

Shenzhen Airlines Co., Ltd

General Conditions of Domestic Cargo Transportation

Chapter 1 Definition

Article 1 For following definitions in these conditions, in addition to other requirements in specific articles or the provisions otherwise specified, their meanings are shown as following:

(1) "Cargo": It refers to the baggage that has already been or will be transported by the aircraft other than the mails or the baggage consigned with "passenger ticket and baggage tag", including the baggage that is transported with air waybill.

(2) "Domestic Transportation": It refers to the transportation that, according to air transportation contract, the departure location, contracted stop-over location, and destination location of this transportation locate within national territory of the People's Republic of China.

(3) "Shenzhen Airlines" is the shorted name of Shenzhen Airlines Co., Ltd.

(4) "Air Consignment Instruction" refers to the paper document that is filled when the consignor proceeds with the formality of consigned transport of cargo, and is the evidence with which air waybill is launched.

(5) "Air Waybill" refers to initial evidence that is filled by the consignor or air carrier and that is used to sign the contract between the consignor and air carrier for air cargo to be carried in the flight operated by air carrier.

(6) "A Shipment" refers to one or more cargoes that are shipped to one destination airport with one air waybill.

(7) "Air Carrier" refers to air carrier that accepts the air waybill launched by the consignor or retains the cargo record, and all the other air carriers that carry or undertake the transportation of air cargo or provide any other service for this air transport.

(8) "Agent" refers to any individual that is authorized to take on behalf of air carrier during air transportation of cargo.

(9) "Consignor" refers to the individual that signs the contract with air carrier for the freight

business, and signs on air waybill.

(10) "Consignee" refers to the person who claims the cargo in accordance with the name specified in air waybill or cargo transportation record.

(11) "Declared Value" refers to the value that is specially declared to the consignee by the consignor when corresponding consignment cargo is delivered at the destination airport.

(12) "The Surcharge of Declared Value" refers to the specific-item fee that is paid to air carrier as per the provision when the consignor handles the declared value of the cargo.

(13) "Valid ID Pass" refers to the pass that must be shown when the consignor or consignee consigns or claims the cargo and is defined by governing authority of the Government to certify his/her identity, for example, citizenship ID card, valid passport, military officer pass, military soldier pass, civilian military pass, residence household booklet, and motor vehicle driving license, etc.

(14) "Day" refers to the calendar day that is calculated in 7 days per week.

(15) "Specific-Purpose Cargo" refers to the cargo that has special requirements during the reception, storage, loading, unloading and delivery, or that need special actions to be taken before they can arrive at destination in good conditions.

(16) Escorted cargo refers to the cargo that needs to be cared and guarded by specific individual assigned by the consignor in course of air transport due to special property of cargo.

(17) "United Loading Device" refers to the specific-purpose equipment of loaded cargo, mails and baggage used in the aircraft, including various types of pallet, container and its accessory equipment.

(18) "Changed Transport" refers to the cargo that the consignor or the consignee changes the part or all the contents of corresponding transportation of consigned cargo.

(19) "Cargo Transportation Accident Record" refers to the record document that is launched by air carrier and is accepted and signed by the consignee to certify the abnormal condition of this cargo.

(20) "Measurement Cargo" refers to the cargo that its volume per kilogram exceeds 6000 cubic centimeter.

(21) "Damage" refers to the loss, damage, shortage, deterioration, and contamination, etc. of the cargo arisen from the cargo during the transportation or during other service associated with

cargo transportation provided by air carrier.

(22) "The Individual who Contracts the Charter Flight" refers to the individual that signs the charter flight transport contract with air carrier, and contracts the aircraft of air carrier to transport the cargo according to this contract.

(23) "The Provision of Air Carrier" refers to the valid provision that is published by air carrier and associates with cargo transportation management before the day when air waybill is filled (including valid and applicable transport price), in addition to general transport conditions of air carrier.

(24) "Packing" refers to the package that the cargo is loaded into the container or made with auxiliary materials in accordance with certain technique method and requirement, in order to ensure the safe cargo transportation and convenient storage, loading and unloading.

(25) "Package" refers to an integrity resulted from packaged cargo.

Chapter 2 Applicability

Article 2 Applicability

(1) Except for the provisions otherwise specified in (2), (3), (4), (5), and (6) of this article, this condition is applicable for domestic cargo transport that is carried by Shenzhen Airlines and is charged.

(2) Except for the provisions otherwise specified in free transport condition, contract, or air waybill, this condition is also applicable for free transportation.

(3) Based on the transport provided in charter flight contract, this condition is only applicable for the range involved in those articles of the contract and air waybill of this charter flight (aircraft).

(4) If this condition contains any article that violates national law, government provision, order or requirement, national law, government provision, order or requirement shall prevail, and remaining articles in this condition still remain valid.

(5) Unless otherwise specified, if any article that conflicts with this condition is included in cargo transport provision of Shenzhen Airlines, this condition shall prevail.

(6) This condition is not applicable for the transport of air mails.

