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January 14, 2016

SENT ELECTRONICALLY

**CANADIAN TRANSPORTATION AGENCY
ENFORCEMENT DIVISION
c/o Jeannette Anderson
Ottawa, Ontario
K1A0N9**

Jeannette.anderson@otc-cta.gc.ca

RE: COMPLAINT - UNLICENCED AIR CARRIER OPERATIONS – NEWLEAF TRAVEL COMPANY INC.

REFERENCES:

- A. CTA – Industry Guidance – Air – Licences and Charter Permits - <https://www.otc-cta.gc.ca/eng/licences-and-charter-permits>
- B. CTA – Complaints and Disputes – Complaints by Subject – Air Complaints - <https://services.otc-cta.gc.ca/eng/air-complaints>
- C. CTA – Publications – Is your air carrier licenced? - <https://www.otc-cta.gc.ca/eng/publication/your-air-carrier-licensed>

OVERVIEW

NewLeaf Travel Company Inc. ("NewLeaf") is an attempt to circumvent the Canadian Transportation Agency ("CTA") financial fitness test, and the Canadian ownership and control requirements of the domestic licensing process. An airline is considerably more than the sum of its inanimate aircraft; it is rather the sum total of the human and financial capital required to promote, market and ultimately sell seat inventory and cargo capacity on the aircraft. Although Flair intends to physically operate the aircraft, it is NewLeaf that is transforming those aircraft into an airline with the activities of controlling all marketing efforts, advertising, selling to the public, reservations systems, inventory management, payload control, route selection, determining if flights will actual be operated, scheduling and other key elements. As a result, without NewLeaf there would be no air service offered to the public and the control of this air service lies with NewLeaf.

SUMMARY OF COMPLAINT

NewLeaf is controlling an air Service in Canada without an airline licence issued by the CTA and is intentionally misleading the Canadian traveling public that they are an Ultra-Low Cost Carrier ("ULCC") airline in Canada. These actions place the public at financial risk and are creating irreversible financial damage to Canada Jetlines Ltd ("Jetlines").

[REDACTED]

Please accept this letter and attachments as an official complaint that NewLeaf of 128-2000 Wellington Avenue, Winnipeg, Manitoba R3H 1C1 is:

- 1. Controlling an air service in Canada without the proper licences issued by the CTA.** Control includes scheduling, planning, pricing of the base fare, pricing of the ancillary inflight items, marketing activities, determining the type or amount of passengers per flight, meeting the competitive challenges of the market place, handling passenger inquiries into flights, handling passenger complaints of the service, and determining if the flight or flights will be operated or will be cancelled;
- 2. Intentionally misrepresenting themselves as a licenced airline to the public, to the media and to their customers.** Examples of misrepresentation includes senior officials of NewLeaf making verbal statements to the media that they "have hired pilots and flight attendants", "launched a new airline", "will be adding additional aircraft to our fleet", and not correcting national media's reporting to the public that NewLeaf "is Canada's newest airline";
- 3. Circumventing the requirements to have the financial fitness approval from the CTA to guarantee that their advertised flights will operate even when the proposed flights do not have the requisite passenger loads to be profitable.** Lack of financial fitness includes their business model being unable to obtain profitability, no CTA Stage One determination of the internal cash reserves required to meet the Canadian airline licencing standard, no CTA Stage Two Approval to ensure appropriate funding is available to operate publicly advertised flights, and no financial oversight that their ownership as being and remaining Canadian as per the requirements of the *Canadian Transportation Act* and associated regulations;
- 4. Intentionally misrepresenting their contract with Flair Airlines ("Flair") to operate NewLeaf's proposed scheduled of flights.** This misrepresentation includes referring to Flair as their partner, not the operator of the flights, and Flair not providing confirmation that NewLeaf is a partner of Flair on Flair's own web-site or with any public statements. As such the commercial arrangement between NewLeaf and Flair appears to be on a "pay-for-service" arrangement only that any person could secure;
- 5. Intentionally misrepresenting themselves as an ULCC airline and as such with any cancelation of flights or shutting down of service NewLeaf's actions will negatively affect legitimate CTA airline applicants, such as Jetlines, that are proceeding though the required licencing process and seeking funding to satisfy the CTA Stage Two financial fitness requirement under the ULCC model.** This misrepresentation will harm Jetlines in its efforts to raise funds to obtain their licence. Specifically, once NewLeaf is unable to deliver the service it has offered to its customers, this will result in a negative customer experience which will undermine the public trust in the ULCC model. Simply put, it will be difficult for a Jetlines to attract passengers who may have a negative experience with a non-licenced seller of airline tickets holding themselves out to be a bona fide ULCC airline. In addition, NewLeaf's action could significantly decrease Jetlines' ability to obtain new passengers. Additionally, NewLeaf's actions may prevent Jetlines an opportunity to obtain funding from investors and generate hundreds of millions of dollars in earnings; and
- 6. Creating a high likelihood that the Canadian public will be harmed when they purchase tickets from what they believe is a licenced airline only to experience possible canceled flights when NewLeaf either can't fund a flight, or ceases to exist, and as a result the flights do not occur.** Specifically, NewLeaf is not required to hold a domestic tariff and can elect to only operate deemed profitable flights and may elect to cancel flights without notice or compensation to intended passengers. NewLeaf is not regulated in its requirement to pay for hotel rooms with flight delays or cancelations. It is questionable if NewLeaf would have to compensate passengers for overbooking and denied

[REDACTED]

travel. NewLeaf can attract passengers who currently believe they have the same consumer rights accorded to CTA licenced airlines without any of the same protections. Lastly, NewLeaf is under no obligation to honour any flight advertised causing the public to possibly book holidays, book hotel rooms and other travel plans without the certainty that the flight will occur.

PRECEDENT

NewLeaf is not the first company to create a sales promotion scheme to sell tickets directly to the public and then have another carrier actually operate the flights on a charter basis. Greyhound attempted what appears to be a similar process in 1996. In that case, after receiving a complaint, the National Transportation Agency (the predecessor to the Canadian Transportation Agency) essentially found that Greyhound was required to have an actual airline licence to offer airfare to the public – even if Kelowna Flightcraft was operating the actual flights. This set a clear precedent that licensing requirement cannot be circumvented.

REQUESTED ACTION

Jetlines is formally requesting that the CTA require NewLeaf to hold the appropriate licencing before commencing any scheduled airline flights, and that a cease and desist order be issued to NewLeaf prior to any flight being operated in February 2016.

COMPLAINT AND ALLEGATIONS

The complaint allegations of Jetlines are detailed below.

I can be reached at the Jetlines office -- 1-604-273-5387 or by mobile at 1-604-230-0585 or by email at jim.scott@jetlines.ca.

Original Signed By

Jim Scott

Chief Executive Officer

Attachments:

- 1) [REDACTED]
- 2) NewLeaf's Route Structure – Retrieved from NewLeaf's Web-site – January 6, 2016
- 3) [REDACTED]
- 4) [REDACTED]
- 5) Canaccord's Analysis of NewLeaf – January 6, 2015
- 6) [REDACTED]
- 7) Screen-Shots of WestJet and NewLeaf Airfares

Appendixes:

A – Text downloaded from NewLeaf's Web-site

[REDACTED]

COMPLAINANT – CANADA JETLINES LTD. (“JETLINES”)

Jetlines is a federally registered Canadian corporation. Jetlines plans to operate scheduled point-to-point all jet air service nationally with primary bases at the Vancouver International Airport and the Hamilton International Airport, with a secondary base at the Winnipeg International Airport. Jetlines plans to operate flights throughout Canada, the United States, Mexico and the Caribbean starting with six Boeing 737 Next Generation aircraft in the first year of operations and expanding to 40 Boeing 737 aircraft over the first eight years of operations.

