

Air SERBIA Cargo

General Terms and Conditions for Carriage of Cargo

Effective: 01. MAR 2019.

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Article 1 - Definitions -

AGENT - Any person or organization 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 Shipment governed by these conditions of Carriage

AIR WAYBILL (AWB) - (which is equivalent to the term "air consignment note"). The document made out by or on behalf of the Shipper which evidences the contract between the Shipper and the Carrier for Carriage of Cargo over routes of the Carrier(s). The format of the Air Waybill shall be in accordance with the specifications for an Air Waybill set forth in Resolution 600a.

"APPLICABLE CONVENTION". Unless the context requires otherwise, whichever of the following instruments is applicable to the contract of carriage:

- The Warsaw Convention as amended at The Hague on 28 September 1955;
- The Warsaw Convention as amended by Additional Protocol No.1 of Montreal 1975
- The Warsaw Convention as amended at The Hague and by Additional Protocol No.2 of Montreal 1975;
- The Warsaw Convention as amended at The Hague 1955 and by Protocol No. 4 of Montreal 1975; or
- The Montreal Convention 1999.

CARGO 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 AWB or Shipment Record.

CARRIAGE - (which is equivalent to the term `Transportation`) means carriage of cargo by air or by another means of transport, whether gratuitously or for reward.

CARRIER Includes the air Carrier issuing the Air Waybill or preserving the Shipment Record and all Carriers that carry or undertake to carry the Cargo or to perform any other services related to such air Carriage.

"CHARGES COLLECT" means the charges entered on the Air Waybill or Shipment Record for recollection from the Consignee against delivery of the shipment.

CLAIM - A written request for compensation where the conditions of contract were not met by the Carrier

CONDITIONS OF CARRIAGE (or CONDITIONS) means these Conditions of Carriage

CONSIGNEE - The person or company whose name appears on the AWB or Shipment Record as the party to whom the Shipment is to be delivered by the Carrier.

CUSTOMS CLEARANCE AGENT - Means a Customs Broker or other agent of the Consignee designated to perform customs clearance services for the Consignee.

DAYS - Full calendar days, including Sundays and legal holidays, provided that for the purpose of notification the day of the issuance of carriage document or the day of flight departure and arrival is not counted.

DANGEROUS GOODS - Dangerous goods are articles or substances which are capable of posing a risk to health, safety, property or the environment and which are specified in ICAO Technical Instructions for the Safe Transport of Dangerous Goods by Air and the IATA Dangerous Goods Regulations or Carrier regulations.

DECLARED VALUE FOR CARRIAGE - The value of goods declared to the Carrier by the Shipper for the purpose of determining charges or of establishing the limit of the Carrier's liability.

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 if required, against recharge.

EMBARGO - Means a ban on air transport of goods of certain types of goods for limited period of time on flights (or on particular sector) issued by the Carrier.

FREIGHT RATES/TARIFFS - means those weight-or-value-related remunerations and fees of the Carrier which apply to the carriage and kind of carriage chosen by the Shipper on the date of the issuance of the Air Waybill or which are agreed between the parties of the contract.

IATA - International Air Transport Association

ICAO - International Civil Aviation Organization

PICKUP SERVICE means the surface carriage of outbound Shipments from the point of pick-up at the address of the Shipper or that of his designated Agent to the airport of departure, if required, against recharge.

SHIPMENT (or CONSIGNMENT) - one or more packages, pieces or bundles of cargo accepted by Carrier from one Shipper or his agent at one time and at one address, receipt for in one lot and under a single Air Waybill or a single Shipment Record for carriage to one Consignee at one destination address.

SHIPMENT RECORD - Any record of the contract of Carriage preserved by Carrier, evidence by means other than Air Waybill, if such procedure used.

SHIPPER (or CONSIGNOR) - Means the person or company whose name appears on the AWB or Shipment Record as the party contracting with the Carrier for Carriage of Cargo.

SPECIAL DRAWING RIGHT (SDR) - as defined by the International Monetary Fund (IMF).

Article 2 - Applicability

2.1. GENERAL

These conditions shall apply to all Carriage of Cargo, including all other services incidental thereto, performed by or on behalf of Carrier; provided however that 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 of Carriage to the extent that these conditions are not inconsistent with the provisions of such Applicable Convention.

