



HONGKONG AIRLINES
香港航空

GENERAL CONDITIONS OF CARRIAGE
(CARGO)

HONG KONG AIRLINES LIMITED

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ARTICLE 1: WHAT PARTICULAR EXPRESSIONS MEAN IN THESE CONDITIONS

As these Conditions of Carriage are read, please remember that:

- 1.1 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.
- 1.2 Air Waybill, which is equivalent to the term “air consignment note”, means the document entitled “Air Waybill/ Consignment Note” made out by or on behalf of the Shipper which evidences the contract between the Shipper and Carrier for carriage of cargo.
- 1.3 Convention means whichever of the following instruments are applicable: the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw, October 12, 1929; or

the Warsaw Convention as amended at The Hague on September 28, 1955; or

the Warsaw Convention as amended by Additional Protocol No. 1 of Montreal 1975; or

the Warsaw Convention as amended at The Hague and by Additional Protocol No. 2 of Montreal 1975; or

the Warsaw Convention as amended at The Hague and by Additional Protocol No. 4 of Montreal 1975; or

Guadalajara Supplementary Convention 1961; or

The Convention on the Contract for the International Carriage of Goods by Road (CMR Convention) signed at Geneva on 19 May 1956; or

The Convention for the Unification of Certain Rules for International Carriage by Air, signed at Montreal, May 28, 1999.
- 1.4 Carriage which is equivalent to transportation means carriage of cargo by air, gratuitously or for reward.
- 1.5 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.
- 1.6 Charge collect means the charges entered on the Air Waybill or Shipment Record for collection from Consignee.
- 1.7 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.

- 1.8 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.
- 1.9 Pick-up service means the surface carriage of outbound consignments from the point of pick-up to the airport of departure.
- 1.10 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.
- 1.11 Shipment Record means any record of the contract of Carriage preserved by Carrier, evidenced by means other than an Air Waybill.
- 1.12 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.
- 1.13 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.
- 1.14 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.
- 1.15 Special Drawing Right (SDR). A Special Drawing Right has the meaning as defined by the International Monetary Fund.

ARTICLE 2: APPLICABILITY

- 2.1 **General:** Except as excluded by Carrier’s regulations in relation to carriage wholly on its own domestic services, this Conditions of Carriage shall apply to all carriage of cargo including all services incidental thereto, performed by Carrier at rates in connection with this Conditions of Carriage.
- 2.2 To the extent not in conflict with the provisions of Para 1 above, all carriage and other services performed by each Carrier are subject to:
 - a) applicable laws including national laws implementing the Convention or extending the rules of the Convention to Carriage which is not “international carriage” as defined in the Convention), government regulations, orders and requirements;

- b) this and other applicable Conditions of Carriage, rules, regulations and timetables (but not the times of departure and arrival therein specified) of Carrier, which may be inspected at any of its offices and at airports from which it operates regular services.
- 2.2.1 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;
- 2.2.2 these Conditions of Carriage and other applicable tariffs, rules, regulations and timetables (but not the times of departure and arrival therein specified) of Carrier which may be inspected at any of its offices and at airports from which it operates regular services;
- 2.3 Applicable to U.S.A. and Canada: These Conditions of Carriage do not apply to carriage between places in the United States or in Canada or between a place in the United States or in Canada and any place outside thereof to which tariffs or conditions of carriage in force in those countries apply. The Conditions of Carriage applicable to such carriage are available for inspection at the offices of Carrier.
- 2.4 **Gratuitous Carriage:** With respect to gratuitous carriage, Carrier reserves the right to exclude the application of all or any part of this Conditions of Carriage.
- 2.5 **Charter Agreements:** With respect to carriage of cargo performed pursuant to a charter agreement with Carrier, such carriage shall be subject to such Carrier’s charter tariff or conditions of carriage applicable thereto, if any, and this Conditions of Carriage shall not apply except to the extent provided in said charter tariff or conditions of carriage. Where a Carrier has no charter tariff or conditions of carriage applicable to such charter agreement, this Conditions of Carriage shall apply to such agreement except that the Carrier reserves the right to exclude the application of all or any part of this Conditions of Carriage, and, in the case of divergence between the applicable provisions of this Conditions of Carriage and the tariff or conditions of carriage contained or referred to in the charter agreement, the later 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.
- 2.6 **Change without Notice:** This Conditions of Carriage 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.
- 2.7 **Effective Rules:** All carriage of cargo governed by these Conditions of Carriage shall be subject to Carrier’s rules, regulations and tariffs in effect on the date of issuance of the Air Waybill by Carrier, provided that in the event of inconsistency between these Conditions of Carriage and Carrier’s rules, regulations and tariffs, these Conditions of Carriage shall prevail. Under no circumstances will Carrier accept any increased obligations or liability that arise by virtue of Shippers or agents issuing Air Waybills or Shipment Records for carriage of shipments on Carrier’s flights which purport to waive or restrict Carrier’s entitlement to rely upon these conditions, regulations and tariffs; and Shipper agrees to indemnify and hold harmless Carrier in respect of any increased liability, losses, damages, costs or expenses that arise from issuing

