Flair Airlines Ltd. c/o/b as Flair Air

LOCAL INTERNATIONAL CHARTER TARIFF

CTA(A) No. 2 1st Revised Title Page Cancels Original Title Page

LOCAL INTERNATIONAL CHARTER TARIFF

CONTAINING

RULES, RATES AND CHARGES APPLICABLE

TO THE CHARTER OF AIRCRAFT

FOR THE

TRANSPORTATION OF PASSENGERS AND BAGGAGE OR GOODS

BETWEEN

POINTS IN CANADA ON THE ONE HAND

AND

POINTS OUTSIDE CANADA ON THE OTHER HAND

ADOPTION NOTICE

Effective June 7, 2010, this

tariff or as amended, became the tariff of

Flair Airlines Ltd. c/o/b as Flair Air

as per its ADOPTION NOTICE CTA(A) NO. 1.

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EFFECTIVE DATE

July 8, 2010

Special Permission No. 53866 granted by the CTA.

ISSUE DATE July 7, 2010 ISSUED BY David Atkins, Director of Flight Operations 4550 Lancaster Court KELOWNA, B.C. V1W 4C2

INTERNATIONAL CHARTER TARIFF

CHECK SHEET

Original and revised pages as named below, contain all changes from the original tariff, effective as of the date shown thereon:

Page Number	Number of Revision
Title	1 st Revised
1	1 st Revised
2	Original
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For explanation of abbreviations, reference marks and symbols used but not explained hereon, see Page 3ISSUE DATEEFFECTIVE DATEDecember 3, 2009As per CTA SP # 44384December 4, 2009

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EXPLANATION OF ABBREVIATIONS, REFERENCE MARKS AND SYMBOLS

- CTA(A) Canadian Transportation Agency
- IATA International Air Transport Association
- No. Number
- \$ Dollar(s)
- (R) Denotes reductions
- (A) Denotes increases
- (C) Denotes changes which result in neither increases or reductions
- (X) Denotes cancellation
- (N) Denotes addition
- CAD Canadian

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RULE 1. DEFINITIONS

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"ABC/ITC" means a passenger charter flight on which both advance booking passengers and inclusive tour participants are carried.

"Accommodation" means sleeping facilities provided on a commercial basis to the general public.

"Ad hoc" means charter contracts of one or more flight segments that are nonseries.

PAdvance Booking Charter" or "ABC" means a round-trip international charter a. one charterer, all the charterers or a combination of charterers and foreign origin charterers contract for the entire passenger seating capacity of the

- origin charterers contract for the entire passenger seating capacity of the aircraft for hire to the public;
- b. if the passenger seating capacity of the aircraft is at least 20 passenger seats, each charterer and each foreign origin charter contracting for passenger seats contracts for at least 20 passenger seats for hire to the public; and
- c. if the passenger seating capacity of the aircraft is less than 20 passenger seats, one charterer charters the entire passenger seating capacity of the aircraft for hire to the public.

"Ambulatory" means a person who is able to move about within an aircraft unassisted.

"Assistant" a person who travels with a person with a disability and is fully capable of providing a service related to the disability that is not usually provided by the carrier's staff.

"Baggage" means luggage or such articles, effects or other personal property of a passenger or passengers as are necessary or appropriate for wear, use, comfort or convenience in connection with the charter flight.

"Canada" means the ten provinces of Canada, the Yukon Territory, the Districts and Islands comprising the Northwest Territories of Canada and Nunavut.

"Cargo" means any goods except mail other than in plane load lots, and baggage that can be transported by charter transportation.

"Carriage" which is equivalent to transportation means carriage of passengers, baggage or cargo by air, gratuitously or for hire.

"Carrier" means Flair Airlines Ltd.

"Charter Contract" means a contract entered into between carrier and the charterer(s) for the provision by the carrier of Charter Commercial Air Services.

"Charter Flight" means the movement of an aircraft transporting the charterer's passengers, baggage or goods from the point of take off to the first point of landing thereafter (intermediate technical or fuel stops excepted).

"Charterer" means a person, firm, corporation, association, partnership, company or other legal entity who agrees to hire the complete capacity of one or more aircraft of the carrier for the transportation of passengers and baggage, or goods and/or property from a specified origin to a specified destination, for a particular itinerary, agreed upon in advance.

"Common Purpose Charter" or "CPC" means a return passenger charter originating in Canada where one or more charterers contract for the entire passenger seating capacity of an aircraft in order to provide air transportation at a price per seat:

a. to and from a CPC event, or

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b. in connection with a CPC educational program.

"Complete Capacity" means the whole of the traffic payload carrying capacity of an aircraft having regard to the charter flight to be performed.