(7) As for any item that has not been defined in this condition, applicable national law and relevant regulation or provision issued by CAAC shall prevail.

Chapter 3 Cargo Consignment

Article 3 General Requirements

(1) For the consigned cargo, the consignor shall observe the national law, government provision, order or requirement, and applicable provision of air carrier in term of cargo package or transport. When necessary, the consignor shall provide those documents associated with consigned cargo, and shall be responsible for the truthfulness and accuracy of those documents provided by the consignor.

(2) The cargo consigned by the consignor must fulfill with following conditions:

1. The cargo that is not forbidden from air transport by national law, government provision, order or requirement;

2. The cargo package shall be applicable for the requirements of air transport;

3. For the cargo that its consignment is subject to limited transport in national provision and is required to handle the formality at relevant authorities (such as public security, inspection and quarantine, etc.), valid certification letter shall be attached;

4. The cargo does not physically hurt the aircraft, personnel, and property, and not further disturb the passengers.

(3) Shenzhen Airlines does not carry the cargo that its declared value does not exceed the defined limitation amount, unless otherwise agreed.

(4) For those cargoes that transport conditions are different or their natures conflict to one another, they shall request the consignor to respectively proceed with consignment formality.

Article 4 The Filling and Basic Information of Air Consignment Instruction

(一) The cargo consignor is responsible for the accuracy and truthfulness of Air Consignment Instruction, and shall sign or stamp on Air Consignment Instruction.

(二) The Basic Information of Air Consignment Instruction

1、 Full name, detailed address, telephone number, and postal code of specific entity or individual of cargo consignor or consignee

- 2、 Cargo product name
- 3、 Cargo piece number, packing method and mark
- 4、 Actual cargo value and declared cargo value
- 5、 General Cargo Transport or Urgent Cargo Transport
- 6、 Other description on cargo characteristics or reservation or storage caution.

Article 5 Cargo Package

(1) The consignor shall ensure that the package of consigned cargo would not lead into any damage, spread, or leakage in course of air transport, and would not lead into the damage and contamination of aircraft, equipment or other article.

(2) The consignor shall apply proper method of interior and exterior packing material and package according to the cargo property, weight and transport environment to properly package the cargo. Applicable package measures must be available for the delicate or fragile cargo or the cargo that cannot be vibrated or compressed or overturned. It is forbidden to package with straw bag and tie up with straw rope.

(3) It is forbidden to secretly carry any dangerous article, or any article or precious article or confidentiality document and data forbidden and restricted from air transport by the Government, etc.

Article 6 Cargo Mark, Sign or Label

(1) The consignor shall specify following information on exterior package of each cargo: The originating airport, destination airport of the cargo entity or company, the name, detailed address, telephone number of the consignee, etc.

(2) The consignee shall attach the air transport instruction sign on exterior package of the cargo in accordance with the style defined in national standard and as per the property of this cargo.

(3) When the consignor uses the old package, residual old mark, sign and label on original package must be cleared.

(4) When the consignor consigns each cargo, this consignor shall attach or hung the cargo transport label of air carrier.

Article 7 Cargo Weighing

(1) The cargo weight is calculated as per gross weight. The measurement unit is KG. The

mantissa below 1 KG shall be rounded up.

(2) The weight of precious article shall be calculated as per actual gross weight. The measurement unit is 0.1 KG.

(3) The measurement cargo shall be converted and calculated as per 1 KG/6000 cubic centimeter. The conversion method is to convert the whole shipment. The mantissa below 1 KG after the conversion shall be rounded up.

Article 8 Cargo Weight and Size

(1) The ordinary package of each cargo consigned by the consignor shall not generally exceed 80 KG. The reinforced package must be used for overweight cargo. The weight of single cargo does not generally exceed 120 KG. The weight of single cargo in specially-produced soft package shall not generally exceed 150 KG. The size of package does not generally exceed 40cm × 60cm × 100cm. As for the cargo above such weight and size, air carrier can determine maximum weight and size of the cargo (that can be consigned) according to flight route, aircraft type, and loading and unloading equipment condition of originating airport, transfer airport, and destination airport.

(2) The sum of length, width, and height of each piece of cargo must not be lower than 40 cm.

(3) When the size is calculated, it is measured as per the largest length, width, and height of package size in centimeter (cm). The number lower than 1 centimeter shall be rounded up.

Article 9 The Responsibility of the Consignor and Consignee

(1) The consignor who consigns the cargo in violation against applicable provision of national law, government provision, order or requirement shall bear the consequences resulted from such violation.

(2) If the cargo consigned by the consignor mismatches with the product name listed in air waybill, including the dangerous article secretly carried in the cargo or the article forbidden or restricted from air transport by the Government, Shenzhen Airlines shall proceed with corresponding formality according to following provisions:

1. Stop the shipment at originating airport, do not return the freight rate, and notify the consignor.

2. Stop the shipment at transfer station, do not return the freight rate, and notify the consignor,

and verify the freight rate as per actual segment of actual shipment.

