

MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE KINGDOM OF BAHRAIN

Delegations representing the Government of the Republic of the Philippines and the Government of the Kingdom of Bahrain met in Manila, Philippines on 25-26 February 2009 for bilateral consultations in accordance with Article 13 of the Air Services Agreement (the Agreement) signed on 29 August 1992.

The discussions were conducted in a cordial and friendly atmosphere. The list of the two delegations is attached

The two delegations reached the following agreements:

1. CAPACITY ENTITLEMENT

Both delegations agreed to amend paragraphs 1 (a) and (b) of the MOU signed on 19n February 2006 at Makati Philippines as follows:

The designated airlines of the Kingdom of Bahrain shall have the right to operate a total of fifty (50) frequencies per week in each direction using an aircraft no larger than an A340 / B777 for the following:

a. Bahrain - Manila v.v.

With immediate effect, a maximum of eight (8) frequencies per week on each direction. It is understood that the conditions governing the operations of the two frequencies granted under paragraph 1 (a) of the MOU signed on 19th February 2006 shall remain in force and effect.

b. Bahrain - Clark/Subic v.v.

With immediate effect, a maximum of twenty eight (28) frequencies per week on each direction.

a

c. Bahrain — Cebu v.v.

With immediate effect, a maximum of seven (7) frequencies per week on each direction.

d. Bahrain - Roving Points except Manila

With immediate effect, a maximum of seven (7) frequencies per week on each direction.

2. DESIGNATION

Pursuant to Article (3) of the Agreement Gulf Air and Bahrain Air are the designated airlines of the Kingdom of Bahrain.

The Government of the Republic of the Philippines reaffirmed the designation of "Philippine Airlines", to operate the agreed air services on the specified routes and noted the right of the Philippines to designate additional airlines in the future.

3. FIFTH FREEDOM TRAFFIC RIGHT

With reference to Attachment B of the route schedule annexed to the MOU of 8 October 2003 both delegations have agreed that the designated airlines of the Kingdom of Bahrain will be permitted to exercise 5th Freedom traffic rights on the route Bahrain / any Intermediate Points / Cebu / Clark (DMIA) v.v. route.

4. NEXT ROUND OF DISCUSSIONS

In order to accommodate the request of the Kingdom of Bahrain for operating additional frequencies to Manila, both delegations have agreed to convene next round of discussion in December 2009 or January 2010 for additional requirements on capacity for the designated airlines of the Kingdom of Bahrain.

5. ENTRY INTO FORCE

This MOU is supplementary to the MOU signed on 19th February 2006 and shall enter into force from its date of signature and to be followed up by exchange of diplomatic notes.

Done in Manila, Philippines 26 February 2009.

FOR THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES	FOR THE GOVERNMENT OF THE KINGDOM OF BAHRAIN
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(Sgd.) DOROTEO A. REYES II	(Sgd.) ABDULRAHMAN MOH'D AL GAUD
Chairman, Philippine Delegation	Chairman, Kingdom of Bahrain Delegation

ATTACHMENT I DELEGATION OF THE REPUBLIC OF THE PHILIPPINES

Head of Delegation Chairman -	Undersecretary Doroteo A. Reyes II Department of Transportation and Communications
Vice Chairman	- Undersecretary Franklin M. Ebdalin Department of Foreign Affairs
Members	- Executive Director Carmelo L. Arcilla Civil Aeronautics Board
	- Asst. Sec. Felicitas Agoncillo-Reyes