

4. Notwithstanding the foregoing, at least 20% of total traffic will be reserved at all times for the airlines for Chile and adjoining countries.

5. Adjoining countries are free to absorb the entire $\frac{1}{3}$ third country quota in free competition.

6. Those companies operating a minimum of two weekly trips over the route shall have the right to participate in this global quota.

7. The calculation of theoretical quotas will be based on:

(a) Weekly frequency.

(b) Terminal to terminal elapsed flight time.

(c) Price per passenger km. between terminals. In the case of mixed configuration aircraft, the average price will be determined as follows: number of first class seats times fares, minus number of economy class seats times fare, the result being divided by the total number of seats.

II. Non-regional passengers making a stopover in Santiago and/or Lima and or Buenos Aires will not be counted in the regional traffic quotas, provided the companies list them separately when submitting statistical data. The list should show the name of the passenger, origin and destination of the journey, number of ticket, and places of issuance.

III. The quotas will be fixed by the Junta in 30 days on the basis of traffic statistics for the first six months of 1961, and will be applicable October 1, 1961.

OTHER LEGISLATION IN FORCE

1. Decree 357 of June 14, 1948, incorporates in its text the provisions of Decree 42 of January 20, 1948, together with those of Decree 802 of November 17, 1947, which dealt with licenses and concessions to operate scheduled airline routes. (*Diario Oficial*, October 18, 1948)

2. Decree 132 of March 12, 1948, amends Article 5 of the Regulations on Licenses and Concessions to operate scheduled airline routes, originally approved by Decree 802 of November 17, 1947. Amended again by Decree 307 of May 19, 1948 (*Diario Oficial*, November 27, 1948).

3. Decree 645 of 1949 amends the rules dealing with permits and licenses to operate scheduled airline routes. (*Diario Oficial*, November 24, 1949)

4. Decree 507 of September 27, 1950, amends the Regulation on Permits and Licenses to operate scheduled airline routes, by adding that foreign corporations shall not be required to establish a branch in the nation, if they are corporations that have capital belonging to their respective governments, or if the enterprise has been established as an agency for a Chilean corporation. (*Diario Oficial*, October 16, 1950)

5. Decree 797 of November 29, 1952, amends Decree 42 of January 20, 1948, which established a Civil Aeronautics Board (*Junta de Aeronáutica Civil*). (*Diario Oficial*, January 20, 1953)

6. D.F.L. 36 of April 26, 1953, grants power and authority to the Aviation Office (*Dirección de Aeronáutica*) in connection with commercial and tourist aviation programs. Contains provisions to encour-