3. At the destination airport, the freight fare for full travel shall be additionally verified and received.

4. When necessary, Shenzhen Airlines can report and request relevant government authority to take disposal actions.

5. All the consequences resulted from this item shall be subject to the provision in (1) of this article.

(3) If the loss of air carrier or the third individual is caused by the mistake of cargo consignee, the consignee shall bear the compensation responsibility.

(4) When the consignor uses the ULD of air carrier to load the cargo, this consignor shall observe the provision of air carrier. For the loss resulted from the failure to follow the provision, the consignor shall bear the compensation responsibility.

Article 10 Cargo Check

(1) Before all the consigned cargoes are handled into the departure warehouse zone, such cargo must be acceptable in the safety check of screening equipment.

(2) It is believed by air carrier that, when necessary, they can open the container to check the consigned cargo and corresponding documents and data, but shall not bear any liability that they must perform this check.

Chapter 4 Specific-Purpose Cargo

Article 11 The Type of Specific-Purpose Cargo

The special-purpose cargo includes urgent part, biochemical product, plant and plant product, livestock, bone ash, coffin, dangerous goods, live perishable article, precious article, gun, ammunition, and escorted cargo.

Article 12 Reception Provision

For the transport of specific-purpose cargo, in addition to those provisions of general cargo transport that shall be fulfilled, following corresponding provisions shall be also observed:

(1) Urgent Cargo

1. As for urgent airfreight requested by the consignor, after the approval by air carrier, this

cargo shall be carried as per urgent cargo, and the freight fare must be paid off as per corresponding provision.

2. The consignor who consigns the urgent airfreight shall properly reserve the flight and date in advance;

(2) Biological Product

Without special approval by CAAC, air carrier must not carry any biological product of bacteria and bacteria culture medium that are harmful to human body, the animal, and the plant.

For biological products like vaccine, antibiotic and blood serum that are synthetic, refined, and processed to be bacteria-free, a consignor should present the proofs that they are bacteria-free and non-toxic.

(3) Plants and Plant Products

To consign plants or botanical products, a consignor should present the valid "Plant Inspection and Quarantine Certificate" issued by local animal and plant quarantine authority at a county level or above.

(4) Livestock

1. The livestock transport must comply with regulations of the country. A consignor must present quarantine injection certificate and "Animal Quarantine Certificate" issued by local animal and plant inspection and quarantine authority at the county level or above. For nationwide protected animals, it is also required to provide the transport permit issued by relevant authority. For the animal subject to market management, the certification letter presented by market management authority shall be available.

2. The consignor shall properly reserve the flight and date in advance.

3. The consignor should complete the "Live Animal Transport Consignment Certificate".

4. For animals that need special care and feeding or in large quantity, the consignor should arrange people to escort such animal.

5. The packing for livestock should be not only convenient for the loading and unloading, but also applicable for the characteristics of the animals and the air transport requirements. The packing should be able to refrain animals from bringing damages, escaping and engaging the outside, ensure good ventilation and avoid suffocation. Under the bottom of the packing, there should be a device to prevent overflowing of their wastes.

6. The cautions for the transport and the method used to take care of the animal should be designated on exterior packing.

7. The consignor and the consignee should consign and take delivery of the live animals at the airport, and bear the responsibility for the animals before the transport and after the arrival.

8. For live animal that have special requirements on transport, the consignor should instruct air carrier about those caution points or provide the guidance operation on the site.

9. Transport Restriction:

a. The consigned livestock cannot be carried unless approved by Shenzhen Airlines;

b. Shenzhen Airlines would not handle the air transport of connection flight of this animal unless otherwise agreed;

c. Shenzhen Airlines does not carry any animal that will deliver its baby within 72 hours before the departure time, unless the permit certification letter of corresponding authority has been obtained to demonstrate that it is impossible for this animal to deliver the baby during air transport. However, Shenzhen Airlines does not bear any responsibility for safe transport;

d. In passenger and cargo flight operated by Shenzhen Airlines, no reptile (e.g. snake or scorpion) can be carried unless the approval by Shenzhen Airlines has been obtained in advance;

(5) Cremains

1. The consigned cremains cannot be carried unless approved by Shenzhen Airlines;

2. The consignor shall hold the death certification letter launched by relevant authority and the cremation certification letter launched by funeral administration authority.

3. The cremains should be placed in a closed plastic bag or in other sealed container with additional exterior wooden box wrapped by cloth at the outmost layer.

2. The consignor shall properly reserve the flight and date in advance.

(6) Coffin

1. The consigned coffin cannot be carried unless approved by Shenzhen Airlines.

2. The consignor should present the death certificate issued by a hospital, the en-coffin certificate issued by a funeral and interment department and a transport permit issued by relevant departments (public security, health and quarantine, etc.), and reserve the flight and the date in advance.

3. This corpse shall not be infectious.

4. The anti-corrosion treatment has been made to the corpse within the anti-corrosion period.

5. The iron coffin or wooden coffin shall become interior package for the corpse, and is enclosed by iron cabinet and furnished with the rings used for the loading and unloading operation. The absorptive material of saw dusts or charcoal shall be piled inside the coffin. The coffin shall be securely nailed and welded without any crevice to ensure that no smell and liquid would be leaked outside the coffin.

