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INTERNATIONAL CHARTER TARIFF

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EXPLANATION OF ABBREVIATIONS AND SYMBOLS

| ABC | Advance Booking Charter |
|--------|---------------------------------------------------------------------------------|
| CAB | Civil Aeronautics Board |
| CTA | Canadian Transportation Agency |
| CPCC | Common Purpose Charter |
| Entity | Entity Charters (International) |
| IATA | International Air Transport Association |
| ITC | Inclusive Tour Charter (International) |
| No. | Number |
| USA/US | United States of America |
| | |
| (A) | Denotes increases |
| (C) | Denotes changes in wording which results in neither increases nor reductions in |
| | charges |
| (N) | Denotes additions |
| (R) | Denotes cancellations |
| % | Per cent |
| \$ | Dollars |

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1.0 **DEFINITIONS**

In this tariff.

"advance booking charter" or "ABC" means a round-trip international charter originating in Canada operated by one or two licenced air carriers under a contract with a charterer or contracts with charterers, where:

- a) one charterer, all the charterers or a combination of charterers and foreign origin charterers contract for the full capacity of the aircraft;
- b) if the passenger seating capacity, of the aircraft is at least twenty passenger seats, each charterer and each foreign origin charterer contracts for at least twenty seats for hire to the public; and
- c) if the passenger seating capacity of the aircraft is less than twenty passenger seats, one charterer charters the entire capacity of the aircraft.

"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 transported along with such passenger(s) on a charter flight.

"Canada" means the 10 provinces of Canada, the Yukon Territories and all districts and islands comprising the Northwest Territories of Canada and Nunavit.

"cargo" means any goods, except baggage, that can be transported by Charter Commercial Air Services.

"cargo charter" means a charter for the carriage of any cargo that can be transported by Charter Commercial Air Services.

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

"carrier" means Pacific Coastal Airlines Limited.

"contract or Charter Transportation Agreement" means an agreement entered into between carrier and the charterer for the provision by the carrier of Charter Commercial Air Services.

"Charter Commercial Air Services" means Class 4 Charter Air Services as defined by the Air

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Carrier Regulations of Canada or, where the context otherwise requires, any similar services authorized by the laws of any other state or country.

"charterer" means a person, association, partnership, company, corporation or other legal entity which enters into a charter with the carrier for the provision to the charterer of Charter Commercial Air Services.

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

- a) to and from a CPC event; or
- 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 be performed.

"contract or Charter Transportation Agreement" means an agreement entered into between carrier and the charterer for the provision by the carrier of Domestic or International Charter Commercial Air Services.

"convention" means the convention for the unification of certain rules relating to International Carriage by air, signed at Warsaw, October 12, 1929, or that Convention, as amended by the Hague Protocol, 1955, whichever may be applicable to travel hereunder.

"domestic" means within Canada.

"entity charter" means an International Charter in which the cost of transportation of passengers or goods is:

- a) 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 charges" means those charges leviable upon and payable by the charterer to the carrier when an aircraft of the type requested by the charterer is not available at the point of origin of the charter flight and the carrier must move such aircraft to the point and from the destination point of the charter flight to a point required by the carrier to re-position the aircraft after the charter

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flight is complete.

"flight" means the movement of an aircraft from the point of take-off to the first point of landing.

"force majeure" shall mean any one or more of the following events:

- a) an act of God;
- b) a war, revolution, insurrection, riot, blockage, or any other unlawful act against public order or authority;
- c) a strike, lockout or other industrial disturbances;
- d) a storm, fire, flood, explosion or lightning;
- e) the failure to obtain the approval of government agency, commission, board or other tribunal having jurisdiction in the circumstances as may be required to the conduct of operations hereunder or any government or legal restraint upon such operation;
- f) loss of or hijacking of aircraft, or any shortage or inability to provide labour, fuel or facilities; or
- g) any other event not reasonably to be foreseen, anticipated or predicted, whether actual, threatened or reported, which may interfere with the operations of the carrier.

"Guadalajara Convention, 1961" means the convention supplementary to the Warsaw Convention, for the Unification of Certain Rules Relating to International Carriage by Air performed by a person other than the contracting carrier, Guadalajara, 18 September 1961.

"Hague Protocol, 1955" means a Protocol to amend the Convention for the Unification of Certain Rules relating to International Carriage by Air signed at Warsaw, 12 October 1929.

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

"International Charter Commercial Air Services" means Class 9-4 International Charter Air Services as defined by the Air Carrier Regulations of Canada or, where the context otherwise requires, any similar services authorized by the laws of any other state or country.

"layover charges" means those charges leviable upon and payable by the charterer to the carrier for layover of the aircraft and crew at any point on the itinerary.

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"mile(s)" means statute mile(s).

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

"traffic" means passengers, baggage or goods.

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

"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, 12 October 1929.

