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CONDITIONS OF CARRIAGE INTERNATIONAL PASSENGERS AND BAGGAGE

Article 1 - DEFINITIONS

"AGREED STOPPING PLACES" means those places, except the place of departure and the place of destination, set forth in the ticket or shown in Carrier's timetables as scheduled stopping places on the passenger's route.

"AUTHORIZED AGENT" means a passenger sales agent who has been appointed by Carrier to represent Carrier in the sale of air passenger transportation over the services of the Carrier and, when authorized, over the services of other air carriers.

"BAGGAGE" means such articles, effects and other personal property of a passenger as are necessary or appropriate for wear, use, comfort or convenience in connection with the trip. Unless otherwise specified, it includes both checked and unchecked baggage of the passenger.

"BAGGAGE CHECK" means those portions of the Ticket which relate to the carriage of passenger's checked baggage.

"BAGGAGE IDENTIFICATION TAG" means a document issued by Carrier solely for identification of checked baggage.

"MDA" means MARDARIN AIRLINES, LTD.

"CARRIER" includes MDA and other air carrier issuing the ticket and all air carriers that carry or undertake to carry the passenger and/or his baggage thereunder.

"CARRIER'S REGULATIONS" means rules, other than these Conditions, published by Carrier and in effect on date of ticket issue, governing carriage of passengers and/or baggage and shall include any applicable tariffs in force.

"CHECKED BAGGAGE" means baggage of which Carrier takes sole custody and for which Carrier has issued a baggage check.

"CONJUNCTION TICKET" means a ticket issued to a passenger in conjunction with another ticket which together constitute a single contract of carriage.

"CONVENTION" means whichever of the following instruments is applicable to the contract of carriage: the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw, 12 October 1929 (hereinafter referred to as the Warsaw Convention);

the Warsaw Convention as amended at The Hague on 28 September 1955;

the Warsaw Convention as amended by Additional Protocol No.1 of Montreal 1975;

the Warsaw Convention as amended at The Hague 1955 and by Additional Protocol No.2 of Montreal 1975;

the Warsaw Convention as amended at The Hague 1955 and by Additional Protocol No.3 of Montreal 1975.

"DAMAGE" includes death, injury, delay, loss, partial loss or other damage of whatsoever nature arising out of or in connection with carriage or other services performed by MDA incidental thereto.

"DAYS" means calendar days, including all seven days of the week; provided that, for the purpose of notification, the day upon which notice is dispatched shall not be counted; and that for purposes of determining duration of validity the day upon which the ticket is issued, or flight commenced, shall not be counted.

"ELECTRONIC COUPON" means an electronic Flight Coupon or other value document held in Carrier's database.

"ELECTRONIC TICKET" means the Itinerary/Receipt issued by or on behalf of Carrier, the Electronic Coupons and, if applicable, a boarding document.

"FLIGHT COUPON" means that portion of the ticket that bears the notation "good for passage", in the case of an "electronic ticket", the electronic coupon, and indicates the particular places between which passenger is entitled to be carried.

"ITINERARY/RECEIPT" means a document or documents forming part of the Electronic Ticket which contains the information and notices required under Paragraph 6.2.1.7 of Resolution 722f.

"PASSENGER" means any person, except members of the crew, carried or to be carried in an aircraft with the consent of Carrier.

"PASSENGER COUPON" or "PASSENGER RECEIPT" means that portion of the ticket issued by or on behalf of Carrier, which is so marked and which ultimately is to be retained by the passenger.

"STOPOVER" means a deliberate interruption of a journey by the passenger, at a point between the place of departure and the place of destination, which has been agreed to in advance by Carrier.

"TICKET" means either the document entitled "Passenger Ticket and Baggage Check" or the Electronic Ticket, in each case issued by or on behalf of Carrier, and including Conditions of Contract, notices and the Coupons contained in it.

"UNCHECKED BAGGAGE" means any baggage of the passenger other than checked baggage.

Article 2 - APPLICABILITY

2.1 General

2.1.1 Except as provided in 2.2-2.5, these Conditions of Carriage apply to all carriage by air of passengers and baggage, performed by MDA for reward.

2.1.2 These Conditions also apply to gratuitous and reduced fare carriage except to the extent that MDA has provided otherwise in its Regulations or in the relevant contracts, passes or tickets.

2.2 Carriage to/from USA and Canada

2.2.1 Carriage to/from Canada

These Conditions apply to carriage between places in Canada or between a place in Canada and any place outside thereof, only to the extent they are incorporated in tariffs in force in Canada.

2.2.2 Carriage to/from USA

These Conditions do not apply to air transportation as defined in the U.S. Federal Aviation Act of 1958.

2.3 Charters

If Carriage is performed pursuant to a charter agreement, these conditions apply only to the extent they are incorporated by reference by the terms of the charter agreement and the charter ticket.

