



General Conditions of Carriage for Cargo

REV 02

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Article 1- Definitions

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 the CARRIER in relation to CARRIAGE unless that person is acting as agent on behalf of the SHIPPER or CONSIGNEE with respect to a SHIPMENT governed by these conditions.

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 over routes of the CARRIER and maybe in either paper or electronic format.

1.3 “APPLICABLE CONVENTION” means whichever of the following instruments is applicable to the CARRIAGE:

(1) the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw, 12 October 1929;

(2) the Warsaw Convention as amended at The Hague on 28 September 1955;

(3) the Warsaw Convention as amended by Additional Protocol No. 1 of Montreal 1975;

(4) the Warsaw Convention as amended at The Hague 1955 and by Additional Protocol No. 2 of Montreal 1975;

(5) the Warsaw Convention as amended at The Hague 1955 and by Protocol No. 4 of Montreal 1975; and

(6) the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999.

1.4 "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 a SHIPMENT RECORD.

1.5 "CARRIAGE" (which is equivalent to the term "transportation") means the CARRIAGE of CARGO by air or by any other means of transportation, whether gratuitously or for reward.

1.6 "CARRIER" includes the air carrier who issued the AIR WAYBILL or preserved the SHIPMENT RECORD and all carriers that carry or undertake to carry the CARGO or to perform any other services related to such CARRIAGE.

1.7 "CHARGES COLLECT" means the charges entered on the AIR WAYBILL or SHIPMENT RECORD for collection from the CONSIGNEE against delivery of the SHIPMENT.

1.8 "CONSIGNEE" means the person whose name appears on the AIR WAYBILL or SHIPMENT RECORD as the party to whom the SHIPMENT is to be delivered by the CARRIER.

1.9 "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.

1.10 "DELIVERY SERVICE" means the surface CARRIAGE of inbound SHIPMENTS 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,

1.11 "EDI" means electronic data interchange.

1.12 "PICK-UP SERVICE" means the surface CARRIAGE of outbound SHIPMENTS 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.

1.13 “SHIPMENT” (which is equivalent to the term “consignment”) means, except as otherwise provided herein, one or more packages or pieces or bundles of CARGO accepted by the CARRIER from one SHIPPER 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.

1.14 “SHIPMENT RECORD” means any record of CARRIAGE preserved by the CARRIER, evidenced by means other than an AIR WAYBILL.

1.15 “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 the CARRIER for CARRIAGE.

Article 2- Applicability

2.1 General

These conditions shall apply to all CARRIAGE, including all services incidental thereto, performed by or on behalf of the 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 APPLICABLE CONVENTION.

2.2 Applicable Laws and Carrier’s Tariffs

To the extent not in conflict with Article 2.1 all CARRIAGE and other services performed by the CARRIER are subject to:

(1) 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;

(2) These conditions and other applicable tariffs, rules, regulations and timetables (but not the times of departure and arrival therein specified) of the CARRIER which may be inspected at any of its offices and at airports from which it operates regular services.

(3) Where the CARRIER has entered into an e-freight agreement for CARRIAGE using EDI with a freight forwarder (as the SHIPPER or as agent for the Shipper) or the SHIPPER, and that person has issued a SHIPMENT RECORD for a shipment, the terms and conditions of that EDI agreement.

2.3 Application to United States and Canada

These conditions 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 in force in those countries apply. The tariffs applicable to such CARRIAGE are available for inspection at offices of the CARRIER.

2.4 Gratuitous Carriage

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

2.5 Charters

With respect to CARRIAGE performed pursuant to a charter agreement with the CARRIER, such CARRIAGE shall be subject to the CARRIER's charter tariffs applicable thereto (if any) and these conditions shall not apply except to the extent provided in said charter tariffs. Where the CARRIER has no charter tariffs applicable to such charter agreement these conditions shall apply to

such agreement except the 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.

