



**LOCAL DOMESTIC TARIFF
CONTAINING
RULES, RATES AND CHARGES APPLICABLE TO THE
CHARTER OF AIRCRAFT
FOR THE
TRANSPORTATION OF PASSENGERS AND BAGGAGE OR GOODS
BETWEEN POINTS IN CANADA**

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0.2 Amendment Procedures

This manual is periodically revised to ensure compliance with Canadian Transportation Agency regulations. Each amendment is issued as a complete revision, with the amendment number and effective date indicated in the lower left-hand corner of each page. Furthermore, the amendment record below is updated to include the current amendment number and its corresponding effective date.

0.3 Amendment Record

Amendment Number	Effective Date
Original	12 Jul 16
Amendment 1	11 Feb 17
Amendment 2	13 July 18
Amendment 3	10 Nov 18
Amendment 4	01 Mar 19
Amendment 5	18 Dec 19
Amendment 6	13 Apr 22
Amendment 7	23 Aug 22
Amendment 8	05 Oct 23

Amendment Number	Effective Date
Amendment 9	16 Dec 25

Rule 1 Definitions

Definition	Description
Agency	Canadian Transportation Agency (CTA(A))
Baggage	Luggage or such articles, effects or other personal property of a passenger or passengers that are necessary or appropriate for the wear, use, comfort, or convenience of the passenger for the purpose of the trip.
Canada	The ten provinces of Canada, the Yukon Territory, and Districts and Islands comprising the Northwest Territories of Canada and Nunavut.
Carrier	PAL Aerospace Ltd., c/o/b as PAL Aerospace, Provincial Aerospace.
Charter Flight	The movement of an aircraft with payload from the point of takeoff to the first point of landing thereafter (intermediate, technical or fuel stops excepted).
Charterer	A person, firm, corporation, association, partnership, or other legal entity who agrees to hire the complete capacity of one or more aircraft operated by PAL Aerospace for the transportation of passengers and baggage, goods and/or property from a specified origin to a specified destination for a particular itinerary agreed upon in advance.
Company	PAL Aerospace Ltd., c/o/b as PAL Aerospace, Provincial Aerospace.
CTA (A)	Canadian Transportation Act as amended from time to time.
Destination	The point to which the passenger and/or goods to be transported on a flight are bound.
Emotional Support Animal	A dog used by a person with a mental health disability, as diagnosed in accordance with the Diagnostic and Statistical Manual of Mental Disorders, to provide support-based assistance and comfort.
Force Majeure	An event, the cause or causes of which are not attributable to the willful misconduct or gross negligence of PAL Aerospace, including, but not limited to:
Goods	Anything that can be transported by air, including animals, but does not include mail, other than in plane load lots.
Origin	The point from which a charter flight commences with passengers or goods to be transported.
Passenger	Any person, other than a member of the flight crew, carried or to be carried in an aircraft operated by PAL Aerospace pursuant to a charter agreement.
Person with a Disability	Any person who, by virtue of a locomotor, sensory, intellectual, or other impairment, requires services or assistance beyond those normally offered by PAL Aerospace.

(continued)

Definition	Description
Positioning	The movement of an aircraft, without payload, to position the aircraft to perform a charter flight; or upon completion of a charter flight, to position the aircraft to a point required by PAL Aerospace.
Self-Reliant	A person who is independent, self-sufficient and capable of taking care of all his/her physical needs during flight, during an emergency evacuation or decompression. He/she requires no special or unusual attention beyond that afforded to the general public, except that he/she may require assistance in boarding or deplaning.
Service Animal	An animal that is required by a person with a disability for assistance and is certified, in writing, as having been trained by a professional service animal institution to assist a person with a disability and which is properly harnessed in accordance with standards established by a professional service animal institution.
Specialty Animal	A dog that is not providing a service to a person with a disability but is trained to perform professional functions. A registered certificate will be required as proof that the dog is trained.