2.4 Overriding Law

To the extent that any provision contained or referred to herein is contrary to anything contained in the Convention, where applicable and any applicable laws, governments regulations, orders or requirements that cannot be waived by agreement of the parties, such provision shall not apply. The invalidity of any provision shall not affect the validity of any other provision.

2.5 Conditions Prevail Over Regulations

Except as provided herein, in the event of inconsistency between these Conditions and Carrier's Regulations, these Conditions shall prevail, except where tariffs in force in the United States or Canada apply, in which case the tariffs shall prevail.

Article 3 - TICKETS

3.1 Ticket Prima Facie Evidence of Contract

3.1.1 The ticket constitutes prima facie evidence of the contract of carriage between Carrier and the passenger named on the ticket. Carrier will provide carriage only to the passenger holding such ticket, or holding, as proof of payment or part payment, any other document issued by Carrier or its Authorized Agent. The ticket is and remains at all times the property of the issuing Carrier. The Conditions of Contract contained in the ticket are a summary of some of the provisions of these Conditions of Carriage.

3.1.2 Requirement for Ticket

Except in the case of an electronic ticket, a person shall not be entitled to be carried on a flight unless that person presents a ticket valid and duly issued in accordance with Carrier's Regulations and containing the flight coupon for that flight and all other unused flight coupons and the passenger coupon. A passenger shall furthermore not be entitled to be carried if the ticket presented is mutilated or if it has been altered otherwise than by Carrier or its authorised Agent. In the case of an electronic ticket, a person shall not be entitled to be carried on a flight unless that person provides positive identification and has a ticket valid and duly issued in accordance with Carrier's Regulations and contained in Carrier's database.

3.1.3 Loss, etc. of Ticket

In case of loss or mutilation of a ticket, or part thereof, or non-presentation of a ticket containing the passenger coupon and all unused flight coupons, the issuing Carrier may at the passenger's request and subject to Carrier's Regulations, replace such ticket or part thereof by issuing a new ticket on receipt of proof satisfactory to Carrier that a ticket valid for the flights in question was duly issued.

3.1.4 Ticket not Transferable

A ticket is not transferable. If someone other than the person entitled to be carried on a ticket travels pursuant to that ticket or is given a refund in connection therewith, Carrier shall not be liable to the person so entitled if in good faith it provides carriage, or makes a refund. If a ticket is presented by someone other than the person entitled to be carried thereunder or to a refund in connection therewith, Carrier shall not be liable to the person so entitled if in good faith it provides carriage or makes a refund to the person presenting the ticket.

3.2 Period of Validity

A ticket is valid for carriage for one year from the date of commencement of travel or if no portion of the ticket is used, from the date of issue thereof, except as otherwise provided in the ticket, these Conditions or Carrier's Regulations.

3.2.1 Extension of Validity

3.2.1.1 If a passenger is prevented from traveling within the period of validity of the ticket because MDA:

- (a).cancels the flight on which the passenger holds a reservation; or
- (b).omits a scheduled stop, being the passenger's place of departure, place of destination or a stopover; or
- (c).fails to operate a flight reasonably according to schedule; or
- (d).causes the passenger to miss a connection; or

(e).substitutes a different class of service; or

(f).is unable to provide previously confirmed space;

the validity of such passenger's ticket will be extended until MDA's first flight on which space is available in the class of service for which the fare has been paid.

3.2.1.2 When a passenger is prevented from traveling within the period of validity of the ticket because at the time such passenger requests reservations MDA is unable to provide space on the flight, the validity of such passenger's ticket will be extended in accordance with MDA's regulations.

3.2.1.3 When a passenger, after having commenced his or her journey, is prevented from traveling within the period of validity of the ticket by reason of illness, Carrier will extend, (provided such extension is not precluded by Carrier's Regulations applicable to the fare paid by the passenger) the period of validity of such passenger's ticket until the date when the passenger becomes fit to travel according to a medical certificate, or until Carrier's first flight after such date from the point where the journey is resumed on which space is available in the class of service for which the fare has been paid. When the flight coupons remaining in the ticket, or in the case of an electronic ticket, the electronic coupon, involve one or more stopover, the validity of such ticket, subject to Carrier's Regulations, will be extended for not more than three months from the date shown on such certificate. Notwithstanding the above, when the fare paid is a special fare with validity shorter than that of Normal Fare, the validity of such ticket will be extended for not more than seven days. In such circumstances, Carrier will extend similarly the period of validity of tickets of other members of the passenger's immediate family accompanying an incapacitated passenger.

