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March 26, 2014

**VIA EMAIL**

The Secretary  
Canadian Transportation Agency  
Ottawa, ON K1A 0N9

Attention: Mr. Mike Redmond, Chief, Tariff Investigation

Dear Madam Secretary:

**Re: Dr. Gábor Lukács v. British Airways**  
**Reply to British Airways' submissions dated March 17, 2014 relating to the**  
**Agency's show cause order with respect to denied boarding compensation amounts**

Please accept the following submissions as a reply, pursuant to Decision No. 10-C-A-2014 of the Agency, to British Airways' submissions dated March 17, 2014, relating to denied boarding compensation amounts.

**BACKGROUND**

1. On January 17, 2014, in Decision No. 10-C-A-2014, the Agency held that British Airways' International Tariff Rule Rule 87(B)(3)(B), as it relates to the denied boarding compensation provided to passengers, may be unreasonable within the meaning of subsection 111(1) of the *Air Transportation Regulations*.

Thus, the Agency issued a show cause order, providing British Airways with an opportunity to demonstrate why the Agency should not substitute Rule 87(B)(3)(B) with another regime for determining the amount of compensation payable to victims of denied boarding.

2. On March 17, 2014, British Airways proposed a new denied boarding compensation policy (the "Proposed Rule") to replace the Existing Rule 87(B)(3)(B). As explained below, British Airways incorrectly claimed that the Proposed Rule is the same as the regime set out in Decision No. 442-C-A-2013.

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## ARGUMENT

### **I. Failure to establish conditions governing denied boarding compensation for flights to Canada and flights from Canada to points outside the United Kingdom**

The Agency held in *Lukács v. WestJet*, 227-C-A-2013 (at para. 39) that:

The failure to establish conditions governing denied boarding compensation for flights to and from Canada is contrary to Decision No. 666-C-A-2001. Therefore, the Agency finds that if Proposed Tariff Rule 110(E) were to be filed with the Agency, it would be considered unreasonable.

[Emphasis added.]

The Proposed Rule fails to establish conditions governing denied boarding compensation for flights to Canada. The Proposed Rule also fails to establish conditions governing denied boarding compensation for flights from Canada to points within the European Community that are outside the United Kingdom. Indeed, the Proposed Rule requires British Airways to pay denied boarding compensation only “for flights from Canada to the United Kingdom” (emphasis added).

Therefore, based on the principles set out in Decision No. 227-C-A-2013, the Proposed Rule is unreasonable.

### **II. Substantial difference compared to Air Canada’s denied boarding compensation policy and Decision No. 442-C-A-2013**

Air Canada’s International Tariff Rule 90(A) incorporates by reference *Regulation (EC) 261/2004* as the rule governing the amount of denied boarding compensation tendered with respect to flights departing from the European Union and Switzerland to Canada (see Exhibit “A”). Consequently, Air Canada’s denied boarding compensation policy with respect to flights departing from the European Union to Canada was not an issue in Decision No. 442-C-A-2013.

Since Air Canada already had in place a reasonable policy with respect to flights departing from the European Community to Canada, the purpose and scope of Air Canada’s proposal in Decision No. 442-C-A-2013 was to address the rights of passengers on flights in the other direction, from Canada to the European Community. Its purpose was not to exempt Air Canada from the obligation to pay denied boarding compensation on flights to Canada, as British Airways’ Proposed Rule purports to do implicitly.

Thus, the Proposed Rule substantially differs from the purpose and scope of Air Canada’s proposal in Decision No. 442-C-A-2013.

### III. Unreasonableness with respect to flights from Canada to the United Kingdom

#### (a) Applicable legal principles: no presumption of reasonableness

Section 111(1) of the *ATR* provides that:

All tolls and terms and conditions of carriage, including free and reduced rate transportation, that are established by an air carrier shall be just and reasonable and shall, under substantially similar circumstances and conditions and with respect to all traffic of the same description, be applied equally to all that traffic.

Since neither the *Canada Transportation Act* (the “*CTA*”) nor the *Air Transportation Regulations* (the “*ATR*”) define the meaning of the phrase “unreasonable,” a term appearing both in s. 67.2(1) of the *CTA* and in s. 111(1) of the *ATR*, the Agency defined it in *Anderson v. Air Canada*, 666-C-A-2001, as follows:

The Agency is, therefore, of the opinion that, in order to determine whether a term or condition of carriage applied by a domestic carrier is “unreasonable” within the meaning of subsection 67.2(1) of the *CTA*, a balance must be struck between the rights of the passengers to be subject to reasonable terms and conditions of carriage, and the particular air carrier’s statutory, commercial and operational obligations.

The balancing test was strongly endorsed by the Federal Court of Appeal in *Air Canada v. Canadian Transportation Agency*, 2009 FCA 95. Application of the balancing test requires thorough analysis of the airline’s statutory, commercial, and operational obligations, as the Agency did, for example, in *Lukács v. Air Canada*, 250-C-A-2012 (paras. 66-89).

A key element of the balancing test is that tariffs are not presumed to be reasonable, because tariffs are established by airlines unilaterally, and not through free contractual negotiations with passengers. In *Griffiths v. Air Canada*, 287-C-A-2009, the Agency underscored this crucial element of the balancing test:

[25] The terms and conditions of carriage are set by an air carrier unilaterally without any input from future passengers. The air carrier sets its terms and conditions of carriage on the basis of its own interests, which may have their basis in statutory or purely commercial requirements. There is no presumption that a tariff is reasonable. Therefore, a mere declaration or submission by the carrier that a term or condition of carriage is preferable is not sufficient to lead to a determination that the term or condition of carriage is reasonable.

[Emphasis added.]

Since tariffs are not presumed to be reasonable, the failure of an airline to lead evidence to substantiate that amending its tariff would have negative financial consequences for the airline, or would

otherwise affect the airline's ability to meet its statutory, commercial, and operational obligations, will lead to a finding that the tariff or tariff provision is unreasonable (see, for example, *Lukács v. WestJet*, 313-C-A-2010, paras. 37-38).

The Agency applied these principles in *Lukács v. WestJet*, 483-C-A-2010 (leave to appeal denied by the Federal Court of Appeal; 10-A-42) and *Lukács v. Air Canada*, 291-C-A-2011, and more recently in *Lukács v. Air Canada*, 251-C-A-2012, *Lukács v. Air Canada*, 204-C-A-2013, *Lukács v. WestJet*, 227-C-A-2013, and *Lukács v. Porter Airlines*, 344-C-A-2013.

**(b) British Airways' main competitors and their denied boarding compensation policies**

**(i) No submissions or evidence tendered by British Airways**

British Airways has been fully aware of the Applicant's position that Air Canada is not British Airways' main competitor (para. 104 of Decision No. 10-C-A-2014). Nevertheless, British Airways has chosen to make no submissions nor to tender any evidence that would address the question of which airlines are British Airways' main competitors.

In particular, the record contains no evidence to support a finding that Air Canada is British Airways' main competitor.

**(ii) British Airways admitted that it was a "European 'community carrier'"**

In its February 27, 2014 submissions to the Agency, British Airways admitted that:

As you are aware, as a European 'community carrier', British Airways is required to comply with (EC) No. 261/2004 which in Articles 3, 4 and 7 deals with flights operated by community carriers departing from airports in Canada for airports in the UK.

Thus, British Airways' main competitors are other airlines who fall in the same category of "European 'community carrier'" and which are subject to the same regulatory constraints as British Airways.

The Applicant submits that comparing British Airways to Air Canada, which is not a European 'community carrier' and thus is not subject to the same regulatory constraints, would be unreasonable. Furthermore, doing so would provide British Airways with an unfair competitive advantage over its main competitors.

Therefore, it is submitted that British Airways' main competitors are large airlines that fall within the definition of a European 'community carrier,' such as Lufthansa and Air France.

**(iii) British Airways ought not be given an unfair competitive advantage**

British Airways' main competitors, Lufthansa and Air France, provide denied boarding compensation in the amount of 300.00 EUR or 600.00 EUR on flights between Canada and the European Community, depending on the length of the delay caused (see Exhibits "B" and "C").

As explained below, allowing British Airways to tender denied boarding compensation only in the amount of CAD\$400.00 or CAD\$800.00 (depending on the length of the delay caused) would give British Airways an unfair competitive advantage over its main competitors, Lufthansa and Air France.

The Applicant submits that providing British Airways with an unfair competitive advantage over its main competitors, or allowing British Airways to maintain such an unfair advantage, would be unreasonable.

There is no justification for British Airways to pay less compensation to victims of denied boarding than its main competitors, Lufthansa and Air France.

**(c) Material changes since Air Canada's proposal in Decision No. 442-C-A-2013**

The Applicant submits that there have been material changes since Air Canada's proposal was put forward in Decision No. 442-C-A-2013 that would make it unreasonable to apply the same denied boarding compensation amounts in the case of British Airways.

**(i) Extreme changes in exchange rates**

Air Canada made its proposal cited in Decision No. 442-C-A-2013 on September 18, 2013, at which time 1 EUR was equal to CAD\$1.3767. The submissions of the complainant in that case were made only 5 days later, on September 23, 2013, when 1 EUR was equal to CAD\$1.3874.

Thus, at the time the parties in that proceeding made their submissions, 300.00 EUR was equal to approximately CAD\$416.00 and 600.00 EUR was equal to approximately CAD\$832.00. Based on these exchange rates, the Agency made the following findings in Decision No. 442-C-A-2013:

[51] The Agency agrees with the parties that four hours is a reasonable division mark to determine the denied boarding compensation amounts for travel from Canada to the EU. The Agency finds that Air Canada's proposed denied boarding compensation amounts are reasonable, as they are of similar amounts to what is offered under Regulation (EC) No. 261/2004 for flights from the EU to Canada.

[52] The Agency disagrees with Dr. Azar's argument that the mere difference of CAD\$16 in terms of the "0-4 hours" time period and the difference of CAD\$32 regarding the "over 4 hours" time period (as a result of the exchange rate between the

European and Canadian currency) render Air Canada's proposed denied boarding compensation amounts unreasonable.

[53] The Agency finds that it is not unreasonable for Air Canada to set the amounts of compensation in Canadian dollars and, furthermore, that the current exchange rate between the euro and the Canadian dollar results in an insignificant difference in the amounts of denied boarding compensation proposed by Air Canada, in comparison to what is offered in the EU. In addition, the Agency agrees with Air Canada that the proposed denied boarding compensation regime is understandable and would be easy to implement.

[Emphasis added.]

These findings of the Agency are important and relevant to the present case for two reasons. First, the Agency acknowledged the importance of offering "similar amounts to what is offered under Regulation (EC) No. 261/2004 for flights from the EU to Canada" as a basis for the finding that the amounts were reasonable. Second, the Agency recognized the relevance and importance of the exchange rates between the Euro and Canadian Dollars in determining the reasonableness of the denied boarding compensation amounts.