Rule 2 Application of Tariff

- a) This tariff is applicable to the transportation of Passenger and their Baggage or Goods in charter service on aircraft operated by PAL Aerospace.
- b) Charter service will be furnished under the terms of this tariff only after an appropriate written charter agreement, in the form prescribed by PAL Aerospace, is executed by the Charterer and the Carrier.
- c) 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 of each page, on the date of signing of the charter agreement. The charter price shall be subject to fuel surcharges in effect on the date the transportation commences from the point of origin of each flight.
- d) The contents of this tariff form part of the charter contract between the Carrier and the Charterer and in the event of any conflict between this tariff and the charter contract, this tariff shall prevail unless departure from the tariff has been authorized by the Agency Canadian Transport Agency CTA (A).
- e) Notwithstanding Rule 2(c), when the charterer and the carrier agree to amend a contract for a series of flights within the original period of the contract, the tariff in effect at the time of signing of the original contract shall apply.
- f) Any airport or air transportation tax imposed by any government authority is not included in the charter rates and charges published herein.

Rule 3 Currency

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

Rule 4 Charter and Ferry Mileage Determination

- a) For the purpose of computing rates and charges herein, the mileage to be used, including Positioning and depositioning (if any), will be the shortest (statute) mileage covering the actual airport to airport great circle distance of the agreed Charter Flight or flights, to be performed in accordance with the agreed flight schedule, using IFR Conditions, as published in the following sources in the order listed below:
- i. Air Distance Manual, published jointly by International Air Transport Association and International Aeradio Limited,
 - ii. IATA Mileage Manual, published by the International Air Transport Association,
 - iii. Company Charter Quote Software, calculating great circle route,
 - iv. LE and HE charts,
 - v. A combination of the above.
- b) For the purposes of calculating rates and charges using IFR Conditions, any time the weather conditions at the Destination airport(s) require that an Instrument Approach Procedure be conducted, an additional ten (10) statute miles, times the number of segment(s) for which an approach is required, shall be added to the total distances.
- c) In the event that the mileage calculation cannot be used due to type of flying (i.e., survey) the hourly charter rate shall apply.

Rule 5 Computation of Charges

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

- a) An amount determined by multiplying the distance of the charter flight(s) determined in accordance with *Charter & Ferry Mileage Determination*, times the applicable charter rate per mile shown in the Table of Rates and Charges; or, where distances cannot be measured, the hours or fraction thereof of the charter flight(s), times the applicable charter rate per hour shown in the Table of Rates and Charges, provided that the charge per charter flight shall not be lower than the minimum charge per charter flight shown in the Table of Rates and Charges.
- b) Fuel and Oil
 - i. When fuel and oil are cached in connection with the performance of a charter, the Charterer shall be charged the cost of establishing the cache and returning empty containers.
 - ii. When aircraft operated by PAL Aerospace is used for establishing a cache referred to in paragraph a), the hours flown shall be charged as part of the charter.
 - iii. When fuel and oil are obtained from a supply point other than that of PAL Aerospace or the Charterer, or from a cache established under paragraphs a) and b), the Charterer shall be charged the amount by which the cost per gallon to PAL Aerospace at the point of supply.
- c) Layover charges, if any, as set forth in the Tables of Rates and Charges, will be assessed by the Carrier for holding the chartered aircraft at the request of the Charterer at any point on the charter route in excess of the free waiting time.
- d) Landing charges, if any, as per the applicable Table of Rates and Charges.
- e) Taxiing charges, if any, for the time required to transport passenger and baggage or goods of a Charterer by taxiing from point to point on a supporting surface, calculated by multiplying the time required by the charter rate per hour shown in the Table of Charges.
- f) Valuation charges, if any, in accordance with Rule 10.
- g) All charges or expenses incurred by the Carrier to cover the cost of accommodation, meals and ground transportation for crew whenever the nature of the charter requires said crew to live away from the place at which they are normally based.
- h) The actual cost of all passenger and/or goods handling charges incurred by the Carrier at airports other than the Carrier's base.
 - i) The actual cost of any special or accessorial services performed or provided at the request of the Charterer.
 - j) The cost of all applicable fees such as NAV Canada Navigational Fees, Airport Fees, Customs Fees, etc.
- k) Charges for additional crew (i.e., Flight Attendant), if requested.