Amend. No. 1 May 13 2008

2.0 APPLICATION OF TARIFF

- 1. This tariff shall constitute the terms and conditions of carriage, tolls, rules, regulations and practices upon which the carrier furnishes or agrees to furnish Charter Commercial Air Services, to the same extent as though the provisions hereof were included in the terms and conditions in the contract of carriage and expressly agreed to by the charterer and by all persons to whom such services are provided.
- 2. The provisions of this tariff shall be deemed to be incorporated into and be a part of each and every contract of carriage entered into by the carrier for the supplying of Charter Commercial Air Services to any and all persons to whom such services are provided by the carrier.
- 3. In the event of any conflict between the provisions of this tariff and the provisions of any Charter Transportation Agreement, the provisions of this tariff shall prevail, unless departure from the tariff has been authorized by the Canadian Transportation Agency.
- 4. The provisions of this tariff in effect (by virtue of the effective date of each tariff page) on the date of signing of Charter Transportation Agreement shall govern such Charter Transportation Agreement.

3.0 COMPUTATION OF CHARGES

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

3.1 For Entity Charters:

A) 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 mile shown in Table II, or where distances cannot be measured, the hours or fraction thereof the charter flight(s) times the applicable charter rate per hour shown in Table II, provided that the charge per charter flight shall no be lower than the minimum charge per flight shown in Table 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 Table II, or where distance cannot be measured, the hours or fraction thereof of the charter flight(s) times the applicable ferry rate per hour shown in Table II, provided that the charge per ferry flight shall not be lower than the minimum charge per flight shown in Table II.
- C) Delayed Departures Charges, if any, as set forth in Table II, plus;
- D) Layover charges, if any, as set forth in Table II, plus;
- E) Fuel Surcharges, if any, as set forth in Table II, plus;
- F) Special Charges, (see rule 18), if any, plus;
- G) Any air transportation taxes imposed by any government authority.
- H) Disposition of fractions in computing charter price:

Total charter price and the price per seat computed in accordance with the provision of Rule 3 of this tariff shall be handled as follows:

- 49 cents and under shall be dropped;
- 50 cents and higher will be rounded up to the next whole dollar.
- 3.2 For Advance Booking Charters, Inclusive Tour Charters, and Common Purpose Charters, the charges will be calculated by the sum of the following:
 - A) Multiplying the distance flown, by the charter rate per seat mile, to establish the charter price per seat, and then multiplying the charter price per seat by the number of seats for which the charterer has contracted.
 - B) The Ferry flying, if any, by multiplying the distance flown by the ferry rate per seat mile, to establish the ferry price per seat, and then multiplying the ferry price per seat by the number of seats for which the Charterer has contracted, plus;

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- 3.2 cont... C) Delayed Departure Charges, if any, as set forth in Table II, plus;
 - D) Layover charges, if any, as set forth in Table II, plus;
 - E) Fuel surcharges, if any, as set forth in Table II, plus;
 - F) Special charges, (see Rule 18) if any, plus;
 - G) Any air transportation taxes imposed by any government authority.
 - H) Disposition of fractions in computing charter price:

Total charter price and the price per seat computed in accordance with the provision of Rule 3 of this tariff shall be handled as follows:

- 49 cents and under shall be dropped;
- 50 cents and higher will be rounded up to the next whole dollar.

4.0 DETERMINATION OF DISTANCE

For the purpose of computing rates and charges, the distance to be used (inclusive both charter and ferry distance) will be the shortest distance covering the actual airport-to-airport great circle distance between the points involved and over the route to be flown, as published in the following sources:

- A) Air Distance Manual, published jointly by International Air Transport Association and International Aeradio Limited, amendment or reissued thereof.
- B) IATA Mileage Manual, published by the International Air Transport Association.
- C) FlightStar Flight Planning software by Jeppesen Inc.
- D) NavPak Charter Quoting software.

Issued by: Quentin Smith, President

Amend. No. 1 May 13 2008

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5.0 CONDITIONS OF CARRIAGE

Carriers agreement to provide International Charter Commercial Air Services shall be subject to the following conditions:

5.1 Charter Transportation Agreements

The charterer shall be entered into a Charter Transportation Agreement with the carrier pursuant to this tariff setting forth the dates of carriage, the places of origin and destination, the amount of space or number of seats on the aircraft to be provided, the type of aircraft, the charter price and schedule of payments, allowable baggage, and such other particulars of the carriage as may be determined upon by the charterer and the carrier.

5.2 Substitution of Aircraft

- A) The carrier may, at its discretion, substitute an aircraft of the same or any other appropriate type for the aircraft agreed upon for a charter, except that where substitution is made, charges assessed will be the same as though the charter has been completed with the aircraft originally chartered, except that if the substitute aircraft has insufficient pay-load capacity to carry out the carriage for which the agreement had been made, the charges will be based on the rates and charges applicable to the type of aircraft used.
- B) If the substitute aircraft is capable of a larger pay-load than the original aircraft chartered, the charterer will only be entitled, in the substitute aircraft, to the pay-load which would have been available in the aircraft originally chartered without additional charge. However, when the charterer requests and carrier agrees to utilize the additional pay-load of the substitute aircraft, then the charter price will be based on the rates and charges applicable to the aircraft used.