Since September 2013, the exchange rates have changed by more than 11%:

## CAD per 1 EUR

18 Sep 2013 00:00 UTC - 25 Mar 2014 16:38 UTC

EUR/CAD close: **1.53984**, low: **1.38214**, high: **1.55797**



As of March 25, 2014, 1 EUR is equal to CAD\$1.5460. This means that 300.00 EUR is equal to CAD\$463.80 and 600.00 EUR is equal to CAD\$927.60.

This means that the difference between British Airways' Proposed Rule and the European amounts is CAD\$63.80 in the case of delay of less than 4 hours, and CAD\$127.60 in the case of delay of more than 4 hours.

As noted earlier, this is a difference of 11%. This begs the question of how big of a difference is "significant." The Applicant proposes to resort to the *Montreal Convention* as a persuasive authority for the proposition that a difference of 10% or more is significant.

Article 24 of the *Montreal Convention* contains provisions governing revisions of the liability limits set out in the convention. Article 24(2) of the *Montreal Convention* provides 10% as the threshold for revising limits of liability.

Thus, based on the revision mechanism established for the limits in the *Montreal Convention*, the Applicant submits that the 11% difference between the amounts proposed by British Airways and those offered in the EU is significant to the point that it renders the Proposed Rule unreasonable.

**(ii) Most major Canadian airlines adopted the US compensation regime**

Since September 2013, when Air Canada and the complainant made submissions to the Agency in the proceeding that resulted in Decision No 442-C-A-2013, most Canadian airlines have adopted the US compensation regime for determining the amount to be tendered to victims of denied boarding:

1. WestJet finalized its international tariff provisions governing denied boarding compensation, and has adopted the US regime (see Exhibit "D");
2. Sunwing finalized its international tariff provisions governing denied boarding compensation, and has adopted the US regime (see Exhibit "E");
3. Porter Airlines finalized its international tariff provisions governing denied boarding compensation, and has adopted the US regime (see Exhibit "F").

The Applicant submits that these changes in the Canadian competitive environment ought to be also taken into account in considering British Airways' Proposed Rule, which provides in most cases significantly lower denied boarding compensation amounts than the regimes adopted by WestJet, Sunwing, or Porter Airlines.



**(d) Conclusions**

British Airways has made no submissions nor tendered any evidence with respect to its competitors or the competitive environment in which it operates. It did admit, however, that it is a European 'community carrier'. In these circumstances, British Airways' main competitors are other large European 'community carriers' and not Air Canada.

The denied boarding compensation amounts proposed by British Airways with respect to flights from Canada to the United Kingdom are 11% lower than what is provided by British Airways' main competitors, Lufthansa and Air France; they are also 11% lower than the amounts tendered in the European Community in general.

The 11% is a significant difference, which exceeds the 10% threshold for revising liability limits set out in Article 24(2) of the *Montreal Convention*.

There is no evidence on the record to support a finding that British Airways would suffer any disadvantage by tendering denied boarding compensation in the same amount as its main competitors, Lufthansa and Air France, do.

The recent changes in the Canadian competitive environment would also justify imposing the US compensation regime on British Airways.

Hence, British Airways' Proposed Rule fails to strike a balance between the rights of passengers to be subject to reasonable terms and conditions of carriage and British Airways' statutory, commercial, and operational obligations. As such, the Proposed Rule is unreasonable.

#### **IV. What should British Airways' new denied boarding compensation policy be?**

The Proposed Rule contains no provisions at all governing the amount of denied boarding compensation on flights to Canada or flights from Canada to points in the European Community outside the United Kingdom, which renders it unreasonable. The Proposed Rule also provides for unreasonably low denied boarding compensation on flights from Canada to the United Kingdom.

These circumstances beg the question of how much denied boarding compensation British Airways should be required to tender.

The Applicant agrees with the Agency's findings in Decision No. 442-C-A-2013 at paragraph 51 that "four hours is a reasonable division mark to determine the denied boarding compensation amounts for travel from Canada to the EU."

Thus, the only questions are the amounts of denied boarding compensation for delays of less than 4 hours and for delays of 4 hours or more.

##### **(a) Flights from the European Community to Canada: incorporate the existing practice into the tariff**

In response to question Q2 directed to British Airways by the Applicant, British Airways provided a list of the amounts of denied boarding compensation it paid to passengers departing from the United Kingdom to Canada in the years 2010, 2011, and 2012. Although the amounts listed are in GBP, it is clear that in practice, British Airways has been paying denied boarding compensation in amounts that are equivalent to 300.00 EUR or 600.00 EUR, depending on the length of the delay.

**British Airways' submissions (August 23, 2013), pp. 4-9**

The Applicant submits that these amounts are reasonable, and that British Airways would not suffer any disadvantage by putting its current practice into writing, and incorporating it into its tariff.

Furthermore, it is submitted that it would be unreasonable and contrary to s. 122 of the *Air Transportation Regulations* to allow British Airways to maintain a tariff provision that does not match its actual policy and practice.

Therefore, the Applicant submits that British Airways' denied boarding compensation amounts for flights from the European Community to Canada ought to be:

- (i) 300.00 EUR for delays of less than 4 hours;
- (ii) 600.00 EUR for delays of 4 hours or more.

The Applicant further submits that in light of the policies of British Airways' competitors and British Airways' own admission that it is a European 'community carrier', these amounts ought to be set out in Euros (although British Airways ought to be entitled to pay them in GBP or any other local currency).

**(b) Flights from Canada to the European Community**

The most logical and simple regime would be a symmetric one: the same amounts of denied boarding compensation between Canada and the European Community, regardless of the direction of travel.

Thus, it would be the most logical and reasonable to require British Airways to tender denied boarding compensation on flights from Canada to the European Community as follows:

- (i) 300.00 EUR for delays of less than 4 hours;
- (ii) 600.00 EUR for delays of 4 hours or more.

In the alternative, if the Agency finds that the denied boarding compensation amounts ought to be set out in Canadian Dollars, then the Applicant proposes the following amounts:

- (i) CAD\$450.00 for delays of less than 4 hours;
- (ii) CAD\$900.00 for delays of 4 hours or more.

These amounts are consistent with the underlying principles articulated by the Agency in Decision No. 442-C-A-2013 at paragraphs 51-53, and they take into account minor fluctuations of the exchange rates between the Euro and Canadian Dollars.

In the further alternative, the Applicant submits that British Airways ought to be required to apply the US regime for calculation of the amount of denied boarding compensation, which has been adopted by most Canadian airlines.

All of which is most respectfully submitted.

Dr. Gábor Lukács  
Applicant

Cc: Ms. Carol E. McCall, counsel for British Airways

## LIST OF AUTHORITIES

### Legislation

1. *Air Transportation Regulations*, S.O.R./88-58.
2. *Canada Transportation Act*, S.C. 1996, c. 10.
3. *Carriage by Air Act*, R.S.C. 1985, c. C-26.

### International instruments

4. *Montreal Convention: Convention for the Unification of Certain Rules for International Carriage by Air* (Montreal, 28 May 1999).

### Case law

5. *Air Canada v. Canadian Transportation Agency*, 2009 FCA 95.
6. *Anderson v. Air Canada*, Canadian Transportation Agency, 666-C-A-2001.
7. *Dr. Azar v. Air Canada*, Canadian Transportation Agency, 442-C-A-2013.
8. *Griffiths v. Air Canada*, Canadian Transportation Agency, 287-C-A-2009.
9. *Lukács v. Air Canada*, Canadian Transportation Agency, 291-C-A-2011.
10. *Lukács v. Air Canada*, Canadian Transportation Agency, 250-C-A-2012.
11. *Lukács v. Air Canada*, Canadian Transportation Agency, 251-C-A-2012.
12. *Lukács v. Air Canada*, Canadian Transportation Agency, 204-C-A-2013.
13. *Lukács v. WestJet*, Canadian Transportation Agency, 313-C-A-2010.
14. *Lukács v. WestJet*, Canadian Transportation Agency, 483-C-A-2010.
15. *Lukács v. WestJet*, Federal Court of Appeal, 10-A-42.
16. *Lukács v. WestJet*, Canadian Transportation Agency, 227-C-A-2013.
17. *Lukács v. Porter Airlines*, Canadian Transportation Agency, 344-C-A-2013.

No Substantive Change on this Page

NTA(A) No. 458 T.C.A.B. No. 696

Airline Tariff Publishing Company, Agent  
**INTERNATIONAL PASSENGER RULES AND FARES TARIFF**  
 NO. AC-2

17th Revised Page AC-19-A  
 Cancels 16th Revised Page AC-19-A

RULE	<p style="text-align: center;"><b>AIR CANADA</b>  <b>SECTION I - GENERAL RULES</b></p>
<p>90</p>	<p><b><u>DENIED BOARDING</u></b></p> <p>(A) When AC is unable to provide previously confirmed space due to there being more passengers holding confirmed reservations and tickets than for which there are available seats on a flight, AC shall implement the provisions of this rule, except for employee and industry discounted travel, unless applicable local law provides otherwise. In particular, for flights departing from the following countries, Air Canada will apply the provisions of the following legislations:                  United States: US 14 CFR part 250;                  European Union and Switzerland: EC regulation No. 261/2004;                  Andean community countries: Decision 619;                  Argentina: Administrative Order PRE-CJU-002-05 (18 November 2004)                  Israel: Aviation Services Law (Compensation and Assistance for flight cancellation or change of conditions), 5772-2012.                  Turkey: Regulations on Air Passenger Rights (SHY-Passenger)</p> <p>(B) <b><u>REQUEST FOR VOLUNTEERS</u></b>                  (1) AC will request volunteers from among the confirmed passengers to relinquish their seats in exchange for compensation, the amount and form of which will be at Air Canada's discretion.                  (2) Once a passenger has voluntarily relinquished his seat, he will not later be involuntarily denied boarding unless he was advised at the time he volunteered of such possibility and the amount of compensation to which he would be entitled.                  (3) The request for volunteers and the selection of passengers to be denied boarding shall be in a manner solely determined by AC.</p> <p>(C) <b><u>BOARDING PRIORITIES</u></b>                  (1) If a flight is oversold, no passenger may be involuntarily denied boarding until AC has first requested volunteers to relinquish their seats.                  (2) In the event there are not enough volunteers, other passengers may be involuntarily denied boarding in accordance with AC boarding priority policy. Passengers with confirmed reservations, will be permitted to board in the following order until all available seats are occupied:                  (a) Disabled passengers, unaccompanied children under 12 years of age and others for whom, in AC'S assessment, failure to carry would cause severe hardship.                  (b) Passengers paying Executive (J cabin) or Premium Economy (O Cabin).                  (c) All other passengers, based on itinerary, fare paid status of loyalty program membership and the time in which the passenger presents herself for check in without advance seat assignment.</p> <p>(D) <b><u>TRANSPORTATION FOR PASSENGERS DENIED BOARDING</u></b>                  When A passenger has been denied boarding, either voluntarily or involuntarily,                  (1) A passenger will be considered to have been denied boarding when                  (a) The passenger presented himself for carriage in accordance with this tariff: Having complied fully with AC applicable reservation, ticketing, Immigration formalities, check-in and boarding within the time limits and at the location set out in Rule 70; and,                  (b) It must not have been possible to accommodate the passenger on the flight on which he held confirmed reservations and the flight must have departed without him.                  (2) In such instances, carrier will:                  (a) Carry the passenger on another of its passenger aircraft or class of service on which space is available without additional charge regardless of the class of service; or, at carrier's option;                  (b) Endorse to another air carrier with which Air Canada has an agreement for such transportation, the unused portion of the ticket for purposes of rerouting; or at carrier's option;                  (c) Reroute the passenger to the destination named on the ticket or applicable portion thereof by its own or other transportation services; and if the fare for the revised routing or class of service is higher than the refund value of the ticket or applicable portion thereof as determined from rule 90(D), carrier will require no additional payment from the passenger but will refund the difference if it is lower; or,                  (d) If the passenger chooses to no longer travel or if carrier is unable to perform the option stated in (a) thru (c) above within a reasonable amount of time, make involuntary refund in accordance with Rule 90(D), or upon request, for denied boardings within Air Canada's control, return passenger to point of origin and refund in accordance with Rule 90(D)(2)(a), as if no portion of the trip had been made (irrespective of applicable fare rules), or subject to passenger's agreement, offer a travel voucher for future travel in the same amount; or, (e) upon passenger's request, for denied boardings within Air Canada's control, if passenger provides credible verbal assurance to Air Canada of certain circumstances that require his/her arrival at destination earlier than options set out in subparagraph (a) thru (c) above, Air Canada will, if it is reasonable to do so, taking all circumstances known to it into account and subject to availability, buy passenger seat on another carrier whose flight is scheduled to arrive appreciably earlier than the options proposed in (a) thru (c) above.</p>

