

**GENERAL CONDITIONS OF
CARRIAGE FOR
CARGO**

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CONDITIONS OF CARRIAGE ---- CARGO

ARTICLE 1 DEFINITIONS.

Agent means, except when the context otherwise requires, any person who has authority, express or implied, to act for or on behalf of Carrier in relation to the Carriage of Cargo unless that person is acting as Shipper with respect to a Consignment governed by these Conditions of Carriage.

Air waybill, which is equivalent to the term "air consignment note", means the document entitled "Air Waybill" or "Consignment Note" made out by or on behalf of the Shipper, which evidences the contract between the Shipper and Carrier for Carriage of Cargo over routes of Carrier.

Cargo which is equivalent to the term "goods", means anything carried or to be carried in an aircraft, except mail or baggage carried under a passenger ticket and baggage check; but includes baggage moving under an Air waybill or Shipment record.

Carriage, which is equivalent to transportation, means carriage of cargo by air or by another means of transport, whether gratuitously or for reward.

Carrier includes the air carrier issuing the Air waybill or preserving the Shipment record and all air carriers that carry or undertake to carry the Cargo or to perform any other services related to such Carriage.

Charges collect means the charges entered on the Air waybill or Shipment record for collection from Consignee against delivery of the Shipment.

Consignee means the person whose name appears on the Air Waybill or Shipment record, as the party to whom the Consignment is to be delivered by Carrier.

Code share means any arrangement which allows for a flight operated by one Carrier to be also marketed by another Carrier, under such other Carrier's code, designator and/or flight number.

Consignment or **Shipment** means one or more packages, pieces or bundles of Cargo accepted by Carrier from one Shipper at one time and at one address, receipted for in one lot and under a single Air waybill or a single Shipment record, for Carriage to one Consignee at one destination address.

Convention means the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw, October 12, 1929 (the "Warsaw Convention"); or the Warsaw Convention as amended at The Hague on 28 September 1955; or the Warsaw Convention as amended by Additional Protocol No. 1 of Montreal 1975; or the Warsaw Convention as amended at The Hague 1955 and by Additional Protocol No. 2 of Montreal 1975; or the Warsaw Convention as amended at The Hague 1955 and by Protocol No. 4 of Montreal 1975; or the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999; whichever may be applicable to the contract of Carriage.

Days means full calendar days, including Sundays and legal holidays; provided that for purposes of notification, the balance of the day upon which notice is dispatched shall not be counted.

Delivery service means the surface Carriage of inbound Consignments from the airport of destination to the address of the Consignee or that of his designated agent or to the custody of the appropriate government agency when required.

Pick-up service means the surface Carriage of outbound Consignments from the point of pickup at the address of the Shipper or that of his designated agent to the airport of departure, including any incidental surface Carriage between airports.

Shipment record means any record of the contract of Carriage preserved by Carrier, evidenced by means other than an Air waybill.

Shipper, which is equivalent to the term “consignor”, means the person whose name appears on the Air waybill or Shipment record, as the party contracting with Carrier for the Carriage of Cargo.

Special Drawing Right has the meaning as defined by the International Monetary Fund from time to time.

ARTICLE 2. APPLICABILITY.

Para. 1. General.

Except as excluded by Carrier’s regulations in relation to Carriage wholly on its own domestic services, these conditions shall apply to all Carriage of Cargo including all services incidental thereto, performed by or on behalf of Carrier; provided however that if such Carriage is “International Carriage” as defined in the applicable Convention, such Carriage shall be subject to the provisions of the applicable Convention and to these conditions to the extent that these conditions are not inconsistent with the provisions of such Convention.

Para. 2. Code Share Arrangements.

The Carriage of Cargo and any services, in each to be performed under a contract of Carriage with a Carrier, may be undertaken wholly or partially by another Carrier as part of Code share or similar arrangements amongst the Carriers.

Para. 3. Applicable Laws and Carrier’s Tariffs.

To the extent not in conflict with Paragraph 1 of Article 2, all Carriage and other services performed by Carrier are subject to: (a) applicable laws (including national laws implementing a Convention or extending the rules of the applicable Convention to Carriage which is not “International Carriage” as defined in the applicable Convention) government regulations, orders and requirements; and (b) these conditions and other applicable tariffs, rules, regulations, and timetables (but not the times of departure and arrival therein specified) which may be obtained from Carrier.

Para. 4. Gratuitous Carriage.

With respect to gratuitous Carriage, Carrier reserves the right to exclude the application of all or any part of these conditions.

Para. 5. Charter Agreements.

With respect to Carriage of Cargo performed pursuant to a charter agreement with a Carrier, such Carriage shall be subject to Carrier's charter tariffs applicable thereto, if any, and these conditions shall not apply except to the extent provided in said charter tariffs. Where a Carrier has no charter tariffs applicable to such charter agreement, these conditions shall apply to such agreement except that Carrier reserves the right to exclude the application of all or any part of these conditions, and, in case of divergence between the applicable provisions of these conditions and the conditions contained or referred to in the charter agreement, the latter shall prevail and the Shipper, by accepting Carriage pursuant to a charter agreement, whether or not concluded with the Shipper, agrees to be bound by the applicable terms thereof.

Para. 6. Change without Notice.

These conditions and the published rates and charges are subject to change without notice except to the extent otherwise provided by applicable law or government regulations or order; provided, however that no such change shall apply to a contract of Carriage after the date of issuance of the Air waybill by Carrier or after the date the rate or charge for the Carriage has been entered into the Shipment record.