2.6 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 orders; provided however that no such change shall apply to a contract of CARRIAGE after the date of issuance of the AIR WAYBILL by the CARRIER or after the date the rate or charge for the CARRIAGE has been entered in the SHIPMENT RECORD.

2.7 Effective Rules

ALL CARRIAGE governed by these conditions shall be subject to the CARRIER'S rules, regulations and tariffs in effect on the date of the issuance of the AIR WAYBILL by the CARRIER or on the date of the SHIPMENT RECORD, provided that in the event of inconsistency between these conditions and the CARRIER'S rules, regulations and tariffs, these conditions shall prevail.

Article 3- Acceptability of Goods for Carriage

3.1 Cargo Acceptable

(1) The CARRIER undertakes to transport, subject to the availability of suitable equipment and space, all SHIPMENTS, unless otherwise excluded by the CARRIER'S regulations and provided:

- a. the CARRIAGE, or the exportation or importation thereof is not prohibited by the laws or regulations of any country to be flown from , to or over as well as by sanctions and/or regulations enacted by the European Union, the United States, or the United Nations;
 - b. they are packed in a manner suitable for CARRIAGE as required by the issuing CARRIER and any subsequent CARRIER;
 - c. they are accompanied by the requisite shipping documents; and
 - d. they are not likely to endanger aircraft or any other means of transportation, persons or property, or cause annoyance to passengers.
- (2) To the extent permitted by law the CARRIER reserves the right, without assuming any liability, to refuse CARRIAGE in its absolute discretion.

3.2 Valuation Limit of Shipment

Acceptance of SHIPMENTS having a declared value for CARRIAGE in excess of US\$100,000 shall be confirmed by CAL Cargo Quality Assurance Department (TPEFQCI) first.

3.3 Packing and Marking of Cargo

- (1) The SHIPPER is responsible for ensuring that the 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 and in accordance with the CARRIER'S regulations. Each package of the CARGO shall be legibly and durably marked with the name and full address of the SHIPPER and CONSIGNEE and all pieces in a SHIPMENT shall be so marked and appropriate referenced to each other.
- (2) Packages containing valuables as defined in the CARRIER'S regulations must be sealed by a method approved by the CARRIER, if so requested by the CARRIER.

(3) The CARRIER reserves the right to refuse the transportation of the CARGO that is not suitably packed and/ or marked.

(4) The SHIPPER is responsible for packing the CARGO so as to protect it from all weather conditions to which it may be exposed, including but not limited to rain, snow, wind, heat and cold.

3.4 Special Cargo

Special CARGO, including but not limited to valuables, dangerous goods, live animals, perishables or temperature sensitive goods, fragile goods, human remains, and any other goods that the CARRIER has from time to time published and/or distributed by other means as requiring special treatment or arrangement, is acceptable only under the conditions set forth in the CARRIER'S regulations applicable to the CARRIAGE of such CARGO.

3.5 Responsibility for Non-Observance of Conditions relating to Cargo

Responsibility for non-observance of the conditions relating to the CARRIAGE rests upon the SHIPPER (or its agent) and the owner of the CARGO, who shall jointly and severally indemnify the CARRIER for any loss, damage, delay, liability or penalties the CARRIER may incur because of CARRIAGE of any such CARGO.

3.6 Carrier's Right of Inspection

The CARRIER reserves the right to examine the packaging and contents of all SHIPMENTS and enquire into the correctness or sufficiency of information or documents tendered in respect of any SHIPMENT but the CARRIER shall be under no obligation to do so, and assumes no liability with regard to such inspection or enquiry.

3.7 Unit Load Devices

When SHIPPER undertakes to load a unit load device (ULD) he must comply

with the CARRIER'S loading instructions and shall be liable for and indemnify the CARRIER against all consequences of any non-compliance with such instructions.

3.8 Carriage of Perishables or Temperature Sensitive Cargo

All SHIPMENTS of perishable or temperature sensitive CARGO must be packed and documented strictly in accordance with the CARRIER'S special handling procedures set out in the CARRIER'S regulations applicable to the CARRIAGE of such CARGO.