"CPC Educational Program" means a program for educational purposes organized for the exclusive benefit of full-time elementary or secondary school students, or both.

"CPC Event" means a presentation, performance, exhibition, competition, gathering or activity that

- a. is of apparent and considerable significance unrelated to the general interest inherent in travel, and
- b. is not being created or organized for the primary purpose of generating charter air traffic.

"Destination" means the point to which the passengers or goods to be transported on a charter flight are bound.

"Entity Charter" means a charter in which

- a. the cost of transportation of passengers or goods is paid by one person, company or organization without any contribution, direct or indirect, from any other person, and
- b. no charge or other financial obligation is imposed on any passenger as a condition of carriage or otherwise in connection with the trip.

"Ferry Flight" means the movement of an aircraft without the charterer's passengers or goods in order to position the aircraft to perform a charter flight or upon completion of a charter flight to position the aircraft to a point required by the carrier.

"Goods" means anything that can be transported by air including animals but does not include mail other than in plane load lots.

"Inclusive Tour" or "Tour" means a round or circle trip performed in whole or in part by air for an inclusive tour price for the period the participants are away from the starting point of the journey.

"Inclusive Tour Charter" or "ITC" means a charter under which an air carrier contracts with one or more tour operators to charter the entire passenger seating capacity of an aircraft, for resale by the tour operator or operators at an inclusive tour price per seat.

"Inclusive Tour Price" includes, for a participant in an inclusive tour, charges made for

- a. transportation,
- b. accommodation, and
- c. where applicable, tour features.

"Infant" means children under the age of 2 years and carried free of charge by an adult sharing the same seat as the infant. Proof of age must be provided and is restricted to one infant per adult passenger.

"Montreal Convention" means the *Convention for the Unification of Certain Rules Relating to International Carriage by Air*, signed at Montreal, May 28, 1999.

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"Non Ambulatory" a person who is not able to move about within an aircraft unassisted.

"Non Self Reliant" a person who is not self reliant as defined below.

"Origin" means the point from which a charter flight commences with the passengers or goods to be transported.

"Passenger" means any person, except members of the crew, carried or to be carried in an aircraft with the consent of the carrier pursuant to a charter agreement.

"Price per Seat" means the amount, expressed in Canadian dollars, by the payment of which round-trip air transportation may be purchased from a charterer or his agent for a passenger on an ABC or a CPC.

"Route" means the one-way total mileage from the point of origin to the point of outbound destination via any point of layover or stopover, or the total one-way mileage from the point of outbound destination to the point of origin via any point of layover or stopover.

"SDR" means Special Drawing Rights issued by the International Monetary Fund.

"Self Reliant" a person who is independent, self sufficient and capable of taking care of all his/her physical needs during flight, during an emergency evacuation or decompression. He/she requires no special or unusual attention beyond that afforded to the general public, except that he/she may require assistance in boarding or deplaning.

"Series" means one or more return charter round trips between the same origin and destinations(s) contracted by the same charterer.

"Service animal" means an animal that is required by a person with a disability for assistance and is certified, in writing, as having been trained to assist a person with a disability by a professional service animal institution and which is properly harnessed in accordance with standards established by a professional service animal institution.



"Tour Features" means all goods, services, facilities and benefits, other than accommodation and transportation, that are included in an ITC program at the inclusive tour price or made available to tour participants as optional extras at an additional charge.

"Tour Operator" means a charterer with whom an air carrier has contracted to charteran aircraft in whole or in part for the purpose of operating an inclusive tour.

"Transportation", in respect of an inclusive tour, means the transport of the tour participants and their personal baggage by air or other modes between

- a. all points in the tour itinerary, and
- b. airports or surface terminals and the location where accommodation is provided in the tour itinerary other than the point of origin.

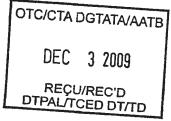
"Traffic" means any passengers, goods or mail that are transported by air.

"United States of America" means the states of the United States of America and its territories and possessions.

"Warsaw Convention" means the *Convention for the Unification of Certain Rules Relating to International Carriage by Air*, signed at Warsaw, October 12, 1929, as amended, but not including the Montreal Convention as defined above.

RULE 2. APPLICATION OF TARIFF

- a. This tariff is applicable to the transportation of passengers and their baggage or goods in charter service on aircraft operated by the carrier.
- b. Charter service will be furnished under the terms of this tariff only after an appropriate written charter agreement, in the form prescribed by the carrier, is executed by the charterer and the carrier.
- c. Charter transportation originating in Canada shall be subject to the rules, rates and charges published or referred to in this tariff in effect, by virtue of the effective date of each page, on the date of signing of the charter agreement (except that the charter price shall be subject to fuel surcharges in effect on the date the transportation commences from the point of origin of each flight).