(Continued on next page)

For unexplained abbreviations, reference marks and symbols see IPGT-1, C.A.B. NO. 581, NTA(A) NO. 373.

ISSUED: October 17, 2013

EFFECTIVE: December 1, 2013

CREDIT FOR FUTURE TRANSPORTATION ON LH IN LIEU OF MONETARY COMPENSATION. THE AMOUNT OF THE TRANSPORTATION CREDIT OFFERED SHALL BE EQUAL TO OR GREATER THAN THE MONETARY COMPENSATION DUE THE PASSENGER. THE CREDIT VOUCHER SHALL BE VALID FOR TRAVEL ON LH ONLY WITHIN 365 DAYS FROM THE DATE OF ISSUE, AND SHALL BE NON-REFUNDABLE AND NON-TRANSFERABLE.

(E) METHOD OF PAYMENT

THE AIRLINE WILL GIVE TO EACH PASSENGER, WHO QUALIFIES FOR DENIED BOARDING COMPENSATION, A PAYMENT BY CHECK, OR CASH, OR MCO, OR VOUCHER FOR THE AMOUNT SPECIFIED, ON THE DAY AND PLACE THE INVOLUNTARY DENIED BOARDING OCCURS. HOWEVER, IF THE AIRLINE ARRANGES ALTERNATE TRANSPORTATION FOR THE PASSENGER'S CONVENIENCE THAT DEPARTS BEFORE THE PAYMENT CAN BE MADE, THE PAYMENT WILL BE SENT TO THE PASSENGER WITHIN 24 HOURS. THE AIR CARRIER MAY OFFER FREE TICKETS IN PLACE OF THE CASH PAYMENT. THE PASSENGER, MAY, HOWEVER, INSIST ON THE CASH PAYMENT, OR REFUSE ALL COMPENSATION AND BRING PRIVATE LEGAL ACTION.

(F) PASSENGER'S OPTIONS

ACCEPTANCE OF THE COMPENSATION (BY ENDORSING THE CHECK OR DRAFT WITHIN 30 DAYS) RELIEVES THE CARRIER FROM ANY FURTHER LIABILITY TO THE PASSENGER CAUSED BY ITS FAILURE TO HONOR THE CONFIRMED RESERVATIONS. HOWEVER, THE PASSENGER MAY DECLINE THE PAYMENT AND SEEK TO RECOVER DAMAGES IN A COURT OF LAW OR IN SOME OTHER MANNER.

DENIED BOARDING COMPENSATION  
APPLICABLE ONLY TO FLIGHTS OR PORTIONS OF FLIGHTS  
ORIGINATING AND/OR TERMINATING IN CANADA

(A) APPLICABILITY

THE FOLLOWING RULES SHALL APPLY:

- (1) IN RESPECT OF FLIGHTS DEPARTING FROM AN AIRPORT IN THE EUROPEAN UNION (EU) AND FLIGHTS DEPARTING FROM AN AIRPORT IN A THIRD COUNTRY BOUND TO AN AIRPORT IN THE EU UNLESS PASSENGER RECEIVED BENEFITS OR COMPENSATION AND WERE GIVEN ASSISTANCE IN THAT THIRD COUNTRY;
- (2) ON CONDITION THAT PASSENGERS HAVE A CONFIRMED RESERVATION ON THE FLIGHT CONCERNED AND PRESENTS HIMSELF/HERSELF FOR CHECK-IN AT THE TIME INDICATED IN ADVANCE AND IN WRITING OR ELECTRONICALLY; OR; IF NO TIME IS INDICATED; NOT LATER THAN 60 MINUTES BEFORE THE PUBLISHED DEPARTURE TIME;
- (3) ONLY TO THE PASSENGER TRAVELING WITH A VALID TICKET INCLUDING TICKETS ISSUED UNDER A FREQUENT FLYER OR OTHER COMMERCIAL PROGRAMME WITH CONFIRMED

AREA: ZZ TARIFF: IPRG CXR: LH RULE: 0089

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TITLE/APPLICATION - 70 (CONT)

RESERVATIONS AND

- (A) PRESENTS HIMSELF AT THE APPROPRIATE PLACE AND HAS OBSERVED PUBLISHED MINIMUM CHECK-IN TIMES
- (B) HAS COMPLIED WITH LUFTHANSA'S TICKETING AND RECONFIRMATION PROCEDURES
- (C) IS ACCEPTABLE FOR TRANSPORTATION UNDER THE CARRIER'S TARIFF AND THE FLIGHT FOR WHICH THE PASSENGER HOLDS CONFIRMED RESERVATIONS IS UNABLE TO ACCOMMODATE THE PASSENGER AND DEPARTS WITHOUT HIM/HER

(4) WHERE LH IS THE OPERATING CARRIER OF THE FLIGHT EXCEPTIONS:

THE FOLLOWING PASSENGERS WILL NOT BE ENTITLED TO COMPENSATION:

- (A) PASSENGERS TRAVELLING TO EU WHO HAVE RECEIVED BENEFITS OR COMPENSATION IN A THIRD COUNTRY
- (B) PASSENGERS TRAVELLING BETWEEN TWO AIRPORTS OUTSIDE THE EU UNLESS THE SECTOR IS PART OF A FLIGHT (SAME FLIGHT NUMBER) THAT ORIGINATED IN THE EU
- (C) PASSENGERS WITHOUT CONFIRMED RESERVATIONS
- (D) PASSENGERS WHO HAVE NOT PRESENTED THEMSELVES FOR CHECK-IN ON TIME
- (E) PASSENGERS ON FREE OR REDUCED FARES NOT DIRECTLY OR INDIRECTLY AVAILABLE TO THE PUBLIC, E.G. ID AND AD TICKETS

(5) THE PASSENGER IS ACCOMMODATED ON THE FLIGHT FOR WHICH HE/SHE HOLD'S CONFIRMED RESERVATIONS, BUT IS SEATED IN A COMPARTMENT OF THE AIRCRAFT OTHER THAN THAT RESERVED, PROVIDED THAT WHEN THE PASSENGER IS ACCOMMODATED IN A CLASS OF SERVICE FOR WHICH A LOWER FARE IS CHARGED, THE PASSENGER WILL BE ENTITLED TO THE APPROPRIATE REFUND.

(B) PASSENGER RIGHTS

(1) DENIED BOARDING

VOLUNTEERS

VOLUNTEERS HAVE THE RIGHT OF MUTUALLY AGREED BENEFITS PLUS THE RIGHT TO CHOOSE BETWEEN REIMBURSEMENT AND REROUTING WITH THE FOLLOWING OPTIONS:

- (A) REIMBURSEMENT WITHIN 7 DAYS OF COUPONS NOT USED OR
- (B) REROUTING TO FINAL DESTINATION AT THE EARLIEST OPPORTUNITY UNDER COMPARABLE TRANSPORT CONDITIONS OR
- (C) REROUTING TO FINAL DESTINATION AT A LATER DATE ACCORDING TO PASSENGER'S CONVENIENCE BUT SUBJECT TO AVAILABILITY OF SPACE. VOLUNTEERS ARE NOT ENTITLED TO CARE, SUCH AS PHONE CALLS, FOOD, ACCOMMODATION ETC.

(2) INVOLUNTARY DENIED BOARDING

IN CASE OF INVOLUNTARY DENIED BOARDING THE PASSENGERS ARE ENTITLED TO THE FOLLOWING:

- (A) RIGHT TO COMPENSATION ACCORDING TO PARAGRAOH (C) AND
- (B) RIGHT TO CHOOSE BETWEEN REIMBURSEMENT/REROUTING WITH THE SAME OPTIONS AS MENTIONED UNDER (A) (1) ABOVE AND
- (C) RIGHT TO CARE INCLUDING
- MEALS AND REFRESHMENTS, REASONABLY RELATED TO THE WAITING TIME
  - 2 TELEPHONE CALLS OR TELEX, E-MAILS, FAX
  - IF NECESSARY, HOTEL ACCOMODATION PLUS TRANSFER BETWEEN AIRPORT AND HOTEL
- (3) AMOUNT OF COMPENSATION PAYABLE
- (A) THE AMOUNT OF COMPENSATION DEPENDS ON THE DISTANCE OF THE SCHEDULED FLIGHT OR THE ALTERNATIVE FLIGHT PROPOSED.  
COMPENSATION AMOUNTS IN EUR/CAD:
- | FLIGHT KM BETWEEN AND | AMOUNT IN |     |
|-----------------------|-----------|-----|
| EUR                   | EUR       | CAD |
| 0-1500                | 250       | 400 |
| 1500 - 3500           | 400       | 645 |
| INTRA EU FLIGHTS OF   |           |     |
| MORE THAN 1500        | 400       | 645 |
| GREATER THAN 3500     | 600       | 965 |
- (B) IF AN ALTERNATIVE FLIGHT IS OFFERED AND THE NEW SCHEDULED ARRIVAL TIME DOES NOT EXCEED 2 HOURS VERSUS THE ORIGINALLY PLANNED, THE COMPENSATION AMOUNTS SHOWN UNDER (1) ABOVE CAN BE REDUCED BY 50 PERCENT:
- | FLIGHT KM BETWEEN AND | AMOUNT IN |     |
|-----------------------|-----------|-----|
| EUR                   | EUR       | CAD |
| 0-1500                | 125       | 200 |
| 1500-3500             | 200       | 320 |
| INTRA EU FLIGHTS OF   |           |     |
| MORE THAN 1500        | 200       | 320 |
| GREATER THAN 3500     | 300       | 485 |
- (C) IN LIEU OF CASH PAYMENT OF THE AMOUNTS MENTIONED IN (B) (1) AND (B) (2) THE PASSENGER MAY CHOOSE COMPENSATION IN THE FORM OF A VOUCHER VALID FOR FURTHER TRAVEL ON THE SERVICES OF LUFTHANSA, THEN THE COMPENSATION AMOUNT WILL BE 150 PERCENT OF THE AMOUNT MENTIONED IN (B) (1) AND (B) (2). FOLLOWING CONDITIONS SHALL APPLY TO SUCH VOUCHERS:
- VALIDITY IS 1 YEAR FROM THE DATE OF ISSUE
  - IF, AFTER ONE YEAR THE VOUCHER HAS NOT BEEN USED, IT WILL BE REFUNDED BUT ONLY AT THE CASH VALUES AS APPLICABLE IN (B) (1) AND (B) (2).
  - LOST VOUCHERS WILL NOT BE REPLACED
  - A TICKET MAY ONLY BE ISSUED IN EXCHANGE FOR THE VOUCHER IN THE SAME NAME AS THAT ON THE VOUCHER
  - IF THE VALUE OF A DESIRED TICKET EXCEEDS THE VALUE OF THE VOUCHER, THE PASSENGER SHALL PAY THE APPLICABLE DIFFERENCE
  - IF THE VALUE OF THE VOUCHER EXCEEDS THE VALUE OF A DESIRED TICKET, THE DIFFERENCE WILL NOT



