

CONFIDENTIAL MEMORANDUM OF UNDERSTANDING
BETWEEN
THE AERONAUTICAL AUTHORITIES
OF THE RUSSIAN FEDERATION
AND
THE HELLENIC REPUBLIC

Delegations representing the Aeronautical Authorities of the Russian Federation and the Hellenic Republic (hereinafter referred to as the Russian Delegation and the Hellenic Delegation respectively) met in Athens on 15th – 17th February 2017 to discuss air transport matters of mutual interest.

The name lists of the Delegations are attached hereto as **APPENDIX I**.

The discussions were held in a friendly and constructive atmosphere and both Delegations stressed their interest in expanding their bilateral relations in the field of air transport. The following understanding has been reached:

2. Amendment of the Annex to the ATA

Both Delegations agreed to revise and replace the Annex to the ATA with a new one, which is attached hereto as **APPENDIX III**.

3. Traffic Rights' Issues

Both Delegations held their annual discussions on further development of the existing operational conditions between their respective countries, in order to meet the market needs of forthcoming summer IATA season. In this regard, and taking into account the provisions of the newly revised Annex to the ATA, both Delegations agreed that the designated airlines of each Contracting Party shall be entitled to operate the agreed services on the specified routes as follows:



3.1. Capacity/ Frequencies

up to twenty one (21) weekly frequencies on the route Moscow – Athens v.v.,
up to thirty one (31) weekly frequencies on the route Moscow – Heraklion v.v.,
up to twenty one (21) weekly frequencies on the route Moscow – Rhodes v.v.,
up to thirty five (35) weekly frequencies on the route Moscow – Thessaloniki v.v.,
up to fourteen (14) weekly frequencies on any other route v.v.,
up to four (4) weekly frequencies on the routes from points in the Russian Federation to
Kos v.v., Zakynthos v.v. and one point in the territory of the Hellenic Republic, except
Corfu, to be specified by the Russian side for Russian designated airlines,
up to four (4) weekly frequencies on routes from points in the Hellenic Republic to
Samara v.v., Mineralnie Vody and Perm for Greek designated airlines.

Both Delegations agreed that the ten (10) additional to the already existed twenty one (21) frequencies on the route Moscow – Heraklion v.v. will be allocated at the choice of each Contracting Party. For the Russian side three (3) additional frequencies shall be utilized by the already designated airlines and remaining seven (7) frequencies shall be utilized by the newly designated third air carrier.

3.2. Designation Rules

Up to four (4) airlines of each Contracting Party can be designated for scheduled air services on the route Moscow – Thessaloniki v.v..

Up to three (3) airlines of each Contracting Party can be designated for scheduled air services on the route Moscow – Heraklion v.v..

Up to two (2) airlines can be designated for scheduled air services on any other route.

On the routes from points in the Russian Federation to Kos v.v., Zakynthos v.v. and one point in the territory of the Hellenic Republic, except Corfu, to be specified by the Russian side, as well as on the routes from points in the Hellenic Republic to Samara v.v., Mineralnie Vody and Perm only one (1) airline of each Contracting Party can be designated to operate the agreed services.

3.3. Liberalized regime to three Russian airports

In addition to that, the Russian delegation informed that the Russian Authorities are ready to issue permission to any Greek air carrier for passenger and/or all-cargo operations to Kaliningrad and Sochi during three IATA consequent periods, starting from Summer 2017, and Vladivostok for unlimited period with 3rd, 4th and 5th freedom traffic rights, without any limitation, provided that these operations do not utilize Transsiberian route network.

3.4. All-Cargo Services

Both delegations agreed that all-cargo airlines of both Contracting Parties shall be entitled to operate unrestricted all-cargo frequencies, from any point in the Russian Federation to any point in the Hellenic Republic and v.v., via any intermediate points and/or to any points beyond, without exercising 5th freedom traffic rights.



5. Any other Business

The Hellenic Delegation referred to the longstanding issue of visa requirements for crew members of the designated airlines of the Hellenic Republic arriving at Russian airports on round trip, which has not been resolved yet and requested the Russian Delegation to assist such requirement to be terminated. The Russian Delegation confirmed that the issue will be resolved as soon as possible.

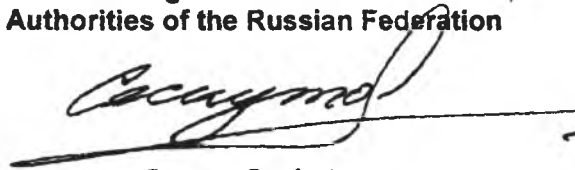
6. Entry into Force and Review

This Memorandum of Understanding supersedes the Memorandum signed between the Contracting Parties on March 23rd 2016 and shall be given effect upon signature.

Both Delegations reaffirmed their commitment to meet at least once a year to further strengthening their bilateral aviation relations and review operational conditions, frequencies and capacity offered, once the increased market conditions between the two countries demand. The next round of consultations will take place in Russia, in May 2018.

