

Terms and Conditions of the Carrier

Article 1 - Definitions

The below Conditions of Carriage has the meaning expressed respectively assigned to them where the Carrier reserves the rights to maintain and change at any time without prior notice, except where the context requires or where it is otherwise expressly provided, that is:

Article 2 - Applicability

General

1. These Conditions are the Carrier's Conditions of Carriage referred to in the ticket and, except as apply to all carriage by air of passengers and baggage, including services incidental thereto, performed by Carrier for reward.
2. These Conditions also apply to full fare and discounted fare carriage except to the extent that Carrier has provided otherwise in its Regulations or in the relevant contracts, passes or tickets.
3. These Conditions and Carrier's Regulations, fares and charges are subject to change without notice; provided that no such change shall apply after the carriage hereunder has commenced. The fares and charges applicable to the carriage are those in effect at the date of commencement of carriage covered in the case of an electronic ticket, as indicated for the first flight segment in the itinerary/receipt, except as otherwise provided in Carrier's Regulations.

Charters

If Carriage is performed based on Charter Agreement, the Charter Regulations (if any) of Carrier shall be applicable thereto and these Conditions apply only to the extent provided in the said Charter Regulations. The passenger, by accepting the Condition of Carriage to the said Charter Agreement, whether or not concluded with the passenger, agrees to be bound by the applicable provisions of such agreement.

Article 3 - Tickets

Evidence of Contract

The ticket constitutes 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, any other Carrier 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.

Requirement for Ticket

No person shall be entitled to be carried on a flight without a valid ticket and duly issued in accordance with Carrier's Regulations and containing the flight coupon as unused flight coupons. 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 Authorized 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.

Ticket not Transferable

A ticket is not transferable. If someone other than the person entitled to be carried on a ticket 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 provides carriage, or makes a refund. Further, if a ticket were to be used by any person other than the person entitled to be carried, with or without the knowledge and/or consent of the person entitled to be carried, Carrier is not liable for the death or injury to or delay in the carriage of such person or for the destruction, loss or damage to or delay in the carriage of such person's baggage or other personal property arising from or in connection with such use.

If a ticket were to be used by any person other than the person entitled to be carried, the changes will be allowed as per the name change policy of the Carrier.

Article 4 - Fares and Charges

General

- a. Fares apply only for carriage from the point of origin to the point of destination. Fares do not include ground transport service between airports and town centers.
- b. Meals served in the aircraft will be free of charge except as otherwise provided in Carrier's Regulations. Meals other than meals served in the aircraft are not included in the fare and are payable by the passenger except as otherwise provided in Carrier's Regulations.

Applicable Fares

Applicable fares for carriage are governed by the conditions set by the Carrier indicated. Fares are subject to change without prior notice. 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.

Precedence of Fares

Unless otherwise provided in Carrier's Regulations, a published fare takes precedence over the combination of intermediate fares applicable to the same class of service between the same points via the same routing.

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.

Taxes and Charges

Any tax or charge imposed by government or by local aeronautical authorities 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 shall be payable by the passenger, except as otherwise provided in Carrier's Regulations.

Currency

Subject to applicable law, fares and charges are payable in 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 prevailing rate of exchange established for such purpose by Carrier and available for inspection at the relevant Carrier's office.

Article 5 - Reservations

Reservation Requirements

- a. A reservation is not confirmed until:
 - i. It is entered on the appropriate flight coupon status in the case of an electronic ticket, the electronic coupon, by Carrier or its Authorized Agent;
 - ii. A ticket has been duly issued to the passenger, or in the case of an electronic ticket, when it has been duly created in Carrier's database with confirmed status; and
 - iii. The passenger has paid for his ticket (or made credit arrangements with Carrier) within the ticketing time limit allocated by the Carrier's Regulations. Carrier may cancel a reservation that does not comply with any of these requirements at any time without notice.
- b. As provided in Carrier's Regulations, certain fares may have conditions, which limits or exclude the passenger's right to change or cancel reservations.

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 unless reserved through web check in. Kindly ensure the seat assignment will be done only from the airport at the time of check in on first come first basis.