3.9 Dangerous Goods

The SHIPPER shall not tender for carriage any dangerous goods specified in and subject to applicable dangerous goods regulations, including but not limited to any incendiary device, 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 such Cargo, and in any event the SHIPPER shall be liable for all loss and damage caused by such CARGO.

3.10 Compliance with Laws and Regulations

The SHIPPER warrants that it has complied with all the laws and regulations relating to the acceptance, nature, packaging, labelling, storage or CARRIAGE, and that the Cargo is packed in a manner adequate to withstand the ordinary risks of CARRIAGE having regard to its nature. The SHIPPER hereby indemnifies the CARRIER for any liability whatsoever and all costs and expenses resulting from or arising out of the SHIPPER'S failure to comply with each of these warranties, including but not limited to compliance with all the applicable dangerous goods regulations.

Article 4-Documentation

4.1 Air Waybill

Subject to Article 4.2, 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 the CARRIER, and shall deliver such AIR WAYBILL to the CARRIER simultaneously with the acceptance of the CARGO by the CARRIER for CARRIAGE. However, charges for CARRIAGE and other charges, insofar as they have been ascertained, shall be inserted in the AIR WAYBILL by the CARRIER. The 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 the SHIPMENT cannot be carried in one aircraft or cannot, without breach of government or the CARRIER'S regulations, be carried on one AIR WAYBILL.

4.2 Shipment Record

The 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 the CARRIER shall, if so requested by the SHIPPER, deliver to the SHIPPER in accordance with the CARRIER'S regulations a receipt for the CARGO permitting identification of the SHIPMENT and access, in accordance with the CARRIER'S regulations, to the information contained in the SHIPMENT RECORD.

4.3 Apparent Condition/Packing of the Cargo

If the apparent order and condition of the CARGO and/ or packing is in any way defective the SHIPPER shall, if an AIR WAYBILL is delivered, include on the AIR WAYBILL a statement of such apparent order and condition. If no AIR WAYBILL is delivered the SHIPPER shall advise the CARRIER of the apparent order and condition of the CARGO, to enable the CARRIER to insert an

appropriate reference thereto in the SHIPMENT RECORD. However, if the SHIPPER fails to include such statement in the AIR WAYBILL or to advise the CARRIER of the apparent order and condition of the CARGO, or if such statement or advice is incorrect, the CARRIER may include in the AIR WAYBILL or insert in the SHIPMENT RECORD a statement of the apparent order and condition of the CARGO, or note a correction thereto, but the CARRIER is under no obligation to do so.

4.4 Preparation, Completion or Correction by Carrier

The CARRIER may at the request of the SHIPPER expressly or impliedly, make out the AIR WAYBILL in which event, subject to proof to the contrary, the 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 the 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, the CARRIER is authorised to complete or correct the AIR WAYBILL or particulars or statements 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 the CARRIER for insertion in the SHIPMENT RECORD. Where such information is provided by means of 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 shall be liable for, and shall indemnify the CARRIER against all damage suffered by him, or by any other person to whom the CARRIER is liable, by reason of the irregularity, incorrectness or incompleteness of the particulars and statements, whether the AIR WAYBILL or the information relating to the CARGO for insertion in the SHIPMENT RECORD, furnished by

the SHIPPER or on his behalf.

The SHIPPER'S particulars as to value, unless no value is declared, 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 SHIPMENT requires no special security or handling.

4.6 Alterations

AIR WAYBILLS, the writing on which has been altered or erased, need not be accepted by the CARRIER.

Article 5- Rates and Charges

5.1 Applicable Rates and Charges

Rates and charges for CARRIAGE governed by these conditions are those duly published by the CARRIER and in effect on the date the issuance of the AIR WAYBILL by the CARRIER, or on the date the rate or charge for the CARRIAGE has been entered in the SHIPMENT RECORD.

5.2 Basis of Rates and Charges

Rates and charges will be based on the units of measurement and subject to the rules and conditions published in the CARRIER'S regulations and rate tariffs.

