

DOMESTIC TARIFF — PROLOGUE

REQUIREMENTS

The *Canada Transportation Act* (the Act) states the following:

Sec.67(1) The holder of a domestic licence shall:

- a) publish or display and make available for public inspection at the business offices of the licensee all the tariffs for the domestic service offered by the licensee;
- a).1) post its conditions of carriage on Internet sites used by the carrier to sell its services;
- b) in its tariffs, specifically identify the basic fare between all points for which a domestic service is offered by the licensee; and;
- c) retain a record of its tariffs for a period of not less than three years after the tariffs have ceased to have effect.

Sec.67(3) The holder of a domestic license shall not impose any fare, rate or charge, unless the fare, rate or charge is set out in a tariff that has been published or displayed and is in effect.

Sec.68(1) Sections 66 and 67 do not apply in respect of any fares, rates, charges or terms and conditions of carriage applicable to a domestic service provided for under a contract between a holder of a domestic license and another person whereby the parties to the contract agree to keep its provisions confidential.

Sec.68(2) The holder of a domestic license shall retain a copy of the contract for a period of not less than three years after it has ceased to have effect.

Paragraph 107.(1)(n) of the *Air Transportation Regulations* requires that:

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ISSUED BY
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Every tariff shall contain:

- n) the terms and conditions of carriage, clearly stating the air carrier's policy in respect of at least the following matters:
 - (i) the carriage of persons with disabilities,
 - (ii) acceptance of children,
 - (iii) compensation for denial of boarding as a result of overbooking,
 - (iv) passenger re-routing,
 - (v) failure to operate the service or failure to operate on schedule,
 - (vi) refunds for services purchased but not used, whether in whole or in part, either as a result of the client's unwillingness or inability to continue or the air carrier's inability to provide the service for any reason,
 - (vii) ticket reservation, cancellation, confirmation, validity and loss,
 - (viii) refusal to transport passengers or goods,
 - (ix) method of calculation of charges not specifically set out in the tariff,
 - (x) limits of liability respecting passengers and goods,
 - (xi) exclusions from liability respecting passengers and goods,
 - (xii) procedures to be followed, and time limitations, respecting claims.

NOTE: Other provisions pertaining to tariffs are included in both the Act and its related regulations.

PURPOSE OF A TARIFF

Tariffs are defined in the Act as:

"A schedule of fares, rates, charges and terms and conditions of carriage applicable to the provision of an air service and other incidental services."

Tariffs should be considered as the basic terms and conditions under which the carrier operates its business. Although most carriers will have similar tariffs, each carrier should ensure that its tariff is applicable to and meets the needs of its own operation.

The purpose of a tariff is to protect both the carrier and the consumer against unexpected demands or conditions imposed upon it by the other party due to misunderstanding or deceit.

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SAMPLE TARIFF

The attached tariff is intended as a sample only and applies to domestic services only. Each carrier should carefully analyze its own operation and create a tariff that is applicable to its own type of business.

Every tariff should include a tariff number, title page, index, definitions, issue date, effective date, name of issuing party, consecutive page numbers, and the carrier's policy in respect of matters identified in subparagraph 107(1)(n) of the *Air Transportation Regulations*.

The tariff may be edited as often as necessary; however, new pages should be given the same number as the original and should indicate that the page is an amendment to the original page number. Amended pages must be retained for a period of not less than three years.

