

DOMESTIC CARGO TARIFF

CONTAINING

RULES, RATES AND CHARGES

APPLICABLE TO THE

TRANSPORTATION OF CARGO

BETWEEN

POINTS IN CANADA

ISSUE DATE
JUNE 2019

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CHECK SHEET

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

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EXPLANATION OF ABBREVIATIONS, REFERENCE MARKS AND SYMBOLS

CTA(A) Canadian Transportation Agency

IATA International Air Transport Association

No. Number

kg Kilogram

\$ Dollar(s)

CAD Canadian Dollar

SECTION I**RULE 1. DEFINITIONS**

"Air Waybill" means the document made out by or on behalf of the Shipper which, when used, evidences the contract between the Shipper and Carrier(s) for carriage of Cargo over routes of the Carrier(s).

"Articles of Extraordinary Value" means any of the following articles or commodities:

- a) any article having a declared value for carriage of 5,000 CAD (or equivalent) or more;
- b) gold bullion (including refined and unrefined gold in ingot form), dore bullion, gold specie and gold only in the form of grain, sheet, foil, powder, sponge, wire, rod, tube, circles, mouldings and castings; platinum; platinum metals (palladium, iridium, ruthenium, osmium and rhodium) and platinum alloys in the form of grain, sponge, bar, ingot, sheet, rod, wire, gauze, tube and strip (but excluding those radioactive isotopes of the above metals and alloys which are subject to restricted articles labelling requirements);
- c) legal banknotes, traveller's cheques, securities, shares, share coupons, bonds and bond coupons and postage stamps;
- d) precious stones including diamonds (including diamonds for industrial use), rubies, emeralds, sapphires, opals and genuine pearls (including cultured pearls);
- e) jewelry and watches made of silver and/or gold and/or platinum and consisting of diamonds, rubies, emeralds, sapphires, opals and genuine pearls (including cultured pearls);
- f) articles made of gold, silver and/or platinum other than gold, silver and/or platinum plated.

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

"Cargo" means any goods (packages or freight), except passenger baggage, that can be transported by commercial air services and include Live Animals.

"Carrier" means Summit Air Ltd. dba Summit Air / Summit Air Cargo.

"Consignee" means the person whose name appears on the Air Waybill or in the Shipment record as the party to who the Cargo are to be delivered by the Carrier.

“Dangerous Goods” means dangerous goods and hazardous materials identified in the IATA Dangerous Goods Regulation, as amended from time to time.

“Force Majeure” means an event, the cause or causes of which are not attributable to the Carrier’s acts or omissions, including (i) earthquake, flood, hurricane, explosion, fire, storm, epidemic, quarantine restriction, other acts of God or public enemies, war, national emergency, invasion, insurrection, riots, strikes, picketing, boycott, lockouts or other civil disturbances, (ii) interruption of flying facilities, navigational aids or other services, (iii) any laws, rules, proclamations, regulations, orders, declarations, interruptions or requirements of or interference by any government or governmental agency or official thereof, (iv) inability to procure materials, accessories, equipment or parts from suppliers on commercially reasonable terms and conditions, (v) mechanical failure to the aircraft or any part thereof, (vi) damage, destruction or loss of use of an aircraft, (vii) confiscation, nationalization, seizure, detention, theft or hijacking of an aircraft, (viii) the actions of third parties including government or air traffic control, airport authorities, security agencies, law enforcement or customs and immigration officials, or (ix) any other cause or circumstances whether similar or dissimilar, foreseen or unforeseen, which the Carrier is unable to overcome through the exercise of reasonable diligence and at a reasonable cost.

"Gross Weight" means the actual or volume weight whichever is greater, of the container plus contents.

"Interline Shipment" means a shipment routed via two or more successive Carriers participating in this tariff.

"Legal Holiday" means any national, provincial or local legal holiday.

"Live Animals" shall mean all mammals (other than humans), birds, crustacea, insects, reptiles, worms and amphibians.

"Perishable Shipments" shall be those shipments that will deteriorate over a given period of time or if exposed to adverse temperature, humidity or other environmental conditions while in Carrier’s possession.

"Shipment" means a single consignment of one or more pieces of Cargo, accepted by the Carrier, from one Shipper at one time and at one address, receipted for in one lot and moving on one Air Waybill, to one Consignee at one destination address.

"Shipper" means the person who originates the Shipment of good.

"Unit Load Device" or "ULD" shall include aircraft pallets, igloos and containers with or without integral pallets.

RULE 2. GOVERNING TARIFFS

This tariff is governed, except as otherwise provided herein, by regulations and by supplements to and successive issues of said publications:

- a) IATA Dangerous Goods Regulations, reissues thereof and amendments thereto, issued by International Air Transport Association, Montreal, Quebec.
- b) IATA Live Animal Regulations.

RULE 3. APPLICATION OF TARIFF

- a) This tariff shall constitute the terms and conditions of carriage, rates, rules and practices upon which the Carrier furnishes or agrees to furnish Cargo carriage to all destinations to the same extent as though the provisions hereof were included in the conditions of contract and expressly agreed to by the Shipper and by all persons to whom such services are provided.
- b) Except as noted above, the provisions of this tariff shall be deemed to be incorporated into and be a part of each and every Air Waybill entered into by the Carrier for the carriage of Cargo to all destinations to any and all persons to whom such carriage is provided by the Carrier.
- c) Air carriage will be subject to the rules, rates and charges in effect on the date of acceptance / signing of the Air Waybill.
- d) In the event of any conflict between the provisions of this tariff and the provisions of any Air Waybill, the provisions of this tariff shall prevail.
- e) The airport to airport rates for Cargo carriage set out in this tariff shall be applicable only to the Canadian originating Cargo. The rates for other than Canadian originating Cargo carriage will be the rates as noted on the Air Waybill or as established between the Shipper or Consignee and the Carrier.