(7) Dangerous Articles

The transport of dangerous article must be subject to applicable management rules for the safe transport of dangerous article by air of CAAC.

(8) Fresh Perishable Product

1. When the consignor consigns the fresh and perishable product, this consignor shall be provided with maximum allowable transport time limitation and the caution of reservation and transport, and shall reach to the airport as per the agreed time to handle the consignment formality. Unless otherwise agreed, the time limitation of the transport of fresh and perishable product shall not be shorter than 24 hours (which is calculated from 2 hours before ETD of pre-defined flight).

2. The consignor shall properly reserve the flight and date in advance.

3. As for fresh and perishable article that needs the inspection and quarantine as specified by the Government, the consignor shall provide the inspection and quarantine certification letter launched by relevant authority.

4. The package shall be adaptable to the characteristics of fresh and perishable article, shall not cause into damage and contaminate the aircraft, equipment and other article.

5. The consignor shall provide necessary equipment for those fresh and perishable articles in need of special cares. When necessary, the consignor shall assign the personnel to escort such transport.

6. In course of air transport and warehouse storage of fresh and perishable article, the expense resulted from those necessary protection measures taken by air carrier shall be paid by the consignor or the consignee.

(9) Precious article

1. Valuable goods include: gold, white gold, iridium, rhodium, palladium and other rare and valuable metals and their products; all kinds of gems, jades, diamonds, pearls and their products;

precious cultural relics (including calligraphies, paintings, antiques, etc.); currencies, securities, and the article with its declared value above 2000 Yuan RMB per KG of gross weight.

2. Valuable goods should be packed in solid and tightly closed boxes with “#” like metal packing stripes, and there must be stripe seals across seams.

3. The consignor shall properly reserve the flight and date in advance.

4. Shenzhen Airlines does not handle formality for air transport of precious article by connection flight.

(10) Gun and Ammunition

1. The gun or policeman apparatus (shorted as the guns) is specific-purpose control article, and the ammunition is the dangerous article subject to specific-purpose control.

2. For the consignment of various guns and ammunitions, the consignor must provide the transport permit verified and issued by county-level or municipal-level public security bureau of originating airport or destination airport or the proof letter of transport permission launched by relevant national supervision ministries.

3. The package of the guns and ammunition must be reinforced, secured and sealed. The guns and the ammunitions shall be separately packaged and shipped in different flights.

4. The consignor shall properly reserve the flight and date in advance.

(11) Escorted Cargo

1. The package of escorted cargo should follow the cargo package requirements of air carrier.

2. The flight and date shall be properly reserved for escorted cargo in advance.

3. A supercargo should perform the requirements of air carrier to escorted cargo and be responsible for safe transport of these goods. The duties of one supercargo include:

a. Be responsible for the cares taken for the cargo when such cargo stays on the ground and for escort operation during ground transportation;

b. Guide the loading and unloading operation of escorted cargo;

c. Be responsible for the cares taken to escorted cargo during the flight or during aircraft stop-over.

d. Decide how to deal with the cargo in occurrence of abnormal flight or cargo damage or other accident.

4. The supercargo shall purchase the passenger ticket and handle the boarding formality.

5. Air carrier shall assist the supercargo to complete the escort task.

6. The sign of "escorted cargo" shall be hung on exterior package of escorted cargo for air transport.

7. The inscription of "escorted cargo" shall be specified in the column of "storage and transport caution" in air waybill, and flight number, date, and ID number of this supercargo shall be identified, etc.

(12) In addition to those provisions from (1) to (11) in this item, all the packages of specific-purpose cargo shall also meet other provisions of Shenzhen Airlines.

(13) The consignor shall consign the specific-purpose cargo in accordance with the time and location appointed by air carrier.

Chapter 5 Declared Value and Insurance of the Cargo

Article 13 Declared Value of Cargo

(1) For the cargo consigned by the consignor, if the value per KG (in gross weight) exceeds 100 Yuan RMB, the declared value of cargo can be handled. When the declared value is handled, the consignor needs to specify the declared amount in the column of "declared value" of air waybill. The cargo without any declared value shall be specified in air waybill.

(2) When the cargo with declared value is handled, the consignor shall pay off the surcharge of declared value as per the provision.

(3) The declared value of each air waybill shall not exceed 500 thousands Yuan RMB unless otherwise agreed.

(4) The declared value refers to total value of whole shipment of cargo, and only part of one batch of cargoes can be handled.

(5) For the cargo that the checked formality has been handled, before the cargo is shipped, if the consignor requests to change the declared value, such cargo shall be disposed to return from the shipment, and air waybill shall be re-launched. The surcharge of original declared value shall not be returned.

(6) For any cargo that has been already transported, the consignor must not change the declared value.

Article 14 The consignor can invest the air cargo transport insurance.

