APPENDIX TO DECISION NO. 432-C-A-2013

Sunwing's International Scheduled Services Tariff CTA(A) No. 2

Existing Tariff Rule 18

RESPONSIBILITY FOR SCHEDULES AND OPERATIONS

[...]

(g) Cut-Off Times

[...]

Passenger(s) who arrive later than the recommended times for check-in or at the boarding gate will not be eligible for any denied boarding compensation or refund.

NOTE: On June 14, 2013, the Tariff was revised and Tariff Rule 18 became Tariff Rule 15

Existing Tariff Rule 20

If a passenger has been denied a reserved seat, in case of an oversold flight, the carrier will:

- (a) refund the total fare paid for each unused segment; or
- (b) arrange to provide reasonable alternate transportation on its own services.

If the carrier is unable to provide reasonable alternate transportation acceptable to the passenger on its own services, the carrier will try to arrange transportation on the services of another carrier or combination of carriers on a confirmed basis in the same comparable, or lower booking code.

Proposed Tariff Rule 20

For the purposes of this Rule 20, "alternate transportation" means air transportation with a confirmed reservation at no additional charge (by a scheduled airline licensed by Canada or another appropriate country), or other transportation accepted and used by the passenger in the case of denied boarding.

- (a) **General**. If a passenger has been denied a confirmed seat in the case on an oversold flight of the Carrier, the passenger has a choice between Ii) a refund of the total fare paid for the unused portion of the passenger's ticket; or (ii) continuing his/her trip. If the passenger chooses (ii) above, then the Carrier shall:
- (1) Arrange reasonable alternate transportation on its own services; or
- (2) If reasonable alternative transportation on its own services is not available, the Carrier will arrange transportation on the services of another carrier.

Where the flight originates in the United States, the Carrier will provide denied boarding compensation as set forth below in this Rule 20.

- (b) Volunteers and Boarding Priorities. If a flight is oversold (more passengers hold confirmed reservations than there are seats available), no one may be denied boarding against his or her will until the Carrier's personnel first ask for volunteers who will give up their reservations willingly, in exchange for a payment of the Carrier's choosing. If there are not enough volunteers, other passengers may be denied boarding involuntarily, in accordance with the following boarding priority: the last passenger to arrive at the ticket lift point will be the first to be denied boarding, except:
 - passengers travelling due to death or illness of a member of the passenger's family, or
 - unaccompagnied minors, or
 - passengers who are disabled, or
 - elderly passengers.
- (c) Compensation for Involuntary Denied Boarding (Applicable only on Flights Originating in the United States). If you are denied boarding involuntarily on a flight originating from the United States, you are entitled to a payment of denied boarding compensation unless:
 - you have not fully complied with the Carrier's ticketing, check-in or reconfirmation requirements, or you are not acceptable for transportation under the Carrier's usual rules or practices; or
 - you are denied boarding because the flight is cancelled; or
 - you are denied boarding because a small capacity aircraft was substituted for safety or operation reasons; or
 - you are offered accommodations in a section of the aircraft other than specified in your ticket, at no extra charge, (a passenger seated in a section for which a lower fare is charged must be given an appropriate refund); or
 - the Carrier is able to place you on another flight or flights that are planned to reach your final destination or your next stopover within one hour of the scheduled arrival of your original flight.
- (d) **Amount of Denied Boarding Compensation**. Passengers travelling from the United States with a reserved seat on an oversold flight of the Carrier who are denied boarding involuntarily from an oversold flight originating at a U.S. airport are entitled to:
 - (1) No compensation if the Carrier offers alternate transportation that is planned to arrive at the passenger's destination or first stopover not later than one hour after the scheduled arrival of the passenger's original flight;

- (2) 200% of the fare to the passenger's destination or first stopover, with a maximum of \$650 USD if the Carrier is able to place the passenger on alternate transportation that is planned to arrive at the passenger's destination or first stopover more than one hour but less than four hours after the scheduled arrival time of the passenger's original flight; and
- (3) 400% of the fare to the passenger's destination or first stopover, with a maximum of \$1,300 USD, if the Carrier does not offer alternate transportation that is planned to arrive at the airport of the passenger's destination or first stopover less than four hours after the scheduled arrival time.

For the purpose of calculating compensation under this Rule 20, the "fare" is the one-way fare for the flight including any surcharges and air transportation tax, minus any applicable discounts. Al flights, including connecting flights, to the passenger's destination or first stopover of four hours or greater are used to calculate the compensation payable.

For flights to or from Canada (except flights from the United States), as the Carrier does not commercially oversell its aircraft, no denied boarding compensation will be provided.

- (e) **Method of Payment**. The Carrier must provide each passenger who qualifies for denied boarding compensation a payment by cheque or draft for the amount specified above, on the day and place the involuntary denied boarding occurs. However, if the Carrier arranges alternate transportation for the passenger's convenience that departs before the payment can be made, the payment will be sent to the passenger within 24 hours. The Carrier may offer free or discounted transportation vouchers in place of cash or cheque payment. The passenger may, however, insist on the cash payment, or refuse all compensation and bring private legal action.
- (f) **Passenger's Options**. Acceptance of the compensation relieves the Carrier from any further liability to the passenger caused by the failure to honor the confirmed reservation. However, the passenger may decline the payment and seek to recover damages in a court of law or in some other matter.

Air Transportation Regulations, SOR/88-58, as amended

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

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122. Every tariff shall contain

[...]

(c) the terms and conditions of carriage, clearly stating the air carrier's policy in respect of at least the following matters, namely,

[...]

<u>Convention for the Unification of Certain Rules for International Carriage by Air – Montreal Convention</u>

Article 19 – Delay

The carrier is liable for damage occasioned by delay in the carriage by air of passengers, baggage or cargo. Nevertheless, the carrier shall not be liable for damage occasioned by delay if it proves that it and its servants and agents took all measures that could reasonably be required to avoid the damage or that it was impossible for it or them to take such measures.