Reconfirmation of Reservations

The flight reconfirmation has to be done by the passengers at not less than 72 hours prior to departure time. Onward or return reservations may be subject to change accordance with and within the time limits specified in Carrier's Regulations. Failure to comply with any such requirement will not be responsible of the Carrier.

No-Show Passengers

Passenger(s) having confirmed reservations and not showing up prior to the time prescribed for check in will be termed as No-Show and the Carrier will assume no responsibility. Passenger(s) will be accepted for travel only on the next available flight subject to seat availability with the applicable No-show charges as per Carrier's regulations.

Free Baggage Allowance

Passengers may carry free of charge baggage as specified and subject to the conditions and limitations in Carrier's Regulations. Where two or more passengers, travelling as one party to a common destination by the same flight, they may be permitted to total free baggage allowance equal to the combination of their individual free baggage allowances. The Free Baggage Allowance for Checked Baggage for adults and children aged 2 years and above is as follows:

- i. Business Class 40 Kgs
- ii. Economy Class 30 Kgs

Excess Baggage

The passenger shall pay the charges for excess baggage as per the Carrier's regulation.

Article 6 - Schedules, Cancellation of Flights

Times and Schedules Changes

Because of the challenges faced at the airport due to geographical location in Bhutan it is severely dependent on weather conditions and while Carrier makes every effort to maintain the schedule integrity, however due to circumstances beyond its control which is why there is a requirement for every passenger to read and note the Conditions as per this Article 6.

- a. Carrier undertakes to use its best efforts to carry the passenger and his baggage with reasonable dispatch. Times shown in the ticket timetables or elsewhere are not guaranteed and do not form part of the Contract of Carriage and Carrier assumes no responsibility for making connections
- b. Schedules are subject to change without notice. Carrier may when circumstances so require alter or omit stopping places shown on the ticket or add additional stop not shown in the ticket or in schedules and may without notice substitute alternate carrier or aircraft.
- c. Carrier will not be liable for errors or omissions in timetables or other publications of schedules or in statements or representation made by employees, agents, or representative of Carrier as to the dates or times of departure or arrival or as to the operations of any flight.

Cancellation, Changes of Schedule

a. Disruption due to Weather

If Carrier cancels, terminates, diverts, postpones or delays a flight due to weather and 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 he holds a reservation, Carrier shall with due consideration to the passenger's reasonable interest either:

- i. Carry the passenger on another of its scheduled passenger services on which space is available; or
- ii. Re-route 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. No additional charges that may be applicable for the rerouting involving another carrier will be absorbed and the passenger is liable for any of the additional charges on other carriers.
- iii. Make refund as permitted by the Carrier's refund policy;
- iv. Provide one night hotel accommodation and meals to enable the passenger on the next available flight.
- v. Carrier will not be responsible for onward travel of the affected passenger

b. Disruption due to Technical

If Carrier cancels, terminates, diverts, postpones or delays a flight due to technical reasons and 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 he holds a reservation, Carrier shall with due consideration to the passenger's reasonable interest either:

- i. Passenger(s) may re-book to a later Bhutan Airlines service of their choice without penalty or fare upgrade.
- ii. Passenger(s) may cancel without penalty and receive a credit shell to the value of the disrupted fare.
- iii. Passenger(s) electing to re-book or cancel without penalty receives no further compensation
- iv. Passenger(s) may be recovered on later Bhutan Airlines services.
- v. FIM - passenger(s) may be recovered on another carrier without compensation

c. Disruption due to Schedule Change

When circumstances so require due to operational reasons, Carrier may without notice change schedule, cancel, terminate, divert, postpone or delay any flight, substitute a different type of aircraft, or omit a stopover or destination point without prior notice. In any of these events, Carrier shall carry, re-route or make a refund in accordance without penalty and shall be under no further liability to the passenger.

d. Disruption due to Load Penalty

If circumstances are such that the aircraft's weight limitations or seating capacity would otherwise be exceeded, Carrier shall decide in its reasonable discretion which passengers or items shall not be carried, however it will be accommodated in the next service available.

Article 7 - Refunds

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 arrangements, refund for an unused ticket or portion thereof shall be made by Carrier in accordance with the Carrier's Regulations.

