

APPROVED:

**Travel Service Légitforgalmi és Szolgáltató
Korlátolt Felelősségű Társaság
(Travel Service Airline and Service Providing
Limited Liability Company)**

CHARTER BUSINESS RULES

**on
aerial passenger transport and luggage delivery service**

1st October 2010.

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1 THE AIRLINE

Name of the airline: Travel Service Légitforgalmi és Szolgáltató
Korlátolt Felelősségű Társaság
(Travel Service Airline and Service Providing
Limited Liability Company)
(hereinafter: the “airline”)
Seat: 16/A Wesselényi Street, Budapest 1077
Registration number: 01-09-693315
Registration court: Fővárosi Bíróság mint Cégbíróság
(Court of the Capital as Registration court)
Airline identification code: TVL
Telephone number: +36-1-461-04-90
Facsimile: +36-1-461-04-94
Homepage: www.travelservice.hu

2 DEFINITIONS

If it does not follow otherwise from the text of these Business Rules, the notions mentioned shall have the following meaning:

Label “Delivery at Aircraft”: the label taken from the passenger at the door of the aircraft and placed on the luggage. A luggage bearing such a label will be delivered in the luggage compartment of the aircraft and it will be returned to the passenger at the door of the aircraft, during getting off;

EC Decree: decree 261/2004/EC of the European Parliament and the Committee (11th February 2004) on defining the rules on paying damages and providing assistance in the case of denied boarding and cancellation of airline and on the abrogation of decree no. 295/91/EC;

IATA: International Air Transport Association;

ICAO: International Civil Aviation Organisation;

Government Decree: Government Decree no. 25/1999 (II. 12) on the rules of civil aviation;

Flight within the Community: shall mean all flights, which fly between the Member States of the European Union;

Label “Limited Release”:	if a luggage is received for delivery as a sent luggage, which is either damaged, or of inappropriate size or in inappropriate condition, a label that shows the defects, deficiencies of the luggage and that declares the limitation of the liability of the airline;
Montreal Treaty:	The Treaty on the unification of each law on international air transportation dated in Montreal on the 28 th May 1999 announced by Law no. VII of year 2005;
Flying time:	the period starting from releasing the brakes of the airplane immediately prior to getting off and lasting until the first braking after landing;
SDR:	a special call right, defined by the International Currency Fund, which is exchanged at the rate published by the National Bank of Hungary;
Travel Agency:	a company which orders seat contingent on the air vehicle pursuant to the Charter Contract concluded with the airline regardless of whether such a company is qualified as a travel agency or not based on its right as it is registered.

3 INTRODUCTORY PROVISIONS

- 3.1 The provisions of these Business Rules shall be applicable to passenger transport and luggage delivery by air realised by the airline outside the schedule, which is realised by the airline either by its own air vehicle or rented air vehicle against paying fee. Airlines shall be qualified as transportation realised by the airline in the flight number of which the identification code of the airline is mentioned.
- 3.2 In the case of transportation free of charge and based on a specific, individual order, the airline reserves the right to depart from the provisions of these Business Rules.
- 3.3 The airline shall be entitled to use third parties to exercise its rights and fulfil its liabilities defined in these Business Rules. Where the Business Rules mention airline in the text, the contractual partners of the airline shall be understood from time to time.

4 FLIGHT TICKET

4.1 *When starting a civil aviation travel, the passenger shall have a flight ticket. The flight ticket certifies the conclusion of the civil aviation contract and the receipt of the luggage for delivery. The loss or the irregular or damaged character of the flight ticket shall not affect the validity of the civil aviation contract.*

(§6 of the Government Decree)

4.2 The luggage shall be qualified as received by the airline following the procedure described in Chapter 8 of the Business Rules.

4.3 The travel agency shall communicate the data of the passengers to the airline. The airline shall transfer the flight ticket issued to the passenger's name to the travel agency. The passenger can receive its flight ticket from the travel agency. If the airline agrees with the travel agency, the travel agency is entitled to issue the flight ticket. If it is the travel agency that issues the flight ticket, the airline shall not be liable for any damages arising from the issue of the flight ticket and the passenger can validate any of its objections or claims in connection with the inaccurate issue of the flight ticket at the travel agency.

