

LOCAL CONDITIONS ex Italy FROM 01/04/2019

The present “Local Conditions” apply to all sales of air cargo transportation departing from Italy, including services incidental thereto, by or on behalf of Air France Cargo and/or KLM Cargo (collectively referred to as “Carriers”). These Local Conditions specify the booking conditions and operational specificities which apply to the above-mentioned sales. Local Conditions may be modified at any time. We advise you to check regularly for updates in particular before any new booking. It is reminded that the carriage of cargo is governed by (i) the conditions of the Contract of Carriage displayed on the back of the Air Waybill, (ii) Carriers’ General Conditions of Carriage for cargo (“GCC”), (iii) General Conditions of Sales (“GCS”), (iv) the Specific Conditions of Sale agreed with Carriers, if any, and (v) Carriers’ Local Conditions (“LC”). Those documents altogether qualify as the “Agreement”. In the event of discrepancies and/or inconsistencies, the order of precedence (i) to (v) will apply, unless expressly stated otherwise. GCC and GCS can be consulted at your Local Customer Office or on www.afklcargo.com. All bookings for air cargo transportation imply full and entire acceptance of all above mentioned document by the shipper or its representing agent (hereinafter referred to as “Customer”).

1. RATES

- “All in Rates”: Air cargo transportation rates based on the booking information, excluding any applicable taxes, levies, fees and Other Charges (e.g. related to screening, customs, DGR handling, etc.).
- Rates may be adjusted in the event of any change of the booking details.
- Applicable rates, taxes, duties, fees and Other Charges are available at the Carriers’ local Customer Service office and may be modified at any time. We advise you to consult them regularly, in particular prior to making a booking.

2. BOOKING CONDITIONS

- All shipments must be booked in advance according to the conditions below unless otherwise agreed and confirmed in writing by the Carriers.
- Carriers may refuse to carry a shipment if no prior booking has been made or if information provided at booking is not in accordance with the actual shipment offered for acceptance to Carriers.
- All in Rates and capacity displayed in the booking are based on information provided by the Customer at the time of booking. They may be adjusted in case of (i) any discrepancies between booking and the actual shipment offered at acceptance or (ii) any change made to the booking details. In such event, additional fees and specific conditions (which can be consulted with the Carriers) may apply.
- Customers must update bookings as soon as underlying shipment details are modified, in particular regarding the weight, volume or commodity type.
- Bookings should be made either online, by email, telephone or fax using the contact details shown below and indicate the air waybill number, the exact weight, volume and product type as well as, if applicable, any specific agreement reference. Detailed information are available via local service office.

| Customer Service and booking platform contacts | | |
|---|------------------|---|
| E-booking | | www.afklcargo.com via myCargo CPS/EDI (Air France Cargo/KLM Cargo only) |
| MIL | E-mail address | customerservice.lin@afklmpcargo.com |
| | Fax number | 02 21 600 250 |
| | Telephone number | 02 21 600 600 ext.1 |
| BLQ | E-mail address | customerservice.flr@afklmpcargo.com |
| | Telephone number | 0574 919511 |
| FLR | E-mail address | customerservice.flr@afklmpcargo.com |
| | Fax number | 0574 527596 |
| | Telephone number | 0574 919511 |
| VCE | E-mail address | customerservice.lin@afklmpcargo.com |
| | Telephone number | 02 21 600 600 ext.1 |

- Shipments are accepted on a prepaid basis only. Acceptance of shipments on a collect basis, subject to certain conditions and charges, is restricted to CDG and AMS. Contact Carriers’ local service office for the applicable collect requirements.
- Depending on the destination, type and size of the cargo, contractual conditions and specific limitations may apply. Any related information can be obtained from Carriers’ local Customer Service office.

