

No. 17747

**UNITED STATES OF AMERICA
and
ARGENTINA**

Exchange of notes constituting an agreement relating to air transport services (with memorandum of understanding, attachments and specimen permits). Buenos Aires, 22 September 1977

Authentic texts: English and Spanish.

Registered by the United States of America on 17 April 1979.

**ÉTATS-UNIS D'AMÉRIQUE
et
ARGENTINE**

Échange de notes constituant un accord relatif aux services de transports aériens (avec mémorandum d'accord, pièces jointes et spécimens de permis). Buenos Aires, 22 septembre 1977

Textes authentiques: anglais et espagnol.

Enregistré par les États-Unis d'Amérique le 17 avril 1979.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND ARGENTINA RELATING TO AIR TRANSPORT SERVICES

I

No. 364

Buenos Aires, September 22, 1977

Excellency:

I have the honor to refer to the negotiations held between representatives of the Government of the United States of America and the Government of Argentina concerning air transport relations between the two countries and to propose, on behalf of my Government, that the attached Memorandum of Understanding govern the conduct of each Government with respect to the scheduled passenger, cargo, and mail air services of the respective United States and Argentine airlines which are authorized to conduct operations between the two countries, as well as with respect to airline charter services, during the period of effectiveness of the Memorandum of Understanding.

If your Government agrees to the foregoing proposal, I have the honor to propose that this Note and your reply to that effect constitute an agreement between the two Governments, which shall enter into effect on the date of your reply and which shall remain in effect until October 31, 1983, unless otherwise agreed.

Accept, Excellency, the renewed assurances of my highest consideration.

MAXWELL CHAPLIN
Chargé d'affaires *ad interim*

His Excellency Vice Admiral Oscar A. Montes
Minister of Foreign Affairs and Worship
Buenos Aires

Enclosures:

1. Memorandum of Understanding (English version)
2. Memorandum of Understanding (Spanish version)
3. Specimen Permits

MEMORANDUM OF UNDERSTANDING

1. Delegations representing the Governments of the Republic of Argentina and the United States of America met in Buenos Aires from April 11 to 15 and from July 11 to July 19, 1977, to discuss various civil aviation problems and to reach mutually satisfactory agreements. Lists of the delegations are attached as Attachments A and B.

2. The delegations agreed to the following provisions:

A. *Airline operating flexibility.* Each country will issue a single comprehensive operating permit (specimen permit attached) which will authorize the designated airlines of the other country to operate the number of combination

¹ Came into force on 22 September 1977 by the exchange of the said notes.

flights, per week, carrying passengers, cargo and mail, as set forth in Attachment C, over the routes as specified in Attachment D. The delegations also agreed that the single operating permit would leave to the airlines' management the discretion to implement normal operating details. These details include change of gauge (aircraft), where necessary, change in itineraries, change in frequency and capacity in conformance with Attachment C and changes in day or hour of operation. Each airline will file schedules with the aeronautical authorities of the other country, through diplomatic channels, at least thirty days in advance of the effective date of the schedule, and such schedules will become effective on the proposed date of the effectiveness, provided they conform with the terms of this Memorandum. Schedules may be filed in less than thirty days, with special permission, particularly if they involve changes such as changes in the day or hour of operations.

B. Routes. The airlines of the two countries may operate over the route structure described in Attachment D, which the Parties agree forms the basis for economic viability enabling the designated airlines of each country to serve the needs of shippers and the travelling public.

Both Parties agree that if one Party fails to authorize the frequency levels agreed to in Attachment C, the other Party has the right to revoke the new route rights granted to that Party in Attachment E without the loss of any route rights of its own.

C. Equipment. The type to be utilized shall be at the discretion of each airline in conformance with Attachment C.

D. All-cargo services. Upon the effectiveness of this Memorandum, the airlines of the two Parties shall have the freedom to operate, at each airline's discretion, all-cargo services at a frequency level and with the type of equipment which meets, in each airline's judgment, the requirements of the market and allows the scheduled airlines of each country fair and equal opportunity on the authorized routes, specified in Attachment D, or any other route or routes approved by the respective Governments. In any case, during the initial period of the effectiveness of this Memorandum, i.e., until the review planned for August or September 1980, airlines may operate the following:

- To be designated by the U.S. authorities: six narrow-bodied aircraft frequencies per week; wide-bodied aircraft may be substituted for narrow-bodied aircraft in accordance with the conversion ratio as set forth in footnote one of Attachment C;
- Airlines of Argentina: six narrow-bodied aircraft frequencies per week; wide-bodied aircraft may be substituted for narrow-bodied aircraft in accordance with the conversion ratio as set forth in footnote one of Attachment C.