3.2.1.4 In the event of death of a passenger en route, the tickets of the persons accompanying the passenger may be modified by waiving the minimum stay or extending the validity. In the event of a death in the immediate family of a passenger who has commenced travel, the validity of the passenger's tickets and those of his or her immediate family accompanying the passenger may be likewise modified. Any such modification shall be made upon receipt of a proper death certificate and any such extension of validity shall not be for a period longer than forty-five(45) days from the date of the death.

3.3 Flight Coupon Sequence

3.3.1 MDA will honour flight coupons, or in the case of an electronic ticket, an electronic coupon, only in sequence from the place of departure as shown on the ticket.

3.3.2 The ticket may not be valid and MDA may not honour the passenger's ticket if the first flight coupon, or in the case of an electronic ticket, an electronic coupon, for international travel has not been used and the passenger commences his or her journey at any stopover or agreed stopping place.

3.3.3 Each flight coupon, or in the case of an electronic ticket, an electronic coupon, will be accepted for carriage in the class of service specified therein on the date and flight for which accommodation has been reserved. When flight coupons, or in the case of an electronic ticket, an electronic coupon, are issued without a reservation being specified thereon, space will be reserved on application subject to the conditions of the relevant fare and the availability of space on the flight applied for.

3.4 Name and Address of Carrier

Carrier's name may be abbreviated in the ticket. Carrier's address shall be deemed to be the airport of departure shown opposite the first abbreviation of Carrier's name in the "Carrier" box in the ticket, or in the case of an electronic ticket, as indicated for the first flight segment in the itinerary/receipt.

Article 4 - STOPOVERS

Stopovers may be permitted at agreed stopping places subject to government requirements and Carrier's Regulations.

Article 5 - FARES and CHARGES

5.1 General

Fares apply only for carriage from the airport at the point of origin to the airport at the point of destination. Fares do not include ground transport service between airports and between airports and town terminals unless provided by Carrier without additional charge.

5.2 Applicable Fares

Applicable fares are those published by or on behalf of Carrier or, if not so published, constructed in accordance with Carrier's Regulations. Subject to government requirements and Carrier's Regulations, the applicable fare is the fare for the flight or flights in effect on the date of commencement of the carriage covered by the first flight coupon of the ticket, or in the case of an electronic ticket, as indicated for the first flight segment in the itinerary/receipt. When the amount that has been collected is not the applicable fare the difference shall be paid by the passenger or, as the case may be, refunded by Carrier, in accordance with Carrier's Regulations.

5.3 Routing

Unless otherwise provided in Carrier's Regulations, fares apply only to routings published in connection therewith. If there is more than one routing at the same fare, the passenger may specify the routing prior to issue of the ticket. If no routing is specified, Carrier may determine the routing.

5.4 Taxes and Charges

Any tax or charge imposed by government or other authority, or by the operator of an airport, in respect of a passenger or the use by a passenger of any services or facilities will be in addition to the published fares and charges and shall be payable by the passenger, except as otherwise provided in Carrier's Regulations.

5.5 Currency

Fares and charges are payable in any currency acceptable to Carrier. When payment is made in a currency other than the currency in which the fare is published, such payment will be made at the rate of exchange established in accordance with Carrier's Regulations.

Article 6 - RESERVATIONS

6.1 Reservation Requirements

6.1.1 Reservations are not confirmed until recorded as accepted by Carrier or its Authorized Agent.

6.1.2 As provided in Carrier's Regulations, certain fares may have conditions which limit or exclude the passenger's right to change or cancel reservations.

6.2 Ticketing Time Limits

If a passenger has not paid for the ticket (or made credit arrangements with Carrier) prior to the specified ticketing time limit, Carrier may cancel the reservation.

6.3 Personal Data

The passenger recognizes that personal data has been given to Carrier for the purposes of making a reservation for carriage, obtaining ancillary services, facilitating immigration and entry requirements, and making available such data to government authorities. For these purposes the passenger authorizes Carrier to retain such data and to transmit it to its own offices, other carriers or the providers of such services, in whatever country they may be located.

6.4 Seating

Carrier does not guarantee to provide any particular seat in the aircraft and the passenger agrees to accept any seat that may be allotted on the flight in the class of service for which the ticket has been issued.

6.5 Service Charge When Space Not Occupied

A service charge, in accordance with Carrier's Regulations, may be payable by a passenger who fails to use space for which a reservation has been made.

6.6 Reconfirmation of Reservations

Onward or return reservations may be subject to the requirement to reconfirm the reservation in accordance with and within the time limits specified in Carrier's Regulations. Failure to comply with any such requirement may result in cancellation of any onward or return reservations.

6.7 Cancellation of Onward Reservations Made by Carrier

If a passenger does not use a reservation and fails to advise Carrier, Carrier may cancel or request cancellation of any onward or return reservations.

