

Annex I**Scheduled Air Transportation****Section 1****Routes**

Designated airlines of Canada and designated airlines of the United States shall, in accordance with the terms of their designation, be entitled to perform scheduled international air transportation between points on the following routes:

A. Routes for the airline or airlines designated by the Government of the United States:

1. From points behind the United States via the United States and intermediate points to a point or points in Canada and beyond.
2. For all-cargo service or services, between Canada and any point or points.

B. Routes for the airline or airlines designated by the Government of Canada:

1. From points behind Canada via Canada and intermediate points to a point or points in the United States and beyond.
2. For all-cargo service or services, between the United States and any point or points.

Section 2**Operational Flexibility**

Each designated airline may, on any or all flights and at its option:

- (a) operate flights in either or both directions;
- (b) combine different flight numbers within one aircraft operation;
- (c) carry its own stop-over traffic;
- (d) serve behind, intermediate, and beyond points and points in the territories of the Parties on the routes in any combination and in any order;
- (e) omit stops at any point or points;
- (f) transfer traffic from any of its aircraft to any of its other aircraft at any point on the routes; and
- (g) serve points behind any point in its territory with or without change of aircraft or flight number and may hold out and advertise such services to the public as through services;