5.3 Delays by Carrier

Times shown in contracts of carriage or elsewhere are approximate and not guaranteed, and form no part of the contract of carriage. No employee, agent or representative of the carrier is authorized to bind carrier by any statements or

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representations as to dates or times of departure or arrival, or of the operation of any flight.

5.4 Force Majeure

Subject to the limits of liability contained in Rule 8 of this tariff, upon the happening of any event of force majeure, carrier may, without notice, cancel, terminate, divert, postpone or delay any flight of any right to carriage if it considers that it would be advisable to do so, at the point of origin or at any other point enroute, or any point on the itinerary may be omitted, without any liability, except to refund in accordance with Rule 10 of this tariff.

5.5 Compliance by Charterer

The charterer and all passengers shall have fully complied with all of the terms and conditions, rules, regulations and practices required by the Charter Transportation Agreement and this tariff to be complied with by the Charterer and such passengers. Failing such compliance, the carrier shall be entitled to cancel the carriage, subject to Rule 10 of this tariff.

5.6 Space for Carrier's Use

Any unused capacity in the chartered aircraft not being utilized by charterer may, with the charterer's concurrence be used by carrier in accordance with the provisions of the Aeronautics Act the Air Carrier Regulations as amended, and rules, orders and approvals of the Canadian Transportation Agency.

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6.0 FLIGHT OPERATIONS

6.1 Selection of Flight Route

Carrier shall have the right to select the route for the charter flight, provided, however, the shortest route which in the opinion of the carrier is safe, feasible, and duly authorized by any competent authority having jurisdiction, will be followed.

6.2 Pilots Discretion

The aircraft at all times will be under the exclusive command and control of the pilot in charge, whose orders shall be strictly complied with by the charterer, all passengers and shippers. The pilot of the aircraft shall have complete discretion concerning the load carried and its distribution and as to whether a flight should be undertaken or continued or diverted and as to where and when and under what circumstances landing should be made and all such decisions of the pilot shall be conclusively accepted and agreed to by the charterer, the passengers and shippers.

6.3 Landing Facilities

If the carrier shall find that the landing facilities at any point on the itinerary of the charter flight are, in its opinion, not adequate for safe use on the charter flight at such point, or if landing is prohibited or restricted by law, regulations, weather or operating conditions, carrier may substitute in place thereof the nearest point at which, in its judgment, suitable facilities are available and landing can be made.

7.0 CONDITIONS OF ACCEPTANCE OF PASSENGERS, BAGGAGE OR CARGO

The acceptance by the carrier of any passengers, baggage, or cargo on board any flight pursuant to a Charter Transportation Agreement shall be subject to the following conditions having been complied with by the charterer, the passengers and the carrier shall have the right, but not the obligation, to make such examination and inspection of such passengers, or baggage as the carrier may deem to be appropriate, with or without the passenger's consent or knowledge. Carrier will not be liable for any damage to any property resulting from exposure to electromagnetic X-ray of fluoroscopic metal or other detecting devices as a result of any such inspections. The existence or exercise of such right shall not be construed as an agreement, express or implied, by the carrier to carry such passengers, or baggage, as would otherwise be precluded from carriage pursuant to these conditions:

7.1 Passengers

Carrier may refuse to carry, cancel a reserved space, or remove enroute any passenger when:

- A) such action is necessary for reasons of safety,
- B) such action is necessary to prevent violation of any applicable laws, regulations, or orders of any state or country to be flown, into or over,
- C) the conduct, status, age or mental or physical condition of the passenger is such as to require special assistance of carrier or cause discomfort or be objectionable to other passengers or to any other person or property,
- D) the passenger fails to observe the instructions of carrier,
- E) the passenger refuses, upon request, to provide positive identification, passports and visas or other required travel documentation,
- F) the passenger refuse to permit examination and inspection of his person, baggage, or goods,
- G) a passenger under the age of eight (8) years is not accompanied during the carriage by a passenger of at least twelve (12) years of age.
- H) the passenger fails to comply with all laws, regulations, orders demand or travel requirements of countries to be flown from, into or over, and with all rules, regulations and instructions of carrier. Carrier shall not be liable for any aid or information given by any agent or employee necessary documents or complying with such laws, regulations, orders, demands, requirements or instructions, whether given orally or in writing, or

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otherwise, or for the consequences to any passenger resulting from his failure to obtain such documents or to comply with such laws, regulations, orders, demands, requirements or instructions.

I) The passenger is disabled and does not meet the criteria set out in Rule 8

8.0 ACCEPTANCE OF A PASSENGER WITH A DISABILITY

Unlike the scheduled operation, Charter flights often service airports where ground handling may be non-existent. Any passenger traveling with a disability on a Charter flight is urged to contact the airline to ensure that their needs may be met. With prior notice the Company will use every reasonable resource to ensure the passenger travels safely and comfortably on all Charter flights.