Article 7 - CHECK-IN

The passenger shall arrive at MDA's check-in location and boarding gate sufficiently in advance of flight departure to permit completion of any Government formalities and departure procedures and in any event not later than the time that may be indicated by MDA. If the passenger fails to arrive in time at MDA's check-in location or boarding gate or appears improperly documented and not ready to travel, MDA may cancel the space reserved for the passenger and will not delay the flight. MDA is not liable to the passenger for loss or expense due to the passenger's failure to comply with the provisions of this Article.

Article 8 - REFUSAL AND LIMITATION OF CARRIAGE

8.1 Right to Refuse Carriage

MDA may refuse carriage of any passenger or passenger's baggage for reasons of safety or if, in the exercise of its reasonable discretion, MDA determines that:

8.1.1 such action is necessary in order to comply with any applicable laws, regulations, or orders of any state or country to be flown from, into or over; or

8.1.2 the conduct, age, or mental or physical state of the passenger is such as to:

8.1.2.1 require special assistance of MDA, or

8.1.2.2 cause discomfort or make himself or herself objectionable to other passengers, or

8.1.2.3 involve any hazard or risk to himself or herself or to other persons or to property; or

8.1.3 such action is necessary because the passenger has failed to observe the instructions of MDA; or

8.1.4 the passenger has refused to submit to a security check; or

- 8.1.5 the applicable fare or any charges or taxes payable have not been paid, or credit arrangements agreed between Carrier and the passenger (or the person paying for the ticket) have not been complied with; or
- 8.1.6.1 the passenger does not appear to be properly documented; or
- 8.1.6.2 the passenger may seek to enter a country through which he or she is in transit, or
- 8.1.6.3 the passenger may destroy his or her documentation during flight, or
- 8.1.6.4 the passenger will not surrender travel documents to be held by the flight crew, against receipt, when so requested by the MDA; or
- 8.1.7 the ticket presented by the passenger:
 - 8.1.7.1 has been acquired unlawfully or has been purchased from an entity other than the issuing Carrier or its authorized Agent, or
 - 8.1.7.2 has been reported as being lost or stolen, or
 - 8.1.7.3 is a counterfeit ticket, or
 - 8.1.7.4 any flight or electronic coupon has been altered by anyone other than Carrier or its authorised Agent, or in the case of a flight coupon, has been mutilated, and MDA reserves the right to retain such ticket, or
- 8.1.8 The person presenting the ticket cannot prove that he or she is the person named in the ticket. MDA reserves the right to retain such paper ticket.

8.2 Limitation on Carriage

Acceptance for carriage of unaccompanied children, incapacitated persons, pregnant women or persons with illness may be subject to prior arrangement with MDA, in accordance with MDA's Regulations.

Article 9 - BAGGAGE

9.1 Items Unacceptable as Baggage

- 9.1.1 The passenger shall not include in his or her baggage:
 - 9.1.1.1 items which do not constitute baggage as defined in Article 1 hereof;
 - 9.1.1.2 items which are likely to endanger the aircraft or persons or property on board the aircraft, such as those specified in the Dangerous Goods Regulations of the International Civil Aviation Organization (ICAO) and the International Air Transport Association (IATA), and in Carrier's Regulations (further information is available from Carrier on request);
 - 9.1.1.3 items the carriage of which is prohibited by the applicable laws, regulations or orders of any state to be flown from, to or over;
 - 9.1.1.4 items which in the opinion of MDA are unsuitable for carriage by reason of their weight, size or character, such as fragile or perishable items;
 - 9.1.1.5 live animals, except as provided for in 9.10.
- 9.1.2 Firearms and ammunition other than for hunting and sporting purposes are prohibited from carriage as baggage. Firearms and ammunition for hunting and sporting purposes may be accepted as checked baggage in accordance with MDA's Regulations. Firearms must be unloaded with the safety catch on, and suitably packed. Carriage of ammunition is subject to ICAO and IATA Dangerous Goods Regulations.
- 9.1.3 The passenger shall not include in checked baggage, fragile or perishable items, money, jewelry, precious metals, silverware, negotiable papers, securities or other valuables, business documents, passports and other identification documents or samples.
- 9.1.4 Weapons such as antique firearms, swords, knives and similar items may be accepted as checked baggage, in accordance with Carrier's Regulations, but will not be permitted in the cabin.
- 9.1.5 If any items referred to in 9.1.1 or 9.1.2 are carried, whether or not they are prohibited from carriage as baggage, the carriage thereof shall be subject to the charges, limitations of liability and other provisions of these Conditions applicable to the carriage of baggage.