- d. The contents of this tariff form part of the charter contract between the carrier and the charterer and in the event of any conflict between this tariff and the charter contract this tariff shall prevail unless departure from the tariff has been authorized by the CTA(A).
- e. Notwithstanding Rule 2. c., when the charterer and the carrier agree to amend a contract for a series of flights within the original period of the contract, the tariff in effect at the time of signing of the original contract shall apply.
- f. Any airport or air transportation tax imposed by any government authority is not included in the charter rates and charges published herein.

RULE 3. CURRENCY

Rates and charges are published in the lawful currency of Canada. Where payment for Canadian originating charters is made in any currency other than Canadian, the resulting charges shall be the equivalent of the Canadian dollar amounts published in this tariff on the basis of the local banker's rate of exchange as calculated on the date of signing the charter agreement.

RULE 4. CHARTER AND FERRY MILEAGE DETERMINATION

For the purpose of computing rates and charges herein, the mileage to be used, including both charter and ferry (if any) mileage, will be the shortest mileage covering the actual airport to airport great circle mileage of the agreed charter flight or flights, to be performed in accordance with the agreed flight schedule, as published in the following sources in the order listed below:

- a. Air Distance Manual, published jointly by International Air Transport Association and International Aeradio Limited;
- b. *IATA Mileage Manual*, published by the International Air Transport Association;
- c. And/or combination thereof;
- d. Skyplan Flight Planning system.

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INTERNATIONAL CHARTER TARIFF RULE 5. COMPUTATION OF CHARGES

The total charter price payable by the charterer shall be the sum of the following:

Section 1

- a. (Applicable to Entity Charters only)
 - i. An amount determined by multiplying the distance of the charter flight(s) determined in accordance with Rule 4 herein, times the applicable charter rate per mile shown in Table of Charges, or, where distances cannot be measured, the hours or fraction thereof of the charter flight(s), times the applicable charter rate per hour shown in the Table of Charges, provided that the charge per charter flight shall not be lower than the minimum charge per charter flight shown in the Table of Charges; plus
 - ii. An amount obtained by multiplying the distance of the ferry flight(s), if any, determined in accordance with Rule 4 herein times the applicable ferry rate per mile shown in the Table of Charges, or where distances cannot be measured, the hours or fraction thereof of the charter flight(s), times the applicable ferry rate per hour shown in the Table of Charges, provided that the charge per ferry flight shall not be lower than the minimum charge per ferry flight shown in the Table of Charges.
- b. (Not applicable to Entity Charters)
 - i. An amount obtained by multiplying the distance of the charter flight(s), determined in accordance with Rule 4 herein, times the applicable charter rate per seat mile shown in the Table of Charges, the result of which is multiplied by the total passenger seating capacity of the chartered aircraft; plus
 - ii. An amount obtained by multiplying the distance of the ferry flight(s), if any, determined in accordance with Rule 4 herein, times the applicable ferry rate per seat mile shown in the Table of Charges, the result of which is multiplied by the total passenger seating capacity of the chartered aircraft.
- c. Intentionally left blank.
- d. Layover charges, if any, as set forth in the Table of Charges will be assessed by the carrier for holding the chartered aircraft at the request of the charterer at any point on the charter route in excess of the free waiting time.

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- e. (Applicable to Entity Charters only) Taxiing charges, if any, for the time required to transport passenger and baggage or goods of a charterer by taxiing from point to point on a
 - baggage or goods of a charterer by taxiing from point to point on a supporting surface calculated by multiplying the time required by the charter rate per hour shown in the Table of Charges.
- f. Valuation charges, if any, in accordance with Rule 10.
- g. All charges or expenses incurred by the carrier to cover the cost of accommodation, meals and ground transportation for crew whenever the nature of the charter requires said crew to live away from the place at which they are normally based for a period in excess of *four (4)* hours.
- h. The actual cost of all passenger and/or goods handling charges incurred by the carrier at airports other than the carrier's base.
- i. The actual cost of any special or accessorial services performed or provided at the request of the charterer.

OR

Section 2



ACMI Charters (aircraft/crew/maintenance/insurance)

An amount determined by multiplying the number of hours of the charter flight(s), times the applicable ACMI charter rate shown in Table of Charges, provided that the charge per ACMI charter flight shall not be lower than the minimum ACMI charge per charter flight shown in the Table of Charges.

