2. In this connection the Canadian Government undertakes that:----

- (a) the service operated to and from the Bahamas by the designated air line or air lines of Canada shall be fully adequate to carry the traffic offering and shall provide not less than forty seats weekly;
- (b) the designated air line or air lines of Canada shall, subject to operational contingencies, assure air passage to any passenger travelling between the Bahamas and Canada who shall obtain a reservation a week in advance;
- (c) in accordance with normal policy, the International Air Transport Association rates for the service to the Bahamas will be adopted. In the unlikely event that these are not comparable with the rates at present prevailing on the route Montreal-New York-Nassau, the Canadian Government will be prepared to review them in consultation with the United Kingdom and Bahamas authorities.

3. It is understood that the United Kingdom Government for its part undertakes, in respect of the Bahamas, that it will not exercise the reciprocal rights granted in paragraph 3 of the Annex to the Agreement of the 17th July, 1947, amended as proposed in paragraph 1 of this note, for a period of three years from the 1st January, 1948, provided that, if the Government of the Bahamas is not satisfied that the service given by the designated air line or air lines of Canada is adequate to carry the traffic offering, it may make direct representations to the Government of Canada and, if satisfaction is not attained in this way, the United Kingdom shall have the right in turn to exercise its reciprocal rights in respect of the Bahamas.

4. If the United Kingdom Government approves the proposal that the Agreement of the 17th July, 1947, should be amended in the manner proposed and subject to the conditions set out above, I have the honour to suggest that this note and your reply thereto shall be regarded as constituting an Agreement to this effect between the Canadian and United Kingdom Governments".

I confirm that my Government approves the proposal that the Agreement of the 17th July, 1947, should be amended in the manner proposed and subject to the conditions set out in your note and agrees that your note and this reply shall be regarded as constituting an Agreement to that effect between the Canadian and United Kingdom Governments.

I have the honour to be,

Sir,

Your most obedient servant,

A. CLUTTERBUCK