- 8.1 A) The Carrier will accept the determination of a person with a disability as to self-reliance. When a passenger has advised the Carrier of his or her self-reliance, the Carrier shall not refuse such passenger transportation on the basis that there is a lack of escort or that the passenger may require additional attention from the airline employees. The Carrier may insist on an escort where the Charter is operated to a base where ground services are not available.
 - B) The Carrier may refuse transport to any person if there are insufficient services available to safely assist the passenger at either the arrival or destination airport. This would be extreme, and the Carrier will make all reasonable effort to arrange the resources if provided with sufficient time. This refusal may be determined by either the flight dispatcher or the Captain of the flight.

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8.1 cont... C) Passengers with a disability will be accepted for transportation as outlined below:

| Disability | Assistant 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 |
| | |

^{*} The maximum per flight may be limited subject to passenger safety limitations, aircraft specifications, and airport handling facilities available at departure or arrival airports.

Note: If the Charter is for the purpose of transporting a group of passengers with disabilities or special needs, the Charterer will make arrangements to have adequate assistants to satisfy regulation and the Carriers requirements.

- D) The Carrier reserves the right to require a medical clearance from proper medical authorities if travel involves any unusual risk or hazard to the passenger or to other persons (including, in the case of pregnant passenger, unborn children);
- E) The Carrier will refuse to transport or will remove at any point, any passenger through whose actions or inaction proves to the Carrier that his or her mental or physical condition is such as to render him incapable of caring for himself 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 attendant, he/she will not require unreasonable attention or assistance from the employees of the Carrier.

- 8.1 cont...
- F) The Carrier will refuse or make removal necessary of any passenger if carriage of that passenger will jeopardize the safety or reasonable comfort of the passenger or other passengers and/or the safety of the Carrier's staff in the handling and assisting of the passenger. It should be noted that the Carrier does not use wide body aircraft and it must be possible for two people to safely lift and/or handle a disabled person. If this will present any unreasonable difficulties or concerns for safety, other arrangements may be possible with prior notice;
- G) Passengers with a disability will not be permitted to occupy seats in designated emergency exit rows or over wing emergency exit rows;
- H) Reservations should be made at least 24 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 every effort to accommodate passengers who fail to make reservations 24 hours in advance;
- I) The Carrier will accept the following items as baggage without charge:
 - an electric wheelchair, a scooter or a manually operated rigid-frame wheelchair;
 - 2) a manually operated folding 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.
- J) Walkers, crutches and canes may be retained in the passengers's custody provided they are stowed in accordance with the Carrier's safety regulations and provided they may be accommodated.
- K) If requested at least 48 hours before the scheduled time of departure of the person's flight, the Carrier may be able to provide the following assistance. If the request is not made within 48 hours the Carrier will make a reasonable effort to provide the services.

The Carrier may be able to provide a enhanced level of service for those passengers which request it at least 48 hours ahead of their flight time. If

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8.1 (K) cont...

this request is not made ahead of time the Carrier will still make a reasonable effort to assist in every way it can.

Assistance will be provided with:

- 1) registration at check-in counter;
- 2) proceeding to the boarding area;
- 3) boarding and deplaning;
- 4) stowing and retrieving the person's carry-on baggage;
- 5) retrieving the person's checked baggage;
- 6) transferring the person:
 - a) between: the person's own wheelchair, scooter or other mobility aid and: a wheelchair, boarding chair or other mobility aid provided by the Carrier.
 - b) Between: a wheelchair, boarding chair or other mobility aid and: the person's passenger seat.
- 7) assisting the person, other than by carrying the person, in moving to and from an aircraft washroom.
- 8) serving special meals, where available, and providing limited assistance with meals such as opening packages, identifying items and cutting large food portions;
- 9) inquiring periodically about the person's needs while awaiting a flight after check-in, when in transit between flights and during the flight;
- 10) assembling and disassembling of mobility aids; and
- 11) proceeding to the general public area or to a representative of another Carrier.

8.2 MOBILITY AIDS

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 with 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.

8.3 SERVICE ANIMALS

The Carrier will accept for transportation, without charge, a service animal required to assist a person with a disability provided that:

- a) the animal is properly harnessed and certified as having been trained by a professional service animal institution.
- b) For the comfort of all passengers, the Carrier staff will determine, in consultation with the disabled person, where the person and the service animal will be seated. Such an animal may not occupy a seat in the aircraft. The passenger should recognize that the Carrier does not use widebody aircraft and that space on some of the aircraft types do not allow for a large animal to be placed under the seat area. It is very important that when booking a flight, mention is made of the service animal and it's size. The Carrier may be able to make other arrangements to ensure adequate space if this is arranged prior to departure.
- c) 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, and if necessary, replacement of the animal.

