

(2) No Fifth Freedom traffic rights shall be exercised between any of the points in Canada and points beyond except subject to agreement pursuant to the consultative procedures in Article 15 of the Air Transport Agreement.

(3)

- (a) It is understood that only those points which are served by the designated German airline or airlines may be served with Fifth Freedom traffic rights and that the frequency of such service to any point shall not exceed the frequency of service by the designated German airline or airlines.
- (b) For any period during which the Canadian designated airline or airlines serve more than one point beyond the territory of the Federal Republic of Germany with Fifth Freedom traffic rights, one of the following alternatives shall apply, at Canadian option. The Canadian designated airline or airlines may operate:
- (i) one route to an unlimited number of points beyond the territory of the Federal Republic of Germany up to a maximum of 3 weekly services;
- or
- (ii) not more than 3 routes to a total of not more than 6 points beyond the territory of the Federal Republic of Germany up to an overall maximum of 6 weekly services.
- (c) No Fifth Freedom traffic rights shall be exercised between any of the points in the Federal Republic of Germany and points beyond in Africa, south of the equator.
- (d) Any increase in frequency of Fifth Freedom service above that specified in this footnote shall be subject to the consultative procedures in Article 9(5) of the Air Transport Agreement.

III. A designated airline may, if it so desires, omit one or more of the points on the specified routes, provided that the point of origin of such a route lies in the territory of the Contracting Party that has designated the airline.

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

I have the honour to inform your Excellency that the Government of Canada agrees with the above Route Schedule. I would be grateful if you would inform me whether the Government of the Federal Republic of Germany also agrees with this Route Schedule. If this should be the case, the present Note and your reply shall constitute an arrangement between our Governments.

Please accept, Excellency, the renewed assurances of my highest consideration.

MITCHELL SHARP  
*Secretary of State  
for External Affairs*

His Excellency  
Dr. Rupperecht von Keller,  
Ambassador of the Federal Republic of Germany,  
OTTAWA.