Chapter 6 Air Waybill

Article 15 Air waybill is 1 copy in octuplicate, including 3 original copies and 5 duplicates. The consignor and air carrier shall sign and stamp. The first duplicate of original copy shall be forwarded to air carrier, the second duplicate shall be forwarded to the consignee, and the third duplicate shall be forwarded to the consignor. 3 original copies are provided with equivalent lawful effect.

(1) Air waybill is launched by the consignor. If air carrier fills the air waybill in accordance with Air Consignment Instruction provided by the consignor and this air waybill shall be signed by the consignor, it is concluded that this air waybill is filled by the consignor. The consignor shall be responsible for the truthfulness and accuracy of the information of each item filled in air waybill. The consignor shall be responsible for all the losses caused to air carrier or the third individual due to untruthfulness inaccuracy of Air Consignment Instruction provided by the consignor.

(2) For those cargoes that transport conditions are different or their natures conflict to one another, air waybill shall be respectively launched and filled.

(3) Only one consignor and one consignee can be available in one air waybill.

(4) Air waybill must not be transferred to other client. Any transferred air waybill becomes invalid.

Chapter 7 Freight Rate, Freight Fare and Other Expense

Article 16 Freight Rate

(1) The freight rate refers to the air transport rate of cargo from originating airport to destination airport.

(2) The specific-purpose freight rate is calculated as per 150% of freight rate of ordinary cargo unless otherwise agreed.

(3) As for the cargo that is applicable for different freight rates in one batch of cargo, the whole shipment of cargo shall be charged as per high freight fare.

Chapter 17 Freight Fare and Other Expense

(1) Freight fare refers to the fare calculated from active freight rate published by air carrier in the day when air waybill is launched and the charged weight of the cargo, excluding the ground transport fee and other fees between the airport and the proper or between two airports in the same city.

(2) Other fare refers to the fee (including ground transport fee, retention fee and transport return formality fee) other than freight fare.

(3) Minimum freight fare of each air waybill is 30 Yuan RMB.

Chapter 18 The Payment of Freight Fare and Other Expense

(1) The freight fare and other fees shall be paid off in RMB and the settlement unit is "Yuan". The consignor shall pay off such fare and fee when the consignor consigns the cargo, or before the consignee claims the cargo. The consignor shall pay off all the expenses arisen in course of cargo transport or associated with air transport before the consignee claims the cargo.

(2) In addition to the expense that shall be paid off and must be paid off, the consignor shall also ensure that he shall pay for the loss caused to air carrier or the third individual due to the circumstance of the consignee. Air carrier is authorized to detain the cargo that above-mentioned fees have not been paid off, and can exercise the auction to such cargo to pay off above-mentioned fees with part or all the auction fees. However, such kind of auction action cannot relieve the responsibility of inadequate payment.

(3) Whether the cargo is damaged or the cargo arrives to the destination appointed in air transport contract, the consignor or the consignee shall pay off all the expenses arisen from air carrier due to the carriage of such batch of cargo.

(4) When the consignor or the consignee rejects to pay off all or part of the expense, air carrier can reject the air transport or reject the delivery of such cargo.

Chapter 19 The Adjustment of Freight Fare and Other Expense

When the consignor consigns the cargo, the consignor shall pay off the freight fare in accordance with active freight rate published by air carrier in current day when air waybill is launched. After air waybill has been launched, in occurrence of any change of freight rate or other fees, original freight rate or other fees shall remain unchanged.

Chapter 8 Cargo shipment

Article 20 Urgent Cargo and the Cargo Transported in Restricted Time

(1) Urgent cargo. The consignor shall specify the shipment date and the flight in air waybill. Air carrier shall ship such cargo in accordance with designated flight and date. For the cargo that it is necessary to handle the transport of connection flight of urgent cargo, air carrier must not handle the formality until the approval from connection flight station has been obtained.

(2) The consignor and air carrier shall agree the arrival date to specify the cargo (transported in limited time) to air waybill. Air carrier shall deliver the cargo to destination airport within the time period agreed with the consignor.

Article 21 Based on the property of this cargo, air carrier shall deliver such cargo in accordance with following sequence:

(1) The goods for the emergency rescue, disaster relief, first aid, diplomatic pouch and the goods that have been appointed to transport urgently by the government;

(2) The cargo that is received and transported in appointed data and flight as the urgent cargo;

(3) Time-limited, valuable and fragmentary light goods;

(4) The cargo in connection flight;

(5) General cargo can be delivered in accordance with the priority sequence of cargo reception.

Article 22 Transport Route

(1) Air carrier shall select the cargo transport route in accordance with the principle of "rational and prompt operation", but shall not undertake the liability to transport with specific aircraft or through one or several specific flight routes, or connect the subsequent transport (flight) of cargo at any place with specific flight.

(2) Due to force majeure or unpredictable circumstance, air carrier can cancel, change, delay, advance or terminate the air transport of all or part of cargoes without any prior notice.

(3) In order to carry the cargo to the destination airport as early as possible, when necessary, air carrier can transfer the cargo to other air carrier or exercise other transportation mode to carry all or part of cargoes to the destination airport without any prior notice.

