GENERAL TERMS AND CONDITIONS TO SKY AIRLINE’S AIR PASSENGER AND LUGGAGE TRANSPORTATION AGREEMENT

This agreement regulates the rights and duties of both parties, the Carrier (Sky Airline S.A.) on the one part, and the Passenger, on the other, pertaining to the contracted transportation service, which shall be governed, in domestic flights, by the regulations in force of the Chilean aviation authority, and by the Montreal Convention and other applicable regulations in the case of international flights.

Pursuant to Article 126 of the Chilean Aviation Regulations, the “Air Transportation Agreement is an agreement through which a person, called Carrier, undertakes to transport by air, from one place to another, passengers or baggage and deliver them to the corresponding consignees”.

1. DEFINITIONS

For the purposes of the present conditions, it is understood what follows for each of the terms that are listed below:

   A. “Agent” or “Travel Agent” refers to any commercial organization acting as an intermediary between the Passenger and the Carrier, providing the Passenger professional assistance with planning and making travel arrangements.

   B. “Air Ticket” or “Passage Ticket” refers to the set of documents that faithfully show the celebration, conditions of air transportation and baggage control (when applicable) issued manually or electronically, or through any equivalent means, provided they are issued or authorized by the Air Carrier or Authorized Agent that are part of all or any of the following documents: (i) the current Terms and Conditions of the Air Transportation Agreement; (ii) the terms and conditions set forth in the document named “Information for the Passenger” provided by the Carrier or details about the reservation provided by any Agent; (iii) the magnetically recorded electronic ticket; (iv) the specific terms and conditions applicable to the fare paid by the passenger; and (v) the Boarding Card or Boarding Pass.

   C. “General Terms and Conditions of Transportation” refers to these General Terms and Conditions of Transportation.
D. “Particular Conditions” refer to the terms and conditions set forth for each ticket category, in accordance with the conditions offered to the passenger.

E. “Convention” refers to any of the following instruments, when applicable:

And any other international instrument or treaty applicable to the Carrier’s services

F. “Baggage” refers to articles, effects and other personal property of the Passenger meant to be carried or used by him/her. Unless otherwise specified, this term shall include checked, unchecked, and carry-on baggage property of the Passenger.

G. “Carry-on baggage” means the baggage that the Passenger keeps with him/her during the flight and during his/her stay in the airports involved, under his/her custody, care, control, and responsibility. The weight and dimensions of this kind of luggage shall be within the limits prescribed by the airline and set forth herein.

H. “Checked luggage and/or in cargo hold Baggage” refers to baggage that a Passenger has requested be carried by the Carrier and for which the Carrier has issued a Baggage Claim Tag to the Passenger.

I. “Excess Baggage”: Refers to any luggage, carry-on or checked, weighing more than the limit allowed by the Carrier.

J. “The Company” or “SKY” means SKY Airline S.A
K. “Passenger” or “Client” refers to the person, except members of the crew, carried or to be carried in an aircraft by virtue of the transportation contract.

L. “Confirmed reservation” refers to any transportation request made by a Passenger received by the Carrier or its Authorized Agent.

M. “Carrier” or “Transporter” means the air carrier undertaking to carry the Passenger and/or his baggage by virtue of this contract or rendering any other service related to such air transport.

N. “Leg” means a segment between two determined points including air transportation service provided from the airport of departure to the airport of destination.

2. GENERAL AIR TRANSPORTATION REGULATIONS

A. The agreed upon stopovers are those described on the Ticket or those that appear in the itineraries of the Carrier as scheduled stopovers in the Passenger's flight itinerary. The transportation to be carried out by virtue of this contract by several Carriers, consecutively, is considered as a single operation.

B. If the Carrier issues a Ticket for transportation on Segments operated by another carrier, the Carrier shall only act as Agent of the latter.

C. If a Travel Agent issues a Ticket for transportation on Segments operated by different carriers, SKY shall only be responsible for the segment actually flown by it. In addition, the Agent shall be responsible for providing the Passenger with all relevant information, specially, information related to entry requirements to specific countries.

