

ARCUS-AIR-LOGISTIC GMBH GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions [ABB.AAL2017[©]] of Arcus-Air-Logistic GmbH (hereinafter referred to as "AAL") form the basis of all transportation contracts and brokerage contracts between AAL and the commercial customer, the latter also referred to hereinafter as "Sender, Customer or Shipper".

Valid from 1 September 2017

1. Scope of application of the Terms and Conditions of Carriage

These General Terms and Conditions apply to any form of goods transportation and any other agreement on additional services associated herewith (add-on-services), and to the remuneration arrangements made in this context in addition to the freight, freight brokerage and transportation contract.

However, in the event of doubt, individual contractual provisions and order modifications on the basis of the contractual individual/framework agreements that have been made and/or modified shall take precedence over these in respect of both their additions and their alterations. To avoid misunderstanding, reference is made in this respect to these agreements, particularly to the freight enquiries, freight confirmations and the ongoing documentation (follow-up) of a particular freight process. Insofar as the Sender provides or omits detailed information in or from these documents about the cargo, the Sender's handling, and its details of the destination, route, and scheduling, in the event of doubt the details the Sender has provided there shall count between the partners as the basis of what has been agreed.

2. Applicable law

The carriage and freight brokerage contracts of AAL are subject exclusively to German freight, transport and forwarding law, including the mandatory provisions of international treaties within its area of application, in particular those of the Warsaw Convention, the Montreal Convention and – insofar as cross-border road freight transport is applicable – the CMR Convention.

3. Details, condition and inspection of goods, documentation

The Sender is responsible for the goods being packed suitably for the air transport that has been specifically requested, taking account of the climatic and other circumstances, and for the goods being protected against external weather influences and being labelled and declared for the purpose of the transport.

The Sender is aware of the IATA regulations for hazardous goods that are applicable to air transport [Table 2.3 A Provisions for Dangerous Goods Carried by Passengers or Crew, 58th Edition, 1 January 2017] as his own obligation and responsibility towards

AAL; these regulations can be made accessible to the Sender on request at any time.

In addition to these IATA regulations, the provisions of AAL [AAL baggage regulations 2017] also apply in respect of the passenger's baggage and hand baggage as well as checked-in baggage; these were made accessible to the Sender before the conclusion of the freight or brokerage order.

The Sender is further responsible for handing the goods over to AAL with all the necessary accompanying documents, customs declarations and freight declarations. If AAL on its part uses agents for the prior transport in the form of door-to-door delivery, the Sender's obligation in such cases shall extend to the agent. AAL or its agent respectively can refuse the transportation if the goods are handed over in damaged condition, which for example is indicated, although not conclusively, by damaged packaging, or if the goods are identifiably otherwise in a condition which does not permit, or hinders, air transportation. The same applies if the Sender has not presented the necessary accompanying documents for the freight transport properly, in good time or in full.

If and insofar as the freight transport is delayed due to improper documentation or incorrect or late declaration of the freight, or for other reasons for which the Sender is responsible, the Sender must bear the costs that have arisen due to this in addition to the transportation charge.

4. Freight rate, costs of additional services, charges

Subject to any individual agreement otherwise, the freight rate is deemed to be the freight rate as shown in the current AAL price list. Unless regulated otherwise in the individual contract, the freight rate is calculated using the currently valid flying hour rate and the AAL daily flat rate (per calendar day).

Add-on costs, services and expenses

In addition to the freight rate, the costs of the following services and special expenses [add-on service fees] shall be charged as required, and shall also be borne by the Sender depending on the order:

any fees or charges imposed by public authorities or third parties

any customs duties or taxes incurred and settled by AAL or its agents (these must always be reimbursed against written proof before the goods are delivered)

insurance surcharges for countries which are not included in the international standard AAL insurance

costs of flight delays due to the weather or caused by air traffic control and/or other authorities or diverted landings, as well as the costs of overnight accommodation etc. caused by these; in such cases AAL has no duty of examining the responsibility/authority for the official measures concerned

ARCUS-AIR-LOGISTIC GMBH GENERAL TERMS AND CONDITIONS

costs of waiting times, warehousing costs, including the costs of interim storage arranged by the Sender, loading costs, de-icing charges.

AAL is entitled, but not obliged, to render customs duties, taxes and/or fees and charges, or to effect other disbursements for the goods. The Sender and the recipient are jointly and severally liable to AAL for the assumption and reimbursement of these costs and expenses. In addition, AAL is not obliged to assume costs or make advance payments in connection with the transportation or return transportation of the goods, unless the Shipper reimburses AAL for these costs or expenses in advance or offers collateral. Insofar as the goods are to be imported to a location through customs, the goods shall be regarded there as being intended for the person named as the customs recipient in the air waybill, or for the customs recipient stated by AAL respectively.

