



SC11005522

**Cooperation Agreement
of the
FAB CE
Air Navigation Service Providers**

This Cooperation Agreement (the "**Agreement**") is entered into by and between

- (1) **Agencija za pružanje usluga u vazdušnoj plovidbi Bosne i Hercegovine** ("BH Air Navigation Services Agency"), a governmental institution established under Bosnia and Herzegovina Law, with Mostar as its principal place of business and business address Ortijes bb 88 000 Mostar, Bosnia and Herzegovina

hereinafter referred to as "**BHANSA**"

- (2) **Austro Control Österreichische Gesellschaft für Zivilluftfahrt mit beschränkter Haftung**, a GmbH company organised under the laws of Austria and registered with the Commercial Register of the Vienna Commercial Court (entry number 71000m) with Vienna as its principal place of business and business address Schnirchgasse 11, 1030 Vienna, Austria,

hereinafter referred to as "**ACG**"

- (3) **Hrvatska kontrola zračne plovidbe d.o.o** (Croatia Control Ltd.), a limited liability company organised under the laws of Croatia and registered with the Commercial Register of the Zagreb Commercial Court, identification No 33052761319 with Zagreb as its principal place of business and the business address 10150 Zagreb-Airport, Pleso bb, POB. 45, Croatia,

hereinafter referred to as "**CCL**"

- (4) **HungaroControl Hungarian Air Navigation Services Pte.Ltd.Co**, a private limited company organised under the laws of Hungary and registered with the Metropolitan Court of Budapest, as the Court of registration (registration number: Cg. 01-10-045570) as its principal place of business and business address Igló utca, 33-35, 1185 Budapest, Hungary,

hereinafter referred to as "**HCL**"

- (5) **Kontrola zračnega prometa Slovenije, d.o.o.** (Slovenia Control, Ltd.), a limited liability company organised under the laws of Slovenia and registered with the Court Register of the Ljubljana County Court (entry number 13904200) with Ljubljana as its principal place of business and the business address Kotnikova 19a, SI - 1000 Ljubljana, Slovenia,

hereinafter referred to as "**SCL**"

- (6) **Letové prevádzkové služby Slovenskej republiky, štátny podnik**, a state enterprise organised under the laws of the Slovak Republic and registered by Commercial Register of the District Court Bratislava I., Section PŠ, Item No. 418/B, Corporate Identification No. 35778458 in Bratislava as its principal place of business and the business address Letisko M. R. Štefánika, 82307, Bratislava, Slovakia,

hereinafter referred to as "**LPS**"

and

- (7) **Řízení letového provozu České republiky, státní podnik**, a state-run enterprise organised under the laws of the Czech Republic and registered with the Commercial Register of the Prague Municipal Court (entry number A 10771) with Prague as its principal place of business and the business address Navigační 787, 252 61 Jeneč, Czech Republic,

hereinafter referred to as "**RLP**"

hereinafter collectively referred to as the "**Parties**" and each a "**Party**".



TABLE OF CONTENTS

RECITALS	5
1. DEFINITIONS AND INTERPRETATION.....	5
2. NO PARTNERSHIP	7
3. PURPOSE AND SCOPE	7
4. PARTIES' DUTIES	8
5. ORGANISATION	9
5.1 CEO COMMITTEE	9
5.1.1 Powers and responsibilities.....	9
5.1.2 Meetings.....	9
5.1.3 Resolutions.....	10
5.2 STEERING COMMITTEE.....	13
5.2.1 Powers and responsibilities.....	13
5.2.2 Terms of Reference	13
5.3 SUB-COMMITTEES.....	13
6. FORECASTING AND BUDGETING	14
6.1 FORECASTING PERIOD.....	14
6.2 FORECASTS, BUDGETS.....	14
6.3 MID-TERM PLANNING	15
6.4 CONTRIBUTIONS AND BENEFITS.....	15
7. TERM, TERMINATION, SUSPENSION, DEPRIVATION OF RIGHTS, EXPULSION .	15
8. MISCELLANEOUS	17
8.1 CONFIDENTIALITY.....	17
8.2 EXCLUSIVITY.....	17
8.3 INTELLECTUAL PROPERTY	17
8.4 AMENDMENTS.....	17
8.5 ASSIGNMENT	17
8.6 NOTICES AND DELIVERY	17
8.7 SEVERABILITY	18
8.8 APPLICABLE LAW.....	19
8.9 DISPUTE SETTLEMENT	19

9.	LANGUAGES.....	19
	ANNEX 1 – SCOPE OF COOPERATION.....	21

h

Recitals

WHEREAS

In 2004, the European Parliament and the Council established a comprehensive legal framework (the Single European Sky [SES] legislation) for air navigations services, air traffic management and the respective systems and training, calling for the States to, *inter alia*, establish functional airspace blocks;

