

General Terms and Conditions of International Transport



These general terms and conditions of transport, published on the website www.papp-logistics.com, together with the special terms and conditions included on a case-by-case basis in the transport order, regulate the assignment and execution of all road haulage of goods in vehicles engaged by one of the companies in the Papp Logistics Group (Balth Papp International Lebensmittellogistik GmbH & Co. KG) or one of the affiliated or associated companies (Papp Logistics GmbH & Co. KG, Papp Logistics Srl) (hereinafter the **"Principal"**), when the place of receipt of the goods and the intended place for the delivery are located in two different countries, at least one of which is a party to the Convention on the Contract for the International Carriage of Goods by Road (the **"CMR"**).

The Haulier (hereinafter the **"Haulier"**) is therefore required to scrupulously adhere to all of the procedures and the obligations set out in these general terms and conditions.

The Principal and the Carrier (jointly the **"Parties"**) have decided to conclude a contract governed by these general terms and conditions, the Haulier having declared that it has the technology, expertise, experience, organisational structures, and the spaces and infrastructure necessary and sufficient to carry out the services of collection, transport, delivery and management of the goods and pallets assigned to it by the Principal (hereinafter the **"Goods"**) and that it is compliant with the requirements covering health and safety in the workplace, that it has employees engaged under lawful employment contracts and drivers who have the correct professional qualifications, i.e. the driver's qualification card referred to in Legislative Decree 286 of 21 November 2005 or, for non-EU citizens, the driver's attestation specified in Regulation (EC) 484/2002 of 17 March 2002 of the European Parliament and of the Council.

1. Subject matter of the contract

1.1 The Parties declare and acknowledge that these general terms and conditions apply to every single transport carried out by the Haulier at the appointment of the Principal, when the place of receipt of the goods and the intended place for delivery are located in two different countries, at least one of which is a

party to the CMR, and in relation to which a specific transport order may be issued on a case-by-case basis. Therefore, the Haulier acknowledges that any transport is performed by it at the request of the Principal, and any ancillary service performed by the Haulier at the order of the Principal will be subject, in full, to these general terms and condition (hereinafter collectively the **"Services"** and individually the **"Service"**).

1.2 The transport order will be considered to have been accepted in full by the Haulier, together with these general terms and conditions, and therefore the contract of transport can be considered to have been executed if either:

- a) the Haulier sends the order, signed in acceptance: or alternatively
- b) the Haulier initiates the execution of the transport order.

2. Obligations of the haulier in the performance of the services

2.1 In the performance of the Services, the Haulier undertakes to carry out the transport and all other ancillary activities required to satisfy the requirements notified to it by the Principal and the delivery of the Goods to the recipients, including therein all intermediate loading and unloading which may be notified to it by the Principal.

2.2 Responsibility for the transport and the Services lies fully and exclusively with the Haulier and all of the activities, including but not limited to the following, are understood to be the duty of the Haulier, which it performs at its own liability:

- compliance with the procedures for order acceptance, loading, and delivery, as specified by the Principal;
- informing its drivers of the precise processes for managing the Services;
- coupling and uncoupling trailers;
- pallet loading and unloading operations;
- transport of Goods to destination and delivery of them on the dates specified by the Principal and to the parties indicated by the Principal;
- additional obligations specified in these general

General Terms and Conditions of International Transport



terms and conditions.

2.3 The Haulier will be responsible for the vehicles which it provides for the performance of the Services that are the subject of this contract. Said vehicles must be compliant with the applicable legal requirements regarding safety and road traffic, as well as hygiene, and must be suitable for use in providing the transport.

2.4 The Haulier is aware that the goods to be transported must, throughout the entire transport chain, be kept within the temperature range indicated on the consignment note.

2.5 The Haulier must arrive for loading with the cargo area pre-cooled to the temperatures indicated in the load order; it must also be clean, odour-free, and in perfect working order.