Jetlines will use the proven commercial aviation ULCC profitability model to attract new passengers with low fares and plans to retain these passengers by demonstrating a “passion for service”. The proven ULCC model provides the capability for specifically designed airlines to reduce their costs in a manner that provides scheduled airline service at base fares averaging 40% below their nearest competitor thus creating new passenger demand by market stimulation. ULCC airlines also receive a significant portion of their revenues from passenger value-based up-sales, referred to as ancillary revenue.

Considering Canada is currently serviced nationally by a duopoly of airlines that are charging what is believed to be the highest fares globally, the Canadian passenger market is primed for an ULCC fare airline.

Jetlines has calculated that the total funding to commence commercial airline service is \$50.0 million net of financing and transaction fees. Once the major financing is achieved, it is expected to take five to six months to complete the remaining build out processes prior to first scheduled airline operations.

Jetlines applied for an airline licence in 2013 and received a CTA Stage One letter in April 2014 for the Airbus 319 [REDACTED]. Since then Jetlines has reapplied for a CTA Stage One letter using the Boeing 737-700NG. Given the CTA regulations on Canadian control of an airline, the funding structure for Stage Two funding is highly dependent on large Canadian institutions.

Jetlines has raised \$2.8 million in seed funding and approached the Canadian financial markets in late 2014 for \$50 million with a prospectus cleared offering. The \$50 million raise included the approximately \$40 million required for Stage Two approval. Initially, the funding response was good, but as the Canadian markets became affected by the decline in oil price and the resulting economic losses the markets became difficult and the full \$50 million, as required for any of the funding, was not secured. Thereby, the offering was withdrawn in early 2015. During 2015, both Jetlines and major Canadian brokerage firms tested the Canadian institutions in funding a \$50 million ULCC start-up in Canada, and the results were poor. However, in recent months the markets appear more receptive to funding Jetlines and it is the intent of Jetlines to complete a major funding round later in 2016.

Canadian institutions solicited to participate in the Jetlines \$50 million ULCC start-up have stated the following concerns:

- a. The failure of other new start-up airlines in Canada;
- b. The true ability to have lower costs to duplicate the ULCC model; and
- c. The true nature of CTA licencing protection to prevent foreign carriers operating point-to-point in Canada, and for non-licensed companies from offering a similar service using ad hoc aircraft charter providers.

ISSUE #1 – NEWLEAF IS CONTROLLING AN AIR SERVICE IN CANADA WITHOUT THE PROPER AIRLINE LICENSES ISSUED BY CTA

EVIDENCE

NOTE: Unless otherwise stated any reference to the NewLeaf web-site in this complaint is information download on January 9th, 2016 from - <https://newleafweb.intelisisys.ca/>

As of January 6, 2016 NewLeaf was not listed with the CTA as holding a Canadian domestic airline licence, a company holding a foreign carrier airline licence, a company with a pending Canadian airline licence application, or a company with a CTA exemption under Section 59 of the Canadian Transportation Act. Therefore, NewLeaf Travel does not hold a Canadian domestic 705 airline licence and is not an airline within the meaning of the Canadian Transportation Act.

On January 6, 2016 NewLeaf conducted several media releases and announced that NewLeaf was offering scheduled airline service to the public. The actual flights are to be operated by Flair using Boeing 737 equipment.

These flights operated by Flair will be monitored by Transport Canada as part of Flair holding an Air Operator Certificate. However, NewLeaf with no CTA domestic airline licence or Transport Canada Air Operator Certificate lacks the expertise and regulatory oversight to have direct control of an air service in Canada.

NewLeaf has on their web-site a booking engine for members of the public to obtain flights to and from the following locations in Canada (see attachment#2 - NewLeaf's Route Structure).

On January 6, 2016 Flair had no booking engine to sell directly to the public. In addition, Flair did not have a media release that gave any indication that Flair would be directly involved with passengers booking tickets on flights operated by Flair. The only reference to NewLeaf by Flair is one sentence on the Flair web-site in the career sections that stated, "***If you are interested in employment opportunities with NewLeaf Travel Company, please send inquiries to Employment@NewLeafCorp.ca***".¹

Flair advertises themselves on their web-site as a charter airline that works with tour operations, government charters, workforce transportation, ACMI, private and VIP services. It does not state they are an ULCC airline or offers the services of an ULCC. In fact, Flair's web-site does not even list NewLeaf as one of their customers.

Given Flair's passive role and NewLeaf's dominate role in this new air service, it clearly leaves NewLeaf as in control of the air service.

Scheduling, Pricing, Bookings & Determining the Amount and Type of Passenger (e.g. Unaccompanied Minor), Determining Competitive Challenges of the Market Place, Handling Passenger Inquiries into Flights, and Handling Passenger Complaints of the Service:

There are multiple instances of NewLeaf acting as a licenced carrier would. NewLeaf has adjusted airfares offered to the public and has advertised those airfares directly to the public. For example, on NewLeaf's web-site, flights between Halifax and Hamilton were reduced in airfare from \$99 to \$69 on January 7, 2016 for flights on February 22, 29, March 7, 2016. Also flights between Saskatoon and Hamilton were reduced from \$126 to \$113 on January 7, 2016.

¹ Retrieved on January 9, 2016 from: <http://flairair2.ca/flair-air/careers/>

Evidence that NewLeaf will determine the Cancellation of Proposed Flights

On NewLeaf's web-site they have clearly stated, "*Schedules are subject to change without notice...*" In other words, NewLeaf can cancel flights without certainty of liability, including when cancelling flights for lack of paying passengers. The following NewLeaf web-site statement emphasises this position:

Lack of Experience to Operate an Air Service – NewLeaf Management Team

The three main principles of NewLeaf appear to be Jim Young, Dean Dacko and Brain Reddy. Both Mr. Young and Mr. Dacko have airline experience in promoting sales and marketing; however, Mr. Reddy has no airline experience of any type. There is a significant difference between promoting sales and understanding the safety and operation aspect of an airline. Clearly sales and marketing promoters shouldn't be in control of an air service that has no government oversight. The following experience backgrounds are found on page NewLeaf web-site under career presentation – management team:



Leadership Team



D. Jim Young – Chief Executive Officer

- 20 years of senior and executive experience
- VP/CMO at Frontier Airlines, EVP for start-up at Festival Airlines
- Senior and Executive management positions at Continental Airlines, Canadian Airlines and InterContinental Hotels Group
- Founder of Orbitz, LLC



Dean Dacko – Chief Commercial Officer

- Project Director – for the creation of Signature Vacations
- Created the first on-line travel booking engine for Canadian Bank loyalty programs
- Former Senior Vice President, Head of Marketing and Product for Malaysia Airlines
- Recognized and awarded as one of the 50 Most Talented CMO's in Asia, 2013 Asia's Leading Airline, and Asia's Best Brand Award



Brian Reddy – Chief Financial Officer

- Former COO and CFO at GuestLogix, and Airline technology and payment processor
- Former General Manager at Honda Canada Finance Inc.
- Former Vice President, Finance and Administration at Hyundai Auto Canada Inc.

www.flynewleaf.ca

The NewLeaf executives have already signalled to the airline industry a lack of knowledge in operating an airline and are either unaware of or intentionally ignoring statutory and regulatory requirements for airlines. In either situation, due in large part to their lack of industry experience, they are potentially putting the Canadian public at risk with their reckless actions. For example, on page 14 on the NewLeaf

[REDACTED]
2015 investor presentation² the following statement is made [REDACTED]
[REDACTED]

"NewLeaf will operate with lower human resources costs than traditional airlines because of lower base salaries and aircraft that have less cabin staff and more seating than conventional airlines."