D. The obligation of the Carrier will be rendered fulfilled simply by transporting the Passenger and his/her Baggage within the schedule according to the special circumstances of the case. The Carrier agrees to do everything possible to transport passengers and their baggage within a reasonable amount of time. The Carrier cannot guarantee compliance with times indicated on the Ticket. The Carrier may substitute alternate carriers or aircraft, delay or cancel flights, change seat assignments, and alter or omit stopovers shown on the ticket at any time on justified grounds and in accordance with the regulations in force.
E. The Carrier may suspend, delay and/or cancel the scheduled flight or modify its terms due to adverse weather conditions, security reasons, force majeure and/or act of God.

F. Any exemption or limitation of liability of the Carrier under current national or international laws shall apply and be to the benefit of the agents, employees, and representatives of the Carrier as well as any other person or company whose aircraft is used by the Carrier to carry out the transportation and the Agents, employees, or representatives of said person or company.

G. The Carrier reserves the right, without restriction, to deny transport on any segment of the itinerary booked by the passenger, if the associated fare has not been paid fully or partially, if the payment method used by the passenger has been declined, revoked or invalidated or if the Ticket was obtained using means that violate the law.

H. Furthermore, the Carrier will deny boarding to a passenger, or will proceed to offload the individual, if it deems the passenger could affect the safety of the flight or of the other Passengers. Specifically, the Carrier will deny boarding to any passenger that presents any attitude or behavior while on the ground and/or on board the aircraft that constitutes (i) any action contrary to instructions given by the cabin crew of the aircraft or any employee that works for the Carrier; and/or (ii) any behavior contrary to the reasonable behavior which a person or passenger should maintain; and/or (iii) a violation or offense which in the Carrier’s opinion could place the safety of the aircraft or the people and goods on board at risk, or could endanger or jeopardize order and discipline on board the aircraft; and/or (iv) any attitude or behavior, in general, which in the Carrier’s opinion may constitute refusal by the passenger to comply with instructions given by the cabin crew and/or attitudes that could endanger or put the flight at any risk and/or disturb order and/or discipline; and/or (v) any indication or signs of having consumed excessive amounts of alcoholic beverages and/or any psychotropic substance; and/or (vi) failure to comply with any law or regulation that applies or that does not comply with any requirement imposed by the governmental authority in question.

I. All passengers who do not show up for travel, arrive late for boarding and/or check-in for the corresponding flight will lose their leg associated to such flight and will not be entitled to request a change or refund on the fare paid. Nevertheless, if the Passenger does not carry out the trip, the Passenger may request a refund from
the Carrier of any airport taxes that are reimbursable based on the rules and regulations of the corresponding country. In the event that these taxes were not included in the amount paid (i.e. if they were collected directly by the airport), the Passenger must request this refund directly from the corresponding airport authority, subject to the limitations and rules indicated previously.

J. Passengers are solely responsible for informing themselves about, and obtaining and fulfilling all travel requirements imposed by any authority in the place of origin and the place of destination, and must present identification documents, permits for exit, transit or entry, visa and any other required documents dependent upon the destination. The Carrier will not be held liable whatsoever for any delays or boarding refusals passengers may experience in association with, or arising from, their failure to comply with this obligation. The Carrier will deny boarding to all passengers that do not submit the necessary documentation or whose identities do not correspond to the ones indicated on the Boarding Pass, without any further liability resulting for the Carrier. The Carrier will not be held liable whatsoever for any piece of information or help provided to a Passenger by any agent, employee, or representatives of the airline or by third parties in connection with obtaining such documents and/or complying with applicable laws and regulations.

K. The passenger must show up at the gate or check-in desk at the time indicated by the Carrier, and if it has not indicated any specific time, the Passenger should allow enough time to complete all necessary departure procedures; this must be no less than 2 hours before the scheduled departure of the flight, in the case of domestic flights, and 3 hours before the scheduled departure of the flight in the case of international flights.

L. Any passenger not showing up or arriving later than the scheduled time for the leg, or arriving later than requested risks losing the leg corresponding to his/her trip. In such case, the Passenger shall not be able to request a change or refund on the ticket, products, or services, being only entitled to request a refund on the boarding fees paid. In the event that there are more passengers with confirmed reservations for a flight than seats available, and provided they have completed the check-in procedures within the required time periods, the Carrier will ask for volunteers to give up their seats in exchange for some form of agreed compensation. If the Carrier does not have enough volunteers and must deny boarding to passengers
against their will, these passengers will have the right to compensation as established by applicable laws.