BE REFUNDED.

(4) CANCELLATION OF FLIGHTS

(A) IN CASE OF CANCELLATION OF A FLIGHT THE PASSENGERS WILL BE ENTITLED TO THE FOLLOWING:

- (1) RIGHT TO COMPENSATION ACCORDING TO PARAGRAPH (C) AND
- (2) RIGHT TO CHOOSE BETWEEN REIMBURSEMENT/REROUTING WITH THE SAME OPTIONS AS MENTIONED UNDER (A)(1) ABOVE AND
- (3) RIGHT TO CARE INCLUDING
  - MEALS AND REFRESHMENTS, REASONABLY RELATED TO THE WAITING TIME
  - 2 TELEPHONE CALLS OR TELEX, E-MAILS, FAX
  - IF NECESSARY, HOTEL ACCOMODATION PLUS TRANSFER BETWEEN AIRPORT AND HOTEL

(B) AMOUNT OF COMPENSATION PAYABLE

- (1) THE AMOUNT OF COMPENSATION DEPENDS ON THE DISTANCE OF THE SCHEDULED FLIGHT OR THE ALTERNATIVE FLIGHT PROPOSED.

COMPENSATION AMOUNTS IN EUR/CAD:

FLIGHT KM BETWEEN AND	AMOUNT IN	
	EUR	CAD
0-1500	250	400
1500 - 3500	400	645
INTRA EU FLIGHTS OF MORE THAN 1500	400	645
GREATER THAN 3500	600	965

- (2) IF AN ALTERNATIVE FLIGHT IS OFFERED AND THE NEW SCHEDULED ARRIVAL TIME DOES NOT EXCEED 2 HOURS VERSUS THE ORIGINALLY PLANNED, THE COMPENSATION AMOUNTS SHOWN UNDER (1) ABOVE CAN BE REDUCED BY 50 PERCENT:

FLIGHT KM BETWEEN AND	AMOUNT IN	
	EUR	CAD
0-1500	125	200
1500-3500	200	320
INTRA EU FLIGHTS OF MORE THAN 1500	200	320
GREATER THAN 3500	300	485

- (3) IN LIEU OF CASH PAYMENT OF THE AMOUNTS MENTIONED IN (B)(1) AND (B)(2) THE PASSENGER MAY CHOOSE COMPENSATION IN THE FORM OF A VOUCHER VALID FOR FURTHER TRAVEL ON THE SERVICES OF LUFTHANSA, THEN THE COMPENSATION AMOUNT WILL BE 150 PERCENT OF THE AMOUNT MENTIONED IN (B)(1) AND (B)(2). FOLLOWING CONDITIONS SHALL APPLY TO SUCH VOUCHERS:

- VALIDITY IS 1 YEAR FROM THE DATE OF ISSUE
- IF, AFTER ONE YEAR THE VOUCHER HAS NOT BEEN USED, IT WILL BE REFUNDED BUT ONLY AT THE CASH VALUES AS APPLICABLE IN (B)(1) AND (B)(2).
- LOST VOUCHERS WILL NOT BE REPLACED
- A TICKET MAY ONLY BE ISSUED IN EXCHANGE FOR THE VOUCHER IN THE SAME NAME AS THAT ON THE VOUCHER
- IF THE VALUE OF A DESIRED TICKET EXCEEDS THE VALUE OF THE VOUCHER, THE PASSENGER SHALL PAY

THE APPLICABLE DIFFERENCE  
 - IF THE VALUE OF THE VOUCHER EXCEEDS THE VALUE OF  
 A DESIRED TICKET, THE DIFFERENCE WILL NOT BE  
 REFUNDED.

(C) LONG DELAY

THIS RULE IS ONLY APPLICABLE WHEN A FLIGHT IS DELAYED AT  
 DEPARTURE, NOT WHEN A FLIGHT LEAVES ON TIME AND IS  
 SUBSEQUENTLY DELAYED. A LONG DELAY IS CONSIDERED A  
 FLIGHT THAT IS DELAYED ACCORDING TO THE FOLLOWING  
 PARAMETERS:

TRIPS LESS THAN 1,500 KM	MORE THAN 2 HOURS
TRIPS BETWEEN 1,500-3,500 KM & ALL INTRA EU FLIGHTS IN EXCESS OF 1,500 KM	MORE THAN 3 HOURS
TRIPS MORE THAN 3,500 KM (NON INTRA EU)	MORE THAN 4 HOURS

IN THIS CASE THE PASSENGERS ARE ENTITLED TO THE  
 FOLLOWING

- (1) RIGHT TO CARE PROVIDED THIS DOES NOT RESULT IN A  
 FURTHER DELAY OF THE FLIGHT INCLUDING
  - MEALS AND REFRESHMENTS, REASONABLY RELATED TO  
 THE WAITING TIME
  - 2 TELEPHONE CALLS OR TELEX, E-MAILS, FAX
  - IF NECESSARY, HOTEL ACCOMODATION PLUS TRANSFER  
 BETWEEN AIRPORT AND HOTEL; IN CASE THE  
 FLIGHT IS DELAYED UNTIL THE NEXT DAY HOTEL  
 ACCOMMODATION AND TRANSFER ARE MANDATORY.
- (2) IF FLIGHT IS DELAYED MORE THAN 5 HOURS RIGHT TO BE  
 REIMBURSED WITHIN 7 DAYS:
  - (A) OUTBOUND PASSENGER: COST OF TICKET
  - (B) INBOUND PASSENGER: COST OF NON-USED COUPON
  - (C) TRANSIT PASSENGER: COST OF NON-USED COUPON,  
 IF THE FLIGHT NO LONGER SERVES ANY PURPOSE;  
 ALSO COST OF THE TICKETS FOR PARTS OF THE  
 JOURNEY ALREADY MADE AND IF RELEVANT RETURN  
 FLIGHT TO THE FIRST POINT OF DEPARTURE
  - (D) FOR PACKAGE TOUR PASSENGERS THE VALUE OF  
 REIMBURSEMENT WILL HAVE TO BE ASSIGNED TO  
 UNUSED FLIGHT COUPON(S)
- (3) DOWNGRADING OF PASSENGERS  
 IN CASE OF INVOLUNTARY DOWNGRADING TO A LOWER  
 CLASS OF SERVICE PASSENGERS WILL BE ENTITLED TO  
 THE FOLLOWING REIMBURSEMENT WITHIN 7 DAYS
  - (A) 30 PERCENT OF THE TICKET PRICE FOR TRIPS LESS  
 THAN 1,500 KM
  - (B) 50 PERCENT OF THE TICKET PRICE FOR TRIPS  
 BETWEEN 1,500 AND 3,500 KM & ALL INTRA EU  
 FLIGHTS IN EXCESS OF 1,500 KM
  - (C) 75 PERCENT OF THE TICKET PRICE FOR ALL OTHER  
 TRIPS MORE THAN 3,500 KM

NOTE:

IN ALL CASES THE RELEVANT DISTANCE IS UNDERSTOOD TO BE  
 THE SECTOR ON WHICH THE PASSENGER IS DOWNGRADED. THE  
 TICKET PRICE IS UNDERSTOOD TO BE THE ONEWAY COUPON  
 VALUE FOR THE SECTOR ON WHICH THE PASSENGER IS

- DOWNGRADED.
- (D) BOARDING PRIORITY  
 PASSENGERS HOLDING CONFIRMED RESERVATIONS WILL BE  
 BOARDED BEFORE:
- (1) ANY PASSENGERS NOT HOLDING CONFIRMED RESERVATIONS.
  - (2) ANY WHO ARE NOT ENTITLED TO CONFIRMED  
 RESERVATIONS.
- PASSENGERS HOLDING CONFIRMED RESERVATIONS AND A VALID  
 TICKET FOR THE FLIGHT IN QUESTION WILL BE BOARDED IN  
 THE SEQUENCE IN WHICH THEY HAVE PRESENTED THEMSELVES  
 FOR CHECK-IN.
- EXCEPTIONS:  
 THE FOLLOWING PASSENGERS CANNOT BE LEFT BEHIND:
- LUFTHANSA CREW MEMBERS TRAVELLING WITH CONFIRMED  
 RESERVATIONS
  - LUFTHANSA EMPLOYEES ON DUTY TRAVEL HOLDING CONFIRMED  
 RESERVATIONS
  - SICK AND/OR HANDICAPPED PASSENGERS
  - UNACCOMPANIED CHILDREN (12 YEARS AND UNDER)
  - HEADS OF STATE AND OTHER LEADING STATESMEN, OFFICIAL  
 GOVERNMENT DELEGATIONS, DIPLOMATIC COURIERS
  - HARDSHIP CASES AS DETERMINED BY THE MANAGER ON DUTY

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REFUNDS

(A) GENERAL

- (1) IN CASE OF REFUND, WHETHER DUE TO FAILURE OF  
 CARRIER TO PROVIDE THE ACCOMMODATION CALLED FOR BY  
 THE TICKET, OR TO VOLUNTARY CHANGE OF ARRANGEMENTS  
 BY THE PASSENGER, THE CONDITIONS AND AMOUNT OF  
 REFUND WILL BE GOVERNED BY CARRIER'S TARIFFS.
- (2) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (F) OF  
 THIS RULE, REFUND BY CARRIER FOR AN UNUSED TICKET  
 OR PORTION THEREOF OR MISCELLANEOUS CHARGES ORDER  
 WILL BE MADE TO THE PERSON NAMED AS THE PASSENGER  
 IN SUCH TICKET OR MISCELLANEOUS CHARGES ORDER  
 UNLESS AT THE TIME OF PURCHASE THE PURCHASER  
 DESIGNATES ON THE TICKET OR MISCELLANEOUS CHARGES  
 ORDER ANOTHER PERSON TO WHOM REFUND SHALL BE MADE  
 IN WHICH EVENT REFUND WILL BE MADE TO PERSONS SO  
 DESIGNATED, AND ONLY UPON DELIVERY OF THE  
 PASSENGER COUPON AND ALL UNUSED FLIGHT COUPONS OF  
 THE TICKET OF MISCELLANEOUS CHARGES ORDER. A  
 REFUND MADE IN ACCORDANCE WITH THIS PROCEDURE TO A  
 PERSON REPRESENTING HIM AS THE PERSON NAMED OR  
 DESIGNATED IN THE TICKET OR MISCELLANEOUS CHARGES  
 ORDER WILL BE CONSIDERED A VALID REFUND AND  
 CARRIER WILL NOT BE LIABLE TO THE TRUE PASSENGER  
 FOR ANOTHER REFUND.

