

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE AERONAUTICAL AUTHORITIES OF THE REPUBLIC OF TURKEY
AND THE RUSSIAN FEDERATION
ON AIR SERVICES**

The Delegations representing the Aeronautical Authorities of the Republic of Turkey and the Russian Federation (hereinafter referred to as "The Delegations") met in Istanbul on 03-04 April 2013 to review their civil aviation relations and to evaluate new avenues for further developing the regulatory framework for air services between the two countries.

Discussions were held in a friendly and cordial atmosphere.

The composition of the two Delegations is given as Attachment A.

During the course of discussions, the following points were discussed and agreed upon:

1. AMENDMENT OF AIR SERVICES AGREEMENT (ASA)

Russian Delegation proposed to sign a "Protocol" amending the Article 13 (Exemption from Customs Duties, Taxes) of the ASA as Attachment B. Turkish Delegation took note of the proposal and stated that the final decision of Turkish side will be notified through diplomatic channels.

2. FREQUENCY ENTITLEMENTS

2.1. Turkish Delegation proposed to change single carrier designation for each city pair to multiple carrier designation for each city pair or route basis. As a return, Russian Delegation proposed at the first stage to introduce double designation on the routes Moscow-Istanbul/Antalya v.v. with certain amount of frequencies assigned to the second designated airlines. Both Delegations agreed to consider this matter either in the next round of bilateral consultations or through correspondence.

2.2. The Delegations agreed that the designated airlines of the Republic of Turkey and the designated airlines of the Russian Federation are entitled to operate additional frequencies as below:

- Two (2) frequencies on the route of Istanbul-Krasnodar v.v.
- Two (2) frequencies on the route of Istanbul-Ufa v.v.
- Four (4) frequencies on the route of Istanbul-Kazan v.v.
- Four (4) frequencies on the route of Istanbul-Omsk v.v.
- Seven (7) frequencies each on the routes of Trabzon-Krasnodar/Rostov/Sochi v.v.
- Seven (7) frequencies each on the routes of Ankara-Moscow/Krasnodar/Rostov/Sochi v.v.

2.3. Turkish Delegation proposed to add the below points to the Route Schedule of the ASA, in accordance with the priority of each point:

1-Samara, 2-Makhachkala, 3-Mineralniye Vody, 4-Nizhniy Novgorod, 5-Nalchik, 6-Vladikavkaz, 7-Chelyabinsk, 8-Perm, 9-Krasnoyarsk, 10-Irkutsk, 11-Orenburg, 12-Volgograd, 13-Tyumen, 14-Stavropol, 15- Astrakhan, 16-Voronezh, 17-Kaliningrad.

Russian Delegation stated that the issue will be evaluated and the reply will be sent before 1 May 2013.

2.4. a. The Delegations agreed that the designated airline(s) of both countries will be allowed to operate scheduled services on the route of Samsum-Krasnodar v.v. without any frequency and capacity limitations.



b. In the scope of "Open Sky Project" of the Republic of Turkey, the designated airline(s) of the Russian Federation will be allowed to operate scheduled services from any point in Russian Federation to Samsun, Nevşehir and Gaziantep without any frequency and capacity limitations.

c. In the scope of "Open Sky Project" of the Russian Federation, the designated airline(s) of the Republic of Turkey will be allowed to operate scheduled services from any point in Turkey to Vladivostok without any frequency and capacity limitations.

3. THE USE OF AIRSPACE OF THE RUSSIAN FEDERATION

Airlines designated by the Republic of Turkey shall have the right to operate any number of frequencies to/from CIS countries using Rostov FIR only and subject to the condition that traffic handling capability on these ATC routings is adequate.

Airlines designated by both sides shall have the right to operate round trip flights to Tokyo, Osaka and Bishkek - Ulan-Baatar with total number of 21 frequencies per week using Transsiberian ATS network (TSR) subject to the condition that traffic handling capability on these ATC routings is adequate and commercial cooperation between the designated airlines.

Unused TSR frequencies of one side can be leased from the other side.

Airlines designated by both sides shall have the right to use TSR as alternate routing for round trip flights to Beijing, Shanghai, Seoul in scope of the above mentioned frequencies.