All-cargo charters of either country will not be affected by the above frequency levels but will be freely admitted by the other Party in accordance with country of origin rules.

E. Passenger charters. The Delegations agreed in principle to the need for passenger charter flights but deferred final action on the issue until a later date when a special meeting will be held in Washington, D.C. It was agreed that such a meeting would convene no later than December 1977, preferably beginning the last week of November.

It was also agreed that for the purpose of accommodating the expected traffic in connection with the forthcoming World Soccer Games (June, July, 1978) in Argentina, charter flights by the airlines of both Parties will be permitted in accordance with rules of the country of origin of the traffic. This arrangement may be replaced by any subsequent agreement resulting from the special consultations as set forth above.

F. Business conditions. The civil aeronautics authorities of each country shall endeavor to ensure that the designated airlines of each country will be able to operate at maximum efficiency. In particular, efforts will be made to provide 1) for ease and promptness of conversion and remittance; 2) for navigation and communication charges and fuel prices at the lowest practicable levels; 3) for exemption from taxes; and 4) for unrestricted advertising of airlines' services.

The United States Delegation noted the Argentine Delegation's concern about non-IATA rates charged by third country airlines between the United States and Argentina. The United States Delegation indicated its willingness to bring this matter to the attention of the appropriate United States civil aeronautical authorities to seek a possible solution, perhaps during the discussions referred to in paragraph 2E.

The Argentine Delegation noted the United States Delegation's concern about ground services provided at Ezeiza Airport for United States airlines and their interest in either self-handling or making alternative arrangements. The Argentine Delegation indicated their willingness to refer this matter to the attention of the appropriate authority.

3. In view of the mutual benefits accorded under the terms of the Memorandum, neither Government will require from the airlines of the other country benefits, or impose any restrictions or conditions on the carriage of traffic or operations by the airlines other than those specified in this Memorandum and its attachments. Pending prosecutions arising out of such restrictions will be terminated.

4. The delegations agreed that the terms of this Memorandum will remain in effect until October 31, 1983. It was further agreed that delegations representing each country shall meet for review at a mutually convenient date and place in August or September 1980.

5. Consultations. Either Contracting Party may at any time request consultations with respect to any issues which may arise during the effectiveness of this Memorandum. Such consultations shall begin within sixty days, or a mutually agreed date, from the date the other Contracting Party receives the request. A Request for Consultation will not, however, relieve either Party from implementing the terms of this Memorandum.

If one of the Parties unilaterally suspends a frequency, frequencies or operating flexibility of the airline or airlines of the other Party at a point or points because of alleged damage to the market, equivalent route rights for such Party shall be suspended for the same length of time as the frequencies or operating flexibility is suspended. In the event of dissatisfaction with a proposed schedule, and consultations are requested, both Parties agree that they will attempt to meet prior to the effective date of the operating schedule.

6. This Memorandum will become effective upon an exchange of notes through normal diplomatic channels.

ATTACHMENT A
ARGENTINE DELEGATION

Jefe:

[*Chairman*]:

Comodoro (R) Horacio Humberto Larghi, Director Nacional de Transporte Aéreo Commercial.¹

Delegados:

[*Delegates*]:

Dra. Angela Marina Donato, Jefa del Departamento Acuerdos y Legislación.²

Mayor D. Walter José Sadino, Representante de Jefatura I.E.M.G.³

Secretario Fernando Gálvez, Representante de Relaciones Exteriores y Culto.⁴

Secretario Mario Bejarano, Representante de Relaciones Exteriores y Culto.⁵

Observadores:

[*Observers*]:

Dr. Juan Carlos Pellegrini, Administrador General de Aerolíneas Argentinas.⁶

Sr. José Chalen, Representante de Aerolíneas Argentinas.⁷

ATTACHMENT B
UNITED STATES DELEGATION
U.S.-Argentina negotiations, July 11, 1977

Chairman:

Mr. Robert A. Brown, Chief, Aviation Negotiations Division, Office of Aviation, Department of State.

[*Delegates*]:

Honorable Lee R. West, Member, Civil Aeronautics Board.

Mr. Donald L. Litton, Chief, Western Hemisphere, Bureau of International Affairs, Civil Aeronautics Board.

Mr. Daniel Taher, Chief, Investment Transportation and Energy Division, Office of Regional Economic Policy, Bureau of Inter-American Affairs, Department of State.

Mr. John C. Amott, Counselor for Economic and Commercial Affairs, United States Embassy, Buenos Aires, Argentina.

Observer:

Ms. Lisa Ray, Air Transport Association.

¹ Commodore (R) Horacio Humberto Larghi, National Director, Commercial Air Transport.

² Dr. Angela Marina Donato, Chief, Department of Resolutions and Legislation.

³ Major D. Walter José Sadino, Management Representative, I.E.M.G.

