Notification of Rights to Benefits under the Israel Aviation Services Law (Compensation and Assistance for Flight Cancellation or Change of Conditions), 5772- 2012 ("the Law")

This notification document describes, in general terms, passengers' rights to certain benefits under the Law, in cases of:

- Denied boarding;
- Cancellation of flights;
- Delay in departure of 2 hours or more;
- In circumstances a flight departure time is brought forward by more than five hours;
- In circumstances there has been a change in the conditions of a flight ticket as described hereunder; (these events are referred to hereinafter as: "Causes of Action").

Eligibility

To be eligible for any of the rights to benefits listed below you must have been issued with a flight ticket for a Cathay Pacific Airways operated flight departing from or flying to Israel (including a flight with a stopover) - Hereinafter referred to as the : "Flight".

In addition, the rights listed below only arise if you have presented yourself on time at the check-in counter of Cathay Pacific Airways at the airport and not later than the time specified for check-in and brought to your attention by Cathay Pacific Airways or your travel agency, and if no such time was set – at least 90 minutes before the flight time. You will not be eligible if you have received the flight ticket without payment or if the fare of the flight ticket was not directly or indirectly available to the public, except if issued under a frequent flyer program.

Basically, subject to eligibility and the existence of a relevant Cause of Action the benefits provided for under the Law are: Assistance services, Replacement of a flight ticket or reimbursement and, in certain circumstances, monetary compensation;

Right to Assistance Services

If you are denied boarding or your flight is cancelled or your flight's departure time is delayed by more than 2 hours, you will be entitled to receive food and drink in accordance with the waiting time ("Food and Drink") and to make 2 telephone calls and send a fax message or an e-mail ("Communication Services").

Further, if you are denied boarding or your flight is cancelled, you will also be entitled to hotel accommodation if an overnight or longer stay or a stay in addition to that which you originally intended becomes necessary, including travel services between the hotel and the airport or, if you have chosen to stay elsewhere at a reasonable distance from the airport, between such other place and the airport ("Accommodation and Travel Services").

If your flight's departure time is delayed by between 5 to 8 hours and you have been offered and accepted a Replacement Flight Ticket scheduled to take-off on the next day, you will also be entitled to Accommodation and Travel Services, unless the delay is caused by a protected strike or lock-out.

Right to Replacement Flight Ticket or Reimbursement

If you are denied boarding or if your flight is cancelled (cancellation includes a delay of 8 hours or more from the departure time specified in the flight ticket and reference to cancellation in this notification includes such delay) or your flight's departure time is delayed by between 5 to 8 hours or your flight's departure time is brought forward by more than 5 hours and you have received notice of this change (the bringing forward of the flight time) less than 14 days before the flight time shown in your flight ticket, you will have the choice of either:

- a replacement flight ticket to your final destination on conditions as similar as possible to the conditions of the original flight ticket and at the earliest time possible, or at a later date in coordination with you, all subject to availability ("Replacement Flight Ticket"); or
- reimbursement of the amount paid for the flight ticket, including fees, levies, taxes and other obligatory payments ("Reimbursement"), which shall be made within 21 days of receipt of your written application.

Reimbursement shall be subject to the following qualifications and clarifications (as well as those set out in this notification below):

- if your flight from the point of departure includes a stopover (of no more than 24 hours) operated by Cathay Pacific Airways, and the Cause of Action on which you rely arises with respect to a segment of the flight, then, provided you have not reached your final destination, you will be entitled to receive the full amount paid for the flight ticket even if a segment of the flight has been completed. If you have reached the stopover point and you no longer wish to continue to your destination due to the Cause of Action, Cathay Pacific Airways will also provide a return flight free of charge to the original point of departure.
- if the Cause of Action occurs with respect to the outgoing flight on a return flight ticket, you will be entitled to receive the full amount paid for the flight ticket. If the cause of action occurs in the return flight you will be entitled to receive half the amount paid for the flight ticket.
- subject to the provisions of the 2 immediately preceding paragraphs, you will not be entitled to Reimbursement if you have chosen to receive a Replacement Flight Ticket or if you have chosen to take a flight with respect to which a Cause of Action exists, provided that if you have accepted an offer of a flight ticket for a flight from another airport, you shall be entitled to reimbursement of travel expenses to that airport.

If your flight's departure time is delayed by between 5 to 8 hours because of a protected strike or lock-out, you will not be entitled to choose to receive a Replacement Flight Ticket.