Para. 7. Effective Rules.

All Carriage of Cargo governed by these conditions shall be subject to Carrier's rules, regulations and tariffs in effect on the date of the issuance of the Air waybill by Carrier or on the date of the Shipment record, whichever is applicable, provided that in the event of inconsistency between these conditions and Carrier's rules, regulations and tariffs, these conditions shall prevail.

ARTICLE 3. DOCUMENTATION.

Para. 1. Air Waybill.

The Shipper shall make out, or have made out on his behalf, an Air waybill in the form, manner and number of copies prescribed by Carrier, and shall deliver such Air waybill to Carrier simultaneously with the acceptance of the Cargo by Carrier for Carriage. However, charges for Carriage and other charges, insofar as they have been ascertained, shall be inserted in the Air waybill by Carrier. Carrier may require the Shipper to make out, or have made out on his behalf, separate Air waybills when there is more than one package or when all of the Consignment cannot, without breach of government requirements or regulations of Carrier, be carried on one Air waybill.

Para. 2. Shipment Record.

Carrier, with the express or implied consent of the Shipper, may substitute for the delivery of an Air Waybill, a Shipment record, to preserve a record of the Carriage to be performed. If such Shipment record is used, Carrier shall, if so requested by the Shipper, deliver to the Shipper in accordance with the Carrier's regulations a goods receipt for the Cargo permitting identification of the Consignment and access, in accordance with Carrier's regulations, to the information contained in the Shipment record.

Para. 3. Apparent Order and Condition of Cargo.

If the apparent order and condition of the Cargo and/or packing is in any way defective or other than good, the Shipper shall, if an Air Waybill is delivered, insert in

the Air waybill a statement of such apparent order and condition. If no Air waybill is delivered, the Shipper shall advise Carrier of the apparent order and condition of the Cargo, to enable Carrier to insert an appropriate reference thereto in the Shipment record. However, if the Shipper fails to insert such statement in the Air waybill or to advise Carrier of the apparent order and condition of the Cargo, or if such statement or advice is incorrect or inaccurate, Carrier may insert in the Air waybill or the Shipment record a statement of the apparent order and condition of the Cargo, or note a correction thereto.

Para. 4. Preparation, Completion or Correction by Carrier.

Carrier may at the request of the Shipper, expressed or implied, make out the Air waybill, in which event, subject to proof to the contrary, Carrier shall be deemed to have done so on behalf of the Shipper. If the Air waybill handed over with the Cargo or if the particulars and statements relating to the Cargo furnished by or on behalf of the Shipper to Carrier for insertion in the Shipment record do not contain all the required particulars, or if the Air Waybill or such particulars or statements contain any error, Carrier is authorised to complete or correct the Air Waybill or particulars or statements to the best of Carrier's ability without being under any obligation to do so.

Para. 5. Responsibility for Particulars

The Shipper is responsible to Carrier and all other persons for the correctness and completeness of the particulars and statements inserted by him or on his behalf in the Air waybill, or furnished by him or on his behalf to Carrier for insertion in the Shipment record. Where such information is provided by means of electronic data interchange ("EDI"), it is the responsibility of Shipper or the Shipper's agent to verify contents, accuracy and completeness of the EDI messages and subsequent messages according to the agreed standards and specifications. The Shipper shall be liable for, and shall indemnify Carrier against, all damages suffered by Carrier or by any other person to whom Carrier may be liable, by reason of the irregularity, incorrectness or incompleteness of said particulars or statements, whether the Air waybill or the particulars and statements relating to the Cargo furnished for insertion in the Shipment record were made out by or on behalf of the Shipper or by Carrier (or completed by Carrier) on behalf of the Shipper pursuant to the provisions of Article 3, Paragraph 4, above.

Para. 6. Alterations

Air waybills, the writing on which has been altered or erased, need not be accepted by Carrier.

ARTICLE 4. CHARGES.

Para. 1. Applicable Rates and Charges.

Rates and charges for Carriage governed by these conditions are those duly published by Carrier and in effect on the date of the issuance of the Air waybill by Carrier or on the date the rate or charge for the Carriage has been entered in the Shipment record. Such rates and charges are applicable to routings published in connection with these conditions and are not applicable for such periods as service is not available between the points named.

Para. 2. Airport to Airport.

Except as otherwise provided in Carrier's regulations, rates and charges apply only from airport to airport.

Para. 3. Precedence of Rates and Charges.

- (a) Unless otherwise provided in Carrier's regulations, a published rate takes precedence over the combination of intermediate rates applicable between the same points via the same routings.
- (b) Specific commodity rates and charges take precedence over rates and charges derived from commodity classifications and over general cargo rates and charges. Through specific commodity rates and charges take precedence over the combination of intermediate specific commodity rates and charges between the same points via the same carriers.
- (c) Through general cargo rates and charges take precedence over the combination of intermediate general cargo rates and charges between the same points via the same carriers.

Para. 4. Quantity Reductions

When a reduction in a rate or charge is published for a consignment of greater weight, size or value, such lower rate or charge will apply only to a consignment falling within the respective group, except that in no case shall the charge assessed for any consignment be greater than the minimum charge for a consignment in the next higher weight, size or value group respectively.

Para. 5. Basis of Charges.

Rates and charges for carriage will consist of the total of the weight or volume charge, whichever is greater, and, if applicable, the valuation charge and/or value surcharge as specified in Carrier's regulations.

Para. 6. Services not included in Published Rates and Charges.