SECTION II – ACCEPTANCE OF SHIPMENTS**RULE 4. DISPOSITION OF FRACTIONS**

- a) Fractions of kilograms will be assessed at the charge for the next higher half kilogram.
- b) In computing rates or charges, fractions of less than one half cent will be dropped and fractions of one half cent or more will be considered as one cent.

- c) Before computing cubic dimensions, fractions of less than one half centimetre will be dropped and fractions of one half centimetre or more will be considered as one centimetre.

RULE 5. COMPUTATION OF DAYS

Unless otherwise provided, in computing time in days, full calendar days shall be used and Sundays and Legal Holidays shall be included, except when the last day falls on a Sunday or Legal Holiday in which event the next following calendar day (other than a Sunday or Legal Holiday) will be included.

RULE 6. DESCRIPTION OF SHIPMENTS

- a) The content of Shipments must be indicated by accurate and specific descriptions on the Air Waybill.
- b) The number of pieces included in a Shipment must be specified on the Air Waybill.

RULE 7. PACKING AND MARKING REQUIREMENTS

- a) Shipments must be so prepared or packed as to ensure safe transportation with ordinary care in handling.
- b) Any article susceptible to damage by ordinary handling must be adequately protected by proper packing and must be marked or bear appropriate labels.
- c) Any article susceptible to damage as a result of any condition which may be encountered in air transportation such as high or low temperatures, high or low atmospheric pressures, or sudden changes in either must be adequately protected by proper packing.
- d) Each piece of a Shipment must be legibly and durably marked with the name and address of the Shipper and Consignee.
- e) Pieces with a floor bearing weight in excess of that which can be loaded on available aircraft must be provided with a suitable skid or base which will distribute the weight to that which can be loaded on available aircraft. The weight of such skid or base shall be included in the weight of the Shipment.
- f) Shipments of Articles of Extraordinary Value must be packed in outside containers with measurements of 28,317 cubic centimetres or more.

- g) The total cubic measurement (as determined in accordance with Rule 29) must be shown on the exterior of all boxes which are used for Shipments of cut flowers and nursery stock.
- h) Hazardous materials named in IATA Dangerous Goods Regulations must comply with the packing, marking and labelling requirements of such regulations.
- i) Transportation of Live Animals must be in accordance with the container requirements as described in the IATA Live Animal Regulations.

RULE 8. ENVELOPE SERVICES

a) Application of Rates and Charges

Envelope services rates shall apply per envelope. One envelope will constitute one Shipment. Full payment for the Shipment of Envelope must be received by the Carrier no less than one (1) hour prior to the scheduled departure of the flight.

b) Maximum Acceptable Weight and Dimensions

- 1) Maximum weight per envelope shall not exceed two (2) kilograms.
- 2) Maximum envelope size is 45 cm x 30 cm. The contents of the Shipment shall fit in a sealed envelope.

c) Time Limitation – Counter Service

1) Drop Off

Envelopes shall be tendered for transportation at the air cargo counter not more than three hours, and not less than one hour, prior to the scheduled departure of the flight. The Shipper shall state in writing on the Air Waybill that (i) the Consignee will accept delivery of the Shipment at the airport of destination immediately after the arrival time of the flight at the airport destination, and (ii) the Carrier shall not be liable to the Shipper, Consignee or any other person for any loss, damage or expense due to Consignee's failure to accept delivery of the Shipment at the airport of destination immediately after the arrival of the flight at airport destination.

2) Pick-Up

Envelopes will be available for pick up at the airport terminal building at the airport of destination immediately after the arrival time of the flight at the airport destination. The Carrier will notify the Shipper in advance of the scheduled arrival time of the flight and provide the Shipper with a tracking number assigned to the Shipment when it is shipped. It is the responsibility of the Shipper to ensure that the Consignee has been duly notified of the dispatch of the Shipment and the planned arrival of the Shipment at the airport of destination. The Consignee shall accept delivery of the

Shipment at the airport of destination immediately after the arrival time of the flight at airport destination. If the Shipment is unclaimed by the Consignee immediately after the arrival time of the aircraft, the Carrier has discretion to either leave the Shipment at the airport of destination at the Consignee's sole risk or reroute the Shipment to the Carrier's storage facility in Yellowknife, NWT, all at the Shipper's sole cost and expense.

RULE 9. SHIPMENTS ACCEPTABLE

Property is acceptable for transportation only when the rules of the tariff and all laws, ordinances, and other governmental rules and regulations governing the transportation thereof have been complied with by the Shipper, Consignee or owner.

RULE 10. SHIPMENTS SUBJECT TO ADVANCE ARRANGEMENT

The following will be acceptable for carriage only upon advance arrangement with the Carrier:

- a) Shipments requiring special attention, protection or care.
- b) Shipments of Articles of Extraordinary Value.
- c) Shipments of Live Animals.
- d) Shipments of human remains (other than cremated remains).
- e) Shipments with pieces of unusual shape or: (i) in excess of 100 kilograms, (ii) in excess of 50 x 60 x 100 centimeters, or (iii) having floor bearing weights in excess of 30 kilograms per square foot.
- f) Shipments of firearms may at times be accepted for carriage to certain destinations, subject to Shipper's application made directly to the Carrier, and to the Carrier's confirmation that the specific Shipments, routing and destination will be permissible.
- g) Shipments of Perishables.
- h) All Shipments of Dangerous Goods as defined in the IATA Dangerous Goods Regulations Manual. Radioactive material used in medical research, treatments and diagnosis and industrial cameras will be accepted for carriage as per the IATA Dangerous Goods Regulations.
- i) Pieces requiring special handling and/or loading devices.
- j) Shipments requiring an escort, guard or handler service.