5.3 Services Not Included in Published Rates and Charges

Except as otherwise provided in CARRIERS' regulations, rates and charges apply only from airport to airport and do not include any ancillary service given by the CARRIER in connection with CARRIAGE including additional PICK-UP and DELIVERY SERVICES.

5.4 Payment of Charges

(1) Rates and charges are published in currency shown in applicable rate tariffs, and may be paid in any currency acceptable to the CARRIER. When payment is made in a currency other than in currency in which the rate or charge is published, such payment will be made at rate of exchange established for such purpose by the CARRIER, the current statement of which is available for inspection upon first request at the CARRIER'S office where payment is made. The provisions of this paragraph are subject to applicable exchange laws and government regulations.

(2) Full applicable charges, whether prepaid or collect, fees, duties, taxes, charges, advances and payments, made or incurred or to be incurred by the CARRIER and any other sums payable to the CARRIER, will be deemed fully earned, whether or not the CARGO is lost or damaged, destroyed or disposed, misdelivered or fails to arrive at the destination specified in the contract of CARRIAGE as evidenced by the AIR WAYBILL or the SHIPMENT RECORD. All such charges, sums and advances will be due and payable upon receipt of the CARGO by the CARRIER, except that they may be collected by the CARRIER at any stage of the service performed under the CARRIAGE and may be collected at any time upon demand of the CARRIER.

(3) The SHIPPER guarantees payment of the freight rate, storage charges and all other unpaid charges, unpaid CHARGES COLLECT, advances and disbursements of the CARRIER. The SHIPPER also guarantees payment of all costs, expenditures, fines, penalties, loss of time, damage and other sums which the CARRIER may incur or suffer by reason of the inclusion in the SHIPMENT of articles the CARRIAGE of which is prohibited by law, or the illegal, incorrect or insufficient marking, numbering, addressing or packing of packages or descriptions 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.

(4) 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, the CARRIER shall be entitled to require payment of the charge on such excess.

(5) CHARGES COLLECT SHIPMENTS will be accepted only to countries listed in the CARRIER'S regulations and subject to the conditions contained therein. In any event the CARRIER reserves the right to refuse a SHIPMENT 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 the CARRIER.

(6) All charges applicable to a SHIPMENT are payable 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, except when the CARRIER has extended credit to the CONSIGNEE without the written consent of the SHIPPER.

(7) The CARRIER may cancel the CARRIAGE of the SHIPMENT upon refusal by the SHIPPER, after demand by the CARRIER, to pay the charges or portion thereof so demanded without the CARRIER being subject to any liability therefor.

5.5 Carrier's General Lien

The CARRIER shall have a lien on the CARGO for each of the foregoing and, in the event of no-payment thereof, shall have the right to dispose of the CARGO at public or private sale (provided that prior to such sale the CARRIER shall have given notice thereof by email, facsimile or mail 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. By taking delivery or exercising any other right arising from the contract of CARRIAGE as evidenced by the AIR WAYBILL or the SHIPMENT RECORD, the CONSIGNEE agrees to pay such charges, sums and advances, except prepaid charges.

Article 6- Shipments in Course of Carriage

6.1 Compliance with Government Requirements

(1) 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, together with the SHIPMENT, furnish such information and deliver such documents as may be necessary to comply with such laws and regulations. The CARRIER shall not be obliged to inquire into the correctness or sufficiency of such information or documents. The CARRIER shall not be liable to the SHIPPER or any other person for loss or expense due to the SHIPPER'S failure to comply with this provision. The SHIPPER shall be liable to the CARRIER for any damage occasioned by the failure of the SHIPPER to comply with this provision.

(2) The CARRIER shall not be liable for refusing to carry any SHIPMENT if the CARRIER reasonably determines in good faith that such refusal is required by any applicable law, government regulation, demand, order or requirement.