4.4 The issued charter flight ticket shall include the following:

- a) the name of the airline,
- b) the passenger's name,
- c) the flight number,
- d) the date of the trip,
- e) the planned time of the departure,
- f) the name of the place of departure and the place of destination,
- g) the weight of the luggage,
- h) the signature of the person issuing the flight ticket.

4.5 The issued flight ticket shall not be regular if it does not include any of the data listed above.

5 THE PASSENGER LIST

5.1 *The airline shall prepare a passenger list including the name of the persons taken to the flight, before starting the civil aviation service that it shall manage pursuant to the rules on data protection and that it shall preserve for at least 60 days after the end of the transportation.*

The authorities entitled to control air traffic and national defence authorities shall be entitled to view the passenger list – within their competence and by meeting the rules on data protection.

(§8 of the Government Decree)

6 PROVIDING CIVIL AVIATION SERVICES

6.1 *The passenger shall submit itself to passenger safety control before starting the flight and – upon the call of the employee of the airline – shall show its documents for passing the border required by the states affected during the flight. Should the passenger reject the control or not submit itself to the control, not have the documents or should the passenger's documents be irregular, the airline shall be entitled to reject starting or continuing to perform the contract until the presentation of the documents.*

The airline shall not be liable for damages to the passenger, which arose from the fact that the passenger did not have the documents required by the states affected during the flight or if such documents were irregular.

The passenger shall reimburse the airline for the costs of repatriation and keeping and the damages, which arose because the authorities of the states affected during the flight did not approve the transportation of the passenger as a consequence of the lack, irregularity of the necessary documents, the breach of the entrance and exit rules of the country in question.

(§10 of the Government Decree)

6.2 The airline shall insure to the passengers to accompany them to the parking place of the aircraft and to organise smooth and safe boarding and getting-off.

6.3 During the flight the passenger shall meet the rules, which contribute to the safe, accident-free civil aviation before starting and during the flight.

6.4 If the travel agency does not define it otherwise, the passengers shall appear at the airport two hours before the departure time shown in the flight ticket, with their valid flight ticket and travel documents. The passengers shall present them before boarding.

6.5 The passenger shall inform the travel agency about his / her incidental physical handicap, self-helplessness, pregnant condition, heart disease, serious or catching disease or other condition that requires special care at least 48 hours prior to the published departure time of the flight. The airline is allowed to refuse the transportation of the persons suffering from catching diseases and of women in the 36th week of pregnancy.

6.6 The airline reserves the right to require a medical certificate on the passenger's health condition – excluding the disabled or persons with decreased motility on these conditions – or, if necessary, a professional doctor's or nurse's accompaniment. The airline shall be entitled to reject the execution of the civil aviation contract if the medical certificate submitted is lacking or it does not include clearly the approval of transportation by air or if the conditions defined in the medical certificate cannot be ensured in the airplane. The airline shall be entitled to reject the execution of the civil aviation contract if the passenger, because of his/her illness or physical condition, can be dangerous to himself/herself or to other persons on the board or if such special support would be

needed for the transportation by the airline which the airline would not be able to ensure or could ensure with extremely high expenditures.

- 6.7 Children younger than two years shall only be allowed to travel if they are accompanied by a person older than eighteen. Children older than two years but younger than 12 years can travel if they are accompanied by their brothers or sisters that are already older than twelve years or by other people that are older than sixteen years. If children younger than twelve years do not have the appropriate accompaniment, the passenger shall agree on the accompaniment necessary to them with the travel agency in advance. The airline shall be entitled to separate fee for ensuring the accompaniment of such persons. If the airline does not become aware of such needs of the passengers in time, the airline shall be entitled to withdraw from the civil aviation contract.

