

WINNIPEG AIRPORTS AUTHORITY INC.
FEE SCHEDULE
JAMES ARMSTRONG RICHARDSON INTERNATIONAL AIRPORT

Effective February 1, 2010

LANDING FEES

MTOW (maximum permissible take-off weight)	Per 1,000 kgs
Landing Fee per 1,000 kgs	\$7.99
Minimum Landing Fee	\$41.50

TERMINAL FEES - Domestic

Seating Capacity	
0 - 9	\$16.87
10 - 15	\$33.71
16 - 25	\$51.94
26 - 45	\$91.07
46 - 60	\$130.02
61 - 89	\$208.15
90 - 125	\$288.37
126 - 150	\$338.42
151 - 260	\$468.56
201 - 250	\$611.86
251 - 300	\$755.08
301 - 400	\$898.21
401 and over	\$1,106.45

TERMINAL FEES - International

Seating Capacity	
0 - 9	\$39.12
10 - 15	\$78.22
16 - 25	\$120.38
26 - 45	\$210.80
46 - 60	\$301.17
61 - 89	\$482.04
90 - 125	\$662.89
126 - 150	\$783.33
151 - 200	\$1,084.68
201 - 250	\$1,416.24
251 - 300	\$1,747.52
301 - 400	\$2,079.00
401 and over	\$2,561.07

AIRCRAFT PARKING

	Per 1,000 kgs
	Daily
2,000 kg or less	\$8.22
2,001 kg to 5,000 kg	\$9.45
5,001 kg to 10,000 kg	\$12.25
10,001 kg to 30,000 kg	\$20.14
30,001 kg to 60,000 kg	\$31.38
60,001 kg to 100,000 kg	\$47.10
100,001 kg to 200,000 kg	\$78.54
200,001 kg to 300,000 kg	\$108.96
300,001 kg or more	\$141.41
	Monthly
2,000 kg or less	\$68.23
2,001 kg to 5,000 kg	\$75.66
5,001 kg to 10,000 kg	\$251.44
10,001 kg to 30,000 kg	\$408.68
30,001 kg to 60,000 kg	\$628.74
60,001 kg to 100,000 kg	\$943.05
100,001 kg to 200,000 kg	\$1,571.78
200,001 kg to 300,000 kg	\$2,200.52
300,001 kg or more	\$2,829.19

Parking fees are charged for planes parked for more than 6 hours based on MTOW

**Police & Security Fee
(per passenger)**

\$2.41

Cargo Stand Fee

MTOW 25,000 kg or less (per turn)
MTOW 25,001 kg or more(per turn)

\$32.75
\$83.25

Loading Bridge Fee

\$80.00

Sanitary Services

\$35.33

Ground Loading Fee

- Aircraft with 50 or more seats
- Aircraft with less than 50 seats

\$60.00
\$0.00

FIDS Line Charge

- per line charge

\$3.19

Airport Improvement Fee

- per departing passenger

\$20.00

THIS IS EXHIBIT D TO THE AFFIDAVIT OF
MARY ELLEN McDONALD SWORN BEFORE
ME THIS 31ST DAY OF MARCH, 2010.

Wilson

A Notary Public in and for the Province
of Manitoba.

MEMORANDUM OF AGREEMENT

BETWEEN

THE AIR TRANSPORT ASSOCIATION OF CANADA

AND

SIGNATORY AIR CARRIERS

AND

CERTAIN AIRPORTS

As Amended Effective January 20, 2004

THIS IS EXHIBIT E TO THE AFFIDAVIT OF
MARY ELLEN McDONALD, SWORN BEFORE
ME THIS 31ST DAY OF MARCH, 2010.



A Notary Public in and for the
Province of Manitoba.