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LOCAL DOMESTIC TARIFF

RULES, RATES AND CHARGES

APPLICABLE TO

TRANSPORTATION OF PASSENGERS AND BAGGAGE OR GOODS

BETWEEN POINTS IN CANADA

CHECK SHEET

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

Page Number	Revision Number	Page Number	Revision Number
Title	Revision 1	11	Revision 3
1	..	12	Revision 3
2	Revision 3	13	Revision 3
3	Revision 3	14	Revision 3
4	Revision 3	15	Revision 3
5	Revision 3	16	Revision 3
6	Revision 3	17	Revision 3
7	Revision 3	18	Revision 3
8	Revision 3	19	Revision 3
9	Revision 3	20	Revision 3
10	Revision 3	21	Revision 3
		22	Revision 3
		23	Revision 3
		24	Revision 3
		25	Revision 3

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**EXPLANATION OF ABBREVIATIONS,
REFERENCE MARKS AND SYMBOLS**

CTA.....Canadian Transportation Agency

Cont'd.....Continued

No.....Number

\$.....Dollar(s)

(R).....Denotes reductions

(A).....Denotes increase

(C).....Denotes change which results in neither increases or reductions

(X).....Denotes cancellation

(N).....Denotes addition

Can.....Canadian

N/A.....Not Applicable

RULE NO. 1 — DEFINITIONS

"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 flight.

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

"Carrier" means PASCAN Aviation Inc.

"Charter Flight" means the movement of an aircraft with payload 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, or other legal entity who contracts for the transportation of passengers and baggage, or goods and/or property from a specified origin to a specified destination, according to a particular itinerary, agreed upon in advance.

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

"Ferry Flight" means the movement of an aircraft without payload to position the aircraft to perform a flight or upon completion of a flight to position the aircraft to a point required by the carrier.

"Goods" means anything that can be transported by air, including animals.

"Origin" means the point from which a flight commences with payload to be transported.

"Passenger" means a person, other than a member of the air crew who uses the air carrier's domestic service by boarding the air carrier's aircraft pursuant to a valid contract.

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

"Transit time" means time between flight's arrival and next flight's departure

"Intermediate point" means a transit airport planned on the itinerary but which is different from the origin and the final destination of the flight.

RULE NO. 2 — APPLICATION OF TARIFF

- a) This tariff is applicable to the transportation of passengers and their baggage or goods using aircraft operated by PASCAN Aviation Inc.
- b) An air service shall be furnished under the terms of this tariff only after an appropriate written air transportation contract, in the form prescribed by PASCAN Aviation Inc., is executed by the charterer and the carrier.
- c) Air transportation shall be subject to the rules, rates and charges published or referred to in this tariff in effect, by virtue of the effective date on each page, on the date of signing of the air transportation contract.
- d) The contents of this tariff shall form part of the air transportation contract between the carrier and the charterer and, in the event of any conflict between this tariff and the contract, this tariff shall prevail.
- e) PASCAN Aviation publishes direct fares for all its scheduled flights. If the transit scheduled time at an intermediate point is more than 4 hours, the fare of the whole trip will be composed by adding sections fares.

When the fare by addition sections is lower than direct fare, this one is applicable.

RULE NO. 3 — CURRENCY

Rates and charges are published in the lawful currency of Canada. Where payment is made in any currency other than Canadian, such payment shall be the equivalent of the Canadian dollar amounts published in this tariff on the basis of local banker's rates of exchange as calculated on the date of signing the air transportation contract.

RULE NO. 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 distance of the agreed to flight or flights, 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;

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- b) IATA Mileage Manual, published by the International Air Transport Association;
 - c) Geographic maps;
 - d) The Jeppesen Flitestar program.

RULE NO. 5 — COMPUTATION OF CHARGES

Tariffs are defined in the Act as:

"A schedule of fares, rates, charges and terms and conditions of carriage applicable to the provision of an air service and other incidental services."

Tariffs should be considered as the basic terms and conditions under which the carrier operates its business. Although most carriers will have similar tariffs, each carrier should ensure that its tariff is applicable to and meets the needs of its own operation.

The purpose of a tariff is to protect both the carrier and the consumer against unexpected demands or conditions imposed upon it by the other party due to misunderstanding or deceit.