The NewLeaf executive team should have be aware that

- a. Flair provides the flight attendants as per government regulations and NewLeaf cannot change this staffing model;
- b. The flight attendant staffing per aircraft is set by Transport Canada. Currently, WestJet and Air Canada use the one in fifty exemption to provide the minimum flight attendants per aircraft staffing levels allowed in Canada; and
- c. There are also government duty day requirements that dictates flight attendant usage

For the NewLeaf executive to market their air service by having less flight attendants than other airlines and thus a reason for their ability to lower airfares demonstrates a complete lack of airline operational experience.

On page 15 of NewLeaf's investor presentation they explain the calculated cost of obtaining a Boeing 737-400 at approximately \$2,000.00 per hour, with a break even cost of \$3,380 per hour:

"ACMI was established for projection purposes at \$2,057 per Block Hour. The breakeven point on ACMI for these projections is identified as \$3,380 per Block Hour."

These are very low costs and it is highly questionable that accurate forecasting can be completed using these basic numbers. Nowhere in the NewLeaf investor presentation financial projections is there a budget for important items found such as Nav Canada charges, de-icing, irregular operations (IROPs), and additional carrier insurance above AMCI requirements.

Nevertheless, in this document NewLeaf projects costs at approximately \$100 million in year one and approximately \$210 million in year two. These are large numbers exceptionally if an executive team with a marketing background have missed important operational cost items.

SUMMARY

Regarding NewLeaf - Based on the above mentioned written statements on NewLeaf's public web-site especially the statement, "we sell directly to the customer", and enquiries made to Flair it appears NewLeaf is solely responsible for all scheduling, pricing, bookings and determining the amount and type of passenger decisions in this proposed air service, meeting and determining competitive challenges of the market place, handling passenger inquiries into flights, handling passenger complaints of the service.

It is highly questionable if the NewLeaf executive team has the knowledge and experience to operate an airline air service with no licence or no government oversight.

Regarding Flair - Based on Flair's lack of web-site and direct employee involvement with the NewLeaf proposed routes and the statements of NewLeaf's web-site, it is clear that the proposed route scheduling, pricing of base airfare, pricing of ancillary items including inflight items, marketing activities, determining

² Obtained in January 2015 from the public web-site of Legacy Partners - <http://lpws.co/index.html>

[REDACTED]

the type or amount of passengers per flight, meeting and determining the competitive challenges of the market place, handling passenger inquiries into flights, handling passenger complaints of the service, and determining if the flight or flights will be operated or will be cancelled are being controlled by NewLeaf and not Flair.)

ISSUE #2 – NEWLEAF IS INTENTIONALLY MISREPRESENTING THEMSELVES AS A LICENCED AIRLINE TO THE PUBLIC, TO THE MEDIA AND TO THEIR CUSTOMERS.

EVIDENCE

In a 2015 investor presentation on page 9 [REDACTED], NewLeaf refers to themselves as an airline with this statement, "NewLeaf Airways (NewLeaf) is a start-up ULCC airline that will be a travel and tour operator servicing the Canadian market place."

NewLeaf has made the following statements that would be the sole jurisdiction of a licenced airline:

| NEWLEAF OFFICER | SOURCE | STATEMENTS |
|---|---|--|
| Dean Dacko, Chief Commercial Officer, NewLeaf, interview with Jameson Brocko, The Globe and Mail – January 6, 2016] | http://www.theglobeandmail.com/report-on-business/new-discount-airline-set-to-take-off-in-7-canadian-cities-starting-feb-12/article28032342/ | <p><i>"Complicated proposition to launch a brand new airline and bring it into the market place and do it right and appropriately and we wanted to take our time to do it right. Right product and meet demands market looked for"</i></p> <p>Quoted at 00:49</p> <p><i>"Launch destination and our airplanes will grow quickly, add more aircraft to our fleet"</i></p> <p>Quoted at 01:46</p> <p><i>"Grow quickly and add more aircraft to our fleet"</i></p> <p>Quoted at 01:55</p> <p><i>"We'll be looking at acquiring and adding addition fleet members to that 737 but will all be in that 737 fleet type"</i></p> <p>Quoted at 02:35</p> |
| Posted September 04, 2015 by Geoff Kirbyson | http://www.winnipegfreepress.com/business/airline-launch-pushed-back-324304671.html | New Leaf stated in an interview with the Winnipeg Free Press that they have hired 2 pilots and 24 flight attendants but they will be based out of Hamilton and Kelowna, BC. "This is our start-up squad. Once we get |

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| NEWLEAF OFFICER | SOURCE | STATEMENTS |
|---|---|--|
| | | <i>operating, we'll continually grow."</i> <i>Jim Young said.</i> |
| Mr. Jim Young, Posted Monday, June 08, 2015 by Don Plan | http://www.kelownadailycourier.ca/news/local_news/article_f9644746-0e5b-11e5-af7d-732337ff2566.html | <i>In the Kelowna Daily Courier, Mr. Young says "we'll launch this summer with 2 Flair aircraft painted in NewLeaf colours. We'll grow to a third aircraft in the fall. Then we'll grow our aircraft – one every couple of months – depending on where demand is".</i> |

in addition, as stated below on NewLeaf's web-site they refer to controlling alcohol on their aircraft, "NewLeaf is prohibited by Canadian Aviation Regulations from allowing anyone on our aircraft... impaired by alcohol or drugs...". Given that NewLeaf is not the operator of these flights and has no aircraft, this is a highly misleading statement meant to appear as a licenced airline.

A screen shot of NewLeaf's web-site on January 6, 2015, shown below, depicts a Boeing 737 in the NewLeaf aircraft livery. It is Jetlines' understanding that none of Flair's aircraft are painted in the NewLeaf livery, so this, must be a "photo-shopped" image. However, this image would easily cause the paying public to believe that NewLeaf owns or leases aircraft and is therefore an airline:



Examples of Canadian media articles that have stated to the public that NewLeaf in an actual airline:

| NEWS SOURCE | NEWS STATEMENT | REFERENCES |
|--------------------|---|--|
| CBC News | <i>'Ultra-low cost airline' NewLeaf Travel takes flight amid Canada's turbulent airline history</i> | Justin Li, CBC News Published Wednesday, January 06, 2016 http://www.cbc.ca/news/business/newleaf-canada-airline-history-1.3391934 |
| The Globe and Mail | <i>"New discount airline set to take off in 7 Canadian cities starting Feb.12"</i> | Ross Marowits, Montreal – The Canadian Press Published Wednesday, January 06, 2016 http://www.theglobeandmail.com/report-on-business/new-discount-airline-set-to-take-off-in-7-canadian-cities-starting-feb-12/article28032342/ |
| The Globe and Mail | <i>"New budget airline NewLeaf Travel seeks clearance for takeoff"</i> | Brent Jang, Vancouver – The Globe and Mail Published Monday, April 06, 2015 http://www.theglobeandmail.com/report-on-business/new-budget-airline-newleaf-travel-seeks-clearance-for-takeoff/article23814888/ |
| The Financial Post | <i>"New discount airline NewLeaf Travel to take off in seven cities starting in February with fares as low as \$89"</i> | Anwar Ali Published Wednesday, January 6, 2016 http://business.financialpost.com/news/transportation/new-discount-airline-newleaf-travel-to-take-off-in-seven-cities-starting-in-february-with-fares-as-low-as-89 |
| Global News | <i>"No-frills airline NewLeaf faces 'dogfight' with Air Canada, WestJet"</i> | Jamie Sturgeon, Consumer Affairs Reporter Published Thursday, January 07, 2016 http://globalnews.ca/news/2439498/no-frills-airline-newleaf-enters-dogfight-with-air-canada-westjet/ |
| CTV News | <i>"New discount airline offers Canadian flights for \$89"</i> | Josh Elliott, CTVNews.ca Published Wednesday January 6, 2016 http://www.ctvnews.ca/business/new-discount-airline-offers-canadian-flights-for-89-1.2726025 |

[REDACTED]

| NEWS SOURCE | NEWS STATEMENT | REFERENCES |
|--------------|--|---|
| Vancity buzz | <i>"New Canadian discount airline NewLeaf to takeoff next month"</i> | Kenneth Chan Published Wednesday, January 06, 2016 http://www.vancitybuzz.com/2016/01/newleaf-airlines-canadian-discount/ |
| thestar.com | <i>"Discount airline offers \$99 flights from Hamilton"</i> | Vanessa Lu, Business Reporter Published Wednesday, January 06, 2016 http://www.thestar.com/business/2016/01/06/discount-airline-offers-99-flights-from-hamilton.html |

SUMMARY:

As result of NewLeaf's media statements, investor statements and web-site statements, Canada's national media reported NewLeaf as an actual new (and licenced) airline in Canada. NewLeaf's management took no steps to correct this inaccurate positioning in the minds of the Canadian public.

