

ARTICLE 8

There shall be a fair and equal opportunity for the designated airlines of both Contracting Parties to operate on any route between their respective territories covered by this Agreement.

ARTICLE 9

In the operation by the designated airlines of either Contracting Party of the trunk services described in this Agreement, the interest of the airlines of the other Contracting Party shall be taken into consideration so as not to affect unduly the services which the latter provide on all or parts of the same routes.

ARTICLE 10

1. The air services provided by the designated airlines operating under this Agreement shall bear a close relationship to the requirements of the public for such services.

2. It is understood that services provided by a designated airline under this Agreement shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in the Route Schedule shall be applied in accordance with the general principles of orderly development to which both Contracting Parties subscribe and shall be subject to the general principle that capacity should be related:

- (a) to traffic requirements between the country of origin and the countries of ultimate destination of the traffic;
- (b) to the requirements of through airline operation; and
- (c) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

3. Both Contracting Parties agree to recognize that the fifth freedom traffic is complementary to the traffic requirements on the routes between the territories of the Contracting Parties, and at the same time is subsidiary in relation to the traffic requirements of the third and fourth freedom between the territory of the other Contracting Party and a third country on the route.

4. In this connection both Contracting Parties recognize that the development of local and regional services is a legitimate right of each of their countries. They agree therefore to consult periodically on the manner in which the standards mentioned in this Article are being complied with by their respective designated airlines, in order to ensure that their respective interests in the local and regional services as well as in through services are not being prejudiced.

5. Every change of gauge justifiable for reasons of economy of operation, shall be permitted at any stop on the specified routes. Nevertheless, no change of gauge may be made in the territory of the other Contracting Party when it modifies the characteristics of the operation of a through airline service or if it is incompatible with the principles enunciated in this Agreement.

6. Before effecting any increase in capacity offered over one of the specified routes or in the frequency of service of said route, notification will be given to the aeronautical authorities of the other Contracting Party at least fifteen (15) days in advance by the aeronautical authorities of the Contracting Party concerned. In the event that the latter considers such increase as unwarranted in the light of traffic volume on the route in question, or that such an increase would