⁴ Secretary Fernando Gálvez, Representative, Foreign Relations and Worship.

⁵ Secretary Mario Bejarano, Representative, Foreign Relations and Worship.

⁶ Dr. Juan Carlos Pellegrini, General Administrator, Aerolíneas Argentinas.

⁷ Mr. José Chalen, Representative, Aerolíneas Argentinas.

ATTACHMENT C FREQUENCY * SCHEDULE

Carrier	Effective date	Total		
		B-747**	W.B.**	N.B.**
Pan American	Upon Signing	0	0	8
	October 15, 1977	0	0	10
	April 15, 1978	3	3	11
	October 15, 1979	4	5	12
	October 15, 1980	5	7	13
	October 15, 1981	6	8	13
	October 15, 1982	7	9	14
Braniff	Upon Signing	0	0	9
	October 15, 1977	0	0	10
	April 15, 1978	3	3	11
	October 15, 1979	4	5	12
	October 15, 1980	5	7	13
	October 15, 1981	6	8	13
	October 15, 1982	7	9	14
Aerolíneas Argentinas	Upon Signing	0	0	17
	October 15, 1977	0	0	20
	April 15, 1978	6	6	22
	October 15, 1979	8	10	24
	October 15, 1980	10	14	26
	October 15, 1981	12	16	26
	October 15, 1982	14	18	28

* A total of any twelve months unused frequencies may be accumulated by the respective airlines and used at their discretion as additional flights during the term of this Agreement. If all frequencies are utilized, and no accumulated frequencies are available, a reasonable number of extra sections for peak periods will be authorized for each airline by both Parties.

** Commencing April 15, 1978, narrow-bodied aircraft may be converted to wide-bodied aircraft as follows: one B-747 equals two B-707's/DC-8's; [and] one B-747SP/DC-10/L-1011 equals 1.5 B-707's/DC-8's.

ATTACHMENT D ROUTE SCHEDULE I

Aerolíneas Argentinas

1. Between the Republic of Argentina and the co-terminal points Miami and New York via the intermediate points Sao Paulo and Rio de Janeiro and beyond New York to Montreal.
2. Between the Republic of Argentina and the co-terminal points Miami and New York via the intermediate points Santiago,* La Paz,* Lima, Guayaquil and Bogotá.
3. Between the Republic of Argentina and the terminal point Los Angeles via the intermediate points La Paz,** Lima, Guayaquil, Bogotá and Mexico.
4. Between the Republic of Argentina and the co-terminal points Miami *** and New York **** via the intermediate point Caracas.

* Santiago, La Paz—New York effective October 1979.

** La Paz—Los Angeles effective October 1979.

*** Effective October 1980.

**** Effective October 1981.

ROUTE SCHEDULE II

Braniff

1. Between the United States and the terminal point Buenos Aires via Cuba, Mexico, Panama, Bogotá, Cali, Quito, Guayaquil, Lima, Santiago, La Paz and Asunción.

Pan American

1. Between the United States and the terminal point Buenos Aires via Mexico, points in Central America and the Caribbean, Panama, Caracas, Brazil, and Montevideo (Montevideo to be served either as an intermediate point or a point beyond).

FOOTNOTE TO ROUTE SCHEDULES I AND II. In the interest of providing for operational flexibility, each airline would be permitted (a) to omit points on any or all flights, provided at least one point in the homeland of the airline is served on each flight, combine points on an authorized route in any order, and operate fewer flights in one direction than in the other; [and] (b) to change gauge at any point listed in the airline's route schedule.

ATTACHMENT E

NEW ROUTE RIGHTS

A. *For the United States*

Mexico—Buenos Aires

B. *For Argentina*

Rio de Janeiro—Miami

Sao Paulo—Miami

New York—Montreal

Santiago—New York

La Paz—New York

Lima—New York

Guayaquil—New York

Bogotá—Miami

Bogotá—New York

La Paz—Los Angeles

Guayaquil—Los Angeles

Caracas—Miami

Caracas—New York

Miami—New York co-terminal

SPECIMEN PERMIT

UNITED STATES OF AMERICA

CIVIL AERONAUTICS BOARD

WASHINGTON, D. C.