8.4 PASSENGER OXYGEN

The Carrier will accept for transportation, without charge, a maximum of two passengers per flight to each bring up to two (2) oxygen cylinders containing gaseous oxygen only for personal use onboard the aircraft. The passenger is recommended to provide a doctor's certificate or note stating they are acceptable for travel. Guests should also verify with their physician or oxygen supplier that their oxygen supply will last for the duration of the flight.

8.5 PASSENGERS ON STRETCHERS

The Carrier will upon advance arrangements and subject to the availability of space and appropriate equipment, accept for transportation passengers on stretchers. An attendant is required for each stretcher passenger.

9.0 BAGGAGE ACCEPTANCE

- 1. All baggage must be suitably externally identified and packed in suitcases or in similar containers in order to ensure safe and convenient carriage with ordinary care and handling. Fragile or perishable articles, money, jewellery, silverware, negotiable papers, securities or other valuables, samples or business documents will not be accepted as baggage.
- 2. Baggage equivalent to hand luggage may be carried on board the aircraft by the passengers provided that, at the sole discretion of the carrier, it is suitable and convenient to be stowed on board the passenger compartment of the aircraft, and not otherwise offensive or objectionable to any other passengers.
- 3. Baggage will not be carried when such baggage is likely to endanger the aircraft, persons, or property, or is likely to be damaged by air carriage, or it unsuitably packed, or if the carriage would violate the laws, regulations or orders of countries to be flown from, into or over.
- 4. Carrier shall have the right to restrict the weight, size and character of baggage and shall refuse to carry as baggage the following articles unless prior arrangements have been made with the carrier:
 - a) firearms;
 - b) explosives, ammunitions, corrosives, flammables, otherwise dangerous materials or hazardous goods;
 - c) electronic or motorized equipment;
 - d) musical instruments;
 - e) objects of art;
 - f) live animals; and
 - g) perishable items.
- 5. At the charterer's request and with the carrier's agreement bulk baggage may be received on board as a convenience to the charterer and its passengers.

10.0 CARGO ACCEPTANCE

10.1 Suitability of Cargo

All cargo presented for carriage shall be crated or otherwise suitably enclosed and of a weight, size and character that is suitable for carriage on the aircraft. The carrier may refuse to carry the cargo or any portion thereof which is likely to endanger the aircraft, persons or property, which is likely to be damaged by air carriage, or which is unsuitably packed, or the carriage of which is forbidden by applicable laws, regulations or orders of any place to be flown from, into or over, of if in the opinion of the carrier the weight, size or character of the cargo is unsuitable for carriage on the aircraft.

10.2 Live Animals

Live animals, when accompanied by valid health and rabies vaccination certificates, entry permits, and other documents required by countries of entry or transit will be accepted subject to the following conditions:

- a) live animals shall be properly crated or packed as required by the carrier. Where the nature of the shipment requires special partitions within the aircraft, the carrier may require that such partitions be provided by the charterer at the charterers expense. This does not apply to service animals as described in Rule 8.
- b) the carrier is not responsible for the loss of, or injury to, a live animal except caused directly by the act, neglect or default of the carrier.
- c) the carrier reserves the right to refuse carriage of any live animal.

10.3. Dangerous Articles or Hazardous Goods

Carrier shall have the right to refuse to carry dangerous articles or hazardous goods such as firearms, explosives and flammables, which shall be carried only with the prior consent or arrangement with the carrier. The charterer shall comply with all applicable regulations governing the carriage of such dangerous articles. Any charterer shipping or attempting to ship such dangerous articles in contravention of any applicable

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governmental regulations shall indemnify and save harmless the carrier from and against any loss, damage or penalty, directly or indirectly sustained by or imposed upon the carrier and the carrier may store or dispose of such dangerous articles or hazardous good at the charterer's risk and expense.

11.0 LIABILITY OF CARRIER

Willful Damage

Nothing herein contained shall be deemed to affect the rights and liabilities of the carrier with respect to any claim brought by, on behalf, or in respect of any person who has willfully caused damage which resulted in death, wounding, or other bodily injury or a passenger or passengers.

11.1. International Carriage

"International Carriage" as defined by the Warsaw Convention, except carriage to or from the United States of America, shall be subject to the rules and limitations relating to the liability established by the Warsaw Convention, provided, however, that for the purpose of determining the rules and limitations relating to liability established by the Warsaw Convention, 1961 shall be deemed to have been incorporated herein to the same extent and effect as though the provisions thereof were ratified and adopted by the Government of Canada. If the carriage is to or from a country which is a signatory to the Hague Protocol, 1955, the limitations of liability as set forth in the Hague Protocol, 1955, shall apply. If the carriage is to or from a country which is a signatory to the Warsaw Convention but which is not a signatory to the Hague Protocol, 1955, the limitations of liability of the Warsaw Convention shall apply. If the carriage is to or from a country which is not a signatory to the Warsaw Convention, the rules and limitations relating to liability established by the Warsaw Convention shall apply in any event to the same extent as though such country were a signatory to the Warsaw Convention.