ISSUE #3 - NEWLEAF IS CIRCUMVENTING THE REQUIREMENTS TO HAVE THE FINANCIAL FITNESS APPROVAL FROM THE CTA TO GUARANTEE THAT THEIR ADVERTISED FLIGHTS WILL BE OPERATED WHEN THE FLIGHTS DON'T HAVE THE PASSENGER LOADS TO BE PROFITABLE.

EVIDENCE

As per the [REDACTED] NewLeaf investor presentation, in 2015, NewLeaf attempted to raise funds to start an ULCC airline. Their business plan was designed to use a charter aircraft provider only until enough funds were in place to meet the CTA financial fitness test. Once the CTA Stage Two funding was in place, the plan was for NewLeaf to actually apply for a proper airline licence.

Page 13 of NewLeaf investor presentation:

"Migration From Wet Lease To Dry Lease"

Once NewLeaf receives its license from the Canadian Transportation Agency, and it is cost effective to do so, NewLeaf will migrate from wet leasing to dry leasing – an arrangement where the Lessee is responsible for aircraft, crew, fuel, and maintenance. This will be financed using free cash flow from operations and smaller investments."

This statement shows that NewLeaf intended to operate an air service before they secured CTA financial fitness. As a result, it appears that New Leaf cannot operate flights at a loss, so the responsibility for the funding necessary to operate the proposed flights, at a cost tens of millions of dollars, is that of NewLeaf.

However, on April 7, 2015, Jim Young, President of NewLeaf, stated to The Daily Courier that he had a way to basically circumvent the CTA funding fitness test:

[REDACTED]

"By working with Flair, we don't have the required up-front capital costs of starting up a new airline from scratch. "...so I'm prepared to put a couple of my 737s and crews into this thing and try and make it work," he said.

Posted Tuesday, April 07, 2015 by Don Plan

http://www.kelownadailycourier.ca/news/local_news/article_dd488dd4-dda4-11e4-b1ec-a3f728b8fa47.html

These statements could be interpreted that Mr. Young is willing to enter the scheduled airline market underfunded and see if it works or not. Should NewLeaf be unable to pay Flair for the proposed flights, then NewLeaf will have no choice but to cancel those flights and the intended passengers will suffer a loss in many forms.

NewLeaf may only consider their initial pricing model as temporary; however, Jetlines has observed that within 24 hours WestJet Airlines matched and even lowered pricing below NewLeaf's airfare (Attachment #7 - Screen-Shots of WestJet and NewLeaf Airfares); thus, preventing NewLeaf from raising their fares in the foreseeable future in any meaningful way. In fact, Jetlines has observed that NewLeaf was forced to lower their initial airfares, due to the WestJet Airlines reaction. This has resulted in NewLeaf offering base airfare for a two-hour flight at approximately \$30 per passenger, which is not mathematically sustainable.

Jetlines has calculated NewLeaf's airfares into a profit/loss profile. In using NewLeaf's published base airfare on January 6, 2015 and crediting a portion of the Nav Canada fee as actual revenue, Jetlines has determined that NewLeaf's model is unprofitable over a one-year period, even with very high ancillary revenue [REDACTED]

[REDACTED] In fact, NewLeaf, [REDACTED] with a 100% load factor and \$50 of ancillary revenue per person would still loss money over a twelve-month period:

[REDACTED]

REDACTED

[REDACTED]

Jetlines will have significantly lower cost than NewLeaf because the charter flight cost of Flair is not required. Proper analysis of NewLeaf's route network and pricing demonstrates NewLeaf would need a 90% passenger load factor with a \$50 per person ancillary revenue factor to break even. This is seen as unrealistically high passenger load factor and revenue source. It should be noted that the ULCC airlines in the USA obtain under \$50 USD per passenger in ancillary revenue, and airlines like Allegiant Airlines sell hotel rooms and other services that NewLeaf doesn't have access to. [REDACTED]

[REDACTED]

REDACTED

NewLeaf's misrepresentation of their ability to provide a proper air service is being questioned only days after their January announcement. Please see the below mentioned January 6, 2015 comments on NewLeaf by Canaccord's airline analyst, Mr. David Tyerman (see attachment #5 - Analysis of NewLeaf), who is sceptical of NewLeaf Travel's claims on having ULCC costs, and in a January 9, 2015 Global News article by Steve Morales.

New entrant, NewLeaf Travel: ULCC entrant – we are skeptical, pending more information

NewLeaf Travel (NL) announced it intends to commence flight service on February 12, 2016 between 7 Canadian cities. The company intends to operate as an ultra-low cost carrier (ULCC).

ULCCs, such as Spirit Airlines, Frontier Airlines and Allegiant Travel in the US, typically offer very low base fares with add-on fees for ancillary services such as seat selection, printed boarding passes and other services. Canada does not currently have a ULCC. NL could prove a threat to Air Canada (AC) and WestJet (WJA) as a true ULCC aims to have a much lower cost structure than AC and WJA.

We view the NL initiative with skepticism, pending information that suggests the company will truly have ULCC costs and financial resources to withstand competitive reaction from existing players.

We question NL's ULCC cost claim. NL is outsourcing flying to Flair Airlines. Flair operates a fleet of 5 B737-400s, which are old-generation aircraft that have higher operating costs than AC's A320 and WJA's B737 fleets. In addition, NL's costs are presumably increased by Flair's profit margin.

Financial staying power is just as important as low costs for new airline entrants. The Canadian airline market is littered with failed entrants including Canada 3000 (1988-2001), JetsGo (2001-4), Roots Air (2000-1), Zoom (2002-8) and most recently CanJet (standalone operation started and stopped in 2015). We believe incumbent competitive reactions played a role in the demise of these airlines. We are unclear whether NL has the financial resources to withstand a dogfight with AC and WJA.

Avoid new 'ultra-low-cost' airline, passenger advocate warns, January 9, 2016
10:22 am Updated: January 9, 2016 12:45 pm³ By Steve Morales Web Writer Global News

A new "ultra-low cost" Canadian airline is presenting an attractive new travel option, but one passenger advocate is warning travellers to avoid those tempting fares.

NewLeaf airlines officially unveiled its new deeply discounted routes Wednesday, offering flights from Halifax, Hamilton, Winnipeg, Regina and Kelowna, among others, for prices ranging from \$89 to \$149.

However, air travel expert and passenger champion Gabor Lukacs warns there are "serious, serious issues" with the company and recommends passengers refrain from jumping at tempting fares.

Among the most troubling problems, Lukacs says, is the absence of a detailed and legally compliant tariff. The tariff, also known as a contract of carriage, spells out airline liability and passenger rights, essentially acting as the small print on your ticket.

Lukacs says the airline's carriage conditions don't properly cover important issues including overbooking policy, passenger rerouting or baggage liability.

"There are serious liability issues and the airline does not comply with what the law says," he told Global News.