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MEMORANDUM OF AGREEMENT

AMONG: The Air Transport Association of Canada ("ATAC")

- and -

Those airports listed on Schedule A to this Memorandum of Agreement (collectively, "Airports", and individually, an "Airport")

- and -

Those air carriers listed on Schedule B to this Memorandum of Agreement (collectively, "Signatory Air Carriers", and individually, "Signatory Air Carrier")

(all collectively, the "Parties" and, individually, a "Party");

WHEREAS Airports have the responsibility to manage, operate and develop the airports for which they are responsible;

AND WHEREAS member air carriers of ATAC are major users of the airport facilities provided by the Airports;

AND WHEREAS Airports may have the requirement to expand their airport facilities to meet traffic demands and in that event will require additional revenues to pay for those expanded facilities;

AND WHEREAS Airports may decide to obtain such additional revenues, in whole or in part, by imposing fees or charges upon passengers using such Airports;

AND WHEREAS Airports may wish to obtain the assistance of air carriers in collecting such fees or charges from passengers;

AND WHEREAS the Parties jointly wish to ensure that a meaningful consultation process is established which will ensure that the views and requirements of Signatory Air Carriers are fully considered by airport operators in connection with the collection and use of any such additional revenues;

AND WHEREAS the Parties jointly wish to establish a regime whereby, in recognition of the establishment of a formal consultation process, Signatory Air Carriers agree to collect on behalf of Airports and remit a fee which an Airport might decide to impose upon passengers, all upon and subject to the terms and conditions contained herein;

AND WHEREAS the Parties in giving effect to the forgoing wishes, do not wish to abrogate or derogate from any of their respective, existing rights or obligations except as is expressly agreed to herein;

NOW THEREFORE, in consideration of the payment of the sum of one dollar (\$1.00) by each Party to each of the other Parties, the receipt of which is hereby acknowledged, and in respect of the mutual covenants and agreements contained herein, the Parties agree as follows:

1.0 Purpose of Memorandum of Agreement

1.1 The Parties agree that this Memorandum of Agreement ("MOA") establishes the terms in respect of:

- (a) a consultation process regarding the expansion of Airport facilities; and
- (b) the collection of fees by Signatory Air Carriers for Airports from air carrier passengers if an Airport decides to impose such fees to pay for the future expansion of certain Airport facilities.

1.2 This MOA shall be legally binding upon the Parties.

2.0 Accession to MOA

2.1 The Parties agree that if any Canadian airport or any Canadian or foreign air carrier wishes to become a Party to this MOA, it may do so by:

- (a) agreeing in writing in the form attached as Schedule C that it agrees to be bound by the terms and conditions of this MOA; and
- (b) sending a copy of the duly executed form along with one dollar (\$1.00) to each of the existing Parties. Upon so doing, such Canadian airport or air carrier will become a Party to this MOA and shall be deemed to be listed on either Schedule A or Schedule B, as appropriate.

2.2 Notwithstanding the provisions of Section 2.1 of this MOA, the Parties recognize and acknowledge that the terms and conditions of this MOA are not designed to address the unique issues arising at airports with two or more separate and physically distinct air terminal buildings jointly serving at least 20 million enplaned/deplaned passengers as at December 31, 1998 ("Multi-terminal Airports").

The Parties further recognize and acknowledge that multi-terminal airports can present new and different issues to air carriers which may vary over both time and the particular circumstances of individual air carriers and individual Multi-terminal Airports.

The Parties therefore agree that the accession to this MOA by any Multi-terminal Airport, shall be conditional upon the approval of the two largest Canadian Signatory Air Carriers

using that airport as determined by passenger boardings in the calendar year immediately preceding the requested accession by that Multi-terminal Airport".

The Parties further agree that this MOA may be amended to the extent required by agreement between the two largest Canadian Signatory Air Carriers using that airport as determined by passenger boardings in the calendar year immediately preceding the requested accession by that Multi-terminal Airport seeking accession to this MOA, provided any such amendment shall be applicable to the operation of the MOA solely at the Multi-terminal Airport seeking accession.

- 2.3 For further clarity it is understood that an Airport may, without cause but only after the expiry of 365 days from the date that Airport executes or accedes to this MOA and only upon giving not less than 180 days notice, withdraw from this MOA. The withdrawal from this agreement shall be on the day specified by that Airport in the notice but shall not be earlier than the 181st day after the notice is given. Signatory Air Carriers shall not be obliged to collect any AIF for that Airport in respect of travel scheduled to begin any time after the effective date of withdrawal of that Airport.

3.0 Airline Consultative Committee

- 3.1 Signatory Air Carriers at a given Airport shall be permitted to join the Airline Consultative Committee ("ACC") at each such Airport. Signatory Air Carriers shall exercise their rights and responsibilities as set out in Article 13 of this MOA (the "Air Carrier Consultation Process") through the ACC. The Chairman of the ACC shall inform that Airport of the Majority In Interest ("MI") as determined in accordance with Section 3.3.