6.2 Disbursements and Customs Formalities

The 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 and by taking delivery or exercising any other right arising out of the contract of CARRIAGE the 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 re-forwarding 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. For any such purpose a copy of the AIR WAYBILL or of the SHIPMENT RECORD, certified by the CARRIER, shall be deemed original.

6.3 Schedules, Routings and Cancellations

(1) Times shown in the CARRIER'S timetables or elsewhere as approximate and not guaranteed and form no part of the AIR WAYBILL or SHIPMENT RECORD. 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, the 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. The CARRIER is hereby authorised to select or deviate from the route or routes of the SHIPMENT, notwithstanding that the same may be stated on the face of the AIR WAYBILL or in the SHIPMENT RECORD. The CARRIER is not responsible for errors or omissions either in time-tables or other representations of schedules. No employee, AGENT or representative of the CARRIER is authorised to bind the CARRIER by any statements or representations of the dates or times of departure or arrival, or of operation of any flight.

(2) The CARRIER is authorised to carry the SHIPMENT without notice wholly or partly by any other means of CARRIAGE or to substitute alternate CARRIERS.

(3) The CARRIER reserves the right without notice, to cancel, terminate, divert, postpone, delay or advance any flight, or the further CARRIAGE, or to proceed with any flight without all or any part of the CARGO, in its absolute

discretion.

(4) Provided that no regulations/laws to the contrary are applicable, in the event any flight is, pursuant to above item (3), cancelled, diverted, postponed, delayed or advanced or is terminated at place other than the place of destination or in the event the CARRIAGE of any SHIPMENT is so cancelled, diverted, postponed, delayed, advanced or terminated, the CARRIER shall not be under any liability theretofore such action. In the event the CARRIAGE of the SHIPMENT or any part thereof is so terminated, delivery thereof by the CARRIER to any transfer agent for transfer or delivery or the placing of such SHIPMENT in storage shall be deemed completed delivery under the contract of CARRIAGE as evidenced by the AIR WAYBILL or SHIPMENT RECORD, and the CARRIER shall be without any further liability with respect thereto, except to give notice of the disposition of the SHIPMENT to the SHIPPER or to the CONSIGNEE, at the address stated in the AIR WAYBILL or SHIPMENT RECORD. The CARRIER may, but shall not be obligated to, forward the SHIPMENT for CARRIAGE by any other route or forward the SHIPMENT 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.

(5) Unless otherwise agreed, and subject to applicable laws, regulations and orders, the CARRIER is authorised to determine the priority of CARRIAGE as between SHIPMENTS, and as between the CARGO and mail or passengers. The CARRIER may likewise decide to remove any articles from a SHIPMENT, at any time or place whatsoever, and to proceed with the flight without them. If as a result of determining such priority, the CARGO is not carried or CARRIAGE thereof is postponed or delayed or if any articles are removed from a SHIPMENT, the CARRIER will not be liable to the SHIPPER or CONSIGNEE or to any other party for any consequences.

6.4 Certain Rights of Carrier over Shipment in Course of Carriage

(1) If in the opinion of the CARRIER it is necessary to hold the SHIPMENT at any place for any reasonable purpose, either before, during or after

CARRIAGE, the CARRIER may, upon giving notice thereof to the SHIPPER at the address stated in the AIR WAYBILL or SHIPMENT RECORD, store the SHIPMENT 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 the CARRIER may deliver the SHIPMENT to another transportation service for onward CARRIAGE to the CONSIGNEE. The SHIPPER shall indemnify the CARRIER against any expense or risk so incurred.

(2) If in the sole opinion of the CARRIER the CARGO is 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, abandoned or rendered harmless by the CARRIER without notice or compensation to the SHIPPER and without prejudice to the CARRIER'S right to any charges hereunder and at the cost of the SHIPPER.

Article 7-Shipper's Right of Disposition

7.1 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 SHIPMENT 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 the CARRIER'S regulations, to the CARRIER. Instructions as to disposition must be given in writing in the form prescribed by the 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.