2.2. APPLICABLE LAWS AND CARRIERS TARIFFS

To the extent not in conflict with paragraph 2.1 all Carriage and other services performed by Carrier are subject to:

2.2.1. applicable laws (including national laws implementing an 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;

2.2.2. these Conditions of Carriage and other applicable conditions, rules, regulations and time-tables (but not the times of departure and arrival therein specified) of Carrier which may be inspected at any of its branch offices and on its website.

2.3. GRATUITOUS CARRIAGE

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

2.4 CHARTERS

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

2.5. CHANGE WITHOUT NOTICE

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

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 or on the date of

the Shipment Record, whichever is applicable, provided that in the event of inconsistency between these Conditions and Carrier's rules, regulations and tariffs, these Conditions shall prevail.

Article 3 - Acceptability of Goods for Carriage

3.1. CARGO ACCEPTABLE

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

3.1.1.1. the transportation, exportation or importation thereof is not prohibited by the laws or regulations of any country to be flown from, to or over;

3.1.1.2 they are packed and marked in a manner suitable for Carriage as required by the issuing Carrier and any subsequent Carrier;

3.1.1.3 they are accompanied by the requisite shipping documents and the shipment correspond to the description in Air Waybill.

3.1.1.4 the Cargo is in the opinion of the Carrier not likely to endanger the safety of the aircraft, persons or property, or to cause annoyance to passengers and

3.1.1.5 the gross weight, measurement, quantity or declared value does not differ from what has been booked and/or agreed upon.

3.1.2. Carrier reserves the right, in its own absolute discretion, without assuming any liability, to refuse Carriage of any Cargo.

3.2. VALUATION LIMIT OF SHIPMENT

Carrier reserves the right to refuse Carriage of Cargo having declared value for Carriage in excess of equivalent of USD 5.000.000.

3.3. PACKING AND MARKING OF CARGO

3.3.1. Shipper is responsible for ensuring that Cargo is packed in an appropriate way for Carriage so as to ensure that it can be carried safely with ordinary care in handling, and so as not to injure or damage any persons, animals, goods or property. Each package shall be legibly and durably marked with the name and full address of the Shipper and Consignee.

3.3.2. Packages containing valuables as defined in Carrier's regulations must be sealed if so requested by Carrier.

3.4 CARGO ACCEPTABLE ONLY UNDER PRESCRIBED CONDITIONS

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

3.4.1 CARRIAGE OF PERISHABLES

3.4.1.1 Shipments of perishables must be packed and documented strictly in accordance with Carrier's special handling procedures. In the event of deterioration of such a Shipment for whatever reason, Carrier in its sole discretion may take such steps as it deems appropriate.

3.4.1.2 Carrier is not liable whatsoever for any spoilage, reduction or defect in quality during Transportation of any perishable Shipment.

3.4.2 DANGEROUS GOODS

3.4.2.1 The Shipper shall not tender for Carriage of any Cargo which is or may become dangerous, volatile, explosive, inflammable or offensive or which is, or may become, liable to damage any property or capable of posing a risk to the environment whatsoever, without presenting a full description disclosing the nature of such Cargo. In any event the Shipper shall be liable for all 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 or capable of posing a risk to the environment, the same may at any time be retained, destroyed, disposed of, abandoned or rendered harmless by Carrier without compensation to the Shipper and without prejudice to Carrier's right to any charges and at the cost of the Shipper.

3.4.2.2. Hazardous materials and any other special cargo must be marked and packed as such and in accordance with applicable laws and regulations.

3.5. RESPONSIBILITY FOR NON-OBSERVANCE OF CONDITIONS RELATING TO SPECIAL CARGO

Responsibility for non-observance of the conditions relating to the Carriage of Cargo rests upon the Shipper who shall indemnify Carrier for any loss, damage, delay liability or penalties Carrier may incur because of Carriage of any such Cargo. Furthermore, Shipper indemnifies and holds the Carrier harmless from any and all claims of third parties, including necessary costs for legal defense.

