

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE
GOVERNMENT OF THE REPUBLIC OF CUBA**

The Government of the United States of America and the Government of the Republic of Cuba (hereinafter referred to individually as the "United States" and "Cuba", or as a "Country" and collectively as the "Countries"), being parties to the Convention on International Civil Aviation, done at Chicago December 7, 1944, intend to apply on the basis of comity and reciprocity the following provisions to international air transportation between the Countries (hereinafter, the "Memorandum"):

**Section 1
Grant of Permissions**

1. The United States and Cuba intend to provide the following permissions for the conduct of international air transportation by airlines of either Country holding all necessary authorizations and licenses:

The permission to perform scheduled and charter services between any point or points in the United States and any point or points in Cuba.

2. Any airline of a Country holding all necessary authorizations and licenses, should be permitted on any or all flights and at its option, to:
 - a. Operate flights in either or both directions;
 - b. Combine different flight numbers within one aircraft operation;
 - c. Transfer traffic from any of its aircraft to any of its other aircraft at any point;
 - d. Make stops for non-traffic purposes within or outside the territory of either Country;
 - e. Make stopovers at any points within the territory of either Country; and
 - f. Combine traffic on the same aircraft regardless of where such traffic originates.
3. Nothing in this Section is intended to be understood to confer on the airline or airlines of one Country permission to take on board, in the territory of the other Country, passengers, baggage, cargo, or mail carried for compensation and destined for another point in the territory of that other Country.
4. Any airline of a Country holding all necessary authorizations and licenses and performing charter international air transportation originating in the territory of either Country, whether on a one-way or round-trip basis, should have the option of complying with the charter laws, regulations, and rules either of its homeland or of the other Country. If a Country applies different charter rules, regulations, terms, conditions, or limitations to one or more of its airlines, or to airlines of different countries, each airline of the other Country should be subject to the least restrictive of such criteria.
5. The United States and Cuba intend to permit airlines of the other Country holding all necessary authorizations and licenses to operate scheduled and charter service over the routes specified in paragraph 1 and as specified in the Annex of this Memorandum.

Section 2 Authorization

Each Country, on receipt of applications from an airline of the other Country, in the form and manner prescribed for operating authorizations, technical permissions, and necessary licenses, intends to give prompt and thorough consideration to such applications with minimum procedural delay, provided that:

1. substantial ownership and effective control of that airline are vested in the other Country, nationals of that Country, or both;
2. the airline is qualified to meet the conditions prescribed under applicable laws and regulations; and
3. the other Country maintains and administers the provisions set out in Section 5 (Safety) and Section 6 (Security).

Section 3 Application of Laws

1. Applicable laws and regulations of a Country, including those pertaining to the operation and navigation of aircraft and the admission to or departure from its territory of aircraft, should be complied with by aircraft of the other Country upon entering, when departing from, or while within the territory of the first Country.
2. While entering, within, or leaving the territory of one Country, its laws and regulations relating to the admission to or departure from its territory of passengers, crew or cargo on aircraft (including regulations relating to entry, clearance, aviation security, immigration, passports, customs and quarantine or, in the case of mail, postal regulations) should be complied with by, or on behalf of, such passengers, crew or cargo of the other Country's airlines.

Section 4 Private Claims

1. The Countries intend to act in conformity with their obligations under the Convention on International Interests in Mobile Equipment, done at Cape Town November 16, 2001, and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, done at Cape Town November 16, 2001.
2. With respect to any attachment litigation that is brought in the United States involving parties other than the United States and that affects services provided pursuant to this Memorandum, the U.S. Department of Justice, in consultation with other U.S. government agencies, would consider whether under the particular circumstances it would be appropriate for the United States to participate in any such litigation.

Section 5 Safety

Each Country intends to recognize as valid, for the purpose of operating the air transportation provided for herein, certificates of airworthiness, certificates of competency, and licenses issued or validated by the other Country and still in force, provided that the requirements for such certificates or licenses at least equal the minimum standards that may be established pursuant to the Convention on International Civil Aviation, done at Chicago December 7, 1944 (hereinafter, the "Convention"), including any amendment that has entered into force under Article 94(a) of the Convention and has been ratified by both Countries and any Annex or any amendment thereto adopted under Article 90 of the

Convention, insofar as such Annex or amendment is at any given time effective for both Countries.

Section 6 Security

1. The Countries affirm their commitment to protect the security of civil aviation against acts of unlawful interference in conformity with the provisions of international conventions relating to the security of civil aviation to the degree in force for both Countries including the Convention on Offenses and Certain Other Acts Committed on Board Aircraft, done at Tokyo September 14, 1963, the Convention for the Suppression of Unlawful Seizure of Aircraft, done at The Hague December 16, 1970, the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal September 23, 1971, and the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal February 24, 1988. The Countries also intend to act in conformity with the aviation security standards and appropriate recommended practices established by the International Civil Aviation Organization and designated as Annexes to the Convention.
2. Each Country intends to observe the security provisions required by the other Country for entry into, for departure from, and while within the territory of that other Country and to take adequate measures to protect aircraft and to inspect passengers, crew, and their baggage and carry-on items, as well as cargo and aircraft stores, prior to and during boarding or loading.
3. When an act or threat of unlawful interference of aircraft or other unlawful acts against the security of passengers, crew, aircraft, airports, or air navigation facilities occurs, the Countries should cooperate by facilitating communications and other appropriate measures intended to terminate rapidly and safely such act or threat.