Published rates and charges cover the Carriage of Consignments by air between airports or other landing places at or near the points shown in the published rates and charges. Except as otherwise specifically provided in Carrier's regulations, such published rates and charges do not include the following services or charges:

- (a) pick-up and, delivery service to and from the airport from which Carrier operates;
- (b) storage charges;
- (c) insurance charges;
- (d) C.O.D. service charges;
- (e) advanced charges;
- (f) expenses incurred by Carrier in clearing the Cargo through customs, or incurred by any other person whether acting as agent for the Shipper, the Consignee, the owner of the Cargo, or Carrier;
- (g) charges or penalties imposed or collected by Government authority including duties and taxes;
- (h) expenses incurred by Carrier in repairing faulty packing;

- (i) charges for Carriage of Cargo forwarded, transshipped or reforwarded by any other transportation service or returned to point of origin;
- (j) any other similar services or charges; or
- (k) any ancillary service given by Carrier in connection with the air Carriage.

Para. 7. Payment of Charges.

- (a) Rates and charges are published in the currency shown in the applicable rate tariffs, and may be paid in any currency acceptable to Carrier. When payment is made in a currency other than in the currency in which the rate or charge is published, such payment will be made at the rate of exchange established for such purpose by Carrier, the current statement of which is available for inspection at Carrier's office where payment is made. The provisions of this paragraph are subject to applicable exchange laws and government regulations.
- (b) Full applicable charges, whether prepaid or collect, fees, duties, taxes, charges, advances and payments, made or incurred or to be incurred by Carrier and any other sums payable to Carrier, will be deemed fully earned, whether or not the Cargo is lost or damaged, or fails to arrive at the destination specified in the contract of Carriage. All such charges, sums and advances will be due and payable upon receipt of the Cargo by Carrier, except that they may be collected by Carrier at any stage of the service performed under the contract of Carriage.
- (c) With respect to any charges, expenses or disbursements which cannot be determined at the time when the Cargo is handed over for Carriage, Carrier may require the Shipper to deposit with the Carrier a sum estimated by Carrier to be sufficient to cover such charges, expenses and disbursements. Any balance due from Carrier to the Shipper or from the Shipper to Carrier in connection with such deposits shall be paid after completion of the contract of Carriage and determination of the exact amount of such expenses and disbursements.
- (d) The Shipper guarantees payment of all unpaid charges, unpaid Charges Collect, advances and disbursements of Carrier. The Shipper also guarantees payment of all costs, expenditures, fines, penalties, loss of time, damage and other sums which Carrier may incur or suffer by reason of the inclusion in the Consignment of articles the Carriage of which is prohibited by law, or the illegal, incorrect or insufficient marking, numbering, addressing or packing of packages or description of the Cargo, or the absence, delay or incorrectness of any export or import license or any required certificate or document, or any improper customs valuation, or incorrect statement of weight or volume. By taking delivery or exercising any other right arising from the contract of Carriage, the Consignee agreed to pay such charges, sums and advances, except prepaid charges; but this shall not discharge the Shipper's guarantee to pay the same. Carrier shall have a lien on the Cargo for each of the foregoing and, in the event of non-payment thereof, shall have the right to dispose of the Cargo at public or private sale (provided that prior to such sale Carrier shall have mailed notice thereof to the Shipper or to the Consignee at the address stated in the Air waybill or Shipment record) and to pay itself out of the proceeds of such sale any and all such amounts. No such sale shall, however, discharge any liability to pay any deficiencies, for which the Shipper and the Consignee shall remain jointly and severally liable. No such lien or

right of sale, and no right of Carrier to collect any of the foregoing shall be in any way affected, lost or prejudiced by reason of acknowledgement of payment, if not actually paid, or, so far as concerns the right of Carrier to collect any of the foregoing, by reason of the delivery of the Cargo or the surrender of the possession thereof.

- (e) If the gross weight, measurement, quantity or declared value of the Cargo exceeds the gross weight, measurement, quantity or declared value on which charges for Carriage have been previously computed, Carrier shall be entitled to require payment of the charge on such excess.
- (f) Charges collect Shipments will be accepted only to countries listed in Carrier's regulations and subject to the conditions contained therein. In any event, Carrier reserves the right to refuse Consignments on a Charges collect basis to any country where regulations prevent the conversion of funds into other currencies or the transfer of funds to other countries. Information on countries to which Charges collect service is available may be obtained from offices and representatives of Carrier.
- (g) All charges applicable to a Shipment are payable at the time of acceptance thereof by Carrier in the case of a prepaid Shipment, i.e. a Shipment on which the charges are to be paid by Shipper, or at the time of delivery thereof by Carrier in the case of a Charges collect Shipment, i.e. a Shipment on which the charges are to be paid by Consignee.

Para. 8. Service Charge.

In addition to the weight (or volume) charge or valuation charge and/or value surcharge referred to heretofore, service charges will be assessed when applicable to the Consignment in accordance with Carrier's regulations.

Para. 9. Construction of Unpublished Rates and Charges.

When the rate or charge between any two points is not specifically published, such rate or charge will be constructed as provided in Carrier's regulations.

ARTICLE 5. ACCEPTABILITY OF GOODS FOR CARRIAGE

Para. 1. Valuation Limit of Consignment.

No consignment having a declared value in excess of the amount specified in Carrier's regulations will be accepted for carriage unless a special arrangement therefore has been made in advance between the shipper and Carrier.

Para. 2. Valuation Limits for one Aircraft.