3.6. COMPLIANCE WITH LAWS & REGULATIONS

The Shipper warrants that he has complied with all the laws and regulations relating to the nature, packaging, labeling, storage or Carriage of Cargo and that 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 for all costs, fines 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. 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 such laws and regulations. Shipper indemnifies and holds the Carrier harmless from any and all claims of third parties, including necessary costs for legal defense.

3.7. CARRIER'S RIGHT OF INSPECTION

Carrier reserves the right to inspect 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 assumes no liability with regard to such inspection

or enquiry.

3.8. 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.

Article 4 — Documentation

4.1 AIR WAYBILL

The Shipper shall make out or have made out on his behalf, an Air Waybill in the form, manner and number of copies prescribed by Carrier, and shall deliver such Air Waybill to Carrier simultaneously with the acceptance of the Cargo by Carrier for Carriage. However, charges for Carriage and other charges, insofar as they have been ascertained, shall be inserted in the Air Waybill by Carrier. Carrier may require the Shipper to make out, or have made out on his behalf, separate Air Waybills when there is more than one package or when the Shipment cannot be carried in one aircraft or cannot, without breach of government or Carrier's regulations, be carried under one Air waybill. Upon request and tendering of the Shipment, Air Waybill must be physically available.

4.2 SHIPMENT RECORD

Carrier, with the express or implied consent of the Shipper, may substitute for the delivery of an Air Waybill a Shipment Record to preserve a record of the Carriage to be performed. If such Shipment Record is used, Carrier shall, if so requested by the Shipper, deliver to the Shipper in accordance with Carrier's regulations a goods 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 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 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 include 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, 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.

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 or if the particulars and statements relating to the Cargo furnished by or on behalf of the Shipper to Carrier for insertion in the Air waybill do not contain all the required particulars, or if the Air Waybill or such particulars or statements contain any error, Carrier is authorized to complete or correct the Air Waybill or particulars or statements to the best of Carrier's ability without being under any obligation to do so.

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 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

Carrier reserves the right to refuse acceptance of the Air Waybills on which the writing has been altered or erased.

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 Carrier and in effect on the date of the issuance of the Air Waybill by Carrier, or on the date the rate or charge for the Carriage has been entered in the Shipment Record. The charge specified does not include any appropriate customs duties or taxes and Carrier is authorized (but not obliged) to advance any such duties and taxes in respect of the cargo and the shipper and consignee are jointly and severally liable to reimburse Carrier therefore.

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 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 Carrier in connection with the air Carriage such as:

- Storage fees,
- Insurance fees,
- pickup and delivery service to and from the airport the Carrier operates his flights from
- cash on delivery charges
- expense incurred by the carrier in repairing faulty packing,
- custom clearance process charges,
- charges, fines, penalties or taxes imposed or collected by government or relevant authorities
- charges for reloading or return carriage of cargo by other means and/or charges for return carriage to point of origin by the Carrier's flight
- any other similar service or charge

5.4 PAYMENT OF CHARGES

- 5.4.1** Rates and charges are published in the currency shown in the applicable rate tariffs, and may be paid in any currency acceptable to Carrier. When payment is made in a currency other than in the currency in which the rate or charge is published, such payment will be made at the rate of exchange established for such purpose by Carrier, the current statement of which is available for inspection at Carrier's office where payment is made.
- 5.4.2** Full applicable charges, whether prepaid or collect, fees, duties, taxes, charges, advances and payments, made or incurred or to be incurred by Carrier and any other sums payable to Carrier, will be deemed fully earned, whether or not the Cargo is lost or damaged, or fails to arrive at the destination specified in the contract of Carriage. All such charges, sums and advances will be due and payable upon receipt of the Cargo by Carrier, except that they may be collected by Carrier at any stage of the service performed under the contract of Carriage.
- 5.4.3** The Shipper guarantees payment of all unpaid charges, unpaid Charges Collect, advances and disbursements of Carrier. The Shipper also guarantees payment of all costs, expenditures, fines, penalties, loss of time, damage, warehousing expenses and other sums which 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 or
 - by lack of consignee's action to take possession of the shipment
 - any other breach by Shipper of its obligations

Carrier shall have a lien on the cargo for each of the foregoing and on any other cargo of the shipper, in the event of non-payment thereof, and 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 auction or 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 of cargo or accepting the shipment documents or exercising any other right arising from the contract of Carriage, the Consignee agrees to pay such charges, sums and advances, except prepaid charges.