Unless anything is agreed otherwise, the freight rate and other costs are stated in euros. If payment is made in a different currency, it shall be made in the amount resulting from the exchange rate set for this by the European Central Bank at the time of issuing the air waybill.

The freight rate, or if necessary the charter price, must strictly be paid before takeoff. AAL is entitled to withhold its services until payment of the freight rate, and in the event of default to set the Sender a last appropriate payment deadline in this respect to avoid the order being cancelled. The appropriateness of the period set shall be measured in relation to the time still remaining before the start of the freight transaction and the scheduling of the aircraft for other transport work; the details of the payment terms shall be as stated in the respective order confirmation from AAL (please refer thereto).

If wages, salaries, the costs of resources (in particular petroleum and fuel prices), government charges, fees, taxes etc. increase after the order confirmation took place or during the order period, the additional costs must be remunerated separately on production of proof by AAL if the increase is more than 3%.

5. Flight cancellation & delays; No-Show

In the event of cancellation or termination of an air transport contract, the Sender must reimburse AAL for its costs for the usual arrangements and expenses for this flight.

For this, AAL has set out below the cancellation charges relating to the regularly incurred costs and expenses on a flat-rate basis according to the time of cancellation; for the benefit of the Sender these figures already take account of the expenses usually saved and the possibility of other (even partial) uses of the aircraft for the period that has become free. The provisions below on the costs to be borne by the Sender apply in principle. Carriage, forwarding or freight contracts concluded at short notice for immediate execution, i.e. between 1 and 48 hours in advance [panic shipments], are excluded from these; in such cases the

respective cancellation terms specially agreed by AAL and shown in the order confirmation apply (please refer thereto).

Notwithstanding this exception, the following cancellation terms are deemed to be agreed as a general rule:

for cancellation from 14 days to 72 hours before the planned takeoff, the cancellation charge is 50% of the freight rate (gross)

for cancellation from less than 72 hours to 48 hours before takeoff, the cancellation charge is 75% of the freight rate (gross)

for cancellation less than 48 hours before takeoff the cancellation charge is 100% of the freight rate (gross)

The Sender is entitled to proof that AAL actually incurred no costs, or costs lower than the flat-rate cancellation charge asserted. In this case the Sender shall only be obliged to compensate the costs actually incurred.

If, in the case of a flight with several interim destinations agreed with the Sender, the weather deteriorates to such an extent that it is not possible to continue the flight safely, the Sender must pay the transportation charge for the part of the flight that has been implemented even if the partial transport is not in its interest. The weather situation shall be determined according to the assessment by the responsible pilot and air traffic control.

The freight rate for the transport actually executed shall be determined and calculated according to the ratio between the planned flying time for the total freight order and the actual flying time including necessary positioning and return flights. If, as a result of the weather development, the aircraft has to fly to an alternative airport, or if as a result of this a further overnight stop (for example) or other measures become necessary, the costs demonstrably incurred by AAL as a result of this must be reimbursed by the Sender.

6. Flight postponements at the Sender's request

Postponements at the Sender's request after the conclusion of contract, and also changes to the flight route, destination or type and volume of freight, will be treated as a cancellation of the previous freight order.

AAL will try to realise the changed new order request from the Sender as far as possible, especially insofar as this is possible and permissible operationally using the agreed aircraft, but without being legally obliged to do so.

In the event of the Sender's request being implemented, the Sender must bear the previous freight rate as well as any additional costs arising from the change to the freight request, such as overnight costs or additional landing fees, additional fuel costs, etc. In the event of the request not being implemented, the provisions in respect of cancellation charges shall apply in accordance with Point 5. above.

ARCUS-AIR-LOGISTIC GMBH GENERAL TERMS AND CONDITIONS

7. Delayed provision of freight

It is deemed to be agreed that AAL shall grant the Sender a grace period of up to 60 minutes over the agreed deadline for the provision of the freight. If this grace period has elapsed without the freight being provided, and without any message from the Sender in respect of the delay and the probable (later) arrival of the freight, this shall be treated as a no-show by the Sender. AAL is not obliged to execute the freight order later if further waiting would jeopardise subsequent orders or other deadlines.

In such a case AAL is entitled to request the agreed cancellation charges from the Sender in accordance with Point 5. above.

8. Declaration of the freight

If the freight exceeds the previously declared gross weight on which the transport contract is based, the dimensions, number of items or declared weight, or if the type of freight differs from the declared type, AAL shall be entitled to refuse the transportation or adjust the freight rate and other costs to the additional cost.