Based on the above mentioned analyst report and news article, it appears that members of the public are beginning to question the legitimacy of what NewLeaf claims to be offering.

It should be noted that previously, Mr. Young sought to start a tour company that attempted to charter aircraft in Chicago with the promotional name "Festival Airlines". As with NewLeaf, there was considerable

³ Retrieved on January 9, 2015 from: <http://globalnews.ca/news/2437629/avoid-new-ultra-low-cost-airline-passenger-advocate-warns/>

[REDACTED]

fanfare with Festival Airlines and again the plan was to use an aircraft service provider, but it never became operational resulting in the investors losing money in the Festival Airlines venture.

It is understood that the CTA Stage Two funding requirements are meant to help prevent the rapid demise of new start up airline in Canada to protect Canadians. In addition, Section 59 of the CTA⁴ was introduced in 1996 to protect consumers by prohibiting the sale of an air service by any person who does not hold a licence for that service. This prohibition is broad and applies to air carriers and any other persons, including Canadians and foreigners, for passenger and cargo transportation services, as well as scheduled and non-scheduled services.

In the 1996 case with Greyhound there was a company that had significant funds behind it to operate flights at a loss. However, without CTA financial fitness approval, it is highly unlikely that NewLeaf has the funds, or their backers are willing to absorb losses, to operate unprofitable flights. Thereby, the public will be subject to inconsistent air service.

SUMMARY:

Jetlines believes that NewLeaf's business model is non-profitable and with a lack of internal cash reserves is unable to provide the promised service to the public. Thereby, Jetlines is specifically asking the CTA to enforce section 59 of Canadian Transportation Act and require NewLeaf to have an airline licence with financial fitness to offer scheduled airline service to the public, whether or not Flair is willing to operate any of the flights on a payment by hour relationship.

ISSUE #4 - NEWLEAF IS INTENTIONALLY MISREPRESENTING THEIR CONTRACT WITH FLAIR AIRLINES TO OPERATE NEWLEAF'S PROPOSED SCHEDULE OF FLIGHTS

EVIDENCE

NewLeaf is selling directly to the public posing as an airline with the understanding that Flair will operate the actual flights if NewLeaf can find enough passengers to operate the flight. Within the airline industry it is widely known that Flair is a payment by the hour service provider, they don't subsidize tour companies.

The absence of Flair's public endorsement of this relationship with NewLeaf is troubling. Flair is the sister company of Kelowna Flightcraft that provided air service to Greyhound Airline in 1996 in which the Agency ruled that Greyhound Airlines required a licence before selling to the public and conducting an air service.

As a result, it appears that Flair has the corporate knowledge not to count on NewLeaf executing on their proposed flights. However, the fact that Flair did not issue a joint media release, didn't mention NewLeaf on their web-site as a customer indicates that NewLeaf is not in a bona fide partnership with Flair and is simply an ad hoc service provider of aircraft with no real stake in the proposed air service venture. Previously, NewLeaf sought to raise funds for their development based on the name of other charter service providers such as CanJet and First Air; yet, when these facts were presented by Jetlines to a least one of these charter companies it came as a bit of surprise to them that NewLeaf was using their names to solicit funding.

⁴ Section 59: No person shall sell, cause to be sold or publicly offer for sale in Canada an air service unless, if required under this Part, a person holds a licence issued under this Part in respect of that service and that licence is not suspended.

SUMMARY:

The term partnership with Flair seems one sided and overstated by NewLeaf. For NewLeaf to offer scheduled airline flights to the public there should be stronger explanation of any such relationship, including if NewLeaf has provided the funds to Flair to operate the flights being advertised even if the flights don't generate the required amount of revenue being sought by NewLeaf.

In addition, NewLeaf should publically disclose the amount and type of funding they have to justify an aggressive sales and marketing scheme to the public, especially given WestJet Airlines' competitive responses.

As it stands currently, the public does not have the required information on the relationship between NewLeaf and Flair, and the financial status of NewLeaf to make a proper and informed decision on the proposed unlicensed air service

ISSUE #5 – NEWLEAF IS INTENTIONALLY MISREPRESENTING THEMSELVES AS AN ULCC AIRLINE HAS AND WILL NEGATIVELY AFFECT LEGITIMATE CTA AIRLINE APPLICANTS, SUCH AS JETLINES, THAT ARE PROCEEDING THOUGH THE REQUIRED LICENCING PROCESS.

The term ULCC refers to an airlines' ability to produce a flight at the lowest possible costs. In turn, an ULCC airline is able to stimulate the growth in new passenger travel with lower, but sustainable airfares. Simply offering lower airfares below the airlines' cost of operation and trying to recover revenue through high add on costs is not what an ULCC does. ULCC airlines are not "bait and switch" companies; they actually have the ability to run their operation at lower costs than their competitor.

There is no ULCC airline in the world that uses a third party charter aircraft provider because in the end the total cost of operations is higher than what it takes to have sustainable lower airfares.

Thereby, the term ULCC is reserved for those companies that have an airline licence, operate their own aircraft and have lower costs than their competitors to the point where they can stimulate new passenger growth with lower airfares.

NewLeaf is not an ULCC airline

Based on NewLeaf's investor marketing material⁵, after chartering an aircraft and adding NewLeaf's costs into the business plan, they will end up with a Cost Per Available Seat Mile (CASM) of [REDACTED] which is the same as WestJet⁶, and 30% more than Jetlines' planned CASM.

To offer lower airfares New Leaf is forecasting Revenue per Available Seat Mile (RASM) at a loss of \$0.02 to \$0.03. In order to forecast profits, they are projecting ancillary revenues of \$60.00 to \$80.00 per passenger, which is well beyond the \$16.83 per passenger that WestJet achieves⁷, or what Jetlines is forecasting at \$20 per passenger. NewLeaf projects its ancillary (per passenger) revenue to be more than one-third higher than the well-established industry leader, Allegiant, a U.S. ULCC that generates \$45.93 per passenger.⁸

New Leaf's business model reveals no cost advantage over WestJet, and its plans to charge and collect three to five times the ancillary revenue of WestJet and Jetlines can only be deemed to be fatal error in planning. In fact, this plan is based on obtaining up to 70% more ancillary revenue than one of the most

⁵ Legacy Partners Wealth Strategies Inc., "NewLeaf Airways – Initiating Coverage", January 14, 2015, p.20

⁶ WestJet, 2014 Annual Report

⁷ WestJet, Management's Discussion and Analysis of Financial Condition and Operating Results, six months ending June 2015, p.9

⁸ Allegiant Travel Co., 2014 Annual Report, p.33

[REDACTED]

profitable ULCCs (Allegiant) in the world that is headquartered in Las Vegas and has a preferential inventory of hotel and other tour items, and not just bag fees.

Jetlines has examined New Leaf's business plan and have concluded that the model is not viable or sustainable as a ULCC since there is no cost advantage over existing carriers and the ancillary assumptions are unrealistic. Being a scheduled airline, but operating as a tour company, was tried in the Canadian scheduled market 20 years ago by Greyhound Airlines. In this case it failed. The problem was once the aircraft charter company had their normal mark up on costs there was no room for the tour company to compete on price. Today that model is considered dated and not feasible, due to the cost associated with the charter company's mark-up.

Evidence of Financial Damage to Jetlines

NewLeaf's claim to be an ULCC airline and operating an air service without a licence is causing immediate and projected financial harm to Jetlines. Unlike NewLeaf, Jetlines has elected to apply for a domestic airline licence using the ULCC model to obtain CTA required funding.

Loss of Investment Opportunity:

As per the letter from the investment bank, [REDACTED] the Canadian investment markets are not sure on whether to invest in a new ULCC airline or not. Recently, the indication is that Jetlines will receive its major funding. However, another failure in the Canadian airline market will most certainly end Jetlines funding ability and eventually the initial \$2.8 million of investor's money will be lost as Jetlines shuts down.