The limit of value of Consignment or group of consignments to be carried in any one aircraft shall be as specified in Carrier's regulations. If a single Consignment exceeds such limits, it may not be carried in the same aircraft but may be divided between amongst two or more aircraft at the sole discretion of the Carrier. The Carrier reserves the right to refuse to transport in any one aircraft Consignments having declared valuations in the aggregate which violate or lead to a violation of this provision.

Para. 3. Packing and Marking of Cargo.

- (a) Shipper is responsible for ensuring that Cargo is packed in an appropriate way for Carriage so as to ensure that it can be carried safely with ordinary

care in handling and so as not to injure or damage any persons, goods or property. Each package shall be legibly and durably marked with the name and full address of the Shipper and Consignee.

- (b) In the case of C.O.D. Consignments, the letter "C.O.D." shall be legibly marked by the Shipper on each package next to the Shipper's and Consignee's name and address.
- (c) Packages containing valuables as defined in Carrier's regulations must be sealed by a method approved by Carrier.

Para. 4. Cargo Acceptable.

Carrier undertakes to transport, subject to the availability of suitable equipment and space, all Consignments, unless otherwise excluded by Carrier's regulations, and provided:

- (a) the transportation, or the exportation or importation thereof is not prohibited by the laws or regulations of any country to be flown from, to, into or over;
- (b) they are packed in a manner suitable for Carriage by aircraft;
- (c) they are accompanied by the requisite shipping documents; and
- (d) they are not likely to endanger aircraft, persons or property, or cause annoyance to passengers.

To the extent permitted by law, Carrier reserves the right without assuming any liability to refuse Carriage of Cargo when circumstances so require.

Para. 5. Cargo Acceptable only under Prescribed Conditions.

Dangerous goods, live animals, perishables, fragile goods, human remains, and other special Cargo are acceptable only under the conditions set forth in Carrier's regulations applicable to the Carriage of such Cargo.

Para. 6. Responsibility for Non-Observance of Condition Relating to Special Cargo.

Responsibility for the non-observance of the conditions relating to the Carriage of Cargo rests upon the Shipper and the owner of the cargo, who jointly and severally agree to indemnify Carrier for any loss, damage, delay, liability or penalties Carrier may incur because of Carriage of any such Cargo.

Para. 7. Carrier's Right of Inspection.

Carrier reserves the right to examine the packaging and contents of all Consignments and to enquire into the correctness or sufficiency of information or documents tendered in respect of any Consignment, but Carrier shall be under no obligation to do so.

Para. 8. Unit Load Devices.

When Shipper undertakes to load a unit load device (ULD), it must comply with Carrier's loading instructions and shall be liable for and indemnify Carrier against all consequences of any non-compliance with such instructions.

ARTICLE 6. CONSIGNMENTS IN COURSE OF CARRIAGE.

Para. 1. Compliance with Government Requirements.

- (a) The Shipper shall comply with all applicable laws, customs and other government regulations of any country to, from, through or over which the Cargo may be carried, including those relating to the packing, Carriage or delivery of the Cargo, and shall furnish such information and deliver such documents as may be necessary to comply with such laws and regulations. Carrier shall not be obliged to inquire into the correctness or sufficiency of such information or documents. Carrier shall not be liable to the Shipper or any other person for loss or expense due to Shipper's failure to comply with this provision. The Shipper shall be liable to Carrier for any damage occasioned by the failure of Shipper to comply with this provision.
- (b) Carrier shall not be liable for refusing to carry any Consignment if Carrier reasonably determines in good faith that such refusal is required by any applicable law, government regulation, demand, order or requirement.

Para. 2. Disbursements and Custom Formalities.

Carrier is authorised (but shall be under no obligation) to advance any duties, taxes or charges and to make any disbursement with respect to the Cargo, and the Shipper, owner and Consignee shall be jointly and severally liable for the reimbursement thereof. No Carrier shall be under obligation to incur any expense or make any advance in connection with the forwarding or reforwarding of the Cargo except against prepayment by the Shipper. If it is necessary to make customs entry of the Cargo at any stopping place, and no customs clearance agent has been named on the face of the Air waybill or in the Shipment record, the Cargo shall be deemed to be consigned to the Carrier carrying the Cargo to such place or to such customs consignee, if any, as such Carrier may designate. For any such purpose a copy of the Air waybill, or of the Shipment record, certified by Carrier, shall be deemed an original.

Para. 3. Schedule, Routings and Cancellations.

- (a) Times shown in Carrier's timetables or elsewhere are approximate and not guaranteed and form no part of the contract of Carriage. No time is fixed for commencement or completion of Carriage or delivery of Cargo. Unless specifically agreed otherwise and so indicated in the Air waybill or Shipment record, Carrier undertakes to carry the Cargo with reasonable dispatch but assumes no obligation to carry the Cargo by any specified aircraft or over any particular route or routes, or to make connections at any point according to any particular schedule. Carrier is hereby authorised to select or deviate from the route or routes of the Consignment, notwithstanding that the same may be stated on the face of the Air waybill or in the Shipment record. Carrier is not responsible for errors or omissions either in timetables or other representations of schedules. No employee, Agent or representative of Carrier is authorised to bind Carrier by any statements or representations of the dates or times of departure or arrival, or of the operation of any flight.
- (b) Carrier is authorized to carry the Consignment without notice wholly or partly by any other means of surface transportation or to arrange such Carriage.
- (c) Carrier reserves the right without notice, to cancel, terminate, divert, postpone, delay, or advance any flight, or the further Carriage of any Cargo,

or to proceed with any flight without all or any part of the Cargo, if it considers that it would be advisable to do so,

- (1) because of any fact beyond its control (including, but without limitation, meteorological conditions, embargoes, wars, hostilities, disturbances, or unsettled international conditions) actual, threatened, or reported, or because of any delay, demand, condition, circumstance, or requirement due, directly or indirectly to such facts; or
- (2) because of any fact not reasonably to be foreseen, anticipated, or predicted at the same time the Cargo was accepted; or
- (3) because of any government regulation, order, demand or requirement; or
- (4) because of shortage of labour, fuel, or facilities, or labour difficulties of Carrier or others; or

if it considers that any other circumstances so require.

