

LOCAL DOMESTIC TARIFF

RULES, RATES & CHARGES

APPLICABLE TO THE

TRANSPORTATION OF PASSENGERS AND BAGGAGE OR GOODS

BETWEEN POINTS IN CANADA

ISSUE DATE:
10 May 2012

ISSUED BY:
Wayne McLeod
Winnipeg, MB

EFFECTIVE DATE:
10 May 2012

RULES

RULES

CHECK SHEET

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

<u>PAGE NUMBER</u>	<u>NUMBER OF REVISIONS</u>	<u>PAGE NUMBER</u>	<u>NUMBER OF REVISIONS</u>
TITLE	2 nd ó 10 May 2012	19	2 nd ó 10 May 2012
1	2 nd ó 10 May 2012	20	2 nd ó 10 May 2012
2	2 nd ó 10 May 2012	21	2 nd ó 10 May 2012
3	2 nd ó 10 May 2012	22	2 nd ó 10 May 2012
4	2 nd ó 10 May 2012	23	2 nd ó 10 May 2012
5	2 nd ó 10 May 2012	24	2 nd ó 10 May 2012
6	2 nd ó 10 May 2012	25	2 nd ó 10 May 2012
7	2 nd ó 10 May 2012	26	2 nd ó 10 May 2012
8	2 nd ó 10 May 2012	27	2 nd ó 10 May 2012
9	2 nd ó 10 May 2012	28	2 nd ó 10 May 2012
10	2 nd ó 10 May 2012	29	2 nd ó 10 May 2012
11	2 nd ó 10 May 2012	30	2 nd ó 10 May 2012
12	2 nd ó 10 May 2012		
13	2 nd ó 10 May 2012		
14	2 nd ó 10 May 2012		
15	2 nd ó 10 May 2012		
16	2 nd ó 10 May 2012		
17	2 nd ó 10 May 2012		
18	2 nd ó 10 May 2012		

ISSUE DATE:
10 May 2012

ISSUED BY:
Wayne McLeod
Winnipeg, MB

EFFECTIVE DATE:
10 May 2012

TABLE OF CONTENTS

RULE No. PAGE No.

PART I: GENERAL RULES & CHARGES

Acceptance of Baggage &/or Goods	í í í í í í í í í í í í ..	14	12
Application of Tariff	í í í í í í í í í í í í í í í í í	2	7
Check Sheet	í í	-	1
Computation of Charges	- Application of Zones Rates & Charges	25	17
	- Crew Expenses	27	19
	- Detention of Aircraft	32	21
	- Disposition of Fractions When Computing Charges	36	22
	- Extra Air Crew	29	19
	- Fuel	34	22
	- Incidental Traffic	33	21
	- In-flight Meals & Cabin Attendants	28	19
	- Loading & Unloading of Aircraft	26	19
	- Minimum Charges	35	22
	- Special Services, Equipment & Personnel	31	20
	- Storage	30	20
Conditions of Carriage	í í í í í í í í í í í í í í í í í	38	23
Currency	í í	3	7
Dangerous Goods	í í	16	13
Definitions	í í	1	5
Explanations of Abbreviations, Reference Marks & Symbols	í í	-	4
Facilities & Services Required to be Provided by Charterer	í í í	9	10
Ground Transportation	í í í í í í í í í í í í í í í í í	5	9
Human Remains	í ..	13	11
Limitation of Liability	- Baggage	20	14
	- Delay	23	16
	- Goods	21	15
	- Passengers	22	16
Limitation of Action	í í	24	16
Live Animals	í í	15	13
Operation, Interruption or Cancellation of Charter Flights	í í í	10	11
Payment & Adjustment of Charges	í í í í í í í í í í í í í	4	8
Payment of Charges on Behalf of the Charterer	í í í í í í í ..	8	9
Perishable Goods	í í í í í í í í í í í í í í í í í í í í	17	13

TABLE OF CONTENTS

	<u>RULE No.</u>	<u>PAGE No.</u>
Prisonersí ..	18	14
Refundsí í	37	22
Refusal of Carriageí ..	19	14
Space for Carrierø Useí í	12	11
Split Chartersí ..	6	9
Substitution of Aircraftí í	7	9
Traffic Documentsí ..	11	11

PART II: SPECIFIC CHARGES FOR FIXED WING AIRCRAFT

Application of Rates & Chargesí í í í í í í í í í í í í í í í ..	39	24
Determination of Flight Timeí í í í í í í í í í í í í í í í ..	41	25
Determination of Total Charter Miles &/or Hoursí í í í í í í í ..	42	25
Method of Measuring Distanceí í í í í í í í í í í í í í í í ..	40	24
Total Chargesí ..	43	26
Table 1: Carrierø Basesí .		27
Table 2a: Rates and Charges for King Air B200, B1900, PC12 and Lear 35		28
2b: Rates and Charges for King Air B200, PC12 and Lear 35 Engaged in Aeromedical Transport (Medevac)		29
Special Instructionsí .í ..		30

