

carrier to serve Italy, Rome and Milan may be served as co-terminals. However, the Fifth Freedom rights beyond Italy provided in the Agreement shall on any one flight be exercised only from Rome or from Milan.

*Section II*

Routes to be operated in both directions by the designated airline or airlines of Italy:

- 1. Italy to Montreal direct and beyond Montreal to Chicago, Los Angeles, Mexico City and a point beyond Los Angeles to be named by Italy.
- 2. Italy to Montreal and/or Toronto.

*Note:* Not more than one airline shall be entitled to operate on each of the air routes. If the Italian Government should designate one carrier to serve Canada, the designated airline of Italy may serve Toronto as co-terminal with Montreal on Route 1 but without Fifth Freedom traffic rights to and from Toronto.

It is understood that the airline or airlines designated by both Contracting Parties shall be entitled to extend stopover privileges in the Canadian and Italian territories for traffic originating in or destined for third countries.

It is also understood that the airline or airlines designated by each Contracting Party shall enjoy the privileges of carrying into and out of the territory of the other Contracting Party intransit traffic originating in or destined for points in third countries.