Austria, Bosnia and Herzegovina, Croatia, Czech Republic, Hungary, Slovakia and Slovenia (the "States") entrusted the Parties as their air navigations service providers to conduct a feasibility study on the establishment of a Functional Airspace Block Central Europe (FAB CE), and the Parties drew up a FAB CE Master Plan and subsequently the Implementation Schedule for the Initial Scenario and the Implementation Plan for the Static Scenario, outlining the need for cooperation between them in a wider range of issues and projects;

In 2009, the SES legislation was amended by Regulation (EC) 1070/2009 which, *inter alia*, (a) set the ground for the establishment of a performance scheme for air navigations services including quantified performance targets, incentives and penalties and (b) re-defined the concept of the "functional airspace block" to be a an "airspace block based on operational requirements and established regardless of State boundaries, where the provision of air navigation services and related functions are performance-driven and optimised with a view to introducing, in each functional airspace block, enhanced cooperation among air navigation service providers or, where appropriate, an integrated provider";

In order to meet the requirements arising under the SES legislation, the States have been negotiating a FAB CE Agreement whereby a fundamental framework for the implementation of the FAB CE is to be created at the state level;

The Parties wish to contribute, within the remits of their tasks and responsibilities, to the establishment, implementation, operation and further development of the FAB CE, to its full compliance with European law.

NOW, THEREFORE, the Parties have agreed as follows:

1. Definitions and Interpretation

- (1) In this Agreement, unless otherwise required by the context, the following terms shall mean:

Agreement:	this agreement including its Annexes;
ANS:	air navigation services;
ANSP:	air navigation service provider;
ATM:	air traffic management;



ASD:	air space design;
ASM:	air space management;
Cooperation:	the cooperation agreed among the ANSPs under this Agreement;
EU Requirements:	all requirements under the European Law which directly or indirectly establish rights or duties of ANSPs, training organisations, air traffic controllers or other organisations or staff in the ATM/ANS domain;
FAB CE:	Functional Airspace Block Central Europe;
FAB CE Agreement:	the Agreement on the Establishment of the Functional Airspace Block Central Europe entered into by Austria, Bosnia and Herzegovina, Croatia, Czech Republic, Hungary, Slovakia and Slovenia or some of them;
Individual Scope of Cooperation:	for any individual Party the scope to which the application of this Agreement is limited in terms of services and other activities provided with respect to the airspace to the extent as included for such Party in Annex 1, Sec. B;
IPSC:	Implementation Plan for the Static Scenario of the FAB CE [FAB CE/PREP/IP/002 version 01.00 edition date 04/05/2010];
ISIS:	Implementation Schedule for the Initial Scenario of the FAB CE [FAB CE/PREP/PMO/ISIS/002 version 01.00 edition date 22/04/2009];
MP:	FAB Central Europe Master Plan [FABCE/PMO/0.2/001 version 01.02 edition date 26/03/2008];
Performance Scheme:	the system of rules and target values established and amended from time to time according to Art. 11 of the Framework Regulation at European, FAB, regional and/or national level, as the case may be;
Scope of Cooperation:	the overall scope of cooperation, i.e. an aggregate of any and all activities included in the Individual Scopes of Cooperation of at least two Parties;
Static Scenario:	the target scenario set out in the IPSC.

- (2) Unless the contrary intention appears or the context otherwise requires, words and expressions used in the Agreement, in the decisions taken by the organs established hereinafter or in any other document generated in the performance of this Agreement shall be construed in accordance with their use and interpretation in the EU Requirements.
- (3) In case of a conflict between a rule established in this Agreement and any strict rule or requirement established by the governing law (Sec. 8.8), the latter shall prevail.

In case of a conflict between the provisions of the main body of the Agreement and the Annexes, the provisions in the main body shall prevail.



2. No Partnership

- (1) The cooperation hereby agreed (the "Cooperation") shall be an internal cooperation only and shall merely establish rights and obligations among the Parties. Nothing in this Agreement shall be construed or interpreted as aiming at or creating any entity having a legal capacity separate from the Parties. The Cooperation shall neither have a name or a seat nor be registered.
- (2) No Party shall have authority to act on behalf of the other Party/Parties save for common communication activities carried out in accordance with Sec. 5.1.1 (2) herein. No Party shall have authority to legally bind any other Party and no Party shall present itself as having such authority.
- (3) For the avoidance of doubt, neither this Agreement nor any resolution adopted hereunder shall constitute joint or several liability of the Parties vis-a-vis third parties.