- k) Shipments liable to contaminate, impregnate, permeate or otherwise damage equipment or other Shipments.
- l) Carrier may add other items that would require advance notice, e.g. the transportation of antlers or horns, or packages of extreme length or unusual shape.
- m) Shipments of large volumes of personal effects.

RULE 11. ACCEPTANCE OF ARTICLES OF EXTRAORDINARY VALUE

- a) Subject to Rule 30 of this tariff, Shipments containing one or more Articles of Extraordinary Value, as defined in Rule 1 of this tariff, when the actual value of such Shipments is \$5,000 or more, will be accepted for transportation provided:
 - 1) the Shipper declares in writing on the Air Waybill that the Shipment is subject to this rule;
 - 2) the Shipper makes advance arrangements with the Carrier;
 - 3) the Shipper tenders the Shipment at an area designated by the Carrier at the Carrier's airport terminal not more than three hours , and not less than one hour, prior to the scheduled departure of the flight for which advance arrangements have been completed; and
 - 4) the Shipper states in writing on the Air Waybill that (i) the Consignee will accept delivery of the Shipment at the airport of destination immediately after the scheduled arrival time of the flight at airport destination, (ii) the Carrier shall not be liable to the Shipper, Consignee or any other person for any loss, damage or expense due to Consignee's failure to accept delivery of the Shipment at the airport of destination immediately after the scheduled arrival time of the flight at airport destination and (iii) the Shipper understands and agrees that any unclaimed Shipment containing one or more Articles of Extraordinary Value will be rerouted by the Carrier to the Carrier's storage facility in Yellowknife, NWT.

EXCEPTION: Provisions of this paragraph will also apply to Shipments containing articles defined as gold, silver, platinum and dore bullion, regardless of value.

- b) If the Shipper fails to comply with the provisions of paragraph a) 4) above, or if the Consignee fails to accept delivery of the Shipment containing one or more Articles of Extraordinary Value at the airport of destination immediately after the scheduled arrival time of the flight, the Carrier will reroute the Shipment to the Carrier's storage facility in Yellowknife, NWT, all at the Shipper's sole cost and expense. The Carrier will notify the Shipper by text message or email, at the addresses shown on the Air Waybill, and

will hold Shipment without a charge for 72 hours. At the expiration of the free storage time, all charges incurred by the Carrier applicable to the provision of storage will be charged to and shall be payable by the Shipper or Consignee in accordance with Rule 39. Upon written instructions from the Shipper or Consignee, the Carrier will return the Shipment to the Shipper or ship it to the Consignee, all at the Shipper's expense. If no such instructions are received within 30 days after the date of providing such notice, the Carrier will dispose of such Shipment at public or private sale.

- c) In the event the Shipment is delayed in the possession of the Carrier, or Carrier is unable to complete the transportation on a particular flight, the Carrier will notify the Consignee and will determine from the Consignee whether the Consignee will accept delivery of the Shipment at the airport immediately after the actual arrival time, or whether the Carrier should act in accordance with the provisions of paragraph b) above, provided however, that solely in the case of delayed Shipment due to aircraft mechanical failure, Carrier shall bear the costs of storage and shipment set out in paragraph b) above.
- d) Subject to Rule 30.e) of this tariff, the maximum declared value per Shipment is \$5,000. **EXPOSURE TO AND RISK OF ANY LOSS IN EXCESS OF THE DECLARED VALUE IS ASSUMED BY THE SHIPPER.**

RULE 12. ACCEPTANCE AND CARRIAGE OF LIVE ANIMALS

- a) Carrier will accept Shipments for transportation provided that:
 - 1) Shipments of Live Animals will only be accepted if advance arrangements are made and they include the name and telephone number of the Consignee or a responsible party who can be reached on a 24-hour basis and clear delivery instructions or arrangements made for the Shipment once it arrives at the destination airport. This information must also be included on the Air Waybill.
 - 2) Shipments are tendered to Carrier no more than three hours, and no less than one hour, in advance of scheduled departure of flight, in clean containers and do not emit an offensive odour. As used in this rule, offensive means unpleasant to the senses, disgusting, revolting or repugnant. Containers must have label(s) affixed identifying contents and setting forth any special instructions for handling.
 - 3) If the Shipper determines, after making advance arrangements with the Carrier, that feeding or watering of the animal will be necessary while the Shipment is in the custody of the Carrier, the Shipper shall provide written instructions for feeding and watering and provide non-Perishable food for the entire journey.

- 4) Fish must be packed in a leak-proof insulated container, which provides protection from a water temperature variation greater than five (5) degrees Celsius.
- 5) Containers are consistent with the IATA Live Animal Regulations, and except as otherwise provided, containers must be constructed:
 - i. of wood, metal or composite material to withstand normal handling;
 - ii. so as to prevent the escape of the animal or physical contact between the animal and handling personnel;
 - iii. so as to prevent any part of the animal from protruding from the container;
 - iv. so as to provide adequate ventilation;
 - v. so as to enable personnel to feed and water when necessary, without opening the container;
 - vi. of a size to insure freedom of movement;
 - vii. so as to prevent loss of food, water and waste matter.
- b) Disposition of Animals

In the event Carrier is unable to deliver Shipment within 4 hours of arrival and is unable to contact Consignee for instructions, the animal will be placed in a commercial kennel operated by a licensed veterinarian or such other facility as is normally used for such purposes at the destination, if available. Any charges incurred by the Carrier applicable to placement in a kennel subsequent to such 4 hour period, will attach to the Shipment. If instructions are not received within 7 days after the date of arrival at destination, Carrier will dispose of such animals in accordance with Rule 24.