7 THE RULES ON BOARD

- 7.1 The airline reserves the right to organise the seats, thus, it shall ensure defined seats only to its passengers that need special care on its flights.
- 7.2 In addition to hand luggage, the passenger – upon its discretion – is allowed to take three objects for personal purposes to the board of the airplane from among the following objects: small size handbag; coat or blanket; umbrella or walking stick; small size camera, video camera or telescope; portable computer; mobile phone; reading matter; food for the trip; However, folding strollers; children car seats; folding wheelchair and crutches for persons limited in motion do not count here.
- 7.3 The airline reserves the right to declare objects for personal purposes like which are not suitable for delivery on board. The airline provides such objects with the label “Delivery at Aircraft” – if the delivery capacity of the aircraft allows that – and delivers them in the load compartment of the aircraft.
- 7.4 The passenger shall place its hand luggage and other objects taken on board in a way that emergency exits and passage corridors remain free.
- 7.5 The passenger shall behave in a way that it follows the instructions of the airline staff during the whole transportation such as especially the limitations and instructions on smoking, alcohol or other narcotics consumption and on the usage of electronic appliances.
- 7.6 The passenger shall not endanger by its behaviour the aircraft, the safety of people and valuables on the board and shall not prevent the staff from fulfilling its tasks.
- 7.7 If the passenger breaches the rules on board in any way, the airline shall be entitled to take the necessary measures and the passenger shall bear such measures.
- 7.8 The airline shall be entitled to claim all of its damages and costs from the passenger, which arose from the passenger’s behaviour against the rules on board or the measures taken for that reason.

- 7.9 The airline will ensure the catering for the passengers on the board pursuant to the charter contract concluded with the travel agency. The airline reserves the right to charge additional fee for alcoholic drinks and entertainment programmes. The airline reserves the right to limit food and drink serving in unfavourable weather conditions.

8 LUGGAGE

- 8.1 *The airline shall deliver the passenger's luggage from the airport of departure to the airport of arrival.*

The airline shall deliver the passenger's luggage as sent and hand luggage.

The airline shall receive the sent luggage and the hand luggage, following safety control, will remain in the passenger's control. The passenger shall be entitled to take objects for personal usage in addition to the hand luggage to the board of the aircraft.

The airline shall define the mass and piece number of luggage before the start of the trip and record the data regarding sent luggage on the flight ticket and issue an acknowledgement of receipt on that.

The airline shall usually deliver the luggage by the same aircraft by which it transports the passenger; however, for aviation safety reasons, the airline shall be entitled to forward the luggage by the previous or the next flight, or on a by-path.

The airline and the passenger may agree on that the airline will not deliver the luggage by the same flight by which the passenger is travelling; in such a case, the luggage delivery shall be subject to the rules of goods air delivery, the luggage shall be guarded from the point of view of security and the "RUSH" label shall be stuck on it.

(§11-§14 of the Government Decree)

- 8.2 The airline shall deliver the passenger's hand luggage not heavier than 5 kg and not greater than 56x45x25 cm in its diameter and one sent luggage not heavier than 20 kg and not greater than 150 cm in its diameter (height, width and depth) in case of short-distance flights and not heavier than 15 kg and not greater than 150 cm in its diameter (height, width and depth) in case of long-distance flights free of charge. The airline will deliver the sent and hand luggage bigger or heavier than that pursuant to the provisions of points 8.3 and 8.4 against an overweight fee, as follows. The weight of the sent luggage cannot exceed 32 kg. From the point of view of the weight limit of the luggage and of the overweight the airline considers the flights with planned flying time shorter than six hours per routes (sectors) short-distance flights and it considers the flights exceeding the planned flying time of six hours per routes (sectors) long-distance flights.
- 8.3 The passenger shall pay an overweight fee of EUR 8 or HUF 2500/kg for the delivery of luggage heavier than the allowed weight limit. The passenger shall pay the overweight fee per routes (sectors) independently from the destination.