3. Purpose and Scope

- (1) The purpose of the Cooperation shall be to coordinate, harmonize, support, develop and improve the activities of the Parties in the areas set out in Annex 1 (Scope of Cooperation) with the aim to
 - continuously improve the safe, cost-efficient, environmentally-sustainable, optimized and performance-driven provision of ANS and all other activities within the Scope of Cooperation;
 - support the States in the implementation of the FAB CE Agreement;
 - ensure that the targets set out in the Performance Scheme are met; and
 - support the Parties to meet their individual targets set out, or derived from, the Performance Scheme.
- (2) The means eligible for the Cooperation and the Parties in accordance with the provisions of the Agreement shall include, *inter alia*,
 - (a) the provision of financial and in-kind contributions of the Parties for the production of project deliverables, simulations, concepts, plans, manuals, studies and other documents and to arrange for the support of other common activities of the Cooperation;
 - (b) the exchange of information between the Parties;
 - (c) the cooperation and coordination, including the monitoring and evaluation of the planning, performance and other activities of the Parties within the Scope of Cooperation;
 - (d) the adoption of resolutions (Decisions, Measures) on the harmonisation of policies, systems, procedures, manuals and other items and on the allocation of functions and the coordination of activities within the Scope of Cooperation;



- (e) the development of communication interfaces of the Parties vis-à-vis the States, the European Commission and other EC institutions, EUROCONTROL, airspace users, social dialogue partners, supply industry, ANSPs involved in other FAB initiatives and other third parties and general public; and
 - (f) specific agreements between two or more Parties.
- (3) This Agreement shall not affect the rights of the Parties to conclude bilateral or multilateral agreements between each other and/or with third parties in the areas covered by this Agreement providing that such agreements are not in defiance of this Agreement.

4. Parties' duties

- (1) The Parties shall act in good faith and actively contribute to attain the purpose laid down in Sec. 3 and refrain from any action detrimental thereto.
- (2) The Parties shall nominate their representatives in the CEO Committee, the FAB Steering Committee and the sub-committees at executive/working level.
- (3) The Parties shall provide their financial contributions as determined by the CEO Committee and their in-kind contributions as determined by the CEO Committee or another organ of the Cooperation if so authorized by the CEO Committee.
- (4) The Parties shall endeavour
 - (a) to provide each other in a timely and expeditious manner with information and data which is reasonably requested by any Party;
 - (b) to achieve maximum coordination of their planning instruments, their manuals and procedures, and their actual performance of services.
- (5) The CEO Committee shall have a right to establish and from time to time amend rules and procedures establishing more specific duties on the issues set out in para (3) and (4).
- (6) The CEO Committee shall have a right to establish additional duties of the Parties to the extent such duties are necessary or appropriate for the attainment of the purposes defined in Sec. 3.
- (7) Unless otherwise provided in this Agreement, the Parties shall abide by all Decisions and Measures adopted by the CEO Committee and by all other decisions made by any other organs referred to in Sec. 5 (1) to which the CEO Committee entrusted decision-making powers in their terms of reference. Each Party shall implement and/or act in accordance with any Decision, Measure and other decisions binding on it in due time in a manner ensuring its effective implementation.



5. Organisation

- (1) The organs of the Cooperation shall be
 - (a) the CEO Committee;
 - (b) the Steering Committee;
 - (c) sub-committees at executive/working level, in particular
 - (i) the Operations Sub-Committee,
 - (ii) the Technical Sub-Committee,
 - (iii) the Financial Sub-Committee,
 - (iv) the Safety Sub-Committee,
 - (v) the Human Resources Sub-Committee,
 - (vi) the Training Sub-Committee,
 - (vii) any other sub-committee established by the CEO Committee.
- (2) The CEO Committee may establish and amend from time to time additional structures required by the Parties concerned to support the implementation of particular projects or programmes.

5.1 CEO Committee

The CEO Committee shall consist of all Parties, each of them being represented by one person duly authorized.

5.1.1 Powers and responsibilities

- (1) The CEO Committee shall be the high level decision making body of the Cooperation. It shall take all resolutions necessary and appropriate for the attainment of the Cooperation's purpose as defined in Sec. 3. For the avoidance of doubt, the CEO Committee shall be responsible for the Cooperation's coordination with the state level through a body designated by the States.
- (2) The CEO Committee chairperson shall represent the Parties in the common social dialogue activities and the coordination with the state level and serve as the FAB CE focal point vis-à-vis the European Commission with respect to the matters under this Agreement. Such representation shall be limited to mere communication activities.

5.1.2 Meetings

- (1) Ordinary meetings of the CEO Committee shall take place at least every three months. The first meeting shall take place immediately after signature of this Agreement.



- (2) Each Party shall be entitled to convene an extraordinary meeting whenever it considers it necessary and appropriate for the attainment of the purpose defined in Sec. 3.
- (3) Each Party may deliver a written vote on any agenda item of a meeting to the chairperson either by mail or electronic means.
- (4) During each meeting, the chairperson shall keep a Protocol of Resolutions with the precise wording of any resolution taken by the CEO Committee for the purpose of documentation. At the end of each meeting, all Parties present shall sign the Protocol of Resolutions to confirm its correctness and completeness. Reservations of the Parties with respect to the wording of the resolutions, unless solved through the corrections, will be duly noted in the Protocol of Resolutions.
- (5) The CEO Committee shall adopt Rules of Procedure for its meetings including rules for convening and chairing such meetings, participation of the members of other organs and other persons, details on the Protocol of Resolution and meeting minutes, the distribution thereof to the Parties etc.