RULE 13. SHIPMENTS NOT ACCEPTABLE

- a) The Carrier reserves the right to refuse to carry, or to remove en route any Shipment, which in the opinion of the Carrier:
 - 1) may endanger the safety of the aircraft, passengers, or property; or is shipped contrary to the regulations of the Carrier or of any government authority or law; or
 - 2) is likely to cause damage to other Cargo on board the aircraft.
- b) The sole resource of any Shipper whose Shipment is so refused or removed en route will be the recovery of the difference between the charges paid and the charges for the elapsed time for which Shipment has been carried.
- c) The Carrier reserves the right to restrict the weight, size and character of Shipments according to the capacity and accommodations of the aircraft.

- d) Carriage of Live Animals will be refused unless securely crated (see Rule 12).
- e) Shipments which require the Carrier to obtain a Federal, Provincial or Local licence for their transportation will not be accepted when the Carrier has elected not to comply with such licence requirements.
- f) Shipments requiring special devices for safe handling will not be accepted unless such special devices are provided and operated by and at the risk of the Shipper or Consignee.

RULE 14. QUALIFIED ACCEPTANCE OF SHIPMENTS

- a) The Carrier retains the right to reject a Shipment prior to the performance of any transportation by air from the airport of origin when it reasonably appears to the Carrier that such Shipment is:
 - 1) improperly packed or packaged;
 - 2) of a kind or type likely to incur damage from high or low temperature, notwithstanding the exercise of ordinary care by the Carrier, and such temperature will prevail in flight, or at a transfer point, or at origin or destination, when available facilities cannot protect the Shipment against such conditions;
 - 3) of an inherent nature or defect which indicates to the Carrier that such transportation could not be furnished by the Carrier without loss of or damage to the Cargo;
 - 4) not accompanied by proper documentation and necessary information as required by any convention, statute or tariff applicable to such Shipment;
 - 5) subject to advance arrangements unless such arrangements have been satisfactorily completed;
 - 6) Shipments of used household goods will be accepted only when:
 - i. All pieces in the Shipment have been consecutively numbered by the Shipper, and
 - ii. A manifest or other itemized list showing the contents of each piece is tendered to the Carrier with the Shipment.
- b) Human remains, other than cremated remains will be accepted only when:
 - 1) secured in a casket to prevent shifting and the escape of offensive odours.

- 2) casket is enclosed in an outside shipping container of wood, canvas, plastic or paperboard construction with sufficient rigidity and padding to protect the casket from damage with ordinary care in handling.
- 3) advance arrangements have been made.
- c) Shipments containing or consisting of Hazardous Materials as defined in IATA Dangerous Goods Regulations will not be accepted unless such Shipments are in conformity with such regulations.
- d) Shipments containing or consisting of Dangerous Goods will not be accepted unless such Shipments are in conformity with the IATA Dangerous Goods Regulations.

SECTION III – TERMS OF TRANSPORTATION

RULE 15. INSPECTION OF SHIPMENTS

All Shipments are subject to inspection by the Carrier, but the Carrier shall not be obligated to perform such inspection.

RULE 16. AIR WAYBILL AND SHIPPING DOCUMENTS

- a) The Shipper shall prepare and present a non-negotiable Air Waybill with each Shipment tendered for transportation subject to this tariff and tariffs governed hereby. If the Shipper fails to present such Air Waybill, the Carrier will prepare a non-negotiable Air Waybill for transportation subject to tariffs in effect on the date of acceptance of such Shipment by the Carrier and the Shipper shall be bound by such Air Waybill.
- b) The Air Waybill and the tariff applicable to the Shipment shall be binding upon the Shipper and Consignee and the Carrier providing the transportation at all times when the Shipment is being handled by or for the Carrier. The Air Waybill and tariff are also binding on any other person or firm performing services in connection with the Shipment for the Carrier such as, but not limited to, pick-up, delivery and inspection.
- c) No employee, agent, servant or representative of the Carrier has authority to alter, modify or waive any provisions of the contract of carriage or of this tariff.
- d) The contents of Shipments must be indicated by accurate and specific descriptions on the Air Waybill.
- e) The number of pieces included in a Shipment must be specified on the Air Waybill.

RULE 17. COMPLIANCE WITH GOVERNMENT REQUIREMENTS

- a) The Shipper shall comply with all applicable laws and government regulations of any jurisdiction to, from or through which the Shipment may be carried, including those relating to the packing, carriage or delivery of the Shipment, and shall furnish such information and attach such documents to the Air Waybill as may be necessary to comply with such laws and regulations. The Carrier shall not be obligated to inquire into the correctness or sufficiency of such information or documents. The Carrier shall not be liable to the Shipper or any other person for any loss or expense due to Shipper's failure to comply with this provision.
- b) No liability shall attach to the Carrier if the Carrier in good faith determines that a law, regulation, direction, order or requirement provides that it may refuse to carry a Shipment.
- c) Insofar as any provision contained or referred to in the Air Waybill or in this tariff may be contrary to mandatory law, government regulations, orders or requirements, such provision shall remain applicable to the extent that it is not overridden thereby. The invalidity of any provision shall not affect any other part.

RULE 18. RESTRICTED AND PROHIBITED GOODS IN UNIT LOAD DEVICES

- a) Gold bullion (including refined and unrefined gold in ingot form), dore bullion, gold specie and gold only in the form of grain, sheet, foil, powder, sponge, wire, rod, tube, circles, mouldings and castings; platinum; platinum group metals (palladium, iridium, ruthenium, osmium and rhodium) and platinum alloys in the form of grain, sponge, bar, ingot, sheet, rod, wire, gauze, tube and strip, legal banknotes; traveller's cheques; securities; shares; share coupons; precious and semi-precious stones including diamonds (including diamonds for industrial use), rubies, emeralds, sapphires, opals and real pearls (including cultured pearls).
- b) Any articles shown in the IATA Dangerous Goods Regulations, as amended, will be carried in a Unit Load Device only when in full compliance with the following:
 - 1) the IATA Dangerous Goods Regulations, as amended;
 - 2) the Carrier's current policy on the accepting and handling of Dangerous Goods as defined in the IATA Dangerous Goods Regulations (also see Rules 7, 10, 14, 31, 33);
 - 3) Live Animals to the extent inconsistent with the IATA Live Animal Regulations (also see Rules 7, 10, 13, 31, 32).