3. ACCEPTANCE POLICY

- Customer is responsible for tendering shipments to Carriers "READY FOR CARRIAGE", in accordance with IATA resolutions and all applicable laws, regulations, procedures and policies of all applicable jurisdictions for shipments' itinerary (including but not limited to France, The Netherlands, European Union and United States of America).
- The accuracy of the air waybill information is of utmost importance. Carriers may re-weigh and re-measure the shipment tendered. Based on the dimensions and weight thereby determined, Carriers are entitled to recalculate the All-in Rate and Other Charges and to add any applicable fee as appropriate. If the air waybill delivered with the shipment tendered does not contain all required information or contains an error or discrepancy, Carriers may complete, correct or re-issue the air waybill to the best of Carriers' ability without obligation to do so.
- Shipments tendered to Carriers shall comply with all applicable export controls and sanctions laws regarding the country of origin and destination and sanctioned individuals and entities in such countries, and Customer will not cause Carriers to violate any such laws or engage in any transaction that could result in the imposition of sanctions on Carriers.
- Customer is responsible for determining export, transit and import licensing or permitting requirements for its shipments and for obtaining any required licenses and permits (including any required authorization for shipping U.S.-origin controlled cargo, dual-use items, military goods and/or technology).
- By tendering a shipment, Customer certifies that the documentation includes all required licenses and permits, that the statements in that documentation and any other information that the Customer provides relating to exportation and importation are complete, true, correct, and in compliance with the laws of the origin, transit and destination countries.
- Customer understands that civil and criminal sanctions including seizure and forfeiture may be imposed for failing to provide Carriers with all required documentation, licenses and permits, and for making inaccurate, false, or fraudulent statements, or for violating U.S., EU or other country laws regulating exports or imports.
- Customer further acknowledges and agrees that neither the Customer nor any consignee of the cargo is an EU Listed Person or a U.S. Specially Designated National or appears on another applicable sanctions list depending on the origin or destination of the cargo and that the consignee is authorized to receive the shipment.
- Specific guidelines may apply per product, which may be consulted at Carriers' local Customer Service offices. Shipments must be tendered by the latest acceptance time (referred to as "LAT") shown below.

| ORIGIN | AIRLINE | PRODUCT | DAY | LAT* on FLIGHTS to CDG and AMS | LAT* on TRUCKS to CDG and AMS | LAT* on SHUTTLE |
|-----------|---------|--|-------|---|--|-----------------|
| MILAN SWK | AFKL | DIMENSION & VARIATION | D1-D5 | N/A | 18H00 (Loose & BUP) 21H00 (Loose & BUP) | N/A |
| | | | D6 | N/A | 09H00 (Loose & BUP) | N/A |
| | | VARIATION DGR | D1-D5 | N/A | 18H00 | N/A |
| MILAN MXP | AFKL | ALL PRODUCTS | D1-D5 | N/A | 22H30 | N/A |
| | | EQUATION (XPS) | D1-D7 | 120 minutes before flight STD** | N/A | N/A |
| | | EQUATION HEAVY VARIATION VARIATION DGR | D1-D7 | 180 minutes before flight STD** | N/A | N/A |
| | | VARIATION SAFE 1 VALUABLES | D1-D7 | 90 minutes before flight STD** D6: accepted before 13H00 | N/A | N/A |
| | | VARIATION LIVE | D1-D5 | 100 min before flight STD** | N/A | N/A |
| | | All the products (excluding DIM) on board of the first flight of the day | D1-D6 | within 21H00 of the previous day | N/A | N/A |
| ROME FCO | AFKL | DIMENSION | D1-D4 | N/A | 4 hours before truck STD** | 19H00 |
| | | | D5 | N/A | 4 hours before truck STD** | N/A |
| | | All other products | D1-D4 | 4 hours before flight STD** | 4 hours before truck STD** | 19H00 |
| | | | D5 | 4 hours before flight STD** | 4 hours before truck STD** | N/A |
| | | EQUATION (XPS) | D1-D6 | 120 minutes before flight STD** | N/A | N/A |
| | | EQUATION HEAVY | D1-D6 | 180 minutes before flight STD** | N/A | N/A |

