# PAL Airlines Ltd., carrying on business as PAL Airlines, Provincial Airlines

### Local Cargo Tariff CTA(A) No. 3

Local Cargo Tariff containing Rules, Rates and charges applicable to the transportation of Cargo Between Points in Canada

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# **1 GENERAL RULES**

### 1.1 Application

The rules, regulations and charges published in this section apply to cargo transportation via PAL Airlines within Canada.

### 1.2 Definitions

Unless otherwise specifically indicated, the following definitions apply:

### Advance Arrangement

Advance arrangement shall mean that the shipper is required to contact the carrier prior to tender of a shipment in order to enable the shipper and the carrier to establish the time and place of tender, and to enable the shipper and/or the carrier to make special arrangements for the shipment.

### Airport

Airport means a landing area used regularly by aircraft for receiving or discharging cargo, and premises adjacent thereto that are designated by the carrier for acceptance and delivery of shipments.

### Air Waybill

Air Waybill, which is equivalent to the term air consignment note, means the document entitled made out by or on behalf of the shipper, which evidences the contract between the shipper and carrier for carriage of cargo over routes of the carrier.

#### Baggage

Baggage shall mean such personal property as is necessary or appropriate for the wear, use, comfort or convenience of the attendant for the purpose of his/her trip.

#### Cargo

Cargo, which is equivalent to the term "goods", means anything carried or to be carried in an aircraft, other than mail or baggage; provided, however, that unaccompanied baggage moving under an air waybill is cargo.

#### Carrier

"Carrier" will herein refer to the entity which is undertaking the professional conveyance of goods or people, either describing PAL Airlines or a third-party provider of carriage service.

### Consignee

Any individual or entity to which goods or documents are officially sent or delivered.

### Extraordinary Value Cargo

Extraordinary Value Cargo means any shipment having a declared value of \$5001 to \$20,000 or contains the following articles:

- a. Art works
- b. Precious Metals
- c. Bills of Exchange/Currency
- d. Furs
- e. Pearls or other jewelry (other than costume)
- f. Securities, Stock Certificates, Promissory Notes, Bonds
- g. Pharmaceutical products

### High Value Cargo

High Value Cargo means any shipment having a declared value of \$100.00 to \$5000.00

### **Proof of Delivery**

A method used by the shipper, carrier and/or consignee to verify successful shipment and receipt of goods.

### Shipment

A quantity of goods shipped; a consignment.

### Shipper

Any individual or entity which delivers to the carrier a shipment and requests the conveyance of the shipment by the carrier.

### Offensive odor

Offensive means unpleasant to the senses, disgusting, revolting or repugnant

### **Dangerous Goods**

Dangerous goods are articles or substances which are capable of posing a hazard to health, safety, property or the environment and which are shown in the list of dangerous goods in IATA Dangerous goods regulations or which are classified according to those Regulations.

### **1.3 Acronyms and Abbreviations**

AWB	-	Airway bill			
P.O.D	-	Proof of Delivery			
C.O.D	-	Collect on Delivery			
ΙΑΤΑ	-	International Air Transport Association			
ENV	-	Envelope Rate			
GEN	-	General Rate			
PRI	-	Priority Rate			
PRV	-	Priority Envelope Rate			
FUEL	-	Fuel Surcharge			
NAV	-	Navigation Canada Surcharge			
HST	-	Harmonized Sales Tax			
ICAO	-	International Civil Aviation Organization			
DG	-	Dangerous Goods			
С	-	Celsius			
F	-	Fahrenheit			
i.e.	-	that is			
in (s)	-	inch (es)			
Cm (s)	-	Centimeters			
CAD	-	Canadian Currency			

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lb (s)	-	Pound (s)		
Ltd.	-	Limited		
MIN	-	Minimum		
Conťd	-	Continued		
Corp	-	Corporation		
etc.	-	And so Forth		

### **1.4 Explanation of Symbols**

/	-	Denotes "or"
\$	-	Denotes Dollars
%	-	Denotes Percentage
&	-	Denotes "and"

### 1.5 List of Airports used serving points named herein

YYT	St. John's, Newfoundland
YYR	Goose Bay, Labrador
YUL	Montreal, Québec
ZUM	Churchill Falls, Labrador
YDF	Deer Lake, Newfoundland
YQX	Gander, Newfoundland
YBX	Lourdes-de-Blanc Sablon, Québec
YQM	Moncton, New Brunswick
YZV	Sept Îles, Québec
YAY	St. Anthony, Newfoundland
YWK	Wabush, Labrador

### 1.6 References

Where references are made to tariffs, items, pages, notes, sections, etc., such references are continuous and include supplements thereto and revised or additional original pages or reissues thereof.

### **1.7** Disposition of Fractions

- a) Fractions of a pound will be assessed at the charge for the next higher pound.
- b) In computing charges, fractions of less than one half cent will be dropped, and fractions of one-half cent or more will be considered a one cent.
- c) Before computing cubic dimensions, fractions of less than one inch will be dropped and fractions of one inch or more will be considered as one inch.

### **2 ACCEPTANCE OF SHIPMENTS**

### 2.1 Computation of Days

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

### 2.2 Description of Shipments

The contents of a shipment must be indicated by accurate and specific descriptions on the air waybill and the number of pieces included in a shipment must be specified on the airway bill as well.