PART I: GENERAL RULES & CHARGES

EXPLANATION OF ABBREVIATIONS, REFERENCE MARKS AND SYMBOLS

CAD í í í í í í .. Canadian

CTA (A) í í . í í .. Canadian Transportation Agency

Cy í í í í í í . Currency

N/A í í í í í í í Not Applicable

No í í í í í í . Number

(A) í í í í í í .. Denotes increase

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

(N) í í í í í í .. Denotes addition

(R) í í í í í í .. Denotes reductions

(X) í í í í í í . Denotes cancellation

\$ í í í í í í .. Dollar(s)

% í í í í í í . Percent

RULE 1 **DEFINITIONS**

ãaeromedical transport (Medevac)ö	means the stabilisation and transport of a patient(s) meeting Code 1,2,3 or 4 status in an aeromedical aircraft with a flight nurse &/or medical escort(s).
ãanimalsö	includes mammals, reptiles, fish, birds, poultry, insects and worms amongst others.
ãbaggageö property	means luggage or such articles, effects or other personal of a passenger or passengers as are necessary or appropriate for wear, use, comfort or convenience in connection with the flight.
ãbaseö	means any of the carrier's licensed bases in this tariff.
ãCanadaö	means the ten provinces of Canada, Nunavut Territory, the Yukon Territory and the Districts and Islands comprising the Northwest Territories of Canada.
ãcarrierö	means Keewatin Air LP, as represented by its general partner, Keewatin Air GP Inc./ Kivalliq Air.
ãcharterö	means an agreement for the supply by carrier of Class 4 air service to charterer
ãchartererö or legal	means a person, firm, corporation, association, partnership, entity who contracts 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.
ãCommitteeö	means Air Transport Committee.
ãdayö	means any period of twenty-four (24) successive hours.
ãdestinationö	means the point to which passengers or goods to be transported on a flight are bound.
ãferry flightö	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.

ISSUE DATE:
10 May 2012

ISSUED BY:
Wayne McLeod
Winnipeg, MB

EFFECTIVE DATE:
10 May 2012

õflightö	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).
õgoodsö	means anything that can be transported by air, including animals.
õmonthö	means any period of thirty successive days.
õon callö	for the purpose of this tariff is the last minute/ immediate requirement for an aircraft by a charterer.
õoriginö	means the point from which a flight commences with payload to be transported.
õpassengerö	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 or air agreement.
õpatient transferö medical	means the transport of patient(s) requiring travel for treatment and/or tests; whom may or may not require a flight nurse or other medical escort(s).
"pilot - in - commandö	means the pilot responsible for the operation and safety of the aircraft and for the safety of all persons on board during flight.
õsummerö	means the period 15 th of March to the 14 th December inclusive.
õtollö	means any charge, classification, fare, rate or allowance.
õtrafficö	means any passenger or goods that are transported by air.
õwinterö	means the period 15 th of December to March 14 th inclusive.

RULE 2 **APPLICATION OF TARIFF**

- (a) This tariff is applicable to the transportation of passengers and their baggage or goods using aircraft operated by the carrier.

- (b) An air service will be furnished under the terms of this tariff only after an appropriate written air transportation contract, in the form prescribed by the carrier, is executed by the charterer and 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, except that, in cases in which tenders, offers or quotations are called, the rules, rates and charges that apply are those in effect on:
 - 1) the closing date of the tender; or

 - 2) the date the offer or quotation is submitted to the charterer, whichever is applicable.

- (d) The contents of this tariff shall form part of the air transportation contract between charterer and carrier and in the event of any conflict between this tariff and the contract this tariff shall prevail.

RULE 3 **CURRENCY**

- (a) All rates and charges published in this tariff are stated in terms of the lawful currency of Canada.

- (b) Where payment is made in any currency other than Canadian, such payment shall be 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 4 PAYMENT REQUIREMENTS

- (a) Any amount by which charges paid before commencement of a charter, or prior to the completion, exceed the charges properly applicable to the completed charter will be refunded to the charterer upon completion of the charter. When charges are paid before commencement, or prior to completion of a charter are less than the charges properly applicable to the completed charter, the difference will be payable by the charterer upon completion of the charter.
- (b) When a charter is cancelled by the carrier prior to commencement, full refund of charges paid in advance will be made to the charterer by the carrier.
- (c) When a charter is cancelled by the carrier after commencement, charges will be assessed for the usefully completed portion only.
- (d) No charges will be assessed against the charterer,
 - 1) where flights are not completed due to mechanical failure or crew casualties and the carrier fails to arrange satisfactory alternative transportation;
 - 2) where charges are assessed on a mileage basis in respect of any deviation not requested by the charterer.
- (e) No charges will be assessed against the charterer in respect of any flying required under the charter, unless the charterer or his agent, so agrees.
- (f) Any refund of charges to which a charterer might be entitled shall be limited to a sum attributable to that part of a charter which has not been usefully performed.
- (g) Payments for a contracted flight made by the charterer 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, where prior agreement has been made with the carrier in writing.