7.2 Shipper's Option

(1) To the extent permitted by law and APPLICABLE CONVENTION, and

subject to his liability to carry out all his obligations under the AIR WAYBILL or SHIPMENT RECORD and provided that this right of disposition is not exercised in such way as to prejudice the CARRIER or other SHIPPERS, or the CONSIGNEE'S right to delivery, the SHIPPER may at his own expense dispose of the CARGO either:

- a. by withdrawing it at the airport of departure or of destination;
- b. by stopping it in the course of the journey on any landing;
- c. by calling for it to be delivered at the place of destination to in course of the journey 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.

(2) Provided that if, in the opinion of the CARRIER, it is not reasonably practicable to carry out the order of the SHIPPER, the CARRIER shall so inform him promptly and the CARRIER shall thereafter be under no obligation to carry out any such order.

7.3 Payment of Expenses

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

7.4 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 CARGO or the AIR WAYBILL, or if he cannot be communicated with,

such right of disposition shall continue to vest in the SHIPPER.

Article 8- Delivery

8.1 Notice of Arrival

Notice of arrival of the SHIPMENT will, in the absence of other instructions, be sent to the CONSIGNEE and any other person whom the CARRIER has agreed to notify as evidenced in the AIR WAYBILL or SHIPMENT RECORD; such notice will be sent by ordinary methods. The CARRIER is not liable for non-receipt or delay in receipt of such notice. It shall be the responsibility of the CONSIGNEE or his agent to collect the SHIPMENT with reasonable dispatch.

8.2 Delivery of Shipment

Except as otherwise specifically provided in the AIR WAYBILL or SHIPMENT RECORD, delivery of the SHIPMENT will be made only to the CONSIGNEE named therein, or his agent or such other person as produces the SHIPPER'S authority to the CARRIER for delivery of the SHIPMENT. Delivery to the CONSIGNEE shall be deemed to have been effected:

- (1) When the CARRIER has delivered to the CONSIGNEE or his agent any authorisation from the CARRIER required to enable the CONSIGNEE to obtain release of the SHIPMENT;
- (2) When the SHIPMENT has been delivered to customs or other government authorities as required by applicable law or customs regulations.

8.3 Place of Delivery

Except as provided in Article 9.3, the CONSIGNEE must accept delivery of and collect the SHIPMENT at the airport of destination or the respective facility as designated by the CARRIER.

8.4 Failure of Consignee to Take Delivery

(1) Subject to the provisions of Article 8.5 hereof, if the CONSIGNEE refuses or fails to take delivery of the SHIPMENT after its arrival at the airport of destination, the CARRIER will endeavor 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, the CARRIER shall 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, the CARRIER may sell the SHIPMENT in one or more lots at public or private sale, or destroy or abandon such SHIPMENT.

(2) The SHIPPER is liable for all charges and expenses resulting from or in connection with the failure to take delivery of the SHIPMENT, including, but not limited to, storage charges and CARRIAGE charges incurred in returning the SHIPMENT if so required by the SHIPPER'S instructions. If the SHIPMENT is returned to the airport of departure and the SHIPPER refuses or neglects to make such payments within fifteen (15) DAYS after such return, the CARRIER may dispose of the SHIPMENT or any part thereof at public or private sale after giving the SHIPPER ten (10) DAYS notice of its intention to do so.

8.5 Disposal of Perishables

(1) When a SHIPMENT containing perishable articles as defined in the CARRIER'S regulations is delayed in the possession of the CARRIER, is unclaimed or refused at place of delivery, or for other reasons is liable to deteriorate, the CARRIER may immediately in its sole discretion 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 SHIPMENT, the sending of communications for instructions at the cost of the SHIPPER, the storage of the SHIPMENT or any part thereof at the risk and cost of the SHIPPER, or the disposal of the SHIPMENT or any part thereof at public or private sale without notice.