### 2.3 Packing and Marking requirements

The following considerations must be made by the customer when preparing an item for shipment:

- a) Shipments must be so prepared and packed as to ensure safe transportation with ordinary care and handling. Any article susceptible to damage by ordinary handling must be adequately protected by proper packing and must be marked or display appropriate labels.
- b) Shipments liable to damage equipment or other shipments
- c) Any articles that could be damaged as a result of conditions which may be experienced 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 the shipment must be clearly marked with the name and address of the shipper and the consignee.
- e) Pieces with floor-bearing weight greater than the load limits of the available aircraft must be provided with a suitable skid or base which will distribute the weight appropriately. The weight of such skid or base shall be included in the weight of the shipment.
- f) The total cubic measurement (as determined in accordance with section 5.7) must be shown on the exterior of all boxes.

- g) Articles of extraordinary value, liquids, fragile or perishable articles shall not be enclosed in the same package as wearing apparel.
- h) Hazardous materials named in MOT Hazardous Materials Regulations must comply with the applicable packing, marking and labelling requirements.
- i) All bulky items including but not limited to; machine parts, furniture, glass, windows, windshields, electronics, appliances, countertops, couches, headboards, construction materials, or cabinets must be crated.

### 2.4 Shipments acceptable

Property is acceptable for transportation only when the shipper, consignee or owner has complied with the rules and regulations of the Tariff, and the laws, ordinances, and any other Governmental rules and regulations governing the transportation thereof.

### 2.5 Shipments not acceptable

The following shipments will not be accepted by the carrier:

- a) Shipments which require the carrier to obtain a Federal, Provincial or Local license for their transportation will not be accepted when the carrier has elected not to comply with such license requirements.
- b) Shipments containing articles which are liable to endanger aircraft, persons or property or cause annoyance to passengers.
- c) Shipments containing articles which are prohibited by the law or regulations of any country to be flown from, to, into or over such country.
- d) C. O. D. (Collect on Delivery) shipments.
- e) Any items poorly packaged which may get damaged during handling or ruined when exposed to weather.

### 2.6 Shipments subject to advance arrangements

The following will be accepted for carriage only upon advance arrangement:

a) Shipments requiring special attention, protection or care.

- b) Shipments having a declared value of \$20,000.00 or more.
- c) Shipments of live animals.
- d) Shipments of human remains (other than cremated remains).
- e) Shipments with pieces meeting the conditions below:
  - Weight in excess of 200 lbs or
  - Having a floor-bearing weight in excess of aircraft capacity. Please contact the cargo department at 1-888-839-1999 or <u>cargo@palairlines.ca</u> to determine the loading capacity for aircraft type.
- f) Shipments of firearms may be accepted for carriage to certain destinations; however, they are subject to the shipper's application direct to the carrier and to the carrier's confirmation that the specific shipment, routing and destination will be permissible.
- g) Shipments of newspapers without an airway bill.
- h) Shipments with accompanying personnel.
- i) Shipments of used household goods not for resale and personal effects consisting of wearing apparel, cosmetics, toiletries and any additional used articles worn by an individual and not for resale.
- j) Any other unusual shipment.

#### 2.7 Acceptance and carriage of live animals

#### 2.7.1 Conditions

The carrier will accept shipments of live animals for transportation under the condition that the shipper makes advance arrangements with the carrier and they provide:

- a) the name and telephone number of the consignee/responsible party who can be reached on a 24-hour basis, and
- b) Clear delivery instructions/arrangements made for the shipment once it arrives at the destination airport. (This information must also be included on the air waybill)
- c) Shipments must be received by the carrier in clean containers that do not emit an offensive odor.
- d) Containers must be clearly labelled identifying contents and any special instructions required for handling.

- e) Shipments of live animals must be presented to the carrier at least two hours prior to flight departure.
- f) Written instructions for feeding and watering any live animals being transported as well as any required non-perishable food for the full journey must be provided if applicable.

### 2.7.2 Pet carriers

The following conditions pertain to the carriers used to transport pets:

- a) Soft-sided carriers are permitted for pets traveling in the cabin only.
- b) Hard-sided carriers are recommended and must have proper holes for ventilation.
- c) All carriers must be secure, in good condition and leak-proof.
- d) No part of the animal is allowed to protrude from the kennel.
- e) Bottom part of the carriers must be covered with absorbent material such as blanket.
- f) Wire kennels are not permitted.
- g) Wheels on kennels must be removed before transport.

For further information, please contact our Cargo Department at 1-888-839-1999, <u>cargo@palairlines.ca</u> or visit our website at <u>www.palairlines.ca</u>

	Small	Medium	Large
Kennel Dimensions	12'x15'x15'	32'x22'x23'	36'x24'x26'
	(less than 66lbs - cubic weight)	(67-100 lbs – cubic weight)	(100 lbs and over - cubic weight)
General Rate	\$250	\$350	\$375
Pick- up/Delivery	\$30	\$30	\$50

#### 2.7.3 Rates

<u>All rates above are plus applicable taxes</u>. Each shipment will be assessed an extra Fuel Surcharge of the applicable tariff rate. This will be applied to all shipments. Current Fuel charge is 15% and this may vary dependent on market. For personalized service and to discuss the options and pricing for your shipping needs, contact PAL Airlines cargo directly at <u>cargo@palairlines.ca</u>

Unclaimed kennels will be disposed of at the discretion of the carrier.

