

b) in the case of change of gauge in the territory of the other Contracting Party and when more than one aircraft is operated beyond the point of change, not more than one such aircraft may be of equal size and non may be larger than the aircraft used on the third and fourth freedom sector.

2. For the purpose of change of gauge operations, a designated airline may use its own equipment and, subject to national regulations, leased equipment, and may operate under commercial arrangements with another airline.

3. A designated airline may use different or identical flight numbers for the sectors of its change of gauge operations.

ARTICLE IV

Each Contracting Party shall have the right to designate, by diplomatic note, an airline or airlines to operate air services on the routes specified in the Annex and to substitute another airline for an airline previously designated. Designation of more than one airline for each Contracting Party will be subject to any conditions specified in the Annex to this Agreement.

ARTICLE V

1. Following receipt of a notice of designation or of substitution pursuant to Article IV of this Agreement, the aeronautical authorities of the other Contracting Party shall, subject to the provisions of Article VI of this Agreement grant without delay to an airline so designated the appropriate authorizations to operate the air services for which the airline has been designated.

2. Upon receipt of such authorizations the airline may begin at any time to operate the air services, partly or in whole, provided that it complies with the applicable provisions of this Agreement and that the tariffs are established in accordance with the provisions of Article XII of this Agreement.

ARTICLE VI

1. The aeronautical authorities of each Contracting Party shall have the right to withhold the authorizations referred to in Article V with respect to an airline designated by the other Contracting Party, to revoke or suspend such authorizations or impose conditions, temporarily or permanently:

a) in the event of failure by such airline to qualify before the aeronautical authorities of that Contracting Party under the laws and regulations normally and reasonably applied by these authorities in conformity with the Convention;

b) in the event of failure by such airline to comply with the laws and regulations of that Contracting Party, normally and reasonably applied in conformity with the Convention;