- (d) Carrier may cancel the Carriage of the Consignment upon refusal by the Shipper, after demand by Carrier, to pay the charges or the portion thereof so demanded, without Carrier being subject to any liability therefor.
- (e) In the event any flight is cancelled, diverted, postponed, delayed, advanced or is terminated at a place other than the place of destination or in the event the Carriage of any Consignment is so cancelled, diverted, postponed, delayed, advanced or terminated, Carrier shall not be under any liability with respect thereto. In the event the Carriage of the Consignment or any part thereof is so terminated, delivery thereof by Carrier to any transfer Agent for transfer or delivery or the placing of such Consignment in storage shall be deemed complete delivery under the contract of Carriage, and Carrier shall be without any further liability with respect thereto, except to give notice of the disposition of the Consignment to the Shipper or to the Consignee, at the address stated in the Air waybill or Shipment record. Carrier may, but shall not be obligated to, forward the Consignment for Carriage by any other route or forward the Consignment as agent for the Shipper or the Consignee, for onward Carriage by any transportation service on behalf of the Shipper or the Consignee. The cost of doing so attaches to the Cargo.
- (f) Subject to applicable laws, regulations and orders, Carrier is authorised to determine the priority of Carriage as between Consignments, and as between Cargo and mail or passengers. Carrier may likewise decide to remove any articles from a Consignment, at any time or place whatsoever, and to proceed with the flight without them, in each case without any liability whatsoever therefor or arising therefrom.

Para. 4. Certain Rights of Carrier over Consignment in Course of Carriage.

If in the opinion of Carrier it is necessary to hold the Consignment at any place for any purpose, either before, during or after Carriage, Carrier may, upon giving notice thereof to the Shipper, at the address stated in the Air waybill or Shipment record, store the Consignment for the account and at the risk and expense of the Shipper, in any warehouse or other available place, or with the customs authorities; or Carrier may deliver the Consignment to another transportation service for onward Carriage to

the Consignee. The Shipper shall be liable for and indemnify Carrier against any expense or risk so incurred.

ARTICLE 7. SHIPPER'S RIGHT OF DISPOSITION.

Para. 1. Exercise of Right of Disposition.

Every exercise of the right of disposition must be made by the Shipper or his designated agent, if any, and must be applicable to the whole Consignment under a single Air waybill, or under a single Shipment record. The right of disposition over the Cargo may only be exercised if the Shipper or such agent produces the part of the Air waybill which was delivered to him, or communicates such other form of authority as may be prescribed by Carrier's regulations. Instructions as to disposition must be given in writing in the form prescribed by Carrier. In the event that the exercise of the right of disposition results in a change of Consignee, such new Consignee shall be deemed to be the Consignee appearing on the Air waybill or in the Shipment record.

Para. 2. Shipper's Option.

Subject to his liability to carry out all his obligations under the contract of Carriage and provided that this right of disposition is not exercised in such way as to prejudice Carrier or other shippers, the Shipper may at his own expense dispose of the Cargo either:

- (a) by withdrawing it at the airport of departure; or of destination; or
- (b) by stopping it in the course of the journey on any landing; or
- (c) by calling for it to be delivered at the place of destination or in course of the journey to a person other than the Consignee named in the Air waybill or Shipment record; or
- (d) by requiring it to be returned to the airport of departure;

Provided that if, in the opinion of Carrier, it is not reasonably practicable to carry out the order of the Shipper, Carrier shall so inform him promptly and Carrier shall thenceforth be under no obligation to carry out any such order.

Para. 3. Payment of Expenses.

The Shipper shall be liable for and shall indemnify Carrier for all loss or damage suffered or incurred by Carrier as a result of the exercise of his right of disposition. The Shipper shall reimburse Carrier for any expenses occasioned by the exercise of his right of disposition.

Para. 4. Carrier's Inability to Comply.

If in the opinion of Carrier it is not reasonably practicable to carry out the order of the Shipper, Carrier shall so inform him promptly and Carrier shall thenceforth be under no obligation to carry out any such order.

Para. 5. Extent of Shipper's Right.

The Shipper's right of disposition shall cease at the moment when, after arrival of the Cargo at the destination, the Consignee takes possession or requests delivery of the Cargo or Air waybill, or otherwise shows his acceptance of the Cargo. Nevertheless, if the Consignee declines to accept the Air waybill or the Cargo, or if he

cannot be communicated with, such right of disposition shall continue to vest in the Shipper.

ARTICLE 8. DELIVERY.

Para. 1. Delivery of Consignment.