All rates are minimum charges per (pound) lb rates. If minimum charges are exceeded, PAL Airlines per lb priority charge will apply.

There is an after-hours charge per request of \$125 plus applicable taxes for any requests for pick-up or drop-off outside of working hours. Please contact PAL Airlines cargo directly at <a href="mailto:cargo@palairlines.ca">cargo@palairlines.ca</a> for the working hours at each location.

### 2.7.4 Containers

Except as otherwise provided, containers must be constructed as follows:

- a) Of wood, metal or composite material to withstand normal handling so as to prevent the escape of the animal or physical contact between the animal and handling personnel, as well as to prevent any part of the animal from protruding from the container and to provide adequate ventilation and to enable personnel to feed and water when necessary, without opening the container.
- b) The carrier must be large enough to allow the animal(s) to stand, turn around and lie down comfortably. If the carrier does not allow the animal to do this, we will refuse transport.

#### Baby Poultry under 72 Hours Old

Baby poultry must be shipped in standard poultry-industry fiberboard containers specifically made for this purpose with heavy or excelsior mats beneath the poultry. Cartons must have separators securely fastened to prevent suffocation.

#### Birds Excluding Baby Poultry

Containers for birds must be made of wood, metal or composite material with one or more sides open and covered with wire mesh. The gauge of the wire mesh must be fine enough to retain all bird seed within the container. Food and water dishes must be held within the container. Perches are required for species of birds, which are not ground dwellers.

#### Fish

Fish must be packed in a leak proof insulated container, which provides protection from a water temperature variation greater than 5 degrees Celsius.

### Monkeys

PAL Airlines cargo does not accept monkeys.

### Reptiles

PAL Airlines cargo does not accept reptiles.

### 2.7.5 Disposition of Animals

In the event a carrier is unable to deliver the shipment within 3 hours of arrival and is unable to contact the consignee for instructions, the animal will be placed in a commercial kennel operated by a licensed veterinarian. Any charges incurred by the carrier applicable to placement in a kennel subsequent to such 3-hour period will attach to the shipment. If instructions are not received within 7 days after the date of arrival at destination, the carrier will dispose of such animals in accordance with section 3.

### 2.8 Qualified Acceptance of Shipments

The carrier will reject a shipment prior to aircraft transport when it reasonably appears to the carrier that such shipment is:

- a) Improperly packed or packaged.
- b) Is likely to incur damage from high or low temperature, not including the exercise of ordinary care by the carrier, and that such temperature will prevail in flight, or at a transfer point, origin or destination, when available facilities cannot protect the shipment against such conditions.
- c) It is naturally defective, which indicates to the carrier that such transportation could not be completed by the carrier without loss or damage to the goods.
- d) It is not accompanied by proper documentation and necessary information as required by any convention, statute or tariff applicable to such shipment.
- e) Subject to advance arrangements unless arrangements have been satisfactorily completed.

**Exception**: Carrier will accept live animals and perishable shipments for transportation under the above circumstances provided the shipper is advised at the time of acceptance of the shipment, by means of an endorsement on all copies of the respective air waybill (s). This will ensure that the carrier will not be liable for any damage or death loss to such live animals (s), or perishable (s) incurred under the above such circumstances.

Shipments requiring special devices for safe handling will be accepted only if such special devices are provided and operated at the risk of the shipper or consignee; provided that the Carrier is not at risk for incurring personal injury or death.

Baby chicks, turkey poults, ducklings and goslings will be accepted only if delivery to consignee can be made within 72 hours after hatching.

Human remains, other than cremated remains, will only be accepted when:

- a) Secured in a casket to prevent shifting and the escaping of offensive odors.
- b) Casket is enclosed in an outside shipping container of wood, canvas, plastic or paperboard construction with enough rigidity to protect the casket from damage with ordinary care in handling.
- c) Advance arrangements have been made.

Shipments containing or consisting of hazardous materials as defined in MOT Hazardous Materials Regulations will not be accepted unless such shipments are in compliance with such regulations.

Shipments of objects which are of awkward shape or dimensions, or are fragile by nature, must be crated by the customer prior to shipping to prevent damage. Such items include but are not limited to countertops, electronics, appliances, windows, cabinets, and glass or porcelain items.

### 2.9 Acceptance of Extraordinary Value cargo

The provisions of this section shall apply to items which have a weight derived value or declared value of \$5001 to \$20,000 and this has been indicated on the air waybill.

**Exception**: The provisions of this section will not apply to a shipment for which delivery service is to be provided by the carrier.

### 2.9.1 Tendering and Acceptance

A shipment containing one or more articles of extraordinary value will be accepted for transportation as long as:

- a) The shipper tenders a shipment at an area designated by the carrier at the carrier's airport terminal not more than 3 hours prior to the scheduled departure of the flight for which advance arrangements have been made; and
- b) The shipper confirms in writing that the shipper has arranged with the consignee that the consignee will accept delivery of the shipment at the airport of destination within 3 hours after the scheduled arrival time of the planned flight.

In the event the shipment will not be available for acceptance by the consignee at the airport of destination within three hours after the scheduled arrival time of the planned flight, the carrier will notify the consignee and will determine if the consignee will accept delivery of the shipment at the destination airport within 3 hours after the time of notification of arrival or actual arrival of the shipment, whichever is later. If the consignee will not accept delivery of the shipment within such period of time, or if the carrier is unable

to contact the consignee, carrier will retain the shipment in a secure area at the destination, up to a maximum of 5 days.