If, when freight is to be transported by air, the incorrect or inadequate declaration of the type of freight is in breach of the IATA regulations on hazardous goods referred to in Point 3., the freight contract shall be null and void. In this case the Sender shall bear the costs of the no-show in accordance with Point 5. In addition, AAL reserves the right to recourse against the Sender for all the measures resulting from the false declaration which the civil and regulatory authorities might impose on AAL as the air freight carrier. In the event of later legal proceedings against AAL on these grounds, the Sender hereby irrevocably waives the right to object based on the statute of limitations.

The same shall apply if the false or insufficient declaration of the freight breaches AAL's hand baggage/baggage provisions [AAL Baggage Regulations 2017], provided that these rules were issued to the Sender before or on the conclusion of the freight contract and the Sender raised no objections; for reasons of proof the Sender is recommended to declare any such objection in writing or withdraw from the freight contract.

This provision applies without prejudice to the possibility that, before or on the conclusion of the freight contract, the Sender meets the requirements for the legitimacy of the air transport of hazardous goods in accordance with Point 10. below. This shall not result in the contract that is null and void subsequently being remedied in accordance with the provision in Point 8. above.

9. General provisions on the admissibility of goods

Carriage by AAL or third parties can only be guaranteed if the general provisions on the admissibility of goods in air freight transport are complied with; in particular the carriage, import or export must not be banned by international provisions or by the laws of a country that are valid for such carriage, and the freight

must not jeopardise either the safety of the flight or that of the aircraft, persons or property.

10. Goods restrictions

Explosives, ammunition, weapons, live animals, perishable goods and all goods subject to restrictions on air transport in accordance with the above IATA regulations or the AAL baggage regulations 2017 can strictly only be carried in compliance with the particular conditions applicable to these goods.

The Sender must ensure that it obtains the necessary documents, certificates or export licences for these goods in due time and at its own expense and risk.

The provisions on delays in the delivery of freight and the costs applicable to the Sender in accordance with Point 7. above apply accordingly.

11. Value limits

A limit of liability of 19 SDR per gross kilogram is set for the carriage in the event of loss or damage. If the value of the freight exceeds this amount per gross kilogram, AAL shall only be liable for this if and insofar as the higher value has been declared and expressly included in the air transportation contract. For reasons of proof, the Sender is recommended to pay attention to this declaration in the air waybill as prima facie evidence and, if in doubt, to withdraw from the freight contract.

12. Delivery

Unless expressly agreed otherwise, delivery shall take place to the destination airport, to the recipient named in the air transportation contract. Delivery shall be deemed to have taken place if the shipment has been delivered to a customs authority or other competent authority in accordance with the laws and customs regulations in force.

13. Non-collection by the recipient

If the recipient cannot be contacted or refuses to accept the shipment after its arrival, or if acceptance does not take place for other reasons, AAL shall obtain instructions from the Sender on how next to proceed. If no instructions are received from the Sender within an appropriate time, AAL can choose between returning the freight to the Sender at the Sender's expense or, after storing the freight for one month, can dispose of it wholly or in part by public or private sale for its own account.

The Sender and recipient are jointly and severally liable for all disbursements and costs resulting from the fact that it was not possible to deliver the shipment, including the costs of sending the freight back. If AAL sells the freight, it shall be entitled to set off the proceeds of the sale against the freight rate and other (additional) costs arising from the transport.

ARCUS-AIR-LOGISTIC GMBH GENERAL TERMS AND CONDITIONS

14. Operation of the flight

AAL primarily operates air transport and its brokerage, and not combined transports. The air transport contract commences with the freight being taken to the aircraft and ends with the handover of the freight at the destination airport, unless additional local transport (e.g. door-to-door) has been expressly agreed.

AAL is entitled to select the route for the carriage according to its capacity or availability, or to depart from this. Excluded from this are all non-stop shipments [panic shipments] in which AAL makes the aircraft concerned available exclusively for the shipment concerned in accordance with the Sender's instructions.

AAL can select another air freight carrier, a substitute aircraft or other substitute transport without further notice, unless anything has been agreed otherwise.

15. Force majeure

AAL is entitled to refuse the transport and to postpone or abandon the transport or annul the air transportation contract in the event of force majeure.

This shall be the case especially, but not exclusively, if this is necessary on account of one of the following events beyond the influence of AAL, such as weather conditions, violence, civil uprisings and unrest, strikes, wars, natural phenomena, hostilities, an uncertain international situation, terrorism, riots or government warnings of terrorism, military attacks or war.

The same shall apply if there is a realistic threat of such an event.

16. Liability

16.1 Principles

With regard to AAL's liability, the transport is subject to the provisions and restrictions of German laws, European provisions and international treaties if and insofar as these apply to the specific transport.

AAL accepts no liability for loading times, transport times or delivery times at point of delivery (POD). The Sender knows for example that the ground handling times at the airport are outside the sphere of influence of AAL and its staff.