Article 23 Terminate the Transport

(1) In course of air transportation, if plausible reasons are available to confirm that certain batch of cargo is forbidden from air transport by national law, government provision, order or demand, air carrier is authorized to terminate the transport of such batch of cargo, and the consignor shall be responsible for those resulted consequences.

(2) Due to natural property inherent in the cargo itself or improper package that possibly endangers the safety of aircraft, personnel and property, air carrier can take corresponding disposal actions at any time without any prior notice.

Chapter 9 The Change of Transport

Article 24 Voluntary Change

(1) Voluntary change refers that part or all of the contents of the transport of air carrier are changed due to the circumstances of the consignor. Voluntary change is only applicable for all the cargoes specified in one air waybill.

(2) When the consignor requests to change the transport, he/she shall show the coupon of consignor of air waybill, written requirement launched by the consignor and valid personal ID card. Voluntary change shall meet relevant provision of this condition, and must not ruin the benefits of air carrier and the third individual, otherwise air carrier shall not handle such change.

(3) The Content of the Change

1. Return from the transport at originating airport;
2. Stop the transport at stop-over airport;
3. Change the destination airport;
4. Change the consignee (The changed consignee is the consignee appointed in air waybill);
5. Return the cargo to originating airport.

(4) Air carrier shall timely handle the consignor's requirement of any change. According to the required change, air waybill shall be changed and re-launched and freight fare shall be re-verified. If air carrier believes that he is unable to follow the required change by the consignor, this air carrier shall immediately notify to the consignor.

(5) The consignor shall bear all the losses caused to air carrier caused by the execution of the right of change by the consignor, and shall bear all the expenses resulted from the performance of

the changed requirement of the consignor.

(6) After the cargo has been consigned and before the consignee claims the cargo, the consignor can execute the change right to the cargo.

Article 25 Involuntary Change

(1) Involuntary change refers to the change of cargo transport caused by force majeure or the circumstance of air carrier. In occurrence of involuntary change, air carrier shall timely notify the consignor or the consignee to negotiate the disposal method.

(2) The freight fare shall be subject to following provisions:

1. When the cargo is returned from originating airport, all the freight fares shall be returned.

2. If destination airport is changed at stop-over station, the freight fare of those flight legs that are not operated shall be returned. The freight fare from the changed airport to destination airport shall be additionally verified, and as for the difference fare, excessive amount of the fare shall be returned while the owed amount of the fare shall not be paid additionally.

3. The cargo shall be returned from stop-over airport to originating airport, and all the freight fares shall be returned.

4. If the cargo is carried to destination airport with other transport tool, air carrier shall bear the excessive expense.

Article 10 Cargo Claim

Article 16 Notice of Cargo Arrival

(1) After the cargo is shipped to destination airport, air carrier or corresponding agent shall timely issue the notice of cargo arrival to the consignee unless otherwise agreed, by means of telephone call or paper format. The notice of cargo arrival of urgent cargo shall be delivered within 2 hours after the arrival of the cargo. Ordinary cargo shall be delivered within 24 hours.

(2) Ordinary cargo or dangerous article can be retained for 3 days on the basis of free of charge from next day after the notice of cargo arrival has been sent. The retention fee in current day at the arrival of cargo is exempted. The livestock, fresh and perishable article and other cargo that needs to be frozen and refrigerated can be retained for 6 hours after the arrival of cargo on the basis of free of charge. If the cargo is claimed in overdue, air carrier shall charge the retention fee

as per corresponding provision.

(3) If the consignee fails to receive or delays to receive the notice of cargo arrival due to other circumstance than that of air carrier, air carrier shall not bear the responsibility.

Article 27 Cargo Claim

(1) The consignor shall claim the cargo at the cargo claim spot appointed by air carrier. For livestock, fresh and perishable article and other cargo transported in designated flight, the consignor shall be responsible for notifying the consignee to reach to destination airport to wait for cargo claim.

(2) The cargo shall be delivered to the consignee in air waybill unless otherwise agreed by the consignor and air carrier.

(3) When the consignee claims the cargo, he/she shall show his/her valid ID certificate. Air carrier shall not bear the responsibility for the truthfulness of identity certificate of the consignee. When necessary, air carrier can request the consignee to show relevant documents or certification letters with cargo transport.

(4) The consignor shall pay off all the expenses payable before the consignor claims the cargo.

(5) When the consignor claims the cargo, if any loss, shortage, contamination, deterioration, damage or delayed arrival of the cargo is observed, he/she shall propose different opinions to air carrier on the site. Air carrier shall fill the cargo transport accident record as per the provision, and both parties shall sign or stamp.

(6) When the consignee claims the cargo and signs in air waybill but does not propose any different opinion, it shall be regarded as initial evidence for the cargo that has been properly delivered as per corresponding shipment contract.

(7) Air carrier shall shift the cargo to national supervision authority or department according to applicable law, government provision or order, which shall be regarded as the completion of such delivery. In occurrence of such condition, air carrier or corresponding agent shall notify the consignor or the consignee.