9.2 Right to Refuse Carriage

- 9.2.1 MDA may refuse carriage as baggage of such items described in 9.1 as are prohibited from carriage as baggage and may refuse further carriage of any such items on discovery thereof.
- 9.2.2 MDA may refuse to carry as baggage any item because of its size, shape, weight or character.
- 9.2.3 Unless advance arrangements for its carriage have been made with MDA, MDA may carry on later flights baggage which is in excess of the applicable free allowance.
- 9.2.4 MDA may refuse to accept baggage as checked baggage unless it is properly packed in suitcases or other suitable containers to ensure safe carriage with ordinary care in handling.

9.3 Right of Search

For reasons of safety and security, MDA may request the passenger to permit a search to be made of his or her person and his or her baggage, and may search or have searched the passenger's baggage in his or her absence if the passenger is not available, for the purpose of determining whether he or she is in possession of or whether his or her baggage contains any item described in

9.1.1 or any arms or munitions which have not been presented to MDA in accordance with 9.1.2. If the passenger is unwilling to comply with such request MDA may refuse to carry the passenger or baggage.

9.4 Checked Baggage

9.4.1 Upon delivery to MDA of baggage to be checked, MDA shall take custody thereof and issue a Baggage Identification Tag for each piece of checked baggage.

9.4.2 If baggage has no name, initials or other personal identification, the passenger shall affix such identification to the baggage prior to acceptance.

9.4.3 Checked baggage will be carried on the same aircraft as the passenger unless MDA decides that this is impracticable, in which case MDA will carry the checked baggage on MDA's next flight on which space is available.

9.5 Free Baggage Allowance

Passengers may carry free of charge baggage as specified and subject to the conditions and limitation in Carrier's Regulations.

9.6 Excess Baggage

A passenger shall pay a charge for the carriage of baggage in excess of the free baggage allowance at the rate and in the manner provided in Carrier's Regulations.

9.7 Excess Value Declaration and Charge

9.7.1 A passenger may declare a value for checked baggage in excess of US\$20 per kilogram . When such declaration is made, subject to the valuation limits described in 9.7.2, a charge for such excess value will be assessed by MDA. MDA will not accept declaration of excess value in the case of unchecked baggage or other property.

9.7.2 No baggage or other property of any one passenger having a declared value in excess of US\$2,500 will be accepted for carriage by MDA, unless special arrangements have been made in advance.

9.7.3 MDA will refuse to accept an excess value declaration on checked baggage when a portion of the carriage is to be provided by another Carrier which does not offer the facility.

9.8 Unchecked Baggage

9.8.1 Baggage which the passenger carries on to the aircraft must fit under the seat in front of the passenger or in an enclosed storage compartment in the cabin. Items determined by MDA to be of excessive weight or size will not be permitted in the cabin.

9.8.2 Objects not suitable for transport in the cargo compartment (such as delicate musical instruments and the like) will only be accepted for transportation in the cabin compartment if due notice has been given in advance and permission granted by MDA. The transport of such objects may be charged for separately.

9.9 Collection and Delivery of Baggage

9.9.1 The passenger shall collect his or her baggage as soon as it is available for collection at places of destinations or stopover.

9.9.2 Only the bearer of the baggage check and identification tag, delivered to the passenger at the time the baggage was checked, is entitled to delivery of baggage. Failure to exhibit the baggage identification tag shall not prevent delivery provided the baggage check is produced and the baggage is identified by other means.

9.9.3 If a person claiming the baggage is unable to produce the baggage check and identify the baggage by means of a baggage (identification) tag, MDA will deliver the baggage to such person only on condition that he or she establishes to MDA's satisfaction his or her right thereto, and if required by MDA, such person shall furnish adequate security to indemnify MDA for any loss, damage or expense which may be incurred by MDA as a result of such delivery.

9.9.4 Acceptance of baggage by the bearer of the baggage check without complaint at the time of delivery is prima facie evidence that the baggage has been delivered in good condition and in accordance with the contract of carriage.

9.10 Animals

9.10.1 Animals such as dogs, cats, household birds and other pets, when properly crated and accompanied by valid health and vaccination certificates, entry permits, and other documents required by countries of entry or transit will, with the advance agreement of MDA, be accepted for carriage, subject to MDA's Regulations.

9.10.2 If accepted as baggage, the animal, together with its container and food carried, shall not be included in the free baggage allowance of the passenger but constitute excess baggage, for which the passenger shall pay the applicable rate.

9.10.3 Guide dogs accompanying sight/hearing impaired and physically handicapped passengers together with containers and food, will be carried free of charge in addition to the normal free baggage allowance, subject to MDA's Regulations.

9.10.4 Acceptance for carriage of animals is subject to the condition that the passenger assumes full responsibility for such animal. MDA shall not be liable for injury to or loss, delay,

sickness or death of such animal in the event that it is refused entry into or passage through any country, state or territory.

Article 10 - SCHEDULES, CANCELLATION OF FLIGHTS

10.1 Schedules

MDA undertakes to use its best efforts to carry the passenger and his or her baggage with reasonable dispatch and to adhere to published schedules in effect on the date of travel.