RULE 6. CONDITIONS OF CARRIAGE

a. Space and weight limitations

Passengers and baggage or goods will be carried within space and weight limitations of aircraft.

b. Medical clearance

The carrier reserves the right to require a medical clearance from the Company Medical Authorities if travel involves any unusual risk or hazard to the passenger or to other persons (including, in cases of pregnant passengers, unborn children).

c. Transportation of a person with a disability

- (i) Acceptance
- (A) Acceptance of declaration of self-reliance

Except for safety-related matters governed by Transport Canada, the carrier will accept the determination made by or on behalf of a person with a disability as to self-reliance. Once advised that he or she is self-reliant, the carrier shall not refuse such passenger transportation on the basis that there is a lack of a personal attendant or based on the assumption that the passenger may require additional attention from airline employees to assist with the passenger's needs such as assistance with eating, using the washroom facilities or administering medication which are beyond the range of services that are normally offered by the carrier.

(B) Acceptance of a person with a disability

Persons with a disability will be accepted for transportation as outlined below:

Disability	Personal Attendant Required
Blind	No
Deaf	No
Blind and Deaf/Self-reliant	No
Blind and Deaf/Non-self-reliant	Yes
Intellectual/Self-reliant	No
Intellectual/Non-self-reliant	Yes
Ambulatory/Self-reliant	No
Ambulatory/Non-self-reliant	Yes
Non-ambulatory/Self-reliant	No (*)
Non-ambulatory/Non-self-reliant	Yes

(*) Except in cases where the number of such passengers travelling on a given flight exceeds the Civil Aeronautics Directorate Transport Canada's Guideline, Commercial Air Services (Carriage of Non-ambulatory Passengers on Large Turbo-jet Aeroplanes).

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(ii) The carrier will refuse to transport, or will remove at any point, any passenger whose actions or inactions prove to the carrier that his/her mental or physical condition is such as to render him/her incapable of caring for himself/herself without assistance, unless he/she is accompanied by an attendant who will be responsible for caring for him/her en route and, with the care of such an attendant, he/she will not require attention or assistance from employees of the carrier beyond the services normally provided by the carrier.

(iii) Passengers with a disability will not be permitted to occupy seats in designated emergency exit rows, in over-wing emergency exit rows, where the ventral stair may have to be used as an emergency exit, or on the upper deck of the aircraft or, otherwise in accordance with Transport Canada's safety rules and regulations.

(iv) Reservations should be made at least 48 hours in advance of travel, advising the carrier as to the nature of the disability and assistance required, so that arrangements can be made. The carrier will make a reasonable effort to accommodate passengers who fail to make reservations 48 hours in advance.

(v) In addition to the regular free baggage allowance, the carrier will accept the following items as priority checked baggage without charge:

- 1. an electric wheelchair or electric scooter if prepared in accordance with IATA Dangerous Goods Regulations;
- 2. a manually operated folding wheelchair or a manually operated rigid-frame wheelchair;
- 3. a walker, a cane, crutches or braces;
- 4. any device that assists the person to communicate better; and
- 5. any prosthesis or medical device.

(vi) Intentionally left blank.

(vii) Intentionally left blank.

(viii) If a mobility aid is damaged or lost, the carrier will immediately provide a suitable temporary replacement without charge. If a damaged aid can be repaired, the carrier will arrange, at its expense, for the prompt and adequate repair of the aid and return it to the passenger as soon as possible. If a damaged aid cannot be repaired or is lost and cannot be located within 96 hours after the passenger's arrival, the carrier will, at its discretion, replace it with an identical aid satisfactory to the passenger, or reimburse the passenger for the replacement cost of the aid.

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(ix) Guidelines on Services to be Provided to Persons with Disabilities

Acceptance of Mobility Aids

The carrier will permit the person who uses a manually operated wheelchair to remain in the wheelchair:

- 1. until the person reaches the boarding gate;
- 2. where facilities permit, while the person is moving between the terminal and the door of the aircraft;
- 3. where space and facilities permit, while the person is moving between the terminal and the passenger seat.

Where space permits, the carrier will, without charge, permit the person to store a manually operated folding wheelchair and small aids in the passenger cabin during the flight.

Mobility aids will be the last items to be stowed in the aircraft hold and the first items to be removed.

Acceptance of Service Animals

The carrier will accept for transportation, without charge, a service animal required to assist a person with a disability provided that the animal is properly harnessed and certified as having been trained by a professional service animal institution, to accompany the person on board the aircraft and to remain on the floor at the person's passenger seat. For the comfort of all passengers, the carrier staff will determine, in consultation with the person with a disability, where the person and service animal will be seated. Service animals will not be carried unless proper permits are obtained for entry into the countries of transit/final destination, and such permits are presented prior to commencement of travel.

Boarding and Deplaning

Persons with disabilities needing assistance will be boarded separately (normally prior to all other passengers) and disembarked separately (normally after all other passengers). If requested, the carrier and airport authorities will make arrangements for assisting persons with disabilities with outbound/inbound governmental clearance and with baggage delivery.

