

MEMORANDUM OF UNDERSTANDINGON CAPACITY

Further to the Agreement between the Government of Canada and the Government of the Republic of Korea for Air Services (the "Agreement"), signed at *Seoul* today, the two Governments have reached the following understanding:

Notwithstanding the number of weekly flights to be operated for passenger/combo services by the designated airlines as specified in footnote 4 of Section I and footnote 4 of Section II of the Annex to the Agreement, the capacity operated by each designated airline shall be three B747 or five L1011 or five B767 flights weekly in each direction unless otherwise agreed in accordance with the provisions of Article 9 of the Agreement.

This Memorandum of Understanding shall form an integral part of the Agreement on Air Services between the Government of Canada and the Government of the Republic of Korea, signed at *Seoul* today, and shall enter into force on the date of signature.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed the present Agreement.

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