Section 7 Commercial Opportunities

1. The airlines of each Country holding all necessary authorizations and licenses to provide services pursuant to this Memorandum should be permitted to establish offices in the other Country's territory for the promotion and sale of air transportation, subject to the other Country's laws and regulations.
2. The airlines of each Country holding all necessary authorizations and licenses to provide services pursuant to this Memorandum should be permitted, subject to the laws and regulations of the other Country, to bring in and maintain in the territory of the other Country managerial, sales, technical, operational, and other specialist staff required for the provision of air transportation.
3. Each airline holding all necessary authorizations and licenses to provide services pursuant to this Memorandum should be permitted to transfer the excess of revenues on expenses, obtained as a result of its services. The transfer should be made in freely convertible currency, in accordance with the financial law of the Country from where the transaction is made.
4. In operating or holding out the authorized services pursuant to this Memorandum, each Country intends to permit any airline of one Country to enter into cooperative marketing arrangements, such as blocked-space, code-sharing or leasing arrangements, with
 - a. an airline or airlines of either Country;
 - b. an airline or airlines of a third Country;

provided that all participants in such arrangements hold the appropriate authority and licenses and otherwise meet all applicable requirements.

Section 8 Customs Duties and Charges

Aircraft, equipment, fuel, lubricants, consumable technical supplies, spare parts (including engines), aircraft stores and other items intended for or used solely in connection with the operation or servicing of aircraft of airlines of one Country engaged in international air transportation should be exempt, on the basis of reciprocity, from all property taxes and capital levies, customs duties, excise taxes, and similar fees and charges that are (a) imposed by the national authorities of the other Country, and (b) not based on the cost of services provided. These exemptions should apply when such equipment and supplies remain on board the aircraft, even when these stores are used on a part of the journey performed over the territory of the Country in which they are taken on board; or, when introduced into the territory of a Country for the servicing, maintenance, or repair of aircraft of an airline of the other Country used in international air transportation. Either Country may require equipment and supplies referred to in this paragraph to be kept under the supervision or control of the appropriate authorities. The exemptions included in this Section should also be available where the airlines of one Country have contracted with another airline, which enjoys similar exemptions from the other Country, for the loan or transfer in the territory of the other Country of the items specified in this Section. The Countries understand that authorities of both Countries may require additional authorizations, including licenses, to be obtained when equipment or supplies are introduced into the territory of a Country.

Section 9 User Charges

User charges that may be imposed by the competent charging authorities or bodies of each Country on the airlines of the other Country should be just, reasonable, not unjustly discriminatory, and equitably apportioned among categories of users.

Section 10 Consultations

Either Country may, at any time and through diplomatic channels, request consultations relating to this Memorandum and its Annex, including to any proposed modifications to this Memorandum or its Annex. Such consultations should begin at the earliest possible date, but should not begin later than 60 days from the date the other Country receives the request unless otherwise jointly decided by the Countries.

Section 11 Modifications

This Memorandum and its Annex may be modified by the Countries. The Countries should memorialize any such modifications to this Memorandum or its Annex in writing through an exchange of diplomatic notes. Such modifications should become effective on the date of the last note of the exchange of diplomatic notes.

Section 12 Validity and Discontinuation


1. This Memorandum becomes effective on the date of signature and remains in effect until discontinued.

2. Either Country may discontinue this Memorandum at any time. A Country should endeavor to provide at least 60 days advanced written notice, through diplomatic channels, to the other Country of the intent to discontinue this Memorandum.

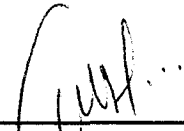
Signed in the city of Havana, on the 16th day of February 2016, in the English and Spanish languages, both texts being equally official.

**For the Government of the United
States of America**

**For the Government of the Republic of
Cuba**



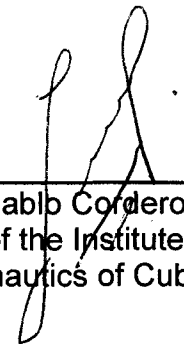
Anthony R. Foxx
Secretary of Transportation of the United
States of America



Adel Yzquierdo Rodriguez
Minister of Transportation of the Republic
of Cuba



Charles H. Rivkin
Assistant Secretary of State for Economic
and Business Affairs of the United States
of America



Alfredo Pablo Cordero Puig
President of the Institute of Civil
Aeronautics of Cuba

ANNEX
FREQUENCIES

For scheduled services to and from Havana, airlines of each Country may operate up to twenty (20) daily frequencies.

For scheduled services to and from any other point in Cuba, airlines of each Country may operate up to ten (10) daily frequencies to each airport.

For charter services to and from any point in Cuba, daily frequencies should be unlimited in accordance with the regulations of each Country.

The competent authority of each Country may request an increase of frequencies and the other Country intends to give prompt and thorough consideration to this request in accordance with the needs of the market and airport infrastructure.

A frequency is intended to mean one operation to and from one or more points in the territory of the other Country.

Neither Country intends to limit the capacity of the aircraft.