such Air Waybills or Shipment Records.

ARTICLE 3: ACCEPTABILITY OF GOODS FOR CARRIAGE

- 3.1 **Cargo Acceptable:** Carrier undertakes to transport, subject to the availability of suitable equipment and space, general merchandise, goods, wares and products of all kinds, 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
 - d) they are not likely to endanger aircraft, persons or property, or cause annoyance to passengers.
- 3.2 To the extent permitted by law, Carrier reserves the right without assuming any liability to refuse Carriage of Cargo when circumstances so require.
- 3.3 **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. 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.
- 3.4 **Packing & Marking of Cargo:** Shipper is responsible for ensuring that the cargo is packed in an appropriate way for air carriage so as to ensure that:
- a) It can be carried safely with ordinary care in handling;
 - b) It can be protected from all weather conditions to which it may be exposed, including but not limited to rain, wind, heat and cold. Each package shall be legibly and durably marked with the name and full address of the Shipper and Consignee.
 - c) It does not injure or damage any persons, animals, goods or property. Each package shall be legibly and durably marked so as to identify the Shipper and Consignee.
 - d) 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
- 3.5 Packages containing valuables as defined in Carrier's regulations must be sealed by a method approved by Carrier.
- 3.6 The Carrier is under no obligation to note or be aware of any information contained on the house air waybills used in respect of consolidated or pre-packed shipments.
- 3.7 The Carrier reserves the right to refuse the transportation of cargo that is not suitably packed or marked.

- 3.8 **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.
- 3.9 **Dangerous Goods:** The Shipper shall not tender for carriage any volatile or explosive cargo or cargo which is or may become dangerous, inflammable or offensive or which is or may become liable to damage any property whatsoever without presenting a full description disclosing the nature of the cargo, and in any event the Shipper shall be liable for any loss and damage caused thereby. If in the sole opinion of Carrier the cargo becomes or is liable to become dangerous, inflammable, explosive, volatile, offensive or damaging in nature, the same may at any time be retained, destroyed, disposed of or abandoned or rendered harmless by Carrier without compensation to the Shipper and without prejudice to Carrier's right to any charges hereunder and at the sole cost of the Shipper.
- 3.10 **Responsibility for Non-Observance of Conditions, Laws and Regulations:** The Shipper warrants that he has complied with all the laws, regulations and conditions relating to the nature, packaging, labelling, storage or carriage of cargo and that the cargo is packed in a manner adequate to withstand the ordinary risks of carriage having regard to its nature, and further the Shipper hereby indemnifies Carrier for any liability whatsoever and costs, fees and expenses as a result of or arising out of the Shipper's failure to comply with each of these warranties, including but not limited to compliance with the applicable Dangerous Goods Regulations.
- 3.11 **Carrier's Right of Inspection:** Carrier reserves the right to examine the packaging and contents of all shipments and to enquire into the correctness or sufficiency of information or documents tendered in respect of any shipment but Carrier shall be under no obligation to do so and under no circumstances will Carrier be liable for any direct or indirect losses resulting from its examination of the packaging and shipments.
- 3.12 **Unit Load Devices:** When Shipper undertakes to load a Unit Load Device (ULD) he 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.
- 3.13 **Pre-packed and Mixed Pre-packed Shipments:** The Shipper warrants that it will provide the Carrier with such contemporaneous information that it reasonably requires at the time of booking and acceptance of the number of pieces and weight of packages that have been pre-packed. The Shipper accepts that the Carrier will not have had the opportunity to examine the contents of any pre-packed shipment and hereby indemnifies the Carrier for any liability whatsoever and costs, fees and expenses as a result of or arising out of the Shipper's failure to comply with this warranty.