M. Additionally, in matters such as changes of time, dates, and route, as well as changes and other issues, the ticket will be subject to the Particular Conditions that were accepted by the purchaser when he/she bought the Ticket. In any case, the Tickets will be issued nominatively, for a given date and for a corresponding rate. Therefore, any change that the Ticket holder might request, shall adjust to the regulations of the paid rate. Any agreement at the request of the Passenger implying a revalidation of the original travel Ticket or the reissue of a new travel Ticket shall be at the passenger's expense.

N. In some occasions, the Carrier may require to be notified if a Passenger has special needs, for instance, passengers with disabilities or diseases (example: if they need a wheelchair, oxygen supply, etc.) or if they need to travel with service animals. Passengers must inform themselves with enough time before the trip about any special transport requirements or conditions that they must fulfill and make the necessary arrangements prior to the acceptance of said passengers for boarding (for example, transport of an unaccompanied minor, an infant, etc.), releasing the Carrier from any responsibility in the event that the passenger is denied boarding for failing to comply with applicable rules and/or policies of the company that are currently in effect.

3. PRICE OF THE TICKETS

The price of the Ticket only includes transportation from the departure airport to the destination airport, as well as all scheduled stopovers in the case of Conjunction Tickets. The price of the Ticket or Conjunction Ticket does not include land transport services between airports, nor between the airports and/or terminals of the destination city.

4. BAGGAGE TRANSPORTATION REGULATIONS

A. The Passenger and his/her luggage must be transported in the same flight. Baggage must be checked timely at the Carrier’s check-in counters located at the airport.

B. The Carrier will not check the baggage to a destination other than the one that appears on the Passenger's Ticket.
C. The Baggage acceptance conditions are the following:

(a) Baggage must be checked at the modules indicated by the Carrier only.
(b) The Passenger must duly identify his/her Baggage with his/her full name, telephone number, e-mail, and permanent address
(c) All Baggage is subject to inspection by the Carrier and by competent Authorities.

D. The Carrier may restrict or deny the acceptance of all Baggage having one or more of the characteristics described below:

(a) Baggage not properly packed.
(b) Baggage that exceeds the Carrier’s maximum dimension and weight limitations for Baggage.
(c) Baggage that may present a risk to other baggage inside the aircraft cargo area, including but not limited to corrosive liquids and improperly covered sharp objects.

4.1 Hazardous Goods

Hazardous and/or Prohibited Goods decreed as such by IATA or by governmental laws or the Carrier’s own regulations, such as: Gases: (compressed and/or liquid, in solution or intensely refrigerated), including toxic or harmless flammable air sprays, such as butane, oxygen, liquid nitrogen, paralyzing or pepper gas, liquid-gas lighter refills, etc. Corrosives: whether solid or liquid, such as acids, alkali, mercury, liquid electrolytic batteries, etc. Explosives: such as ammunition, fireworks, flares, bags with alarm devices, fuses for toy guns, etc. Flammable liquids, such as fuels, paints, solvents, etc. Radioactive materials of any kind. Oxidizing materials and organic peroxydizers, such as bleaches, fertilizers, etc. Toxic or infectious substances, such as insecticides, pesticides, biological products containing pathogenic germs, etc. Flammable solids, such as matches. Weapons, understood as any element or object that is manufactured for or could be used for attack or defense, such as firearms, bladed weapons, gases, electric shock devices, spiked, sharp, or blunt objects, which could include objects like clubs, axes, walking sticks or bats that have weight inside them or have sharp points.

To ensure the safety of the flight and to comply with the regulations in force, the Carrier and the airport security personnel may confiscate hazardous or dangerous
articles and substances carried by the Passenger's person or inside his/her Carry-on Baggage, and hand them over to the respective authorities in accordance with applicable local regulations.

A limited number of medicinal items and beauty products are permitted to be carried by passengers. Before putting them inside the baggage, the passenger must report these items to the Carrier’s personnel.

Some of the articles mentioned above may be transported by air upon certain special conditions, under an airway bill and subject to an air cargo fee. The passenger must consult the Carrier in advance about this.

4.2 Luggage in cargo hold

A. The Passenger should comply with the weight, dimensions, and maximum allowance requirements described in the Particular Conditions printed on each Ticket. Passengers should check the maximum allowance and the fees charged per excess baggage directly with the airline or at www.skyairline.com

B. The allowance may change according to the fare conditions and shall be expressed in pieces of luggage or kilograms. The Carrier may, at its own discretion, modify such allowance and Baggage dimensions, prior notice to the Passenger. The booking conditions and fares will be registered with corresponding local aviation authorities to the extent required.