PERMIT TO FOREIGN AIR CARRIER (AS AMENDED)

Aerolíneas Argentinas is hereby authorized, subject to the provisions hereinafter set forth, the provisions of the Federal Aviation Act of 1958, and the orders, rules, and regulations issued thereunder, to engage in foreign air transportation with respect to persons, property, and mail, as follows:

1. Between the Republic of Argentina and the co-terminal points Miami, Florida, and New York, New York, via the intermediate points Sao Paulo and Rio de Janeiro, Brazil, and beyond New York, New York, to Montreal, Canada;

2. Between the Republic of Argentina and the co-terminal points Miami, Florida, and New York, New York, via the intermediate points Santiago, Chile, La Paz, Bolivia, Lima, Peru, Guayaquil, Ecuador, and Bogotá, Colombia;
3. Between the Republic of Argentina and the terminal point Los Angeles, California, via the intermediate points La Paz, Bolivia, Lima, Peru, Guayaquil, Ecuador, Bogotá, Colombia, and Mexico City, Mexico;
4. Between the Republic of Argentina and the co-terminal points Miami, Florida, and New York, New York, via the intermediate point Caracas, Venezuela.

The holder shall be authorized to engage in charter trips in foreign air transportation, subject to the terms, conditions, and limitations prescribed by Part 212 of the Board's Economic Regulations.

This permit shall be subject to the condition that the holder shall serve the terminal points New York, New York, Miami, Florida, and Los Angeles, California, only on flights originating or terminating at a point in Argentina.

The holder shall conform to the airworthiness and airman competency requirements prescribed by the Government of Argentina for Argentine international air service.

This permit shall be subject to all applicable provisions of any treaty, convention, or agreement affecting international air transportation now in effect, or that may become effective during the period this permit remains in effect, to which the United States and Argentina shall be parties.

This permit shall be subject to the condition that in the event any practice develops which the Board regards as inimical to sound economic conditions the holder and the Board will consult with respect thereto and will use their best efforts to agree upon modifications thereof satisfactory to the Board and the holder.

By accepting this permit, the holder waives any right it may possess to assert any defense of sovereign immunity from suit in any action or proceeding instituted against the holder in any court or other tribunal in the United States (or its territories or possessions) based upon any claim arising out of operations by the holder under this permit.

The holder shall keep on deposit with the Board a signed counterpart of CAB Agreement 18900, an agreement relating to liability limitations of the Warsaw Convention¹ and The Hague Protocol² approved by Board Order E-23680, May 13, 1966, and a signed counterpart of any amendment or amendments to such agreement which may be approved by the Board and to which the holder becomes a party.

The holder (1) shall not provide foreign air transportation under this permit unless there is in effect third-party liability insurance in the amount of \$1,000,000 or more to meet potential liability claims which may arise in connection with its operations under this permit, and unless there is on file with the Docket Section of the Board a statement showing the name and address of the insurance carrier and the amounts and liability limits of the third-party liability insurance provided; and (2) shall not provide foreign air transportation with respect to persons unless there is in effect liability insurance sufficient to cover the obligations assumed in CAB

¹ League of Nations, *Treaty Series*, vol. CXXXVII, p. 11.

² United Nations, *Treaty Series*, vol. 478, p. 371.

Agreement 18900, and unless there is on file with the Docket Section of the Board a statement showing the name and address of the insurance carrier and the amounts and liability limits of the passenger liability insurance provided. Upon request, the Board may authorize the holder to supply the name and address of an insurance syndicate in lieu of the names and addresses of the member insurers.

The exercise of the privileges granted hereby shall be subject to such other reasonable terms, conditions, and limitations required by the public interest as may from time to time be prescribed by the Board.

This permit shall be effective on and shall terminate on October 31, 1983, except that the authority to serve: Santiago, La Paz—New York on Route 2 and La Paz—Los Angeles on Route 3 shall become effective in October 1979; Miami on Route 4 shall become effective in October 1980; and New York on Route 4 shall become effective in October 1981. This permit shall be subject to termination at any time if the authority to conduct flight operations to and from Argentina granted by the Government of Argentina to any air carrier designated by the United States is canceled or restricted. Provided, however, That if in the aforesaid period during which this permit shall be effective the operation of the foreign air transportation herein authorized becomes the subject of any treaty, convention, or agreement, to which the United States and Argentina are or shall become parties, then and in that event, this permit is continued in effect during the period provided in such treaty, convention, or agreement.

IN WITNESS WHEREOF, the Civil Aeronautics Board has caused this permit to be executed by the Secretary of the Board, and the seal of the Board to be affixed hereto, on the

Secretary

Issuance of the permit to the holder approved by the President of the United States on in Order

SPECIMEN PERMIT

UNITED STATES OF AMERICA
CIVIL AERONAUTICS BOARD
WASHINGTON, D.C.

PERMIT TO FOREIGN AIR CARRIER (AS AMENDED)

Aerotransportes entre Ríos S.R.L. is hereby authorized, subject to the provisions hereinafter set forth, the provisions of the Federal Aviation Act of 1958, and the orders, rules, and regulations issued thereunder, to engage in foreign air transportation with respect to property and mail, as follows:

— Between a point or points in Argentina; intermediate points in Uruguay, Paraguay, Chile, Bolivia, Peru, Ecuador, Brazil, Venezuela, and Panama; and the co-terminal points Miami, Florida, and New York, New York.