RULE 19. EXCLUSIONS FROM LIABILITY

- a) The Carrier shall not be liable for loss of, damage to or delay of Cargo caused by:
- 1) Force Majeure events;
 - 2) The act or default of the Shipper or Consignee;
 - 3) The nature of the Shipment, or any defect, characteristic or inherent vice thereof;
 - 4) Violation by the Shipper or Consignee of any of the rules contained in this tariff or other applicable tariffs, including, but not confined to, improper or insufficient packing, securing, marking, or addressing, and failure to observe any of the rules relating to Shipments not acceptable for transportation or Shipments acceptable only under certain conditions;
 - 5) Such action as necessary to prevent either violation of any applicable laws or criminal behavior;
 - 6) Acts or omissions of warehousemen, customs or quarantine officials, or other government officials, gaining possession of the Shipment under actual or apparent authority;
 - 7) Compliance with delivery instructions from the Shipper or Consignee or non-compliance with special instructions from the Shipper or Consignee not authorized by applicable tariffs; or
 - 8) The Carrier's refusal to carry a Shipment based on the Carrier's good faith understanding of its obligations under applicable law, government regulation, demand, order or requirement.
- b) The Carrier shall not be liable for loss, damage, deterioration, destruction, theft, pilferage, delay, default, mis-delivery, non-delivery of Cargo, or any other result not caused by the actual negligence of the Carrier, its agent, servant or representative, acting within the scope of their authority, or not occurring on its own line or in its own service, or for any act, default, negligence, failure or omission of other carrier or any other transportation organization, warehouse or storage facilities, provided that, upon proof by Shipper that the Shipment was received by the Carrier in an undamaged, disease-free, and proper shipping condition, and was lost, damaged, deteriorated, destroyed, stolen, pilfered, delayed, misdelivered or not delivered, while in the Carrier's possession, care custody and control, the Carrier shall have the burden of proving that such loss, damage,

deterioration, destruction, theft, pilferage, delay, mis-delivery or non-delivery was not the result of its negligence.

- c) The Carrier shall not be liable in any event for any incidental, special, indirect, consequential or special damages, loss of profit, loss of savings, loss of use, whether complete or partial, and loss of any contract or business opportunity, arising from transportation of Cargo subject to tariffs governed by these rules, whether or not the Carrier had knowledge that such damages might be incurred.
- d) The Carrier shall not be liable for any loss of money, bullion, bonds, coupons, jewelry, precious stones, valuable papers or Articles of Extraordinary Value.
- e) The Carrier shall not be liable for shortage of articles loaded and sealed in containers by the Shipper, provided the seal is unbroken at the time of delivery and the container retains its basic integrity.
- f) The Carrier shall not be liable for any loss or damage to Live Animals except for death when caused by fire, crash or collision.
- g) The Carrier shall not be liable for any damage or deterioration to Perishable Cargo, including but not limited to food products, unless such damage or deterioration is caused by gross negligence of the Carrier.
- h) The Carrier shall not be liable to the Shipper, Consignee or any other person for any loss, damage or expense due to Consignee's failure to accept delivery of the Shipment at the airport of destination immediately after the arrival of the flight at airport destination or for Carrier's rerouting of the Shipment to the Carrier's storage facility in Yellowknife, NWT.

RULE 20. LIMIT OF LIABILITY

Unless a higher value is declared and paid for by the Shipper pursuant to Rule 30, the liability of the Carrier for the loss of, damage to or delay in the delivery of Cargo, whether caused directly or indirectly by the act, neglect or default of the Carrier or not, is limited to the lowest of:

- a) sum of \$100 per Shipment or \$0.50 per pound of Cargo, whichever is greater;
- b) the actual value of the Shipment; or
- c) the amount of any damages to the Shipment actually sustained and proven.

By tendering the Shipment to Carrier for transportation, the Shipper for himself and all other parties having an interest in the Shipment, waives all claims for damages beyond the limitations set forth in these rules and affirms the description of the Shipment as recited on the Air Waybill,

and the fact that the Shipment is not of a nature unsuitable for carriage by air or hazardous thereto.

In the case of loss, damage or delay of parts of Cargo, or of any object contained therein, the weight to be taken into consideration in determining the amount to which the Carrier's liability is limited shall be only the total weight of the package or packages that were actually lost or damaged. Nevertheless, when the loss, damage or delay of a part of the Cargo, or of an object contained therein, affects the value of other packages covered by the same Air Waybill the total weight of such package or packages shall also be taken into consideration in determining the limit of liability.

The Carrier shall not be liable for difference in weight or quantity caused by shrinkage, leakage or evaporation.

The total liability of the Carrier in respect of Shipments of tobacco or alcohol products will in no event exceed \$1.10 per kilogram except as determined pursuant to RULE 30, CHARGES FOR DECLARED VALUE.

Liability may be further limited if the declared value or description of goods is misrepresented or falsified by the Shipper

RULE 21. INDEMNIFICATION

The Shipper and Consignee shall be liable, jointly and severally, to defend, indemnify and hold harmless the Carriers for all claims, fines, penalties, damages, costs or other sums which may be incurred, suffered or disbursed by the Carrier by reason of any act or omission (including violation of any of the rules contained in applicable tariffs) of the Shipper, the Consignee or any parties for whom the Shipper or the Consignee are responsible at law.