Right to Monetary Compensation

Subject to the conditions below, if you are denied boarding or your flight is cancelled or your flight's departure time is brought forward by more than 8 hours and you have received notice of the change (the bringing forward of the departure time) less than 14 days before the flight time shown in your flight ticket, you are entitled to receive compensation as follows ("Monetary Compensation"):

NIS 3,070 for flights over 4,500 km (throughout 2017)

NIS = New Israeli Sheqels (Israeli currency)

Monetary Compensation will be reduced by 50% if you are denied boarding or if your flight is cancelled, and you have been offered and have accepted a Replacement Flight Ticket, provided that the delay in the landing time at your final destination, compared with the original landing time at the same destination is as follows:

• up to 6 hours for flights over 4,500 km.

If your flight is cancelled you will not be entitled to receive Monetary Compensation if you have received notice of the cancellation as follows:

- 14 days or more before the scheduled departure date;
- between 7 to 14 days before the scheduled departure date and you have been offered an alternative flight allowing you to depart no more than 2 hours before the original scheduled time of departure and to reach your final destination no later than 4 hours after the original scheduled time of arrival; or
- less than 7 days before the scheduled departure date and you have been offered an alternative flight
 allowing you to depart no more than 1 hour before the original scheduled time of departure and to reach
 your final destination no later than 2 hours after the original scheduled time of arrival.

Notwithstanding the aforegoing, you will not be entitled to Monetary Compensation if your flight was cancelled or if your flight's departure time was brought forward by more than 8 hours and you have received notice of the change (the bringing forward of the departure time) less than 14 days before the flight time shown in your flight ticket, because of special circumstances which were not under Cathay Pacific Airways' control, and could not have been prevented even if Cathay Pacific Airways had done whatever was under its control and/or because of a protected strike or lock-out. Further, if your flight was cancelled to prevent the desecration of the Sabbath or a Jewish holiday, you will not be entitled to Monetary Compensation.

Monetary Compensation, where due, will be paid in cash, by bank transfer, by check, or by other means expressly agreed to in writing by you, within 45 days of receipt of a written application.

Denied Boarding – Clarifications

You shall be entitled to Assistance Services, Reimbursement or a Replacement Flight Ticket and/or Monetary Compensation, all as defined and described in this notification and except as otherwise provided in this notification, in the case of denied boarding, including due to overbooking, only after Cathay Pacific Airways has called for volunteers from amongst the registered passengers (including you) willing to waive their places on the flight in exchange for agreed compensation and not sufficient volunteers (including you) were found to waive their place on the flight.

You will not be entitled to receive Assistance Services, Reimbursement or a Replacement Flight Ticket and/or Monetary Compensation, if you are denied boarding for reasons relating to your health, a concern of harm to flight safety, security reasons or inadequate travel documents.

However, if you are refused boarding for a security reason, although you arrived to the airport at least 3 hours before scheduled departure, you cooperated in the security check and have been found eligible to fly and your travel documents were in order, then, subject to the aforegoing, you will be entitled to Monetary Compensation.

Changes in Conditions of Flight Ticket

Where Cathay Pacific Airways has decided to transfer you to a higher class of service than that stipulated in your flight ticket, you will not be subject to any extra charges. If you are placed, other than at your request, in a lower class than that stipulated in your flight ticket, you will be entitled to receive reimbursement of the price of the flight ticket or part thereof depending on the nature of the downgrading and the distance of the flight. Such compensation will be paid in cash, by bank transfer, by check, or by other means expressly agreed to in writing by you, within 21 days from the date of the flight.

How to claim Reimbursement and/or Monetary Compensation

For Denied Boarding and Class Downgrading, you may complete the Form of receipt-Israel, presented by representative of Cathay Pacific Airways at the check-in counters.

For Reimbursement, and/or Monetary Compensation due to flight cancellation, please send a written application via the online feedback form available at www.cathaypacific.com/cx/en_IL.html (choose 'Contact us' at bottom of page -> Contact Us Forms -> Complaints, Compliments, Enquiries and Suggestions, and select 'Complaint' from Type of Feedback).

You may also approach any representative of Cathay Pacific Airways present at the check-in counters or at the departure gate for assistance in realizing your rights to benefits under the Law. Please show the representative this notification.

This notification contains a summary of the rights to benefits available under the Law. In the event of inconsistency between the terms of this notification and the provisions of the said Law, the provisions of the Law shall Prevail.