(2) In the event of the sale of the SHIPMENT as provided for above, either at

the place of destination or at the place to which the SHIPMENT has been returned, the CARRIER is authorised to pay to itself and other transportation services out of the proceeds of such sale all charges, advances, and expenses of the CARRIER and other transportation services plus costs of sale, holding any surplus subject to the order of the SHIPPER. A sale of any SHIPMENT shall, however, not discharge the SHIPPER and/or owner of any liability hereunder to pay any deficiencies.

8.6 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. The CARRIER may make delivery of the SHIPMENT or the AIR WAYBILL conditional upon payment of these costs and charges.

Article 9- Pick-up and Delivery Services

9.1 Shipments

Subject to Article 9.3, SHIPMENTS are accepted for CARRIAGE from their receipt at the 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 SERVICE and DELIVERY SERVICE will be available at the relevant points, to subject to the rates and charges established for such services in accordance with the CARRIER'S tariffs and regulations.

9.3 Request for Service

PICK-UP SERVICE, if available, will be provided when requested by the SHIPPER. Except when otherwise provided by the 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 the CARRIER prior to removal of the SHIPMENT from the CARRIER'S airport terminal at destination.

9.4 Shipment for which Service is Unavailable

PICK-UP SERVICE and DELIVERY SERVICE will not be provided by the CARRIER without special arrangement for any SHIPMENT which, in the opinion of the CARRIER, because of its volume, nature, value or weight is impractical for the CARRIER to handle in normal course of business.

9.5 Liability

Where so specifically agreed, if PICK-UP SERVICE or DELIVERY SERVICE is performed by the CARRIER or its AGENT, such transportation shall be upon the same terms as to liability as set forth in Article 12 hereof unless otherwise provided by mandatory regulations.

Article 10- Authority and Indemnity of Shipper

10.1 Authority

(1) It is agreed that any person who tenders CARGO to the CARRIER for CARRIAGE for or on behalf of the SHIPPER is authorised to do so upon and subject to these conditions of carriage.

(2) The SHIPPER warrants that in agreeing to these conditions it has the authority of the person or persons owning or having any interest in the CARGO or any part thereof.

10.2 Indemnity

Without prejudice to the generality of the foregoing, the SHIPPER undertakes to indemnify the CARRIER in respect of any liability whatsoever and howsoever arising (including without limitation, negligence or breach of contract or willful act or default of the CARRIER or others) in connection with the 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 from events which may constitute a fundamental breach of contract or a breach of a fundamental term.

Article 11- Successive Carriers

Any CARRIAGE to be performed under one contract of CARRIAGE by several successive CARRIERS is regarded as a single operation.

Article 12- Carrier's Liability

12.1 General

Subject to the provisions set out in this Article 12, the 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 only if the occurrence which caused the damage so sustained took place during the CARRIAGE as defined under Article 1.

12.2 Exclusion of Liability

Except as may be otherwise provided for in any APPLICABLE CONVENTION or laws, the CARRIER is not liable to the SHIPPER, CONSIGNEE or any other person with an interest in the CARGO in tort, contract or bailment or otherwise for any damage, delay or loss of whatsoever nature directly or indirectly arising out of or in connection with the CARRIAGE or other services performed by the

CARRIER or its AGENTS, unless such damage, delay or loss is proved to have been caused by the gross negligence or willful misconduct of the CARRIER, and there has been no contributory negligence on the part of the SHIPPER, CONSIGNEE or other claimant.

12.3 Limitation of Liability

Unless the SHIPPER has made a special declaration of value for CARRIAGE and has paid the supplementary charge applicable, the liability of the CARRIER for the CARGO destroyed, lost, damaged or delayed, shall not exceed the applicable kilogram monetary limit provided in any APPLICABLE CONVENTION or laws. Where the SHIPPER has made a special declaration of value and paid the supplementary charge applicable, the liability of the CARRIER shall not 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.