(8) If the cargo is detained or waits for further disposal action by relevant government authority due to other circumstance than air carrier, the consignor or the consignee shall bear the retention fee and other relevant fees. In occurrence of such kind of condition, air carrier shall

notify the consignor or the consignee.

Article 28 Deal with Those Fresh and perishable Articles that cannot be Delivered

When the consigned fresh and perishable article becomes deteriorated or perished in course of air transport or warehouse storage, or is not claimed by any consignor, or the consignee rejects the cargo claim, air carrier is authorized to take necessary disposal actions, for example, part or all cargoes are destroyed or abandoned, etc. When above-mentioned measures are taken, air carrier can reject to notify the consignor or the consignee with prior notice. The resulted expense shall be paid by the consignor.

Article 29 Unable to Deliver the Cargo

(1) If no consignee claims the cargo or the consignee rejects to receive the cargo within 14 days from the next day after the notice of cargo arrival has been sent, the authority of originating airport shall notify the consignor to collect the disposal comments. If the cargo is still not claimed by any consignor in full 60 days and no disposal comment of the consignor has been received, such cargo shall be disposed as per non-deliverable cargo.

(2) Processing of non-delivered cargos:

1. All the cargoes including the articles, precious articles and valuable culture and history documents that are forbidden and restricted from air transport by the Government shall be shifted to government supervision authority on the basis of free of charge.

2. General production, life material, and price evaluation shall be shifted to applicable material authority or commerce authority.

3. All the cargoes that belong to fresh and perishable articles or become difficulty to be retained, air carrier shall dispose such cargo as dictated by current circumstances. The resulted expenses shall be borne by the consignor.

4. Air carrier shall be responsible for the retention of those cargo payments that are disposed as per price evaluation. Within 90 days from the day of disposal action, if such cargo is claimed by the consignor or the consignee, the remaining payment deducted from the retention fee and disposal fee of this cargo shall be returned to the claimant. If such payment remains unclaimed after 90 days, remaining payment shall be forwarded to national treasury.

5. The authority of destination airport shall notify the disposal result of non-delivered cargo to the consignor.

Chapter 11 Charter Flight of Cargo and Transport with Chartered Cargo Compartment

Article 30 The Transport by Charter Flight (Aircraft)

(1) The individual who contracts the charter flight applies for charter flight with the introduction letter issued by the entity or valid personal identity pass. After the negotiation and agreement of both parties, they shall sign the charter flight contract.

(2) Except for weather condition or other force majeure circumstance, the individual who contracts the charter flight and air carrier shall perform the responsibilities, rights and liabilities respectively borne by both parties as defined in charter flight contract.

(3) When the charter flight individual and air carrier execute the charter flight contract, Air Consignment Instruction shall be filled for each set of charter flight (aircraft) and the air waybill shall serve as the transport certificate of charter flight.

(4) The individual who charters the flight and air carrier can determine the supercargo as per the property of the cargo. The supercargo shall purchase the flight ticket as per the contract of flight ticket and proceed with boarding formality as per the provision. The duties of the supercargo are same as (11) of Article 11 in this condition.

(5) If the individual who charters the flight proposes the contract of changed charter flight, he/she shall pay off the expense of ferry flight resulted from the execution of charter flight contract.

(6) Shenzhen Airlines shall charge the charter flight as per the provision in charter flight contract.

(7) The individual who charters the flight (aircraft) shall make full use of the tonnage of charter flight (aircraft). If Shenzhen Airlines needs to utilize the remaining tonnage of the charter flight, they shall negotiate with the individual who charters the flight (aircraft).

Article 31 As for chartered compartment or chartered ULD (pallet), refer to applicable provisions of air transport of charter flight for disposal actions.

Chapter 12 Responsibility and Compensation

Article 32 Responsibility Scope

(1) From the moment when the cargo is received to the moment when the cargo is delivered, air carrier shall bear the responsibility for safe transport. For the cargo damage arisen from cargo transport, air carrier shall bear the responsibility, except for the provision otherwise specified in national law, government provision, order or requirement and this condition.

(2) For the cargo damage caused by following circumstances, air carrier shall not bear the responsibilities:

1. The war or armed clash, government act, natural disaster and other force majeure circumstance.

2. The cargo damage or deterioration caused by natural property, defect, or cargo property inherent in the cargo that is not applicable for temperature or pressure change arisen in course of air transport and the time limitation of air transport;

3. The cargo is packaged by other individual than air carrier or her employee or agent, and the cargo package is poor;

4. The package remains intact, no abnormal condition arisen from seal mark, and interior part is shorted or damaged, except that they can certify that this is caused by the error of air carrier;

5. Rational consumption of the cargo.

(3) Air carrier does not bear the responsibility for indirect damage caused by cargo damage or delay.

(4) For the death of animal caused by natural circumstance, or for the death caused by its own circumstances of the animal or by the action of bite, kick, resistance or suffocation taken by other animal, or for any loss, damage, or expense of animal death or injury caused or contributed by inevitable change of natural environment that cannot be endured by the animal in course of air transport, air carrier would not bear any responsibility.