| ORIGIN | AIRLINE | PRODUCT | DAY | LAT* on FLIGHTS to CDG and AMS | LAT* on TRUCKS to CDG and AMS | LAT* on SHUTTLE |
|------------|---------|---|-------|---------------------------------|--|--------------------------|
| BLQ APT | AFKL | EQUATION (XPS) | D1-D6 | 120 minutes before flight STD** | N/A | |
| BQY | AFKL | All products (VAR. DGR included) | D1-D5 | N/A | 20H00 (Loose & BUP) | N/A |
| FLR | AFKL | All products (VAR. DGR included) | D1-D4 | N/A | 20H00 (Loose & BUP) | N/A |
| | | | D5 | N/A | 20H00 (Loose & BUP) for Sunday flights from 12H00 to 19H00 | N/A |
| | | | D5 | N/A | 22H00 (Loose & BUP) for Sunday flights from 19H00 | N/A |
| | | VARIATION DGR | D1-D5 | N/A | 18H00 | |
| VCE | AFKL | DIMENSION | D1-D5 | N/A | 19H00 Loose 20H00 BUP | 19H00 Loose 20H00 BUP |
| | | | D6 | N/A | 14H00 (Loose & BUP) | N/A |
| | | EQUATION (XPS) | D1-D6 | 120 minutes before flight STD** | N/A | N/A |
| | | | D7 | Within 14H30 D6 | N/A | N/A |
| | | VARIATION SAFE 1 VALUABLES | D1-D6 | 120 minutes before flight STD** | N/A | N/A |
| | | | D7 | N/A | N/A | N/A |
| | | All other products (VAR. DGR only 2.2 and 9 classes accepted) | D1-D5 | 180 minutes before flight STD** | 19H00 Loose 20H00 BUP | 19H00 Loose 20H00 BUP |
| | | | D6 | N/A | 14H00 (Loose & BUP) | N/A |
| VRN | AFKL | All products | D1-D5 | N/A | 19H00 Loose 20H00 BUP | N/A |
| TRN | AFKL | All products | D1-D5 | N/A | 19H00 (Loose) - 20H00 (BUP) | N/A |

| ORIGIN | AIRLINE | PRODUCT | DAY | LAT* on FLIGHTS to CDG and AMS | LAT* on TRUCKS to CDG and AMS | LAT* on SHUTTLE |
|--------|---------|--|--------|---|-------------------------------|-----------------|
| GOA | AFKL | DIMENSION EQUATION HEAVY COHESION | D1-D5 | N/A | 15H30 | 15H30 |
| | | EQUATION (XPS) | D1-D5 | 120 minutes before flight STD** | N/A | N/A |
| | AFKL | VARIATION DGR (only trucks) Radioactive and Explosive Not accepted Acceptance shipper's declaration within 12H00 the day before the departure. | D1-D5 | N/A | N/A | 10H00 |
| AOI | AFKL | ALL PRODUCTS | D2, D4 | N/A | N/A | 18H00 |
| | | | D5 | N/A | N/A | 21H 00 |
| NAP | AF | ALL PRODUCTS (excepted DGR) | D1-D5 | 120 minutes before flight STD** (D-1 for departure before 8H00 AM) | N/A | N/A |

Above times are referred to as LAT (Latest Acceptance Time)

* LAT: Latest Acceptance Time

** STD: Scheduled Time of Departure

The Malpensa Custom Authority will not accept any shipments with custom status T1.

4. NO SHOW, CANCELLATION AND BOOKING DISCREPANCY FEES

To improve and maximize operational performance, Customers are required to tender shipments in accordance with the booking and to keep the Carrier informed at all times of the latest relevant booking information. The following fees will apply in case of major changes to the latest available booking:

| No show fee* <i>(For shipments that are not delivered before the LAT)</i> | |
|---|--|
| | 35% of the total All-in Rate according to booking or 0,25 euro per kilo of the shipment weight whichever is higher |
| <i>* For deliveries after the LAT, Carriers will do their utmost to restore original forwarding plan. Additional costs incurred will be invoiced to the Customer at cost. Any missed connections due to the late tendering of a shipment will be subject to this no show fee.</i> | |

