

between the two Governments and to grant to the airline or airlines the appropriate authorisation with "stopover" privileges at Gander and Montreal on the conditions that no such airline shall (a) exercise traffic rights (other than "stopover" privileges) on that route between Gander and Boston, Detroit or Chicago, or between Montreal on the one hand and Boston, New York, Detroit or Chicago, or such other points as may be agreed on the other, or, (b) hold itself out to the public by advertisement or other means as operating any air service for the carriage of traffic between Gander and Boston, Detroit or Chicago, or between Montreal on the one hand and Boston, New York, Detroit, Chicago or such other points as may be agreed upon on the other, except that the above-mentioned "stopover" privileges may be advertised in time tables.

5. I understand that the Government of Canada are also prepared to agree that Manchester shall be deemed to be included as a point of departure for Routes 1 and 2 of Section II of the Schedule to the Agreement.

6. For the purpose of this Exchange of Notes the term "stopover" means a temporary break in a passenger's journey at an intermediate point on his route for a purpose other than changing aircraft, it being understood that the duration of the break shall not extend beyond the date of expiry of the passenger's ticket, assuming the ticket is issued in accordance with International Air Transport Association Resolutions. In the exercise of "stopover" privileges at any point under the provisions of this Note, an airline may take up only passengers carried to that point by that airline.

7. The Government of the United Kingdom agrees to the route extensions referred to in paragraph 2 above only on condition that any airline operating beyond London or Prestwick under the provisions of that paragraph shall not make a change of gauge at a point in the United Kingdom. The Government of Canada agrees to the route extensions referred to in paragraph 4 above only on condition that any airline operating beyond Gander or Montreal under the provisions of that paragraph shall not make a change of gauge at a point in Canada.

8. If the Government of Canada are prepared to accept the foregoing terms, I have the honour to suggest that this Note and your reply to that effect shall constitute an Agreement between the two Governments in regard to these matters which shall take effect immediately.

I have the honour to be, Sir, Your most obedient servant

F. E. CUMMING-BRUCE,
Acting High Commissioner.

The Acting Secretary of State
for External Affairs,
Ottawa.