8.4 The airline takes the objects that, because of their weight, size or form, differ from the typical luggage and therefore their handling and delivery need additional work and excess time during the luggage handling as objects requiring special way of delivery. The airline takes the following objects as objects requiring special way of delivery. The passenger shall be entitled to deliver objects that need special ways of delivery (surf board, water ski, diving-gear, bicycle, musical instruments of large size, big-size dog, etc.) against paying the following fees:

8.4.1. In case of extra large sent luggage: EUR 40 or HUF 12.500
(if any of the sizes of the sent luggage – its height, width or depth – exceeds the 150 cm size limit) /piece / sector

The size of the luggage can never exceed 300 cm!

(In case of extra large luggage of size between 150 cm – 300 cm the given overweight fee has to be paid also if the weight of the luggage is otherwise within the allowed weight limit.)

8.4.2. In case of the delivery of living animals on the board in a cage EUR 8 or HUF 2500/
(up to maximum 5 kg with the cage!) and in case of delivery kg / sector (with the
of living animals in the luggage compartment: cage)

(in case of the delivery of special species such as monkey, birds, you always have to consult with the airline prior to the delivery)

8.4.3. In case of the delivery of sports means, sports equipments: EUR 40 or HUF 12.500
/piece / sector

Transportable sports equipments: bicycle, ski, snowboard, diving-gear (diving-dress, snorkel, flippers, diving mask), parachute, golf equipment, surf board, fishing-rod – 1 set / passenger.

In case of the delivery of sports means, sports equipments the airline charges the above indicated fee in every case, except when the passenger delivers the luggage intended to be delivered and the sports means as one luggage and their joint weight does not exceed the maximum allowed weight limit.

(In case of the delivery of other sports equipments that are not mentioned above, you always have to consult with the airline prior to the delivery.)

8.4.4. In case of the delivery of guns and ammunition as sent luggage: EUR 40 or HUF 12.500
/ piece / sector

(Maximum 200 pieces of ammunition for one gun can be delivered free of charge)

8.4.5. Delivery of video camera and camera and the equipments EUR 8 or HUF 2500

belonging to these on the board

/kg / sector

The airline always charges the above indicated fee in case of such video and camera equipments that, because of their size or weight, exceed the limit prescribed for the hand luggage that can be taken to the board.

- 8.5 The passenger shall present its request on delivering living animals to the travel agency. Living animals shall be delivered pursuant to the rules of IATA and the provisions of point 8.4. The person ordering the delivery of animals shall be liable for any and all damages arising in connection with the delivery of animals. The airline reserves the right to make a decision on the method of delivery of the animal and on the number of animals that can be delivered by aircraft.

9 THE CONTENT AND PACKING OF THE LUGGAGE

- 9.1 *The passenger's luggage shall not contain objects (materials) that do not qualify as luggage – defined in laws – and objects (materials), which risks the life, property of other people or the safety of the flight (hereinafter: objects excluded from the delivery.)*

The airline may call the passenger to eliminate objects from the luggage that are excluded from the delivery. If such call is not fulfilled, the airline shall be entitled to reject the delivery of the luggage.

The passenger shall pack the sent luggage and the hand luggage in a way that the packing should protect the luggage and in order that the luggage should not endanger other people or property and not damage them. Otherwise, the airline shall be entitled to reject the delivery of the luggage.

The airline shall be entitled to control the passenger's luggage in the presence of the passenger or an authority representative – except where a law provides for otherwise – if it can be reasonably presumed that the passenger has not fulfilled the rules on the content and packing of the luggage.

The airline shall take minutes on the control of the luggage where the mass, incidental damage of the luggage, the circumstances of the control, the measures taken shall be recorded and the airline shall pass one copy of the minutes to the passenger.

(§15-§17 of the Government Decree).