The terms and conditions of the air waybill and the carrier's tariff shall extend to such armored vehicle or vehicle with an armed guard hired by the carrier. All charges incurred by the carrier applicable to any hiring pursuant to this section will be at the expense of the shipper and consignee and will attach to the shipment.

### 2.10 Inspection of Shipments

All shipments are subject to inspection by the carrier, at the carrier's discretion.

### **3 TERMS OF TRANSPORTATION**

### 3.1 Applicable Tariff Provisions

Transportation is subject to the rules, rates and charges in effect on the date of acceptance of the shipment by the carrier.

With respect to gratuitous carriage, the carrier may exclude the application of all or any part of this tariff.

This tariff and the published rates and charges are subject to change without notice except to the extent otherwise provided by law or government regulations or order; as long as no such change shall apply to contract of carriage after the date of issuance of the air waybill by the carrier.

The latest version of the tariff document can be located on the PAL Airlines website at www.palairlines.ca

### 3.2 Air Waybill and Shipping documents

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.

The air waybill and tariffs applicable to the shipment shall be binding upon the shipper and consignee and the carriers by whom transportation is undertaken between the origin and destination. This includes the destination on consignment or returns of the shipment, and shall apply also to any other person, firm or corporation performing for the carrier pickup, delivery or other ground service in connection with the shipment.

The airway bill must be signed by the person, firm or corporation, representative performing pickup, delivery or ground service in connection with the shipment.

The air waybill and the tariff applicable to the shipment shall apply at all times when the shipment is being handled by or for the carrier. This includes pickup and delivery and any other ground services rendered by or for the carrier in connection with the shipment.

No agent, servant or representative of the carrier has authority to alter, modify or waive any provisions of the contract of carriage of this tariff.

All shipments being charged to an account require backup documentation such as a purchase order or bill of lading, indicating the account number to be charged. Failure to provide such documentation may result in refusal of shipment.

### 3.3 Compliance and Government regulations

The shipper shall comply with all applicable laws, customs, and the government regulations of any jurisdiction to, from or through which the shipment may be carried. This includes 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.

No liability shall attach to the carrier if the carrier in good faith determines that what it understands to be the applicable law, government regulation, demand, order or requirement provides that it refuse and it does refuse to carry a shipment.

If 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.

### 3.4 Exclusions from Liability

The carrier shall not be liable for loss, damage, delay or other result caused by:

- a) Acts of God or "Force Majeure", understood to mean perils of the air, poor weather conditions, public enemies, authority of law, riots, strikes, civil commotions, or hazards or dangers incident to a state of war.
- b) The act or default of the shipper or consignee.

- c) The nature of the shipment or any defect, characteristic or inherent vice thereof.
- d) 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.
- e) Securing, marking, or addressing, and failure to observe any of the rules relating to shipments not acceptable for transportation or shipment acceptable only under certain conditions.
- f) Acts or omissions of warehouse men, customs or quarantine officials, or other government officials gaining possession of the shipment under actual or apparent authority.
- g) Compliance with delivery instructions from the shipper or consignee or noncompliance with special instructions from the shipper or consignee
- h) Seizure by government or other authorities.
- i) Deterioration of market value due to delayed delivery.
- j) Loss due to cold and/or pressure, unless otherwise stated.
- k) Damage caused by inherent vice or by the nature of the property insured.
- Glass or items damaged by glass breakage (includes glass bottled alcohol beverages)
- m) Inadequate crating of items which may require it as stated in section 2.3 of this document.
- n) At the point of transfer to another carrier, PAL Airlines will not be held liable for any claims
- Shipments which require the carrier to obtain a Federal, Provincial or Local license for their transportation will not be accepted when the carrier has elected not to comply with such license requirements.
- p) Shipments containing articles, which are liable to endanger aircraft, persons or property or cause annoyance to passengers.

- q) Shipments containing articles, which are prohibited by the law or regulations of any country to be flown from, to, into or over such country.
- r) Any items poorly packaged, which may get damaged during handling or ruined when exposed to weather or leak
- s) The carrier shall not be liable where a shipment is delivered and picked up by armed couriers to and from the aircraft and the shipments are accompanied on the flight with the courier.
- t) The carrier shall not be liable for loss, damage, deterioration, destruction, theft, pilferage, delay, default, miss-delivery, non-delivery, or any other result not caused by the actual negligence of itself, 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 any other carrier or any other transportation organization, provided that, upon proof by the shipper was received by the carrier in an undamaged, disease-free, and proper shipping condition and was lost, damaged, deteriorated, destroyed, stolen, pilfered, delayed, miss-delivered, or not delivered, while in carrier's possession, carrier shall have the burden of proving that such lost, damaged, deteriorated, destroyed, theft, pilfered, delayed, miss-delivery, or non-delivery, was not the result of its negligence.
- u) The carrier shall not be liable for difference in weight or quantity caused by shrinkage, leakage or evaporation.
- v) Shipments which are liable to deteriorate or perish due to change in climate, temperature, altitude or other ordinary exposure, or because of the length of time in transit, will be accepted without responsibility on the part of carrier for loss or damage due to such deterioration or perishability.
- w) Any uncrated bulky items including but not limited to machine parts, furniture, glass, windows, windshields, TV's, countertops, electronics, appliances, couches, headboards, construction materials, cabinets.