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

- a) An amount determined by multiplying the distance travelled by the aircraft determined in accordance with Rule 4 herein, times the applicable air transportation rate per mile, shown in Table B, or, where distances cannot be measured, the rate per hour or fraction thereof of the flight(s), times the applicable rate per hour shown in Table B, provided that the charge for the flight shall not be lower than the minimum charge per flight shown in Table B.
- b) 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 Table B, or, where distances cannot be measured, times the applicable ferry rate per hour shown in Table B, provided that the charge per ferry flight shall not be lower than the minimum charge indicated in Table B.
- c) Point-to-Point Rates as published in Table A.
- d) Fuel and/or oil consumed in the performance of a contract shall be charged to the charterer at the per-litre rate paid by the carrier plus a surcharge of \$0.50 (Canadian currency).
- e) Due to the inability to foresee actual costs, the following charges shall be established at the time that the contract is signed:
 - (1) Loading/unloading of the aircraft;
 - (2) Charges for goods carried outside the aircraft.

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- (3) All charges or expenses incurred by the carrier to cover the costs of accommodation, meals and ground transportation for the air crew whenever the nature of the service to be provided requires said air crew to stay/seek accommodations away from the city/airport where it is normally based;
 - (4) Charges for storage;
 - (5) The actual cost of all passenger and/or goods handling charges incurred by the carrier at an airport other than the carrier's base;
 - (6) The actual cost of any special or accessorial services performed or provided on request.
- f) Layover charges, if any, as set forth in Table B2, shall be assessed by the carrier for holding the aircraft on request at any point on the route in excess of the free waiting time.
 - g) Landing charges as per Table B1.
 - h) Taxiing charges, if any, for the time required to transport passengers and baggage or goods by taxiing from point to point on the surface, shall be calculated by multiplying the time required by the rates and charges per hour shown in Table B.
 - i) Valuation charges, if any, in accordance with Rule 10.

RULE NO. 6 — CONDITIONS OF CARRIAGE

a) Limitations

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

b) Carriage of persons with disabilities

The carrier shall make its best effort to accommodate passengers with disabilities including their service animals or other mobility aids on the same flight; however, certain mobility aids, for example rigid frame wheelchairs or electric wheelchairs, may not be able to be accommodated due to space and/or design limitations of the aircraft.

c) Acceptance of children

- (1) Children under age 12 are accepted for transportation when accompanied on the same flight and in the same compartment by a passenger at least 12 years of age.
- (2) Children between the age of 8 and 11, inclusive, shall be carried unaccompanied on flights providing: the child is brought to the airport by a parent or responsible adult; the child has satisfactory evidence establishing his age on the date of commencement of carriage; the child possesses written information showing the name and address of the responsible adult meeting the child at the destination; and, prior to releasing custody of an unaccompanied child, the agent shall obtain positive identification of the responsible party meeting the child and the signature of said party.
- (3) The carrier will not assume any financial or guardianship responsibility for unaccompanied children beyond those applicable to an adult passenger.
- (4) Passengers under 2 years of age, not occupying a seat and accompanied by a passenger 12 years of age or over, shall be transported free of charge. A birth certificate is required to validate the age of all infants under age 2.

d) Compensation for overbooking

If a passenger is denied boarding as a result of overbooking, the carrier can:

- i. Refund the fare paid for the unused portion; or
- ii. Make reasonable efforts to find the passenger a seat on another of its own flights.

If the carrier is unable to provide an acceptable alternative using its own services, the company may arrange for the transportation on another carrier or combination of carriers in the same class of services.

- e) Subject to the limits of liability contained in this tariff, the carrier shall be exempted from liability due to any failure to perform any of its obligations arising from:
- (1) Labor disputes or strikes, whether of the carrier's employees or of others on whom the carrier relies for the fulfillment of the flight agreement, and;
 - (2) *Force majeure* events, or any other causes not attributable to the wilful misconduct of the carrier, including:
 - accidents to, or failure of the aircraft or any part thereof;
 - any machinery or apparatus used in connection therewith;
 - severe weather; or
 - any safety reasons.