- 3.2 The ACC at each Airport shall be operated according to the ACC Operating Terms of Reference which is attached as Schedule D to this MOA, and the same may be amended by the ACC from time to time by providing written notice to each of the Parties. In the event of any inconsistency between the ACC Operating Terms of Reference and this MOA, the

terms of this MOA shall prevail. Schedule D is included in this MOA for the purpose of providing direction relative to the Air Carrier Consultation Process and nothing in Schedule D shall impose any obligation, commitment or requirement upon any Airport or Signatory Air Carrier by virtue of Schedule D being included in this MOA.

3.3 Notwithstanding any voting procedures contained in the ACC Operating Terms of Reference, the MII referred to in this MOA shall mean those Signatory Air Carriers who constitute 66 2/3% or more of the total enplaned passengers (based on the Air Carrier Activity at Canadian Airports Statistics Canada catalogue, or its successor, containing the most recent calendar year data available from Statistics Canada) at a particular Airport.

4.0 Airport Improvement Fee

4.1 Any passenger fee or charge imposed by an Airport and implemented under this MOA shall be termed an Airport Improvement Fee ("AIF").

4.2 An Airport may require Signatory Air Carriers to commence the collection of AIF funds subject to the completion of the process set out in Article 13.

5.0 Capital Expenditure Programs

5.1 AIF revenues shall only be used as follows:

- (a) to fund an Airport's capital expenditure projects, the general purpose of which projects are to construct or improve "Airport Infrastructure", and to fund the cost of issuance of associated debt, debt service costs, debt service reserve obligations, debt coverage requirements, capitalized interest on debt and bad debts associated with the collection of AIF revenues; and

(b) to fund capital expenditure projects, as referred to in Section 5.1(a) at airports which are owned or leased by the Airport identified in Schedule A and which are used as reliever airports for types of aircraft traffic that are not compatible with commercial operations at the Airport identified in Schedule A, subject to the condition that the value of capital expenditure projects at any such reliever airport shall not exceed 10% of the value of capital expenditure projects at the Airport identified in Schedule A which have been subjected to the Air Carrier Consultation Process as outlined in Article 13 of this MOA since the original commencement of this MOA.

5.2 For the purposes of this MOA, "Airport Infrastructure" means capital expenditures in respect of buildings, airfields, land, roads, navigational aids and other assets required for the operation of the Airport, but does not include operating or maintenance costs related to the Airport. For greater certainty, the Airport Infrastructure shall not include any buildings, airfields, land, roads, navigational aids and other assets required for the operation of the Airport located off the Airport that are not functionally related to commercial air operations, air navigation or the processing of passengers and their baggage and shall not include any costs associated with or related to the design, construction, development, maintenance or operation of any mass transit system beyond the boundary of the Airport.

5.3 Capital expenditure projects contemplated by an Airport shall be combined into capital expenditure programs ("Programs") for the purpose of consultation with Signatory Air Carriers and collection of any associated AIF. To qualify for collection of an associated AIF the actual period of construction contemplated by the Program must be for a minimum of two (2) years and a maximum of ten (10) years and the total estimated costs of all Programs tabled since the Airport's accession to this MOA must equal 50% or more of the Airport's annual revenue (not including AIF revenue) in the first year of the Program.

- 5.4 Any construction of new runways or major expansion of existing runways or any other single project in excess of \$200,000,000 (in 2002 dollars) at an Airport must be by way of a separate Program and not combined with other projects.
- 5.5 With the exception of those Programs listed on Schedule F of this MOA, and except with the prior written approval of the Signatory Air Carriers forming the MII in accordance with Section 3.3, Airports may only require Signatory Air Carriers to collect and remit an AIF pursuant to this MOA for those Programs which have been subjected to the Air Carrier Consultation Process as outlined in Article 13 of this MOA. This provision shall not restrict the ability of an Airport to implement new projects during the period of a Program pursuant to Subsection 13.1(h) of this MOA.
- 5.6 With the exception of those projects within a Program listed on Schedule F of this MOA, and except with the prior written approval of the Signatory Air Carriers forming a MII, Airports may not award construction contracts related to any project in a Program for which that Airport will impose an AIF on passengers, prior to completing the steps contemplated by Subsections 13.1(a) and 13.1(c) through 13.1(e), inclusive and as appropriate, of the Air Carrier Consultation Process outlined in Article 13 of this MOA.