RULE 22. LIABILITY FOR CHARGES

The Shipper and Consignee shall be liable, jointly and severally for all unpaid charges payable on account of a Shipment pursuant to applicable tariffs including, but not confined to, sums advanced or disbursed by a Carrier on account of such Shipment.

RULE 23. CARRIER'S LIEN

The Carrier shall have a lien on the Shipment for all sums due and payable to the Carrier pursuant to Rule 21 and Rule 22. In the event of non-payment of any sums payable to the Carrier, the Carrier will hold the Shipment subject to storage (as provided in Rule 39), and/or will dispose of the Shipment at public or private sale, without notice to the Shipper or Consignee,

paying itself out of the proceeds of such sale all sums due and payable, including storage charges.

RULE 24. NOTICE AND DISPOSITION OF PROPERTY

- a) Except as otherwise provided herein, the Carrier will promptly notify the Consignee of the estimated arrival time of the aircraft and the Consignee shall accept delivery of the Shipment at the airport of destination immediately after the scheduled arrival time of the flight at airport destination.
- b) If a Shipment containing non-Perishable or Perishable property is unclaimed at the airport of destination immediately after the scheduled arrival time of the flight, the Carrier has discretion to either leave the Shipment at the airport of destination at the Consignee's sole risk or reroute the Shipment to the Carrier's storage facility in Yellowknife, NWT, all at the Shipper's sole cost and expense. The Carrier will so notify the Shipper by email or text message, at the addresses shown on the Air Waybill and will hold Shipment without a charge for 72 hours. At the expiration of the free storage time, all charges incurred by the Carrier applicable to the provision of storage will be charged to and shall be payable by the Shipper or Consignee in accordance with Rule 39. Upon written instructions from the Shipper, the Carrier will return the Shipment to the Shipper, forward or re-consign it to another party, or otherwise dispose of it, all at the Shipper's expense. If no such instructions are received within 30 days after the date of mailing such notice, the Carrier will dispose of it at public or private sale.
- c) For a Shipment containing Perishable property, in the event of delay in the possession of the Carrier, authorization and instructions for notification, including the name, telephone number, email address and/or address of the party to be notified, shall be given on the Air Waybill. If such authorization and instructions are not given, or if, after reasonable attempt to comply therewith, the Carrier does not promptly receive further instructions concerning the routing or disposition of such Shipment, the Carrier will take such steps as due diligence requires for the protection of all parties in interest, including rerouting the Shipment by other means of transportation, subject to Rule 25, or disposal of the Shipment, at public or private sale, without further notice to the Shipper or Consignee.
- d) No sale or disposal pursuant to this Rule or Rule 23 shall discharge any liability of lien to any greater extent than the proceeds thereof, less selling expenses if any. If the proceeds from such sale or disposal exceed the amounts of such liability or lien, including selling expenses, such excess proceeds will be remitted by the Carrier to the Shipper within 10 days after such sale or disposal.

RULE 25. ROUTING AND REROUTING

- a) The Carrier, in the exercise of due diligence and in order to protect all property accepted for transportation, will determine the routing of any Shipment, not routed by the Shipper.
- b) The Carrier reserves the right to deviate from any route shown on the Air Waybill, and to forward, when necessary, in its opinion, to expedite delivery via any air Carrier or other transportation agency at a rate prescribed by such agency; provided that when either of the foregoing rights is exercised, the transportation charges shall be no greater than the air freight charges from origin to destination via the route shown on the Air Waybill.

RULE 26. SCHEDULES

The Carrier has no obligation to commence or complete transportation within a certain time or according to any specific schedule, or to make connections with any other carrier, and no carrier will be held liable for failure to do so or for error in any statement of times of arrival or departure.

RULE 27. AVAILABILITY OF EQUIPMENT AND SPACE

- a) The Carrier undertakes to transport, consistent with its capacity to carry, all property accepted for transportation. All Shipments are subject to the availability of suitable equipment of the kind and type capable of handling the Shipment.
- b) Subject to applicable government laws, regulations and orders, the Carrier will determine the priority of carriage as between consignments and as between consignments and other Cargo and mail, and will decide which articles shall be carried and which articles shall not be carried or shall be removed at any time or place whatsoever and to proceed with any flight without all or any part of the goods in one consignment.
- c) Nothing in this rule shall be construed as relieving the Carrier of liability for negligent delay.

SECTION IV – TRANSPORTATION CHARGES**RULE 28. APPLICABLE RATES AND CHARGES**

Specific commodity rates remove the application of the general commodity rates on the same quantity of the same article or commodity from and to the same points over the same route.

RULE 29. CHARGES FOR WEIGHT

- a) Except as otherwise provided herein, transportation charges for a Shipment will be assessed based on the greater of:
 - 1) the actual Gross Weight, or
 - 2) the cubic dimensional weight determined in accordance with paragraphs b) and c) of this rule.
- b) Cubic measurement will be based on the greatest dimensions (height, width and length) of either: the Shipment, or of each part therein in the event of mixed Shipments containing differently rated parts.
- c) Cubic dimensional weight will be derived from the cubic measurement of Shipments or part thereof as provided in above on the basis of 6000 cubic centimetres per kilograms or fraction thereof.