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11.2 Passengers

The carrier with respect to all international carriage, as defined in Rule A) 8A., performed by it (except international carriage subject to the provisions of the Montreal Agreement of 1966 which agreement according to the contract of carriage, includes a point in the United States of America as a point of origin, point of destination or agreed stopping place), agrees that the limit of liability for each passenger for death, wounding or other injury shall be limited to proven damages not to exceed the sum of SDR \$300,000, exclusive of legal fees and costs. For such passengers on a journey which according to the contract of carriage includes point in the United States of America as a point of origin, point of destination or agreed stopping point, the carriers limit of liability for each passenger for death, wounding or other bodily injury shall be the sum of U.S. \$75,000., inclusive of legal fees and costs, except that in the case of a claim brought in a state where provision is made for separate award of legal fees and costs, except that in the case of a claim brought in a state where provision is made for separate award of legal fees and cost, the limit shall be the sum of U.S. \$58,000., exclusive of legal fees and costs.

B) The carrier is not liable

- (i) 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 age or mental or physical condition; or
- (ii) in the case of a pregnant passenger, for any damages in respect of the unborn child of that passenger.

12.0 LIABILITY OF CARRIER RESPECTING BAGGAGE

Willful Damage

Nothing herein contained shall be deemed to affect the rights and liabilities of the carrier with respect to any claim brought by, on behalf, or in respect of any person who has willfully caused damage which resulted in death, wounding, or other bodily injury or a passenger or passengers.

12.1 The Carrier will not be liable for:

- a) the loss of, or any damage to or delay in the delivery of any property which is not acceptable for transportation pursuant to any rule in this Tariff, or for any other loss or damage of whatever nature resulting from any such loss or damage or from the transportation of such property;
- b) loss, damage to, or delay in the delivery of fragile or perishable articles, money, jewelry, silverware, negotiable papers, securities, or other valuables, business documents, or samples which are included in the passenger's checked baggage, whether with or without the knowledge of the Carrier.
- c) Minor damage such as would be expected under normal wear and tear during transit. This includes zippers, scruffs, scratches, nicks, dents, missing straps, feet, clips and wheels, exterior tube handles or similar damage attributable to normal wear and tear.

13.0 LIMITATION OF LIABILITY FOR BAGGAGE

Pacific Coastal Airlines will do it's best to ensure that all baggage gets to where it is supposed to be on time and without damage. There is occasion where it doesn't. In this case we will do everything we can to reunite the baggage with the passenger or make restitution. In most cases the baggage is in our system and can be quickly located and sent on the next flight. If this is not the case, or if the baggage has been damaged the Company will do what it can to prevent further inconvenience. The supervisor in the Vancouver freight office may immediately authorize an allowance that will enable the passenger to replace the necessities until the bag is found or the investigation is complete. This allowance will depend on the situation of course, but will not normally be paid out

unless the bag will not be reunited within the same day. This allowance is determined by the supervisor and will be limited by the following rules.

- 13.1 The following conditions apply to lost or damaged baggage:
 - a) In the event of lost or damaged baggage the passenger must initiate a claim within one (1) hour of arrival at destination by contacting the Carrier's representative on site or by contacting the Freight office in Vancouver.
 - b) Upon receipt of a lost or damaged bag claim that the Carrier can not rectify on the day of travel, Carrier may authorize up to a fifty (\$50) dollar allowance for incidental costs of the lost or damaged baggage. This may not be possible in situations where the Charter is operated to an airport where the Carrier does not have a representative.
 - c) The liability, if any, for loss or damage to checked baggage or for delay in the delivery thereof is limited to \$250.00 for each passenger, which will be paid after an intensive search is carried out. The claim will be paid out after a ten (10) day period in which the lost baggage is not retrieved. A damaged bag will be paid out at the supervisors discretion after an investigation is completed. In the case of a damaged bag the waiting period will be no more than five (5) business days.
 - d) The foregoing limitation will also apply to baggage or personal property accepted by the Carrier for temporary storage at a city or airport ticket office or elsewhere prior to the commencement or subsequent to the completion of the passenger's transportation.
 - e) Unchecked baggage or other personal property shall be carried at the risk of the passenger.
 - f) The Carrier will accept liability for mobility aids as is presented in Rule 7, Transportation of Passengers With Disabilities.
 - g) If the value of your bag contents exceeds the Carrier's liability, you may wish to consider purchasing baggage insurance through your own insurance company, prior to travel.

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14.0 LIMITATION OF ACTION

No action shall be maintained for any injury or death of a passenger nor for loss or damage to baggage or goods of any passenger of any shipper or for any delay in carriage thereof unless notice of a claim is given within the time limits and in the manner provided by the Warsaw Convention and unless action is commenced in a court of competent jurisdiction within the time limits and in the manner provided for by the Warsaw Convention. Furthermore in the case of cargo or baggage, notice of claim must be given in writing to the carrier within thirty (30) days of the date of acceptance by the carrier of the cargo or baggage.

15.0 PAYMENT OF RATES AND CHARGES

All Charter quotes are valid for a period of only seven (7) days.