6.0 Rates

6.1 An Airport alone shall decide whether to obtain an AIF from passengers. The Airports have decided that any AIF imposed by an Airport and implemented under this MOA will be set at a Canadian whole dollar amount per Airport which shall be limited to two digits and shall not be less than \$3.00 per DEPAX passenger plus applicable provincial sales, goods and services, harmonized goods and services and other applicable taxes.

6.2 There shall be no more than three (3) different levels of AIF in place at any Airport as follows:

- (a) one (1) rate for all transborder (United States) and domestic DEPAX passengers not covered by Subsection 6.2(c) below;
- (b) one (1) rate for all international (not including transborder) DEPAX, such rate not to exceed one and one-half (1 1/2) times the rate in Subsection 6.2(a) above;
- (c) one (1) rate for all city-pairs ("short-haul destinations") within the Province or Territory that the Airport resides in and which are designated under this Subsection 6.2(c) by the Airport to be short-haul destinations; provided that, for any Airport other than the Vancouver International Airport, an Airport will be limited to four (4) short-haul destinations or with the concurrence of the Signatory Air Carriers forming the MIL, up to ten (10) short-haul destinations. The maximum distance between short-haul destinations shall be three hundred (300) statute miles. While recognizing the authority of an Airport to determine the one (1) rate for short-haul destinations, Signatory Airports shall, where applicable, make reasonable efforts to establish the same level of AIF at both Airports involved in a short-haul destination city-pair; and

(d) in the case of Vancouver International Airport (i) if Vancouver International Airport becomes a signatory to this MOA on or before January 1, 2004, effective April 1, 2004, those rates indicated on Schedule I hereto; and (ii) if Vancouver International Airport becomes a signatory to this MOA on a date following January 1, 2004, effective on the day which is ninety (90) days after the date that Vancouver International Airport becomes a signatory to this MOA, those rates indicated on Schedule I hereto.

6.3 An Airport has the right to make changes in AIF levels upon at least ninety (90) days prior written notice to ATAC and to the Signatory Air Carriers of the ticketing sale date following which the change in AIF levels will be effective provided that the rates for international and short-haul destinations, pursuant to Subsections 6.2(b), (c) and (d), shall not be adjusted more frequently than once in any calendar year without the concurrence of the Signatory Air Carriers forming the MII at the Airport. No notice may be issued by an Airport hereunder until January 1, 2004.

7.0 Alternate Collection Method

7.1 With respect to a Program for which an AIF is being collected by Signatory Air Carriers, nothing in this MOA shall prevent an Airport from choosing to utilize an additional alternative to the revenue collection method outlined in this MOA provided that any such collection method does not:

- (a) involve the participation of Signatory Air Carriers; or
- (b) impose additional charges of any kind on Signatory Air Carriers in relation to the funding of such Program, unless otherwise agreed in writing between the respective Parties.

8.0 Handling Fee

8.1 In respect of enplanements occurring on or prior to December 31, 2003, Signatory Air Carriers shall be entitled to withhold a handling fee which is calculated as a percentage of the gross amount of AIF to be otherwise remitted to a particular airport together with related provincial sales, goods and services, harmonized goods and services and other applicable taxes. The handling fee shall be one of three amounts determined by the annual enplaned/deplaned passenger volume at that Airport, which volume shall be determined by that Airport at the end of the ninth month of each calendar year for the previous 12 months, subject to annual review and verification by a designee of the Signatory Air Carriers, as follows:

- 6% for Airports with more than 7 million enplaned/deplaned passengers annually;
- 7% for Airports with 3 million to 7 million enplaned/deplaned passengers annually;
- 8% for Airports with less than 3 million enplaned/deplaned passengers annually.

8.1(a) In respect of enplanements occurring on or after January 1, 2004, Signatory Air Carriers shall be entitled to withhold a handling fee which is calculated as a percent of the gross amount of AIF to be otherwise remitted to a particular Airport together with related provincial sales, goods and services, harmonized goods and services and other applicable taxes. The handling fee shall be one of four (4) amounts determined by the annual enplaned/deplaned passenger volume at that Airport, which volume shall be determined by that Airport at the end of the ninth (9th) month of each calendar year for the previous twelve (12) months, subject to annual review and verification by ATAC, as follows:

- 4% for Airports with more than 14 million enplaned/deplaned passengers annually;
- 5% for Airports with more than 7 million enplaned/deplaned passengers annually;

6% for Airports with 3 million to 7 million enplaned/deplaned passengers annually; and
7% for Airports with less than 3 million enplaned/deplaned passengers annually.