- 9.2 The hand luggage and the sent luggage delivered by the airline shall not include any of the following:
- a) objects or materials that look like guns or explosives,
 - b) fragile objects, flammable materials,
 - c) compressed gases, diving bottle,
 - d) explosives, cartridges, rockets,

- e) magnetic, radioactive materials, poison, materials with poisoning or contaminating effect,
- f) objects or materials that cause discomfort or inconvenience to other people,
- g) objects or materials which are prohibited by the regulations of the countries that are affected during the flight,
- h) objects, which are unsuitable for air delivery because of their mass, size or other features,
- i) objects listed in ICAO's 'Technical Instructions on the Safe Air Delivery of Dangerous Goods' and IATA's "Rules on Dangerous Goods"

9.3 The passenger's sent luggage shall not include any of the following:

- a) money, securities, bank and credit cards
- b) jewels, watch, precious metals, precious stones, semi-precious stones,
- c) computers, video cameras, cameras, mobile phones, other electric appliances, technical articles and their accessories,
- d) documents, business or private documents,
- e) travelling and other personal identity documents,
- f) keys,
- g) medicines,
- h) valuables or works of fine art of value of creation.

9.4 If the passenger's luggage includes objects excluded from aviation defined in points 9.2 and 9.3, the airline shall not be liable for their delay, loss or damages.

9.5 The passenger's hand luggage may only include medicine and cosmetics to the extent determined by IATA (up to 0.5 kg or 0.5 l by each package, totally up to 2 kg or 2 l).

9.6 The airline shall not be liable for the damages arising during the search, screenings by X-ray or otherwise – except for the cases of wilful acts and material neglect.

9.7 In the case of doubt, the airline reserves the right to declare any objects as excluded from aviation. The airline will deliver objects excluded from aviation or objects that need special delivery method that do not belong to the scope of point 8.4 according to the airline's judgement pursuant to separate agreement.

9.8 The airline shall be entitled to reject to take for delivery luggage, which is not packed regularly, has a size different from the size defined or that is damaged or shall be entitled to deliver it with the label "Limited Release" that records the condition of the luggage and that limits the airline's liability.

10 ISSUE OF THE SENT LUGGAGE, GUARDING, SELLING THE UNTAKEN LUGGAGE

10.1 *The airline shall issue the sent luggage upon the arrival of the aircraft, by which it had to be delivered.*

The airline shall be liable to preserve the sent luggage untaken, hand luggage or objects for personal purposes left on board pursuant to the rules on liable guarding – except for fast perishing goods – up to 60 days.

After the lapse of the guarding time the airline shall be entitled to sell the luggage, the hand luggage left on the aircraft and objects for personal purposes. The passenger shall be informed on the planned sales and on the realisation of the sales.

(§18-§19 of the Government Decree)

- 10.2 The airline shall not be liable for hand luggage or objects for personal purposes that were left by the passenger on board of the aircraft. The passenger shall not be entitled to claim damages from the airline for the loss, the illegal theft by third parties of such luggage or objects.
- 10.3 The person shall be entitled to receive luggage that presents the label placed on the luggage and the luggage identification label identical with it and placed on the flight ticket. If the person that wishes to receive the luggage is not able to fulfil either of the previous provisions, the airline will only issue the luggage if the person made its right to receive the luggage probable and has undertaken liability in writing to reimburse incidental damages that may arise from the issue of the luggage. Except for the cases of wilful acts and material neglect, the airline shall not be liable for the fact if the luggage is not received by the person that is entitled to receive it.
- 10.4 The airline shall be entitled to charge fee for the guarding of the luggage, hand luggage and objects for personal purposes untaken and retain it until the payment of the fee. The airline will preserve the luggage, hand luggage and objects for personal purposes untaken for three months, after that it is entitled to destroy them.

11 MODIFICATION OF THE CIVIL AVIATION CONTRACT

- 11.1 *The airline, in the case of unavoidable reasons connected to civil aviation, shall be entitled to modify the itinerary shown in the flight ticket or the schedule, to omit intermediary landing places, or to insert intermediary landing places.*

In such cases the airline shall not charge additional costs.

The passenger shall be entitled to immediately withdraw from the civil aviation contract if the airline wishes to modify the delivery contract as it is defined above.

(§22 of the Government Decree)

- 11.2 The travel agency defines the rules on changing times, the transfer of booking and the cancellation of booking.
- 11.3 The airline reserves the right to change the times of arrival and departure of the flights and the airline shall immediately inform the travel agency on incidental changes. The travel

agency shall immediately inform passengers on incidental changes. The passenger shall exclusively be entitled to claim damages arising for the lack of information from the travel agency.