Refusal of a government or public body, on whatever grounds, to grant the carrier any clearance, licence, right or other permission necessary for the performance of the carrier's operation is deemed to be included in the term *Force majeure*, provided that, in the event of such failure, the carrier shall make every effort to fulfill its obligations including the provision of alternate means of transport.

- f) Rerouting of passengers

The carrier shall be exempted from liability due to any failure to perform any of its obligations arising from a *force majeure* event. In cases where rerouting is necessary, the carrier shall endeavour to fulfill its obligations, including the provision of alternate means of transportation.

- g) Failure to provide service or operate on schedule

The carrier shall be exempted from liability due to any failure to perform any of its obligations arising from a *force majeure* event. In the event the carrier cannot provide the services or operate on schedule, the carrier shall endeavour to fulfill its obligations, including the provision of alternate means of transportation.

The carrier shall do its utmost to transport passengers and their baggage within a reasonable period of time, but times shown on tickets, timetables or elsewhere are not guaranteed and form no part of this agreement.

Scheduled stopovers are those places shown on the carrier's timetables. The carrier may, without notice, substitute alternative carriers or aircraft and, if necessary, may alter or cancel scheduled stopovers.

Schedules are subject to change without notice. The carrier is not responsible or liable for failure to make connections, for failure to operate any flight according to schedule, or for a change to the schedule of any flight.

The carrier cannot guarantee that the passenger's baggage will be carried on the same flight if sufficient space is not available, as determined by the carrier.

Subject to the Warsaw Convention, or the Warsaw Convention as amended by the Hague Protocol, the carrier is not obliged to pay compensation in cases of flight cancellations and delays.

i) Reservations, confirmations, validity period

No person shall be entitled to transportation except upon presentation of a valid ticket (confirmation via email or fax).

Tickets are non-transferable and the carrier is not liable to the owner of the ticket for honouring or refunding such ticket when presented by another person.

A reservation for space on a given flight is valid when the availability and allocation of such space is confirmed by the carrier, subject to payment or other satisfactory credit arrangement between the carrier and the passenger.

All reservations, even if confirmed by the carrier, are subject to cancellation without notice:

- 1- If the passenger has not purchased a ticket or received confirmation from the carrier at least twenty-four (24) hours prior to the scheduled departure time;
- 2- If the passenger (or his/her agent) fails to comply with the reservation requirements;
- 3- If the passenger is not present at the check-in counter at least twenty (20) minutes prior to the scheduled departure time;
- 4- If such action is necessary to comply with any governmental regulation or to comply with any governmental request for emergency transportation in connection with national defence;
- 5- Whenever advisable by reason of *force majeure*.

Prices are only guaranteed from the moment of reservation, since they are subject to change without prior notice.

Tickets are valid for a maximum of one (1) year from the date of issue.

The carrier shall not be responsible for missed flights.

j) Refusal to transport passengers or goods

The carrier reserves the right to refuse to transport or may remove from any flight any passenger for any reason, including but not limited to the following:

- **Laws and regulations:** When such action is necessary to prevent violation of any applicable law, regulation or order of any country or government;
- **Conduct/behaviour:** When a passenger's behaviour, age, mental or physical condition can have a negative impact on the reasonable safety, comfort or health of other passengers (pregnant women, newborns);
- **Passenger who refuses to permit search** on his person or on his property for explosives or a concealed, deadly or dangerous weapon or article.

- **Disease:** when a passenger has an obvious contagious disease; or when a passenger has an offensive odor (for example, such as from a draining wound); or when a passenger appears to be mentally deranged or mentally incapacitated. When carrier determines that passenger's medical condition is such that air travel risks causing aggravation and/or may cause passenger to require urgent medical attention and/or to incommode other passengers.
- **Fraud:** where the carrier has reasons to believe that a ticket was obtained by fraud, including through unauthorized or illegitimate use of a credit card.
- When carrier found that a passenger presents significant impairment arising from the consumption or use of alcohol or drugs.