| Cancellation fees* <i>(For cancellations within 24 hours of the LAT)</i> | |
|--|--|
| Bookings above 2 tons or 10 m3 and under 10 tons or 60 m3 | 15% of the total All-in Rate according to booking or 0,15 euro per kilo of the shipment weight whichever is higher |
| Bookings of 10 tons or 60 m3 or more | 25% of the total All-in Rate according to booking or 0,20 euro per kilo of the shipment weight whichever is higher |
| <i>*Booking updates within 24 hours before LAT, for shipments above 2 tons or 10 m3 and involving more than 25% decrease in chargeable weight will be subject to cancellation fees mentioned above for shipments above 2 tons or 10m3.</i> | |

| Booking discrepancy fees* <i>(If significant discrepancy between chargeable weight at booking versus chargeable weight at acceptance)</i> | |
|---|---|
| Low show for bookings above 2 tons or 17 m3 | If more than 30 % reduction in chargeable weight as booked: 50% of the difference between the total All-in Rate quoted at the time of booking and the total All-in Rate calculated at acceptance of the shipment or 0.25 Euro per kilo of the shipment, whichever is higher. Shipment may be carried on another flight for flight optimization reasons at discretion of Carriers. |
| Low show for bookings above 10 tons or 60 m3 or more | If more than 20 % reduction in chargeable weight as booked: 50% of the difference between the total All-in Rate at the time of booking and the total All-in Rate calculated at acceptance of the shipment or 0.25 Euro per kilo, whichever is higher. Shipment may be carried on another flight for flight optimization reasons at discretion of Carriers. |
| High show for bookings above 17 m3 | If volume at acceptance is higher than booked, the All-in Rate of the shipment may be adjusted. Shipment may be carried on another flight due to capacity limitations. No ad-hoc fees will apply. |
| Shipment booked as pre-build unit but delivered before LAT as loose cargo | 0.10 Euro per kilo. Shipment may be carried on another flight due to handling limitations. |

In case of disputes concerning the above-mentioned fees recorded by Carriers, the burden of proof in supporting a potential error of calculation lies with the Customer.

5. OTHER CHARGES

The commodity type, handling, delivery of goods and/or any additional services may give rise to “Other Charges” added on top of the All-in Rate. Other Charges are subject to change and may vary depending on the origin/destination and the local operational situation. For a full overview of the Other Charges or for any additional information, please contact your carriers' local customer service office.

- 1- The list of export Other Charges which may apply to your shipment can be consulted, upon registration, in your myCargo account, at <https://www.afklcargo.com/WW/en/local/app/index.jsp#/myCargo/othercharges>.
- 2- The following import Other Charges may apply to your shipment.
All charges are in EUR. Taxes are not included.

- 5.1 Variation FRESH1 / PHARMA ACTIVE – PASSIVE AIR FRANCE Cargo and KLM Cargo specificity

Fresh1:

Fresh Active solution's rental fee (see table below) are included to Fresh1 ALL IN container cost. Still additional services may be separately charged as per below.

Pharma1:

As of April 1st 2019, for the Active and Passive solutions **for Pharmaceutical goods**, the ALL IN container costs are not applicable anymore.

The container costs are divided into “airfreight charges” and “total charges (UE)”:

- o The “airfreight charges” consist of a minimum pivot weight per containers (which is based on the tare weight of container plus the actual weight of cargo) and, if the minimum pivot weight will be exceeded, an over pivot rate will be applied
- o The “total charges (UE)” consist of container lease, repositioning, damage weaver and any other cost related to additional services