EXCEPTION 1: REFUND IN ACCORDANCE WITH PARAGRAPH  
 (E) BELOW OF TICKETS FOR  
 TRANSPORTATION WHICH HAVE BEEN  
 ISSUED AGAINST A CREDIT CARD WILL

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RULE	SECTION I - GENERAL RULES																		
C87	<p>†[C]PART II DENIED BOARDING COMPENSATION (Applicable to flights or portions to flight originating in Canada)</p> <p>(A) <b>APPLICABILITY</b> The following rules shall apply:</p> <ol style="list-style-type: none"> <li>(1) In respect of flights departing from an airport in the European Union (EU) and flights departing from an airport in a third country bound to an airport in the EU unless passenger received benefits or compensation and were given assistance in that third country;</li> <li>(2) On condition that passengers have a confirmed reservation on the flight concerned and presents himself/herself for check-in at the time indicated in advance and in writing or electronically; or; if no time is indicated; not later than 60 minutes before the published departure time;</li> <li>(3) Only to the passenger travelling with a valid ticket including tickets issued under a frequent flyer or other commercial programme with confirmed reservations and             <ol style="list-style-type: none"> <li>(a) Presents himself at the appropriate place and has observed published minimum check-in times</li> <li>(b) Has complied with Air France's ticketing and reconfirmation procedures</li> <li>(c) Is acceptable for transportation under the carrier's tariff and the flight for which the passenger holds confirmed reservations is unable to accommodate the passenger and departs without him/her</li> </ol> </li> <li>(4) Where AF is the operating carrier of the flight <b>EXCEPTIONS:</b> The following passengers will not be entitled to compensations;             <ol style="list-style-type: none"> <li>(a) Passengers travelling to EU who have received benefits or compensation in a third country.</li> <li>(b) Passengers travelling between two airports outside the EU unless the sector is part of a flight (same flight number) that originated in the EU.</li> <li>(c) Passengers without confirmed reservation.</li> <li>(d) Passengers who have not presented themselves for check-in on time</li> <li>(e) Passengers on free or reduced fares not directly or indirectly available to the public, e.g. ID and AD tickets</li> </ol> </li> <li>(5) The passenger is accommodated on the flight for which he/she hold's confirmed reservations, but is seated in a compartment of the aircraft other than that reserved, provided that when the passenger is accommodated in a class of service for which a lower fare is charged, the passenger will be entitled to the appropriate refund.</li> </ol> <p>(B) <b>PASSENGER RIGHTS</b></p> <ol style="list-style-type: none"> <li>(1) <b>Denied Boarding</b> <b>Volunteers</b> Volunteers have the right of mutually agreed benefits plus the right to choose between reimbursement and rerouting with the following options:             <ol style="list-style-type: none"> <li>(a) Reimbursement within 7 days of coupons not used or</li> <li>(b) Rerouting to final destination at the earliest opportunity under comparable transport conditions or</li> <li>(c) Rerouting to final destination at a later date according to passenger's convenience but subject to availability of space. Volunteers are not entitled to care, such as phone calls, foods, accommodation etc.</li> </ol> </li> <li>(2) <b>Involuntary Denied Boarding</b> In case of Involuntary Denied Boarding the passengers are entitled to the following:             <ol style="list-style-type: none"> <li>(a) Right to compensation according to paragraph (C) and</li> <li>(b) Right to choose between reimbursement/rerouting with the same options as mentioned under (A)(1) above and</li> <li>(c) Right to care including                 <ul style="list-style-type: none"> <li>- Meals and refreshments, reasonably related to the waiting time</li> <li>- 2 telephone calls or telex, e-mails, fax</li> <li>- if necessary, hotel accommodation plus transfer between airport and hotel</li> </ul> </li> </ol> </li> <li>(3) <b>Amount of Compensation Payable</b> <ol style="list-style-type: none"> <li>(a) The amount of compensation depends on the distance of the scheduled flight or the alternative flight proposed. 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For unexplained abbreviations, reference marks and symbols see Pages 21 through 29.

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RULE	SECTION I - GENERAL RULES
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C87	<p>†ICPART II DENIED BOARDING COMPENSATION (Continued)</p> <p>(B) PASSENGER RIGHTS (Continued)</p> <p>(3) Amount of Compensation Payable (Continued)</p> <p>(b) If an alternative flight is offered and the new scheduled arrival time does not exceed 2 hours versus the originally planned, the compensation amounts shown under (1) above can be reduced by 50 percent:</p> <table style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: center;">Amount in</td> </tr> <tr> <td style="text-align: left;">Flight KM between And</td> <td style="text-align: center;">EUR CAD</td> </tr> <tr> <td>0-1500</td> <td style="text-align: center;">125 200</td> </tr> <tr> <td>1500-3500</td> <td style="text-align: center;">200 320</td> </tr> <tr> <td style="text-align: left;">Intra EU flights of more than 1500</td> <td style="text-align: center;">200 320</td> </tr> <tr> <td style="text-align: left;">greater than 3500</td> <td style="text-align: center;">300 485</td> </tr> </table> <p>(c) In lieu of cash payment of the amount mentioned in (B)(1) and (B)(2) the passenger may choose compensation in the form of a voucher valid for further travel on the services of Air France, then the compensation amount will be 150 percent of the amount mentioned in (B)(1) and (B)(2). Following conditions shall apply to such vouchers:</p> <ul style="list-style-type: none"> <li>- validity is 1 year from the date of issue</li> <li>- if, after one year the voucher has not been used, it will be refunded but only at the cash values as applicable in (B)(1) and (B)(2).</li> <li>- lost vouchers will not be replaced</li> <li>- a ticket may only be issued in exchange for the voucher in the same name as that on the voucher</li> <li>- if the value of a desired ticket exceeds the value of the voucher, the passenger shall pay the applicable difference</li> <li>- if the value of the voucher exceeds the value of a desired ticket, the difference will not be refunded.</li> </ul> <p>(4) Cancellation of Flights</p> <p>(a) In case of cancellation of a flight the passengers will be entitled to the following:</p> <ol style="list-style-type: none"> <li>(1) Right to compensation according to paragraph (C) and</li> <li>(2) Right to choose between reimbursement/rerouting with the same options as mentioned under (A)(1) above and</li> <li>(3) Right to care including             <ul style="list-style-type: none"> <li>- Meals and refreshments, reasonably related to the waiting time</li> <li>- 2 telephone calls or telex, e-mails, fax</li> <li>- If necessary, hotel accommodation plus transfer between airport and hotel</li> </ul> </li> </ol> <p>(b) Amount of Compensation Payable</p> <p>(1) The amount of compensation depends on the distance of the scheduled flight or the alternative flight proposed.</p> <table style="margin-left: 40px;"> <tr> <td colspan="2" style="text-align: center;">Compensation Amounts in EUR/CAD:</td> </tr> <tr> <td style="text-align: left;">Flight KM between And</td> <td style="text-align: center;">Amount in</td> </tr> <tr> <td></td> <td style="text-align: center;">EUR CAD</td> </tr> <tr> <td>0-1500</td> <td style="text-align: center;">250 400</td> </tr> <tr> <td>1500-3500</td> <td style="text-align: center;">400 645</td> </tr> <tr> <td style="text-align: left;">Intra EU flights of more than 1500</td> <td style="text-align: center;">400 645</td> </tr> <tr> <td style="text-align: left;">greater than 3500</td> <td style="text-align: center;">600 965</td> </tr> </table> <p>(2) If an alternative flight is offered and the new scheduled arrival time does not exceed 2 hours versus the originally planned, the compensation amounts shown under (1) above can be reduced by 50 percent:</p> <table style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: center;">Amount in</td> </tr> <tr> <td style="text-align: left;">Flight KM between And</td> <td style="text-align: center;">EUR CAD</td> </tr> <tr> <td>0-1500</td> <td style="text-align: center;">125 200</td> </tr> <tr> <td>1500-3500</td> <td style="text-align: center;">200 320</td> </tr> <tr> <td style="text-align: left;">Intra EU flights of more than 1500</td> <td style="text-align: center;">200 320</td> </tr> <tr> <td style="text-align: left;">greater than 3500</td> <td style="text-align: center;">300 485</td> </tr> </table>		Amount in	Flight KM between And	EUR CAD	0-1500	125 200	1500-3500	200 320	Intra EU flights of more than 1500	200 320	greater than 3500	300 485	Compensation Amounts in EUR/CAD:		Flight KM between And	Amount in		EUR CAD	0-1500	250 400	1500-3500	400 645	Intra EU flights of more than 1500	400 645	greater than 3500	600 965		Amount in	Flight KM between And	EUR CAD	0-1500	125 200	1500-3500	200 320	Intra EU flights of more than 1500	200 320	greater than 3500	300 485
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RULE	SECTION I - GENERAL RULES						
C87	<p><b>+ [C] PART II DENIED BOARDING COMPENSATION (Continued)</b></p> <p><b>(B) PASSENGER RIGHTS (Continued)</b></p> <p><b>(4) Cancellation of Flights (Continued)</b></p> <p><b>(b) Amount of Compensation Payable (Continued)</b></p> <p><b>(3)</b> In lieu of cash payment of the amount mentioned in (B)(1) and (B)(2) the passenger may choose compensation in the form of a voucher valid for further travel on the services of Air France, then the compensation amount will be 150 percent of the amount mentioned in (B)(1) and (B)(2). Following conditions shall apply to such vouchers:</p> <ul style="list-style-type: none"> <li>- validity is 1 year from the date of issue</li> <li>- if, after one year the voucher has not been used, it will be refunded but only at the cash values as applicable in (B)(1) and (B)(2).</li> <li>- lost vouchers will not be replaced</li> <li>- a ticket may only be issued in exchange for the voucher in the same name as that on the voucher</li> <li>- if the value of a desired ticket exceeds the value of the voucher, the passenger shall pay the applicable difference</li> <li>- if the value of the voucher exceeds the value of a desired ticket, the difference will not be refunded.</li> </ul> <p><b>(C) LONG DELAY</b></p> <p>This rule is only applicable when a flight is delayed at departure, not when a flight leaves on time and is subsequently delayed. A long delay is considered a flight that is delayed according to the following parameters:</p> <table border="0"> <tr> <td>Trips less than 1,500 KM</td> <td>More than 2 hours</td> </tr> <tr> <td>Trips between 1,500-3,500 KM and all intra EU flights in excess of 1,500 KM</td> <td>More than 3 hours</td> </tr> <tr> <td>Trips more than 3,500 KM (non intra EU)</td> <td>More than 4 hours</td> </tr> </table> <p>In this case the passengers are entitled to the following</p> <p><b>(1) Right to care provided this does not result in a further delay of the flight including</b></p> <ul style="list-style-type: none"> <li>- Meals and refreshments, reasonably related to the waiting time</li> <li>- 2 telephone calls or telex, e-mails, fax</li> <li>- If necessary, hotel accommodation plus transfer between airport and hotel; in case the flight is delayed until the next day hotel accommodation and transfer are mandatory.</li> </ul> <p><b>(2) If flight is delayed more than 5 hours right to be reimbursed within 7 days:</b></p> <ul style="list-style-type: none"> <li>(a) Outbound passenger: Cost of ticket</li> <li>(b) Inbound passenger: Cost of Non-used coupon</li> <li>(c) Transit Passenger: Cost of Non-used coupon, if the flight no longer serves any purpose; also cost of the tickets for parts of the journey already made and if relevant return flight to the first point of departure</li> <li>(d) For package tour passengers the value of reimbursement will have to be assigned to unused flight coupon(s)</li> </ul> <p><b>(3) Downgrading of Passengers</b></p> <p>In case of involuntary downgrading to a lower class of service passengers will be entitled to the following reimbursement within 7 days</p> <ul style="list-style-type: none"> <li>(a) 30 percent of the ticket price for trips less than 1,500 KM</li> <li>(b) 50 percent of the ticket price for trips between 1,500 and 3,500 KM and all intra EU flights in excess of 1,500 KM</li> <li>(c) 75 percent of the ticket price for all other trips more than 3,500 KM</li> </ul> <p><b>NOTES:</b> In all cases the relevant distance is understood to be the sector on which the passenger is downgraded. The ticket price is understood to be the one-way coupon value for the sector on which the passenger is downgraded.</p>	Trips less than 1,500 KM	More than 2 hours	Trips between 1,500-3,500 KM and all intra EU flights in excess of 1,500 KM	More than 3 hours	Trips more than 3,500 KM (non intra EU)	More than 4 hours
Trips less than 1,500 KM	More than 2 hours						
Trips between 1,500-3,500 KM and all intra EU flights in excess of 1,500 KM	More than 3 hours						
Trips more than 3,500 KM (non intra EU)	More than 4 hours						