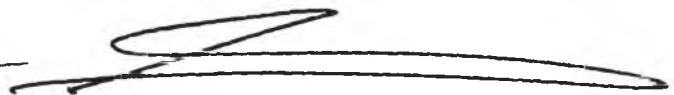
Signed in Athens on 17th February 2017, in two original copies in the English language.

**For the Delegation of the Aeronautical
Authorities of the Russian Federation**



**Sergey Seskutov
Deputy Director
Department of State Policy in Civil Aviation
Ministry of Transport
of the Russian Federation**

**For the Delegation of the Civil Aviation
Authority of the Hellenic Republic**



**Anastasios A. Kokkinos
Director
for Air Transport and Int'l Agreements
Division
Hellenic Civil Aviation Authority**

APPENDIX III

ANNEX

1. Routes which shall be operated by the designated airlines of the Russian Federation in both directions:

Points of Departure	Intermediate Points	Points of Destination	Points Beyond
Points on the territory of the Russian Federation	Points to be agreed*	Athens Thessaloniki Heraklion Rhodos Kos Zakynthos One point in the territory of the Hellenic Republic, except Corfu, to be specified by the Russian side <i>Other points in the Hellenic Republic*</i>	Points to be agreed*

2. Routes which shall be operated by the designated airlines of the Hellenic Republic in both directions:

Points of Departure	Intermediate Points	Points of Destination	Points Beyond
Points on the territory of the Hellenic Republic	Points to be agreed*	Moscow Saint-Petersburg Rostov Kazan Samara Mineralnie Vody Perm <i>Other points in the Russian Federation*</i>	Points to be agreed*

(*) Points which shall be subject to an agreement between the Aeronautical Authorities of the Contracting Parties. This agreement can be reached by negotiations or by exchange of letters between the Aeronautical Authorities of the Contracting Parties.

Notes:

- a) Intermediate points and points beyond on any of the specified routes may be omitted by the designated airlines of the Contracting Parties provided that all the flights start and end on the territory of the designating State.
- b) The designated airlines of both Contracting Parties will have the right to co-terminalize two points on the territory of the other side without traffic rights between those points;

- c) The designated airlines of both Contracting Parties will have the right to operate "triangular" flights in the framework of the existing route schedule, designation and frequency entitlements;
- d) The right of the designated airlines of one Contracting Party to transport passengers, cargo and mail between the points in the territory of the other Contracting Party and the points in the territory of third countries (exercise of full fifth freedom traffic right) shall be subject to an agreement between the Aeronautical Authorities of the Contracting Parties.
- e) With reference to the provisions of Article 2 of the Agreement designated, as well as non designated airlines, of one Contracting Party, may overfly the territory of the other Contracting Party on routes authorised for international air services and available for any other foreign carrier without landing, or with landing for non traffic purposes.
All operations, using Transsiberian, Transpolar and Transasian routes shall be subject to an agreement between the Aeronautical Authorities of the Contracting Parties.
- f) The number of designated airlines for scheduled air services on each city pair and the number of frequencies operated on the routes in paragraph 1 and 2 above, shall be subject to a separate agreement between the Aeronautical Authorities of the Contracting Parties.
- g) Charter, additional and non-scheduled flights carried out based on preliminary request of the designated as well as non-designated airlines, submitted to the Aeronautical Authorities at least (72) hours before the departure, in accordance with legislation of each of the Contracting Parties, except weekends and holidays.
- h) Non designated airlines may also operate charter flights between the points in the territory of the States of the Contracting Parties on the routes not mentioned in the Annex above.
- i) The inclusive tour charter operation from the territory of the State of the other Contracting Party is not permitted.
- j) While operating or holding out the air services on the specified routes the designated airline(s) may enter into commercial and/or co-operative marketing arrangements including, but not limited to, blocked-space or code-sharing with any other airline, including an airline of the same side and an airline of a third country, provided that:
- a) the operating airline in such arrangements holds the appropriate operating authorisation and traffic rights;
 - b) both the operating and marketing airlines hold the appropriate route rights¹;
 - c) no service is operated by an airline of one country for the carriage of passengers between a point in the territory of the other country and a point in a third country, or between two points in the territory of the other country, and no such passengers are carried, unless that airline itself has traffic rights between those two points;
 - d) in respect of each ticket sold, the purchaser is informed at the point of sale which airline will operate each flight forming part of the service;
 - e) the activities mentioned are carried out in accordance with the laws and regulations applicable in each country, including those governing competition;
 - f) the relevant airline has secured any necessary approvals from its own Authorities, for the purposes of ensuring that the code-sharing arrangement is consistent with bilateral arrangements with any relevant third country; and
 - g) code-sharing agreements will be subject to approval by Aeronautical Authorities of both Contracting Parties.

¹ Route rights do not require designation and/or traffic rights as for the marketing carrier.