5.1.3 Resolutions

- (1) Resolutions of the CEO Committee shall be adopted during meetings (Sec 5.1.2). A Party not represented at the meeting and not having delivered a written vote according to Sec. 5.1.2 (3) shall have the right to cast its vote in writing within 10 (ten) days after receiving the written proposal of the resolution or any other reasonable period if so defined in the Rules of Procedure of the CEO Committee. Its approval shall be deemed granted, if it fails to cast its vote within the prescribed period.
- (2) Resolutions of the CEO Committee may be taken by written vote outside meetings provided that each Party has explicitly agreed to such voting procedure on a specific subject matter either during a preceding meeting or in writing together with, or prior to, the casting of its written vote. Failure to react on the proposal to take resolutions by written vote outside the meeting shall not be deemed as agreeing with the procedure. In case of agreement by all Parties on such voting procedure, a Party's approval on the proposed resolution shall be deemed granted if it fails to cast its written vote according to the agreed procedure.
- (3) Each Party shall have one vote.
- (4) If a resolution does not fall in the Individual Scope of Cooperation of a Party, such Party shall have no voting right and shall not be deemed a Party under Sec. 5.1.3 (1) to (3), provided that such resolution
 - does not include interfaces to airspace and operational interfaces to ATS which is under the responsibility of such Party and included in the Individual Scope of Cooperation of such Party; and
 - does not affect the rights of such Party stemming from other Decisions or Measures adopted by it.

The resolution concerned shall not be binding for such Party and shall not anyhow limit or restrict the right of such Party to adopt a resolution falling in its Individual Scope of Cooperation or to regulate the issues covered by such resolution otherwise.



5.1.3.1 Resolutions requiring unanimity ("Decisions")

- (1) The CEO Committee shall adopt resolutions by unanimity of all votes ("Decisions") on the following matters:
 - (a) the formulation and endorsement of the Cooperation's principles, objectives and policies at the strategic level for all matters within the Scope of Cooperation;
 - (b) the admission of new parties and the terms thereof;
 - (c) the suspension of a Party's voting rights according to Sec. 7 (4); in this case the Party subject to suspension shall have no voting right;
 - (d) the establishment of any sub-committee pursuant to Sec. 5 (1) (c) (vii);
 - (e) adoption of rules and procedures specifying the duties set out in Sec. 8.1 (2);
 - (f) annual forecasts pursuant to Sec. 6.2 and rules and procedures for the preparation thereof;
 - (g) adoption of a scheme of sanctions to be applied in case of a Party's non-compliance with its obligations under this Agreement and the resolutions adopted hereunder;
 - (h) the adoption of the CEO Committee's Rules of Procedure;
 - (i) the adoption of terms of reference for the Steering Committee and the sub-committees;
 - (j) the establishment of additional duties of the Parties in accordance with Sec 4 (6);
 - (k) proposals for amendments to or the termination of this Agreement;
 - (l) the creation of the communication interfaces towards other persons referred to in Sec 3 (2) (e);
 - (m) the deprivation of a Party's rights according to Sec. 7 (6); in this case the Party subject to deprivation of its rights shall have no voting rights;
 - (n) the expulsion of a Party according to Sec. 7 (7); in this case the Party subject to expulsion shall have no voting rights;
 - (o) any other matter of similar nature with an aim to meet the purpose of this Agreement.
- (2) Decisions shall be amended or repealed by other Decisions only.
- (3) Unless otherwise provided hereunder or in the respective Decision, Decisions shall be binding on all Parties.

5.1.3.2 Resolutions requiring simple majority („Measures“)

- (1) The CEO Committee shall adopt resolutions by simple majority of the votes ("Measures") on all matters within the Scope of Cooperation other than those referred to under Sec. 5.1.3.1, including, without limitation:



- (a) the assessment, development, harmonization, endorsement, establishment and/or implementation of all programs, projects, project deliverables, actions, processes, procedures, arrangements, simulations, concepts, plans, manuals, studies and other documents related to the implementation, further development and operation of FAB CE (other than those referred to under Sec. 5.1.3.1. (1) (a);
 - (b) the adoption of the Parties' performance plans and other planning documents of the Parties and the setting of common performance targets;
 - (c) rules for procurement and related matters and procedures;
 - (d) the exchange of services and the allocation of functions;
 - (e) the establishment of additional structures referred to under Sec. 5 (2);
 - (f) the budgets concerning the particular cooperation programs or projects and rules and procedures for the preparation thereof;
 - (g) determination of the in-kind contributions in line with Sec. 6.4 (1) and of the financial contributions in line with Sec. 6.4 (2);
 - (h) the adoption pursuant to Sec. 4 (5) of rules and procedures specifying the duties set out in Sec. 4 (3) and (4);
 - (i) an invitation to participate as per Sec. B (2) of Annex 1;
- (2) Unless otherwise provided in the respective Measure, Measures shall be binding on all Parties having voted in favour of the Measure. A Party not having voted in favour of the Measure shall not be bound by the Measure and shall gain no rights and no obligations from the respective Measure and its execution. A Party may, when voting for the Measure, make a reservation that a certain part of the Measure does not apply in respect of such Party. In case that such reservation is refused by any other Party voting in favour of the Measure, the Measure is considered as not binding for the Party making the reservation.
- (3) Measures shall be in line with already adopted Decisions of the CEO Committee, unless otherwise provided herein.
- (4) Any resolution adopted on matters other than those referred to under Sec. 5.1.3.1 shall be deemed a Measure regardless of its denomination and regardless of whether it was actually adopted by unanimity or majority.
- (5) Measures shall be amended or repealed by another Measure only. Such amending or repealing Measures shall require simple majority of the Parties. The Party or Parties having adopted the amending/repealing Measure and the original Measure shall be bound by the original Measure in relation to the Party or Parties which have adopted the original Measure only:
- (a) for the time period of application of the original Measure explicitly stated therein; or
 - (b) for one year (the "Transitional Period") following the adoption of the amending/repealing Measure if no time period for application has been stipulated in the original Measure.

M

The Party or Parties which were bound by the original Measure but did not vote for the amending/repealing Measure shall continue to be bound by the original Measure, unless, in case (b), any of them indicates otherwise for the time after the Transitional Period.

- (6) For the avoidance of doubt, the adoption of a Measure shall not prevent the Party or Parties which have not voted in favour of the Measure to regulate the issues covered by the Measure otherwise.

5.2 Steering Committee

- (1) The Steering Committee shall consist of all Parties, each of them being represented by one person duly authorized.
- (2) The Steering Committee shall elect its chairperson.

5.2.1 Powers and responsibilities

The Steering Committee shall be the superior body to the sub-committees and, if so decided by the CEO Committee, other structures established. Its powers and responsibilities shall be set out in Terms of Reference adopted by the CEO Committee.

5.2.2 Terms of Reference

The CEO Committee shall at its first meeting adopt, and from time to time amend as appropriate, Terms of Reference for the Steering Committee including, without limitation, rules on its powers and responsibilities, on convening and chairing of its meetings, decision making, the participation of chairpersons and members of sub-committees or other structures, meeting minutes, the distribution thereof to the Parties etc.

5.3 Sub-committees

- (1) The sub-committees established hereunder or by a Decision of the CEO Committee shall ensure that the common planning baseline in the FAB CE is regularly reviewed and updated and that the performance targets derived from the Performance Scheme or, in the absence of such targets, the performance targets set out by the CEO Committee are achieved. Each sub-committee shall consist of all Parties, each of them being represented by one person duly authorized.
- (2) *Inter alia*, the sub-committees shall, within the scope of competence of the Parties,
 - (a) to the extent necessary for the individual implementation projects (as defined in the ISIS, the IPSC or otherwise), validate the project planning, initiate the projects, and propose a Project Manager to the Steering Committee;
 - (b) develop and define new projects, procedures and concepts with a specific view to the improvement of performance in general and the achievement of performance targets;



- (c) monitor the individual project developments and the achievement by the projects of the required objectives and performance targets;
 - (d) monitor the performance reports in general;
 - (e) issue reports and appropriate recommendations (including, e.g., new projects, procedures and concepts; amendments to existing projects, procedures and concepts; other amendments to the FAB CE planning baseline) to the Steering Committee and the competent structures of the program and project organisation, if established;
 - (f) take decisions binding on the Parties and/or organs of the Cooperation if and to the extent set out in the terms of reference of such sub-committee as approved by the CEO Committee.
- (3) Plans, data, documents and other information the content of which relates to the tasks and responsibilities of more than one sub-committee (like, e.g., technical infrastructure planning is related to technical issues as well as to financial issues) shall be dealt with by all respective sub-committees unless otherwise decided by the CEO Committee or the Steering Committee or coordinated between the respective sub-committees.
 - (4) The CEO Committee shall at its first meeting adopt, and from time to time amend as appropriate, Terms of Reference for the sub-committees including, without limitation, rules on their powers and responsibilities, on convening and chairing of their meetings, decision making, meeting minutes, the distribution thereof to the Parties etc.

6. Forecasting and Budgeting

6.1 Forecasting period

- (1) The first forecasting period shall start with the entry into force of this Agreement.
- (2) Each subsequent forecasting period shall be identical to the calendar year.