RULE 5 **GROUND TRANSPORTATION**

Tolls published in this tariff do not include charges for any ground transportation.

RULE 6 **SPLIT CHARTERS**

The carrier will charter to one charterer only at any one time, and will not permit resale of space at a toll per unit unless there is mutual agreement between the charterer and the carrier allowing the carrier to resell space. When the charterer and persons other than the carrier wish to use the aircraft jointly, the carrier, if requested by the charterer, may accept payment of the charter charges from the charterer and such other persons on any basis of apportionment agreed to between the parties.

RULE 7 **SUBSTITUTION OF AIRCRAFT ***

- (a) When, due to causes beyond the control of the carrier, the aircraft contracted for is unavailable at the time the air transportation is to commence 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 will 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 will be based on the rates and charges applicable to the type of the substituted aircraft.

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

RULE 8 **PAYMENT OF CHARGES ON BEHALF OF THE CHARTERER**

Upon request of the charterer and subject to reimbursement by the charterer, the carrier may pay or assume responsibility for payment of charges for transportation, cartage, storage, loading and unloading, custom duties and fees, and user fees accrued on the goods to be carried pursuant to the charter.

RULE 9 **FACILITIES AND SERVICES REQUIRED TO BE PROVIDED BY THE CHARTERER**

- (a) When the following facilities and/or services are available for the carrier's use at points, other than the carrier's base and required to the conduct of the charter; the cost to the carrier of using such facilities and/or services will be charged to the charterer:
- 1) communication and navigational aids and/or services (i.e. Nav Canada);
 - 2) hangar and storage space;
 - 3) pre-heaters for aircraft;
 - 4) personnel to assist carrier's crews with aircraft ground operations.
 - 5) aircraft de-icing
- b) When the facilities and/or services named in paragraph (a) above are required, but not available suitable alternative arrangements shall be provided by charterer at no cost to carrier. Upon request of the charterer, the carrier will act as the agent of the charterer and arrange for such facilities and/or services and the charterer will pay the costs incurred by the carrier in providing them.
- c) All local authority aerodrome user fees are the responsibility of the charterer and will be paid back on a cost recovery basis to the carrier, including any terminal, landing, parking, weather observations or airport maintenance fees as they are incurred by the carrier in the performance of the charter. Arrangements for the inclusion of such fees in the billing will be negotiated in the air transportation contract.

RULE 10 **OPERATION, INTERRUPTION OR CANCELLATION OF
CHARTER FLIGHTS**

- a) The carrier shall have the exclusive operational control over the chartered aircraft, contents and crew thereof. All persons provided transportation on the chartered aircraft shall comply with all the rules, regulations and instructions of the carrier and all persons or property aboard the chartered aircraft shall be subject to the authority of the pilot - in - command.

- b) The carrier has the right to cancel or terminate the charter or any flight of a charter at any time or to return to base or to the last point of landing or to divert or to land at an intermediate point, when such action is deemed by the carrier to be necessary due to unserviceability, weather, or to conditions beyond the control of the carrier. This includes the use of the aircraft for aeromedical transport.

RULE 11 **TRAFFIC DOCUMENTS**

- a) Carrier will issue:
 - 1) in respect of a cash passenger - an invoice, manifest or other similar document;
 - 2) in respect of goods - an air consignment note, manifest, waybill, bill of lading, or other similar document.

- b) Charterer shall provide carrier with all reasonable information, facilities and assistance in the issuing and delivery of such traffic documents.

RULE 12 **SPACE FOR CARRIER'S USE**

Any unused capacity in the chartered aircraft not being utilised by the charterer may, unless the charterer objects, be used by the carrier for the carriage of the carrier's personnel, baggage or goods.

RULE 13 **HUMAN REMAINS**

Except in cases of emergency, human remains will not be carried unless enclosed in the prescribed body bags, casket and/or coffin which will prevent the escape of offensive odours and/or the escape of bodily fluids. The carrier reserves the right to refuse transport of human remains deemed not appropriately enclosed.