(Continued on next page)

For unexplained abbreviations, reference marks and symbols see Pages 21 through 29.

ISSUED: April 5, 2007

EFFECTIVE: May 20, 2007

(Except as Noted)

+ - Effective April 6, 2007 and issued on not less than one (1) day's notice under NTA(A) Special Permission No. 23749.

NTA(A) No. 313 T.C.A.B. No. 516

Airline Tariff Publishing Company, Agent  
**INTERNATIONAL PASSENGER RULES AND FARES TARIFF**  
 AF-1

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<b>RULE</b>	<b>SECTION I - GENERAL RULES</b>
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87	<p><b>PART II DENIED BOARDING COMPENSATION (Continued)</b></p> <p><b>(D) BOARDING PRIORITY</b></p> <p>(1) Crew Members positioning in preparation for a flight and ground personnel needed for emergency repairs on an aircraft grounded at a station.</p> <p>(2) Transit passengers continuing on the same flight</p> <p>(3) Unaccompanied children (under +[C]15 years of age)</p> <p>(4) Stretcher and wheelchair cases</p> <p>(5) Hardship cases as determined by the manager on duty</p> <p>(6) Transit passengers continuing on the same flight</p> <p>(7) Connecting passengers</p> <p>(8) Passengers holding confirmed reservations will be boarded before any passengers not holding confirmed reservations or any who are not entitled to confirmed reservations.</p> <p>(9) Passengers holding confirmed reservations and a valid ticket for the flight</p> <p>(10) Local passengers in the order their boarding card has been issued excluding passengers who volunteered for denied boarding.</p> <p>(11) Passengers having volunteered for denied boarding compensation in the order they volunteered.</p> <p><b>(E) DEFINITIONS</b></p> <p>For the purpose of this rule, except as otherwise specifically provided herein: the following definitions shall apply:</p> <p><b>Airport</b> means the airport at which the direct or connecting flight, on which the passenger holds confirmed reserved space, is planned to arrive or some other airport serving the same metropolitan area, provided that transportation to the other airport is accepted (i.e. used) by the passenger.</p> <p><b>Alternate Transportation</b> is air transportation provided by a carrier or other transportation used by the passenger which, at the time the arrangement are made, will provided for arrival at the passenger's destinations or next point of stopover, within four hours of his originally scheduled arrival time.</p> <p><b>Carrier</b> means an carrier, except a helicopter operator, holding a commercial air service licence authorizing the transportation of persons.</p> <p><b>Comparable Air Transportation</b> is provided by air carrier to the passengers at no extra cost.</p> <p><b>Confirmed Space (reservation)</b> is that which applies to a specific AF flight, date and fare type as requested by the passenger and which is verified in AF reservations system and is so noted on the ticket.</p> <p><b>Cancellation</b> means the non-operation of a flight which was previously planned and on which at least one place was reserved.</p> <p><b>Ticket</b> means a valid document giving entitlement to transport, or something equivalent in paperless form, including electronic form, issued or authorized by the air carrier or its authorized agents.</p> <p><b>Stopover</b> is a deliberate interruption of a journey requested by the passenger which is scheduled to exceed four hours at a place between the points of origin and destination.</p> <p><b>Oversold</b> is that condition which is the result of there being more passengers with confirmed reservations and tickets than there are seats available on a flight.</p> <p><b>Volunteer</b> means a person who responds to carrier's request for volunteers and who willingly accepts carrier's offer or compensation, in any amount, in exchange for relinquishing his confirmed reserved space. Any other passenger denied boarding is considered, for the purposes of this rule, to have been denied boarding involuntarily, even if he accepts denied boarding compensation.</p>
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For unexplained abbreviations, reference marks and symbols see IPGT1-1, C.A.B. NO. 581, NTA(A) NO. 373.

<b>ISSUED:</b> May 5, 2010	<b>EFFECTIVE:</b> June 19, 2010 (Except as Noted)
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+ - Effective May 6, 2010 and issued on not less than one (1) day's notice under NTA(A) Special Permission No. 56067.

AREA: ZZ TARIFF: IPRG CXR: WS RULE: 0105

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TITLE/APPLICATION - 70 (CONT)

CANCELS THE RESERVATION, THE PASSENGER MAY NOT BE ENTITLED TO A REFUND, DEPENDING ON ANY REFUND CONDITION ATTACHED TO THE PARTICULAR FARE.

(B) INVOLUNTARY CANCELLATIONS

IN THE EVENT A REFUND IS REQUIRED BECAUSE OF THE CARRIER'S FAILURE TO OPERATE OR REFUSAL TO TRANSPORT, THE REFUND WILL BE MADE AS FOLLOWS:  
IF THE TICKET IS TOTALLY OR PARTIALLY UNUSED, THE TOTAL FARE PAID FOR EACH UNUSED SEGMENT WILL BE REFUNDED.

AREA: ZZ TARIFF: IPRG CXR: WS RULE: 0110

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TITLE/APPLICATION - 70

K \* DENIED BOARDING COMPENSATION

- (A) IF A FLIGHT IS OVERBOOKED WITH THE RESULT THAT A TICKETED PASSENGER IS NOT TRANSPORTED ON A FLIGHT FOR WHICH THEY HELD CONFIRMED SPACE, THE CARRIER WILL DEFINE A REMEDY OR REMEDIES TO MITIGATE THE IMPACT OF THE OVERBOOKING OR CANCELLATION UPON THE PASSENGER. IN DEFINING THE REMEDY OR REMEDIES APPROPRIATE IN A PARTICULAR CASE, THE CARRIER WILL CONSIDER THE TRANSPORTATION NEEDS OF THE PASSENGER AND ANY DAMAGES THE PASSENGER MAY HAVE SUFFERED BY REASON OF THE OVERBOOKING. IN CASES WHERE THE PASSENGER IS OFFERED ALTERNATIVE REMEDIES, THE CHOICE AMONG THE ALTERNATIVES SHALL REST WITH THE PASSENGER. IN PARTICULAR, THE CARRIER WILL OFFER ONE OR MORE OF THE FOLLOWING REMEDIES:
- (1) TRANSPORTATION, WITHOUT FURTHER CHARGE AND WITHIN A REASONABLE TIME, TO THE PASSENGER'S INTENDED DESTINATION ON A TRANSPORTATION SERVICE WHICH SERVICE WILL BE IDENTIFIED BY THE CARRIER;
  - (2) TRANSPORTATION, WITHOUT FURTHER CHARGE AND WITHIN A REASONABLE TIME, TO THE PASSENGER'S POINT OF ORIGIN ON A TRANSPORTATION SERVICE WHICH SERVICE WILL BE IDENTIFIED BY THE CARRIER;
  - (3) A MONETARY PAYMENT IN AN AMOUNT TO BE DEFINED BY THE CARRIER WHICH SHALL IN NO CASE BE LESS THAN THE VALUE OF THE UNUSED PORTION OF THE PASSENGER'S TICKET;
  - (4) A CREDIT, TO BE DEFINED BY THE CARRIER, TOWARDS THE PURCHASE OF FUTURE TRANSPORTATION ON A SERVICE OPERATED BY THE CARRIER.
- (B) IN IDENTIFYING THE TRANSPORTATION SERVICE TO BE OFFERED TO THE PASSENGER, THE CARRIER WILL NOT LIMIT ITSELF TO CONSIDERING ITS OWN SERVICES OR THE SERVICES OF CARRIERS WITH WHICH IT HAS INTERLINE AGREEMENTS.
- (C) IN DEFINING THE ALTERNATIVE REMEDIES TO BE OFFERED, THE CARRIER WILL CONSIDER, TO THE EXTENT THEY ARE KNOWN TO THE CARRIER, THE CIRCUMSTANCES OF THE PASSENGER AFFECTED BY THE OVERBOOKING, INCLUDING ANY EXPENSES WHICH THE PASSENGER, ACTING REASONABLY,