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Communication of Information

The carrier will ensure that instructions relating to special handling requests from persons with disabilities are passed on to the cabin crew along with other special instructions. A list of the services that the operator had undertaken to provide at the time of reservation will also be transmitted to the personnel assisting such persons.

Announcements to passengers concerning stops, delays, schedule changes, connections, onboard services and claiming of baggage will be made both visually and verbally to persons with disabilities who request such a service.

Inquire Periodically

When persons in wheelchairs who are not independently mobile are waiting to board an aircraft, the carrier and airport or ground handling staff will inquire periodically about their needs.

Seating Assignment

When a person identifies the nature of his or her disability, the carrier will inform the passenger of the available seats that are most accessible and then establish with that passenger an appropriate seat assignment.

The carrier will provide appropriate seating for persons with disabilities. However, such seating must not be in an emergency exit row, which is defined as a row that provides direct access to an exit without going into an aisle.

Persons with disabilities and their attendants will, if they so request, be seated together or in other seating arrangements of their choice.

Written Confirmation

Whenever possible, the carrier will indicate in the record of a person's reservation any services that it will provide to that person, and will also supply a written confirmation of such services.

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d. Refusal to transport*

Notwithstanding anything to the contrary herein contained, the Carrier reserves the right to refuse to board or transport or remove from an aircraft at any time, any person if such refusal or removal is necessary or desirable for reasons of the health, comfort or safety of that person, passengers, the Carrier's employees or agents, the aircrew, the aircraft or the safe operation of the aircraft, or is otherwise necessary or desirable to prevent violation of any applicable law, regulation or order of any governmental authority of those jurisdictions where the aircraft shall be flown from, to or over. The Carrier may impose those sanctions described in Rule 6. e. including the imposition of conditions in respect of future travel or the imposition of a temporary, indefinite, or permanent travel ban on a passenger who has engaged in any conduct or behavior more fully described in Rule 6. i. Sanctions for Conduct / Behavior. In particular, without limiting the generality of the foregoing, the following rules apply with respect to the boarding or transportation of passengers by the Carrier.

* If it concerns the transportation of a person with a disability, see Rule 6. c. (i) (A) Acceptance of declaration of self-reliance.

e. Exemption from liability

Subject to the limits of liability contained in this tariff the carrier will be exempted from liability due to any failure to perform any of its obligations under the carrier's charter agreement arising from:

- i. Labour disputes or strikes, whether of the carrier's employees or of others upon whom the carrier relies for the fulfillment of the Charter agreement, and;
- ii. "Force Majeure", or any other causes not attributable to the willful misconduct of the carrier including accidents to, or failure of aircraft or any part thereof, of any machinery or apparatus used in connection therewith. Refusal of any Government or public body on whatsoever ground to grant the carrier any clearance, licence, right or other permission necessary to the performance of the carrier's charter agreement is deemed to be included in the term "Force Majeure". Provided, always, that in the event of such failure, the carrier will use its best efforts to fulfil its obligations including the provision of alternate means of transport.

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f. Capacity limitations

The charterer will be charged for the complete capacity of the aircraft, regardless of the space to be utilized, provided that any space not utilized by the charterer may, with the written concurrence of the charterer and the approval of the CTA(A) be used by the carrier for the transportation of the carrier's own personnel or cargo or for employees of another air carrier travelling pursuant to a pass interchange agreement.

g. Schedules/delays

The carrier shall use its best efforts to carry the passengers and baggage with reasonable dispatch. Times shown in charter contracts, passenger tickets or elsewhere are not guaranteed and form no part of the charter contract. Flight times are subject to change without notice.

h. Acceptance of children

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Children under 12 years of age are accepted for transportation when accompanied on the same flight and in the same compartment by a passenger at least 16 years of age.

i. Sanctions for Conduct / Behavior

The Carrier may impose sanctions on any person who engages in or has engaged in any conduct or behavior on the Carrier's aircraft, or to the knowledge or reasonable belief of the Carrier, on any airport property or other carrier's aircraft, that the carrier determines, in its reasonable judgment, may have a negative effect on the safety, comfort or health of that person, passengers, the Carrier's employees or agents, aircrew or aircraft or the safe operations of the Carrier's aircraft (the "Prohibited Conduct").

