any subsequent amendments thereto shall be registered with the International Civil Aviation Organization (ICAO).

ARTICLE 25 Entry into Force

This Agreement and its Annex shall enter into force provisionally from the date of its signature and definitively upon exchange of notes through diplomatic channels, on the fulfillment of the constitutional requirements for the entry into force of International Agreements in each Contracting Party.

FOR THE GOVERNMENT OF

English language.

FOR THE GOVERNMENT OF

THE REPUBLIC OF SEYCHELLES

DOMINICAN REPUBLIC

ANNEX

1. ROUTE SCHEDULE

A. The Designated Airline(s) of the Republic of Seychelles shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points of Origin	Intermediary Points	Points of destination	Points Beyond
Points in Seychelles	Any Points	Points in the	Any Points
		Dominican Republic	

B. The Designated Airline(s) of the Dominican Republic shall be entitled to operate scheduled international air services in both directions on the routes specified hereafter:

Points of Origin	Intermediary Points	Points of destination	Points Beyond
Points in the Dominican Republic	Any Points	Points in Seychelles	Any Points

Notes:

Each designated airline of either Contracting Party may, on any or all flights and at its option:

- 1. Operate flights in either or both directions;
- 2. Combine different flight numbers within one aircraft operation;
- 3. Serve behind, intermediate and beyond points and points in the territories of the Contracting Parties on the routes in any combination and in any order;
- 4. Make stopovers at any points whether within or outside the territory of the other Party;
- 5. Omit stops at any point or points;
- Transfer traffic from any of its aircraft to any of its other aircraft at any point on the routes; and

GF

Serve points behind any point in its territory with or without change of aircraft or flight number and may hold out and advertise such services to the public as through services;

without directional or geographic limitation and without loss of any right to carry traffic otherwise permissible under the present Agreement; provided that the service serves a point in the territory of the Contracting Party designating the airlines.

- 8. Each designated airline may serve behind, intermediate and points beyond not specified in the Annex to the present Agreement on condition that no traffic rights are exercised between these points and the territory of the other Contracting Party.
- 9. Fifth freedom traffic rights may be permitted following authorisation of the Parties.