RULE 14 **ACCEPTANCE OF BAGGAGE OR GOODS PRESENTED AS CARGO**

- a) All baggage or goods presented as cargo for transportation is subject to inspection by the carrier.
- b) 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 any applicable Canadian laws, regulations, or orders.
- c) The carrier may x-ray baggage or goods presented as cargo in order to search for items outlined in 14 (b). If baggage or goods presented as cargo are suspected to contain items outlined in 14 (b), the carrier reserves the right to inspect the contents of the baggage goods presented as cargo.
- d) If the weight, size or character of baggage or goods renders such baggage or goods unsuitable for carriage on the aircraft, the carrier, prior to departure of the flight, will refuse to carry such baggage or goods or any part thereof. The following articles will be carried only with prior consent of the carrier:
 - 1) Firearms of any description. Firearms for sport purposes will be carried as baggage, provided the passenger possesses the required permit/licence and, provided that such firearms are disassembled or packed in a suitable case. The provisions of this subparagraph do not apply to Peace Officer's prescribed side arms or other similar weapons;
 - 2) Explosives, munitions, corrosives and articles which easily ignite;
 - 3) Animals including, dogs, cats, and birds, when properly crated in leak proof containers and accompanied by valid health certificates or other documents where these are required. Such animals may be carried in the cargo compartment of the aeroplane and must be accompanied by a human escort unless prior arrangements exist and are agreeable to the carrier.
 - 4) Dangerous Goods packaged and with accompanying documentation as indicated in the current IATA Dangerous Goods Regulations Manual.

RULE 15 LIVE ANIMALS

- a) Live animals shall be properly crated, harnessed or packed, as required by the carrier
- b) The carrier requires an attendant to accompany the live animal and the attendant will be responsible for the care of the live animal.
- c) The carrier will not be responsible for the loss of or injury to - the live animal, except when cause or occasioned by the neglect or default of the carrier.
- d) The charterer will indemnify the carrier for any loss or damage caused by the live animal or the attendant.

RULE 16 DANGEROUS GOODS

- a) Charterer shall be responsible for complying with the applicable government regulations governing the carriage of dangerous articles under this tariff.
- b) Any charterer shipping or attempting to ship such articles in contravention of any government regulation shall be liable to the carrier for all loss or damage directly or indirectly caused thereby, and the carrier may store or dispose of such articles at the charterer's risk and expense.

RULE 17 PERISHABLE GOODS

- a) Perishable goods shall be properly packed by the charterer to prevent any deterioration in flight.
- b) When perishable goods in a damaged condition or with damaged or inadequate packing are accepted for carriage the traffic document will be so annotated by the carrier, and the carrier will be liable only for the loss, damage, deterioration or destruction caused by its own negligence.
- c) The carrier will take reasonable precautions to ensure that perishable goods will not be damaged by freezing or defrosting in flight.
- d) When such goods are refused by the consignee or no effective arrangements are made by the charterer or the consignee to accept such goods at the destination, or when disposal instructions cannot be obtained from the charterer or consignee; or show there is danger that the goods may become worthless because of delay or non-delivery, the carrier may - without prior notice - sell or otherwise dispose of such goods upon the best terms available.

RULE 18 PRISONERS

- a) A prisoner must be accompanied by an attendant and the charterer shall assume full responsibility for the proper conduct, or damage caused by the prisoner.
- b) The charterer shall indemnify the carrier for any loss, injury, or damage caused by the prisoner.

RULE 19 REFUSAL OF CARRIAGE

- a) The carrier will refuse to carry any passenger where it has reasonable grounds for believing that the passenger's condition is such as to involve an unusual risk or hazard to himself and/or to other persons (including - in cases of pregnant passengers - unborn infants) and/or to property.
- b) The carrier will refuse to carry any articles which it has reasonable grounds for believing would endanger the safety of the aircraft, crew, passengers and/or property, or are shipped contrary to any government regulations or are liable to cause damage to the aircraft or to persons, baggage or goods on board the aircraft.
- c) The carrier may refuse to carry improperly packed or other defective baggage or goods.

RULE 20 LIMITATION OF LIABILITY - BAGGAGE

- a) Subject to paragraph (b), the liability of the carrier in respect of loss, or damage to, baggage and their contents, whether caused directly or indirectly by the act, neglect or default of the carrier or not, is limited to the sum of \$200.00 CAD per passenger.
- b) The carrier will not be liable for loss or damage caused by or to liquids, fragile or perishable articles enclosed in or shipped as baggage.
- c) 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.
- d) No action shall be maintained for any loss of or damage to baggage 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 Convention and/or this tariff, unless action is commenced within the time limits and in the manner provided by the Convention and/or this tariff. Furthermore, in the case of loss or partial loss of baggage or the contents thereof, notice of claim must be given in writing to the carrier within 30 days from the date the baggage should have been delivered.