Rule 6 Conditions of Carriage

a) Acceptance of Children

- i. Children under 12 years of age are accepted for transportation when accompanied on the same flight by a passenger at least 12 years of age.
- ii. Ages 8 to 11 inclusive will be carried unaccompanied on a chartered flight providing the child:
 - is brought to the airport by a parent or responsible adult
 - has satisfactory evidence establishing his/her age on the date of commencement of carriage
 - possesses written information showing the name and address of the responsible adult meeting the child at destination
- iii. Prior to releasing custody of an unaccompanied child, the flight crew will obtain positive identification of the responsible party meeting the child and the signature of the said party.
- iv. PAL Aerospace 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, PAL Aerospace will be exempted from liability due to any failure to perform any of its obligations under the Carrier's charter agreement arising from:

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

c) Medical Clearance

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

d) Refusal to Transport

PAL Aerospace will refuse passage to any persons when:

- i. such action is necessary for reasons of safety,
- ii. such action is necessary to prevent violation of any applicable law, regulation or order of any country or possession to be flown over.

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

PAL Aerospace may, in its reasonable discretion, impose those sanctions described below, including the imposition of conditions in respect of future travel or the imposition of a temporary, indefinite, or permanent travel ban on a passenger who has engaged in conduct or behavior more fully described below.

In particular, without limiting the generality of the foregoing, the following rules apply with respect to the boarding and transportation of passengers by PAL Aerospace.

e) Prohibited Conduct and Sanctions

i. PAL Aerospace may impose sanctions on any person who engages in or has engaged in any conduct or behavior on PAL Aerospace aircraft; or to the knowledge or reasonable belief of PAL Aerospace, on any airport property or other Carrier's aircraft that PAL Aerospace determines, in its reasonable judgement, may have a negative effect on the safety, comfort or health of that person, other passengers, employees, agents, or aircrew or the safe operations of PAL Aerospace aircraft.

ii. Examples of prohibited conduct that could give result in imposition of sanctions include:

- Significant impairment arising from the consumption or use of alcohol or drugs prior to boarding or while on board the Carrier's aircraft.
- Engaging in belligerent, lewd or obscene behavior toward a passenger or employee or agent of PAL Aerospace.
- Threatening, harassing, intimidating, assaulting or injuring a passenger or employee or agent of PAL Aerospace.
- Tampering with or willfully damaging an aircraft, its equipment or other property of PAL Aerospace.
- Failing to comply with all instructions, including all instructions to cease prohibited conduct, given by PAL Aerospace employees.
- Unauthorized intrusion or attempted intrusion onto the flight deck of an aircraft.
- Smoking or attempted smoking in an aircraft.
- Wearing or carrying dangerous or deadly weapons on an aircraft (other than on duty escort or peace officers who have complied with PAL Aerospace's guidelines).

iii. Sanctions may be one or a combination of the following:

- Refusal to transport
- Refusal to permit boarding of an aircraft
- Removal from an aircraft at any point
- Requiring the person to provide written confirmation attesting that he/she will cease and desist any and all prohibited conduct

h) Space and Weight Limitations

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

i) Schedules / Delays

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

PAL Aerospace is not liable for its refusal to transport any passenger or for its removal of any passenger in accordance with the paragraphs of this rule.

Rule 7 Carriage of Persons with Disabilities

a) Acceptance for Carriage

PAL Aerospace will make every effort to accommodate passengers with a disability and will not refuse to transport a person solely based on his/her disability. In the event of a refusal, the Carrier will offer to provide a written explanation to the person for the decision to refuse carriage within 10 calendar days of the refusal.

b) Acceptance of Declaration of Self-Reliance

Except for safety-related matters governed by Transport Canada, PAL Aerospace will accept the determination made by or on behalf of a Person with a Disability that the person is Self-Reliant and does not require services of a personal nature during a flight, such as assistance with eating, personal hygiene, using washroom facilities or taking medication.

c) Acceptance of Mobility Aids

PAL Aerospace will carry as priority baggage, in the cabin where possible, the following mobility aids:

- a wheelchair or scooter
- a walker, a cane, crutches or braces
- a device to facilitate communication, and/or
- any prosthesis or small medical device

- i. Where possible, PAL Aerospace will allow persons with disabilities to retain any of these items at their seat.
- ii. Where the aircraft design does not permit the carriage of the aid, PAL Aerospace will advise the person with a disability of alternate transportation arrangements that the person may make to transport the aid, or to travel with the aid.
- iii. Provided the aircraft can carry the aid, PAL Aerospace will:
 - disassemble and package, where necessary, the aid for transportation and assemble the aid upon arrival; and
 - return the aid promptly upon arrival.
- iv. Where the facilities, the tarmac, and the weather conditions permit, PAL Aerospace will allow the use of a manually operated wheelchair to reach:
 - the boarding gate,
 - the stairs of the aircraft, or
 - the door of the aircraft (for aircraft accessible via a boarding system).

d) Acceptance of Service, Specialty or Emotional Support Animals

PAL Aerospace will accept for transportation, a service/Specialty Animal/emotional support animal provided the animal is properly harnessed and certified as being trained by a professional Service Animal institution to accompany the person on board the aircraft and to remain on the floor at the person's passenger seat.

