INTERNATIONAL CHARTER TARIFF

Harbour Air Ltd carrying on business as Harbour Air Seaplanes, Whistler Air, Saltspring Air

RULES, RATES AND CHARGES APPLICABLE

TO THE CHARTER OF AIRCRAFT

FOR THE

TRANSPORTATION OF PASSENGERS AND BAGGAGE OR GOODS

BETWEEN

POINTS IN CANADA ON THE ONE HAND

AND

OUTSIDE CANADA ON THE OTHER HAND

ISSUED BY

David Perry Head of OCC Harbour Air Ltd. 4760 Inglis Drive Richmond, BC V7B 1W4

CHECK SHEET

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

Page <u>Number</u>	Number <u>of Revision</u>	Page <u>Number</u>	Number <u>of Revision</u>
1	Revision 2	12	Revision 1
2	Revision 2	13	Revision 1
3	Revision 2	14	Revision 2
4	Revision 1	15	Revision 1
5	Revision 1	16	Revision 2
6	Revision 1	17	Revision 2
7	Revision 1	18	Revision 2
8	Revision 1	19	Revision 2
9	Revision 2	20	Revision 2
10	Revision 1	21	Revision 2
11	Revision 1		

Table of Contents

CHECK SHEET	2
EXPLANATION OF ABBREVIATIONS, REFERENCE MARKS AND SYMBOLS	
RULE 1. DEFINITIONS	5
RULE 2. APPLICATION OF TARIFF	7
RULE 3. CURRENCY	7
RULE 4. MILEAGE DETERMINATION	7
RULE 5. COMPUTATION OF CHARGES	
RULE 6. CONDITIONS OF CARRIAGE	9
 (A) Acceptance of Children (B) Exemption from Liability (C) Medical Clearance (D) Refusal to Transport (E) Capacity Limitations (F) Space and Weight Limitations (G) Schedules/delays 	
RULE 7. CARRIAGE OF PERSONS WITH DISABILITIES	11
RULE 8. ACCEPTANCE OF BAGGAGE OR GOODS	
RULE 9. REFUNDS	12
RULE 10. LIMITATION OF LIABILITY – PASSENGERS	
RULE 11. LIMITATION OF LIABILITY – BAGGAGE AND EXCESS VALUATION CHARGES	
RULE 12. LIABILITY OF CARRIER – CARGO	15
RULE 13. LIMITATION OF LIABILITY – SERVICE ANIMALS	
RULE 14. SUBSTITUTION OF AIRCRAFT (*)	15
RULE 15. PAYMENT REQUIREMENTS	
RULE 16. CANCELLATION CHARGES	
RULE 17. TICKETS	
RULE 18. PASSENGER RE-ROUTING	
RULE 19. DENIED BOARDING COMPENSATION	
TABLE "A" -RATES AND CHARGES PER MILE AND PER HOUR	
TABLE "A1"- AIRPORT IMPROVEMENT FEES	19
TABLE "A2" - LAYOVER CHARGES	20
TABLE "A3" - OTHER FEES AND SURCHARGES	20

EXPLANATION OF ABBREVIATIONS, REFERENCE MARKS AND SYMBOLS

- CTA..... Canadian Transportation Agency
- Cont'd Continued
- No..... Number
- \$..... Dollar(s)
- [R] Denotes reductions
- [A]..... Denotes increases
- [C] Denotes changes which result in neither increases or reductions
- [X]..... Denotes cancellation
- [N]..... Denotes addition
- CAD Canadian
- N/A..... Not Applicable

RULE 1. DEFINITIONS

In this tariff, the following words shall have meanings set out below:

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

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

"Carrier" means Harbour Air Ltd carrying on business as Harbour Air Seaplanes, Whistler Air, Saltspring Air

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

"Charterer" means a person, firm, corporation, association, partnership, or other legal entity who contracts for the transportation of passengers and baggage, or goods and/or property from a specified origin to a specified destination, for a particular itinerary, agreed upon in advance.

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

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

"Entity Charter" means a charter in which

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

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

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

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

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

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

"SDR" means Special Drawing Rights issued by the International Monetary Fund. **"Traffic"** means any passengers or goods that are transported by air.

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

RULE 2. APPLICATION OF TARIFF

- (1) This tariff is applicable to the transportation of passengers and their baggage or goods using aircraft operated by the carrier.
- (2) Charter service will be furnished under the terms of this tariff only after an appropriate written air transportation contract, in the form prescribed by Harbour Air Ltd carrying on business as Harbour Air Seaplanes, Whistler Air, Saltspring Air is executed by the charterer and the carrier.
- (3) Charter 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.
- (4) The contents of this tariff shall form part of the air transportation contract between the carrier and the charterer and in the event of any conflict between this tariff and the contract, the tariff shall prevail unless departure from the tariff has been authorized by the CTA(A).