4. CODE-SHARE ARRANGEMENTS

The Delegations agreed that the designated airline(s) of either Contracting Party may enter into marketing arrangements such as blocked space, code-share or other commercial arrangements with:

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

provided, that all airlines in the above arrangements hold the appropriate route and traffic rights and in respect of each ticket sold, the purchaser is informed at the point of sale which airline will operate each sector of the service. The designation of marketing airlines is not required.

For third party code share arrangements all airlines in such arrangements are subject to the approval of the aeronautical authorities of both Contracting Parties. Should such a third party not authorized or allow comparable arrangements between the airlines of the other Contracting Party and other airlines on services to, from and via such third country, the aeronautical authorities of the concerned Contracting Party have the right not to accept such arrangements.

It is the common understanding of both Contracting Parties that code-share services are not counted against the frequency entitlement of the marketing airline.

Code-share on domestic segments:

(a) The designated airline(s) of each country may enter into code-share arrangements on the connecting domestic segments in the territory of the other country with any airline(s) of the other country subject to the approval of the respective aeronautical authorities.

(b) The maximum number of the segment(s) or frequencies for such code-share services should not be limited.

(c) The designated airline(s) of each country should not exercise cabotage rights in the other country using the code-share arrangements.

5. OTHER ISSUES

5.1. In 2012, RA31596 registered firefighting helicopter had an accident and additional 8 helicopters operated in Turkey. In order to improve the operational safety, Turkish Delegation proposed to cooperate for increasing the maintenance and flight safety level of helicopters leased from the Russian Federation. Russian Delegation took note of the proposal and stated that another Ministry is responsible from this issue, this proposal will be conveyed to the related Ministry for their evaluation.

5.2. Turkish Delegation proposed that the flight simulator centers in Turkey to be accredited by Federal Air Transport Agency of the Russian Federation for the training of Russian pilots. Russian Delegation stated that after the necessary evaluations Turkish DGCA will be informed accordingly.

5.3. Turkish Delegation stated that the hot balloon pilot training provided by the Russian Federation has some discrepancies and it has to be improved. In this regard, the necessary documents will be submitted to the Russian side accordingly.

5.4. Russian Delegation informed Turkish Delegation that within Russian State policy of consolidation of state owned aviation assets JSC "Aeroflot - Russian Airlines" will perform supervisory functions for "Donavia" and "Rossiya Airlines" in Istanbul Atatürk and Antalya Airports. The Turkish Delegation stated that this request is not in conformity with national laws and regulations of the Republic of Turkey.

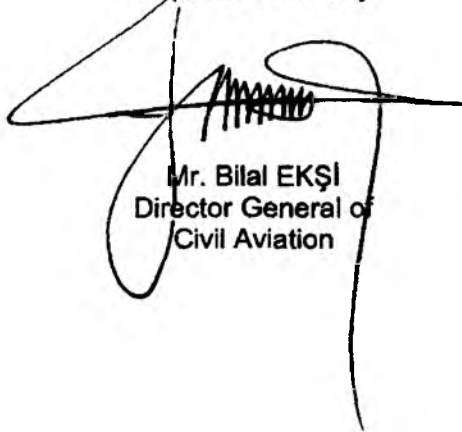
5.5. The Delegations agreed to have at least one meeting each year to discuss aviation issues.

6. ENTRY INTO FORCE

The provisions of this Memorandum of Understanding (MOU) enter into force on the date of signature.

Signed in Istanbul, on 04 May 2013.