The animal will be permitted to accompany the person with a disability on-board and to remain on the floor at the person's passenger seat or, where there is insufficient floor space at the person's passenger seat, to remain on the floor in an area where the person can still exercise control over the animal. PAL Aerospace will avoid separating persons with disabilities from their service animal.

e) Accessible Seating

PAL Aerospace will consult the person with a disability to determine which seat is the most accessible to meet specific disability-related needs and will provide the most accessible seat on the aircraft. Such seating will not be in an emergency exit row, which is defined as a row that provides direct access to an exit without going into an aisle.

f) Services to be Provided

i. At the time that the charter is reserved when a person identifies himself/herself as a person with a disability, PAL Aerospace will:

- describe the type of equipment and services available to accommodate that person with a disability
- discuss both the level of accessibility and the limitations of the aircraft, the tarmac, the facilities and the availability of boarding equipment for the available services to accommodate that person's disability-related needs.

ii. As soon as possible after the charter has been reserved and before the flight, PAL Aerospace will offer to confirm in writing the services to be provided.

iii. At the time of travel where a request for a service is made at least 48 hours in advance of travel, PAL Aerospace will make every effort to provide:

- assistance at check-in
- assistance to reach the boarding area
- assistance to board and deplane
- assistance to stow and retrieve baggage
- assistance to transfer to/from a mobility aid
- assistance to transfer to/from a passenger seat
- limited assistance with beverages and snacks, such as opening packages and identifying items
- assistance to proceed to the general public area or to a representative of another carrier
- briefing to individual passengers with disabilities and their escorts on emergency procedures and the layout of the cabin
- any additional service to accommodate a person's disability-related needs

iv. When boarding and deplaning, upon request and whenever possible, PAL Aerospace will board and deplane persons with disabilities using specialized equipment. As a last recourse, a person may be carried by hand to enplane and deplane if the following applies:

- restrictions inherent to the aircraft or the tarmac prevent the use of any other boarding/deplaning method
- the person agrees to be hand-carried, and
- this can be done safely

g) Communication of Information

i. Flight crew members shall be advised of information related to special handling requests concerning persons with disabilities.

ii. A list of the services that was undertaken to be provided at the time of reservation will also be transmitted to the personnel assisting such persons.

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

Rule 8 Acceptance of Baggage or Goods

- a) All baggage or goods presented for transportation is/are subject to inspection by the Company.
- b) Articles of baggage or goods will not be carried when such articles are likely to endanger the aircraft, persons or property, are likely to be damaged by air carriage, are unsuitably packed, or the carriage of which would violate the laws, regulations or orders of countries or possessions to be flown from, into, or over.
- c) If the weight, size or character renders such baggage or goods unsuitable for carriage on the aircraft, prior to departure of the flight the Company will refuse to carry the Charterer's baggage or goods or any part thereof.
- d) The following articles will be carried only with prior consent of PAL Aerospace:
- e) Firearms of any description. Firearms for sport purposes will be carried as baggage provided the passenger possesses the required permit/licence for the country of destination and provided such firearms are disassembled or packed in a suitable case.
- f) The provisions of this subparagraph do not apply to Officers of the Law travelling in line of duty and carrying legally prescribed side arms or other similar weapons.
- g) Explosives, munitions, corrosives and articles which easily ignite.
- h) Pets** including, dogs, cats and birds properly crated in leak-proof containers and accompanied by valid health certificates or other documents where these are required. ****Not applicable to service animals.**

Note:

Passengers will be advised that the carriage of a loaded weapon is a violation of Federal Government Regulations (Act 103.12).

Note:

PAL Aerospace will not be liable for the loss of, or damage to, liquids or such other articles or for the damage to other articles or for the damage to other property occasioned thereby in the event such liquids or other articles are packed in baggage or otherwise transported without the knowledge of the Carrier.