8.2 Signatory Air Carriers that do not conduct audits of their financial records in their normal commercial operations shall be entitled to 75% of the applicable handling fee, subject to compliance with Section 10.9 of this MOA.

9.0 Remittance

9.1 "AIF collection commencement date" means the first day upon which an Airport can require Signatory Air Carriers to collect and remit an AIF, or a change to the level thereof, following the completion of the air carrier consultation process contemplated by Article 13.

For greater certainty, the AIF collection commencement dates for the following airports are deemed to be as follows:

Calgary Airport	October 1, 1997
Kelowna Airport	February 1, 1998
Winnipeg Airport	July 1, 1998

9.2 In respect of enplanements occurring on or prior to December 31, 2003, regardless of whether an AIF is collected from passengers, and subject only to Sections 9.5, 9.6 and 22.1, Signatory Air Carriers shall remit to an Airport the amount of the AIF imposed by that Airport pursuant to this MOA for all DEPAX passengers at that Airport for which the ticket sales occurred on or after the AIF collection commencement date for that Airport:

- (a) plus provincial sales, goods and services, harmonized goods and services and other applicable taxes; and

- (b) less the handling fee and related provincial sales, goods and services, harmonized goods and services and other applicable taxes referred to in Article 8;

on a monthly basis no later than the end of the month following the month of enplanement by the DEPAX passenger at the Airport to which the AIF applies (the "due date").

9.2(a) In respect of enplanements occurring on or after January 1, 2004, regardless of whether an AIF is collected from DEPAX passengers, and subject only to Sections 9.5, 9.6 and 22.1, Signatory Air Carriers shall remit to an Airport the amount of the AIF imposed by that Airport pursuant to this MOA for all DEPAX passengers at that Airport for which the ticket sales occurred on or after the AIF collection commencement date for that Airport:

- (i) plus provincial sales, goods and services, harmonized goods and services and other applicable taxes; and
- (ii) less the handling fee and related provincial sales, goods and services, harmonized goods and services and other applicable taxes referred to in Article 8;

on a monthly basis on the first working day of the month following the month of enplanement by the DEPAX passenger at the Airport to which the AIF applies, such monthly remittances to be made on the basis of the estimated amount owing to the Airport for the previous month, with final adjustments made on a monthly basis on the first working day of the second month following the month of enplanement by the DEPAX passenger at the Airport to which the AIF applies. The estimated amounts referred to in this Section 9.2(a) shall be based on reasonable, good faith estimates of DEPAX passengers using historical data and/or reasonable forward projections.

Notwithstanding the payment schedule contained in this Section 9.2(a), any Signatory Air Carrier with less than \$240,000 in gross annual AIF remittances for a particular Airport shall

only be required to remit on a monthly basis no later than the end of the month following the month of enplanement by the DEPAX passenger at the Airport to which the AIF applies.

9.3 The obligation to remit AIF revenues to an Airport arises upon the enplanement of a DEPAX passenger at a particular Airport provided that the DEPAX passenger purchased the ticket on or after the AIF collection commencement date for a particular Airport.

9.4 Each remittance will be accompanied by a statement identifying the number of DEPAX passenger enplanements associated with the remittance. The remittance shall separately identify the DEPAX passengers in Section 9.5 below.

9.5 With respect to DEPAX passengers who purchased tickets outside of North America:

- (a) provided that the Signatory Air Carrier has instituted a method of AIF collection which could commercially reasonably be expected to assess all DEPAX passengers in accordance with this MOA, and
- (b) provided that the Signatory Air Carrier has made commercially reasonable efforts to collect AIF revenues pursuant to the method instituted in Subsection 9.5(a), and
- (c) provided that the Signatory Air Carrier remitted all AIF revenues actually collected from DEPAX passengers in accordance with Section 9.2, Subsection 9.2(a) and as required by Article 11 during this period; and
- (d) provided that the Signatory Air Carrier has provided the audit certification required pursuant to Section 10.3 of this MOA;

then the particular Signatory Air Carrier's liability for making the AIF remittances for DEPAX passengers whose tickets are purchased outside of North America, shall, subject to

Article 8, be limited to the actual amount of AIF revenues collected from such DEPAX passengers carried by the particular Signatory Air Carrier at that particular Airport.