ARTICLE 4: DOCUMENTATION

- 4.1 **Air Waybill:** The Shipper shall make out or have made out on his behalf

- a) 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.
- b) Carrier may require the Shipper to make out, or have made out on his behalf, separate Air Waybills when all of the consignment cannot be carried in one aircraft or cannot, without breach of government requirements or regulations of Carrier, be carried on one Air Waybill.
- 4.2 **Shipment Record:** Carrier, with the express or implied consent of the Shipper, if required by the applicable convention, 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 Carrier's regulations a receipt for the cargo permitting identification of the shipment and access, in accordance with Carrier's regulations, to the information contained in the Shipment Record.
- 4.3 **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.
- 4.4 **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 does not contain all the required particulars, or if it contains any error, Carrier is authorized to complete or correct it to the best of the Carrier's ability without being under any obligation to do so.
- 4.5 **Responsibility for Particulars:** The Shipper is responsible for the correctness of the particulars and statements relating to the cargo 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 the 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's particulars as to value, unless no value is declared with a supplemental charge having been paid, shall be conclusive evidence, as against the Shipper and Consignee of the value of the shipment. Where no value is declared the Shipper warrants that the Shipper requires no special security or handling. The Shipper shall indemnify Carrier against all damage suffered by him, or by any other person to whom Carrier is liable, by reason of the irregularity, incorrectness, or incompleteness of the particulars and statements furnished by the Shipper or on his behalf.
- 4.6 **Alterations:** Air Waybills the writing on which has been altered or erased need not be accepted by Carrier.

ARTICLE 5: RATES AND CHARGES

- 5.1 **Applicable Rates & Charges:** Rates and charges for carriage governed by this Conditions of

Carriage are those duly published by Carrier and in effect on the date of the issuance of the Air Waybill by Carrier. Such rates and charges are applicable to routings published from time to time in connection with this Conditions of Carriage and are not applicable between the points named.

- 5.2 **Airport to Airport:** Except as otherwise provided in Carrier's regulations, rates and charges apply only from airport to airport.
- 5.3 **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.
- 5.4 **Services not Included in Published Rates & Charges:** Published rates and charges cover the carriage of consignments of 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, delivery and city terminal 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 authorities including duties and taxes or any other expenses imposed;
 - 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 provided by Carrier in connection with the air carriage.
- 5.5 **Payment of Charges:**
- 5.5.1 Rates and charges are published in the currency shown in the applicable rate tariffs, and are payable in any currency acceptable to Carrier. When payment is made in a currency other than in the currency in which rate or charge is published, such payment will be made at the rate of exchange established for such purposes by Carrier, the current statement of which is available for inspection

by the Shipper at Carrier's office where the Air Waybill is issued or payment is made. The provisions of this paragraph are subject to applicable exchange laws and government regulations.

- 5.5.2 Full applicable charges, whether prepaid or collect, fees, duties, taxes, charges, advances and payment, 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 Air Waybill. 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 Air Waybill.
- 5.5.3 The Shipper guarantees payment of all unpaid charges, advances and disbursements of Carrier. The Shipper also guarantees payment of all costs, expenditures, fines, penalties, loss of time, damages and other sums which Carrier may incur or suffer by reasons of the inclusion in the consignment of articles the carriage 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), 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 such right of Carrier to collect any of the foregoing shall be in any way affected, lost or prejudiced by reason of the acknowledgement of payment,
- 5.5.4 If the gross weight, measurements, 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
- 5.5.5 Charges collect consignments 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.
- 5.5.6 All charges applicable to a shipment are payable in cash at the time of acceptance thereof by the Carrier in the case of a prepaid shipment, i.e. a shipment on which the charges are to be paid by the Shipper, or at the time of delivery thereof by the Carrier in the case of a collect shipment, i.e. a shipment on which the charges are to be paid by the Consignee. If the Consignee fails to pay said charges, when such charges are to be collected, the Shipper remains obligated to pay these charges and interest at the judgment rate in the applicable jurisdiction.

ARTICLE 6: SHIPMENTS IN COURSE OF CARRIAGE

- 6.1 **Compliance with Government Requirements:** 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 attach such documents to the Air Waybill as may be necessary to comply with 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 any direct or indirect loss the Shipper or any other person for loss or expense due to Shipper's failure to comply with this provision.