- When the passenger's conduct or condition, is or has been known in the past as abusive, offensive, threatening, intimidating, violent or otherwise disorderly, having disturbed the physical comfort or safety of other passengers or employees of the carrier, or that prevented the execution of the tasks of a crew member or operating employees at the airport, or having jeopardized safe and adequate flight operations;
 - The passenger is unable or unwilling to remain seated with seat belt fastened;
 - The passenger continues to use a cell phone, a laptop or electronic device on board the aircraft, after being advised to cease the use by a crew member;
 - The passenger carries on or about her a deadly or dangerous weapon concealed or not, or holds without declaring
 - The passenger is manacled and in custody of law enforcement personnel while the passenger has resisted or may reasonably be believed to be capable of resisting escorts.
- **Proof of identity/age:** It is mandatory for all passengers to have in their possession at check-in time a valid identity card with photo, failure to a proper identification, the passenger will be refused boarding. In addition, when a passenger is traveling on a fare that has a particular age requirement for qualification, proof of age is required;
- **Smoking:** Smoking is prohibited on all carrier flights. Passengers who are unwilling or unable to abide by this policy shall be removed from the flight at any scheduled stopover or may be refused boarding at the next stopover.
- **Safety:** The carrier may refuse to transport or remove from the aircraft at any point any passenger whose conduct interferes with the comfort and/or safety of other passengers or the flight crew.
- **Travel documents are not in order:** The carrier may refuse to transport any passenger whose entry into, transit through or boarding in Canada or any other point would be unlawful.

Sanctions are imposed for all passengers who have engaged in prohibited conduct described above. Sanctions may be combined at the discretion of the carrier. Below are sanctions :

- Removal of any passenger at any point

- Refusal to transport of the passenger - The length of such refusal to transport may range from a one-time to an indefinite up to lifetime ban. The length of refusal period will be in the carrier's reasonable discretion, and will be for a period commensurate with the nature of the prohibited conduct, and until the carrier is satisfied that the passenger no longer constitutes a threat to the safety of other passengers or crews or equipment, or the unhindered performance of the crew

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~~_____ members in their duty aboard the aircraft, or the safe and adequate flight operations.~~

The carrier shall notify the passenger in writing, the refusal to transport, mentioning the prohibited conduct of the passenger. The carrier also provides the conditions for any length of time, to ensure ongoing compliance and avoid permanently any repetition of prohibited conduct.

In addition, the carrier reserves the right to seek redress for any damage arising from the prohibited conduct provided in the carrier's tariff, including criminal charges or the initiation of legal proceedings.

Recourse of the passenger/limitation of liability

Carrier's liability in case of refusal to carry a passenger for a specific flight or removal of passenger en route for any reason, specified in the foregoing paragraphs, is limited to refund value of the unused portion of passenger's ticket by the carrier refusing transport or removing passenger.

The passenger who is refused transport for an indefinite period, up to a lifetime ban, or to whom a probation notice is served may provide to the carrier, in writing, the reasons why, he/she no longer poses a threat to the safety or comfort of the passengers or crew, or the safety of the aircraft. Such document may be sent to the address provided in the refusal to transport notice of probation.

Carrier will respond to the passenger within a reasonable time providing carrier's assessment as to need or not to prolong the ban or to maintain the probation period.

The carrier shall not be liable for refusing to transport any person or for otherwise removing a passenger from the aircraft at any point in the flight for the reasons outlined in the paragraph above.