In addition, if NewLeaf is allowed by the CTA to operate a scheduled air service without a licence, the Canadian investment markets will question why it is necessary to even obtain a CTA licence when an air service can be established using a charter operator in lieu of qualifying for a domestic airline licence. Again in this case Jetlines' business plan of obtaining an airline licence will not be funded and eventually the initial \$2.8 million of investors' money will be lost as Jetlines shuts down.

Loss of (pre-tax) Earnings Opportunity:

As per the below listed projection Jetlines has calculated that the ULCC opportunity for Jetlines over the next five years, in earnings before taxes, is approximately \$250 million. Jetlines believes that NewLeaf's entrance into ULCC market without a licence could impact Jetlines in all or most of this earnings opportunity.

| | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | YEAR 6 | YEAR 7 | YEAR 8 |
|-----------------------------|---------|----------|----------|----------|-----------|-----------|-----------|-----------|
| Earnings before Tax(C\$000) | \$1,293 | \$16,387 | \$41,582 | \$85,510 | \$105,278 | \$137,699 | \$154,831 | \$180,422 |

Loss of Passengers and Associated Revenue/Profit:

Should NewLeaf operate before the CTA rules that NewLeaf should be shut down pending a licence, or if NewLeaf operates then goes out of business, or simply cancels flights on consumers it would cause Jetlines harm. When Jetlines enters the market as a real ULCC airline, by then NewLeaf will have damaged the ULCC brand (the last ULCC cancelled flights) and would negatively affect Jetlines ability to attract ULCC customers.

Loss of ULCC Service to Canadians – Reduced National Commerce:

In addition, there is a cost to Canadians for the lack of an ULCC airline in Canada. Jetlines projects that up to 10 million passenger trips per year are not occurring in Canada on domestic, trans-border and Mexican/Caribbean flights due to high airfares in Canada. A true ULCC, such as Jetlines, can provide that service to Canadians. Jetlines projects that 80% of its passengers would be people who are flying due to price stimulation and service to secondary markets. Jetlines projects in year eight it will have 6 million passengers or nearly 5 million new passengers due to price stimulation.

The Conference Board of Canada estimates that for every 1,000 newly created passengers in the market place 3.3 new jobs are supported, and \$750,000 is put into the Canadian economy⁹. If NewLeaf prevents Jetlines from becoming a properly licenced airline in Canada, these jobs and GDP benefits will not occur.

| |
|---|
| <p style="text-align: center;">The Canadian Air Transportation Industry Generates Wealth, Employment, and Taxes</p> <ul style="list-style-type: none">• The Canadian air transportation industry directly employs 141,000 people.• The industry's total economic footprint, including supplier industries, is \$34.9 billion in GDP and it supports almost 405,000 jobs in many different sectors.• Each direct job in the industry results in \$248,000 in total GDP.• Air transportation supports over 330 jobs for every 100,000 passengers carried.• The industry contributes over \$12 billion to federal and provincial treasuries, including over \$7 billion in taxes. <p>Reference: The Conference Board of Canada: Growing Canada's Economy: A New National Air Transportation Policy – September 2013</p> |
|---|

SUMMARY:

NewLeaf's claim to be an ULCC airline is currently harming Jetlines' opportunities to complete its CTA licence process and puts at risk its \$2.8 million dollars of invested funding. In addition, the damage already done, and that will continue to be done, by NewLeaf to the ULCC brand in Canada may never be fully recovered costing Jetlines up to \$250 million of loss earnings opportunity in the next five years.

Lastly, should Jetlines, or any other legitimate ULCC airline not start-up in Canada, due to NewLeaf's misuse of that brand, the negative effects to the traveling public could be up to 10 million passenger trips per year with the correlating damage to the Canadian job market and GDP.

ISSUE #6 – THERE IS A HIGH LIKELIHOOD THAT THE CANADIAN PUBLIC WILL BE HARMED WHEN THEY PURCHASE TICKETS FROM WHAT THEY BELIEVE IS A LICENCED AIRLINE ONLY TO EXPERIENCE POSSIBLE CANCELLED FLIGHTS WHEN NEWLEAF EITHER CAN'T FUND, OR CEASES TO EXIST, AND AS A RESULT THE FLIGHTS DO NOT OCCUR.

EVIDENCE

Without the proper CTA vetting process for financial fitness, the likelihood is high that NewLeaf will fail in its current form of very low base airfares without a true competitive advantage of operating its own ULCC

⁹ Retrieved on January 1, 2016 From: http://www.cacairports.ca/sites/default/files/Docs_2013/GrowingCanadasEconomy-ANewNationalAirTransportationPolicy.pdf

[REDACTED]

with lower costs than WestJet Airlines that seems to be matching NewLeaf's very low airfares. At the very least NewLeaf will have to cancel flights. Either way the traveling public will be negatively affected.

The January 6, 2015 comments on NewLeaf by Canaccord's airline analyst, Mr. David Tyerman, who is sceptical of NewLeaf Travel's claims on having ULCC costs and Steve Morales January 9, 2015 Global News article advising travelers to avoid NewLeaf is evidence that the Canadian public is already losing confidence in NewLeaf to deliver the level of service NewLeaf is promising.

The eventual cancellation of flights by NewLeaf will create tremendous harm and stress on the Canadian public, and a position that the CTA should not allow to happen.

PRECEDENT

NewLeaf Travel is not the first company to try and sell tickets directly to the public and then to have another carrier actually operate the flights on a charter basis. Greyhound attempted what appears to be a similar process in 1996. In that case, after receiving a complaint, the National Transportation Agency (the predecessor to the Canadian Transportation Agency) essentially found that Greyhound was required to have an actual airline licence to offer airfare to the public – even if Kelowna Flightcraft was operating the actual flights. This set a clear precedent that licensing requirement cannot be site-stepped. The link to the CTA decision in 1996 is <https://www.otc-cta.gc.ca/eng/ruling/232-a-1996>

AGENCY FINDINGS AGAINST GREYHOUND (Indirect Air Service Provider):

The Agency has carefully examined all of the submissions and evidence filed. Further, the Agency has carefully examined the documents which Kelowna and Greyhound were required to file with the Agency pursuant to the Agency's letter of March 29, 1996. By letter decision dated April 12, 1996, the Agency determined that these documents are confidential.

The Agency has also determined that the issue to be addressed in this matter is whether Greyhound will be operating a domestic air service which would require it to hold a domestic licence.

Based primarily on the financial, operational and business relationships between Greyhound and Kelowna described in the confidential documents, the Agency determines that, if the air services commence as proposed therein, Greyhound will be operating a publicly available domestic air service. Accordingly, pursuant to subsection 71(1) of the NTA, 1987 in order for the proposed air services to commence, Greyhound will be required to hold a domestic licence. In order to obtain a domestic licence, Greyhound would have to establish to the satisfaction of the Agency that it is Canadian as defined in section 67 of the NTA, 1987, holds a Canadian aviation document, and has prescribed liability insurance coverage or evidence of such insurability in respect of the air services to be provided under the licence.

The Agency notes that Greyhound does not presently hold a domestic licence. Accordingly, if operation of the proposed air services commences, the Agency will take all actions within its jurisdiction to prevent such operation, including the issuance, if necessary, of a cease and desist order against Greyhound. The Agency, therefore, cautions against the commencement of the operation of the proposed air services.

AGENCY FINDINGS AGAINST GREYHOUND (Indirect Air Service Provider):

In view of the foregoing and, in order to protect the travelling public, it is advisable that Greyhound immediately cease the marketing of its proposed air services, including advertising in the various media and selling tickets to the public.