2.6 The Haulier's vehicle must be fitted with a temperature recorder that meets the requirements of EC regulation 37/2005 and which can produce:

- a) printouts of the temperature maintained throughout the journey which is the subject of this load order;
- b) historical temperature reports dating back at least 1 (one) year for the category of goods loaded

2.7 The Haulier undertakes to deliver the Goods to the designated recipient at the core temperature specified on the delivery documents. The Haulier is required to take steps to ensure compliance with the specified temperatures. In order for the temperature to be constant and constantly monitored, when coupling the trailer and/or loading pallets and the Goods, the Haulier is required to check the recording and ensure the recording device is working correctly (temperature recorder).

2.8 In addition, the Haulier must retain the results of the checks (i.e. printouts) relating to the temperature of the transported Goods, for every single journey, for a period of at least 1 year according to the category of goods loaded, from the date of the individual journey.

2.9 If the temperatures requested in writing by the Principal are different from the mandatory provisions of food safety legislation, the latter must be respected and not the indications provided by the Principal. The same applies if no instructions are provided about

temperature. If in doubt, the Haulier must immediately contact the Principal to request the necessary clarification.

2.10 The Haulier guarantees that it will perform the services requested of it in an efficient manner, with particular reference to the punctuality of collections and deliveries and the correct maintenance of its vehicles.

2.11 In addition, the Haulier:

- a) undertakes to preserve the cold chain up to the place of destination. In order for the temperature referred to in the previous paragraph to be constant and constantly monitored, when coupling the trailer and/or loading pallets and the Goods, the Haulier is required to check the recording and ensure the recording device is working correctly (temperature recorder).
 - b) undertakes to use a temperature recorder, accompanied by the manufacturer's certificate and a valid calibration certificate;
 - c) undertakes to provide, at any time, at the Principal's first request, a copy of the temperature report for the cooling equipment/temperature recorders ("**Temperature Report**"). The Temperature Report must be delivered, at the Principal's request, to the place of discharge of the Goods and be sent via email to the Principal within 30 minutes of the request. These documents must be retained for at least 1 year, depending on the category of goods loaded, with effect from the date of completion of the haulage service.
 - d) the acceptance of the Goods and pallets without reservations by the Haulier with the signature of the transport documents implies a presumption that there are no defects and anomalies in the load and the Goods and that they are at the correct temperature ("**Presumed Absence of Defects in Goods**"); To this end, the Haulier also undertakes, insofar as it is within its area of responsibility, to use auxiliary devices (e.g. load bars) to secure the load and to correctly supervise these activities.
- In the event that the loading/unloading procedures are not managed by the Haulier, but in full or in part by the warehouse staff, the Haulier, insofar as is possible, undertakes to supervise the loading and/or unloading procedures and to inform Papp Logistics of any potential issues.

General Terms and Conditions of International Transport



In the event that the loading and/or unloading operations may damage the goods, the Haulier must interrupt these operations and promptly notify the Principal.

e) guarantee that the vehicle used for the transport is odour-free, clean, dry, and completely suitable for the transport of foodstuffs, in accordance with the provisions of the applicable laws on road traffic and the transport of food products (i.e. Legislative Decree 193/2007, EC Regulation 852/2004 and any other applicable national and/or community legislation);

must inform the Principal of the outcome of the delivery of the shipment assigned to it within 30 minutes of the delivery being made;

f) must notify the Principal at the end of each delivery of any circumstances which may have hindered the correct completion of the specific Service. In particular, it must immediately inform the Principal, once the Goods have reached their place of destination, of any grievances from the recipient regarding the quantity and/or type and/or condition of the Goods and/or pallets or any damage to these, and ensure that they are correctly recorded on the transport documents, sending a copy to the Principal no later than the day following delivery;

g) must issue to the Principal, no later than 2 (two) days from the date of delivery of the Goods, copies of all of the transport documents, with the original stamp and signature of the recipient. If these documents are not returned or they are returned without the recipient's stamp and signature, the Haulier will be considered to have not delivered the Goods and the Principal shall have the right not to pay the fee for the Service and to charge the Haulier for the full value of the Goods transported, or the pallets, and the Haulier shall not benefited from any limits of liability ("**Liability for Non-Delivery of Transport Documents**").

h) must, if the delivery is made outside of normal office hours, inform the Principal by email. If during the transport any obstacles arise which may compromise the expected delivery (e.g. breakdown of the cooling system, accidents), this must be immediately notified to the Principal first by telephone and then by email.

