

## ARTICLE 10

### Capacity

1. In this Article "capacity" means:
  - (a) in relation to an aircraft, the payload of that aircraft available on a route or a section of a route; and
  - (b) in relation to a specified air service, the capacity of the aircraft used on such service multiplied by the frequency operated by such aircraft over a given period on a route or a section of a route.
2. There shall be fair and equal opportunity for the designated airlines of both Contracting Parties to operate the agreed services on the specified routes.
3. In operating the agreed services, the Contracting Parties confirm that their designated airlines shall take into account the interest of the designated airline or airlines of the other Contracting Party so as not to affect unduly the services which the latter provide on the whole or part of the same routes.
4. The agreed services provided by the designated airlines of the Contracting Parties shall bear reasonable relationship to the requirements of the public for transportation on the specified routes and shall have as their primary objective the provision, at a reasonable load factor, of capacity adequate to meet the current and reasonably anticipated requirements for the carriage of passengers and cargo, including mail, between the territory of the Contracting Party which has designated the airline and the countries of ultimate destination of the traffic.
5. Provision for the carriage of passengers and cargo, including mail, both taken up and discharged at points on the specified routes in the territories of States other than that designating the airline, shall be made in accordance with the general principle that capacity shall be related to:
  - (a) traffic requirements to and from the territory of the Contracting Party which has designated the airline;
  - (b) traffic requirements of the area through which the airline passes after taking account of other transport services established by airlines of the States comprising the area; and
  - (c) the requirements of through airline operation.
6. Capacity to be provided on the agreed services in excess of the entitlements set out in this Agreement may from time to time be approved by the aeronautical authorities of both Contracting Parties.
7. Increases to capacity established in accordance with the provisions of paragraph 5 of this Article shall not constitute a change in capacity entitlements. Any change to capacity entitlements shall be decided between the Contracting Parties.