CONCLUSION

NewLeaf is clearly controlling a proposed new scheduled airline service in Canada without having the appropriate licence or government oversight. Flair is completing removed from NewLeaf's proposed scheduled airline flights, other than as an on demand aircraft service provider relationship.

The three member NewLeaf executive team appears to lack the knowledge to operate aspects of an airline operation other than the sales and marketing sections.

To attract passengers for their travel scheme NewLeaf is intentionally misrepresenting themselves as a Canadian ULCC airline.

Without the proper financial approval from the CTA, NewLeaf is projected to be financially unsustainable given its pricing and WestJet's competitive response.

Under the current air service proposal, it is highly likely that NewLeaf will be forced to cancel flights from its schedule or cease operations all together. These actions will create great hardship for the travelling public and the reputation of Canada as a first class provider of airline services.

NewLeaf's actions have already caused financial damage to Jetlines, but any actual operation that results in cancelled flights will create irreparable damage to the ULCC brand in Canada and Jetlines' ability to secure funding to complete its CTA licencing process and execute on its earnings opportunity. Jetlines financial losses can be estimated between \$3 million to \$250 million in the coming years. Lastly, the lack of ULCC service in Canada for the longer term will have a negative impact on the Canadian economy.

JETLINES REQUEST

Based on all of the forgoing allegations and supporting evidence, and as set in precedence in the 1996 Greyhound case, Jetlines is formally requesting that the CTA require NewLeaf to hold the appropriate licencing before commencing any scheduled airline flights, and that a cease and desist order be placed on NewLeaf prior to any flight being operated in February 2016.

APPENDIX A - TEXT DOWNLOADED FROM NEWLEAF'S WEB-SITE

Download on January 9th, 2016 from - <https://newleafweb.intelisisys.ca/>

New Leaf Travel Company Inc. – Web Page Content

Careers

Join our team! Learn more about working for NewLeaf [here](#).

Current Opportunities

- Director of Pricing and Revenue Management
- Director of Airport Services
- Marketing Communications Manager- Hamilton
- Marketing Communications Manager- Kelowna
- E-Commerce Manager

If you would like to be on a source list for future opportunities with NewLeaf, please send your coordinates to danielle@legocybowes.com.

Director of Pricing and Revenue Management



THE OPPORTUNITY
Reporting to the Chief Commercial Officer, the Director of Pricing and Revenue Management is responsible for building, developing, and managing the Revenue Management, Pricing, and Network Planning Department. The Director will act as a subject matter expert providing strategic pricing process, system and tools leadership, guidance, management and training, working with the multiple stakeholders and providing insights for pricing analysis and decisions bringing analytical rigor, strategic insights and business judgment to pricing discussions.

- RESPONSIBILITIES**
- Drive pricing strategies from concept to implementation, execute pricing strategies which lead to optimized fares, profit, and customer segment penetration across product categories and channels
 - Oversee management of pricing databases and reporting systems
 - Develop pricing landscape including competitor benchmark prices for new products
 - Engage cross functional leaders in the development and execution of new pricing strategies
 - Lead strategic and tactical planning process, including financial projections, competitive benchmarking, and sensitivity analysis
 - Develop a deep understanding of customer segments, competitor offerings and market trends
 - Understand cost structures and profitability drivers for the overall business, relevant classes of trade and specific customer deals
 - Perform industry research on latest pricing techniques, systems, and competitive environment
 - Oversee competitive price data acquisition and maintenance
 - Develop analytical methods and tools to enhance revenue planning and commercial performance
 - Lead ad-hoc analysis to support other commercial teams
 - Develop and improve processes, systems and reporting across the Revenue Management and Pricing team
 - Document processes, design new processes, and assist in training Revenue Management and Pricing team
 - Oversee development of revenue management techniques, processes, and systems
 - Lead annual revenue planning and revenue forecast process across the commercial division

- EDUCATION & EXPERIENCE**
- Minimum of five years of relevant airline industry/functional experience
 - Strong understanding of airline economics, business models, and pricing methodologies
 - Experience analyzing large sets of airline pricing structures and inventory management data
 - Bachelor degree in business, operations research, computer science, or other quantitative discipline, MBA preferred

- SKILLS & ABILITIES**
- Strong analytical skills and mathematical proficiency, including advanced statistics and probability modeling
 - Mastery of analytical tools, including spreadsheet modeling, Microsoft Access or other database software, statistical analysis tools, and computational software
 - Ability to perform quantitative business analysis
 - Excellent presentation and communication skills
 - Proven ability to influence and lead

If you believe you can make a strong contribution to NewLeaf Travel as Director of Pricing and Revenue Management, please call our HRD team in confidence to learn more about this exciting position at 535-2222.
If you want for more information about this position at NewLeaf Travel, please contact Lisa O'Neil, Vice President, Executive Search, Legacy Group Group # (204) 934-4411.

New Leaf Travel Company Inc. – Web Page Content

Terms and conditions of carriage on NewLeaf's web-site that demonstrate control of these essential items:

1. Schedules and timetables

Time and aircraft type shown in timetables or elsewhere are approximate and not guaranteed, and form no part of a contract. Schedules are subject to change without notice and carrier assumes no responsibility for passenger making connections not included as part of the itinerary set out in the ticket. NewLeaf Travel is not responsible for changes, errors or omissions either in timetables or other representations of schedules.

Remember www.flynewleaf.ca because we're not using any booking sites. To keep costs down, we sell directly to the customer and a small number of exclusive partners.

Like to board the flight first? Or maybe you're looking to enjoy a tasty beverage in your favourite window seat? The good news is that you can customize your trip with the options you know and enjoy. These include:

- *Priority boarding*
- *Seat selection*
- *Printed boarding passes from our agents*
- *On-flight beverages*

*Just a heads up, we **DO** charge for carry-on baggage as it slows the boarding process. So we encourage you to check your bags and enjoy a less cluttered flight experience.*

Visit our [NewLeaf Newbie](#) page to learn about the ultra-low-cost experience or check out the [How to Save](#) page to see what we charge for optional products and services.

2. Our Agreement With You

Use of the NewLeaf Travel website and the information it contains is subject to the following terms and conditions. By using our website you agree to these terms and conditions.

NewLeaf Travel reserves the right at any time to change this Agreement as well as any products or services contained on or referred to in our website or other digital properties. Changes to this site can be made at our discretion, without notice or liability.

To access other services or parts of the website, you may have to confirm that you have read, accepted and agreed to this agreement by clicking on "Accept" or you will not be able to view or use those portions of the website.

3. Accepted Methods of Payment

Only credit card payments are accepted on the www.FlyNewLeaf.ca website and by phone. When you pay on the website, your payment information is encrypted and sent over a secure connection.

New Leaf Travel Company Inc. – Web Page Content

You can pay with the following credit cards: American Express (credit card), MasterCard (credit card), Visa (credit card), Visa Debit, Visa Electron. Please note that credit card and bank fees may be charged in some countries in connection with the purchases made on the website. Additional bank fees or credit card fees charged by the customer's credit card provider or bank in connection with a purchase will be borne solely by the Customer.

NewLeaf Travel charges the exact amount of the price shown at the moment of purchase without applying any transaction or service fees. However, your card issuer may apply additional fees. Please contact your card issuer in order to obtain the nature and the amount of any eventual additional fees before finalizing your purchase. By finalizing your purchase, you confirm that you have been advised of this. NewLeaf Travel shall not be held responsible for any additional fees applied by your card issuer.

To avoid fraudulent purchases, (e.g. due to a lost card or the provision of false information), NewLeaf Travel reserves the right to request additional information from the passengers and/or the cardholder at any time after a purchase has been made - including at check-in - so that it may verify the information provided when the purchase was made. NewLeaf Travel also reserves the right to require another form of payment should a customer not be able to accurately provide such additional information. NewLeaf Travel also reserves the right to require another form of payment should a customer not be able to accurately provide such additional information. Furthermore, NewLeaf Travel reserves the right to cancel the booking in case of suspected fraud, theft or dishonesty.