10.2 Cancellation, Changes of Schedule, etc.

If due to circumstances beyond its control MDA cancels or delays a flight, is unable to provide previously confirmed space, fails to stop at a passenger's stopover or destination point, or causes the passenger to miss a connecting flight on which the passenger holds a reservation, MDA shall either:

10.2.1 carry the passenger on another of its scheduled passenger services on which space is available; or

10.2.2 reroute the passenger to the destination indicated on the ticket or applicable portion thereof by its own scheduled services or the scheduled services of another carrier, or by means of surface transportation. If the sum of the fare, excess baggage charge and any applicable service charge for the revised routing is higher than the refund value of the ticket or applicable portion thereof, MDA shall require no additional fare or charge from the passenger, and shall refund the difference if the fare and charges for the revised routing are lower; or

10.2.3 make a refund in accordance with the provisions of Article 11; and shall be under no further liability to the passenger.

10.3 Denied Boarding

10.3.1 Passengers who are denied boarding on a scheduled flight are entitled to compensation in complying with all laws, regulations, or orders of country where passenger was denied. In order to qualify, such passengers must be in possession of a valid ticket with a confirmed reservation for the particular flight shown on that ticket. They must also have presented themselves for check-in within the stipulated time limits and be in possession of the necessary travel documents, according to the MDA's Regulations.

10.3.2 Before denying boarding to any passenger, MDA or its handling agent, may call for volunteers not to board such flights. Any passenger who accepts the denied boarding compensation does so as full settlement of any and all claims against MDA.

10.4 Errors or Omissions in Timetables

Except in the case of its acts or omissions done with intent to cause damage or recklessly and with knowledge that damage would probably result, Carrier shall not be liable for errors or omissions in timetables or other published schedules, or for representations made by employees, agents or representatives of Carrier as to the dates or times of departure or arrival or as to the operation of any flight.

Article 11 - REFUNDS

11.1 General

On failure by Carrier to provide carriage in accordance with the contract of carriage, or where a passenger requests a voluntary change of his or her arrangements, refund for an unused ticket or portion thereof shall be made by Carrier in accordance with this Article and with Carrier's Regulations.

11.2 Person to Whom Refund Will Be Made

11.2.1 Except as hereinafter provided in this Article, Carrier shall be entitled to make refund either to the person named in the ticket, or to the person who has paid for the ticket upon presentation of satisfactory proof.

11.2.2 If a ticket has been paid for by a person other than the passenger named in the ticket, and Carrier has indicated on the ticket that there is a restriction on refund, Carrier shall make a refund only to the person paying for the ticket or to that person's order.

11.2.3 Except in the case of lost tickets, refunds will only be made on surrender to Carrier of the passenger coupon or passenger receipt and surrender of all unused flight coupons.

11.2.4 A refund made to anyone presenting the passenger coupon or passenger receipt and all unused flight coupons and holding himself or herself out as a person to whom refund may be made in terms of 11.2.1 or 11.2.2 shall be deemed a proper refund and shall discharge Carrier from liability and any further claim for refund.

11.3 Involuntary Refunds

If Carrier cancels a flight, fails to operate a flight reasonably according to schedule, fails to stop at a point to which the passenger is destined or ticketed to stopover, is unable to provide previously confirmed space or causes the passenger to miss a connecting flight on which the passenger holds a reservation, the amount of the refund shall be:

11.3.1 if no portion of the ticket has been used, an amount equal to the fare paid;

11.3.2 if a portion of the ticket has been used, the refund will be the higher of:

11.3.2.1 the one way fare (less applicable discounts and charges) from point of interruption to destination or point of next stopover, or

11.3.2.2 the difference between the fare paid and the fare for the transportation used;

11.4 Voluntary Refunds

If the passenger wishes a refund of his or her ticket for reasons other than those set out in Paragraphs 11.3 of this Article, the amount of the refund shall be:

11.4.1 if no portion of the ticket has been used, an amount equal to the fare paid, less any applicable service charges or cancellation fees;

11.4.2 if a portion of the ticket has been used, the refund will be an amount equal to the difference between the fare paid and the applicable fare for travel between the points for which the ticket has been used, less any applicable service charges or cancellation fees.

11.5 Refund on Lost Ticket

11.5.1 If a ticket or portion thereof is lost, refund will be made on proof of loss satisfactory to Carrier and upon payment of any applicable service charge, on condition:

11.5.1.1 that the lost ticket, or portion thereof, has not been used, previously refunded or replaced;

11.5.1.2 that the person to whom the refund is made undertakes, in such form as may be prescribed by Carrier, to repay to carrier the amount refunded in the event and to the extent that the lost ticket or portion thereof is used by any person or that refund thereof is made to any person in possession of the ticket.