- 6.2 No liability shall attach to the Carrier if Carrier in good faith reasonably determines that what it understands to be the applicable laws, government regulations, demand, order or requirement requires that it refuses and it does refuse to carry a consignment.
- 6.3 **Disbursements & Customs Formalities:** Carrier is authorized (but shall be under no obligation) to advance any duties, taxes or charges and to make any disbursements with respect to the cargo, and the Shipper, owner and Consignee shall be jointly and severally for the reimbursement thereof. No Carrier shall be under obligation to incur any expenses or to make any advance in connection with the forwarding or reforwarding of the cargo except against repayment by the Shipper. If it is necessary to make customs entry of the cargo at any place, the cargo shall be deemed to be consigned at such place to the person named on the face of the Air Waybill as customs Consignee or, if no such person be names, 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 certified by Carrier, shall be deemed an original.
- 6.4 **Schedules, Routings & Cancellations:** Times shown in timetable or elsewhere are approximate and not guaranteed and form no part of the contract of carriage. No time is fixed for the commencement or completion of carriage or delivery of cargo. Carrier assumes no obligation to carry the cargo by any specified aircraft or over any particular route or routes, or make connections at any point according to any particular schedule, and Carrier is hereby authorized to select or deviate from the route or routes of consignment, notwithstanding that the same may be stated on the face of the Air Waybill. Carrier is not responsible for errors or omissions either in timetable or other representations of schedules. No employee, agent or representative of Carrier is authorized to bind Carrier by any statements or representations of the dates or times of departure or arrival, or of the operation of any flight.
- 6.5 Carrier is authorized to carry the consignment without notice wholly or partly by any means of surface transportation, or to arrange such carriage.
- 6.5.1 Carrier may without notice, cancel, terminate. Divert, postpone or delay any flight, or the further right of carriage, or proceed with any flight without all or any part of the cargo, if it considers that it would be advisable to do so
- a) because of any fact beyond its control (including, but without limitation, meteorological conditions, acts of God, force majeure, strikes, riots, civil commotions, 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
 - b) because of any fact not reasonably to be foreseen, anticipated, or predicted ; or
 - c) because of any government regulation, order, demand or requirement; or
 - d) because of shortage of labour, fuel, or facilities, or labour difficulties of Carrier or others
- 6.5.2 Carrier may cancel the carriage of consignment upon the refusal of the Shipper, after demand by

such Carrier to pay the charges or the portion thereof so demanded, without being subject to any liability therefore.

- 6.5.3 In the event any flight is so canceled, postponed or 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, postponed, 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 Air Waybill, 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. 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. 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 thereof.
- 6.5.4 Subject to applicable government laws, regulations and orders, Carrier is authorized to determine the priority of carriage as between consignments and as between consignments and other cargo, mail and passengers, and to decide which articles shall be carried and which articles shall not be carried or shall be removed at any time or place whatsoever and to proceed with any flight without all or any part of the goods in one consignment, in each case without any liability whatsoever therefor or arising therefrom.
- 6.6 **Certain Rights of Carrier over Consignment in Transit:** If in the opinion of Carrier it is necessary to hold the consignment at any place for any purpose, either before, during or after transit, Carrier may, upon giving notice thereof to the Shipper or Consignee at the address stated in the Air Waybill, store the consignment for the account and at the risk and expense of the Shipper, owner and Consignee of the consignment, or any one of them 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, owner or Consignee of the consignment shall be jointly and severally liable for and indemnify Carrier against any expense or risk or direct or indirect loss so incurred.

ARTICLE 7: AUTHORITY AND INDEMNITY OF SHIPPER

- 7.1 **Authority to Tender Cargo for Acceptance:** It is agreed that any person who tenders cargo to Carrier for carriage for or on behalf of the Shipper is authorized to do so subject to these Conditions of Carriage.
- 7.2 **Shipper's Authority:** The Shipper warrants that in agreeing to these Conditions of Carriage it has the authority of the person or persons owning or having an interest in the cargo or any part thereof.
- 7.3 **Shipper's Indemnity:** Without prejudice to the generality of the forgoing, Shipper undertakes to indemnify Carrier in respect of any liability whatsoever and howsoever arising (including without limitation, negligence or breach of contract or intentional or reckless conduct or default of Carrier or otherwise) in connection with cargo to any person (other than Shipper) who claims to have, who has or who may hereafter have any interest in the cargo or any part thereof. It is

agreed that this indemnity operates irrespective of whether the Carrier's liability arises in events which may constitute a fundamental breach of contract or a breach of a fundamental term.

