aeronautical authorities of Canada, the designated airline(s) of the Philippines may also operate code sharing services between the Points in Canada and Beyond Points on the flights of any third country airline licensed by Canada which is operating scheduled air services on the route sector. Each route sector used for code sharing on the flights of a third country airline shall reduce by one (1) the number of route sectors in Note 4 specified as available for the exercise of fifth freedom rights. No fifth freedom rights shall be exercised in conjunction with code sharing on the flights of a third country airline.

6. For the purposes of Article XI (Capacity), the Government of the Republic of the Philippines shall be entitled to allocate among its designated airlines up to a maximum of four (4) flights perweek in each direction for own aircraft flights.

SECTION I

ROUTE 2

The following all-cargo route may be operated by an airline designated by the Government of the Republic of the Philippines:

Points in	Intermediate	Points in	Beyond
Philippines	Points	<u>Canada</u>	<u>Points</u>
Any point or points	To be agreed	Any point or points	To be agreed

Notes:

1. Points in Canada may be served separately or as co-terminals. Points may be changed each IATA season, unless a shorter period is agreed by the aeronautical authorities of Canada.

2. Transit rights shall be available at the Intermediate Points at the Points in Canada.

3. The Intermediate Points and/or the Beyond Points may at the option of the designated airline of the Philippines be omitted on any or all flights provided that all services originate or terminate in the Philippines. 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 Canada where only transit rights are exercised.

4. Capacity shall be agreed between Contracting Parties.