6.2 Forecasts, Budgets

- (1) The CEO Committee shall adopt annual forecasts of contributions and expenditures taking into account different participation of the Parties in the cooperation programs or projects. The CEO Committee shall adopt yearly work forecast addressing cooperation projects already launched and/or envisaged and their expected deliverables.
- (2) The forecasts under Sec. 6.2. (1) shall not be binding for the Parties, unless otherwise explicitly indicated by the Party concerned.
- (3) The CEO Committee shall adopt specific budgets concerning the particular cooperation programs or projects.



- (4) The CEO Committee shall establish rules and procedures for the preparation of the forecasts and budgets.

6.3 Mid-term planning

The CEO Committee shall adopt mid-term plans covering a period of up to five years.

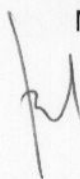
6.4 Contributions and benefits

- (1) In-kind contributions (e.g. the work load) shall be allotted by the resolution of the CEO Committee, except for the participation in the organs regulated by this Agreement. When taking such resolution, the CEO Committee shall take into account the size of the participating Parties, their benefits gained from the respective project/program, the sharing key established for the financial contributions for the particular project/program and the interdependency between in-kind and financial contributions.
- (2) Financial contributions and benefits shall be allotted amongst the Parties for any year "n" according to the number of en-route service units allocated by the EUROCONTROL Central Route Charges Office to the individual areas of responsibility of the Parties for year "n-2", unless otherwise provided by a resolution of the CEO Committee.

7. Term, Termination, Suspension, Deprivation of Rights, Expulsion

- (1) The Cooperation is established for an indefinite period of time.
- (2) This Agreement can be terminated by written agreement of the Parties.
- (3) Each Party may withdraw from this Agreement by giving written notice of termination to all other Parties. A Party shall have the first opportunity to withdraw from this Agreement at the end of 2011 with six (6) months prior notice. Thereafter each Party shall have the right to withdraw from this Agreement at the end of each following calendar year with six (6) months prior notice.
- (4) The CEO Committee shall be entitled to suspend the voting rights of any Party:
 - (a) which has failed to implement the obligations arising for such Party from a Decision or Measure adopted by it and has not remedied such failure within an appropriate grace period decided by the CEO Committee;
 - (b) whose certificate to provide ANS was revoked;
 - (c) designated by a State that suspended the application of the FAB CE Agreement for a period within which the application of the FAB CE Agreement is suspended for such State.

When deciding on the suspension, the CEO Committee shall not suspend voting rights to new Decisions and Measures amending or repealing the Decisions and Measures which such Party is bound to, or affecting the rights and obligations of such



Party stemming from such Decisions or Measures, provided that obligations from such resolutions have not been breached by the Party subject to suspension.

- (5) The Party whose voting rights have been suspended shall have a right to participate on further application of this Agreement in the areas where its voting right was suspended as an observer and will reacquire the voting rights once the default is remedied (suspension period).
- (6) The CEO Committee shall be entitled to decide that any Party shall be deprived of any and all rights arising from this Agreement provided that:
 - (a) such Party was subject to suspension pursuant to Sec. 7 (4) (a) for an aggregate time period of not less than 18 months during the last 5 years; or
 - (b) such Party has not remedied a breach of its contractual obligations, other than those stemming from the Decisions and Measures, within 12 month following a notice to remedy such breach from the CEO Committee; or
 - (c) such Party has seriously threatened the fulfilment of the Cooperation's purpose as defined in Sec. 3, and has not removed the threat within 12 month following a notice to remove such threat from the CEO Committee.
- (7) The CEO Committee shall be entitled to expel any Party:
 - (a) whose certificate to provide ANS was revoked permanently; or
 - (b) designated by a State that terminated the FAB CE Agreement.
- (8) In the case of paragraphs (6) and (7), the Parties concerned are reserving their rights to call for compensation of any damage caused by the circumstances prescribed in these paragraphs.
- (9) A Party shall be expelled *ipso iure* upon any event of dissolution of, winding up of, insolvency of, composition proceedings against, or liquidation of a Party, irrespective of whether such event was voluntary or involuntary. This paragraph shall not apply in case of a mere change of the legal form of a Party.
- (10) A Party subject to suspension, deprivation of their rights or expulsion hereunder shall not be entitled to any compensation. However, such Party shall be reimbursed the portion of its financial contributions provided in advance for the remaining part of the budgeting periods after the suspension of its voting rights, the deprivation of its rights or its expulsion.
- (11) The CEO Committee shall not be entitled to proceed pursuant to Sec. 7 (4) (a) and (b) and Sec. 7 (6), provided that the Party in breach proves that the breach has been solely attributable to circumstances beyond such Party's control.

h

8. Miscellaneous

8.1 Confidentiality

- (1) No Party shall disclose or divulge any information classified by any other Party as confidential which it may acquire in connection with this Agreement to any third party without prior written consent of the respective Party unless such information is publicly available.
- (2) The CEO Committee shall adopt rules on the rights and duties of the Parties with regard to non-disclosure of confidential information.