### 3.5 Limits of Liability

In determination of carrier liability, the shipment shall be valued in accordance with the calculations present in section 5.10, and the total liability of the carrier shall not exceed the value of the shipment as so determined. The maximum amount that could be declared for is \$5,000 per AWB.

By tendering the shipment to the carrier for transportation, the shipper agrees to the limitations set forth in this tariff document and affirms the description of the shipment as

recited on the air waybill. In addition, the shipper affirms that the shipment is not of a nature unsuitable or hazardous for carriage by air.

In the case of loss, damage or delay of parts of cargo, or any object contained therein, the weight to be taken into consideration in determining the amount to which the carrier's liability is limited shall only be the total of the package or packages concerned.

### 3.5.1 Personal Shipments

The carrier shall not be liable for any damage or loss of personal shipment where the following conditions are not met:

- a) All the goods must be packaged according to the air shipping standards.
- b) All bulky items including but not limited to machine parts, furniture, glass, windows, windshields, TV's, countertops, electronics, appliances, couches, headboards, construction materials, cabinets must be crated.
- c) Separate airway bill must be created for each box.
- d) Extra insurance can be purchased on each box and additional transportation charge is required as outlined in section 6.10.
- e) If no insurance is purchased at the time of shipping, carrier will be liable only for limited liability outlined in this document.

Carrier shall not be liable for any loss, damage, delay caused by items outlined in section 3.

### 3.6 Indemnification

The shipper and consignee shall be liable, jointly and individually, to pay or reimburse the carrier for all claims, fines, penalties, damages, costs or other sums which may be incurred or suffered or disbursed by a carrier by reason of any violation of any of the rules contained in applicable tariffs or any other default of the shipper or such other parties with respect to the shipment.

### 3.7 Liability for Charges

The shipper and consignee shall be liable, jointly and individually, for all unpaid charges on account of a shipment pursuant to applicable tariffs including, but not confined to, sums advanced or disbursed by carrier on account of such shipment.

**Exception 1:** The shipper shall not be liable for any unpaid charges against a collect shipment where the carrier has extended credit to the consignee unless the shipper has guaranteed in writing the payment of the charges.

**Exception 2:** The consignee shall not be liable for any such unpaid charges against a prepaid shipment where the carrier has extended credit to the shipper.

### 3.8 Carrier's Lien

The carrier shall have a lien on the shipment for all sums due and payable to the carrier pursuant to sections 3.6 and 3.7. In the event of non-payment of any sums payable to the carrier, the carrier will hold the shipment subject to storage, and/or will dispose of the shipment at public or private sale, without notice to shipper or consignee, paying itself out of the proceeds of such sale all sums due and payable, including storage charges.

### 3.9 Notice and Disposition of property

Except as otherwise provided, the carrier will promptly notify the consignee of the arrival of the shipment except when delivery service is to be provided by the carrier.

If a shipment of non-perishable property is unclaimed, or delivery cannot be completed, the carrier will notify the shipper and consignee by telephone, email or regular mail, based on information provided on the air waybill. Upon written instructions from the shipper, the carrier will return the shipment to the shipper, forward or re-consign 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.

If a shipper or consignee desires notification by collect telephone or email when a shipment containing perishable property is delayed in the possession of a carrier, threatened with deterioration or unclaimed or delivery cannot be completed, authorization and instructions for such notification including the name, telephone number 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 of the shipment, the carrier will take such steps as due diligence requires for the protection of all parties in interest, including rerouting the shipment, at public or private sale, without notice to the shipper or consignment.

No sale or disposal pursuant to this section or section 3.8 shall discharge any liability of lien to any greater extent than the proceeds thereof, less selling expenses, if any, and the shipper and consignee shall remain liable, jointly and separately, for the deficiency. If the proceeds from such sale or disposal exceed the amounts of such liability or lien, including

the selling expense, such excess proceeds will be remitted by the carrier to the shipper within 10 days after such sale or disposal.

### 3.10 Routing and re-routing

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.

When the carrier determines that it is necessary to expedite delivery, carrier will deviate from any route shown on the air waybill or forward via any air carrier or other transportation agency; provided that, when either of the foregoing action is taken, the transportation charges shall be no greater than airfreight charges from the origin to destination via the route shown on the air waybill.

### 3.11 Schedules

Except as otherwise provided herein, the carrier has no obligation to commence or complete transportation within a certain time or accordance to any specific schedule, or to make connections with any carrier, or for error in statement of time of arrival or departure.

### 3.12 Availability of Equipment and Space

Carrier undertakes to transport, consistent with its capacity to carry, all property accepted for transportation. All shipments are subject to the availability of equipment of the kind and type capable of handling the shipment and, with respect to carrier transporting passengers, air mail, and air express, to available space after the accommodation of passengers, air mail and air express, and carrier will determine on a reasonable and not unjustly discriminatory basis the priority of carriage as between shipments, and will decide which shipments shall not be carried on a particular flight and which shall be removed at any time or place whatsoever and when a flight shall proceed without all or any part of a shipment. Nothing in this section shall be construed as relieving the carrier of liability for negligent delay.