RULE NO. 7 — ACCEPTANCE OF BAGGAGE OR GOODS

- a) All baggage or goods presented for transportation is/are subject to inspection by the carrier.
- b) Baggage or goods shall 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 if their carriage would violate any applicable Canadian law, regulation, or order.
- c) If the weight, size or character of the baggage or goods renders such baggage or goods unsuitable for carriage on the aircraft, the carrier, prior to departure of the flight, shall refuse to carry such baggage or goods or any part thereof. The following articles shall be carried only with prior consent of the carrier:
 - (i) Firearms of any description. Firearms for sport purposes shall be carried as baggage provided the passenger possesses the required permit/license and, provided that such firearms are disassembled or packed in a suitable case. The provisions of this subparagraph do not apply to Peace Officers' prescribed sidearms or other similar weapons.
 - (iii) Explosives, munitions, corrosives and articles that can easily ignite.

RULE NO. 8 — REFUNDS

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

RULE NO. 9 — LIMITATIONS OF LIABILITY – PASSENGERS

- (1) The carrier's liability in respect of the death of, or injury to, a passenger is limited to the sum of \$ 100,000.
- (2) In no cases shall the carrier's liability exceed the actual loss suffered by the passenger. All claims are subject to proof of amount of loss.
- (3) The carrier is not liable:
 - (a) In the case of any passenger whose age or mental or physical condition, including pregnancy, is such as to involve an unusual risk or hazard, for any damages sustained by that passenger that would not have been sustained but for his/her age or mental or physical condition; or
 - (b) In the case of a pregnant passenger, for any damages in respect of the unborn child of that passenger.

RULE NO. 10 — LIMITATION OF CARRIER RESPECTING BAGGAGE

- (1) Subject to subsection (3), the carrier's liability in respect of damage to baggage, whether caused directly or indirectly by the act, neglect or default of the carrier or not, is limited to the sum of \$250 per passenger.
- (2) Subject to subsection (3), the carrier's liability for the loss of baggage is limited to \$1,000 per passenger. The carrier has five business days to locate and deliver your baggage.
- (3) The carrier's liability is limited to the declared value of baggage except when the passenger:

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- (a) has declared the value of the baggage to be an amount exceeding \$250 per passenger for any one or more passengers; and
 - (b) has paid an additional charge of \$2 per \$250 or fraction thereof for the excess amount.
 - (4) In the case of loss of, damage to, or delay in delivery of baggage, no claim shall be entertained by the carrier unless preliminary written notice of such claim is presented to the Carrier no later than seven (7) days after the occurrence of the event giving rise to the claim.
 - (5) In no cases shall the carrier's liability exceed the actual loss of the passenger. All claims are subject to proof of amount of loss.
 - (6) Valuables, important documents and medications must be kept in carry-on baggage. Subject to the provisions of the Warsaw Convention, the carrier assumes no liability for perishables or liquids, nor does it accept liability for valuables or items whose loss may cause serious damage, such as money, jewellery, computers, cameras, cellular phones, prescription medication or medical equipment.
 - (7) Please note that the carrier shall not be liable for defects and/or minor damage as a result of normal wear and tear, including but not limited to: scratches, nicks, missing straps, zipper damage, handles, scuffs, dents, soiling, manufacturer defects, wheels, seams, or overpacked baggage.

RULE NO. 10A — LIABILITY OF CARRIER RESPECTING GOODS

- (1) Subject to subsection (2), the carrier's liability in respect of loss of, or damage to goods, whether caused directly or indirectly by the act, neglect or default of the carrier or not, is limited to the sum of \$0.50 per pound.
- (2) The carrier's liability is limited to the declared value of goods except when the passenger:
 - (a) has declared a value of the goods in an amount exceeding \$0.50 per pound; and
 - (b) has paid an additional charge of \$2 per \$250 or fraction thereof for the excess amount.

RULE NO. 11 — SUBSTITUTION OF AIRCRAFT*

- a) When, due to causes beyond the carrier's control, the contracted aircraft is unavailable at the time the air transportation commences or becomes unavailable while carrying out such transportation, the carrier may furnish another aircraft of the same type or, with the consent of the party contracting for the use of the aircraft, substitute any other type of aircraft if the rates and charges for the new aircraft are the same as for the original aircraft, except as provided in paragraphs (b) and (c).
- b) When the substituted aircraft is capable of a larger payload than the original aircraft contracted, the payload carried in the substituted aircraft shall not be greater than the payload which would have been available in the aircraft originally contracted, unless the party contracting for the use of the aircraft 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 contracted, charges shall be based on the rates and charges applicable to the type of substituted aircraft.