12.4 Public Authorities and Other Events Beyond the Carrier's Control

The CARRIER shall not be liable for damage caused directly or indirectly by any act of public authority carried out in connection with the entry, exit or transit of the CARGO, compliance with laws, governmental regulations, requirements or orders or by any other event beyond the CARRIER'S control, including without limitation, strikes, labor stoppage, seizure, acts of war (including terrorist acts), armed conflict, acts of God or any other unusual and unforeseeable events beyond the control of the CARRIER and the consequences of which could not have been avoided even if all reasonable measures have been taken. The CARRIER shall not be liable when refusing CARRIAGE after having decided with its discretion exercised in good faith that the laws and regulations which it deems applicable do not permit the CARRIAGE.

12.5 Inherently Defective Cargo

The CARRIER is not liable if the destruction, loss of or damage to the CARGO

is proven to have resulted from the inherent defect, quality, nature or vice of that CARGO, or from the defective packaging of the CARGO.

12.6 Animals

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

12.7 Consequential Loss

The CARRIER shall not be liable in any event for any consequential loss or damage whether arising directly or not, including without limitation, loss of business opportunities and contracts, loss of profits, loss of revenue, goodwill or reputation arising from CARRIAGE subject to these conditions, whether or not the CARRIER had knowledge that such loss or damage might be incurred.

12.8 Contributory Negligence

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, the 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.

12.9 Applicable Weight

In the case of loss, damage or delay of part of the SHIPMENT, or of any object

contained therein, the weight to be taken into consideration in determining the amount to which the 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 SHIPMENT, 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 SHIPMENT lost, damaged or delayed as the case may be, shall be determined by reducing the total value of the SHIPMENT in the proportion that the weight of that part of the SHIPMENT lost, damaged or delayed has to the total weight of the SHIPMENT.

12.10 Indemnity

The SHIPPER, and to the extent permitted by applicable law, the owner and CONSIGNEE, whose property or SHIPMENT causes damage to or destruction of another SHIPMENT or of the property of the CARRIER, shall indemnify the CARRIER for all losses, claims, penalties, damages and expenses incurred by the CARRIER as a result thereof. The CARGO which, because of inherent defect, quality or vice or because of defective packing, is likely to endanger aircraft, persons or property may be abandoned or destroyed by the CARRIER at any time without notice and without liability therefore attaching to the CARRIER.

12.11 Liability of Other Carrier

The CARRIER issuing an AIR WAYBILL for CARRIAGE over the lines of another CARRIER does so only as 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, damage or delay of 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 entitled to delivery shall have such a right of action against the

last CARRIER under the contract of CARRIAGE.

Whenever the liability of the CARRIER is excluded or limited under these conditions, such exclusion or limitation shall apply to AGENTS, employees or representatives of the CARRIER and also to any CARRIER whose aircraft or other means of transportation is used for CARRIAGE.

Article 13- Limitations on Claims and Actions

13.1 Receipt of Cargo

Receipt by the person entitled to delivery of the CARGO without complaint shall be prima facie evidence that the same has been delivered in good condition and in accordance with the contract of CARRIAGE.

13.2 Time Limits on Complaints

No action shall be maintained in the case of loss or damage or delay to goods unless a complaint is made to the CARRIER in writing by the person entitled to delivery. Such complaint shall be made:

- (1) in the case of damage to or partial loss of the CARGO, immediately after discovery of the damage and at the latest within fourteen (14) DAYS from the date the CARGO was placed at the disposal of the person entitled to delivery;
- (2) in the case of delay, within twenty-one (21) DAYS from the date on which the CARGO were placed at the disposal of the person entitled to delivery; and
- (3) in the case of 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.

13.3 Time Limits on Action

Any right to damages against the CARRIER shall be extinguished unless an

action is brought within two (2) years, whereas in the Taiwan Region one (1) year, from the date of arrival at the destination, or from the date on which the aircraft ought to have arrived, or from the date on which the CARRIAGE stopped.

Article 14- 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 15- Modification and Waiver

No AGENT, employee or representative of the CARRIER has authority to alter, modify or waive any provision of the contract of CARRIAGE or of these conditions.