2. The agreed services provided by a designated airline shall retain as their primary objective the provision at a reasonable load factor of capacity adequate to current and reasonably anticipated requirements for the carriage of passengers, cargo and mail originating from or destined for the territory of the Contracting Party which has designated the airline. Provision for the carriage of passengers, cargo and mail both taken on and discharged at points on the specified routes in the territories of States other than that designating the airline shall be made in accordance with the general principles that capacity shall be related to:

(a) traffic requirements to and from the territory of the Contracting Party which has designated the airline;

(b) the requirements of through airline operation; and

(c) traffic requirements of the area through which the airline passes, after taking account of local and regional services.

3. Capacity to be provided by the designated airlines of the Contracting Parties in respect of the agreed services shall be agreed through consultations between the aeronautical authorities of both Contracting Parties in accordance with the principles laid down in Articles 8, 9, and paragraphs 1 and 2 of this Article.

ARTICLE 11

1. The tariffs on any agreed service shall be established at reasonable levels, due regard being paid to all relevant factors including cost of operation, reasonable profit, characteristics of services (such as standards of speed and accommodation) and the tariffs of other airlines for any part of the specified route.

2. These tariffs shall be fixed in accordance with the following provisions and the aeronautical authorities of each Contracting Party shall, in accordance with the procedures in each Contracting Party, ensure that the designated airlines conform to the tariffs thus fixed.

(a) The aeronautical authorities of either Contracting Party shall not require the designated airlines of the Contracting Parties to consult with other airlines about the tariffs those designated airlines charge or propose to charge for agreed services.

(b) The aeronautical authorities of each Contracting Party shall have the right to approve or disapprove tariffs for one-way or round-trip carriage on the specified routes originating in the territory of that Contracting Party. The aeronautical authorities of neither Contracting Party shall take unilateral action to prevent the inauguration of proposed tariffs or the continuation of effective tariffs for one-way or round-trip carriage on the specified routes originating in the territory of the other Contracting Party.

(c) The aeronautical authorities of each Contracting Party may require the designated airlines of the Contracting Parties to submit proposed tariffs for approval for carriage to or from the territory of the first-mentioned Contracting Party in accordance with the applicable procedures of the first-mentioned Contracting Party, provided that such submission shall not be required to be made more than 30 days before the proposed date of introduction of the tariffs.

(d) The aeronautical authorities of either Contracting Party may request consultations with the aeronautical authorities of the other Contracting Party regarding any tariffs of the designated airlines of the Contracting Parties for agreed services. Such consultations shall be held not later than 30 days after receipt of the request. The Contracting Parties shall cooperate in securing information necessary for reasonable resolution of the issues. If the aeronautical authorities of the Contracting Parties reach agreement, the aeronautical authorities of each Contracting Party shall use their best efforts to cause the agreement to be reflected on the tariffs of the designated airlines of that Contracting Party. If no agreement is reached, the decision of the aeronautical authorities of the Contracting Party in whose territory the carriage originates shall prevail.