RULE 21 LIMITATION OF LIABILITY - GOODS

- a) Unless caused by its negligence, the carrier will not be liable for any differences in weight, volume or quantity of goods due to shrinkage, leakage or evaporation, nor any loss or damage to goods occurring after the expiration of forty-eight hours (exclusive of statutory holidays) from the time of verbal or written notice of the arrival of the goods to the consignee at the destination, airport, or landing area.
- b) The carrier will not be liable for loss, damage, deterioration, destruction, theft, delay, default, misdelivery, or non-delivery not caused by the actual negligence of the carrier or its agents, acting within the scope of their authority, or not occurring on its own line or in its own service, or for any act, default negligence, failure or omission of any other carrier (air/ground/water).
- c) The carrier will not be liable for loss of, or damage to, any goods caused or contributed to by:
 - 1) actions or conditions beyond the control of the carrier;
 - 2) the acts or default of the charterer and/or consignee;
 - 3) the nature or defects of the goods;
 - 4) violation by the charterer, consignee or any third party, claiming an interest in the goods, of any rules in this tariff, or in any other applicable rules and/or regulations;
 - 5) improper or insufficient packing, securing, marking or addressing of the goods;
 - 6) acts of omission of warehousemen (i.e. shippers/receivers), Customs or quarantine officials, or other persons other than the carrier or its agents, in gaining lawful or unlawful possession of the goods; or
 - 7) compliance with delivery instructions from the charterer or consignee.

RULE 22 **LIMITATION OF LIABILITY - PASSENGERS**

- a) The liability of the carrier in respect of the death or injury to a passenger is limited to the sum of \$100,000.00 CAD.
- b) The carrier is not liable:
 - 1) 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;
 - 2) In the case of a pregnant passenger, for any damages in respect of the unborn child of that passenger.
- c) Subject to paragraph (b), where the carrier would otherwise be liable in respect of the death or injury of a passenger carried for hire, sustained during the operation of flight, embarkation or disembarkation or while the passenger is otherwise aboard the aircraft, the liability of the air carrier shall not be limited in respect of each passenger below the minimum per passenger amount of passenger liability insurance or security stipulated by the Committee as a condition of the air carrier's licence.

RULE 23 **LIMITATION OF LIABILITY - DELAY**

The carrier will not be liable for delay either before the flight is commenced or at any time during the charter due to weather, aircraft unserviceability or to conditions beyond the control of the carrier.

RULE 24 **LIMITATION OF ACTION**

- a) No action may be maintained against the carrier for injury to, or for any delay in carriage of, any passenger unless the action is commenced within one year of such occurrence.
- b) No action may be maintained against the carrier for loss of, or damage to, or delay of baggage or goods, unless notice of claim shall have been presented in writing to the head office of the carrier within thirty days (or such further period as a court may decide to be reasonable, in view of all the extenuating circumstances) after the occurrence of such loss, damage or delay, and unless the action is commenced within one year of such occurrence.

RULE 25 **COMPUTATION OF CHARGES - APPLICATION OF ZONE
RATES AND CHARGES**

a) Application of the rates and charges will be those in effect in the geographic zone in which each flight originates, except as follows:

- 1) a flight originating on a zone boundary line will be subject to the lower of the rates and charges applicable in zones separated by such boundary line;
- 2) when, to meet the requirements of the carrier, a stop is made in a zone different from that in which the flight originates, there will be no change in the applicable rates and charges.

b) Description of the Zones:

- Zone A - The area north of 58° North Latitude and east of 102° West Longitude;
- Zone B - The area north of 58° North Latitude and west of 102° West Longitude;
- Zone C - The area south of 58° North Latitude and east of 102° West Longitude;
- Zone D - The area south of 58° North Latitude and west of 102° West Longitude.



RULE 26 **COMPUTATION OF CHARGES - LOADING AND UNLOADING AIRCRAFT**

- a) The carrier will be responsible for the loading and unloading of the aircraft at its bases, except when the charterer requests or the nature of the shipment requires special equipment or personnel for handling, the costs of such special equipment and personnel will be charged to the charterer.

- b) At all other points, except when caused by unserviceability of the aircraft or other causes attributable to the carrier, the cost of loading and unloading of the aircraft will be borne by the charterer.

RULE 27 **COMPUTATION OF CHARGES - CREW EXPENSES**

When the nature of the charter requires the carrier's personnel to be away from the carrier's base, the charterer will be required to provide or pay for the crew's meals and accommodation, and in addition, ground transportation between the aircraft and the crew accommodations. If crew meals are not included in the price of the charter, Pilots and cabin attendants are each paid \$50 per diems. This expense is recovered at cost.

RULE 28 **COMPUTATION OF CHARGES - IN-FLIGHT MEALS & CABIN ATTENDANTS**

Cabin attendants and in-flight meals are available. Customers will be charged cost plus 20% for these optional services.