The authority granted above shall be subject to the conditions that (1) the holder shall not engage in scheduled international air service; and (2) the holder shall serve Miami, Florida, or New York, New York, only on flights that serve a point or points in Argentina.

The holder shall be authorized to engage in charter trips of property in foreign air transportation, subject to the terms, conditions, and limitations prescribed by Part 212 of the Board's Economic Regulations.

The holder shall conform to the airworthiness and airman competency requirements prescribed by the Government of Argentina for Argentine international air service.

This permit shall be subject to all applicable provisions of any treaty, convention, or agreement affecting international air transportation now in effect, or that may become effective during the period this permit remains in effect, to which the United States and Argentina shall be parties.

This permit shall be subject to the condition that in the event any practice develops which the Board regards as inimical to sound economic conditions, the holder and the Board will consult with respect thereto and will use their best efforts to agree upon modifications thereof satisfactory to the Board and the holder.

The holder shall file with the Civil Aeronautics Board (Attention: Director, Bureau of International Affairs) within 30 days after the close of each calendar month one copy of a statistical report covering its nonscheduled operations. Such report shall include:

- a. The total weight of Third and Fourth Freedom cargo and the total weight of Fifth Freedom cargo carried to/from the United States listed by city pair and with indication of percentage distribution;
- b. The type of aircraft, total volume of space available, and the load factor achieved to/from the United States listed by flight.

The holder shall continue to submit reports covering its charter operations pursuant to the provisions of Part 217 of the Economic Regulations.

By accepting this permit the holder waives any right it may possess to assert any defense of sovereign immunity from suit in any action or proceeding instituted against the holder in any court or other tribunal in the United States (or its territories or possessions) based upon any claim arising out of operations by the holder under this permit.

The holder shall keep on deposit with the Board a signed counterpart of CAB Agreement 18900, an agreement relating to liability limitations of the Warsaw Convention and The Hague Protocol approved by Board Order E-23680, May 13, 1966, and a signed counterpart of any amendment or amendments to such agreement which may be approved by the Board and to which the holder becomes a party.

The holder shall not provide foreign air transportation under this permit unless (1) there is in effect third-party liability insurance in the amount of \$1,000,000 or more to meet potential liability claims which may arise in connection with its operations under this permit; (2) there is in effect minimum liability insurance coverage for bodily injury to or death of cargo handlers in the amount of \$75,000 per cargo handler; and (3) there is on file with the Docket Section of the Board a statement showing the name and address of the insurance carrier and the amounts and liability limits of the insurance provided under (1) and (2) above. Upon request, the Board may authorize the holder to supply the name and address of an insurance syndicate in lieu of the names and addresses of the member insurers.

The exercise of the privileges granted hereby shall be subject to such other reasonable terms, conditions, and limitations required by the public interest as may from time to time be prescribed by the Board.

This permit shall be effective on and shall terminate on October 31, 1983, except that it shall be subject to termination at any time if the authority to conduct flight operations to and from Argentina granted by the Government of Argentina to any air carrier designated by the United States is canceled or restricted. Provided, however, that if in the aforesaid period during which this permit shall be effective the operation of the foreign air transportation herein authorized becomes the subject of any treaty, convention, or agreement to which the United States and Argentina are or shall become parties, then and in that event this permit is continued in effect during the period provided in such treaty, convention, or agreement.

IN WITNESS WHEREOF, the Civil Aeronautics Board has caused this permit to be executed by the Secretary of the Board, and the seal of the Board to be affixed hereto, on the

Secretary

Issuance of this permit to the holder approved by the President of the United States on in Order.

SPECIMEN PERMIT

UNITED STATES OF AMERICA
CIVIL AERONAUTICS BOARD
WASHINGTON, D.C.

PERMIT TO FOREIGN AIR CARRIER (AS AMENDED)

Transporte Aéreo Rioplatense, S.A.C. e I. is hereby authorized, subject to the provisions hereinafter set forth, the provisions of the Federal Aviation Act of 1958, and the orders, rules, and regulations issued thereunder, to engage in foreign air transportation with respect to property and mail, as follows:

— Between a point or points in Argentina; intermediate points in Uruguay, Paraguay, Chile, Bolivia, Peru, Ecuador, Brazil, Venezuela, and Panama; and the co-terminal points Miami, Florida, and Houston, Texas.

The authority granted above shall be subject to the conditions that (1) the holder shall not engage in scheduled international air service; and (2) the holder shall serve Miami, Florida, or Houston, Texas, only on flights that serve a point or points in Argentina.