- 11.4 The airline reserves the right to use an aircraft that is different from the aircraft announced for the execution of the civil aviation contract.

12 TERMINATION OF THE CIVIL AVIATION CONTRACT

- 12.1 *The airline shall be entitled to withdraw from the civil aviation contract with immediate effect if the passenger*

- a) *may be dangerous to itself or to people staying on board of the aircraft because of its illness or bodily condition or for the transportation of whom the special support of the airline would be necessary, which the airline could not provide or could only provide with disproportionately high expenses;*
- b) *does not appear at the airport at the time shown in the flight ticket or defined in the business rules;*
- c) *does not receive authority permission to cross the border until the call for boarding;*
- d) *the passenger's exclusion from civil aviation is necessary for avoiding the breach of the safety, order of civil aviation or of the rules of the states affected during the flight;*
- e) *interrupts the flight without preliminary stipulation or does not fulfil any of its announcement, information, certification or confirmation liabilities stipulated in the business rules;*
- f) *behaves at the airport or on board of the aircraft in a way that endangers the safety of the flight or the peace of other passengers;*
- g) *rejects or is not willing to submit itself and its hand luggage to safety control.*

(§25-§26 of the Government Decree).

- 12.2 In addition to the cases listed in point 12.1, the airline shall be entitled to reject the transportation of the passenger or the delivery of the luggage if the transportation endangers the safety of aviation, the life, bodily integration or comfort of other people according to the airline's judgement.

- 12.3 The fee of the flight may be incidentally reimbursed pursuant to the provisions of the charter contract concluded between the airline and the travel agency. The passenger shall exclusively be entitled to claim the fee of the flight from the travel agency.

- 12.4 The passenger shall be entitled to withdraw from the civil aviation contract pursuant to the agreement concluded with the travel agency.

13 THE AIRLINE'S LIABILITY FOR THE CASE OF REJECTION OF BOARDING, FLIGHT CANCELLATION OR A SIGNIFICANT DELAY

13.1 Rejection of boarding

If the airline can expect reasonably that it will reject boarding to an aircraft, the airline shall first look for volunteers that resign their booking in exchange to the allowances as per the conditions to be determined by the passenger in question and the airline. Support shall be provided in the form of reimbursing the flight ticket price to volunteers, which shall serve to supplement the mentioned allowances.

If the number of volunteer passengers is not enough for other passengers that have booked to get on board, the airline may reject the passengers' boarding against their intention.

If the passengers' boarding is rejected against their intention, the airline shall immediately pay damages to them or shall provide assistance as follows:

13.1.1 The passengers shall receive the compensation for damages in the amounts listed below:

- (i) EUR 250 for each flight of 1500 kilometres or less;*
- (ii) EUR 400 for each flight longer than 1500 kilometres within the European Community and for all other flights between 1500 kilometres and 3500 kilometres;*
- (iii) EUR 600 for each flight that cannot be classified either into point (i) or (ii).*

When defining the distance, the last destination shall be considered as the basis, where the passenger's arrival is delayed compared to the scheduled time because of the rejection of boarding or the cancellation of the flight.

13.1.2 Support due to the passengers.

The passenger shall be entitled to be redeemed for the price of the flight ticket within seven days (in cash, by electronic bank transfer or bank cheque or – if the passenger approves that in writing – by travelling voucher and / or other services) for the section or sections of the trip that were not flown and furthermore for sections that have already been flown if the flight did not serve any aim compared to the passenger's original travel plans.

13.1.3 The airline shall offer the following to the passenger in order to ensure the right to keep free of charge:

- (i) food and refreshments in reasonable proportion to the waiting time;*
- (ii) hotel accommodation in the following cases:*
 - if a stay for one or several nights is necessary or*
 - if the passenger must stay there longer than the passenger wanted to,*
- (iii) transportation between the airport and accommodation (hotel or other).*

In addition, the opportunity for two phone calls, to send telex or facsimile messages or E-mail messages free of charge.