C. SKY is entitled to deny transportation of all or part of any baggage exceeding this allowance or for which an excess baggage charge has not been paid. If the Passenger travels with a child under 2 years of age, he or she can bring 1 2-piece stroller, which must be handed over to the flight staff at the counter or at the plane’s door, at no additional cost. Upon reaching the destination, it can be picked up at the baggage claim area. In the case of 3-piece strollers, these must be paid as extra luggage.

4.3 Charges for extra and excess baggage

A. Fees charged for excess baggage shall depend on the route chosen by the Passenger, and shall be calculated per extra kilogram. VAT tax must be added to these charges according to the country; in the case of Chile, VAT tax stands at
19%. Excess baggage shall be charged in accordance with the information made available by the airline at www.skyairline.com

B. Passengers shall pay all excess baggage at the airline counter or sales office of the airport of departure, depending on the means of payment. This means that the Passenger needs to show up at the counter to check if he or she has excess baggage; if so, the Passenger must pay the amount corresponding to the excess baggage.

C. All extra baggage carried by the Passenger shall be paid as an extra piece of luggage, which has an associated cost.

4.4 Baggage loss, delay, or damage

The liability of the Carrier in case of baggage loss, delay, or damage on international flights, is limited by law, Aviation Regulations, or by the Montreal Convention, as applicable, unless the Passenger declares a higher value beforehand.

5. LIMITS OF LIABILITY

A. If a passenger's trip begins and ends in the same country, the transportation service of Passengers and/or Baggage, as well as the liability in case of death or bodily injury and/or for loss of or damage to baggage, and for delay, and the limits of liability for everything described above, will be governed by the applicable legislation of the country in question. If the trip made by the Passenger is international, the Warsaw Convention, the Montreal Convention or any other applicable international regulation shall apply, as appropriate.

B. Regarding those items with high commercial value and electronic devices, the passenger must transport these items as carry-on baggage in order to always keep control of them, since the Carrier will only be liable up to the limits established by the law or applicable international conventions if they are transported as checked baggage.
6. PASSENGERS’ RIGHTS

A. DENIAL OF BOARDING DUE TO OVERSELLING

In the event that it is necessary to refuse boarding to a passenger due to overselling, the Carrier will attempt to find passengers who are willing to give up their reserved seat in exchange for compensations they would accept from the Carrier. If there are no voluntaries, or their number is insufficient, and it is necessary to refuse boarding to one or more passengers against their will, the following rights shall arise:

1. **Passenger choice:** a) To be boarded on the next flight that the Carrier has available, or on an alternate transportation, if he or she decides to persist in the air transport contract; or b) be reimbursed for the total amount paid for the ticket, if he or she desists from the transportation contract whose execution has not yet started, or c) if it is a trip with stopovers and/or connections that has already started, the passenger may opt between:
   i. Be boarded on the following available flight of the Carrier, or in an alternate transportation, if he or she decides to persist in the air transport contract.
   ii. Be reimbursed for the unused portion.
   iii. To be returned to the starting point, with reimbursement for the price of the ticket.

2. **Economic compensation:** in addition, the Carrier must offer the affected passenger an amount equivalent to: a) U.F. 2 for flights of less than 500 kilometers; b) U.F. 3 for flights between 500 and 1,000 kilometers; c) U.F. 4 for flights between 1,000 and 2,500 kilometers; d) U.F. 10 for flights between 2,500 and 4,000 kilometers; e) U.F.15 for flights between 4,000 and 8,000 kilometers; f) U.F. 20 for flights of more than 8,000 kilometers.

In relation to this compensation, bear in mind the following:
- That the passenger who accepts this compensation shall not be able subsequently to bring legal actions against the carrier for refusing boarding.
- That, if pursuant to the foregoing No. 1 letter a), the passenger is boarded on the next flight that the Carrier has available, and the difference between the
departure time in relation to the foreseen one for the flight initially reserved is less than three hours, compensation shall not proceed.

- It shall be understood as a “trip with stopovers and/or connections” that whose arrival to the point of destination contemplates a starting point and one or more intermediate stopovers and/or connections when they are part of the same contract.