Any Charter quote that is paid in full prior to departure is not subject to any increases, accept for Airport fees, which are not included in the quote and are subject to change. If the cost of the charter should decrease prior to departure, but not after the charter has commenced, the rate shall be reduced.

Full payment is required seven (7) days prior to departure.

16.0 CANCELLATION, REFUNDS AND CHARGES

16.1 Cancellation by Carrier

Upon cancellation of any charter flight or any portion thereof for any cause for which carrier is entitled to cancel in accordance with this tariff, whether at point of origin or at any point enroute, carrier shall not be required to furnish alternate aircraft nor will the carrier be responsible for losses, direct or indirect, occasioned by cancellation of the charter flight. In the event of such cancellation at the point of origin carrier may, at its option, provide substitute aircraft or refund the whole of the charter price. In the event of such cancellation by the carrier at a point enroute, carrier may at its option, with the charterer's concurrence and without further liability, either:

- (I) return the passengers baggage or cargo as the case may be to the point of origin; or
- (ii) continue the flight with substitute aircraft; or
- (iii) refund to the charterer a portion of the charter price equal to the cost of providing economy transportation on scheduled service to the point of origin; or
- (iv) refund to the charterer the unused portion of the charter.
- 16.2 If, after the charter agreement has been signed by the charterer and accepted by the carrier:
 - A) The charter agreement is voluntarily cancelled at the request of the charterer(s) and substitute charterer(s) are not contracted; or
 - B) The charter agreement is cancelled by the carrier due to the charterer(s) being ineligible for charter transportation under the provisions of this tariff or applicable CTA Regulations and substitute charterer(s) are not contracted; or
 - C) The charter agreement is cancelled by the carrier due to the charterer(s) failing to comply with the applicable schedule of payments herein and substitute charterer(s) are not contracted, cancellation charges will be assessed as follows:
 - 1) Any cancellation made at least 8 days is refunded in full accept with respect to the exception detailed in item d)

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- 2) Any cancellation made within seven (7) days is subject to a twenty-five (25%) percent service charge.
- 3) No refunds on cancellations within twenty-four (24) hours of scheduled departure date.
- Exception: In the event the cancellation of a charter under the circumstances in (1)(2) or (3) occurs less than 121 days before the charter is to commence which causes the carrier to ferry the aircraft, there shall be assessed in addition to the charges specified above a charge equal to 60% of the applicable ferry rate per mile, multiplied by the mileage operated without payload, in order to either complete a series of charters, or when the charter agreement does not provide for a series of charters, to return the aircraft to the point specified in the charter agreement.

Note: The date of cancellation of charter shall be the date on which the carrier received written or telegraphic notification of the cancellation from the charterer or the date on which the carrier notifies the charterer that the carrier is cancelling the charter.

D) In the event there is more than one charterer contracting for the same aircraft, cancellation by one charterer will not affect the agreements of the other charterer(s).

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17.0 TRAVEL DOCUMENTS

Passports, Visas and Health Documents

Charterer shall be responsible for advising passengers of the passports, visas, health certificates or other travel documents for passengers and their baggage which are required by government or other authorities at points of origin or destination. Carrier may refuse to carry any passenger who does not possess any such necessary travel documentation and in such event, charterer shall indemnify and save the carrier harmless from any liability to passenger incurred by carrier as a result of such refusal, provided that carrier shall have acted reasonably in refusing to carry the passenger. In the event that an order is issued by a competent authority for the deportation or rejection of any of charterer's passengers on any flight made pursuant to this agreement, charterer shall indemnify and save the carrier harmless against one-half of all cost, charges and expenses (including transportation expenses) or fines imposed or incurred as a result of such an order. Any information given by carrier to charterer relating to immigration, customs, or health requirements is or shall be given without any representation as to its accuracy and carrier shall not be liable for any damage of inconvenience suffered by charterer or any passenger as a result of its or their reliance thereon.

18.0 SPECIAL CHARGES

Special charges in addition to the tolls in accordance with the tables annexed hereto, shall be payable to the carrier by the charterer requesting or responsible for same, however, if there is more than one charterer requesting or responsible for same then the charges will be assessed to the applicable charterers based on the proportion to the number of seats each contracted for.

18.1 Crew Expenses

When the nature of the charter requires the carrier's personnel to live away from the carriers bases, for a period in excess of four hours, charterers shall pay the cost of the accommodation, meals and ground transportation.

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18.2 Loading and Unloading Charges

Where the carrier's facilities are inadequate for the loading and unloading of goods, arrangements for any special equipment and labour required shall be made by carrier at the expense of the charterer.

18.3 Delayed Departure Charges

Upon expiration of the free waiting time as stated in the applicable table charges in accordance with applicable table hereto for waiting time shall be leviable and payable by the charterer for the time during which the aircraft is kept waiting due to delays caused by or attributable to the charterer, shippers or passengers, provided however, that the carrier shall not be obliged in such circumstances to keep the aircraft waiting or to delay the departure of the flight.