RULE 30. CHARGES FOR DECLARED VALUE

The Shipper may declare a value on the entire Shipment, or where the Shipment consists of more than one piece, the Shipper may declare different values on any piece(s) which is tendered to the Carrier as separately identifiable unit(s) by so indicating on the Air Waybill and specifically and completely describing the contents thereof as to the article(s) weight(s), number of pieces and Consignee(s); provided that:

- a) Liability of the Carrier is limited to the amount determined in accordance with Rule 20, except when at the time of receipt of the Shipment, the Shipper:
 - 1) has declared a value of the Cargo in an amount exceeding \$100 per Shipment or \$0.50 per pound per Shipment, whichever is greater (*amount appearing in Rule 20*); and
 - 2) has paid an additional charge of \$5 per \$100 or fraction thereof for the excess amount.
- b) Perishable Cargo and carvings and/or uncarved media or materials including but not limited to bone, antler, tusk, soapstone or other type of stone suitable for carving are not eligible for declared value coverage.
- c) The maximum declared value for the contents of any envelope is \$500. Goods with a value (actual or declared) exceeding \$500 should not be shipped in an envelope.

- d) Except as otherwise provided below, the maximum declared value per Shipment is \$5,000.
- e) Shipments containing all or part of the following items are limited to the maximum declared value of \$1,000:
- 1) Artwork, including any work created or developed by the application of skill, taste or creative talent for sale, display or collection. This includes, but is not limited to, items (and their parts) such as paintings, drawings, vases, tapestries, limited-edition prints, fine art, statuary, sculpture and collector's items;
 - 2) Film, photographic images (including photographic negatives), photographic chromes and photographic slides;
 - 3) Any commodity that by its inherent nature is particularly susceptible to damage or the market value of which is particularly variable or difficult to ascertain;
 - 4) Antiques, or any commodity that exhibits the style or fashion of a past era and whose history, age or rarity contributes to its value. These items include, but are not limited to, furniture, tableware and glassware;
 - 5) Glassware, including, but not limited to, signs, mirrors, ceramics, porcelains, china, crystal, glass, framed glass, and any other commodity with similarly fragile qualities;
 - 6) Plasma screens;
 - 7) Jewelry, including, but not limited to, costume jewelry, watches and their parts, mount gems or stones (precious or semiprecious), industrial diamonds, and jewelry made of precious metal;
 - 8) Furs, including, but not limited to, fur clothing, fur-trimmed clothing and fur pelts;
 - 9) Stocks, bonds, cash letters or cash equivalents, including, but not limited to, food stamps, postage stamps (not collectible), traveler's checks, lottery tickets, money orders, gift cards and gift certificates, prepaid calling cards (excluding those that require a code for activation), bond coupons, and bearer bonds;
 - 10) Collector's items such as coins, stamps, sports cards, souvenirs and memorabilia;
 - 11) Guitars and other musical instruments that are more than 20 years old, and customized or personalized musical instruments; and
 - 12) Scale models (including, but not limited to, architectural models and dollhouses) and prototypes.

- f) **EXPOSURE TO AND RISK OF ANY LOSS IN EXCESS OF THE DECLARED VALUE IS ASSUMED BY THE SHIPPER.** In the event the declared value required exceeds the maximums allowed in this Rule, the Shipper shall obtain such additional insurance coverage through a third-party insurance provider. **THE CARRIER DOES NOT PROVIDE INSURANCE COVERAGE OF ANY KIND.**
- g) The declared value of Shipment represents the Carrier's maximum liability in connection with a transportation of that Shipment. Notwithstanding any provision in this tariff to the contrary, the Carrier's liability for loss of or damage to any Shipment is limited to the lowest of: (i) its repair cost, (ii) depreciated value, (iii) replacement cost, or (iv) declared value.
- h) **ANY EFFORT TO DECLARE A VALUE IN EXCESS OF THE MAXIMUMS ALLOWED IN THIS TARIFF IS NULL AND VOID.** The Carrier's acceptance for carriage of any Shipment bearing a declared value in excess of the allowed maximums does not constitute a waiver of any provision of this tariff as to such Shipment.
- i) The weight used to determine the value of a Shipment shall be the same as that which is used to determine the transportation charge for such Shipment; provided, that when a Shipment moves on one Air Waybill over the lines of one or more carriers at a combination of rates, the declared value shall be based on the lowest weight upon which charges are based for any portion of the movement.
- j) A Shipment moving on one Air Waybill over two or more carriers shall have for its entire movement the declared value applicable to the Shipment over the lines of the originating carrier unless a higher value is declared on the Air Waybill at the time of receipt of the Shipment from the Shipper, and in such event the additional transportation charge applicable over the lines of the originating carrier shall apply to the Shipment for its entire movement.
- k) Shipments of gold, silver, platinum and dore bullion having an actual or declared value for carriage of 5,000 CAD or more will only be accepted by Carrier upon entry of the Shipper into a stand-alone agreement with Carrier which agreement shall contain a waiver by Shipper of all indirect and direct damages to Shipper and any third parties, irrespective of cause, arising from the shipment of such gold, silver, platinum and dore bullion.

NOTE: Gold, silver and dore bullion is deemed to include gold and silver in mass, gold and silver specie and/or in the form of ingots, bars, grain, sheet, foil, powder, sponge, rods, wire, tubes, circles, mouldings and castings. Platinum is deemed to include platinum as bullion, platinum concentrates, platinum metals including palladium, iridium, ruthenium, osmium, rhodium and platinum alloys in the form of grain, sponge, bar, ingot, sheet, rod, wire, tube and strip.

RULE 31. CHARGES ON MIXED SHIPMENTS

- a) A Shipment of articles which are subject to different rates, if shipped separately, will be assessed the general commodity rate applicable to the total weight (or volume) of the Shipment, provided that when the Shipper declares separately the contents and weight (or volume) of each part of such Shipment, each part will be assessed the rate applicable to the contents and weight (or volume) of such part.
- b) The valuation charge for a mixed Shipment will be assessed on the total declared value for carriage.
- c) Articles subject to the IATA Dangerous Goods Regulations, amendments thereto and reissues thereof, must be offered separately and be clearly indicated on the Air Waybill as Dangerous Goods.
- d) Mixed Shipments must not include any of the following articles:
 - Articles of Extraordinary Value
 - Live Animals
 - Human remains
 - Radioactive materials requiring a Dangerous Goods label
- e) Part of a Shipment, for the purpose of this rule, consists of one package, piece or bundle, or two or more packages, pieces or bundles having the same applicable rate and conditions.