- (a) Except as otherwise specifically provided in the Air waybill or Shipment record, delivery of the Consignment will be made only to the Consignee named therein, or his agent. Delivery to the Consignee shall be deemed to have been effected when (a) the Consignment has been delivered to customs or other government authorities as required by applicable law or customs regulation, or (b) Carrier has delivered to the Consignee or his agent any authorization from Carrier required to enable the Consignee to obtain release of the Consignment.
- (b) Delivery of the Consignment shall be made by Carrier only upon written receipt of the Consignee and upon compliance with all other applicable terms and conditions of the Air waybill or Shipment record, and of these conditions.
- (c) By accepting delivery of the Air waybill and/or the Consignment, the Consignee shall become liable for payment of all costs and charges in connection with the Carriage. Unless otherwise agreed, the Shipper shall not be released from his own liability for these costs and charges and will remain jointly and severally liable with the Consignee. Carrier may make delivery of the Consignment or the Air waybill conditional upon payment of these costs and charges.

Para. 2. Notice of Arrival.

Unless the Consignment is to be reforwarded in accordance with Article 11, notice of arrival of the Consignment will, in the absence of other instructions, be sent to the Consignee and any other person whom Carrier has agreed to notify as evidenced in the Air waybill or Shipment record; such notice will be sent by ordinary methods, whether orally or in writing at the Carrier's discretion. Carrier is not liable for non-receipt or delay in receipt of such notice.

Para. 3. Place of Delivery.

Except as provided in Paragraph 2 of Article 10, the Consignee must accept delivery of and collect the Consignment at the airport of destination or the respective facility as designated by Carrier.

Para. 4. Failure of Consignee to take Delivery.

- (a) Subject to the provisions in Paragraph 5 hereof, if the Consignee refuses or fails to take delivery of the Consignment after its arrival at the airport of destination, Carrier will endeavour to comply with any instructions of the Shipper set forth on the face of the Air waybill, or in the Shipment record. If such instructions are not so set forth or cannot reasonably be complied with, Carrier notify the Shipper of the Consignee's failure to take delivery and request his instructions. If no such instructions are received within thirty (30) Days, Carrier may sell the Consignment in one or more lots at public or private sale, or destroy or abandon such Consignment, without any liability to Carrier.

- (b) The Shipper and the owner are liable for all charges and expenses resulting from or in connection with the failure to take delivery of the Consignment, including, but not limited to, carriage charges incurred in returning the Consignment if so required by the Shipper's instructions. If the Consignment is returned to the airport of departure and the Shipper or owner refuses or neglects to make such payments within fifteen (15) days after such return, Carrier may dispose of the Consignment or any part thereof at public or private sale after giving the Shipper at least ten (10) days' notice of its intention to do so.
- (c) In the event of the sale of the Consignment as provided for above, either at the place of destination or at the place to which the Consignment has been returned, Carrier is authorised to pay to itself and other transportation services out of the proceeds of such sale all charges, advances, and expenses of Carrier and other transportation services plus costs of sale, holding any surplus subject to the order of the Shipper. A sale of any Consignment shall, however, not discharge the Shipper and/or owner of any liability hereunder to pay any deficiencies.

Para. 5. Disposal of Perishables.

When a Consignment containing perishable articles as defined in Carrier's regulations is delayed in the possession of Carrier, is unclaimed or refused at place of delivery, or for other reasons is threatened with deterioration, Carrier may immediately take such steps as it sees fit for the protection of itself and other parties in interest, including but not limited to the destruction or abandonment of all or any part of the Consignment, the sending of communications for instructions at the cost of the Shipper, the storage of the Consignment or any part thereof at the risk and cost of the Shipper, or the disposition of the Consignment or any part thereof at public or private sale without notice and without any liability to Carrier. In the event of such sale, Paragraph 4(c) of this Article shall apply. Without limiting the above, the proceeds of any such sale shall be subject to the payment to Carrier of all accrued charges and expenses.

ARTICLE 10. PICK-UP AND DELIVERY SERVICES.

Para. 1. Availability of Service.

Pick-up service and Delivery service will be available at the points, to the extent and subject to the rates and charges established for such services in accordance with the applicable regulations of Carrier.

Para. 2. Request for Service.

Pick-up service, if available, will be provided when requested by the Shipper. Except when otherwise provided by Carrier's tariffs or regulations, Delivery service may be provided unless contrary instructions are given by the Shipper or by the Consignee. Such contrary instructions must be received by Carrier prior to removal of the Consignment from Carrier's airport terminal at destination.

Para. 3. Consignments for which Service is Unavailable.

Pick-up service and Delivery service will not be provided by Carrier without special arrangement for any Consignment which, in the opinion of Carrier, because of its volume, nature, value or weight, it is impractical for Carrier to handle in the normal course of business.

Para. 4. Limitations on Service.

Pick-up service and Delivery service will not be provided by Carrier when it is impracticable to operate vehicles, or when the address of the Shipper or Consignee is not directly accessible to vehicles. Consignments will not be handled beyond loading platforms, ramps or doorways directly accessible to vehicles.

Para. 5. Handling.

Pick-up service and Delivery service will not be provided by Carrier for pieces of Cargo which cannot be handled by one person unless arrangements have been made in advance by Shipper and/or Consignee with Carrier, including, where necessary, the furnishing of additional persons and equipment by and at the risk and expense of the Shipper or Consignee.

Para. 6. Hours of Service.

Except by arrangement made in advance by Shipper and/or Consignee with Carrier, Pick-up service and Delivery service will be provided only during regular business hours and on regularly scheduled cartage trips.

Para. 7. Tender of Delivery.

