AGREEMENT IN THE FORM OF AN EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE FEDERATION OF ST. CHRISTOPHER AND NEVIS RELATIVE TO THE TARIFFS TO BE APPLIED BY THE DESIGNATED AIRLINES FOR CARRIAGE OF TRAFFIC BETWEEN CANADA AND ST. CHRISTOPHER AND NEVIS

I

The Prime Minister of Canada to the Prime Minister of St. Christopher and Nevis

CHOGM LO 11

Nassau, October 18, 1985

Sir,

I have the honour to refer to the Agreement between the Government of Canada and the Government of the Federation of St. Christopher and Nevis on Air Services signed at Nassau on October 18, 1985 (the Agreement), and to propose, on behalf of the Government of Canada, the following understanding relative to the tariffs to be applied by the designated airlines for carriage of traffic between our two countries provided for in the Agreement.

I have the further honour to reaffirm the commitment of the Government of Canada to the procedures for determining tariffs contained in Article XIV of the Agreement and to acknowledge that due account shall be given to the Government of the Federation of St. Christopher and Nevis' concern that tariffs established for travel between Canada and St. Christopher and Nevis should not place St. Christopher and Nevis at a disadvantage with respect to the tariff structures which apply to travel between Canada and neighbouring Caribbean countries. In those exceptional circumstances, however, when the best efforts of the two aeronautical authorities do not result in agreement on tariffs using the procedures described in paragraphs 2 – 5 of Article XIV; notwithstanding paragraph 6 of the said Article, tariffs filed in accordance with paragraph 3 of the said Article shall, as a last resort, be permitted to come into effect on the date proposed. However, such tariffs shall come into effect only with respect to traffic originating from the territory of a Contracting Party and only if the tariffs filed by its designated airline are acceptable to the aeronautical authorities of that Contracting Party.