Rule 9 Refunds

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

Rule 10 Limitations of Liability - Passengers

- a) The liability in respect of the death of, or injury to, a passenger is limited to the sum of \$300,000 CAD (Canadian Dollars).
- b) In no case shall PAL Aerospace's liability exceed the actual loss suffered by the passenger. All claims are subject to proof of amount of loss.
- c) PAL Aerospace is not liable:
 - i. In the case of any passenger whose age or mental or physical condition, including pregnancy, presents an unusual risk or hazard, for any damages sustained by that passenger that would not have been sustained but for his/her age or mental or physical condition; or
 - ii. In the case of a pregnant passenger, for any damages in respect of the unborn child of that passenger.

Rule 11 Limitations of Liability – Baggage

Note:

See also Limits of Liability - Mobility Aids.

- a) The Company is liable for damages sustained in the case of destruction or loss of, damage to, or delay of baggage as follows:
 - i. Liability is limited to the sum of \$1800 CAD for each passenger in the case of destruction, loss, damage or delay of baggage. However, the limit will not apply if it is proved that the damage resulted from an act or omission of PAL Aerospace, its servants or agents, done with intent to cause damage, or recklessly and with knowledge that damage would probably result, provided that, in case of such act or omission of a servant or agent, it is also proved that such servant or agent was acting within the scope of their employment.
 - ii. If PAL Aerospace proves that the damage was caused or contributed to by the negligence or other wrongful act or omission of the person claiming compensation, or the person from whom he or she derives his or her rights, PAL Aerospace shall be wholly or partly exonerated from its liability to the claimant to the extent that such negligence or wrongful act or omission caused or contributed to the damage.
- b) Unless the passenger proves otherwise all baggage checked by the passenger will be considered to be the property of that passenger.
- c) A particular piece of baggage will not be considered to be the property of more than one person.
- d) Unchecked baggage, including personal items, will be considered to be property of the passenger who is in possession of the baggage at the time of embarkation.
- e) Liability is limited to the declared value of baggage except when, prior to departure, the passenger:
 - f) Has declared the value of the baggage to be an amount exceeding \$1800 CAD per passenger for any one or more passengers, to a maximum total liability of \$4000 CAD, including basic Carrier liability, and
 - g) Has paid an additional charge of \$10 CAD for each \$100 CAD or fraction thereof per declaration.
- h) No action shall be maintained for any loss, or partial loss of or damage to baggage or for any delay in the carriage thereof unless notice of a claim is presented in writing to PAL Aerospace's head office within 30 days from the date the baggage should have been delivered.
- i) In no case shall the Company's liability exceed the actual loss of the passenger. All claims are subject to proof of amount of loss.

Rule 12 Limitation of Liability – Mobility Aids

Note:

The liability of the Carrier for substantiated claims involving the loss of, damage to, or delay in delivery of mobility aids, when such items have been accepted as baggage or otherwise, is to be based on the cost of the repair or replacement value of the mobility aid.

- a) In the event that a mobility aid is lost during flight or is unavailable at destination, PAL Aerospace will:
 - i. without charge, immediately provide the passenger with a suitable, temporary, replacement aid,
 - ii. if a suitable replacement cannot be promptly provided, assist the person in finding a suitable temporary replacement, and
 - iii. if a suitable replacement aid is not available within 96 hours (four days), make every effort to find, with the passenger, an equitable resolution to the situation.
- b) In the event that a mobility aid is damaged during flight and can be repaired promptly and adequately, PAL Aerospace will, in addition to complying with the above:
 - i. arrange for the prompt and adequate repair of the aid at the carrier's expense,
 - ii. return it to the person at the carrier's expense as soon as possible.
- c) In the event that a mobility aid is damaged during flight and cannot be repaired promptly and adequately, or an aid cannot be located within 96 hours after the passenger's arrival, PAL Aerospace will:
 - i. replace the damaged or lost aid with an identical one satisfactory to the person; or
 - ii. reimburse the person for the full replacement cost of the aid.
- d) Where PAL Aerospace provides a person with a temporary replacement aid pursuant to this Rule, that person shall continue to have the use of that aid until:
 - i. the time the person's aid is returned to the person, when the aid is repaired; or
 - ii. until a reasonable period for the replacement of the aid has elapsed, where pal aerospace has taken steps to replace a damaged or lost aid or has reimbursed the person, pursuant to the above.