Subject to applicable government laws, regulations and orders, carrier will determine, on a reasonable and not unjustly discriminatory basis, the priority of carriage as between consignments and 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.

### 4 Claims

### 4.1 Claim Procedure

All claims, except for overcharges, must be made in writing to the originating or delivering carrier within 15 days from the date of issue of the air waybill. Claims for overcharges must be made in writing to the originating or delivering carrier within 180 days from the issue of the air waybill.

Your insurance coverage takes effect as soon as your shipment is paid for and is accepted by PAL Airlines Cargo. Coverage ends when your shipment is accepted by the consignee, or 30 days after the shipment arrives at the destination airport, whichever occurs first.

In case of a lost or missing shipment, claims must be submitted within 30 days of arrival at destination.

In case of missing shipments upon arrival, claims must be submitted on the same day of receiving other items shipped along with.

No claim for a shipment found in an original state / condition even after 15 days from the air waybill issue date.

No claim for loss or damage to a shipment will be entertained until all transportation charges owing to the carrier have been paid. The amount claimed will not be deducted from transportation charges.

No claim for loss or damage to a shipment will be entertained unless proof of declared value is presented by the consignee. This must be presented in the form of a purchase receipt or invoice for the goods. The claimant must provide the shipment air waybill number, as well as photo evidence of any damage that is being claimed.

No claim for loss or damage to a shipment will be entertained once a signature of receipt has been made by the consignee, shipment owner or other responsible person receiving the shipment. Any claim must be made prior to acceptance signature.

### 4.2 Limitation of action

The carrier shall not be liable in any action brought to enforce a claim, except for overcharges; unless 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.

### 4.3 Interline shipments – Right of Action

At the point of transfer to another carrier, PAL Airlines will not be held liable for any claims related to the shipment.

### **5** Transportation Charges

### 5.1 Governing Tariffs

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

- a) MOT Hazardous Materials Regulations and/or IATA Dangerous Goods Regulations.
- b) When joint transportation involves another carrier, the rules published on behalf of said carrier will apply to the portion of transportation provided by said carrier.

### 5.2 Currency

- a) Rates and charges are stated in terms of Canadian dollars and are plus HST.
- b) Minimum charges and flat rates are stated in dollars. Other rates are stated in dollars per pound (lb).

### 5.3 Application of Tariff

This tariff names local Airport to Airport General Commodity Rates, Exception Ratings to General Commodity Rates, Airport to Airport Specific Commodity Rates and Charges, Minimum Charges and Priority Air Freight General Commodity Rates. Charges, Minimum Charges, Rules and Regulations applicable to such rates are named in this tariff and in the governing tariffs.

### 5.4 Application of Rates

The rate and charges in this tariff are published from point of origin to point of destination. General Commodity Rates apply on all commodities except those which qualify for exception in accordance with section 6 of this manual or any other listed governing tariffs.

An Exception Rating to the general commodity rate, stated as a percentage of the general commodity rate, removes application of the general commodity rate on the same quantity of the same article or commodity (in the same package or shipping form) from and to the same points over the same route.

A Specific Commodity Rate removes the application of the general commodity rate and the exception rating to the general rate on the same article or commodity (in the same package or shipping form) from and to the same points over the same route.

Priority Air Freight general commodity rates remove the application of general commodity rates and exception ratings to general rates on shipments for which guaranteed air freight general commodity rates are provided. Priority Air Freight general commodity rates apply on all commodities except those that will not be accepted under the terms of this tariff or of governing tariffs.

Except as otherwise provided, when a local or joint rate is established for application over a particular route from point to point of destination for a specific service, such rate is applicable over such route, unless it is higher or lower than the aggregate of intermediate rates over such route for such service.

### 5.5 Rate Types

The following is a list of rate types that are available to the customer.

- a) **GENERAL** Airport to Airport General Commodity Rates and Charges. Allow 3-5 business days
- b) **EXPRESS** Takes precedent over General. Allow 1-2 business days for shipment to be received from airport to airport
- c) **PRIORITY** Airport to Airport Priority Service Rates and Charges. Priority takes precedent over Express. Next available flight.



### General – Minimum Charge \$35

	Wt (lbs)	NFLD	LAB	YUL	QC	Maritimes
NFLD	0	2.14	2.18	2.50	2.29	2.06
INFLU	100	2.08	2.12	2.39	2.40	2.02
LAB	0	2.18	2.14		2.18	2.16
LAD	100	2.12	2.08		2.12	2.12
YUL	0	2.39			2.20	
	100	2.50			1.46	
QC	0	2.29	2.18	2.20	2.43	
QC	100	2.40	2.12	1.46	1.85	
Maritimes	0	2.06	2.16			
wantines	100	2.02	2.12			

### Express – Minimum \$55

	Wt (lbs)	NFLD	LAB	YUL	QC	Maritimes
NFLD	0	2.78	2.83	3.10	2.97	2.83
	100	2.70	2.76	2.93	2.84	2.77
LAB	0	2.83	2.78		2.83	2.81
	100	2.76	2.70		2.76	2.76
YUL	0	3.10			4.45	
	100	2.93			2.83	
QC	0	2.97	2.83	4.45	5.05	
	100	2.84	2.76	2.83	2.72	
Maritimes	0	2.83	2.81			
	100	2.77	2.76			