(EC Decree Articles 4, 7, 8 and 9).

13.1.4 With regard to the special features of charter aviation services, the airline does not ensure re-booking opportunities to the passengers.

13.1.5 With regard to the special features of charter aviation services, the airline does not take liability for overfilling the flights. The passenger shall be entitled to present claims in connection to the rejection of boarding from to the travel agency.

13.2 Cancelling flights

If a flight is cancelled, the airline shall offer the following to the passengers affected:

13.2.1 return of the price of the flight ticket within seven days (in cash, by electronic bank transfer or bank cheque or – if the passenger approves that in writing – by travelling voucher and / or other services) for the section or sections of the trip that were not flown and furthermore for sections that have already been flown if the flight did not serve any aim compared to the passenger's original travel plans.

13.2.2 within the framework of ensuring the right to keep:

- (i) food and refreshments in reasonable proportion to the waiting time;*
- (ii) the opportunity to phone twice, send telex or facsimile messages or E-mail messages free of charge.*

13.2.3 Furthermore, the passengers concerned shall be entitled to the following compensation for damages:

- (i) EUR 250 for each flight of 1500 kilometres or less;*
- (ii) EUR 400 for each flight longer than 1500 kilometres within the European Community and for all other flights between 1500 kilometres and 3500 kilometres;*
- (iii) EUR 600 for each flight that cannot be classified either into point (i) or (ii).*

When defining the distance, the last destination shall be considered as the basis, where the passenger's arrival is delayed compared to the scheduled time because of the rejection of boarding or the cancellation of the flight.

13.2.4 The passengers affected shall not be entitled to claim damages if they were informed on the cancellation of the flight at least two weeks before the scheduled departure time.

13.2.5 If there is information on the flight cancellation, the passengers shall be informed on the possible alternative ways of travelling.

13.2.6 The airline shall not be liable to pay damages if it proves that the flight cancellation was caused by extraordinary circumstances which could not have been avoided against all reasonable measures.

(Articles 5, 7, 8 and 9 of the EC Decree)

13.2.7 The following shall qualify as extraordinary circumstances pursuant to point 13.2.6 of the Business Rules such as especially weather conditions, safety risks, unexpected aviation safety lacks contradicting with the operation of the flight in question or the effect of some aviation management decisions.

13.2.8 In consideration of the special features of charter aviation services, the airline does not ensure re-booking opportunity to the passengers.

13.2.9 In consideration of the special features of charter aviation services, the airline shall not be liable for the cancellation of the flights by the travel agency. The passenger shall be entitled to present its claims connected to the cancellation of the flight to the travel agency.

13.3 Delays

13.3.1 If the airline reasonably expects that the departure of the flight will be delayed compared to the scheduled departure time:

- a) at least two hours regarding flights of 1500 kilometres or shorter; or*
- b) at least three hours regarding all the flights within the European Community, flights longer than 1500 kilometres and all the other flights between 1500 and 3500 kilometres; or*
- c) at least four hours regarding all the other flights not listed in points a) and b),*

the airline shall offer the following support to the passengers:

- (i) food and refreshments in reasonable proportion to the waiting time, in addition to this the opportunity to the passengers of two phone calls, sending telex or facsimile messages or E-mail messages free of charge,*
- (ii) If the departure time is the day following the departure time announced earlier based on reasonable expectation:
 - hotel accommodation in the following cases: if stay for one or more nights is necessary, or if the passenger has to stay there longer than it wished to;*
 - transportation between the airport and the accommodation (hotel or other),**
- (iii) in the case of a delay of at least five hours, the passenger shall be entitled to be redeemed for the price of the flight ticket within seven days (in cash, by electronic bank transfer or bank cheque or – if the passenger approves that in writing – by travelling voucher and / or other services) for the section or sections of the trip that were not flown and furthermore for*

sections that have already been flown if the flight did not serve any aim compared to the passenger's original travel plans.

(Article 6 of the EC Decree).