Rule 13 Limitation of Liability – Service, Specialty & Emotional Support Animals

Should injury or death occur to a Service, Specialty or Emotional Support Animal resulting from the fault or negligence of PAL Aerospace, the Carrier will undertake to provide, expeditiously and at its own expense, medical care for, or replacement of, the animal.

Rule 14 Substitution of Aircraft

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

Rule 15 Payment Requirements

- a) Payments for a charter flight made to any person to whom PAL Aerospace, 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 Company.
- b) Full payment is required from the customer seven (7) days prior to departure unless otherwise specifically agreed to by PAL Aerospace

Rule 16 Operation, Interruption or Cancellation of Service

a) Cancellation of Charter

PAL Aerospace reserves the right to charge a fee, as outlined in the Table of Rates and Charges, for the cancellation of any charter by the Charterer.

b) Operational Control

- i. PAL Aerospace shall have exclusive operational control over all aircraft and the contents and crew thereof.
- ii. Every person who is provided with transportation on a PAL Aerospace aircraft shall comply with all the terms and conditions of PAL Aerospace, and all persons and property aboard the Carrier's aircraft shall be subject to the authority of the pilot-in-command.
- iii. When such action is deemed by PAL Aerospace to be necessary owing to the unserviceability of the aircraft, weather or other conditions beyond its control, the Carrier may:
 - Cancel or terminate a service or any flight at any time,
 - Return to base or to the last point of landing, or
 - Divert or land at an intermediate point.

Rule 17 Tickets

PAL Aerospace does not issue tickets. Subject to the contract between the Carrier and the Charterer, prior to the flight, the Charterer will provide a list of all the passengers' names to the Carrier.

Rule 18 Routing and Rerouting

In the exercise of due diligence and in order to protect the passengers and property accepted for transportation, PAL Aerospace will determine the routing of all passengers, baggage and goods.

Rule 19 Denied Boarding Compensation

- a) PAL Aerospace reserves the right to deny boarding or transport to any person in order to comply with space and/or weight limitations, or for prohibited conduct or behavior that may, in the Company's reasonable judgment, have a negative effect on the safety comfort or health of the person, employees, or aircraft.
- b) PAL Aerospace strives to clearly state the capacity of its charter aircraft at the time of booking. In the event a charter client or passenger is denied boarding due to aircraft weight restrictions or other reasons beyond our control, PAL Aerospace will make every effort to provide suitable, alternative transportation.
- c) In the event a charter cannot be completed due to weight restrictions, the percentage of the charter completed up to the point of cancellation will be invoiced to the charter client.
- d) If a charter client is denied boarding due to prohibited conduct or behavior:
- e) The full cost of any additional or alternative transportation provided to the charter client will be the client's responsibility.
- f) The percentage of the charter completed up to the point of cancellation or 25% (Twenty five percent) of the total charter quote, whichever is greater, will be charged to the client.
- g) All additional costs incurred while assisting the client to find alternative transportation will be charged to the client.

Rule 20 Responsibility of Carrier

PAL Aerospace will be responsible for the furnishing of transportation only according to the charter contract and will assume no responsibility for the acts or omissions resulting from arrangements of transportation, accommodations, etc., made by a third party in relation to the charter agreement.

Rule 21 Space for PAL Aerospace Use

Any space in the aircraft not utilized by the Charterer may, with the written consent of the Charterer, be used by PAL Aerospace for the carriage of its own personnel, baggage, or goods.

Rule 22 Application of Rates and Charges

Term charters are subject to daily minimums of three (3) hours per day at 25 days per month, or the actual (statute) mileage charge flown, whichever is greater, as outlined in the Tariff Table for the respective aircraft.