16.2 Statutory and official regulations

AAL shall not be liable for damages, in particular financial losses, caused directly or indirectly by compliance with laws, government regulations, decrees, orders or requirements (hereinafter "official measures") or by a similar event beyond AAL's area of influence. The same applies if AAL decides in good faith that in its view the applicable laws and official measures do not permit the freight transport, and as a result AAL refuses this transport.

16.3 Financial losses

AAL shall not be liable for financial losses negligently caused by AAL, if and insofar as no special agreement exists in this respect in the event of a delivery period being exceeded.

AAL shall not be liable for the damage or destruction or delay of a freight shipment that has been caused by the properties inherent to the freight; the same applies to any risk emanating from an animal as freight.

16.4 Animal risks

AAL shall also not be liable if an animal is killed or injured, if and insofar as this is attributable to the behaviour of this animal or another animal being transported.

16.5 Deterioration/internal decay

AAL shall not be liable if freight is exposed to deterioration or decay due to its natural condition and due to its being exposed to natural decay as a result of a change of climate, temperature or altitude or other usual circumstances associated with the specific form of transport.

For temperature-controlled goods (in particular drugs and raw materials for medical purposes) the Sender must ensure before or on conclusion of contract that AAL is aware of ALL the specific handling methods and instructions. The Sender must also provide uninterrupted before the acceptance of the freight that the cool chain has been seamlessly maintained by the freight drivers previously involved.

16.6 Defects and consequential damages

AAL shall strictly not be liable for damage caused by defects and consequential damages resulting from damage caused by defects either directly or indirectly, in particular not for loss of revenues, reduced profits, loss of earnings, lost business, losses of interest and foreign exchange losses, production downtime, contractual penalties etc. resulting from the execution of transports. It shall not be material whether AAL knows of this or not. This shall not apply – apart from in the area of application of the Montreal Convention and the Montreal Protocol No. 4 – for damage caused by defects and consequential damages resulting from damage caused by defects that are due to grossly negligent or intentional damage produced by AAL or its people.

16.7 Extension of waiver of liability and alleviations

If the liability of AAL is excluded or restricted in accordance with the above provisions, such exclusions or restrictions shall apply correspondingly to agents, employees, representatives or assistants of AAL as well as to those air freight forwarders whose aircraft was used for the transport and their agents, employees, representatives or assistants.

17. Liability for losses due to delay

Liability for losses due to delay is excluded insofar as AAL demonstrates that it or its people took all reasonable measures to prevent such loss, or that it was not possible for them to take such measures.

A delay leading to the fundamental liability of AAL shall only come into effect insofar as a fixed date for the intended delivery (POD) was agreed and the freight was not delivered to its destination by this time. AAL shall not be liable insofar as the blame for the

ARCUS-AIR-LOGISTIC GMBH GENERAL TERMS AND CONDITIONS

delay lies with the Sender, recipient or a third party that is not an assistant of AAL.

18. Deadlines for claims to price reduction and notification of defects; cut-off period

Claims on account of defects in the freight transport or on account of loss or damage to the freight must be asserted to AAL in writing immediately after the end of the transport.

The acceptance of the freight without reservation, as expressed in acceptance without write-downs on the air waybill, shall constitute prima facie evidence that the freight has been handed over in perfect condition in accordance with the transportation contract. The Sender has the right to prove otherwise.

If damage is asserted later than 21 days after delivery, any claim and complaint against AAL shall be excluded unless AAL maliciously hindered the claimant in identifying the facts to be reported and notifying AAL of its claim in writing within the specified period.

All claims for damages against AAL shall expire if not asserted within a cut-off period of two years after the planned termination of the respective freight contract.

19. Setoff/cession

The setoff by the Sender of its own claims against the claims of AAL is only permitted if and insofar as the claim concerned is undisputed or recognised or has been established as having legal force. The Sender is only permitted to cede its claims from transportation contracts with the prior written consent of AAL.

20. General provisions

The nullity or ineffectiveness of individual provisions of these ABB.AAL2017 shall not result in the nullity or ineffectiveness of the remaining ABB.AAL2017.

21. Applicable law and place of jurisdiction

Exclusively German law applies to ABB.AAL2017 with the exclusion of the UN Convention on Contracts for the International Sale of Goods (C.I.S.G.). This also applies particularly to freight contracts and freight brokerage contracts written in other languages, unless anything is specified otherwise in the individual contracts.

For all disputes arising from or in connection with these terms and conditions or in connection with freight contracts or freight brokerage contracts respectively, it is hereby agreed that Cologne shall be the exclusive place of jurisdiction provided that both parties to the contract are fully qualified merchants.

Otherwise the general statutory provisions shall remain applicable in respect of the place of jurisdiction.

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