- MAY HAVE INCURRED AS A RESULT OF THE OVERBOOKING OR CANCELLATION AS, FOR EXAMPLE, COSTS INCURRED FOR ACCOMMODATION, MEALS OR ADDITIONAL TRANSPORTATION.
- (D) IN DEFINING THE ALTERNATIVE REMEDIES TO BE OFFERED, THE CARRIER WILL MAKE A GOOD FAITH EFFORT TO FAIRLY RECOGNIZE, AND APPROPRIATELY MITIGATE THE IMPACT OF THE OVERBOOKING OR CANCELLATION UPON THE PASSENGER.
  - (E) VOLUNTEERS AND BOARDING PRIORITIES  
IF A FLIGHT IS OVERSOLD (MORE PASSENGERS HOLD CONFIRMED RESERVATIONS THAN THERE ARE SEATS AVAILABLE), NO ONE MAY BE DENIED BOARDING AGAINST HIS/HER WILL UNTIL AIRLINE PERSONNEL FIRST ASK FOR VOLUNTEERS WHO WILL GIVE UP THEIR RESERVATIONS WILLINGLY, IN EXCHANGE FOR A PAYMENT OF THE CARRIER'S CHOOSING. IF THERE ARE NOT ENOUGH VOLUNTEERS, OTHER PASSENGERS MAY BE DENIED BOARDING INVOLUNTARILY, IN ACCORDANCE WITH THE FOLLOWING

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GFS TEXT MENU RULE CATEGORY TEXT DISPLAY  
IN EFFECT ON: 17MAY13

AREA: ZZ TARIFF: IPRG CXR: WS RULE: 0110

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TITLE/APPLICATION - 70 (CONT)

- BOARDING PRIORITY OF THE CARRIER: THE LAST PASSENGER TO ARRIVE AT THE TICKET LIFT POINT WILL BE THE FIRST TO BE DENIED BOARDING, EXCEPT;
- PASSENGERS TRAVELLING DUE TO DEATH OR ILLNESS OF A MEMBER OF THE PASSENGER'S FAMILY, OR,
  - AGED PASSENGERS, OR
  - UNACCOMPANIED CHILDREN, OR
  - PASSENGERS WITH A DISABILITY
- (F) COMPENSATION FOR INVOLUNTARY DENIED BOARDING  
IF YOU ARE DENIED BOARDING INVOLUNTARILY, YOU ARE ENTITLED TO A PAYMENT OF "DENIED BOARDING COMPENSATION" FROM THE CARRIER UNLESS:
    - YOU HAVE NOT FULLY COMPLIED WITH THE CARRIER'S TICKETING, CHECK-IN REQUIREMENTS, OR YOU ARE NOT ACCEPTABLE FOR TRANSPORTATION UNDER THE AIRLINE'S USUAL RULES AND PRACTICES; OR
    - YOU ARE DENIED BOARDING BECAUSE THE FLIGHT IS CANCELLED; OR
    - YOU ARE DENIED BOARDING BECAUSE A SMALLER CAPACITY AIRCRAFT WAS SUBSTITUTED FOR SAFETY OR OPERATIONAL REASONS AND THE CARRIER TOOK ALL REASONABLE MEASURES TO AVOID THE SUBSTITUTION OR THAT IT WAS IMPOSSIBLE FOR THE CARRIER TO TAKE SUCH MEASURES;  
; OR
    - YOU ARE OFFERED ACCOMMODATIONS IN A SECTION OF THE AIRCRAFT OTHER THAN SPECIFIED IN YOUR TICKET, AT NO EXTRA CHARGE, (A PASSENGER SEATED IN A SECTION FOR WHICH A LOWER FARE IS CHARGED MUST BE GIVEN AN APPROPRIATE REFUND); OR

THE CARRIER IS ABLE TO PLACE YOU ON ANOTHER FLIGHT OR  
FLIGHTS THAT ARE PLANNED TO REACH YOUR FINAL

DESTINATION OR YOUR NEXT SCHEDULED STOPOVER WITHIN ONE HOUR OF THE SCHEDULED ARRIVAL OF YOUR ORIGINAL FLIGHT.

- (G) AMOUNT OF DENIED BOARDING COMPENSATION: ELIGIBLE PASSENGERS, AS PER PARAGRAPH (F) ABOVE, WHO ARE DENIED BOARDING INVOLUNTARILY FROM AN OVERSOLD FLIGHT ARE ENTITLED TO:
  - (1) NO COMPENSATION IF THE CARRIER OFFERS ALTERNATE TRANSPORTATION THAT IS PLANNED TO ARRIVE AT THE PASSENGER'S DESTINATION OR FIRST STOPOVER NOT LATER THAN ONE HOUR AFTER THE PLANNED ARRIVAL TIME OF THE PASSENGER'S ORIGINAL FLIGHT;
  - (2) 200% OF THE TOTAL PRICE TO THE PASSENGER'S DESTINATION OR FIRST STOPOVER, WITH A MAXIMUM OF \$650, IF THE CARRIER OFFERS ALTERNATE TRANSPORTATION THAT IS PLANNED TO ARRIVE AT THE PASSENGER'S DESTINATION OR FIRST STOPOVER MORE THAN ONE HOUR BUT LESS THAN FOUR HOURS AFTER THE PLANNED ARRIVAL TIME OF THE PASSENGER'S ORIGINAL FLIGHT; AND
  - (3) 400% OF THE TOTAL PRICE TO THE PASSENGER'S DESTINATION OR FIRST STOPOVER, WITH A MAXIMUM OF \$1,300, IF THE CARRIER DOES NOT OFFER ALTERNATE TRANSPORTATION THAT IS PLANNED TO ARRIVE AT THE AIRPORT OF THE PASSENGER'S DESTINATION OR FIRST STOPOVER LESS THAN FOUR HOURS AFTER THE PLANNED ARRIVAL TIME OF THE PASSENGER'S ORIGINAL FLIGHT.
  - (4) A TOTAL PRICE MEANS THE TOTAL OF THE AIR TRANSPORTATION CHARGES AND THIRD PARTY CHARGES THAT MUST BE PAID TO OBTAIN THE SERVICE.

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GFS TEXT MENU RULE CATEGORY TEXT DISPLAY  
IN EFFECT ON: 17MAY13

AREA: ZZ TARIFF: IPRG CXR: WS RULE: 0110  
Special Permission No. 91655.

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TITLE/APPLICATION - 70 (CONT)

- (H) METHOD OF PAYMENT
  - (1) THE CARRIER MUST GIVE EACH PASSENGER WHO QUALIFIES FOR DENIED BOARDING COMPENSATION, A PAYMENT BY CASH OR CASH EQUIVALENT, CHEQUE OR DRAFT FOR THE AMOUNT SPECIFIED ABOVE, OR TRAVEL CREDITS ON THE DAY AND PLACE THE INVOLUNTARY DENIED BOARDING OCCURS. HOWEVER, IF THE CARRIER ARRANGES ALTERNATE TRANSPORTATION FOR THE PASSENGER'S CONVENIENCE THAT DEPARTS BEFORE THE PAYMENT CAN BE MADE, THE PAYMENT WILL BE SENT TO THE PASSENGER WITHIN 24 HOURS.
  - (2) THE CARRIER WILL INFORM PASSENGERS OF THE AMOUNT OF CASH COMPENSATION THAT WOULD BE DUE AND THAT THE PASSENGER MAY DECLINE TRAVEL CREDITS AND RECEIVE CASH OR EQUIVALENT

(3) THE CARRIER WILL FULLY DISCLOSE ALL MATERIAL RESTRICTIONS BEFORE THE PASSENGER DECIDES TO GIVE UP THE CASH OR EQUIVALENT PAYMENT IN EXCHANGE FOR TRAVEL CREDIT.

(4) THE CARRIER WILL OBTAIN A SIGNED AGREEMENT OF THE PASSENGER CONFIRMING THAT THE PASSENGER WAS PROVIDED WITH THE AFOREMENTIONED INFORMATION PRIOR TO PROVIDING THE TRAVEL CREDIT IN LIEU OF CASH OR CASH EQUIVALENT COMPENSATION.

(5) THE AMOUNT OF TRAVEL CREDIT WILL NOT BE LESS THAN 300% OF THE AMOUNT OF CASH COMPENSATION THAT WOULD BE DUE.

(6) PASSENGERS WILL BE ENTITLED TO EXCHANGE THE TRAVEL CREDITS TO CASH OR CASH EQUIVALENT AT THE RATE OF \$1 IN CASH BEING EQUIVALENT TO \$3 IN TRAVEL CREDITS WITHIN 1 MONTH OF RECEIPT, NOT TO EXCEED A CASH PAYOUT GREATER THAN THE MAXIMUM AMOUNT AS DEFINED BY THE LENGTH OF THE DELAY.

(7) THE RIGHTS OF A PASSENGER AGAINST THE CARRIER IN THE EVENT OF OVERBOOKING IS, IN MOST CASES OF INTERNATIONAL CARRIAGE, GOVERNED BY AN INTERNATIONAL CONVENTION KNOWN AS THE MONTREAL CONVENTION, 1999. ARTICLE 19 OF THAT CONVENTION PROVIDES THAT AN AIR CARRIER IS LIABLE FOR DAMAGE CAUSED BY DELAY IN THE CARRIAGE OF PASSENGERS AND GOODS UNLESS IT PROVES THAT IT DID EVERYTHING IT COULD BE REASONABLE EXPECTED TO DO TO AVOID THE DAMAGE. THERE ARE SOME EXCEPTIONAL CASES OF INTERNATIONAL CARRIAGE IN WHICH THE RIGHTS OF PASSENGERS ARE NOT GOVENED BY AN INTERNATIONAL CONVENTION. IN SUCH CASES ONLY A COURT OF COMPETENT JURISDICATION CAN DETERMINE WHICH SYSTEM OF LAWS MUST BE CONSULTED TO DETERMINE WHAT THOSE RIGHTS ARE.

AREA: ZZ TARIFF: IPRG CXR: WS RULE: 0115

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TITLE/APPLICATION - 70

A CODE-SHARE AND INTERLINE TRAVEL  
FOR TRAFVEL TO OR FROM THE UNITED STATES, WHEN TRAVELLING  
WITH ONE OF THE CARRIER'S CODE-SHARE OR INTERLINE PARTNERS,  
GUEST ARE ENCOURAGED TO FAMILIARIZE THEMSELVES WITH THE  
BAGGAGE ALLOWANCES AND FEES OF THE CODE-SHARE OR INTERLINE

SUNWING AIRLINES INC.

CTA (A) No. 2  
3<sup>rd</sup> Revised Page 38  
Cancels 2<sup>nd</sup> Revised Page 38**SECTION VI - REFUNDS****RULE 18. REFUNDS****(a) Voluntary Cancellations**

If a passenger decides not to use the ticket and cancels the reservation, the passenger may not be entitled to a refund or compensation. (C)

**(b) Involuntary Cancellations**

In the event a refund is required because of the carrier's failure to operate or refusal to transport, the refund will be made as follows:

If the ticket is totally or partially unused, the total fare paid for each unused segment will be refunded.