Rule 23 Determination of Total Charter Miles or Hours

- a) The total chartered miles or hours, whichever is applicable, shall be the aggregate of the miles or hours computed in accordance with Rule 21: Determination of Flight Time, that is to say:
- i. the lesser of the miles or hours, if any:
 - ii. measured from PAL Aerospace’s nearest base named in the Table I, at which the chartered aircraft is shown as available, to the place at which the work provided for in the charter is to be performed; or
 - iii. measured from the place at which the chartered aircraft is actually located at the time of the charter, to the place from which the work provided for in the charter is to be performed.
 - iv. the miles or hours flown in performing the work of the charter, and
 - v. the lesser of the miles or hours, if any:
 - measured from the place at which the work provided for in the charter terminated, to PAL Aerospace’s base, named in Table I, nearest to the place at which the work provided for in the charter commenced.
 - measured from the place at which the work provided for in the charter terminated, to whichever of the following places the aircraft is actually flown, that is to say:
 - Another base of PAL Aerospace
 - The place at which another charter is to commence
 - The place at which PAL Aerospace requires the aircraft for operational reasons
- b) Where the chartered aircraft is on a term charter, subject to rates per hour and the hours flown for positioning and depositing the aircraft, calculated from and to PAL Aerospace’s base under the provisions of a)iii), but the flight commences and terminates at places other than PAL Aerospace’s base, the hours flown between the Company’s base and the places of commencement and termination of the work provided for in the charter may be determined by the distance measured in straight lines along such routes, divided by the block speed (determined by dividing the rate per hour by the rate per mile) published in the Tariff Tables.

Rule 24 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 shall be computed from the time the aircraft commences taxiing before takeoff 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 shall 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 25 Disposition of Fractions When Computing Charges re: Mileage

- a) When computing charges:
 - i. Fractions of less than one-half mile shall be dropped.
 - ii. Fractions of one-half mile or more shall be increased to the next whole mile.
 - iii. Fractions of an hour shall be increased to the next multiple of six (6) minutes.
- b) When computing a charge other than a total charter charge:
 - i. Fractions of less than one-half cent shall be dropped; and
 - ii. Fractions of one-half cent or more shall be increased to the next whole cent.

Rule 26 Extensions of Guarantee

- a) Where, prior to its termination, a charter involving a guaranteed volume of flying is extended indefinitely or is extended to guarantee a volume of flying not greater than the volume originally guaranteed, the special rates per mile or per hour that applied to the volume originally guaranteed apply during the period of the extension so long as the required average daily utilization of not less than three (3) hours flying per aircraft is guaranteed.
- b) Where, prior to its termination, a charter involving a guaranteed volume of flying is extended to guarantee an additional volume of flying greater than the volume originally guaranteed, the special rates per mile or per hour that apply to the period of the extension are those applicable to that volume of flying guaranteed in the extension.
- c) Where a charter involving a guaranteed volume of flying terminates without any extension thereof, no further guarantee is given and, if the Charterer continues to use the aircraft, special rates per mile or per hour do not apply.

Rule 27 Charges for Layover/Detention on Non-Term Charters

The detention charges set out in the Tariff Tables for the respective aircraft shall be charged only when the aircraft is detained at the request of the Charterer, beyond the free time provided in the respective table.

Rule 28 Minimum Charges

- a. When the charges for flying are less than the applicable minimum charges as specified in the Tariff Table for the respective aircraft, the minimum charges per aircraft are applicable.
- b. The minimum charge for flying on term charters is the amount computed by multiplying the number of days or months each aircraft is on the term charter by the applicable minimum charge per aircraft per day or per month.
- c. The minimum charge per aircraft per month is applicable when it is less than the charge resulting from the application of the minimum charge per aircraft per day.
- d. For days beyond a period of a whole month, 1/30th of the applicable minimum charge per aircraft per month is applicable to each such day.
- e. In term charters of less than one month when the aircraft is available for less than an average of five hours per day, the minimum charge per aircraft per day is an amount bearing the same proportion to the applicable minimum charge per day as provided in the Tariff Table for the respective aircraft, as the average number of hours of availability per day bears to an average of five hours per day.
- f. In term charters of one month or more, when the aircraft is available to the Charterer for less than an average of twenty-five days per month, the minimum charge per aircraft for the period of the charter is reduced by 1/30th of the applicable minimum charge per aircraft per month, for each day the aircraft is unavailable less than the average of twenty-five days.