All Container order requests are accepted by Customer Service until 17hrs00

Pharma Active dry-ice replenishment and battery change charges on request of the customer: 100.00 Eur /AWB (MX)

| Container charges | Envirotainer RKN T2 | Envirotainer RAP T2 | Envirotainer RKN E1 | Envirotainer RAP E2 | C-Safe RKN 7K | Opticooler RKN |
|--|------------------------|------------------------|------------------------|------------------------|------------------|-------------------|
| Tare weight container (kg) | 265 | 450 | 635 | 1.100 | 646 | 670 |
| Minimum chargeable weight container (kg) | 717 | 1.667 | 717 | 1.667 | 717 | 717 |
| Fixed lease amount 5 days (MV) | 948 | 1.506 | 2.360 | 5.599 | 1.906 | 1.875 |
| Variable lease amount per day (MV) | 200 | 315 | 500 | 1.325 | 275 | 375 |
| Damage waiver (MC) | 0 | 100 | 150 | 250 | 120 | 150 |
| Express fee (MC) | 220 | 220 | 220 | 220 | 220 | 480 |
| Cancellation fee (MC) | 400 | 400 | 400 | 400 | 400 | 420 |
| Change order (MC) | 60 | 60 | 60 | 60 | 150 | 60 |

| Container charges | Opticooler RAP | C-Safe RAP | VA-Q-tec EU | VA-Q-tec US | VA-Q-tec XL | VA-Q-tec Twin |
|--|-------------------|---------------|----------------|----------------|----------------|------------------|
| Tare weight container (kg) | 1.140 | 1.140 | 410 | 525 | 660 | 800 |
| Minimum chargeable weight container (kg) | 1.667 | 1.667 | 440 | 575 | 742 | 934 |
| Fixed lease amount (MV) | 4.704 | 6.200 | 1.520 | 1.740 | 2.000 | 2.200 |
| Variable lease amount per day (MV) | 900 | 750 | 325 | 375 | 425 | 450 |
| Damage waiver (MC) | 250 | 450 | 75 | 75 | 75 | 75 |
| Express fee (MC) | 480 | 550 | 220 | 220 | 220 | 220 |
| Cancellation fee (MC) | 420 | 1.100 | 400 | 400 | 400 | 400 |
| Change order (MC) | 60 | 100 | 60 | 60 | 60 | 60 |

- Express Order Fee per container, if order placed 3 calendar days or less prior to start of use
- Cancellation fee per container, if placed max 3 working days prior to start of use
- If container is cancelled within 3 days or less prior to start of use, full amount (including rental) is charged
- * Change Order Fee per shipment, if an order changes 3 calendar days or less prior to planned start of use

***Specification of Change order fee :**

Changes to time of Container Release

In the event of changes to time of Container Release, the following is applicable:

- If the day for time of Container Release is postponed the Change Order fee is applicable.
- If the time of Container Release is brought forward and if the change is made four (4) or more calendar days before the new time of Container Release the Change Order fee is applicable.
- If the change is made three (3) or fewer calendar days before the new time of Container Release, the Express Order fee is applicable.

The new time of Container Release cannot deviate more than seven (7) calendar days from the currently valid time of Container Release. Changes to time of Container Release can be done two (2) times, a third change to the time Container Release is considered a cancellation.

Changes / cancellations to the Order \geq 4 calendar days before planned time of Container Release

Other than defined above, four (4) or more calendar days prior to the planned time of Container Release are subject to a Change Order fee per order.

Changes include:

- Increase / decrease in number of Containers ordered.
- Change in Container type is considered as increase / decrease in number of Containers ordered.
- Cancellation.

Changes / cancellations to the order \leq 3 calendar days before planned time of Container Release

Other than defined above, three (3) or fewer calendar days before planned time of Container Release are subject to fees.

The following rules apply:

- Increase in number of Containers is treated as an Express Order and is subject to an Express Order Fee per additional container.

- Decrease in number of Containers ordered is treated as a Cancellation and is subject to a Cancellation Fee per reduced Container.
- Change in the Container type is considered as increase / decrease in number of Containers ordered.
- Change of Return Airport is subject to a Change Order Fee per Order.
- Cancellation is subject to a Cancellation Fee per Container. In case of a Cancellation of an Express Order, only a Cancellation Fee shall apply.
- If cancellation is made after collecting container, the full lease (5 days) will be applied.