RULE 3. CURRENCY

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

RULE 4. MILEAGE DETERMINATION

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 flight or flights, using the following sources in the order listed below:

- (1) Harbour Air mileage quote book
- (2) Straight line distance measured on a VNC or WAC chart

RULE 5. COMPUTATION OF CHARGES

The total price payable by the party contracting for the use of an aircraft shall be the following:

- (1) An amount determined by multiplying the distance travelled by the aircraft determined in accordance with Rule 4 herein, times the applicable air transportation rate per mile, shown in Table "A", or, where distances cannot be measured, the rate per hour or fraction thereof of the flight(s), times the applicable rate per hour shown in Table "A", provided that the charge for the flight shall not be lower than the minimum charge per flight shown in Table "A".
- (2) 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 "A", or, where distances cannot be measured, times the applicable ferry rate per hour shown in Table "A", provided that the charge per ferry flight shall not be lower than the minimum charge indicated in Table "A", or
- (3) Fuel and/or oil consumed in the performance of a contract shall be charged in the amount by which the cost per gallon/litre to the carrier in Canadian currency exceeds \$0.00
- (4) Due to the inability to foresee actual cost, the following charges will be established at the time that the contract is signed:
 - (a) Loading/unloading of the aircraft.
 - (b) Charges for goods carried outside the aircraft.
 - (c) All charges or expenses incurred by the carrier to cover the cost of accommodation, meals and ground transportation for the air crew whenever the nature of the service to be provided requires said air crew to live away from the place at which it is normally based.
 - (d) Charges for storage.
 - (e) The actual cost of all passenger and/or goods handling charges incurred by the carrier at an airport other than the carrier's base.

- (f) The actual cost of any special or accessorial services performed or provided on request.
- (5) Layover charges, if any, as set forth in Table "A2" and Table "A3", will be assessed by the carrier for holding the aircraft on request at any point on the route in excess of the free waiting time.
- (6) Customs filing fee, as set forth in Table "A3".
- (7) Airport improvement fees as per Table "A1".
- (8) Taxiing charges, if any, for the time required to transport passengers and baggage or goods by taxiing from point to point on the surface calculated by multiplying the time required by the rates and charges per hour shown in Table "A".
- (9) Valuation charges, if any, in accordance with Rule 11 and Rule 12.

RULE 6. CONDITIONS OF CARRIAGE

(A) 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 12 years of age.
- (2) Ages 8 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/her 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.

(B) Exemption from Liability

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

- (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 what ever 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.
- (C) Medical Clearance

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

- (D) Refusal to Transport
 - (1) The carrier will refuse passage to any person:
 - a. when such action is necessary for reasons of safety; and
 - b. when such action is necessary to prevent violation of any applicable law, regulation or order of any country or possession to be flown over.
- (E) Capacity Limitations

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

Revision 1 (Cancels Original) Page 11

(F) Space and Weight Limitations

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

(G) Schedules/delays

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

RULE 7. CARRIAGE OF PERSONS WITH DISABILITIES

The carrier will make its best effort to accommodate passengers with disabilities including their attendants, service animals or other mobility aids on the 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.

RULE 8. ACCEPTANCE OF BAGGAGE OR GOODS

- (1) All baggage or goods presented for transportation is/are subject to inspection by the carrier.
- (2) Articles of baggage or goods will not be carried when such articles are likely to endanger the aircraft, persons or property, are likely to be damaged by air carriage, are unsuitably packed, or the carriage of which would violate any applicable Canadian laws, regulations, or orders.
- (3) 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:
 - (a) 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 Officers' prescribed sidearms or other similar weapons.

- (b) Explosives, munitions, corrosives and articles which easily ignite.
- (c) (*) Pets including, dogs, cats and birds, when properly crated in leakproof containers and accompanied by valid health certificates or other documents where these are required. Such pets and animals may be carried in the cargo compartment of the aircraft.
 (*) Not applicable to service animals.

RULE 9. REFUNDS

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

RULE 10. LIMITATION OF LIABILITY – PASSENGERS

For travel governed by the Montreal Convention

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

For travel governed by the Warsaw Convention

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

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

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

RULE 11. LIMITATION OF LIABILITY – BAGGAGE AND EXCESS VALUATION CHARGES

For travel governed by the Montreal Convention

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

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

For travel governed by the Warsaw Convention

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

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

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

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

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

(a) converting francs into Special Drawing Rights at the rate of one Special Drawing Right for 15.075 francs; and

(b) converting Special Drawing Rights into Canadian dollars at the rate established by the International Monetary Fund.

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

NOTE: At the time of filing of this tariff provision, 250 frances convert to approximately CAD \$375.00 and 5,000 francs convert to approximately CAD \$7500.00. These converted values are provided for general reference only. Carrier's liability will be calculated for each claim individually, based on the formula set out in this Rule.