i) undertakes to ensure that its staff wear clean work clothing, in accordance with the requirements of the

legislation on food products;

l) undertakes to ensure that its staff wear any work clothing which may be provided by the Principal. In such circumstances, the Haulier will be charged a fixed fee for the supply of these work clothes;

m) undertakes to ensure that, on the loading and unloading platforms, the applicable health and safety regulations are adhered to;

n) confirms that it holds a valid licence for the road transport of goods for commercial purposes (Regulation (EC) 1071/2009, 1072/2009);

o) declares in accordance with article 5 of Regulation (EC) 1072/2009 that it only uses drivers who have the necessary driver attestations and residence documents authorising haulage work in the countries in which the transport orders are executed;

p) warrants that its drivers have all of the necessary documents to carry out the transport service;

q) declares that to provide the transport service it will use vehicles which meet the legal requirements for fulfilling the transport orders received;

r) declares at its own liability that it will respect and observe the regulations on driving time and rest periods (Regulation (EC) 561/2006);

s) undertakes, with regards to the transport of food products, to act as an operator in the food industry under the terms of Regulation (EC) 178/2002 and is therefore responsible for the Goods assigned to it. For this reason, the Haulier confirms that its drivers will scrupulously comply with the relevant core Principles for the safety of the food product: Regulation (EC) 852/2004 - "General regulation on hygiene", Regulation (EC) 853/2004 - "Specific hygiene rules for food products of animal origin", Regulation (EC) 37/2005 on the monitoring of temperatures of frozen foodstuffs and the regulations contained in the ATP (agreement on the international transport of easily perishable goods);

t) undertakes to park its laden vehicles in secure areas (private property, under surveillance or otherwise monitored);

u) warrants that the tractor unit and trailer will be locked in such a way as to prevent any illegal access to the same v) undertakes to use personnel who are

General Terms and Conditions of International Transport



qualified in the “Food Protection” and “Food Fraud” sectors.

2.12 The Haulier is not authorised to change the vehicle combination (tractor unit/trailer) between the place of loading and the place of unloading.

2.13 It is strictly forbidden for the Haulier to load goods other than those stated in the transport order.

2.14 Before beginning their shift, every driver must ensure they have the mandatory documentation in their vehicle, as regulated by the applicable legislation in the place in which the transport is provided.

Driver documentation:

- driving licence;
 - driver qualification card (DQC);
 - driver attestation (showing the harmonised union code “95”, for non-EU drivers, see Regulation (EC) 881/92 and Regulation (EC) 1072/2009);
 - document demonstrating the relationship with the Haulier, specifically one of the following:
 - (i) copy of a pay slip;
 - (ii) company’s statutory declaration showing all of the conditions of the employment relationship;
 - (iii) employment contract;
 - (iv) service contract for labour services;
- last 28 days of transport activities, demonstrated by:
- (i) 28 tachograph discs;
 - (ii) attestation of the duties performed for the days not worked and/or when exempt vehicles were driven;
 - (iii) driver’s tachograph chart, if driving a vehicle fitted with a digital tachograph.

Other documents:

- vehicle registration document;
- certificate and sticker attesting mandatory insurance cover;
- ATP certificate;
- copy of the contract between the Principal and the Haulier.

2.15 All of these documents must be valid at the time.

2.16 The Goods must be collected by the Haulier in the places indicated by the Principal, sufficiently far in advance from the date of execution of each transport service and must be delivered to the recipient at the place and time specified in the Journey waybill/ written transport instructions or on equivalent documents accompanying the Goods.

2.17 The Haulier undertakes to ensure that the aforementioned deadlines are complied with, notwithstanding in all circumstances the need to comply with the rules governing road safety, which in all cases prevail over the instructions given by the Principal.

2.18 The Haulier is responsible for the loss of and/or damage to, delays in delivery and damages and/or criminal offences caused and/or committed in the provision of the transport, from the moment when it collects the Goods and the pallets to the moment when it delivers them to the recipients. In particular, if the transport services require the coupling and uncoupling of trailers, the Haulier acknowledges and accepts that these operations, even if performed with the assistance of the Principal’s or the loader’s personnel, tools and equipment, are always considered to have been performed under the Haulier’s responsibility and that of its delegates, agents and representatives, who are obliged to inform the Principal of all necessary information regarding loading, the stability of the trailers, any problems noted during coupling and any discrepancies identified compared with the transport documents.