6. INVOICING AND PAYMENT

Invoices are issued on the basis of the booking information, the air waybill, its electronic equivalent and adjustments made at acceptance in the event of discrepancies between the shipment details at booking and those at acceptance.

Carriers' invoices will be handled via CASS or other available industry payment facilities agreed with the Customer. In case CASS is not available, the Customer can open an account locally by entering into a specific contractual agreement with the Carriers.

If the Customer wishes to dispute any invoiced amount, it shall notify the Carriers immediately and in any event within six (6) months of the invoice date. If Customer does not notify Carriers of a dispute within such time period, the invoice shall be deemed accepted.

7. OTHER LOCAL SPECIFICITIES

7.1. AIR FRANCE-KLM CARGO

- 7.1.1. GENERAL INFO ON AWB 057 and 074

- The name of the Product (Dimension, Equation, Variation, etc.) must be included in the "Accounting Information" on the Air Waybill.
- On the AWB, the Airport of Destination IATA code must always be shown (i.e. GRU or VCP should be shown instead of SAO).
- AWBs with "as agreed" as Rate information are not accepted.
- All in Market Rates are based on volume ratio 1:6 and valid for Lower Deck cargo. Main deck and BIG/OHG cargo may require tailor-made offer.
- All rates and other charges are applicable according to the date of issue of the Air Waybill except where differently mentioned.
- It is compulsory to indicate on the AWB green copy the spot/*ad hoc* reference number given when booking. Eventual CCA requests will not be accepted if the spot/*ad hoc* reference number is missing on the AWB green copy.
- AWB origin is leading for which other charges are applied. Please check next to Italy other charges mentioned in this document, also the Dutch- and French other charges published with a complete overview on:
https://www.afklcargo.com/GB/en/common/about_us/conditions.jsp?cookieNotificationAccept=1#module_2
- Variation HUM (Ashes and Coffin) will follow Variation Safe1 pricing. In case destination pricing is not available, please contact our Customer Service for a tailor-made solution.
- Ex Italy charges collect shipments are not accepted.

7.1.2 DGR RESTRICTIONS TO USA: DGR CLASSES THAT CAN NOT BE TRUCKED IN USA TO MOST PLACES

- CLASS 1 Explosive divisions 1.1 1.2 1.3 1.5
- CLASS 2 Gases division 2.3
- CLASS 4 Flammable solids division 4.3
- CLASS 5 Organic Peroxides division 5.2

-
- CLASS 6 Toxic Substances division 6.1 Packing Group I
 - CLASS 7 Radioactive Material

8. ULD PIVOT WEIGHTS:

- LDC (container) 717 kg – volume: 4.3 m³
- LDP (lower deck) 1667 kg – volume: 10 m³
- Pallet Wingout (OHG lower deck): 1750 kg – volume: 10.5 m³
- MDP (main deck) 3000 kg – volume: 18 m³

Please note NEW MINIMUM pivot weights for Active solutions:

- RKN (Active container) 717 kg - volume: 4.3 m³
- RAP (Active container) 1667 kg - volume: 10 m³

Air France Cargo and KLM Cargo are the cargo divisions of respectively Société Air France and KLM Royal Dutch Airlines. Société Air France, joint stock company organized and existing under the laws of France, registered with "Registre du Commerce et des Sociétés" of Bobigny under n° 420 495 178, whose head office is at 45 rue de Paris 95747 Roissy CDG Cedex, France. KLM Royal Dutch Airlines, a limited liability company organised and existing under the laws of The Netherlands, having its head office at Amsterdamseweg 55, 1182GP Amstelveen, The Netherlands.

All rates provided by Carriers to Customer including market rates, price quotes and negotiated rates (together "AFKL Rates") are confidential and the property of AFKL. AFKL Rates shall not be disclosed to any third party without AFKL's prior written consent. Carriers may make available AFKL Rates via third party price comparison tools.