- A. Examples of Prohibited Conduct that could give rise to the imposition of sanctions include:
 - 1. significant impairment arising from the consumption or use of alcohol or drugs prior to boarding or while on board an aircraft of the Carrier;
 - 2. engaging in belligerent, lewd or obscene behavior toward a passenger or employee or agent of the Carrier;
 - 3. threatening, harassing, intimidating, assaulting or injuring a passenger or employee or agent of the Carrier;
 - 4. tampering with or willfully damaging an aircraft, its equipment or other property of the Carrier;
 - 5. failing to comply with all instructions, including all instructions to cease Prohibited Conduct, given by the Carrier's employees;

- 6. unauthorized intrusion or attempted intrusion onto the flight deck of an aircraft;
- 7. smoking or attempted smoking in an aircraft;
- 8. wearing or carrying dangerous or deadly weapons on aircraft (other than on duty escort or peace officers who have complied with the Carrier's guidelines).
- B. The sanctions the Carrier may impose on a person may be any one or combination of the following:
 - 1. written or verbal warning;
 - 2. refusal to permit boarding of an aircraft;
 - 3. removal from an aircraft at any point;
 - 4. requiring the person, to undertake in writing to refrain from repeating the Prohibited Conduct in question and from engaging in any other Prohibited Conduct as a prerequisite to further travel with the Carrier during the probationary period that will not normally exceed one year;
 - 5. refusal to transport the person on a one time basis, for an indefinite period or permanently, as determined by the Carrier.

The Carrier reserves the right to impose the sanction or sanctions it considers appropriate in the circumstances of each case considering the severity of the Prohibited Conduct. Prohibited Conduct described in paragraphs A. 3., 4., 5., or 6. will usually entail the imposition of an indefinite or permanent ban from travel with the Carrier. The Carrier's aircrew and non-flying employees and any third party contractor under direction of the Carrier are individually authorized to impose sanctions described in paragraphs B. 1., 2., or 3. above. Members of the Carrier's customer care and security departments are authorized to impose sanctions described in paragraphs B. 4. or 5. above and will review the circumstances of each case prior to their imposition of any such sanctions. The Carrier will provide a person with written notice of the imposition of a sanction under paragraphs B. 4. or 5. above. Any person who is given a sanction pursuant to paragraph B. 5. may respond in writing to the Carrier with reasons why the Carrier should remove the sanction. The Carrier may remove a sanction imposed on a person pursuant to paragraph B. 5., if after considering the person's previous conduct, the Carrier determines that the person will not engage in further Prohibited Conduct and the Carrier will communicate its decision to the person within a reasonable time.

Despite anything written elsewhere in this tariff the Carrier accepts no liability whatsoever for the repatriation expenses of an individual who has been refused carriage under the terms of Rule 6. i. A. Sanctions for Conduct / Behavior.

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j. Seating Assignment

In accordance with the Canadian Aviation Regulations, Subpart 5, Division III, Part 705.40 (d); seats located at emergency exits and seats that are not located on the main deck of an aircraft shall not be occupied by passengers whose presence in those seats could adversely affect the safety of passengers or crew members during an emergency evacuation. In the interest of safety, passengers deemed by the flight crew to be unable to meet the standard will be moved from those seats and replaced by other passengers deemed to meet the standard. See also Rule 6. (ix) Guidelines on Services to be Provided to Persons with Disabilities – Seating Assignment.

RULE 7. ACCEPTANCE OF BAGGAGE OR GOODS

- a. All baggage or goods presented for transportation is/are subject to inspection by the carrier.
- b. Articles of baggage or goods will not be carried when such articles are likely to endanger the aircraft, persons or property, are likely to be damaged by air carriage, are unsuitably packed, or the carriage of which would violate the laws, regulations, or orders of countries or possessions to be flown from, into, or over.
- c. If the weight, size or character renders it unsuitable for carriage on the aircraft, the carrier, prior to departure of the flight, will refuse to carry the charterer's baggage or goods or any part thereof. The following articles will be carried only with prior consent of the carrier:
 - i. Firearms of any description Firearms for sport purposes will be carried as baggage provided required entry permits are in the possession of the passenger for the country of destination and provided that such firearms are disassembled or packed in a suitable case. The provisions of this Subparagraph do not apply to Officers of the Law travelling in line of duty and carrying legally prescribed side arms or other similar weapons.
 - ii. Live Animals* only with prior consent of the carrier. If permitted, any lives animal must be properly crated in leak-proof containers and accompanied by valid health certificates or other documents where these are required. Such pets and animals will be carried only in the cargo compartments of the airplane. * Not applicable to service animals.
 - iii. Photo-flash bulbs when appropriately marked and contained in the original package of the manufacturer.
 - iv. Checked baggage will be accepted for carriage up to a maximum of 2 pieces per passenger to a maximum combined total weight of 15 kilograms.

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- v. Dangerous Goods Carriage of Dangerous Goods must be requested a minimum of 72 hours prior to flight and any package or container must meet all standards and requirements described in the effective IATA Dangerous Goods Regulations Manual.
- vi. Human Remains only with prior consent of the carrier. To be considered for acceptance by the Carrier, human remains must be properly contained for transport and accompanied by valid health certificates or other documents where these are required.