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

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

(a) The amount of the carrier's liability calculated in accordance with the parts of this Rule set out above shall be referred to as "basic carrier liability";

(b) No charge shall be payable on that part of the declared value which does not exceed basic carrier liability;

(c) For that part of the declared value which does exceed basic carrier liability, a charge shall be payable at the rate of CAD \$10.00 dollars for each CAD \$100.00 or fraction thereof.

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

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

RULE 12. LIABILITY OF CARRIER – CARGO

(1) The carrier does not provide cargo transportation services on International Charter Flights.

RULE 13. LIMITATION OF LIABILITY – SERVICE ANIMALS

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

RULE 14. SUBSTITUTION OF AIRCRAFT (*)

(1) When, due to causes beyond the control of the carrier, the aircraft contracted for is unavailable at the time the air transportation commences or becomes unavailable while carrying out such transportation the carrier may furnish another aircraft of the same type or, with the consent of the party contracting for the use of the aircraft, substitute any other type of aircraft if the rates and charges for the new aircraft are the same as for the original aircraft, except as provided in paragraphs (2) and (3).

- (2) 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.
- (3) 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 substituted aircraft.

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

RULE 15. PAYMENT REQUIREMENTS

- (1) Payments for a contracted flight made to any person to whom the carrier, directly or indirectly, has paid a commission or has agreed to pay a commission with respect to such flight, shall be considered payment to the carrier.
- (2) Full payment prior to departure.

RULE 16. CANCELLATION CHARGES

- (1) When the cancellation is made more than 72 hours prior to the planned departure, no cancellation charges shall be levied.
- (2) When the cancellation is made less than 72 hours but more than 48 hours prior to the planned departure of the first flight, the carrier will retain 50% of the total air transportation contract price.
- (3) When the cancellation is made less than 48 hours prior to the planned departure of the first flight, the carrier will retain 100% of the total air transportation contract price.

RULE 17. TICKETS

The carrier does not issue tickets. There are still provisions for paper tickets, and they are still used in some applications, but the vast majority of "tickets" are now ticketless itineraries. For the intent of the following rules, the term "tickets" will mean both paper tickets and/or the ticketless equivalent.

RULE 18. PASSENGER RE-ROUTING

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

RULE 19. DENIED BOARDING COMPENSATION

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

TABLE "A" -RATES AND CHARGES PER MILE AND PER HOUR

AIRCRAFT TYPE	CARBON OFFSET	LIVE RATE PER MILE	FERRY RATE PER MILE	MINIMUM CHARGE PER FIGHT
C208 Floats	.13	29.45	29.45	1178.00
DHC2 Floats	.05	14.84	14.84	593.60
DH3T Floats	.13	26.16	26.16	1046.40
DHC6 Floats	.21	33.92	33.92	2035.20

(In Canadian Dollars)

AIRCRAFT TYPE	CARBON OFFSET	LIVE RATE PER HOUR	FERRY RATE PER HOUR	MINIMUM CHARGE PER FIGHT
C208 Floats	22.75	5068.07	5068.07	2534.04
DHC2 Floats	5.75	1640.83	1640.83	820.42
DH3T Floats	13.00	3295.05	3295.05	1647.53
DHC6 Floats	30.15	5484.88	5484.88	2742.44

Above rates to be computed in accordance with Rule 4 herein.

TABLE "A1"- AIRPORT IMPROVEMENT FEES

(In Canadian Dollars)

AIRCRAFT TYPE	CHARGE PER FLIGHT	
C208 Floats	195.30	
DHC2 Floats	130.20	
DH3T Floats	303.80	
DHC6 Floats	412.30	

Above rates to be computed in accordance with Rule 5 herein.

TABLE "A2" - LAYOVER CHARGES

(In Canadian Dollars)

AIRCRAFT TYPE	FREE WAITING TIME IN HOURS	RATE PER HOUR	MAXIMUM CHARGE PER DAY OR PART
C208 Floats	NONE	480.00	11520.00
DHC2 Floats	NONE	390.00	9360.00
DH3T Floats	NONE	480.00	11520.00
DHC6 Floats	NONE	750.00	18000.00

Above rates to be computed in accordance with Rule 5 herein.

TABLE "A3" - OTHER FEES AND SURCHARGES

(In Canadian Dollars)

AIRCRAFT TYPE	CUSTOMS FILING FEE	CREW EXPENSES FOR OVERNIGHT
C208 Floats	1325.00	750.00 PER CREW MEMBER
DHC2 Floats	1325.00	750.00 PER CREW MEMBER
DH3T Floats	1325.00	750.00 PER CREW MEMBER
DHC6 Floats	1325.00	750.00 PER CREW MEMBER*

(*) Minimum Crew on the DHC6 is two crew members.