- 5.4.4** 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, Carrier shall be entitled to require payment of the charge on such excess.
- 5.4.5** Charges Collect Shipments will be accepted only to countries listed in Carrier's regulations and subject to the conditions contained therein. In any event Carrier reserves the right to refuse Shipments 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.
- 5.4.6** 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).

- 5.4.7** Carrier may cancel the Carriage of the Shipment upon refusal by the Shipper, after demand by Carrier, to pay the charges or portion thereof so demanded, without Carrier being subject to any liability therefor.
- 5.4.8** The Carrier reserves the right to assess fuel and other surcharges on Shipments. The duration and amount will be determined at the Carrier's sole discretion. The Shipper, by tendering his Shipment to the Carrier, agrees to pay the surcharges in force at the later of the time of order or time of collection. Details of current surcharges are available upon request.

Article 6 — Shipments in Course of Carriage

6.1 COMPLIANCE WITH GOVERNMENT REQUIREMENTS

- 6.1.1** 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 but not limited to 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. Carrier shall not be obliged to inquire into the correctness or sufficiency of such information or documents. Carrier shall not be liable to the Shipper or any other person for loss or expense due to Shipper's failure to comply with this provision. The Shipper shall be liable to Carrier for any damage occasioned by the failure of the Shipper to comply with this provision.
- 6.1.2** Carrier shall not be liable for refusing to carry any Shipment if Carrier reasonably determines in good faith that such refusal is required by any applicable law, government regulation, demand, order or requirement.

6.2 DISBURSEMENT AND CUSTOMS FORMALITIES

Carrier is authorized (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 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, ROUTING AND CANCELLATIONS

- 6.3.1** Times shown in Carrier's timetables or elsewhere are approximate and not guaranteed and form no part of the contract of Carriage. No time is fixed for commencement or completion of Carriage or delivery of Cargo. Unless specifically agreed otherwise and so indicated in the Air Waybill or Shipment Record, Carrier undertakes to carry the Cargo with reasonable dispatch but assumes no obligation to carry the Cargo by any specified aircraft or over any particular route or routes, or to make connections at any point according to any particular schedule. Carrier is hereby authorized 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. Carrier is not responsible for errors or omissions either in timetables 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 operation of any flight.

- 6.3.2** Carrier is authorized to carry the consignment without notice wholly or partly by any other means of surface transportation or to arrange such Carriage.
- 6.3.3** Carrier reserves the right without notice, to cancel, terminate, divert, postpone, delay or advance any flight, or the further Carriage of any Cargo, or to proceed with any flight without all or any part of the Cargo, if it considers that it would be advisable to do so because of any fact beyond its control or not reasonably to be foreseen, anticipated, or predicted at the same time the Cargo was accepted; or if it considers that any other circumstances so require.
- 6.3.4** In the event any flight is cancelled, diverted, postponed, delayed or advanced or is terminated at a 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, Carrier shall not be under any liability with respect thereto.
- 6.3.5** In the event the Carriage of the Shipment or any part thereof is so terminated, delivery thereof by Carrier to any transfer Agent for transfer or delivery or the placing of such Shipment in storage shall be deemed complete delivery under the contract of Carriage, and Carrier shall be without any further liability with respect thereto, except to give notice of the disposition of the Shipment to the Shipper or to the Consignee, at the address stated in the Air Waybill or Shipment Record. Carrier may, but shall not be obligated to, forward the 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.
- 6.3.6** Subject to applicable laws, regulations and orders, Carrier is authorized to determine the priority of Carriage as between Shipments, and as between Cargo and mail or passengers. 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, Cargo is not carried or Carriage thereof is postponed or delayed or if any articles are removed from a Shipment, Carrier will not be liable to Shipper or Consignee or to any other party for any consequences therefor.