### Priority – Minimum Charge \$65

Wt (lbs)	NFLD	LAB	YUL	QC	Maritimes
0	5.11	5.21	5.37	5.12	3.14
100	3.14	3.20	3.26	3.16	3.03
0	5.21	5.11	4.89	4.94	3.30
100	3.20	3.14	3.26	3.26	3.26
0	5.37	4.89		4.94	
100	3.26	3.26		3.14	
0	5.12	5.20	4.94	5.61	
100	3.16	3.13	3.14	3.02	
0	3.14	3.30			
100	3.03	3.26			
	0 100 0 100 0 100 0 100 0 100 0	0         5.11           100         3.14           0         5.21           100         3.20           0         5.37           100         3.26           0         5.12           100         3.16           0         3.14	0         5.11         5.21           100         3.14         3.20           0         5.21         5.11           100         3.20         3.14           0         5.37         4.89           100         3.26         3.26           0         5.12         5.20           100         3.16         3.13           0         3.14         3.30	0         5.11         5.21         5.37           100         3.14         3.20         3.26           0         5.21         5.11         4.89           100         3.20         3.14         3.26           0         5.37         4.89           100         3.26         3.26           0         5.37         4.89           100         3.26         3.26           0         5.12         5.20         4.94           100         3.16         3.13         3.14           0         3.14         3.30         3.14	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$

#### 5.6 Services Not Included in Published Rates and Charges

Published rates and charges cover the carriage of consignments by air between airports or other landing places at or near the points shown in the published rates and charges. Except as otherwise specifically provided in Carrier's tariffs, such published rates and charges do not include the following services or charges:

- a) Pickup, delivery and city terminal service to and from the airport from which Carrier operates.
- b) Storage charges.
- c) Insurance or declared value charges.
- d) Advance charges.
- e) Charges or penalties imposed or collected by government authority, including duties and taxes.
- f) Expenses incurred by Carrier in repairing faulty packing.
- g) Charges for carriage of cargo forwarded, trans-shipped or re-forwarded by any other transportation service, or return to point of origin.

#### 5.7 Charges for Weight

- a) Except as otherwise provided herein, transportation charges for a shipment will be assessed on the gross weight of the shipment based on the greater of:
- ➤ The actual weight, or
- The cubic dimensional weight determined in accordance with paragraphs (b) and (c) of this section.
- b) Cubic measurement will be based on the greatest (height, width and length) of (a) shipment, or of each part therein in the event of mixed shipments containing differently rated parts.
- c) Cubic dimensional weight will be divided from the cubic measurement of shipments or parts thereof as provided in (b) 166 cubic inches per pound or fraction thereof.

### 5.8 Surcharges

### Applicability:

Surcharges shown below will be assessed on the shipments specified, based on the chargeable weight of the shipment.

### Application of Surcharges:

For shipments traveling under PAL Airlines International air waybills, surcharges will be added when the air waybill is issued.

### Surcharges:

### a) Fuel Surcharge (FUEL)

Each shipment will be assessed an extra Fuel Surcharge of the applicable tariff rate. This will be applied to all shipments. Current Fuel charge is 15%

### b) HST

Shipments may be subject to applicable provincial HST.

### c) Screening charge \$5 per shipment and 0.25 per pound are included in fees.

### 5.9 Minimum Charge per Shipment

The minimum charge per shipment (MIN) for local transportation will be shown in connection with carrier's local rates between points named.

When the minimum charge per shipment is specifically published, the minimum charge per shipment will be the published amount. When no local general or priority rates are published between two points served by carrier, rates between such points are constructed by combining two or more rates at the correct priority level.

If one or more carrier's minimum charge required differs from the charge required by any other carrier participating in the routing, then the higher charge shall be applied. In no case shall the minimum charge computed exceed the combined local minimum charges for the carriers participating in the routing.

In no case shall the minimum charge computed exceed the published joint minimum charge applicable to the carriers participating in the routing.

### 5.10 Charges for Declared Value

A shipment shall have an assumed value of \$1.00 per pound (but not less than \$10) unless a higher value is declared on the air waybill at the time of receipt of the shipment from the shipper, and if a higher value is so declared, an additional transportation charge of \$4.00 shall be required for each \$100.00 of declared value. The maximum amount that could be declared is \$5,000 per AWB.

If no higher value is declared, the claimant may be reimbursed up to \$1.00 per pound and shipping fee (lost or damaged weight) if all the conditions are satisfied as outlined in section 3 of this document.

**NOTE:** Extra insurance will not be available on glass products, electronics and used equipment. If shipping charges were paid via PAL Airlines account, any reimbursement on claims will be credited back to that account only.

Except as noted below, the weight used to determine the declared 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 the charges are based for any portion of the movement.

A shipment moving on one air waybill over the lines of 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 originating carrier shall apply to the shipment for it entire movement.

Shipments of gold, silver, platinum and Dore bullion will be accepted only if the actual value is declared on the air waybill at the time of receipt of the shipment from the shipper. Charges will be assessed on the weight and value of the shipment.

**Exception**: When shipments involving gold bullion are delivered and picked up by armed couriers from the aircraft and the shipments are accompanied on the flight with the courier no declaration of value shall be necessary.