Rule 29 Payment and Adjustment of Charges

- a) Any amount by which charges paid before commencement of a flight, or prior to its completion, exceed the charges properly applicable to the completed service shall be refunded to the Charterer upon completion of the flight.
- b) When charges paid before commencement, or prior to completion, of the flight are less than the charges properly applicable to the completed flight, the difference shall be charged to the Charterer upon completion of the flight.
- c) When a flight is cancelled by PAL Aerospace prior to commencement, a full refund of the charges paid in advance shall be made to the Charterer by PAL Aerospace.
- d) When a flight is cancelled by PAL Aerospace after commencement, charges shall be charged for the completed portion only.
- e) No charges shall be charged to the Charterer where flights are not completed due to mechanical failure or crew casualties and PAL Aerospace fails to arrange satisfactory alternative transportation.
- f) No charges shall be charged to the Charterer in respect of any flying in an unsuccessful attempt to complete a flight required under the charter unless the Charterer, his servant, or agent, agrees in advance.
- g) The monthly payment on term charters of one month or more shall not be less than the applicable minimum charge per month.
- h) Any refund of charges to which a Charterer might be entitled shall be limited to a sum attributable to that part of a charter that has not been usefully performed.

Rule 30 Carriage of Passengers Traveling with Infants

- a) Passengers traveling with infants not yet two (2) years old (8 days to 23 months), may elect:
 - i. To carry the infant on their lap,
 - ii. To carry the infant in a Transport Canada approved restraint device when a seat is purchased.
- b) Passengers traveling with an infant less than 8 days old are advised to consult with their physician or pediatrician prior to flying as changing air pressure may cause discomfort.
- c) Only one (1) infant under 2 years of age will be accepted for carriage with each passenger at least 12 years of age. One adult cannot travel with one infant on their lap and another in a restraint device.
- d) Each passenger in charge of a child under two (2) years of age shall ensure that the child is held securely in the arms of an adult whenever the seat belt sign is illuminated.

Note:

The seat belt must not be fastened above the adult and infant.

- e) Passengers traveling with infants, whether on their lap or in a restraint device may, under no circumstances, be seated in restricted or exit rows.
- f) A seat must be assigned for all persons two (2) or more years of age. They shall be restrained in a seat by one of the seat belts for takeoff and landing.
- g) Passengers traveling with infants under two (2) years of age and/or weighing less than 40 lbs, who elect to carry the infant in a Transport Canada approved restraint device, must advise the Carrier at time of booking the charter. The infant car seat will be placed in the aircraft seat and restrained by the normal aircraft lap straps.

Rule 31 Carriage of Peace Officer(s) and Passenger(s) Under Escort

- a) Arrangements for prisoner transfer by air are coordinated by the Director, Institutional Reintegration Operations as outlined in Correctional Service Canada, Guidelines 710-2-2. All requirements (i.e., special medical escort, dietary, or special needs) will be arranged by the Director with PAL Aerospace at least ten working days prior to the chartered flight.
- b) At a minimum, one Correctional Manager and one escorting officer will accompany the first inmate. Unless a modification is authorized by the Director of Aviation Security Regulations at Transport Canada, the ratio for additional inmates must be one inmate to one escorting officer.
- c) Two working days prior to flight, the National Transfer Coordinator will submit the final list of the names of the escorting officers, Correctional Managers, and Onboard Transfer Coordinator who will accompany the inmates to the aircraft operated by PAL Aerospace.
- d) Onboard, prior to flight, the Correctional Manager will:
 - i. search the inside of the aircraft before first boarding and following debarkation
 - ii. remain in the aircraft during exchange of custody
 - iii. provide direction on seating the inmates and correctional officers/primary workers
 - iv. coordinate all inmate movements
 - v. conduct a count before flight departure
 - vi. conduct periodic walks to ensure good order
 - vii. maintain an appropriate ratio of staff onboard and on the tarmac
- e) The Charterer shall indemnify PAL Aerospace for any loss, injury, or damage caused by a prisoner.

Rule 32 Modification and Waiver

No agent, servant or representative of PAL Aerospace has the authority to alter, modify, or waive any provisions of this tariff.

Rule 33 Overriding Law

If any provision contained or referred to in this tariff is found to be contrary to an applicable law, government regulation, order or requirement, which cannot be waived by agreement of the parties, such provision, to the extent that it is invalid, shall be severed from the ticket or tariff and the remaining provisions shall continue to be of full force and effect.

Rule 34 Special Contracts

Confidential Contracts only apply to fares, rates and charges, and the provisions of the agreement will be kept confidential. The agreement shall be written and acknowledged by both parties and retained in a confidential file for a period of three years after it has ceased to have effect.