6.4 CERTAIN RIGHTS OF CARRIER OVER SHIPMENT IN COURSE OF CARRIAGE

If in the opinion of Carrier it is necessary to hold the Shipment at any place for any reasonable purpose, either before, during or after Carriage, Carrier may, upon giving notice thereof to the Shipper, 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 Carrier may deliver the Shipment to another transportation service for onward Carriage to the Consignee. The Shipper shall indemnify Carrier against any expense or risk so incurred.

Article 7 — Shipper's Right of Dispositions

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 Carrier's regulations. Instructions as to disposition must be given (in writing) in the form prescribed by Carrier. In the event that the exercise of the right of disposition results in a change of Consignee, such new Consignee shall be deemed to be the Consignee appearing on the Air Waybill or in the Shipment Record.

7.2 SHIPPER'S OPTION

7.2.1 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:

7.2.1.1 by withdrawing it at the airport of departure; or of destination; or

7.2.1.2 by stopping it in the course of the journey on any landing; or

7.2.1.3 by calling for it to be delivered at the place of destination or to be rerouted to another destination in the course of the journey to a person other than the Consignee named in the Air Waybill or Shipment Record; or

7.2.1.4 by requiring it to be returned to the airport of departure;

7.2.2 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.

7.3 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.

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 Air Waybill or the Cargo, or if he cannot be communicated with, such right of disposition shall continue to vest in the Shipper.

Article 8 — Delivery

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 Carrier has agreed to notify as evidenced in the Air Waybill or Shipment Record; such notice will be sent by ordinary methods applied by the Carrier (in writing (hard copy, fax, e-mail), orally or by telephone). Carrier is not liable for non-receipt or delay in receipt of such notice.

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. Delivery to the Consignee shall be deemed to have been effected:

8.2.1 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

8.2.2 when the Shipment has been delivered to customs or other government authorities as required by applicable law or customs regulation.

8.2.3 when Carrier has sent notice of arrival

8.3 PLACE OF DELIVERY

Except as provided in 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. RECEIPT BY CONSIGNEE

Receipt of Cargo by the Consignee (person entitled to delivery of the Cargo) without complaint is prima face evidence that the same has been delivered in good condition and in accordance with the Contract of Carriage.

8.5 FALIURE OF CONSIGNEE TO TAKE DELIVERY

8.5.1 Subject to the provisions of 8.6 hereof (Disposal of Perishables), if the Consignee refuses or omits or fails to take delivery of the Shipment after its arrival at the airport of destination, 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, Carrier shall notify the Shipper of the Consignee's failure or omission to take delivery and request his instructions. If no such instructions are timely received within thirty (30) Days (immediately for perishables), Carrier may:

- return shipment to departure airport and there await for the shippers instruction or
- sell the Shipment in one or more lots at public or private sale, (after 30 days) or
- destroy or abandon such Shipment or
- carry it to any point at it`s sole discretion.

8.5.2 The Shipper and Consignee are jointly 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, 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, 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.

8.6 DISPOSAL OF PERISHABLES, DANGEROUS GOODS, LIVE ANIMALS AND OTHER SPECIAL CARGO

8.6.1 When a Shipment containing perishables, dangerous goods, live animals and other special cargo as defined in Carrier's regulations is delayed in the possession of Carrier, is unclaimed or refused at place of delivery, or for other reasons is threatened with deterioration or may pose threat to environment , Carrier may, at the sole cost and expense of the Shipper 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 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 disposition of the Shipment or any part thereof at public or private sale/auction without notice.

8.6.2 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, Carrier is authorized to pay to itself and other transportation services out of the proceeds of such sale all charges, advances, and expenses of Carrier and other transportation services plus costs of sale, holding any surplus subject to the order of the Shipper. A sale of any Shipment shall,

however, not discharge the Shipper and/or owner of any liability hereunder to pay any deficiencies.

- 8.6.3** 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 and Delivery Services

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.

9.2 AVAILABILITY OF SERVICE

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

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 tariffs, Delivery Service, if available, may be provided unless contrary instructions are given by the Shipper or by the Consignee. Such contrary instructions must be received by Carrier prior to removal of the Shipment from 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 Carrier without special arrangement for any Shipment which, in the opinion of Carrier, because of its volume, nature, value or weight is impractical for Carrier to handle in normal course.