For the Aeronautical Authority of the
Republic of Turkey



Mr. Bilal EKŞİ
Director General of
Civil Aviation

For the Aeronautical Authority of the
Russian Federation



Mr. Oleg DEMIDOV
Deputy Director
Department of the State Policy in Civil Aviation
Ministry of Transport

Delegation of the Republic of Turkey

Mr. Bilal EKŞİ
Head of Delegation
Director General
DGCA of the Republic of Turkey

Mr. Alpaslan ÇELEBİ
Director of International Agreements
DGCA of the Republic of Turkey

Mr. Anıl KOÇER
Engineer, Directorate of International Agreements
DGCA of the Republic of Turkey

Observers:

Mr. Ahmet BOLAT
Chief Officer (Investment & Technology)
Turkish Airlines

Ms. Özlem SALIHOĞLU
Svp, Int Relations & Alliances
Turkish Airlines

Mr. Onur ALPAN
Manager, International Relations & Agreements (Europe & The Americas)
Turkish Airlines

Mr. Yiğit Hamza GÜLTEKİN
Specialist, International Relations & Agreements (Europe & The Americas)
Turkish Airlines

Mr. Mefail DERİBAŞ
General Manager, Russian Federation
Turkish Airlines

Mr. Vladimir KRILLOV
Regional Marketing Manager, Moscow
Turkish Airlines

Mr. Bahadır GİDEN
Operation Planning & Support Manager
Turkish Airlines

Ms. Birsal DÖRTELMA
Flight Dispatcher
Turkish Airlines

Mr. Emre PEKŞEN
Vice President (Sales)
Pegasus Airlines

Mr. Nasuh ÇETİN
OnurAir



Delegation of the Russian Federation

Mr. Oleg DEMIDOV
Head of Delegation
Deputy Director
Department of the State Policy in Civil Aviation
Ministry of Transport of the Russian Federation

Mr. Alexander TUMANOV
Adviser
Department of the State Policy in Civil Aviation
Ministry of Transport of the Russian Federation

Mr. Sergey VASILIEV
Deputy Director
Department of International Cooperation
Federal Air Transport Agency

Mr. Shlykov VYACHESLAV
Representative of the Ministry of Transport of the Russian Federation in Turkey

Mr. Oleg MACHALKIN
Vice Consul of Consulate General of the Russian Federation in Istanbul

Observers:

Mr. Aydar GASHIGULLIN
Representative of the Republic of Tatarstan in Turkey

Mr. Ayrat GATAULLIN
Deputy Representative of the Republic of Tatarstan in Turkey

Mr. Chugunov ALEKSEY
Aeroflot Russian Airlines

Mr. Titov KONSTANTIN
General Manager of Aeroflot in Turkey

Mr. Denis SAVCHENKO
Transaero Airlines

Mr. Rinat ASMATULOV
Yakutia Airlines

Mr. Yuri GUTCHENKO
Moscow Vnukovo Airport

Mr. Kamil FEIZRAKHMANOV
Moscow Domodedovo Airport

Mr. Mikhail DIDOKHA
Krasnoyarsk Airport

Mr. Igor CHERNYSHOV
S7 Airlines

Mr. Viacheslav LADVISHCHENKO
Rossiya Airline



PROTOCOL
amending Air Services Agreement
between the Government of the Russian Federation
and the Government of the Republic of Turkey, signed
on May 12,2010

The Government of the Russian Federation and the Government of the Republic of Turkey (hereinafter referred as Contracting Parties) amending the Air Services Agreement between the Government of the Russian Federation and the Government of the Republic of Turkey of May12,2010, hereinafter referred to as "the Agreement",
Have agreed as follows:

Article 1

1.1. To make Subparagraph d) of paragraph 2 of Article 13 "Exemption from customs duties, taxes" of the Agreement null and void.

1.2. To formulate Paragraph 3 of Article 13 of the Agreement as follows:

"3. It is prohibited to use materials, supplies and spare parts referred to in paragraph (2) of this article above for other purposes than those directly specified in this paragraph. Materials referred to in paragraph (2) above may be placed under the supervision or control of the Customs authorities up to such time as they may be re-exported or otherwise disposed of in accordance with customs regulations".

Article 2

The present Protocol shall enter into force on the date of the last written notification through diplomatic channels, confirming that the Contracting Parties have fulfilled all internal procedures necessary for entry into force of the present Protocol.

Done in _____ on the "____" _____, 201_ in duplicate, each in the Russian, Turkish and English languages, all texts being equally authentic.

In case of any divergence of the texts the English text shall be used.

**For the Government of
the Russian Federation**

**For the Government of
the Republic of Turkey**