ARTICLE 8: SHIPPER'S RIGHT OF DISPOSITION

- 8.1 **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. 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. 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. Carrier shall not be liable of exercising of right of deposition as stated hereof.
- 8.2 **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:
- 8.2.1 by withdrawing it at the airport of departure or of destination; or
 - 8.2.2 by stopping it in the course of the journey on any landing; or
 - 8.2.3 by calling for it to be delivered at the place of destination or in the course of the journey to a person other than the Consignee named in the Air Waybill or Shipment Record; or
 - 8.2.4 by requiring it to be returned to the airport of departure;
 - 8.2.5 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.
- 8.3 **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.
- 8.4 **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
- 8.5 **Notice of Arrival:** Unless the Consignment is to be re-forwarded 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.

- 8.6 **Delivery to Consignee:** 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.
- 8.7 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 of Carriage,
- 8.7.1 when Carrier has delivered to the Consignee or his agent any authorization from Carrier required to enable the Consignee to obtain release of the shipment, and
- 8.7.2 when the shipment has been delivered to customs or other government authorities as required by applicable law or customs regulation.
- 8.8 **Place of Delivery:** Except as provided in Article 9.2, the Consignee must accept delivery of and collect the Consignment at the airport of destination or the respective facility as designated by Carrier.
- 8.9 **Failure of Consignee to take Delivery:**
- 8.9.1 Subject to the provisions in Article 8.11 hereof, if the Consignee refuses or fails to take delivery of the consignment after its arrival at the place of delivery, Carrier will take step(s) to comply with any instructions of the Shipper set forth on the face of the Air Waybill. If no such instructions are so set forth, or if such instructions reasonably cannot be complied with [or the instruction provided is not clear] + within 30 days, Carrier, after forwarding to the Shipper notice of the failure of the Consignee to take delivery, may
- a) return the consignment on its own service or on any other transportation service to the airport of departure, there to await instructions of the Shipper; or
 - b) after holding the consignment for a period of not less than 30 days sell such consignment in one or more lots at public or private sale
- 8.10 The Shipper and owner are liable for charges, expenses and disbursement 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 together with any incidental charges. If the consignment is returned to the airport of departure and the Shipper or owner refuses or neglects to make such payments within 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 the address stated on the

Air Waybill 10 days' notice of its intention to do so. The Shipper and the owner shall not claim the expense from the Carrier.

- 8.11 **Disposal of Perishables:** When a consignment containing perishable articles is delivered 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 consignments 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. The proceeds of any such sale shall be subject to the payment to Carrier of all accrued charges and expenses.
- 8.12 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 authorized to pay 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 consignment shall, however, not discharge the Shipper and/or owner of any liability hereunder to pay any deficiencies.
- 8.13 **Responsibility for Charges:** By accepting delivery of the Air Waybill and/or the shipment 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 shipment or the Air Waybill conditional upon payment of these costs and charges.

ARTICLE 9: PICK-UP, DELIVERY

- 9.1 **Shipments:** 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 or the respective facility as designated by the Carrier.
- 9.2 **Availability of Service:** Pick-up, delivery and city terminal services will be available at the points and subject to the rates and charges established for such services in accordance with the applicable regulations or tariffs of Carrier as amended from time to time.
- 9.3 **Request for Service:** Pick-up service, if available, will be provided when requested by the Shipper. Except when otherwise provided by Carrier's regulations, delivery service will be provided unless contrary instructions are given by the Shipper on the Air Waybill, 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.
- 9.4 **Consignments for which Service is Unavailable:** Pick-up, delivery and city terminal services will not be provided by Carrier without special arrangement for any consignment which, in the opinion of Carrier, it is impracticable for Carrier to handle.
- 9.5 **Liability:** If pick-up service or delivery service is performed by Carrier, such surface transportation shall be upon the same terms as to liability as set forth in Article 12 hereof. In any other event, and to the extent that other mandatory regulations apply, the issuing Carrier and last Carrier, respectively, in forwarding and re-forwarding 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 arising out of such additional carriage unless provided to have been caused by its acts or omissions done with intent to cause damage, death, injury, loss or delay or recklessly with actual knowledge that damage, death, injury, loss, delay would probably result. The Shipper, owner and Consignee hereby authorize such Carriers to do all things deemed advisable to effect such forwarding or re-forwarding, including, but without limitation, selection of means of forwarding or re-forwarding 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 excluding 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 10: SUCCESSIVE CARRIERS