### 5.11 Charges for Shipments of Dangerous Goods

For local transportation or for carrier's portion of joint transportation, a Dangerous Goods handling fee will be added to the total applicable airport to airport charge for each shipment of Dangerous Goods. The fee will be \$45.00 plus taxes per air waybill. The fee shall accrue to the issuing carrier. Where an interline shipment is made, the

corresponding Dangerous Goods fees required by the trans-shipment carrier must be paid to the issuing carrier.

Handling fees also apply to items which are not fully regulated but still require specialized handling. A fee of \$45.00 plus taxes per air waybill will be charged to shipments containing the following: Excepted Quantities of Dangerous Goods, Radioactive Materials in Excepted Packages, Dry Ice and Lithium Batteries in Section II of their appropriate Packing Instruction displaying a lithium battery mark.

NOTE: Articles subject to IATA Dangerous Goods Regulations, including amendments and reissues, must be offered separately and clearly indicated on a separate air waybill as dangerous goods. Additional fees shall be applied to Dangerous Goods for services provided at customer's request. PAL Airlines Cargo will not packages or label Dangerous Goods, PAL Airlines Cargo will only accept correctly packaged and labeled Dangerous Goods

Additional service	Description	Fee
DG Declaration form	Completion of declaration form for shipment in accordance with ICAO regulations	\$45.00*
DG Non-acceptance		

\*fees are plus HST

### 5.12 Charges for Mixed Shipments

A mixed shipment of articles which are subject to different rates will be assessed the general commodity rate applicable to the total weight or volume of the shipment as applicable.

The valuation charge for mixed shipments will be assessed on the total value of all items combined. Where different priority rates are requested for different items within the mixed shipment, those items must have a separate air waybill and be processed separately. Mixed shipments must not include any of the following articles:

- a) Live animals
- b) Precious stones
- c) Bank notes
- d) Securities
- e) Shares
- f) Human remains
- g) Shipments of Gold, Silver, Platinum and Dore Bullion
- h) Radioactive Materials requiring Restricted Articles Labels
- i) Articles subject to Dangerous Goods Regulations

Part of a shipment, for the purpose of this section, consists of one package, piece or bundle, or two or more packages, pieces or bundles having the same applicable rate and condition.

### 5.13 Charges Prepaid

Except as otherwise provided in this section, shipments will be accepted either with charges to be prepaid by the shipper or collected from the consignee.

The following shipments must be prepaid by the shipper:

- a) Shipments of newspapers moving without an air waybill.
- b) Shipments of human remains.
- c) Shipments addressed to persons restrained in their liberty.
- d) Shipments not equal to commercial value to the charges thereon.
- e) Shipments addressed to Canadian Government Agencies unless shipped by Government agents presenting proper bills of lading.
- f) Shipments addressed to consignee temporarily at a transient address.
- g) Shipments to be delivered to Customs.
- h) Shipments of live animals.
- i) Shipments of personal effects consisting or wearing apparel, cosmetics, toilet articles, and articles worn by an individual, used, not for sale.

### 5.14 Payment of Charges

All charges applicable to a shipment are payable by either cash or credit card/debit card at the time of acceptance by the carrier. In the case of a prepaid shipment (i.e. a shipment on which the charges are to be paid by the consignor) or, if satisfactory credit arrangements have been made and agreed upon by the consignor and the carrier, credit for payment of charges will be extended for 30 days after date of billing. In the case of a collect shipment (i.e. a shipment on which the charges are to be paid by the consignee) satisfactory credit arrangements must be made and agreed upon by the consignee and the carrier, and in which case, such credit for payment charges will be extended for 30 days after the date of billing.

For prepaid shipments, payment by cheque is not accepted.

### 5.15 C.O.D Services

PAL Airlines does provide cash on delivery (C.O.D) or collect on delivery services. All non-account shipments must be prepaid.

### 5.16 Priority Service Rates and Charges

Priority Service Shipments will be accorded priority of carriage before the loading of other air freight shipments.

Priority Service Rates and Charges PRI apply only between points named.

### 5.16.1 Minimum charge per shipment:

The minimum charge per shipment moving under Priority Service is specifically published in connection with each rate.

### Combinability:

Carrier's local Priority Service rates and charges (PRI) are not combinable with any other air Freight Rates and Charges.

### 5.16.2 Failure to Transport on a Specific Day under Priority Service Rate

Where Priority Service shipments are not transported on the flight specified on the air waybill, the carrier will refund the sum of its weight and valuation charge to the shipper if transportation charges have been prepaid. When charges are collect for the account of the consignee, the carrier will cancel the sum of its weight and valuation. The payer can request the carrier to continue the shipment with Priority Service or General service rate. Refunds will be issued in the manner stated unless failure to transport on such flight is caused by:

- Weather conditions
- > Mechanical delay on the aircraft

**Exception:** Valuation charge is not subject to refund or cancellation in the case of interline -shipments that are through way bill.

### 5.19 After-hours charges

A flat rate fee of \$125 plus applicable taxes will be charges for any requests for pick up and/or delivery outside of the normal working hours stated in 5.18 above.

# 6 Summary of Charges

DESCRIPTION	CHARGES
Surcharges on all shipments	FUEL – 15% HST – 15% NAV - 6.5%
Charges on declared value	Refer to 5.10
Dangerous goods shipping fees	Refer to 5.11

# 7 Appendix: Contact information PAL Cargo

Contact: 1-888-839-1999

Email: cargo@palairlines.ca