The holder shall be authorized to engage in charter trips of property in foreign air transportation, subject to the terms, conditions, and limitations prescribed by Part 212 of the Board's Economic Regulations.

The holder shall conform to the airworthiness and airman competency requirements prescribed by the Government of Argentina for Argentine international air service.

This permit shall be subject to all applicable provisions of any treaty, convention, or agreement affecting international air transportation now in effect,

or that may become effective during the period this permit remains in effect, to which the United States and Argentina shall be parties.

This permit shall be subject to the condition that in the event any practice develops which the Board regards as inimical to sound economic conditions, the holder and the Board will consult with respect thereto and will use their best efforts to agree upon modifications thereof satisfactory to the Board and the holder.

The holder shall file with the Civil Aeronautics Board (Attention: Director, Bureau of International Affairs) within 30 days after the close of each calendar month one copy of a statistical report covering its nonscheduled operations. Such report shall include:

- a. The total weight of Third and Fourth Freedom cargo and the total weight of Fifth Freedom cargo carried to/from the United States listed by city pair and with indication of percentage distribution;
- b. The type of aircraft, total volume of space available, and the load factor achieved to/from the United States listed by flight.

The holder shall continue to submit reports covering its charter operations pursuant to the provisions of Part 217 of the Economic Regulations.

By accepting this permit the holder waives any right it may possess to assert any defense of sovereign immunity from suit in any action or proceeding instituted against the holder in any court or other tribunal in the United States (or its territories or possessions) based upon any claim arising out of operations by the holder under this permit.

The holder shall keep on deposit with the Board a signed counterpart of CAB Agreement 18900, an agreement relating to liability limitations of the Warsaw Convention and The Hague Protocol approved by Board Order E-23680, May 13, 1966, and a signed counterpart of any amendment or amendments to such agreement which may be approved by the Board and to which the holder becomes a party.

The holder shall not provide foreign air transportation under this permit unless (1) there is in effect third-party liability insurance in the amount of \$1,000,000 or more to meet potential liability claims which may arise in connection with its operations under this permit; (2) there is in effect minimum liability insurance coverage for bodily injury to or death of cargo handlers in the amount of \$75,000 per cargo handler; and (3) there is on file with the Docket Section of the Board a statement showing the name and address of the insurance carrier and the amounts and liability limits of the insurance provided under (1) and (2) above. Upon request, the Board may authorize the holder to supply the name and address of an insurance syndicate in lieu of the names and addresses of the member insurers.

The exercise of the privileges granted hereby shall be subject to such other reasonable terms, conditions, and limitations required by the public interest as may from time to time be prescribed by the Board.

This permit shall be effective on and shall terminate on October 31, 1983, except that it shall be subject to termination at any time if the authority to conduct flight operations to and from Argentina granted by the Government of Argentina to any air carrier designated by the United States is canceled or

restricted. Provided, however, that if in the aforesaid period during which this permit shall be effective the operation of the foreign air transportation herein authorized becomes the subject of any treaty, convention, or agreement to which the United States and Argentina are or shall become parties, then and in that event this permit is continued in effect during the period provided in such treaty, convention, or agreement.

IN WITNESS WHEREOF, the Civil Aeronautics Board has caused this permit to be executed by the Secretary of the Board, and the seal of the Board to be affixed hereto, on the

Secretary

Issuance of this permit to the holder approved by the President of the United States on in Order.

II

[SPANISH TEXT—TEXTE ESPAGNOL]

*The Argentine Minister of Foreign Affairs and Worship to the American
Chargé d'affaires ad interim*

MINISTRO DE RELACIONES EXTERIORES Y CULTO
BUENOS AIRES

22 set. 1977

Señor Encargado de Negocios a.i.:

Tengo el agrado de dirigirme a Vuestra Excelencia con relación al “Acta de Entendimiento” y sus Anexos A a E, suscripta en la ciudad de Buenos Aires el 19 de julio de 1977, que se acompaña agregada.

Al respecto me es grato manifestar a Vuestra Excelencia la conformidad del Gobierno argentino con lo establecido en el Acta mencionada, en la que se estipulan los principios que regirán las relaciones aerocomerciales recíprocas, así como las rutas y condiciones de operación de los transportadores de ambos países y demás aspectos inherentes al tráfico aéreo bilateral.

La presente nota y la de Vuestra Excelencia, de la misma fecha e igual tenor, constituyen un Acuerdo entre nuestros Gobiernos a partir del día de hoy.

Saludo a Vuestra Excelencia con mi más distinguida consideración.

[Signed—Signé]¹

A Su Excelencia el señor Encargado de Negocios a.i.
de los Estados Unidos de América
Ministro D. Maxwell Chaplin

Buenos Aires

¹ Signed by O. Montes—Signé par O. Montes.

