

ANNEX

SCHEDULE OF ROUTES

SECTION II

ROUTE 1

The following route may be operated by the airline(s) designated by the Government of Canada:

<u>Points in Canada</u>	<u>Intermediate Points</u>	<u>Points in the Philippines</u>	<u>Beyond Points</u>
Any point or points	Any point or points	Three points	Any point or points

Notes:

1. Points in the Philippines may be served separately or as co-terminals without stopover privileges between points in the Philippines. Points in the Philippines may be changed each IATA season, unless a shorter period is agreed by the aeronautical authorities of the Philippines.
2. Transit and stopover rights shall be available at the Intermediate Points, and at Points in the Philippines for traffic to and from the Beyond Points.
3. The Intermediate Points and/or the Beyond Points may at the option of the designated airline(s) of Canada be omitted on any or all flights provided that all services originate or terminate in Canada. The selection of the Intermediate Points and Beyond Points may be changed on not less than ten (10) days' notification to the aeronautical authorities of the Philippines where only transit rights are exercised and each IATA season where fifth freedom rights are exercised, unless a shorter period is agreed by the aeronautical authorities of the Philippines.
4. Fifth freedom traffic rights shall be available between intermediate points in Asia (east of India and north of Australia) and the Points in the Philippines (except between points in Korea and Manila) and between the Points in the Philippines and points beyond in Asia (east of India and north of Australia). Fifth freedom rights may only be exercised on up to two (2) route sectors at any one time. The frequency for the exercise of fifth freedom rights on each route sector shall be restricted to a maximum of four (4) flights per week in each direction. Fifth freedom traffic carried on each route sector shall be restricted to no more than fifty percent (50%) of the aircraft capacity used on that route sector, calculated on an annual basis.