9.5 LIABILITY

If Pick-up Service or Delivery Service is performed (only when address is accessible to vehicles and where locations have loading ramps) by or on behalf of Carrier, such surface transportation shall be upon the same terms as to liability as set forth in Article 11 hereof.

Article 10 — Successive Carriers

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

Article 11— Carrier's Liability

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

- 11.2 Except as may be otherwise provided in any Applicable Convention, Carrier is not liable to the Shipper, Consignee or any other person nominated by the Shipper or Consignee, for any damage, delay or loss of whatsoever nature arising out of or in connection with the Carriage of cargo or other services performed by Carrier, unless such damage, delay or loss is proved to have been caused by the negligence or willful default of Carrier and there has been no contributory negligence on the part of the Shipper, Consignee or other claimant.
- 11.3 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.
- 11.4 Carrier will not be liable for any loss, damage or expense arising from death due to natural causes or death or injury of any animal caused by the conduct or acts of the animal itself or of other animals such as biting, kicking, goring or smothering, nor for that caused or contributed to by the condition, nature or propensities of the animal, or by defective packing of the animal, or by the inability of the animal to withstand unavoidable changes in its physical environment inherent in the Carriage by air.
- 11.5 Carrier shall not be liable in any event for any 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. Carrier shall not be liable for any damage caused directly or indirectly by:
- any compliance with the laws, governmental regulations, requirements or orders, or by any other event beyond the Carriers control.
 - refusing carriage of cargo after having decided with due discretion and in good faith that the laws and regulations which it deems applicable do not permit carriage of the cargo.
 - an act of war (or terrorist acts) or an armed conflict
 - an act of public authority carried out in connection with import, export or transit/overfly of the cargo
- 11.7 If the damage 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.
- 11.8 Unless the Shipper has made a special declaration of value for Carriage and has paid the supplementary sum applicable, liability of Carrier shall not exceed 19 Special Drawing Rights per kilogram of Cargo destroyed, lost damaged or delayed. If the Shipper has made a special declaration of value for Carriage, it is agreed that any liability shall in no event exceed such declared value for Carriage stated on the face of the Air Waybill or included in the Shipment Record. All claims shall be subject to proof of value.
- 11.9 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 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, 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.

- 11.10 The Shipper, owner and Consignee, whose property causes damage to or destruction of another Shipment 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 packing, 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.
- 11.11 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.
- 11.12 Whenever the liability of Carrier is excluded or limited under these conditions, such exclusion or limitation shall apply to agents, servants or representatives of Carrier and also to any Carrier whose aircraft or other means of transportation is used for Carriage.

Article 12 — Limitations on Claims and Actions

- 12.1 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:
- 12.2.1 in the case of visible damage to or partial loss of the cargo, immediately after its discovery and at the latest within fourteen (14) Days from the date of receipt of the goods;
 - 12.2.2 in the case of other damage to the goods, within fourteen (14) Days from the date of receipt of the goods
 - 12.2.3 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
 - 12.2.4 in the case of non-delivery of the goods, within one hundred and twenty (120) Days of the date of issue of the Air Waybill or the date of the Shipment Record, whichever is applicable. For the purpose of this article 12.2.4, non-delivery of goods shall mean that the goods have been lost entirely. In the event that goods have been lost partially the claim shall be made according to 12.2.1
- 12.3 Any right to damages against Carrier shall be extinguished and deemed expired unless an action is brought within two years after the occurrence of the events giving rise to the claim.
- 12.4. All claims relating to a consignment may be asserted only as an integrative claim. All damage in connection to a consignment is compensated for upon settlement of such integrative claim.

- 12.5. If Carrier decides to compensate to claimant the agreed value of claimed goods, the ownership of those goods will then be transferred and become Carriers property.

Article 13 — Overriding Law

- 13.1 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 14 — Governing Law

- 14.1 This Terms and Conditions shall be interpreted in accordance with the laws of Republic of Serbia

Article15 — Modification and Waiver

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

Article16 — Effectiveness

- 16.1 This General Terms and Conditions for Carriage of Cargo become effective 01 MAR 2019 and replace `Cargo Traffic Manual` from 25th July 2007.