RULE 8. REFUNDS

- a. Application for refund shall be made to the carrier or its duly authorized Agent.
- b. If a portion of the agreed transportation has been completed, refund will be the difference between the rates and charges paid and the rates and charges applicable to that portion of the agreed transportation completed, less any applicable cancellation charges, as specified in this tariff.

RULE 9. LIMITATION OF LIABILITY - PASSENGERS

For travel governed by the Montreal Convention

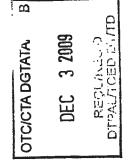
For the purpose of international carriage governed by the Montreal Convention, the liability rules set out in the Montreal Convention are fully incorporated herein and shall supersede and prevail over any provisions of this tariff which may be inconsistent with those rules.

For travel governed by the Warsaw Convention

Carriage hereunder is subject to the rules and limitations relating to liability established by the Warsaw Convention unless such carriage is not "international carriage", as defined by the Warsaw Convention. However, the carrier with respect to all international transportation, as defined in the said Convention, performed by it, agrees that the limit of liability for each passenger for death or wounding or other personal injury shall be limited to proven damages not to exceed the sum of SDR 100,000 exclusive of legal fees and cost.

For travel governed by either the Montreal Convention or the Warsaw Convention

Nothing herein shall be deemed to affect the rights and liabilities of the carrier with regard to any person who has willfully caused damage which resulted in death, wounding, or other bodily injury of a passenger.



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RULE 10. LIMITATION OF LIABILITY FOR BAGGAGE OR GOODS AND EXCESS VALUATION CHARGES

For travel governed by the Montreal Convention

For the purpose of international carriage governed by the Montreal Convention, the liability rules set out in the Montreal Convention are fully incorporated herein and shall supersede and prevail over any provisions of this tariff which may be inconsistent with those rules.

NOTE: Notwithstanding the normal carrier liability, as contained in this Rule, the limit of liability will be waived for claims involving the loss of, damage to, or delay in delivery of mobility aids, when such items have been accepted as checked baggage or otherwise. In the event that a mobility aid is lost or damaged, compensation is to be based on the cost of the repair or replacement value of the mobility aid. - See Rule 6. c. (viii).

For travel governed by the Warsaw Convention

REQUREC'D

Carrier liability for the loss of, damage to or delay in the delivery of any personal property, including baggage which are carried as checked baggage and goods, is limited to the sum of 250 francs per kilogram to a maximum of 15 kilograms referred to in section 7. C. iv., unless the passenger or charterer, at the time of presenting such baggage or goods for transportation, has declared a higher value and paid an additional charge in accordance with the provisions of this Rule.

As regards objects of which the passenger takes charge himself / herself the liability of the carrier is limited to 5,000 francs per passenger.

NOTE: Notwithstanding the normal carrier liability, as contained in this Rule, the limit of liability will be waived for claims involving the loss of, damage to, or delay in delivery of mobility aids, when such items have been accepted as checked baggage or otherwise. In the event that a mobility aid is lost or damaged, compensation is to be based on the cost of the repair or replacement value of the mobility aid. - See Rule 6. c. (viii).

In the case of loss, damage or delay of part of property carried as checked baggage, the weight to be taken into consideration in determining the amount to which the carrier's liability is limited shall be only the total weight of the property lost, damaged or delayed. Nevertheless, when the loss, damage or delay of a part of the property affects the value of other property covered by the same baggage check, the total weight of the property covered by the baggage check shall also be taken into consideration in determining the limit of liability.

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The monetary unit referred to in this Rule shall be deemed to refer to the gold franc referred to in the *Carriage by Air Act*, R.S., c. C-26. For the purpose of settlement of claims and in the event of an action against the carrier, any sum in francs shall be converted into Canadian dollars by:

- a. converting francs into Special Drawing Rights at the rate of one Special Drawing Right for 15.075 francs; and
- b. converting Special Drawing Rights into Canadian dollars at the rate established by the International Monetary Fund.

The rate of exchange for converting Special Drawing Rights into Canadian dollars shall be the rate prevailing on the date on which the amount of any damage to be paid by the carrier is ascertained by a court or, in the event a settlement is agreed between carrier and claimant, on the date settlement is agreed.

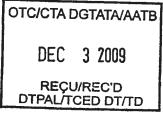
NOTE: At the time of filing of this tariff provision, 250 francs convert to approximately CAD \$33.00 and 5,000 francs convert to approximately CAD \$660.00. These converted values are provided for general reference only. Carrier's liability will be calculated for each claim individually, based on the formula set out in this Rule.