By booking through the website, you acknowledge and consent that NewLeaf Travel may, without your signature, draw payment from your credit or debit card to complete the transaction

4. Checked Baggage

The Baggage section of "How To Save" on this website outlines the specifications (Size & weight) and prices of the various baggage types that can be checked on our aircraft. Again, a recurring theme from NewLeaf is to book your ancillaries (baggage, seat selections, etc.) as early in the process as you can. When you use our website versus our people (such as at Airport counters), you will be charged lower fees. As a rule, when you buy, the further you are away from the aircraft door, the lower the fees.

You are entitled to check up to 3 (three) bags maximum in addition to your carry on baggage. All items noted in the above carry on section can be checked, with the exception of matches, lighters, or other combustible products. All checked baggage is subject to a fee and to the size and weight specifications noted in the Baggage section of "How To Save".

Sports equipment, fishing and hunting equipment and other special baggage are considered as part of the customer's checked baggage allotment (3 bags maximum). They should be properly packed and are subject to the baggage fees as set out in the How To Save section unless otherwise specified. Other details and specifications for these types of items are listed below in the Acceptable Checked Baggage Items list.

New Leaf Travel Company Inc. – Web Page Content

5. Special Services

NewLeaf Travel is committed to supporting customers who require special assistance due to disabilities or a medical condition.

We can provide wheelchair assistance, allow service pets on board the plane, and certain medical devices on-board including portable oxygen and CPAP machines. For more information about what medical devices are allowed through airports, [click here](#).

Customers are to identify their special requirements while booking their flight. They can do this through booking their ticket on our website and then placing a call to our customer service number at (204) 888-HELP (4357) to identify their special needs. Or, if the customer chooses to do their booking through our call centre booking representatives at (204) 888-BOOK (2665) for an additional nominal charge, the booking representative can also record the customer's special needs. The customer's special needs should be identified to NewLeaf Travel no later than 72 hours before flight time.

Persons requiring assistance should check in at least 2 hours before flight time and notify a NewLeaf Travel representative at the check-in counter of their reservation and requirements.

6. Unaccompanied Minors (8 – 11 years)

We will take good care of your unaccompanied minor child between the ages of 8 and 11. There is a mandatory fee of \$110 for this service, which includes a drink and a snack. The service is also available for children between the ages of 12 and 18 years, but is not mandatory.

This unaccompanied minor service is not available to children with disabilities or those who could otherwise not successfully travel without a parent or guardian.

Pets are not allowed to accompany unaccompanied minors.

One parent or guardian, with proper identification and a gate pass issued by a NewLeaf representative at the check-in counter, will be allowed to accompany the child to the departure gate and wait until boarding. Your child will be pre-boarded and, on arrival at the destination, will be among the last to disembark. Your child will be escorted to the NewLeaf check-in counter area of the destination airport, where the parent or guardian will be asked to provide identification to receive custody of the child.

This unaccompanied minor service must be booked by calling our Customer Service Department at 204-888-4357. There is an additional booking fee of \$15 for use of the call centre beyond the unaccompanied minor service fee of \$110. Once the service is paid for we will email you an unaccompanied minor form that must be completed ahead of your arrival at the NewLeaf check-in counter. Among other information, the form will require mobile phone numbers to ensure contact can be made at both ends of the journey.

Be sure to let your child know where and when they are travelling and who will be picking them up at their destination. We also request that you ask your child to follow all instructions from NewLeaf representatives while on the aircraft and in the airport.

New Leaf Travel Company Inc. – Web Page Content

7. Checked baggage fees

Like all carriers, NewLeaf charges for checked baggage as per the rates listed on our [Baggage](#) page.

While NewLeaf Travel endeavours to handle baggage with care, you are encouraged to seek appropriate insurance on baggage and articles of exceptional value.

NewLeaf is bound by Transport Canada's regulations with regards to acceptable child restraint devices (with the exception of the CARES(tm) child restraint device).

NewLeaf Travel or its service provider carrier may refuse claims based on the inherent nature of an item (e.g. its perishable nature), or for loss or delay of unsuitably or inadequately packed items, to the extent that the destruction, loss or damages resulted from the inherent defect, quality or defect of the baggage, or, in the case of delay, that the carrier, its agents, and servants took all measures that could reasonably be required to avoid the damage, or that it was impossible to take such measures.

8. Flight delay or diversion due to weather notice

NewLeaf Travel and its service provider carrier are not liable for room, board and ground transportation or any connecting flight if a flight is delayed or diverted due to weather conditions. Passenger will be transported from diverted point to their original destination on the carrier's next available flight.

9. Flight cancellations and delays

- If any delay occurs due to weather or some other activity beyond NewLeaf's control, the flight will proceed when the situation is resolved. NewLeaf will assume no liability (e.g. hotel costs, food vouchers, etc.) for these types of delays.*
- If the delay is due to a mechanical aircraft problem, NewLeaf will replace the aircraft as soon as possible. Once the flight is firm, and other than these circumstances, NewLeaf will not cancel a flight. If a customer cancels or misses their flight, they will have to insure their own liability and NewLeaf provides no refunds.*
- Should any flights be diverted to an alternate airport, NewLeaf will proceed to the original intended destination once the situation has been resolved and the flight has been authorized to proceed.*

You will be kept informed of these delays at the departure gate or on the airport flight schedule boards, or you can contact us at (204) 888-4357.

10. Delays while on board the aircraft

During an extended delay on board the aircraft, NewLeaf will provide passengers with:

- Notifications beginning 30 minutes after the departure time (including any revised departure time about which guests were notified before boarding) and every 30 minutes thereafter to identify the reason for the delay and provide a tentative departure time.*

New Leaf Travel Company Inc. – Web Page Content

- *Notifications every 30 minutes that you have the opportunity to disembark from the aircraft that is at the gate or another disembarkation area with the door open if the opportunity to disembark actually exists. If you choose to disembark you should be aware that you are doing so at your own discretion and the flight could depart at any time without you.*
- *Functioning lavatory facilities.*
- *Access to medical attention (if or when necessary).*
- *Food and water. This is provided no later than two (2) hours after the aircraft leaves the gate (for departures) or touches down (for arrivals and diversions), unless the pilot-in-command deems that safety or security precludes such service. Depending on aircraft catering provisions adequate food may be a snack item.*

If you have any questions, please contact one of our NewLeaf Customer Service Representatives at (204) 888-4357.

11. Making Air Travel with NewLeaf a Pleasant Experience

Even though our focus is to enable our customers to travel with low fares, all members of the NewLeaf Team are trained and committed to providing a positive customer experience. We would appreciate your cooperation in creating this experience and ask you to show respect for all involved. Here are some items to consider:

- *NewLeaf is prohibited by Canadian Aviation Regulations from allowing anyone on our aircraft or in our customer service areas when there are reasonable grounds to believe the person is impaired by alcohol or drugs, and where they may present a hazard to the aircraft, our customers or our employees.*
- *On our aircraft, open alcohol that isn't served by a flight attendant cannot be consumed and will be confiscated. Our partner Flair Airlines Ltd. operates our flights and is fully licensed to serve alcohol to those who meet the age requirements, should you wish to purchase a beverage on board. Please consume liquor responsibly.*
- *Personal space is important to all, and we appreciate your respecting others by not creating excessive noise or other unwanted distractions. We want everyone to enjoy their time spent with NewLeaf.*

For more information on travel safety and security, and Government of Canada requirements and restrictions, please consult these websites: Transport Canada at www.tc.gc.ca or Canadian Air Transport Security Authority (CATSA) at www.catsa-acsta.gc.ca or phone CATSA at 1-888-294-2202.