8.2 Exclusivity

Nothing in this Agreement shall be construed so as to establish an exclusive cooperation of the Parties.

8.3 Intellectual Property

Unless otherwise provided in this Agreement or by resolution of the CEO Committee, the Parties hereby grant to the (other) Parties royalty-free, perpetual and irrevocable copyright licenses with respect to any material produced, or otherwise gained, within the remit of the Cooperation. Such licenses shall be deemed granted for the purpose of internal use by the Parties and use in accordance with the purpose and scope of this Agreement.

8.4 Amendments

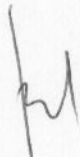
Amendments to this Agreement shall be valid only if agreed and executed in writing by all Parties.

8.5 Assignment

This Agreement is binding upon and will inure to the benefit of each Party's legal successors. However, no Party shall have the right to assign or transfer any or all of its rights and obligations under this Agreement without prior written approval by the CEO Committee.

8.6 Notices and Delivery

All notices and communications among the Parties as well as the Parties and the Cooperation shall be made in writing and in the English language by e-mail, facsimile transmission with confirmation of transmission, delivery in person (including courier service) or registered mail to the appropriate correspondence addresses set forth below.



Agencija za pružanje usluga u vazdušnoj plovidbi Bosne i Hercegovine

e-mail: marin.raspudic@bhansa.gov.ba

fax:

mail: Ortijes bb 88 000 Mostar

Austro Control Österreichische Gesellschaft für Zivilluftfahrt mit beschränkter Haftung

e-mail: johann.zemsky@austrocontrol.at

fax: +43 (0)1703-1006

mail: Schnirchgasse 11, 1030 Vienna, Austria

Hrvatska kontrola zračne plovidbe d.o.o

e-mail: ured.direktora@crocontrol.hr

fax: +385 1 6228 101

mail: 10150 Zagreb-Airport, Pleso bb, POB. 45, Croatia

HungaroControl Hungarian Air Navigation Services Pte.Ltd.Co

e-mail: CEO@hungarocontrol.hu

fax: +36 1 293 4001

mail: Igló utca, 33-35, 1185 Budapest, Hungary

Kontrola zračnega prometa Slovenije, d.o.o.

e-mail: zupanic@sloveniacontrol.si

fax: +386 1 473 4860

mail: Kotnikova 19a, SI - 1000 Ljubljana, Slovenia

Letové prevádzkové služby Slovenskej republiky, štátny podnik

e-mail: miroslav.bartos@lps.sk

fax: + 421 2 4857 2105

mail: Letisko M. R. Štefánika 216, 82307, Bratislava, Slovakia

Řízení letového provozu České republiky, státní podnik:

e-mail: klas@ans.cz

fax: +420 222 101 305

mail: Navigační 787, 252 61 Jeneč, Czech Republic

Each Party shall be entitled to change its correspondence address by written notice to the other Parties.

8.7 Severability

- (1) The invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement which is not related to that provision.
- (2) Invalid provisions shall be deemed amended to the extent necessary to ensure their validity. In the event that such amendment is not possible invalid provisions shall be



deemed replaced by valid provisions which correspond to the Parties intentions and approximate the meaning of the invalid provisions to the closest extent possible.

8.8 Applicable law

- (1) This Agreement shall be governed by and construed in accordance with Slovak law, save for its rules on conflict of laws.
- (2) The Parties declare that during their further cooperation all other agreements to be concluded on the basis of or in connection with this Agreement shall be governed and construed in accordance with the law chosen by the parties to those/such agreements.

8.9 Dispute Settlement

- (1) The Parties shall be barred from making any claim or filing any lawsuit against other Parties arising under this Agreement prior to having negotiated in good faith all disputed issues with all possible parties to a lawsuit. Consequently, the Parties shall provide other Parties with all information the latter may reasonably request.
- (2) Should such negotiations fail, at the request of the claimant, all disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The language to be used in arbitral proceedings shall be English. The venue of the arbitration shall be Prague.

9. Languages

- (1) This Agreement is executed in English. In the event of conflict the English version shall prevail and provide final guidance to the interpretation of this Agreement.
- (2) All documents, notices and meetings of the Cooperation shall be drawn up or conducted in English. If and to the extent the execution of a document in another language is required by any competent authority, such document shall be executed both in English and the other language.

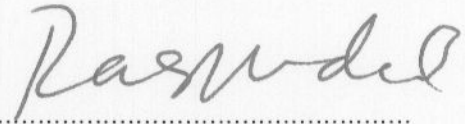


IN WITNESS WHEREOF, Each Party has caused this Agreement to be executed on its behalf, by its duly authorized representative, on the 5th Day of May 2011 at Brdo pri Kranju, Republic of Slovenia.

