

**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF CANADA AND
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
CONSTITUTING AN AGREEMENT WITH RESPECT TO THE AIR
CANADA SEAT SALE AND THE PARTICIPATION IN THE CANADA-
AUSTRALIA MARKET OF THE U.S. CARRIER, CONTINENTAL
AIRLINES**

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*The Department of State of the United States of America
to the Embassy of Canada*

Washington, March 21, 1983

The Department of State refers the Embassy of Canada to the bilateral aviation discussions on air fares held in Washington, D.C. February 28 — March 2, 1983 pursuant to Article XIII(e) of the Air Transport Agreement between the United States and Canada, as amended, and to the agreement in principle reflected by the exchange of letters dated March 4, 1983 between the Department and the Embassy. The specific elements of this agreement are as follows:

1. The United States aeronautical authorities shall end their February 24, 1983 suspension of the Canada-United States "seat sale" fares of Air Canada so that sales may resume immediately and passengers may use such fares effective March 4, 1983.
2. The Canadian aeronautical authorities shall allow implementation of matching United States-Canada "seat sale" fares by U.S. airlines, so that sales may resume immediately and passengers may use such fares effective March 4, 1983.
3. Fares in the United States-Australia and United States-Fiji markets now available only to passengers originating in North America outside U.S. territory shall be withdrawn from sale by Continental Airlines, and any "arbitraries" used exclusively in combination with such fares shall also be withdrawn, when requisite approvals are received from Canada and third country aeronautical authorities of Continental Airlines' matching fares described in paragraph 4 below.