RULE 29 **COMPUTATION OF CHARGES - EXTRA AIR CREW**

Intentionally omitted

RULE 30 COMPUTATION OF CHARGES - STORAGE

- a) Unless otherwise arranged between charterer and carrier, goods will be held by carrier without charge for 48 hours after notification of arrival. Such 48 hour period will be computed from the first 08:00 after notification of arrival.
- b) After the expiration of such free time, the carrier, if practicable, will continue to hold such goods as the agent for the charterer/consignee, subject to a charge of one-fifth of one cent per day per kilogram, or any fraction thereof, or if such continued holding is not practicable, the carrier as agent may place the goods in storage, subject to a lien for all transportation, storage, delivery, warehousing and other charges, including handling charges of one-fifth of one cent per kilogram, or any fraction thereof, subject to a minimum charge of \$ 10.00 CAD.
- c) When the goods are held by the carrier after notification of arrival, the carrier's liability shall be reduced to that of a warehouseman, and when the goods are placed in storage, the carrier's liability for the goods shall be terminated.
- d) Out bound goods delivered to the carrier's premises which are not acceptable for carriage in the condition in which they have been tendered, will be subject to the storage charges provided in paragraph (b), from the time of notification to the charterer of unacceptability until such goods are made acceptable for carriage or removed by the charterer or its agent.
- e) Carrier has a lien for all sums due and payable on all goods, which are stored pursuant to paragraph (b) of this rule.

**RULE 31 COMPUTATION OF CHARGES - SPECIAL SERVICES,
EQUIPMENT & PERSONNEL**

- a) Special services, equipment and personnel beyond those provided by the carrier in the normal performance of Class 4 charter service may, with the prior agreement of the charterer, be provided by the carrier and the cost thereof shall be borne by the charterer.
- b) When aircraft are required by the charterer to be modified, other than to change or to alter the seating and/or cargo configuration, the costs of such modifications shall be borne by the charterer. Detention charges or minimum charges, whichever is applicable, will apply while the modifications are being made and while the aircraft is being restored to its original operational form.

RULE 32 COMPUTATION OF CHARGES - DETENTION

- a) The detention charges published in the *Tables of Rates and Charges* will be assessed only when the aircraft is detained at the request of the charterer beyond the free time provided in the said tables.
- b) Daily detention charges are applicable only on days when there is no flying and the holding is prearranged and agreed upon by the charterer and the carrier.

RULE 33 COMPUTATION OF CHARGES - INCIDENTAL TRAFFIC

- a) The carrier will accept for carriage passengers, baggage and goods other than those of the charterer for which no arrangement has been made prior to the commencement of any charter flight, when the charterer's use of the aircraft will not be adversely effected and when the deviation from the mileage flown, pursuant to the charter, does not exceed 15 %; provided that when the charterer's passengers are aboard the aircraft, the agreement of the charterer is obtained.
- b) Charges for the carriage of incidental traffic will be the sum of:
 - 1) the greater of -
 - the charges computed by multiplying the actual number of miles the traffic has been carried by the rate per passenger per mile or per pound per miles, whichever the case may be, published in *Tables of Rates and Charges*; or
 - the minimum charge per passenger or per consignment for incidental traffic published in the *Tables of Rates and Charges*;
and
 - 2) the charges for any services provided by the carrier in addition to transportation, for which provision is made in this tariff.
- c) When any incidental traffic is carried, the charterer will be entitled to a refund in an amount equivalent to 50 % of the revenue from the incidental traffic computed in accordance with paragraph (b) (1) of this rule.

RULE 34 COMPUTATION OF CHARGES - FUEL

- a) When required, fuel and oil consumed in the performance of a charter shall be charged to the charterer in the amount by which the cost per litre to the carrier exceeds the following prices:

<u>Zone</u>	<u>Fuel Cost per Litre</u>
A, B, C, D	\$ 1.00

RULE 35 COMPUTATION OF CHARGES - MINIMUM CHARGES

When the charges for flying are less than the applicable minimum charges per aircraft published in the *Tables of Rates and Charges*, the minimum charges per aircraft will apply.

RULE 36 COMPUTATION OF CHARGES - DISPOSITION OF FRACTIONS WHEN COMPUTING CHARGES

When computing charges:

- 1) fractions of less than one-half statutory mile will be dropped; fractions of one-half statutory mile or more will be increased to next higher whole statutory mile.
- 2) fractions of an hour will be increased to the next multiple of 6 minutes (i.e. 0.1 hour = 6 minutes).
- 3) when computing a charge, fractions of less than one-half cent will be dropped; fractions of one half cent or more will be increased to the next whole cent.

RULE 37 REFUNDS

- a) Application for refund shall be made to the carrier or its duly authorised agent.
- b) If a portion of the agreed transportation has been completed, refund will be the difference between the rate or charge paid and the rate or charge applicable to that portion of the agreed transportation completed, less any applicable cancellation charges, as specified in this tariff (see Rule 4).