Consignments that through no fault of Carrier cannot be delivered on the first tender of delivery to the Consignee will be returned to Carrier's terminal and the Consignee will be so notified. Further tenders will be made only upon request of the Consignee, and an additional charge based on published rates will be made for each subsequent tender of delivery.

Para. 8. Liability.

If Pick-up service or Delivery service is performed by or on behalf of Carrier, such surface transportation shall be upon the same terms as to liability as set forth in Article 14 hereof.

ARTICLE 11. FORWARDING AND REFORWARDING.

The Cargo or packages said to contain the goods, described on the face of the Air waybill or in the Shipment record, are accepted for Carriage from their receipt at Carrier's cargo terminal or airport office at the place of departure to the airport at the place of destination. If so specifically agreed, the Cargo, or package said to contain the Cargo, described in the Air waybill or in the Shipment record are also accepted for forwarding to the airport of departure and for reforwarding beyond the airport of destination. If such forwarding or reforwarding is by Carriage operated by Carrier, such Carriage shall be upon the same terms as to liability as set forth in Paragraphs 1 and 2 of Article 13 hereof. In any other event, the issuing Carrier and last Carrier, respectively, in forwarding and reforwarding the Cargo, shall do so only as agents of the Shipper, owner, or Consignee, as the case may be, and shall not be liable for any damage, loss or delay arising out of such additional Carriage unless proved to have been caused by its own negligence or willful default. The Shipper, owner and Consignee hereby authorize such Carriers to do all things deemed advisable to effect such forwarding or reforwarding, including, but without limitation, selection of means of forwarding or reforwarding and the routes thereof (unless these have been specified by the Shipper in the Air waybill or Shipment record), execution and acceptance of documents of Carriage (which may include provisions exempting from or limiting liability) and consigning of Cargo with no declaration of value, notwithstanding any declaration of value in the Air waybill or Shipment record.

ARTICLE 12. SUCCESSIVE CARRIERS.

Carriage to be performed under one contract of Carriage by several successive Carriers is regarded as a single operation.

ARTICLE 13. LAWS AND PROVISIONS APPLICABLE.

Para. 1.

Carriage hereunder is subject to the rules and limitations relating to liability established by the Convention unless such Carriage is not "international carriage" as defined by the applicable Convention.

Para. 2.

To the extent not in conflict with Paragraph 1 of Article 13 above, all Carriage and other services performed by each Carrier are subject to:

- (a) applicable laws (including national laws implementing the applicable Convention or extending the rules of the applicable Convention to Carriage which is not "international carriage" as defined in the applicable Convention), government regulations, orders and requirements; and
- (b) these conditions and applicable tariffs, rules, regulations and time-tables (but not the times of departure and arrival therein specified) of Carrier, which maybe inspected at any of its offices and at airports from which it operates regular services.

Para. 3.

For the purposes of the applicable Convention, the agreed stopping places (which may be altered by Carrier in case of necessity) are those places (except the place of departure and the place of destination) set forth in the Air waybill or Shipment record, or shown in Carrier's timetables as scheduled stopping places for the route.

Para. 4.

In the case of Carriage subject to the applicable Convention, the Shipper acknowledges that he has been given the opportunity to make a special declaration of the value of the Cargo at delivery and if he has done so and paid a supplementary sum, the amount entered on the face of the Air waybill or Shipment record as "shipper's declared value for carriage", if it is in excess of the limit of liability of the Carrier in accordance with the applicable Convention, constitutes a special declaration of value.

ARTICLE 14. LIMITATION OF LIABILITY.

Para. 1.

Carrier is liable to the Shipper, Consignee or any other person for damage sustained in the event of destruction or loss of, or damage to, or delay in the Carriage of Cargo only if the occurrence which caused the damage so sustained took place during the Carriage as defined under Article 1.

Para. 2.

If the damage, destruction, loss or delay was caused or contributed to by the negligence or other wrongful act or omission of the person claiming compensation, or the person from whom he derives his rights, Carrier shall be wholly or partly exonerated from liability to the claimant to the extent that such negligence or wrongful act or omission caused or contributed to the damage, destruction, loss or delay.

Para. 3.

Except as may be otherwise provided in any applicable Convention, Carrier is not liable to the Shipper, Consignee or any other person for any damage, delay or loss of whatsoever nature arising out of or in connection with the Carriage of Cargo or other services performed by Carrier, unless such damage, delay or loss is proved to have been caused by the negligence or willful default of Carrier, and there has been no contributory negligence on the part of the Shipper, Consignee or other claimant.

Para. 4.

Except as may be otherwise provided in any applicable Convention, Carrier is not liable to the Shipper, Consignee or any other person for any damage, delay or loss of whatsoever nature directly or indirectly arising out of compliance with laws, government regulations, orders or requirement, or from any cause beyond Carrier's control.

Para. 5.

Unless the Shipper has made a special declaration of value for Carriage and has paid the supplementary sum applicable, the liability of Carrier shall not exceed the applicable Convention limit, or if no Convention applies, 19 Special Drawing Rights per kilogram of Cargo destroyed, lost, damaged or delayed. If the Shipper has made a special declaration of value for Carriage, it is agreed that any liability shall in no event exceed such declared value for Carriage stated on the face of the Air waybill or included in the Shipment record. All claims shall be subject to proof of value.

Para. 6.