(5) Air carrier would not bear any responsibility for the loss of escorted cargo unless it can be certified that such loss is caused by the error made by working personnel of air carrier.

(6) For the physical hurt or death caused by animal circumstances during the escorting operation made by the supercargo who escorts the livestock, air carrier would not bear the responsibility. In course of normal operation, air carrier shall bear the responsibility for any physical hurt caused to the working personnel of air carrier by the animal.

(7) In course of air transport, air carrier shall bear the responsibility for cargo delay unless air carrier has taken all the necessary measures or it is impossible for air carrier to take such kind of measure, or unless otherwise specified by national law, government provision, order or requirement and other agreement in this condition.

(8) In course of air transport, if it is certified that any loss or delay of cargo is caused or contributed by the error of the consignor or the consignee, the responsibility of air carrier shall be exempted or relieved accordingly based on the intensity of such error that causes or contributes to such kind of the loss.

(9) Except for intentional action of air carrier, due to the cargo damage caused by required change of the consignor or generated during the change, air carrier would not bear the responsibility.

(10) When Shenzhen Airlines launches the air waybill to transport the cargo in the flight of other air carrier, Shenzhen Airlines can only serve as the agent of other air carrier. Shenzhen Airlines would not bear the compensation responsibility. Shenzhen Airlines does not bear the compensation responsibility for the loss or the delay caused to the cargo carried in the flight of other air carrier.

(11) When the responsibility of air carrier is relieved or restricted according to this condition, such relief and restriction are also applicable for the agent, employee or representative of air carrier, and are also applicable for any air carrier that governs the aircraft or other transport tool operated for air transport.

(12) In occurrence of any damage or delay of any package of part or all of the cargoes in one batch of cargo, the determination of compensation responsibility of air carrier shall be subject to the limited weight of corresponding package. When the loss or delay of any article in consigned cargo affects the value of other package specified in the same one air waybill. When the compensation responsibility has been defined, the weight of other package shall be considered. In the absence of any opponent evidence, the proportion of the value of damaged or delayed cargo in total value of all the cargoes shall be determined in accordance with the proportion of the weight of damaged or delay cargo in total weight of all the cargoes.

Article 33 Successive Carrier

(1) The transport that is operated by several successive air carriers according to one air

waybill is regarded as a single transportation process.

(2) For the cargo transported by successive air carriers, each air carrier shall serve as one party of transport contract according to the transport segment handled as per transport contract. In course of air transport, for cargo damage or delay, etc., the consignor is authorized to propose the lawsuit to the first air carrier, the consignee is authorized to propose the lawsuit to final air carrier. Either the consignor or the consignee can submit the lawsuit to corresponding air carrier to transport segment that cargo damage or delay is arisen.

Article 34 Compensation Limitation

(1) For the cargo that declared value has been handled and the surcharge of declared value has been paid off, in occurrence of any damage during air transport, this declared value is maximum compensation amount limitation. If air carrier can certify that actual loss of cargo is lower than the declared value, air carrier shall compensate as per actual damage.

(2) For the cargo that declared value has not been handled, in any occurrence of the damage in course of air transport, maximum compensation limitation borne by air carrier is 100 Yuan RMB per 1 KG.

(3) For the cargo that invests the air transport insurance, in occurrence of any damage arisen from air transport, insurance company shall compensate as per applicable provision.

(4) The compensation of delayed transport

Due to the circumstance of air carrier, the cargo arrives beyond the time limitation agreed in transport contract. Air carrier shall compensate in accordance with the agreed articles in transport contract.

Chapter 13 Time Limitation of Claim Lawsuit

Article 35 In occurrence of any compensation due to cargo damage or delay, the consignor or the consignee in air waybill shall propose such claim to air carrier in paper format within following time limitations:

(1) For obvious damage or partial loss of the cargo is observed during cargo claim, the claim shall be submitted no later than 14 days after the cargo has been received.

(2) For the cargo delayed in air transport, the claim shall be submitted within 21 days after the day when cargo handling right has transferred to appointed consignee.

(3) If the consignee does not claim the cargo, the claim shall be submitted within 120 days

from the day when air waybill has been launched.

If the consignor does not propose any different opinion in paper format within specified time limitation, the consignor must not propose the claim lawsuit to Shenzhen Airlines unless air carrier has taken any fraud act.

Article 36 The effective period of lawsuit for air transport dispute is 2 years, which is calculated from the day when the aircraft reaches to destination airport or the day when civil aircraft shall reach to destination airport, or the day when air transport is terminated.

Chapter 14 Enforcement and Revision

Article 37 This condition comes into effect from March 20, 2009 and has been implemented.

Article 38 Shenzhen Airlines is authorized to follow the procedure defined by CAAC to revise any article in this condition without any prior notice. However, such revision is not applicable for those transportations that have been started before the revision.

Article 39 The agent, employee or delegate of Shenzhen Airlines is not authorized to change, revise, or waive any article in this condition.

Article 40 Shenzhen Airlines is responsible for the interpretation of this condition.