11.6 Right to refuse Refund

11.6.1 Carrier will refuse refund when application therefore is made later than two(2) years after the expire of the validity of the ticket.

11.6.2 Carrier will refuse to refund on a ticket which has been presented to carrier or to Government officials of a country as evidence of intention to depart therefrom, unless the passenger establishes to MDA's satisfaction that he or she has permission to remain in the country or that he or she will depart therefrom by another carrier or another means of transport.

11.7 Currency

All refunds will be subject to Government laws, rules, regulations or orders of the country in which the ticket was originally purchased and of the country in which the refund is being made. Subject to the foregoing provision, refunds will normally be made in the currency in which the ticket was paid for, but may be made in another currency in accordance with Carrier's Regulations.

11.8 By Whom Ticket Refundable

Voluntary refunds will be made only by the Carrier which originally issued the ticket or by its Agent if so authorized.

Article 12 - CONDUCT ABOARD AIRCRAFT

12.1 If the passenger conducts himself or herself aboard the aircraft so as to endanger the aircraft or any person or property on board, or obstructs the crew in the performance of their duties, or fails to comply with any instruction of the crew, or behaves in a manner to which other passengers may reasonably object, MDA may take such measures as it deems necessary to prevent continuation of such conduct, including restraint of the passenger.

12.2 The passenger may not operate aboard the aircraft portable radios, citizen band (CB) radios, cellular telephones, portable compact disk players, electronic games or transmitting devices including radio controlled toys and walkie-talkies, nor shall passenger operate audio or video recorders, audio or video playback devices, electronic entertainment devices, computers and peripheral devices, calculators, FM receivers, TV receivers or electronic shavers during stages of taking -off and landing. The passenger shall not operate any other electronic devices on board without MDA's permission, except that hearing aids and heart pacemakers may be used.

Article 13 - ARRANGEMENTS BY CARRIER

If in the course of concluding the contract of carriage by air, MDA also agrees to make arrangements for the provision of additional services, MDA shall have no liability to the passenger except for negligence on its part in making such arrangements.

Article 14 - ADMINISTRATIVE FORMALITIES

14.1 General

The passenger shall be solely responsible for complying with all laws, regulations, orders, demands and travel requirements of countries to be flown from, into or over, and with MDA's Regulations and instructions. MDA shall not be liable for any aid or information given by any agent or employee of MDA to any passenger in connection with obtaining necessary documents of visas or complying with such laws, regulations, orders, demands, and requirements, whether given in writing or otherwise; or for the consequences to any passenger resulting from his or her failure to obtain such documents or visas or to comply with such laws, regulations, orders, demands, requirements, rules or instructions.

14.2 Travel Documents

The passenger shall present all exit, entry, health, and other documents required by laws, regulations, orders, demands or requirements of the countries concerned, and permit MDA to take and retain copies thereof. MDA reserves the right to refuse carriage of any passenger who has not complied with applicable laws, regulations, orders, demands or requirements or whose documents do not appear to be in order, or who does not permit MDA to take and retain copies thereof.

14.3 Refusal of Entry

The passenger agrees to pay the applicable fare whenever MDA, on Government order, is required to return a passenger to his or her point of origin or elsewhere, owing to the passenger's inadmissibility into a country, whether of transit or of destination. MDA may apply to the payment of such fare any funds paid to MDA for unused carriage, or any funds of the passenger in the possession of MDA. The fare collected for carriage to the point of refusal of entry or deportation will not be refunded by MDA.

14.4 Passenger Responsible for Fines, Detention Costs, etc.

If MDA is required to pay or deposit any fine or penalty or to incur any expenditure by reason of the passenger's failure to comply with laws, regulations, orders, demands and travel requirements of the countries concerned or to produce the required documents, the passenger shall on demand reimburse to MDA any amount so paid or deposited and any expenditure so incurred. MDA may use towards such expenditure any funds paid to MDA for unused carriage, or any funds of the passenger in the possession of MDA.

14.5 Customs Inspection

If required, the passenger shall attend inspection of his or her baggage, checked or unchecked, by customs or other Government officials. MDA is not liable to the passenger for any loss or damage suffered by the passenger through failure to comply with this requirement.

14.6 Security Inspection

The passenger shall submit to any security checks by Government or airport officials or by MDA.

Article 15 - SUCCESSIVE CARRIERS

Carriage to be performed by several successive Carriers under one ticket, or under a ticket and any conjunction ticket issued in connection therewith, is regarded as a single operation.

Article 16 - LIABILITY FOR DAMAGE

16.1 Carriage hereunder is subject to the rules and limitations relating to liability established by the Convention and/or R.O.C. laws and regulations unless such carriage is not international carriage to which the Convention applies.