RULE 38 CONDITIONS OF CARRIAGE

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

- b) Carriage of Persons with Disabilities: The carrier will 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) The carrier will refuse passage to any person when:
 - 1) such action is necessary for reasons of safety;
 - 2) such action is necessary to prevent violation of any applicable law, regulation or order.

- d) Subject to the limitations of liability contained in this tariff, the carrier will be exempted from liability due to any failure to perform any of its obligations arising from:
 - 1) labour disputes or strikes, whether of the carrier's employees or of others upon whom the carrier relies for the fulfilment of the flight agreement, and;
 - 2) Force Majeure, or any other causes not attributable to the wilful 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 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, 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.

- (e) The charterer will be charged for the complete capacity of the aircraft, regardless of the space to be utilised, provided that any space not utilised 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.

- (f) 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.
- (g) Acceptance of children:
- (1) 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.
 - (2) Ages 6 to 11 inclusive will 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 destination; and prior to releasing custody of an unaccompanied child, the agent will obtain positive identification of the responsible party meeting the child and the signature of the said party.
 - (3) The carrier will not assume any financial or guardianship responsibility for unaccompanied children beyond those applicable to an adult passenger.

PART II: SPECIFIC CHARGES FOR FIXED WING AIRCRAFT

RULE 39 APPLICATION OF RATES & CHARGES

Rates per mile will apply for all point-to-point flights, where flight distances are measurable. Rates per hour will apply when the carrier is providing air service for a charterer engaged in operations involving flights or parts thereof where flight distances are not measurable, or when requested by the charterer and so certified by the carrier.

RULE 40 METHOD OF MEASURING DISTANCES

For the purpose of computing rates and charges herein, the mileage to be used, including both live 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, using the following sources in the order listed below:

- a) Statute miles from the calculation provided at Landings website http://www.landings.com/_landings/pages/search/search_dist_apr.html
- b) Air Distance Manual, published jointly by International Air Transport Association and International Aeradio Limited

- c) IATA Mileage Manual, published by the International Air Transport Association.

RULE 41 DETERMINATION OF FLIGHT TIME

- a) When an entire flight is to be assessed at rates per hour, the hours and minutes for which a charge is made will be computed from the time the aircraft commences taxiing before take-off until it finishes taxiing after landing.
- b) When only a portion of a flight is to be assessed at rates per hour, the hours and minutes flown will be computed from the time the aircraft deviates from a point on the measurable route until it returns to a point on the measurable route.

RULE 42 DETERMINATION OF TOTAL CHARTER MILES OR HOURS

The total charter miles and/or hours will be the sum of the following miles or hour computed in accordance with Rules 40 and/or 41:

- a) The lesser of the miles or flight time, if any:
- 1) from the carrier's base named herein at which the chartered aircraft is shown as available nearest to the place from which the work of the charter is to be performed; or
 - 2) from the place at which the chartered aircraft is actually located at the time of the charter to the place from which the work of the charter is to be performed; and
- b) The miles or hours flown performing the work of the charter; and
- c) The lesser of the miles or flight time, if any:
- 1) to return the aircraft from the place the work of the charter terminated to the carrier's base named herein, nearest to the place at which the work of the charter commenced; or
 - 2) the miles or flight time actually performed where the carrier elects;
 - i) to position the aircraft at another base of the carrier;

- ii) to position the aircraft at the place at which another charter is to commence;
- iii) to position the aircraft at the place at which the aircraft, if necessarily required for carrier's operational reason.

RULE 43 **TOTAL CHARGES**

- a) The total charges shall be the sum of the following charges when applicable:
 - 1) charge for the Miles and Hours flown measured in accordance with Rules 40, 41 & 42, subject to the minimum charges provided in Rule 35;
 - 2) charges for Detention, determined in accordance with Rule 32;
 - 3) charges for Fuel, determined in accordance with Rule 34;
 - 4) charges for Loading & Unloading of Aircraft as provided in Rule 26;
 - 5) charges for Crew Expenses as provided in Rule 27;
 - 6) charges for In-flight Meals & Cabin Attendant, determined in accordance with Rule 28;
 - 7) charges for Extra Air Crew, determined in accordance with Rule 29;
 - 8) charges for Storage, determined in accordance with Rule 30;
 - 9) charges for Excess Valuation, determined in accordance with Rules 20 & 21;
 - 10) any charges paid on behalf of the charterer by the carrier, as provided in Rule 8;
 - 11) charges for Special Services, Equipment and Personnel, provided in Rule 31.
 - 12) charges for Facilities and Services as required to be provided by the charterer, as determined by Rule 9.
- b) Less the following credits and refunds when applicable:
 - 1) credits for Incidental Traffic as provided in Rule 33;
 - 2) credits for Split Charters, determined in accordance with Rule 6;

3) refunds owing as provided in Rules 4 & 37.