**(c) A passenger will not be eligible for compensation or refund under the following condition:**

(i) The passenger checked-in or presents himself/herself at the boarding gate after the carrier's minimum check-in time or gate time [Rule 15 (2)] for any reason including being delayed in security or customs.

**(d) Application for refund shall be made to the carrier or its duly authorized Agent.****RULE 19. DENIED BOARDING COMPENSATION (C)**

For the purposes of this Rule 19, "alternate transportation" means air transportation with a confirmed reservation at no additional charge (by a scheduled airline licensed by Canada or another appropriate country), or other transportation accepted and used by the passenger in the case of denied boarding.

**(a) General.** If a passenger has been denied a confirmed seat in the case of an oversold flight of the Carrier, the Carrier will offer the passenger the following options:

(1) refund the total fare paid for each unused segment; or

(2) arrange reasonable alternative transportation on its own services; or

For example of abbreviations, reference marks and symbols used but not explained hereon, see page 2.  
ISSUE DATE December 20, 2013  
EFFECTIVE DATE December 23, 2013  
Per Decision No. 432-C-A-2013.

SUNWING AIRLINES INC.

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- (3) if reasonable alternate transportation on its own services is not available, the Carrier will make reasonable efforts to arrange transportation on the services of another carrier or combination of carriers on a confirmed basis in the comparable booking code.
- (b) **Volunteers and Boarding Priorities.** If a flight is oversold (more passengers hold confirmed reservations than there are seats available), no one may be denied boarding against his or her will until the Carrier's personnel first ask for volunteers who will give up their reservations willingly, in exchange for a payment of the Carrier's choosing. If there are not enough volunteers, other passengers may be denied boarding involuntarily, in accordance with the following boarding priority: the last passenger to arrive at the ticket lift point will be the first to be denied boarding, except:
- passengers travelling due to death or illness of a member of the passenger's family, or
  - unaccompanied minors, or
  - passengers who are disabled, or
  - elderly passengers.
- (c) **Compensation for Involuntary Denied Boarding.** If you are denied boarding involuntarily you are entitled to a payment of denied boarding compensation unless you have not fully complied with the Carrier's ticketing, check-in or reconfirmation requirements, or you are not acceptable for transportation under the Carrier's usual rules or practices, or you are denied boarding because a smaller capacity aircraft was substituted for safety or operational reasons and the Carrier took all reasonable measures to avoid the substitution or that it was impossible for the Carrier to take such measures, or you are offered accommodations in a section of the Aircraft other than specified in your ticket, at no extra charge, (a passenger seated in a section for which a lower fare is charged must be given an appropriate refund).
- (d) **Amount of Denied Boarding Compensation.** Passengers travelling with a reserved seat on an oversold flight of the Carrier who are denied boarding involuntarily from an oversold flight are entitled to:

For example of abbreviations, reference marks and symbols used but not explained hereon, see page 2.

ISSUE DATE	EFFECTIVE DATE
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- (i) No compensation if the Carrier offers alternate transportation that is planned to arrive at the passenger’s destination or first stopover not later than one hour after the scheduled arrival of the passenger’s original flight;
- (ii) 200% of the total fare to the passenger’s destination or first stopover, with a maximum of \$650 CDN if the Carrier is able to place the passenger on alternate transportation that is planned to arrive at the passenger’s destination or first stopover more than one hour but less than four hours after the scheduled arrival time of the passenger’s original flight; and
- (iii) 400% of the total fare to the passenger’s destination or first stopover, with a maximum of \$1,300 CDN, if the Carrier does not offer alternate transportation that is planned to arrive at the airport of the passenger’s destination or first stopover less than four hours after the scheduled arrival time.

0 to 1 hour delay	No compensation
1 to 4 hour arrival delay	200% of one-way fare (but no more than \$650 CDN)
Over 4 hours arrival delay	400% of one-way fare (but no more than \$1,300 CDN)

Passengers travelling with a reserved seat on an oversold flight of the Carrier, where the flight originates in the United States, who are denied boarding involuntarily from an oversold flight are entitled to the same compensation or lack of compensation provisions as set out above with the exception that all dollar amounts will be United States dollar amounts total rather than CDN.

For the purpose of calculating compensation under this Rule 20, the “total fare” is the one-way fare for the flight including the total of the air transportation charges and third party charges that must be paid to obtain a ticket, minus any applicable discounts.

- (f) **Method of Payment.** The Carrier must provide each passenger who qualifies for denied boarding compensation a payment by cheque or draft for the amount specified above, on the day and place the involuntary denied boarding occurs. However, if the Carrier arranges alternate transportation for the passenger’s convenience that departs before the payment can be made, the payment will be sent to the passenger within 24 hours.

For example of abbreviations, reference marks and symbols used but not explained hereon, see page 2.  
 ISSUE DATE December 20, 2013 EFFECTIVE DATE December 23, 2013  
 Per Decision No. 432-C-A-2013.

**PORTER AIRLINES INC.**

CTA (A) No. 1  
3rd Revised Page 37 Cancels  
2nd Revised Page 37

**(b) Involuntary Cancellations**

Refer to **Rule 15 Carrier Cancellation, Change and Refund Terms** for applicable terms and conditions.

**RULE 20. DENIED BOARDING COMPENSATION**

**General**

If a passenger has been involuntarily denied a reserved seat in case of an oversold flight on Porter Airlines, the Carrier will provide the passenger with:

- (a) a remedy or remedies in accordance with Rule 15 above; and
- (b) denied boarding compensation as set forth in this Rule 20 below.

**Volunteers and Boarding Priorities**

If a flight is oversold (more passengers hold confirmed reservations than there are seats available), no one may be denied boarding against his/her will until the Carrier's personnel first ask for volunteers who will give up their reservations willingly, in exchange for such compensation as the Carrier may choose to offer. If there are not enough volunteers, other passengers may be denied boarding involuntarily, in accordance with the Carrier's boarding priority.

In determining boarding priority, the Carrier will consider the following factors:

- whether a passenger is traveling due to death or illness of a member of the passenger's family, or
- age of a passenger, or
- whether a passenger is an unaccompanied minor, or
- whether a passenger is a person with a disability, or
- the fare class purchased and/or fare paid by a passenger

For example of abbreviations, reference marks and symbols used but not explained hereon, see page 2.

ISSUE DATE  
March 20, 2014

EFFECTIVE DATE  
March 21, 2014  
Per SP No. 94823

**PORTER AIRLINES INC.**

CTA (A) No. 1  
2nd Revised Page 38 Cancels  
1<sup>st</sup> Revised Page 38

**Compensation for Involuntary Denied Boarding**

If you are denied boarding involuntarily on a flight, you are entitled to a payment of "denied boarding compensation" from Carrier unless:

- you have not fully complied with the Carrier's ticketing and check-in requirements, or you are not acceptable for transportation under the Carrier's usual rules and practices; or
- you are denied boarding because the flight is cancelled; or
- you are denied boarding because a smaller capacity aircraft was substituted for safety or operational reasons, and the events prompting such substitution were beyond the Carrier's control and the Carrier took all reasonable measures to avoid the substitution or it was impossible for the Carrier to take such measures; or
- you are offered accommodations in a section of the aircraft other than specified in your ticket, at no extra charge, (a passenger seated in a section for which a lower fare is charged must be given an appropriate refund); or
- Carrier is able to place you on another flight or flights that are planned to reach your final destination within one hour of the scheduled arrival of your original flight.

**Amount of Denied Boarding Compensation**

Passengers with a confirmed seat on Porter Airlines who are denied boarding involuntarily from an oversold flight are entitled to:

- (a) No compensation if the Carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover not later than one hour after the planned arrival time of the passenger's original flight;
- (b) No less than 200% of the fare to the passenger's destination or first stopover, with a maximum of \$650 USD, if the Carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover more than one hour but less than four hours after the planned arrival time of the passenger's original flight; and
- (c) No less than 400% of the fare to the passenger's destination or first stopover, with a maximum of \$1,300 USD, if the Carrier does not offer alternate transportation that is planned to arrive at the airport of the passenger's destination or first stopover less than four hours after the planned arrival time of the passenger's original flight.

For example of abbreviations, reference marks and symbols used but not explained hereon, see page 2.

ISSUE DATE  
March 6, 2014

EFFECTIVE DATE  
March 7, 2014  
Per SP No. 99014



**PORTER AIRLINES INC.**

CTA (A) No. 1  
2nd Revised Page 39 Cancels  
1st Revised Page 39

0 to 1 hour arrival delay	No compensation.
1 to 4 hour arrival delay	At least 200% of one-way fare (but no more than \$650 USD).
Over 4 hours arrival delay	At least 400% of one-way fare (but no more than \$1,300 USD).

For the purpose of calculating compensation under this Rule 20, the “fare” is the one-way fare for the flight including any surcharge and air transportation tax, minus any applicable discounts. All flights, including connecting flights, to the passenger’s destination or first 4-hour stopover are used to compute the compensation.

**Method of Payment**

Except as provided below, the Carrier must give each passenger who qualifies for denied boarding compensation a payment by cheque or draft for the amount specified above, on the day and place the involuntary denied boarding occurs. However, if the Carrier arranges alternate transportation for the passenger’s convenience that departs before the payment can be made, the payment will be sent to the passenger within 24 hours. The Carrier may offer free or discounted transportation vouchers in place of cash or cheque payment, provided:

- (a) The Carrier has informed the passenger of the amount of cash compensation that would be due and that the passenger may decline travel vouchers, and receive cash or equivalent;
- (b) the value of such voucher(s) is no less than 300% of the value of the cash compensation to which the passenger would otherwise have been entitled;
- (c) the Carrier has disclosed to the passenger all material restrictions applicable to the use of such vouchers;
- (d) the Carrier obtains the signed agreement of the passenger, confirming that the passenger was provided with the aforementioned information, prior to providing travel vouchers in lieu of cash or equivalent compensation; and
- (e) The passenger may in any event refuse to accept such vouchers and insist on the cash/cheque payment, including that any passenger who accepts vouchers in lieu of cash or cheque payment at the time of involuntary denied boarding may, within 30 days, elect to exchange such vouchers for the cash or cheque payment she would have been entitled to receive had the passenger not accepted vouchers,

For example of abbreviations, reference marks and symbols used but not explained hereon, see page 2.

ISSUE DATE  
March 6, 2014

EFFECTIVE DATE  
March 7, 2014  
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provided that the vouchers have not been redeemed by the passenger in whole or in part.

**RULE 21. CHECK-IN REQUIREMENTS**

In addition to any other check in requirements set out in this tariff, the following check-in requirements must be complied with:

- (a) a passenger must have obtained his/her boarding pass and checked any baggage by the check-in deadline below and must be available for boarding at the boarding gate by the deadline shown below. Failure to meet these deadlines may result in the loss of the passenger's assigned seat or the cancellation of the passenger's reservation.

For example of abbreviations, reference marks and symbols used but not explained hereon, see page 2.

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March 12, 2014

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March 13, 2014  
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