16.2 In carriage which is not international carriage to which the Convention applies:

16.2.1 MDA shall be liable for damage to a passenger or his checked baggage only if such damage has been caused by the negligence of MDA. If there has been contributory negligence on the part of the passenger, MDA's liability shall be subject to the "Civil Aviation Law" and the "Rules Governing the Compensation for the Damages Sustained by Passengers and Cargo Carried by Air" of the Republic of China.;

16.2.2 except in the case of acts or omissions done with intent to cause damage or recklessly and with knowledge that damage would probably result:

16.2.2.1 the liability of MDA is limited to a minimum of NT\$750,000 or a maximum of NT\$1,500,000 according to the extent of damage for death of or serious injury to the passenger; to a maximum of NT\$500,000 according to the extent of damage for injuries other than death or serious injury to the passenger.

16.2.2.2 with respect to delay, MDA shall be under no liability except as provided in these Conditions of Carriage.

16.3 To the extent not in conflict with the foregoing and whether or not the Convention applies;

16.3.1 MDA is liable only for damage occurring on its own line. A Carrier issuing a ticket or checking baggage over the lines of another Carrier does so only as agent for such other Carrier. Nevertheless, with respect to checked baggage the passenger shall also have a right of action against the first or last Carrier;

16.3.2 MDA is not liable for damage to unchecked baggage unless such damage is caused by the negligence of MDA. If there has been contributory negligence on the part of the passenger, MDA's liability shall be subject to the laws of the Republic of China relating to contributory negligence;

16.3.3 MDA is not liable for any damage arising from its compliance with any laws or Government regulations, orders or requirements, or from failure of the passenger to comply with the same;

16.3.4 except in the case of acts or omissions done with intent to cause damage or recklessly and with knowledge that damage would probably result, the liability of MDA in the case of damage to checked baggage shall be limited to US\$20 per kilogram and in the case of damage to unchecked baggage shall be limited to US\$400 per passenger. If the weight of the baggage is not recorded on the baggage check, it is presumed that the total weight of the checked baggage does not exceed the applicable free baggage allowance for the class of service concerned, as provided in MDA's Regulations. If in the case of checked baggage a

higher value is declared pursuant to 9.7, the liability of MDA shall be limited to such higher declared value;

16.3.5 MDA's liability shall not exceed the amount of proven damages. MDA shall furthermore not be liable for indirect or consequential damages;

16.3.6 MDA is not liable for injury to a passenger or for damage to a passenger's baggage caused by property contained in such passenger's baggage. Any passenger whose property causes injury to another person or damage to another person's property or to the property of MDA shall indemnify MDA for all losses and expenses incurred by MDA as a result thereof;

16.3.7 MDA is not liable for damage to fragile or perishable items, money, jewelry, precious metals, silverware, negotiable papers, securities, or other valuables, business documents, passports and other identification documents, or samples, which are included in the passenger's checked baggage;

16.3.8 If a passenger is carried whose age or mental or physical condition is such as to involve any hazard or risk to himself or herself, MDA shall not be liable for any illness, injury or disability, including death, attributable to such condition or for the aggravation of such condition;

16.3.9 any exclusion or limitation of liability of MDA shall apply to and be for the benefit of agents, employees and representatives of MDA and any person whose aircraft is used by MDA and such person's agents, employees and representatives. The aggregate amount recoverable from MDA and from such agents, employees, representatives and person shall not exceed the amount of MDA's limit of liability.

16.4 Unless so expressly provided nothing herein contained shall waive any exclusion or limitation of liability of MDA under the Convention or applicable laws.

16.5 For MDA who are Parties to Montreal Agreement;

Special Agreement applicable to carriage to, from or with an agreed stopping place in the United States of America(see applicable U.S. tariffs).

Article 17 - TIME LIMITATION ON CLAIMS AND ACTIONS

17.1 Notice of Claims

No action shall lie in the case of damage to checked baggage unless the person entitled to delivery complains to MDA forthwith after the discovery of the damage, and, at the latest, within seven days from the date of receipt; and in the case of delay, unless the complaint is made at the latest within twenty-one (21) days from the date on which the baggage has been placed at his or her disposal. Every complaint must be made in writing and dispatched within the times aforesaid.

17.2 Limitation of Actions

Any right to damages shall be extinguished if an action is not brought within two years reckoned from the date of arrival at the destination, or from the date on which the aircraft ought to have arrived, or from the date on which the carriage stopped. The method of calculating the period of limitation shall be determined by the law of the court seized of the case.

Article 18 - MODIFICATION AND WAIVER

No agent, employee or representative of MDA has authority to alter, modify or waive any provision of these Conditions of Carriage.

Name of Carrier: MARDARIN AIRLINES, LTD.

Abbreviation of Name : MDA