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

ARTICLE 11: LIMITATION OF LIABILITY

- 11.1 Carrier is liable to the Shipper, Consignee or any other person for damage sustained in the event of destruction of 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 in article 1.
- 11.2 Except as the Convention or other applicable law may otherwise require: Carrier is not liable to the Shipper or to any other person for any damage, delay or loss of whatsoever nature directly or indirectly (hereinafter in this Conditions of Carriage collectively referred to as “damage”) arising out of or in connection with the carriage of the cargo or other services performed by Carrier incidental thereto, unless such damage is proved to have been caused by the negligence or willful fault of the Carrier, and there has been no contributory negligence of the Shipper, Consignee or other claimant whatsoever including, without limiting the foregoing, the negligence, recklessness, gross negligence or willful conduct or default on the part of the Carrier or its servants or agents whether or not the same occurs in the course of performance by or on behalf of Carrier under the contract or in events which are in the contemplation of the Carrier and/or Shipper or in events which are foreseeable by them or either of them or in events which may constitute a fundamental breach of contract or breach of a fundamental term.
- 11.3 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 conditions, nature or propensities of the animals.
- 11.4 In no event will Carrier be liable for death or injury to an animal attendant, caused or contributed to by the condition, conduct or acts of the animals. The inability of the animal to withstand unavoidable changes in its physical environment inherent in the Carriage by air. Furthermore, Carrier will not be liable for loss or damage resulting from the inherent defect, quality or vice of the cargo carried.
- 11.5 Carrier shall not be liable in any event for any (i) loss of business opportunities and contracts, revenue, profits, anticipated savings, goodwill or reputation (whether arising directly

or not) and (ii) special, indirect or consequential loss or damage arising from carriage subject to these Conditions of Carriage, whether or not Carrier had knowledge that such loss or damage might be incurred.

- 11.6 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.
- 11.7 The liability of carrier shall not exceed 22 SDR or their equivalent per kilogram of cargo destroyed, lost, damaged or delay, unless the charge for carriage have been based upon the value declared by the Shipper when it is agreed that any liability shall in no event exceed the Shipper's declared value for carriage stated on the face of the Air Waybill; all claims shall be subject to proof of value.
- 11.8 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.
- 11.9 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.
- 11.10 A Carrier issuing an Air Waybill for carriage over the lines of others does so only as an agent. No carrier shall be liable for the loss, damage, or delay of cargo not occurring on its own line, except that consignor shall have a right of action for such loss, damage, or delay on the terms herein provided against the first Carrier and the Consignee who is entitled to delivery shall have such a right of action against the last Carrier under the agreement to carry.
- 11.11 Whenever the liability of Carrier is excluded or limited under these Conditions of Carriage, such exclusion or limitation shall apply to agents, servants or representatives of the Carrier and also any Carrier whose aircraft is used for carriage and its agents, servants or representatives.

ARTICLE 12: LIMITATIONS ON CLAIMS AND ACTIONS

- 12.1 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.
- 12.1.1 No action shall be maintained in the case of loss or damage to goods unless a complaint is made to Carrier in writing by the person entitled to delivery. Such complaint shall be made;
- 12.1.2 in the case of visible damage to or partial loss of the goods, immediately after its discovery and at the latest within fourteen (14) days from the date of receipt of the goods;
- 12.1.3 in the case of other damage to the goods, within fourteen (14) days from the date of receipt of the goods;
- 12.1.4 in the case of delay, within twenty-one (21) days from the date on which the goods were placed at the disposal of the person entitled to delivery;
- 12.1.5 in the case of non-delivery of the goods, within one hundred and twenty (120) days of the date the goods ought to have arrived at destination.
- 12.2 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 13: OVERRIDING LAW

- 13.1 Insofar as any provision contained or referred to in the Air Waybill or in this Conditions of Carriage 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 provision shall not affect any other part.

ARTICLE 14: MODIFICATION AND WAIVER

- 14.1 No agent, servant or representative of Carrier has authority to alter, modify or waive any provisions of the contract of carriage or of this Conditions of Carriage.