

Infocargo

Bulletin #4 – January 18, 2007

Live Seafood – Shipment Return Policy

In the event that a live seafood shipment misses the booked connection flight, Air Canada Cargo has implemented the following policy, effective immediately, regarding the return of the shipment to the origin station. While our first objective will always be to move the shipment as booked, this policy will facilitate a proactive and consistent response and recovery.

This policy applies only after the transportation of the shipment has begun and does not apply to any interline origin or destination shipment. This policy assumes that the shipment has met all "Ready for Carriage" conditions for Live Seafood shipments.

This policy does not apply if the request to return the shipment to the origin station is made by the customer for commercial reasons

Policy

Any time a shipment of live seafood cannot be boarded on the flight, on which it was planned, the shipper will be notified by Air Canada Cargo. In instances where the shipment can be re-booked on an alternate flight that will arrive at destination in less than 24 hours of the originally assigned flight, Air Canada Cargo will re-book and advise the customer. The option to return the shipment to origin station will not be offered and no claims will be considered for these shipments related to product quality.

In the event the shipment cannot be accommodated on a new flight and arrive at destination in less than 24 hours of the originally assigned flight, the shipper will be given the option of returning the shipment to the origin station. The payment for the associated costs will vary depending on the circumstances.

When the shipment cannot be accommodated on the originally booked connection flight due aircraft changes – leading to a reduction in capacity, maintenance issues, Air Canada Ground Handling or Air Canada Cargo handling related problems, the shipments will, at the customer's request, be returned to the origin station within 24 hours of the failed connection flight from the hub station and ideally on the first available flight. The cost of the original air waybill and the cost of the return will be waived. No claims will be entertained related to product quality.

When the shipment cannot be accommodated on the originally booked connection flight due enroute weather, cancelled flights due weather, air traffic control issues leading to cancellations or significant delays, or force majeure, the shipments will, at the customer's request, be returned to the origin station. The transportation fees, including surcharges associated with the movement of the shipment from origin to the connection point will be retained by Air Canada Cargo. The cost of moving the shipment back to the origin station will be waived. No claims will be entertained related to product quality

Alternatively, when a shipment misconnects, customers may prefer to stop the transportation of live seafood at the hub to allow its sale to a local third party. The decision to do this will rest with the shipper.

If this is requested as a result of the shipment not having been able to connect due to issues within Air Canada Cargo's control, as described in "1." above, the cost of the shipment from origin station to the hub will be waived. If the request is due to a misconnection that occurred for reasons beyond Air Canada Cargo's control, as described in "2." above, then Air Canada Cargo will retain the transportation and surcharge fees from origin to the connection point. In both situations, claims related to product quality will not be entertained.

Clear communication between Air Canada Cargo staff and the shipper as to what option is most appropriate will ensure a successful recovery.

Ready for Carriage

To meet performance expectations and current regulatory requirements, Air Canada Cargo adheres to a rigorous **Goods Acceptance Process**.

To be considered "Ready for Carriage"

- ✓ All shipments require a confirmed booking
- ✓ Volume and weight must match booking at time of acceptance
- ✓ Air waybill and other required documents for transport should be accurately completed*
- ✓ Known or Unknown security status is established
- ✓ Export customs clearance entry has been submitted and attached
- ✓ Freight is properly packaged, labeled, undamaged and dry**, and packaged in such a way as to withstand local climatic conditions for the planned transit times.

*in conformity with IATA resolution 1600.

**in conformity with IATA resolution 606.

Cut off times for live seafood (prior flight departure) for "ready for carriage" is 4 hours. Shipments in excess of 1000kg may require additional time for loading. Please check with your local Air Canada Cargo office.

Detailed instructions for packaging live seafood can be found on our website under AC Fresh.