TABLE 1: CARRIER'S BASES

(see definition Rule 1)

<u>Name of Base</u>	<u>Aircraft Available</u>	<u>Undercarriage</u>
Rankin Inlet, NU	Beech King Air 200	Wheels
	Beech 1900	Wheels
	PC12	Wheels
	Learjet 35	Wheels
Churchill, MB	Beech King Air 200	Wheels
	Beech 1900	Wheels
	PC12	Wheels
	Learjet 35	Wheels
Winnipeg, MB	Beech King Air 200	Wheels
	Beech 1900	Wheels
	PC12	Wheels
	Learjet 35	Wheels
Iqaluit, NU	Beech King Air 200	Wheels
	Beech 1900	Wheels
	PC12	Wheels
	Learjet 35	Wheels

TABLE 2a: RATES AND CHARGES FOR KING AIR 200 BEECH 1900 PC12 and LEAR35

(1) CHARGES FOR CHARTERS
 (see Rules 25 and 36)

<u>Zone</u>	<u>Aircraft Type</u>	<u>Rate Per Mile</u>	<u>Rate Per Hour</u>	<u>Minimum Charge</u> (see Rule 35)
A, B	King Air	\$ 7.00	\$1,200.00	\$1,200.00
A, B	B1900	\$ 8.25	\$2,000.00	\$1,800.00
A, B	PC12	\$ 7.00	\$1,200.00	\$1,200.00
A, B	Learjet 35	\$ 12.00	\$6,072.00	\$6,072.00
C, D	King Air	\$ 6.00	\$1,000.00	\$1,200.00
C, D	B1900	\$ 7.00	\$1,500.00	\$1,800.00
C, D	PC12	\$ 6.00	\$1,000.00	\$1,200.00
C, D	Learjet 35	\$ 12.00	\$6,072.00	\$6,072.00

Landing Fees in all zones:
 King Air, B1900, PC12 \$75 per landing
 Learjet 35 \$125 per landing

Navigation fees recovered at cost for all aircraft types.

(2) CHARGES FOR DETENTION OF AIRCRAFT
 (see Rule 32)

<u>Zone</u>	<u>Free Time</u>	<u>Aircraft Type</u>	<u>Per Hour</u>	<u>Per Day</u>
A, B	One Hour for each	King Air	\$1,200.00	\$4,800.00
A, B	hour flown, to a	B1900	\$2,000.00	\$8,000.00
A, B	maximum of four	PC12	\$1,200.00	\$4,800.00
A, B	(4) free hours	Learjet 35	\$4,500.00	\$12,000.00
C, D	One Hour for each	King Air	\$1,000.00	\$4,000.00
C, D	hour flown, to a	B1900	\$1,500.00	\$6,000.00
C, D	maximum of four	PC12	\$1,000.00	\$4,000.00
C, D	(4) free hours	Learjet 35	\$4,500.00	\$12,000.00

(3) RATES AND CHARGES FOR INCIDENTAL TRAFFIC
 (see Rule 33)

<u>Zone</u>	<u>Per Passenger Per Mile</u>	<u>Minimum Fare</u>
A, B	\$ 2.50	\$275.00
C, D	\$ 1.50	\$200.00

**TABLE 2b: RATES AND CHARGES FOR KING AIR 200 PC12 and LEAR35
 ENGAGED IN AEROMEDICAL TRANSPORT (MEDEVAC)**

(1) CHARGES FOR MEDEVAC
 (see Rules 25 and 36)

Various predetermined contracted prices and services exist with government agencies.

Non contracted medevac rates for all zones apply as follows:

<u>Aircraft Type</u>	<u>Rate Per Mile</u>	<u>Rate Per Hour</u>	<u>Minimum Charge</u>
King Air	\$8.75	\$2,625.00	\$2,625.00
PC12	\$8.75	\$2,625.00	\$2,625.00
Learjet 35	\$12.00	\$6,072.00	\$6,072.00

Medical team not included in aircraft charge. Landing fees and third party handling services recovered at cost.

(2) CHARGES FOR DETENTION OF AIRCRAFT

Free Time ó Holding charges will not be charged when less than the total numbers of hours flown for the trip. If deemed that holding charges are necessary, the charges will be calculated based on Table 2a

SPECIAL INSTRUCTIONS

All tariff and billing calculations are based on:

	Block Speed <u>(St. Miles/Hour)</u>	Fuel Consumption <u>(Litres/Hour)</u>
King Air 200	300	405
Beech 1900	300	560
PC12	300	270
Learjet 35	506	850

ISSUE DATE:
10 May 2012

ISSUED BY:
Wayne McLeod
Winnipeg, MB

EFFECTIVE DATE:
10 May 2012