18.4 Layover Charges

If special prior arrangements shall have been made by the charterer with the carrier prior to commencement of a charter for layover of the aircraft and crew at any point on the itinerary, layover charges shall be leviable and payable by the charterer in accordance with applicable table hereto.

18.5 Accessorial Services and Charges

Charterer shall pay to the carrier the actual cost of any special or accessorial services, storage, surface transportation, dunnage, bracing, mechanic's services, special work on aircraft incidental to the charter flight, or related services performed or provided at the request of the charterer or which are specially required in the circumstances of the charter.

19.0 CHARGES FOR STORAGE

- 19.1 Shipments will be held by the Carrier without charge for 24 hours (excluding Sundays and legal holidays for freight other than perishables), after arrival and tender of delivery at destination, or notification of arrival, whichever is applicable. Such 24 hour period will be computed from the first 8:00 a.m. after tender of delivery, or notification of arrival.
- 19.2 After the expiration of such free time, the Carrier will, if practicable, continue to hold such shipment as agent for the shipper and consignee, subject to a charge of \$5.00 per day per 100 lbs., or any fraction thereof, or if such continued holding is not practicable Carrier, as such agent, will place the shipment in a public warehouse subject to a lien for all transportation, storage, delivery, warehousing and other charges, including handling charges of \$10.00 per 100 pounds or any fraction thereof, minimum charge of \$20.00 per shipment.
- 19.3 When the shipment is held by the Carrier, the Carrier's liability will be reduced to that of a warehouseman, and when the shipment is placed in a public warehouse, Carrier's liability for the shipment will terminate.
- 19.4 Outbound shipments delivered to the Carrier's premises, which are not acceptable for any reason, will be subject to storage charges as prescribed in the Rule (without any free time) from the first business day after the delivery until such shipment is made acceptable for carriage or removed.
- 19.5 The Carrier will have a lien on the shipment for all sums due and payable to Carrier pursuant to shipments which are stored pursuant to this Rule.

20.0 GROUND TRANSPORTATION

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

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21.0 DETERMINATION OF CHARTER HOURS

For the purpose of computing charges on an hourly basis, the hours and minutes will be computed from the time the aircraft commences taxiing before take-off until it finishes taxiing after landing. When a portion only of a flight is to be assessed on an hourly basis, the hours and minutes flown will be computed from the time the aircraft deviates from a point on a measurable route until it returns to a point of a measurable route.

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TABLE II: RATES AND CHARGES

WHEEL AIRCRAFT

All Charters are quoted using NAVPAK computer software. Mileage, Fuel costs, and Fixed Charges are computed based on many variables too complex to simply list. This chart gives a simple value for Charters and does not reflect the actual Charter rate.

| AIRCRAFT | MILEAGE | FUEL | TOTAL | FIXED RATE PER SECTOR |
|------------|---------|---------|---------|--------------------------|
| BEECH 200 | \$ 5.40 | \$ 1.62 | \$ 7.02 | \$ 195.00 |
| BEECH 1900 | \$ 7.35 | \$ 1.95 | \$ 9.30 | \$ 290.00 |
| SHORTS 360 | \$11.00 | \$ 2.95 | \$13.92 | \$ 455.00* |
| SAAB 340A | \$11.60 | \$ 2.32 | \$13.92 | \$ 455.00* |

^{*} FIXED CHARGES PER SECTOR FOR SD360 & SAAB340 , YVR-BBC \$335.00, YVR-YZT \$425.00

(2) Surcharge for Early Morning and Late Evening Charters

\$ 75.00 Flights originating between 0600-0659 and 1900-2229 Flights originating between 2230 and 0559 \$125.00

FLOAT AIRCRAFT

| AIRCRAFT | BASE | FUEL | TOTAL | MINIMUM CHARGE | HOLD TIME | HOURLY | DAY RATE |
|-------------|---------|---------|---------|-------------------|--------------|-----------|-------------------------|
| Cessna 185 | \$ 5.60 | \$ 1.64 | \$ 6.59 | \$ 210.00 | \$ 130.00 | \$ 700.00 | \$2080 + \$ 180/Hr Fuel |
| Beaver DHC2 | | \$ 1.64 | \$ 7.24 | \$ 210.00 | \$ 130.00 | \$ 796.00 | \$2570 + \$ 180/Hr Fuel |
| Goose G21a | | \$ 2.50 | \$ 9.85 | \$ 280.00 | \$ 195.00 | \$1280.00 | \$3930 + \$ 325/Hr Fuel |

⁽¹⁾ All Navigation fees, airport Landing fees, airport Terminal fees, and other applicable taxes and fees will be charged in addition to the Charter tarriff.

(2) Surcharge for Early Morning and Late Evening Charters

Flights originating before 0700 and after 1900 \$ 75.00

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⁽¹⁾ All Navigation fees, airport Landing fees, airport Terminal fees, and other applicable taxes and fees will be charged in addition to the Charter tarriff.