

ANNEX II

(1) From each of the dates specified below, the designated airlines of each Party may operate a maximum number of round trip combination frequencies per week over the routes specified in Annex I of this Agreement using wide-body aircraft (B-747-100 or similar aircraft), as follows:

	July 1, 1994	Oct. 1, 1995	Dec. 1, 1996	Jan. 1, 1998
Aerolineas Argentinas	22	24	26	28
American Airlines	9	9	9	9
United Air Lines	13	13	13	13
Additional frequencies to be allocated by the United States	0	2	4	6

The above-mentioned wide-body aircraft may be substituted, at the exclusive discretion of any of the designated airlines, by other aircraft of lower capacity, in which case the frequency level yielded by applying the following rate of conversion shall apply: one wide-body aircraft (B-747-100 or similar aircraft) shall be equivalent to two DC-8, B-707, B-727, B-737, B-757, MD-80, or similar aircraft, and to 1.5 L-1011, DC-10, A-300, B-747 SP, B-767, or similar aircraft.

(2) The designated airlines of each Party may operate round trip all-cargo frequencies with narrow-body equipment or their wide-body equivalents as follows:

From July 1, 1994 until September 30, 1995:	10
From October 1, 1995 until November 30, 1996:	11
From December 1, 1996:	12

A designated airline may accumulate unused frequencies authorized under this paragraph for use in the following calendar year.

(3) For the purpose of frequencies specified in paragraph 2 above, narrow-body aircraft may be substituted, at the exclusive discretion of the designated airline, by wide-body aircraft at the following rates of conversion: One wide-body aircraft (L-1011, DC-10, A-300, B-747SP, B-767 or similar aircraft) shall be equivalent to 1.5 narrow-body aircraft (DC-8, B-707, B-727, B-737, B-757, MD-80 or similar aircraft), except that one B-747-100 or similar aircraft will be equivalent to two narrow-body aircraft, and one B-747 Combi (with main deck cargo) shall be equivalent to 1.5 narrow-body passenger aircraft and one narrow body all-cargo aircraft.

(4) A reasonable number of extra sections for the designated airlines of each Party shall be authorized by the aeronautical authorities of the other Party.

(5) Each airline will file schedules with the aeronautical authorities of the other country, if necessary 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 effectiveness, provided they conform with the terms of this Annex. 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.

(6) Either Party may substitute a carrier for each individual carrier named in paragraph (1). If either Party decides to designate a carrier additional to those in the market, it will notify the other Party through diplomatic channels who may, if it wants, call for consultations. Following such consultations, unless mutually agreed otherwise, the newly designated carrier will commence service.

(7) 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 the rules of the country of origin of the traffic. The aeronautical authorities of both Parties agree to give sympathetic consideration to applications by airlines of the other Party for passenger charters.

