



January 12, 2016

Canadian Transportation Agency
Ottawa, Ontario
K1A 0N9

Attention: Enforcement Division

Via Facsimile: (819) 997-6727

Re: NewLeaf Travel Company Inc.

Dear Sirs:

As a fully-licensed Canadian carrier and business who is required to comply with the substantial standards of the Aeronautics Act and the directives laid out in the Canadian Aviation Regulations, we have serious concerns regarding the recent introduction of NewLeaf Travel Company Inc. ("NewLeaf") as a publicly available domestic air service.

Consequently, we are filing this formal complaint based upon our understanding of the following:

1. To our knowledge, NewLeaf does not hold a license issued by the Canadian Transportation Agency ("CTA") nor have they made application for such a license. Given this, we believe NewLeaf will enjoy considerable operational advantages over licensed carriers, including the following:
 - NewLeaf has not, nor is it required to demonstrate continued "financial fitness;"
 - Newleaf has not, nor is it required to produce, evidence of adequate insurance coverage; and
 - NewLeaf has not, nor are they required to file tariffs
2. NewLeaf exercises control over virtually all aspects (sales, marketing, advertising, reservation system selection and operation, inventory control, payload control, route selection and scheduling) of the flights which are currently advertised and being sold to Canadian consumers.

Furthermore, we believe CTA Decision No. 232-A-1996 directly contemplates this situation. As was the case in that matter involving Greyhound Lines of Canada ("Greyhound") and

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Page 1

01/12/2016 4:20PM (GMT-05:00)



Kelowna Flightcraft Air Charter Ltd., NewLeaf has publicly acknowledged that their relationship with Flair Airlines is that of a tour operator with a charter carrier. In this decision the CTA ruled that for Greyhound to commence their domestic air service that it would have had to meet the following standards:

“ ... Is Canadian as defined in section 67 or the NTA, 1987, holds a Canadian aviation document, and has prescribed liability insurance coverage or evidence of such insurability in respect of the air services to be provided under the license”.

While the *NTA, 1987* is no longer the governing statute, we understand that the requirements for domestic air service carriers in this respect remain virtually unchanged.

NewLeaf is being presented as, or at the minimum is considered by the public to be, an “airline,” yet domestic travelers using them will not be afforded the legislated remedies and protections provided by domestically licensed carriers. Not only do we consider this misleading, we believe it also places the balance of Canadian air carriers in a difficult and untenable position – particularly if they encounter financial difficulties. It paints the entire industry with the same brush and will make it very difficult to properly fund legitimate licensed operations and maintain consumer confidence in the Canadian aviation industry.

We recognize the intent of NewLeaf is to engage Flair Airlines to complete the actual flying but contend that virtually all other aspects of the airline operation will be controlled by NewLeaf. We are also aware of no evidence or commitment on the part of Flair Airlines that contradicts this position. Consequently, we believe NewLeaf is operating a domestic air service and is in violation of the rules and regulations enforced by the Canadian Transportation Agency.

1263343 Alberta Inc. (operating as “Enerjet”) hereby requests the Canadian Transportation Agency to conduct an immediate review of this matter prior to any further sales are conducted by NewLeaf and prior to the initiation of the proposed flight operations.

Thank you for your consideration of this matter.

Sincerely,

1263343 Alberta Inc. (Operating as “Enerjet”)

Thomas W. Morgan
President and CEO

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