9.6 With respect to DEPAX passengers who purchased tickets in North America (Canada, the United States of America and Mexico):

- (a) provided that the Signatory Air Carrier has instituted a method of AIF collection which could commercially reasonably be expected to assess all DEPAX passengers in accordance with this MOA; and
- (b) provided that the Signatory Air Carrier has made commercially reasonable efforts to assess the DEPAX passengers in accordance with this MOA and collect AIF revenues pursuant to the method instituted pursuant to Subsection 9.6(a); and
- (c) provided that the Signatory Air Carrier remitted all AIF revenues actually collected from DEPAX passengers in accordance with Section 9.2, Subsection 9.2(a) and as required by Section 11 during this period; and
- (d) provided that the Signatory Air Carrier has provided the audit certification pursuant to Section 10.3 of this MOA; and
- (e) provided that the Signatory Air Carrier has provided a management certificate on the reimbursement form attached as Schedule G stating:

"This Compliance Certificate is delivered to [Airport] pursuant to Article 9.5 of the Memorandum of Agreement (the "MOA") dated as of xxxxxx between the Air Transport Association of Canada and Signatory Air Carriers and certain Airports.

I, xxxxxxname, xxxxxxxxtitle, of xxxxxxxxairline, certify that, to the best of my knowledge, information and belief, for the AIF remittance for the month of xxxxxxmonth:

Proper and responsible due diligence has been exercised in establishing the remittance liability by personnel understanding the importance to the Airport of establishing the correct number of DEPAX passengers subject to the AIF (as defined in the MOA).

I give this Compliance Certificate in my capacity as xxxxxxtitle and no personal liability is assumed in the giving of this certificate."

then the particular Signatory Air Carrier's liability for making the AIF remittances, subject to Article 8, shall be limited to:

(i) the greater of the amount collected or, during the first 12 months after the AIF collection commencement date for that Airport, 80% of the liability otherwise calculated from the total numbers of DEPAX passenger enplanements, eligible to be charged the AIF, who purchased tickets in North America and were carried by the particular Signatory Air Carrier at the particular Airport during this period;

(ii) the greater of the amount collected or, during the 13th through the 18th months after the AIF collection commencement date for that Airport, 90% of the liability otherwise calculated from the total numbers of DEPAX passenger enplanements, eligible to be charged the AIF, who purchased tickets in North America and were carried by the particular Signatory Air Carrier at the particular Airport during this period; and

(iii) the greater of the amount collected or, following the 18th month after the AIF collection commencement date for that Airport, 95% of the liability otherwise calculated from the total numbers of DEPAX passenger enplanements, eligible to be charged the AIF, who purchased tickets in North America and were carried by the particular Signatory Air Carrier at the particular Airport during this period.

9.7 Interest will be charged to Signatory Air Carriers on a monthly basis, commencing after the due date, on all outstanding amounts at the prime rate established by the Royal Bank of Canada from time to time plus two (2%) per cent per annum. In the event that any month's remittances are more than 15 days in arrears, following the expiration of those 15 days, that Airport may cancel the agreement with a delinquent Signatory Air Carrier 15 days after providing notice in writing of the delinquency to the Signatory Air Carrier, provided that the Signatory Air Carrier does not pay the arrears during the said notice period, and require all AIF funds collected up to the date of cancellation to be remitted to that Airport.

10.0 Audit

10.1 Annually, within one hundred and twenty (120) days of the end of each Signatory Air Carrier's fiscal year, each Signatory Air Carrier shall deliver to each Airport an Annual Statement which details for that Airport, for that fiscal year, the following:

- (a) the number of DEPAX Passengers for each month and in aggregate;
- (b) the gross amount of AIF funds payable for each month and in aggregate;
- (c) the amount of handling fee deducted for each month and in aggregate;
- (d) the net amount of AIF funds payable for each month and in aggregate; and

- (e) a statement that the Signatory Air Carrier has met the requirements of Subsections 9.5(a) and (c), or 9.6(a) and (c), as the case may be.

- 10.2 The Annual Statement referred to in Section 10.1 must contain a certification signed by a person authorized to sign on behalf of the Signatory Air Carrier which states that the Annual Statement is true and correct in all respects to the best of the such person's knowledge and belief after due inquiry.