* Applicable when the contract entails the use of the full capacity of the aircraft in question.

RULE NO. 12 — PAYMENT REQUIREMENTS

- a) Payments for a contracted 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) 50% of quoted price for any contracted charter shall be paid upon verbal agreement or signing of the contract the balance due and payable prior to departure.
- c) Full payment must be made at the time of the seat reservation.

RULE NO. 13 — CANCELLATION CHARGES

- (1) Cancellation by the passenger: If a passenger decides not to use the ticket and cancels the reservation, the passenger may not be entitled to a refund, depending on any refund condition attached to the particular fare.

Any modifications/cancellations made less than forty-eight (48) hours prior to flight time are non-refundable, unless the passenger has paid for a seat upgrade (\$75) at the time of the change in reservation, thereby providing the option to rebook the flight for a later date.

- (2) Cancellation by the carrier

In the event a refund is required because of the carrier's failure to operate or refusal to transport, the carrier shall refund the total fare paid for each unused segment.

When an area is served by more than one airport and a passenger arrives at one airport and departs from another airport, transportation between those airports must be arranged by and at the expense of the passenger.

- (3) Cancellation by the charterer

When the cancellation/modification of a contracted flight is made more than forty-eight (48) hours prior to the planned departure, no cancellation charges shall be levied.

When the cancellation/modification is made less than forty-eight (48) hours prior to the planned departure of the first flight, 25% of the total air transportation contract price shall be retained.

TABLE A
RATES AND CHARGES
POINT-TO-POINT RATES
(In Canadian dollars)

Consult our Website: www.pascan.com

Point-to-point rates are quoted on a round-trip basis and have precedence over any other type of rates.

In addition, the carrier may indicate a minimum occupancy required by aircraft type in order to carry out a point-to-point service.

TABLE B
RATES AND CHARGES PER MILE AND PER HOUR
(In Canadian dollars)

<u>AIRCRAFT TYPE</u>	<u>LV. RATE PER MILE</u>	<u>FERRY RATE PER MILE</u>	<u>MIN. CHARGE PER FLIGHT</u>
Pilatus (PC-12)	7.30	7.30	850
Beech King Air (BE-10)	6.50	6.50	700
Jetstream 32 (BAe 3200)	10.00	10.00	1,500

<u>AIRCRAFT TYPE</u>	<u>LV. RATE PER HOUR</u>	<u>FERRY RATE PER HOUR</u>	<u>MIN. CHARGE PER FLIGHT</u>
Pilatus (PC-12)	1,700	1,700	850
Beech King Air (BE-10)	1,600	1,600	700
Jetstream 32 (BAe 3200)	2,400	2,400	1,500

The above rates are computed in accordance with Rule 4 herein.

TABLE B1
LANDING CHARGES
(In Canadian dollars)

<u>AIRCRAFT TYPE</u>	<u>CHARGE PER LANDING</u>
Pilatus PC-12	200
Beech King Air	250
Jetstream 32	300

The above rates are computed in accordance with Rule 5 herein.

TABLE B2
LAYOVER CHARGES
(In Canadian dollars)

<u>AIRCRAFT TYPE</u>	<u>FREE WAITING TIME</u>	<u>RATE PER HOUR</u>	<u>MAXIMUM CHARGE PER DAY (WHOLE OR PART)</u>
Pilatus PC-12	2 hours	800	8 hours
Beech King Air	2 hours	600	8 hours
Jetstream 32	2 hours	1,200	8 hours

The above rates are computed in accordance with Rule 5 herein.