For travel governed by either the Montreal Convention or the Warsaw Convention

If the passenger or charterer does elect to declare a higher value an additional charge shall be payable and the carrier's liability will not exceed the higher value declared. The additional charge shall be calculated as follows:

- a. The amount of the carrier's liability calculated in accordance with the parts of this Rule set out above shall be referred to as "basic carrier liability";
- b. No charge shall be payable on that part of the declared value which does not exceed basic carrier liability;
- c. For that part of the declared value which does exceed basic carrier liability, a charge shall be payable at the rate of CAD (0) cents for each CAD \$100.00 or fraction thereof.

Whether the passenger or charterer declares value or not, in no case shall the carrier's liability exceed the actual loss suffered by the passenger. All claims are subject to proof of amount of loss.



Flair Airlines Ltd. INTERNATIONAL CHARTER TARIFF

In the case of damage or partial loss, the person entitled to delivery must complain to the carrier forthwith after discovery of the damage or partial loss, and, at the latest, within seven days from the date of receipt of the baggage. In the case of delay, the complaint must be made at the latest within twenty-one days from the date on which the baggage has been placed at his disposal. In the case of loss, the complaint must be made at the latest within twenty-one days from the date the baggage should have been delivered. Every complaint, whether for loss, partial loss, damage or delay, must be made in writing and must be dispatched within the times aforesaid. Failing complaint within the times aforesaid, no action shall lie against the carrier.

RULE 11. LIMITATION OF LIABILITY - SERVICE ANIMALS

Should injury to or death of a service animal result from the fault or negligence of the carrier, the carrier will undertake to provide expeditiously, and at its own expense, for medical care, or, replacement of the animal.

RULE 12. SUBSTITUTION OF AIRCRAFT

- a. When, due to causes beyond the control of the carrier, the aircraft chartered is unavailable at the time the charter commences or becomes unavailable while carrying out the charter, the carrier may furnish another aircraft of the same type or, with the consent of the charterer, substitute any other type at the rates and charges applicable to the aircraft originally chartered except as provided in paragraphs b. and c.
- b. When the substituted aircraft is capable of larger payload than the original aircraft chartered, the payload carried in the substituted aircraft will not be greater than the payload which would have been available in the aircraft originally chartered, unless the charterer agrees to pay the rates and charges applicable to the substituted aircraft.
- c. When the maximum payload of the substituted aircraft is smaller than the maximum payload of the original aircraft chartered, charges will be based on the rates and charges applicable to the type of substituted aircraft.

RULE 13. PAYMENT REQUIREMENTS

- a. Payments for a charter flight made to any person to whom the carrier, directly or indirectly, has paid a commission or has agreed to pay a commission with respect to such flight, shall be considered payment to the carrier.
- b. Payment in full for all contracted flights shall be made 7 days in advance of the departure of the charter.

RULE 14. CANCELLATION CHARGES

Cancellation of a series or ad-hoc charter flight will be subject to the following cancellation penalties:

Ad Hoc Charters:

- a. Greater than 30 days prior to the first departure, the penalty is 20% of the total charter price.
- b. Equal to or less than 30 days and up to 24 hours prior to the first departure, the penalty is 50% of the total charter price.
- c. Less than 24 hours prior to the first departure, the penalty is 100% of the total charter price.
- d. If a portion of the agreed transportation is complete, the cancellation penalties as above (a, b, c) will be applied to the difference between the total charge and the completed portion.

Series Charters:

- a. 10% of the contracted price charged for each rotation cancelled more than 60 days prior to the scheduled departure date agreed to in writing.
- b. 20% of the contracted price charged for each rotation cancelled within 30 and 60 days prior to the scheduled departure date agreed to in writing.
- c. 50% of the contracted price charged for each rotation cancelled within 15 and 29 days prior to the scheduled departure date agreed to in writing.
- d. 100% of the contracted price charged for each rotation cancelled 14 days or less prior to the scheduled departure date agreed to in writing.

RULE 15. TICKETS

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The carrier does not issue tickets. Subject to the contract between the carrier and the charterer, prior to the flight, the charterer will provide a list of all the passengers' names to the carrier.

RULE 16. PASSENGER RE-ROUTING

The carrier is not liable to any passenger when he/she misses his/her flight. In these instances, no other flight alternative is offered by the carrier to the passenger.

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RULE 17. DENIED BOARDING COMPENSATION

The carrier does not overbook flights, therefore, no denied boarding compensation is offered to the passenger.

RULE 18. GROUND TRANSPORTATION

The tolls published in this tariff do not include ground transportation. The carrier does not maintain, operate or provide ground transportation between airports or between airports and city centres. Any such services are performed by independent contractors who are not and shall not be deemed to be the agents or employees of the carrier. The carrier shall not be liable for the acts or omissions of such independent contractors or anything done by an employee, agent or a representative of the carrier in making arrangements for such ground transportation. The costs of ground transportation shall be payable by the charterer.

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