Article 8 - Administrative Formalities

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 Carrier's Regulations and instructions. Carrier shall not be liable for any aid or information given by any agent or employee of Carrier to any passenger in connection with obtaining necessary documents or 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 failure to obtain such documents or visas or to comply with such laws, regulations, orders, demands, requirements, rules or instructions.

Travel Documents

The passenger shall present all exits, entry, health and other documents required by laws, regulations, orders, demands or requirements of the countries concerned, and permit Carrier to take and retain copies thereof. Carrier 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 as per requirement of the concerned authorities.

Refusal of Entry

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

Passenger Responsible for Fines, Detention Costs, etc

If Carrier 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 Carrier any amount so paid or deposited and any expenditure so incurred. Carrier may use towards such expenditure any funds paid to Carrier for unused carriage, or any funds of the passenger in the possession of Carrier.

Customs Inspection

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

Security Inspection

The passenger shall submit to any security checks by government or airport officials or by Carrier.

Carrier is not liable if it determines that what it understands to be applicable law, government regulation, demand, order or requirement requires that it refuse and it does refuse to carry a passenger.

Article 9 - Advice to International passengers in limitation of liability

The Liability of each carrier involved in your journey will be determined by the carrier's own Conditions of Carriage. If we issue a ticket or check a baggage for carriage on another carrier, we do so only as an agent for the other carrier, and we carry no liability for this carriage. Our liability for the carriage of passengers and baggage is governed by the Convention.

Passengers on a journey involving an ultimate destination or a stop in a country other than the country of origin are advised that the provisions of the Warsaw Convention may be applicable to the entire journey, including any portion entirely within the country of origin or destination. For such passengers traveling by a carrier on a journey not to, from, or having an agreed stopping place in the United States of America, liability of the carrier for death or personal injury to passengers is limited in most cases to approximately U.S. \$ 10,000 or U.S. \$ 20,000.

Additional protection can usually be obtained by purchasing insurance from a private company. Such insurance is not affected by any limitation of the carrier's liability under the Convention. For further information please consult your Airline or Insurance Company Representative.

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

- a. Carrier 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.
- b. Carrier is not liable for damage to unchecked baggage unless such damage is caused by the negligence of Carrier. If there has been contributory negligence on the part of the passenger, Carrier's liability shall be subject to the applicable law relating to contributory negligence.
- c. Carrier 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.
- d. The liability of Carrier in the case of loss, damage or delay of checked baggage shall be limited to 250 French gold francs or its equivalent (US equivalent approximately \$20) per kilogram. For the purposes of the Convention, 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 Carrier's Regulations. In the event of loss, damage or delay of part of the checked baggage, the liability limit of Carrier shall be reduced proportionately on the basis of weight to the part concerned.
- e. Carrier's liability shall not exceed the amount of proven damages. Carrier shall furthermore not be liable for indirect or consequential damages.
- f. Carrier 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 Carrier shall indemnify Carrier for all losses and expenses incurred by Carrier as a result thereof.
- g. Carrier is not liable for damage to fragile or perishable items, money, jewellery, precious metals, silverware, negotiable papers, securities or other valuables, business documents, passports and other identification documents, samples, medicines or drugs, which are included in the passenger's checked and carry-on baggage, whether with or without the knowledge of Carrier.
- h. If a passenger is carried whose age or mental or physical condition is such as to involve any hazard or risk to himself, Carrier shall not be liable for any illness, injury or disability, including death, attributable to such condition or for the aggravation of such condition.
- i. On failure of Carrier, otherwise than in circumstances referred to in Article 8 Paragraph 1, Article 9 Paragraph 3 or Article 10 Paragraph 2(b) or (c), to provide space in the class of service for which a reservation has been duly made in accordance with Article 6 hereof, Carrier's liability for damages for such failure shall be limited to reimbursement of reasonable expenses of the passenger for accommodation, meals, communications and ground transport to and from the airport, up to the time when Carrier is able to provide such space either on another of its own services or on the services of another carrier.

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

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

Article 10 - The Limitation on claims and actions

Notice of Claims

No action shall lie in the case of damage to checked baggage unless the person entitled to delivery complains to Carrier 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 days from the date on which the baggage has been placed at his disposal. Every complaint must be made in writing and dispatched within the times aforesaid.

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.