- Unaccompanied minors, persons with disabilities, passengers of advanced age or with delicate states of health should be boarded on a priority basis, as well as pregnant women that due to their condition may require priority boarding, and in general, all passengers that for humanitarian reasons qualified by the Carrier should be given priority boarding.

3. **Welfare benefits:** if the Passenger decides to persist in the transportation contract, the Carrier shall be obliged to the following welfare benefits: a) Communications that the passenger must make, whether by telephone, electronic or similar manner, if there is a difference in the foreseen departure time for the initially reserved flight greater than 3 hours. b) Necessary foods and refreshments until boarding on the other flight, if there is a difference greater than three hours in the foreseen departure time for the initially reserved flight. c) Lodging for passengers with return flight and for passengers with outbound flight who have been denied boarding at a point of connection, not resident in the city, locality or area of the departure airport, in the event that a new flight is offered whose departure is, as a minimum, on the following day to the programmed departure in the Passenger Ticket, and provided that the passenger must stay one or more nights and the waiting time to board the other flight so requires it. It shall be understood as “night” from midnight to 6:00 am. d) Mobilization from the airport to the place of residence of the Passenger in the city, locality or area of the departure airport, or to the lodging place and vice versa, in the event that it is applicable. e) The arrangements and benefits that may be necessary to continue the trip, in the event that the passenger loses a connecting flight with a confirmed reservation. It is understood as a “connecting flight” that whose arrival to the point of destination contemplates a starting
point, and one or more intermediate connecting points, when they are part of the same contract.

B. DELAYS OR CANCELLATIONS

The carrier is obliged to carry out the transportation in the date, hour and other stipulated conditions. However, the Carrier may suspend, delay and/or cancel the scheduled flight or modify its terms due to security reasons or force majeure, such as adverse weather conditions, war, civil insurrection, or threats against the aircraft. In these cases, any of the contracting parties may rescind this contract, each bearing their own losses.

Without detriment to the foregoing, in the event of delay or cancellation of a flight, the affected Passenger shall have the following rights: a) To board the following flight that the Carrier may have available, or an alternate transportation, if he or she decides to persist in the air transportation contract, whether the flight has not yet begun or it has been initiated and is at a stop and/or connection. b) To the welfare benefits indicated for the denial of the boarding, provided that the cause of the delay or cancellation be imputable to the carrier. c) Reimbursement of the total amount paid for the ticket or the portion not used, as the case may be, if the passenger decides not to persist in the contract, whether or not the cause of the delay or cancellation is imputable to the carrier. d) Indemnification according to the Montreal Agreement of 1999 if it is an international flight, or pursuant to the Aeronautical Code of Chile if it is a national flight.

Montreal Convention of 1999:

Article 19: “The carrier is liable for damage occasioned by delay in the carriage by air of passengers, baggage or cargo. Nevertheless, the carrier shall not be liable for damage occasioned by delay if it proves that it and its servants and agents took all measures that could reasonably be required to avoid the damage or that it was impossible for it or them to take such measures”.

Article 22, Number 1: In the case of damage, the liability of the carrier for each passenger is limited to 4,604 Special Drawing Rights (International Monetary Fund).
Article 22, Number 5: The affected party may judicially sue for an indemnification for a greater amount.

Chilean Aeronautical Code:

Article 147: “The indemnification for delay in performing the transportation of passengers shall not exceed two hundred and fifty UF units for each of them. Nevertheless, not other indemnification shall proceed if the Carrier proved that it adopted all the necessary measures to avoid the deed that caused the delay, or that it was impossible to adopt them”.

Article 133 Letter B c): The indemnification of article 147 shall proceed if the delay or the cancellation is due to causes imputable to the carrier, pursuant to the following:

i) If the delay was greater than three hours in relation to the time of departure foreseen in the passage ticket.

ii) If at the time of cancellation, except if the passenger was informed and another flight was offered which would allow him/her to arrive his/her destination with no more than three hours of delay in relation to the foreseen time.

For the purposes of communicating the cancellation, the Passenger, when making the reservation or buying his/her ticket, shall inform the Carrier, directly or through its authorized agents, his/her correct contact data, such as address, telephone and electronic mail.

C. REFUNDING OF FEES

In the event the trip is not made, for any cause, the fees, charges or aeronautical rights that the passenger may have paid, must be reimbursed and only by his/her request at any office of the air carrier or through its web page.