In the case of loss, damage or delay of part of the Consignment, or of any object contained therein, the weight to be taken into consideration in determining the amount to which Carrier's liability is limited shall be only the weight of the package or packages concerned. Nevertheless, when the loss, damage or delay of part of the Consignment, or of an object contained therein, affects the value of other packages covered by the same Air waybill or Shipment record, the total weight of such package or packages shall also be taken into consideration in determining the limit of liability. In the absence of proof to the contrary, the value of any such part of the Consignment lost, damaged or delayed as the case may be, shall be determined by reducing the total value of the Consignment in the proportion that the weight of that part of the Consignment lost, damaged or delayed has to the total weight of the Consignment.

Para. 7.

Carrier is not liable if the destruction, loss of or damage to Cargo is proved to have resulted solely from the inherent defect, quality, nature or vice of that Cargo. In addition, Carrier shall not be liable under any circumstances for damage to, loss or destruction of a Consignment caused by or as a result of property contained therein. The Shipper, owner and Consignee, whose property causes damage to, loss or destruction of another Consignment or of the property of Carrier, shall indemnify Carrier for all losses and expenses incurred by Carrier as a result thereof. Cargo which, because of inherent defect, quality or vice or because of defective packaging,

is likely to endanger aircraft, persons or property may be abandoned or destroyed by Carrier at any time without notice and without liability therefor attaching to Carrier.

Para. 8.

No warranty concerning any aircraft engaged in the Carriage or concerning its fitness for the Carriage of Cargo to which the contract of Carriage relates is implied in the contract of Carriage.

Para. 9.

A Carrier issuing an Air waybill for Carriage over the lines of another Carrier does so only as an Agent for such other Carrier. Any reference in a Shipment record to Carriage to be performed by another Carrier shall be deemed to refer to Carriage to be provided as principal by such other Carrier. No Carrier shall be liable for the loss of, damage or delay to Cargo not occurring on its own line, except that the Shipper shall have a right of action for such loss, damage or delay on the terms herein provided against the first Carrier, and the Consignee or other person who is entitled to delivery shall have such a right of action against the last Carrier under the contract of Carriage.

Para. 10.

Carrier will not be liable for any loss, damage or expense arising from death due to natural causes or death or injury of any animal caused by the conduct or acts of the animal itself or of other animals such as biting, kicking, goring or smothering, nor for that caused or contributed to by the condition, nature or propensities of the animal, or by defective packing of the animal, or by the inability of the animal to withstand unavoidable changes in its physical environment inherent in the Carriage by air.

Para. 11.

In no event shall Carrier be liable for death or injury to an animal attendant caused or contributed to by the condition, conduct or acts of the animals.

Para. 12.

Without limiting Paragraph 7 of this Article 14, Consignments, the contents of which are liable to deteriorate or perish due to change in climate, temperature, altitude or other ordinary exposure, or because of length of time in transit, will be accepted without responsibility on the part of the Carrier for loss or damage due to such deterioration or perishability.

Para. 13.

Carrier shall not be liable in any event for any consequential loss or special damages arising from Carriage subject to these conditions, whether or not Carrier had knowledge that such loss or damage might be incurred.

Para. 14.

Whenever the liability of Carrier is excluded or limited under these conditions, such exclusion or limitation shall apply to the Agents, servants and representatives of Carrier and also to any Carrier whose aircraft or other means of transportation is used for Carriage and to such other Carrier's Agents, servants or representatives.

ARTICLE 15. LIMITATIONS ON CLAIMS AND ACTIONS.

Para. 1.

Receipt by the person entitled to delivery of the Cargo without complaint is *prima facie* evidence that the same has been delivered in good condition and in accordance with the contract of Carriage.

Para. 2.

No action shall be maintained in the case of loss of, damage or delay to or partial loss of, damage or delay to Cargo unless a written complaint, sufficiently describing the Cargo concerned, the approximate date of the loss, damage or delay, and the details of the claim, is presented to an office of Carrier: (a) in the case of visible damage to the Cargo, immediately after its discovery and at the latest within fourteen (14) Days (or seven (7) Days in respect of Carriage to which the Warsaw Convention is applicable) from the date of receipt thereof, (b) in the case of other damage to the Cargo, within fourteen (14) Days from the date of receipt thereof, (c) in the case of delay, within twenty-one (21) Days (or fourteen (14) Days in respect of Carriage to which the Warsaw Convention is applicable) from the date on which the Cargo was placed at the disposal of the person entitled to delivery of the Consignment, and (d) in the case of loss (including non-delivery) of the Cargo, within one hundred and twenty (120) Days from the date of issue of the Air waybill or Shipment record, whichever is applicable.

Para. 3

Any right to damages against Carrier shall be extinguished unless an action is brought within two (2) years after the earliest of: (a) the date of occurrence of the events giving rise to the claim, (b) the date of arrival of the Cargo at the destination (in the case of damage or delay to Cargo, (c) the date of issue of the Air waybill or Shipment record (in the case of loss including non-delivery of the Cargo), whichever is applicable; in each case subject to the applicable Convention, or if the Convention does not apply, the relevant limitation periods under applicable law.

ARTICLE 16. OVERRIDING LAW.

Insofar as any provision contained or referred to in the Air waybill or Shipment record or these conditions may be contrary to mandatory law, government regulations, orders or requirements, such provision shall remain applicable to the extent that it is not overridden thereby. The invalidity of any such provision shall not affect any other part.

ARTICLE 17. MODIFICATION AND WAIVER.

No Agent, servant or representative of Carrier has authority to alter, modify or waive any provision of the contract of Carriage or of these conditions.

Name of carrier: **SINGAPORE AIRLINES CARGO PTE LTD**
Abbreviation of Name: **SQC**