- 10.3 At any time during the term of this MOA, an Airport may contract with the Signatory Air Carrier's external auditor to conduct an audit of the Signatory Air Carrier's records solely with regard to the matters described in any Annual Statement delivered after January 1, 2004 and referred to in Section 10.1 in respect of the relevant fiscal year. Airports shall advise a Signatory Air Carrier within sixty (60) days after the due date of the Annual Statement of their intention to commission an audit. In the event that more than one Airport advises of the intention to commission an audit of a Signatory Air Carrier, all Airports will coordinate their action into a single audit process, although individual reports will be prepared for each participating Airport. Signatory Air Carriers shall make reasonable efforts to ensure that their external auditor accepts this audit assignment and at a reasonable fee which in any event shall not exceed that which the Signatory Air Carrier would have paid had the audit been carried out at its request, failing which, the Airport(s) may contract with an external auditor of their choice.

- 10.4 The Airport(s) shall be entitled to bill and collect the costs of such audit from the Signatory Air Carrier in the event that such audit shows that remittances by the Signatory Air Carrier are understated by three percent (3%) or more of the amount due and payable to the Airport under this MOA for the year in question. In the case where multiple audits are combined into a single audit process pursuant to Section 10.3, the allocation of cost based on the percentage variance criteria shall be on an Airport-by-Airport basis.

- 10.5 Any refunds owing or remittances required pursuant to the Annual Statement referred to in Section 10.1 or the audit referred to in Section 10.3 shall be paid, without interest, by an Airport or a Signatory Air Carrier as appropriate, within thirty (30) days of the receipt of such Annual Statement or audit report. Any refunds owing or remittances required but not paid within thirty (30) days shall be subject to interest as provided for in Section 9.7.
- 10.6 Annually, within 180 days of its fiscal year end, each Airport must provide to each Signatory Air Carrier at such Airport, a certification under section 8600, or its successor, of the Handbook of the Canadian Institute of Chartered Accountants from an external auditor (who is legally qualified in the jurisdiction of that Airport to issue a financial audit opinion) that:
- (a) the amount of AIF funds remitted to the Airport have been used only for the Program for which they were intended and that there has not been an over payment on the Program; and
 - (b) that Airport has been in compliance with Section 12.1.
- 10.7 In the event that an Airport does not provide that certification contemplated by Section 10.6 above, the Signatory Air Carriers may contract with an independent auditor to conduct an audit of that Airport in respect of the matters set out in Section 10.6. The Signatory Air Carriers shall be entitled to bill and collect the cost of such audit from that Airport.
- 10.8 If the audit referred to in Sections 10.6 or 10.7 above reveals that that Airport has utilized such AIF revenues in a manner which contravenes the terms of this MOA, then if:
- (a) that Airport has failed to remedy the default within 30 days of the auditor's report, or

(b) that Airport has failed to present a plan, satisfactory to the Signatory Air Carriers, and proceeded diligently to implement such plan within 30 days of the auditor's report; the Signatory Air Carriers may cease collecting and remitting the AIF until the default has been remedied to the satisfaction of the Signatory Air Carriers.

11.0 Application of AIF

11.1 Subject to the limitations described below, the AIF will apply to all departing enplaned passengers at a given Airport ("DEPAX passenger(s)").

11.2 For the purposes of this MOA, the term "ticket(s)" shall include paperless tickets where the equivalent of paper tickets with a travel itinerary for a passenger is kept in electronic form with a specific reference (commonly referred to as ticketless travel). A ticket may be comprised of a number of coupons.

11.3 The obligation imposed by an Airport pursuant to this MOA upon Signatory Air Carriers to collect and remit an AIF will not apply to a passenger (i) continuing a journey less than 4 hours after arrival at the Airport for domestic Canada and transborder itineraries and (ii) continuing a journey less than 24 hours after arrival at the Airport for international itineraries.

A passenger will be considered to be continuing a journey even though multiple air carriers may participate in the itinerary on one or more air carrier ticket(s).

11.4 The obligation imposed by an Airport pursuant to this MOA upon Signatory Air Carriers to collect and remit an AIF will not apply to airline employees travelling on business. For greater certainty, this includes duty travel of crews of one air carrier on another air carrier.