- 13.3.2 With regard to the special features of the charter aviation services, the provisions defined in point (iii) of 13.3.1 of the Business Rules cannot be applied if the passenger started to use the service.
- 13.3.3 In the case of a delay longer than two hours, the airline shall ensure cold/hot refreshments and cold food to the passengers.
- 13.3.4 In the case of a delay longer than four hours, the airline shall ensure hot food and refreshments to the passengers.
- 13.4 *The application of the EC Decree shall not affect the passengers' right to further compensation for damages. The compensation for damages pursuant to the EC Decree shall be deductible from such compensation for damages.*

(Article 12 of the EC Decree).

- 13.5 The airline will only provide charter aviation services that is why the airline is not able to guarantee the connection to the departure time of other means of travelling to be used by the passengers. That is why the airline shall not be liable for any damages connected to the continuation of travelling, arising from the delay of the flight.

14 THE AIRLINE'S LIABILITY TOWARD THE PASSENGERS AND CONNECTED TO LUGGAGE

14.1 Compensation for damages in the case of decease or injury

In the case of the decease or injury of the passenger, there is no upper limitation of liability that could be expressed in a sum of money. Regarding claims connected to the decease of the passenger regarding damages up to approximately 100,000 SDR (expressed in local currency) the aviation service provider shall not dispute the claim for damages. Above such an amount, the airline shall be entitled to defend from the claim proving that it did not act in negligence or guiltily.

14.2 Advance

If the passenger deceased or was injured, the airline shall pay advance for covering the direct financial needs within 15 days from the identification of the person entitled to the compensation for damages. In the case of decease, the advance shall not be less than 16,000 SDR (the amount expressed in local currency).

14.3 Delay of the flight

In the case of the delay of the flight, the airline shall be liable for the damages except where it took all reasonable steps in order to avoid damages or it was impossible to take such measures. The airline's liability for the delay of the flight shall be limited to 4150 SDR per each passenger (amount expressed in local currency).

14.4 Delay of the luggage

If the luggage is delayed, the airline shall be liable for the damages except where it took all reasonable steps in order to avoid damages or it was impossible to take such measures. The liability for the delay of the luggage shall be limited to 1000 SDR (expressed in local currency).

14.5 The destruction, loss or damages of the luggage

The airline's liability for the destruction, loss or damages of the luggage shall be limited to 1000 SDR (amount expressed in local currency). In the case of a controlled luggage the airline shall be liable even in lack of negligence, except where the luggage was defective. In the case of uncontrolled luggage, the forwarder shall only be liable if it is proved to be negligent.

14.6 Higher limits for luggage

A higher liability limit may also be applicable to the passenger if the passenger makes a separate statement upon the taking of the passenger the latest and pays supplementary fee to the airline.

14.7 Claims connected to luggage

If the luggage is damaged, delayed, lost or destructed, the passenger shall inform the airline the soonest possible and present a claim. If a controlled luggage is damaged, the passenger shall write and present its claim within 7 days and in the case of delay within 21 days, in both cases starting from the date when the luggage was delivered to the passenger.

14.8 The liability of contractual and actual forwarders

If the airline realising the flight actually is not identical with the contracting airline, the passenger shall be entitled to make complaints or present claims for damages against and to both of them. The name or code of the airline shown in the flight ticket means the contracting airline.

14.9 Deadline for initiating a legal suit

In order to validate claims for compensation damages every action has to be initiated as of the date of the flight's arrival or within two years from the date when the airplane should have arrived.

14.10. *The basis of information*

The provisions defined in this point are pursuant to the Montreal Treaty that shall be executed pursuant to the Decree no. 2027/97/EC (amended by the Decree no. 889/2002/EC) and the national laws of the member states.

14.11. The provisions defined on the delay of flights in point 14.3 of the Business Rules shall exclusively be applied if the other provisions of the Business Rules on delays shall not be applied.

14.12. The airline shall be entitled to control the grounding of payments pursuant to Chapter 14 of the Business Rules and to request proofs from persons affected that back the claim.