For and on behalf of

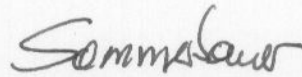
Signature

Agencija za pružanje usluga
u vazdušnoj plovidbi Bosne i Hercegovine



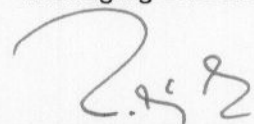
Marin Raspudić
Acting Director

Austro Control Österreichische Gesellschaft
für Zivilluftfahrt mit beschränkter Haftung



Heinz Sommerbauer
Managing Director

Hrvatska kontrola zračne plovidbe d.o.o.



Dražen Ramljak
Director General

HungaroControl
Hungarian Air Navigation Services Pte.Ltd.Co.



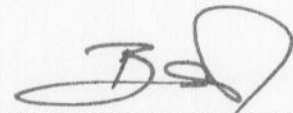
Kornél Szepessy
Chief Executive Officer

Kontrola zračnega prometa Slovenije, d.o.o.



Franc Željko Županič
Chief Executive Officer

Letové prevádzkové služby Slovenskej republiky,
štátny podnik



Miroslav Bartoš
Chief Executive Officer

Řízení letového provozu České republiky,
státní podnik



Jan Klas
Director General

Annex 1 – Scope of Cooperation

A. General definition of the Scope of Cooperation

(1) Save as otherwise provided under sec B of this Annex, the Agreement shall apply to all activities of the Parties in the areas of:

- (a) ANS,
- (b) ATFCM, ASM and ASD,
- (c) technical infrastructure services and facilities,
- (d) contingency services and
- (e) training of staff required for purposes of ANS, ATFCM ASM, ASD, training and examination, safety and quality management to the extent of ANSPs' competences and administrative functions like, e.g., air traffic controllers, technical staff, trainers, examiners, financial experts etc

including, without limitation, ancillary functions performed by the Parties like, e.g.,

- (f) planning processes concerning annual plans, business plans, ANSPs' performance plans and other planning or steering documents including the detailed information and data underlying such documents,
- (g) safety and quality management,
- (h) human resources management and conduct of social dialogues,
- (i) procurement of goods and services,
- (j) research, development and performance of analyses and simulations and
- (k) stakeholder consultations.

(2) In particular, and without limiting the generality of the foregoing, the Cooperation shall ensure the timely and efficient conduct of all activities:

- (a) defined in the various implementation projects set out in the ISIS and the IPSC;
- (b) otherwise necessary or beneficial to implement the Static Scenario;
- (c) necessary or beneficial to further assess and develop other FAB CE scenarios;
- (d) otherwise necessary or beneficial to further develop, implement and operate the FAB CE to the benefit of the airspace users

if and to the extent such activities are not expressly allocated to, or legally reserved for, the State level and its public authorities.



B. Individual Scope of Cooperation

- (1) Save as otherwise provided under paragraph (2), for the following Parties the scope of activities subject to the Cooperation under the Agreement is limited as follows (the "Individual Scope of Cooperation") and all rights and duties of the respective Party under the Agreement shall be limited accordingly:

For the Party	The scope of activities (as referred to in Sec. A (1) (b) to (k) which are subject to the Cooperation is limited to the following ANS:
BHANSA	Mandatory services from Article 20 of the FAB CE Agreement
ACG	ATS, CNS, AIS, SAR, MET
CCL	Mandatory services from Article 20 of the FAB CE Agreement
HCL	ATS, CNS, AIS, SAR, MET
SCL	Mandatory services from Article 20 of the FAB CE Agreement
LPS	En-route ATS and other mandatory services under Article 20 of the FAB CE Agreement
RLP	ATS, CNS, AIS, SAR, MET

to be provided in the following airspace:

Country	Airspace delineation
Bosnia and Herzegovina	FIR Sarajevo, FL 165 – UNLIMITED
Austria	FIR Vienna, GND – UNLIMITED
Republic of Croatia	FIR Zagreb, FL205 – UNLIMITED
Hungary	FIR Budapest, GND-UNLIMITED
Slovenia	FIR Ljubljana, FL 175 – UNLIMITED
Slovak Republic	FIR Bratislava, FL 195 – UNLIMITED
Czech Republic	FIR Prague, GND – UNLIMITED

As of signature of the FAB CE Agreement, the first table above shall be deemed to be replaced by the FAB CE Services and the second table shall be deemed to be replaced by the FAB CE Airspace as defined in the FAB CE Agreement including its annexes.

- (2) In case a cooperation program or project does not fall under the Individual Scope of Cooperation of one or more Parties, the other Parties may decide to invite one or more of the aforementioned Parties to participate in the cooperation program or project concerned. For a Party which has clearly stated its acceptance of such invitation the scope of the cooperation program or project concerned shall be deemed included in the Individual Scope of Cooperation of such Party and the Agreement shall apply accordingly.