Artículo 3°. Antes de la iniciación del servicio autorizado, la empresa deberá someter a la aprobación del Ministerio de Defensa (Comando en Jefe de la Fuerza Aérea, Dirección Nacional de Transporte Aéreo Comercial) los seguros que cubran la responsabilidad por daños a terceros en superficie, pasajeros y carga, de conformidad con los convenios internacionales en vigor, como asimismo las tarifas.

Artículo 4°. Facúltase el Ministerio de Defensa (Comando en Jefe de la Fuerza Aérea, Dirección Nacional de Transporte Aéreo Comercial) para autorizar las tarifas; horarios y sus características; la omisión de puntos en cualquiera o en todos los vuelos, siempre y cuando por lo menos un punto en el territorio nacional de la empresa autorizada sea servido en cada vuelo; la combinación de escalas sobre la ruta autorizada y el cambio de equipo en cualquier punto indicado en la ruta, conforme lo determinado en el Acta de Entendimiento suscripta con fecha 19 de julio 1977.

Artículo 5°. El servicio deberá operarse con estricta sujeción al Acta de Entendimiento, a las leyes, reglamentaciones y normas nacionales vigentes y a aquellas que surjan de nuevo entendimiento.

Artículo 6°. El servicio autorizado por el presente Decreto tendrá vigencia hasta el 31 de octubre de 1983, salvo que en el período de vigencia le fueran impuestos a los transportadores aéreos argentinos cancelaciones o restricciones fuera de los términos del Acta de Entendimiento, caso en el que caducará de pleno derecho.

Artículo 7°. Comuníquese, publíquese, dése a la Dirección Nacional del Registro Oficial y archívese.

[TRANSLATION¹—TRADUCTION²]

SPECIMEN PERMIT

THE NATIONAL EXECUTIVE BRANCH

Buenos Aires, whereas, by application No. . . . (F.A.), Braniff Airways, Inc., requests authorization to operate a scheduled air service for passengers, cargo, and mail between the United States of America and the Argentine Republic; and

WHEREAS:

Decree No. 1883/77 terminated, among others, the permits issued to Braniff Airways, Inc., by decrees Nos. 10.935/50, 231/67, and 6888/69;

On July 19, 1977, the aeronautical authorities of the United States of America and the Argentine Republic signed a Memorandum of Understanding, ratified by an exchange of notes between the two Parties dated

The aforesaid document summarizes all the aspirations of the two Parties;

Consequently, it is necessary to issue an administrative order granting the rights agreed upon by Argentina to one of the airlines designated by the Government of the United States of America;

Therefore, the President of the Argentine Nation decrees:

¹ Translation supplied by the Government of the United States of America.

² Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.

Article 1. Braniff Airways, Inc., is hereby authorized to operate a scheduled air transport service for passengers, cargo, and mail between the United States of America and the terminal point Buenos Aires, Argentina, via Cuba; Mexico City, Mexico; Panama; Bogotá and Cali, Colombia; Quito and Guayaquil, Ecuador; Lima, Peru; Santiago, Chile; La Paz, Bolivia; and Asunción, Paraguay.

Article 2. The airline shall, in the operation of its service, abide by the dates and capacity indicated in the following program:

- From October 15, 1977, to April 15, 1978: up to 10 flights weekly with DC-8 or similar aircraft or their equivalent in wide-bodied aircraft;
- From April 15, 1978, to October 15, 1979: up to 11 flights weekly with DC-8 or similar aircraft or their equivalent in wide-bodied aircraft;
- From October 15, 1979, to October 14, 1980: up to 12 flights weekly with DC-8 or similar aircraft or their equivalent in wide-bodied aircraft;
- From October 15, 1980, to October 14, 1982: up to 13 flights weekly with DC-8 or similar aircraft or their equivalent in wide-bodied aircraft;
- From October 15, 1982, to October 31, 1983: up to 14 flights weekly with DC-8 or similar aircraft or their equivalent in wide-bodied aircraft.

Article 3. Prior to the initiation of the authorized service, the airline shall submit to the Ministry of Defense (Headquarters, Air Force, Office of Commercial Air Transport), for its approval, the insurance that covers liability for damages to third-parties on the ground, passengers, and cargo in accordance with the international agreements in force, together with the rates.

Article 4. The Ministry of Defense (Headquarters, Air Force, Office of Commercial Air Transport) is empowered to authorize rates; schedules and their characteristics; the omission of points in any or all of the flights, provided that at least one point in the homeland of the authorized airline is served on each flight; [and] the combination of intermediate stops on the authorized route and the change of gauge at any point indicated on the route, in accordance with the provisions of the Memorandum of Understanding signed on July 19, 1977.