RULE 32. CHARGES PREPAID

Shipment will be accepted only with charges prepaid by the Shipper. Full payment for the complete Shipment must be received by the Carrier no less than one (1) business day prior to the departure of the flight. Shipments will not be accepted with charges to be collected.

RULE 33. CHARGES FOR SHIPMENTS OF DANGEROUS GOODS

For transportation between points in Canada, a Dangerous Goods handling fee of \$35.00 will be added to the total applicable General Commodity Rate (Rule 40) for airport to airport transportation for each Shipment of Dangerous Goods.

RULE 34. CHARGES FOR SHIPMENTS OF ANIMALS

A Live Animals handling fee of \$7.00 per kilogram will be charged for airport to airport transportation of Live Animals.

RULE 35. PREMIUM RATED COMMODITIES

The following articles will be accepted for transportation by the Carrier at the applicable premium rate as indicated in the table below and subject to advance arrangement. Transportation charges will be determined by applying the percentage indicated below to the applicable general commodity rate.

Article	Percentage
Articles of extraordinary value as defined in Rule 1	General Rate + 0%
Human Remains (preserved or cremated)	General Rate + 80%
Perishable Cargo	General Rate + 30%
Temperature Controlled Cargo	General Rate + 30%

RULE 36. PAYMENT OF CHARGES

- a) Rates are published in Canadian dollars and are payable in the lawful currency of Canada.
- b) Charges for the shipment of envelopes and Cargo shall be payable by cash or credit card at the time of acceptance of a Shipment by the Carrier.
- c) Full payment for the complete Shipment must be received by the Carrier no less than one (1) business day prior to the departure of the flight.

SECTION V – CLAIMS**RULE 37. TIME LIMITATIONS ON CLAIMS AND ACTIONS**

- a) All claims against the Carrier, including claims for overcharge, loss, delay and non-delivery, must be made in writing to the originating carrier within 30 days from the date of issue of the Air Waybill. The notice must sufficiently describe the Cargo concerned and the details of the claim.
- b) Damage or loss discovered by the Consignee after delivery must be reported by written notice containing the information prescribed in paragraph (a) of this Rule, within 7 days after delivery of the Shipment. The Carrier shall be entitled to make inspection of the Shipment within 15 days of its receipt of such written notice.
- c) No claims for loss or damage to the Cargo will be entertained until all transportation charges thereon have been paid. The amount of claims may not be deducted from or set-off against transportation charges due and payable to the Carrier.

- d) No carrier shall be liable in any action brought to enforce a claim unless the applicable provisions of this Rule have been complied with by the claimant, and unless such action is brought within two years after the date written notice is given to the claimant that the Carrier has disallowed the claim in whole or in part.

RULE 38. INTERLINE SHIPMENTS – RIGHT OF ACTION

The Shipper shall have a right of action against the originating carrier, and the Consignee shall have a right of action against the delivering carrier, and further, each may take action against the carrier which performed the transportation during which the destruction, loss, damage or delay took place. The carriers shall be jointly and severally liable to the Shipper or Consignee.

SECTION VI – ACCESSORIAL SERVICES

RULE 39. TERMINAL SERVICE CHARGES

- a) Terminal service charges as described below will be assessed to the Shipper or Consignee named in the Air Waybill, as applicable, and will apply whenever such services are performed by the Carrier or its agent.
- b) Description of service and charges
- 1) Carrier's Warehouse Storage Charges:
- i. The Carrier will hold Shipment without a charge for a period not exceeding 48 hours calculated from 8:00 a.m. of the day following the day of arrival. The first Saturday, Sunday and Legal Holidays will be excluded in determining when free storage time expires.
 - ii. The Carrier will hold Shipment without charge, for one calendar day after the date of arrival. The first Saturday, Sunday and Legal Holidays will be excluded in determining when free storage time expires.
 - iii. Storage charges will be assessed when storage is required because a Shipment is not accompanied by the executed Air Waybill or Shipper's letter of instruction, or when all the pieces of a Shipment described in the Air Waybill are not

received within 24 hours after receipt of the Shipment.

For Shipments which, by the nature of the goods require special handling, including perishables, live animals, live plants, or any type of goods which require special attention outside the generally accepted norms of warehousing: \$25.00 per kg per day or fraction thereof but not less than \$25.00 per day per Shipment, including Saturday, Sunday and legal holidays. The charges shall be assessed on the actual or volume weight; whichever is applicable to the Shipment. Minimum charge per Shipment: \$60.00

All other storage: \$0.13 per kg per day or fraction thereof, but not less than \$15.00 per day per Shipment, including Saturday, Sunday and legal holidays. The charges shall be assessed on the actual or volume weight; whichever is applicable to the Shipment. Minimum charge per Shipment: \$30.00

RULE 40. RATES AND CHARGES

Yellowknife to Norman Wells	General Commodity:			
	Envelope Charge Up to 4 lbs \$15.49	Minimum Charge 0-22 lbs \$50.00	22-110 lbs \$2.10/lb	Over 110 lbs \$1.90/lb

Points:	General Commodity – 20% Discount Only for Same Day Delivery Between Designated Points			
	Envelope Charge Up to 4 lbs	Minimum Charge 0-22 lbs	22-110 lbs \$/lb	Over 110 lbs \$/lb
Norman Wells to Deline	\$15.49	\$40.00	\$1.68/lb	\$1.52/lb
Norman Wells to Tulita				
Norman Wells to Fort Good Hope				
Deline to Tulita				