

### SECTION III – CHARTER AIR SERVICES

Notwithstanding Paragraph 2 of Article 19, the Contracting Parties confirm that:

1. In the performance of charters Canadian and Mexican air carriers shall have the right, without uplift ratio restrictions, capacity/frequency limitations, the offering of a right of first refusal to designated airlines, and on a nondiscriminatory basis, to:
  - (a) carry traffic between any point or points in the territory of the Contracting Party of which the air carrier is a national and any point or points in the territory of the other Contracting Party, without local or stopover traffic rights between points in the territory of the other Contracting Party;
  - (b) combine on the same aircraft international charter traffic destined to a point(s) in the territory of the other Contracting Party with traffic destined to a point(s) in a third country, without local or stopover traffic rights between the territory of the other Contracting Party and the third country;
  - (c) charter the unused bellyhold space of aircraft chartered for the carriage of passengers for the carriage of cargo.
2. Charter flights or series of charter flights shall be sold and operated in accordance with the charter regulations of the country of origin of the charter traffic. To the fullest extent possible the aeronautical authorities shall minimize the administrative burden imposed on air carriers.
3. Fees or charges for permits to operate charters applied by the aeronautical authorities of one Contracting Party to the airlines of the other Contracting Party shall be no higher than the lowest such fees or charges applied to any other air carrier operating international charters to or from that territory.