Article 5. The service shall be operated in strict compliance with the Memorandum of Understanding and with the national laws, regulations, and standards that are in force as well as others that result from a new understanding.

Article 6. The service authorized by this Decree shall continue in force until October 31, 1983, unless, during the period that it is in force, cancellations or restrictions not included in the provisions of the Memorandum of Understanding are imposed on the Argentine carriers, in which case it shall be terminated automatically.

Article 7. Let notice be given of this decree; let it be published, given to the National Registry, and filed.

SPECIMENT PERMIT

THE NATIONAL EXECUTIVE BRANCH

Buenos Aires, whereas, by application No. . . . (F.A.), Pan American World Airways, Inc., requests authorization to operate a scheduled air service for

passengers, cargo, and mail between the United States of America and the Argentine Republic; and

WHEREAS:

Decree No. 1883/77 terminated, among others, the permits issued to Pan American World Airways, Inc., by Decree Nos. 138.172/42, 10.328/60, 10.426/60, 12.674/60, and 1169/65;

On July 19, 1977, the aeronautical authorities of the United States of America and the Argentine Republic signed a Memorandum of Understanding, ratified by an exchange of notes between the two Parties dated ;

The aforesaid document summarizes all the aspirations of the two Parties;

Consequently, it is necessary to issue an administrative order granting the rights agreed upon by Argentina to one of the airlines designated by the Government of the United States of America;

Therefore, the President of the Argentine Nation decrees:

Article 1. Pan American World Airways, Inc., is hereby authorized to operate a scheduled air-transport service for passengers, cargo, and mail between the United States of America and the terminal point Buenos Aires, Argentina, via Mexico, points in Central America and the Caribbean, Panama, Caracas, Brazil, and Montevideo (Montevideo to be served either as an intermediate point or a point beyond).

Article 2. The airline shall, in its operations, abide by the dates and capacity indicated in the following program:

- From October 15, 1977, to April 15, 1978: up to 10 flights weekly with Boeing 707 or similar aircraft or their equivalent in wide-bodied aircraft;
- From April 15, 1978, to October 15, 1979: up to 11 flights weekly with Boeing 707 or similar aircraft or their equivalent in wide-bodied aircraft;
- From October 15, 1979, to October 14, 1980: up to 12 flights weekly with Boeing 707 or similar aircraft or their equivalent in wide-bodied aircraft;
- From October 15, 1980, to October 14, 1982: up to 13 flights weekly with Boeing 707 or similar aircraft or their equivalent in wide-bodied aircraft;
- From October 15, 1982, to October 31, 1983: up to 14 flights weekly with Boeing 707 or similar aircraft or their equivalent in wide-bodied aircraft.

Article 3. Prior to the initiation of the authorized service, the airline shall submit to the Ministry of Defense (Headquarters, Air Force, Office of Commercial Air Transport), for its approval, the insurance that covers liability or damages to third-parties on the ground, passengers, and cargo in accordance with the international agreements in force, together with the rates.

Article 4. The Ministry of Defense (Headquarters, Air Force Office of Commercial Air Transport) is empowered to authorize rates; schedules and their characteristics; the omission of points in any or all of the flights, provided that at least one point in the homeland of the authorized airline is served on each flight; the combination of intermediate stops on the authorized route; and the change of gauge at any point indicated on the route, in accordance with the provisions of the Memorandum of Understanding signed on July 19, 1977.

Article 5. The service shall be operated in strict compliance with the Memorandum of Understanding and with the national laws, regulations, and standards that are in force as well as others that may result from a new understanding.

Article 6. The service authorized by this Decree shall continue in force until October 31, 1983, unless, during the period that it is in force, cancellations or restrictions not included in the provisions of the Memorandum of Understanding are imposed on the Argentine carriers, in which case it shall be terminated automatically.

Article 7. Let notice be given of this decree; let it be published, given to the National Registry, and filed.

III

Buenos Aires, September 22, 1977

No. 402

Excellency:

I have the honor to refer to my note No. 364 of September 22, 1977, proposing that the Memorandum of Understanding attached thereto, if acceptable to the Government of Argentina, constitute an Agreement between our two Governments, and to Your Excellency's note of the same date expressing the agreement of the Government of Argentina with the terms of this Memorandum of Understanding.

Accordingly, I have the honor of confirming to Your Excellency, that the Memorandum of Understanding as attached to the notes mentioned above shall be regarded as constituting an Agreement between our two countries, which shall remain in effect until October 31, 1983, unless otherwise agreed.

Accept, Excellency, renewed assurances of my highest consideration.

MAXWELL CHAPLIN

Chargé d'affaires *ad interim*

His Excellency Vice Admiral Oscar A. Montes
Minister of Foreign Affairs and Worship
Buenos Aires
