5.8. Conversion

5.8.1. Conversion of Rates

Rates and charges shown in the Rates books are stated in the local currency of the country of commencement of transportation.
For a number of countries U.S. Dollars are shown instead of the local currency. Such U.S. Dollar amounts must be used when calculating rates and charges. The U.S. Dollar amounts should be inserted when completing an AWB.
In all cases where no direct through rate is published in section 4.3. of the Rates books from the airport of departure to the airport of destination, the throughrate must be constructed or combined according the rules as described in Rule 3.8.1. and Rule 3.8.2.
Where add-on amounts are used for such construction the rules as shown in section 5.1. of the Rates books must be adhered to.
In all other cases where sector rates must be combined and the sector rates are not in the currency of the country of origin, each element of the construction must be converted to the currency of the country of origin, using the "Add-On Exchange Rate" as published in section 5.3.1. of the Rates books, through the U.S. Dollar.
The local currency amount to be converted must be multiplied by the add-on exchange rate for the currency *into which* it is to be converted and the total divided by the add-on exchange rate for the currency *in which* the rate is specified.
The add-on exchange rates are published in section 5.3.1. of the Rates books.
Each conversion must be carried out to one decimal place beyond the number of decimal places shown in Rule 5.7.1. and in section 5.3.1. of the Rates books, ignoring any further decimal place. All components must be added and rounded off in accordance with the rules as shown in Rule 5.7.2.

The formula for this conversion is:
Local currency amount to be converted (a)
multiplied by
add-on exchange rate for the currency *into which* the rate is to be converted (b)
divided by
add-on exchange rate for the currency *in which* the rate is specified (c)
results in
the amount in local currency into which conversion is required (d).

$$\frac{a \times b}{c} = d$$

EXAMPLES
Figures shown are fictitious and are for information purposes only.

Example 1
Construct a rate in CZK from A to C via B, where
the sector rate from A to B is ..... CZK 31.00
the sector rate from B to C is ..... EUR 4.10 (a)
add-on exchange rates are:
- 1 USD equals CZK 20.44810 (b)
- 1 USD equals EUR 0.72506 (c)
- Rounding off unit for CZK is 0.10.

Rate from A to B is CZK ..... CZK 31.00
Rate from B to C in CZK is:

$$\frac{a \times b}{c} = \frac{4.10 \times 20.44810}{0.72506} = \text{CZK } 115.627961823$$

truncated to CZK 115.627
Rate from A to C is ..... CZK 146.627
Rounded off to the nearest CZK 0.10 is ..... **CZK 146.60**

Example 2
Construct a rate in CHF from C to E via D, where
the sector rate from C to D is ..... CHF 16.70
the sector rate from D to E is ..... EUR 5.99 (a)
add-on exchange rates are:
- 1 USD equals CHF 1.20569 (b)
- 1 USD equals EUR 0.72506 (c)
- Rounding off unit for CHF is 0.05.

Rate from C to D is ..... CHF 16.70
Rate from D to E in CHF is:

$$\frac{a \times b}{c} = \frac{5.99 \times 1.20569}{0.72506} = \text{CHF } 9.960669599$$

truncated to CHF 9.960
Rate from C to E is ..... CHF 26.660
Rounded off to the nearest CHF 0.05 is ..... **CHF 26.65**

Example 3
Construct a rate in EUR from B to E via C and D, where
the sector rate from B to C is ..... EUR 4.10
the sector rate from C to D is ..... CHF 16.70 (a)
the sector rate from D to E is ..... EUR 5.99
add-on exchange rates are:
- 1 USD equals EUR 0.72506 (b)
- 1 USD equals CHF 1.20569 (c)
- Rounding off unit for the EUR is 0.01

Rate from B to C is ..... EUR 4.10
Rate from C to D in EUR is:

$$\frac{a \times b}{c} = \frac{16.70 \times 0.72506}{1.20569} = \text{EUR } 10.042798729$$

truncated to EUR 10.042
Rate from D to E is ..... EUR 5.99
Rate from B to E is ..... EUR 20.132
Rounded off to the nearest EUR 0.01 is ..... **EUR 20.13**

Example 4
Construct a rate in CZK from A to E via B, C and D, where
the sector rate from A to B is ..... CZK 31.00
the sector rate from B to C is ..... EUR 4.10 (a)
the sector rate from C to D is ..... CHF 16.70 (a)
the sector rate from D to E is ..... EUR 5.99 (a)
add-on exchange rates are:
- 1 USD equals CZK 20.44810 (b)
- 1 USD equals EUR 0.72506 (c)
- 1 USD equals CHF 1.20569 (c)
- Rounding off unit for CZK is 0.10.

Rate from A to B is ..... CZK 31.00
Rate from B to C in CZK is:

$$\frac{a \times b}{c} = \frac{4.10 \times 20.44810}{0.72506} = \text{CZK } 115.627961823$$

truncated to CZK 115.627
Rate from C to D in CZK is:

$$\frac{a \times b}{c} = \frac{16.70 \times 20.44810}{1.20569} = \text{CZK } 283.226426361$$

truncated to CZK 283.226
Rate from D to E in CZK is:

$$\frac{a \times b}{c} = \frac{5.99 \times 20.44810}{0.72506} = \text{CZK } 168.929632030$$

truncated to CZK 168.929
Rate from A to E is ..... CZK 598.782
Rounded off to the nearest CZK 0.10 is ..... **CZK 598.80**

5.8.2. Conversion of U.S. Dollar Specified Amounts

Unless specifically otherwise provided for, when U.S. dollar amounts are specified in the text of a rule, such U.S. dollar amounts must be converted into local currency amounts by using the "Add-on exchange rates" as published in section 5.3.1. of the Rates books, unless otherwise established locally. Rounding off shall be in accordance with the procedures as shown in Rule 5.7.2.

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