2.19 The Haulier is required to assess the condition of the Goods and the pallets, as well as the temperature of the Goods, both on collection and on delivery to the recipients.

2.20 In particular, on receipt of the Goods, the Haulier must:

- a) check that the information contained in the transport order is correct in terms of the number of pallets/packages loaded, and in accordance with the Principal’s loading order;
- b) check the visual condition of the Goods and their packaging, as well as their temperature, in order to ensure that all of the conditions specified in the transport order are adhered to.

General Terms and Conditions of International Transport



2.21 In the event of discrepancies between the observations made at the time of loading and the information contained in the transport order, or if any anomalies have been noted, the Haulier must immediately inform the Principal and await its instructions.

2.22 If the Haulier is not permitted to make the checks referred to above, it must immediately inform the Principal, await instruction, and not leave the loading bay.

On receipt of the goods, the Haulier must check:

- a. the accuracy of the information in the consignment note regarding the number of packages, their marks and their number;
- b. the visual condition of the goods and their packaging.

2.23 If the Haulier does not have vehicles which allow it to verify the accuracy of the information specified in paragraph 1, article 8, CMR, of this article, it shall write on the consignment note its reservations with reasons. 2.24 The Haulier must also substantiate its reservations about the visual condition of the goods and their packaging. These reservations do not commit the sender, if it has not expressly accepted them on the consignment note.

2.25 The sender has the right to demand that the Haulier checks the gross weight or the quantity otherwise expressed of the Goods. It may also require that the content of the packages is checked. The Haulier may claim payment for the costs of inspection. The results of these checks must be shown on the consignment note.

2.26 Until otherwise demonstrated, the consignment note is proof of the contractual conditions and the receipt of the goods by the Haulier.

2.27 If the consignment note does not contain reservations with reasons from the Haulier, it will be assumed that at the time of receipt the goods and their packaging were in good visual condition and that the number of packages, their markings and their number matched the number shown in the consignment note.

2.28 The Haulier is required to collect the transport documents, sign them, and have them signed by the recipient's staff as acknowledgement of receipt.

The Haulier is responsible for the correct and profes-

sional conduct of its staff, as well as ensuring that they comply with all of the safety rules in effect at the loading and/or unloading sites.

2.29 The Haulier declares and warrants, with reference to the actions of the drivers, compliance with the collective and individual employment contracts, legislation relating to social security and welfare, and those relating to the road haulage of goods on behalf of third parties, as well as possession of the driving documents specified in Recital F, documents which must be presented to the Principal's staff, who may retain a copy of them.

2.30 The Haulier further expressly undertakes to:

A. guarantee and hold the Principal harmless from all claims and actions and/or against any request for payment from social security/insurance institutions and/or from the Haulier's employees in relation to non- and/or partial payment of the contributions (INPS, INAIL) due for the Haulier's employees employed in the service which is the subject of this contract. These warranties are understood to also extend to any sanctions and interest;

B. guarantee and hold the Principal harmless from all claims and actions and/or against any request for payments of salary, allowances and similar, brought against the Principal by the Haulier's staff employed in the Services and in all of the activities which are the subject of this contract;

C. other than in cases of the proven fault or responsibility of the Principal, guarantee and hold the Principal harmless from all claims and actions and/or against any request for compensation for damages which may be brought and/or claimed against the Principal by the Haulier's staff employed in the Services and in all of the activities which are the subject of this contract. This warranty is understood to be issued by the Haulier in relation to all of the damages items not expressly and/or not fully covered (including due to the excess and the additional damages) by the mandatory INAIL occupational insurance policies;

D. other than in cases of the proven fault or responsibility of the Principal, guarantee and hold the Principal harmless from all claims for compensation which may be brought for recovery/reimbursement by INAIL and/or by private insurers in relation to accidents/injuries/illnesses involving the Haulier's staff employed in the

General Terms and Conditions of International Transport



performance of the services which are the subject of this contract.

2.31 The Haulier is obliged to submit to the Principal the valid Dichiarazione Unica di Regolarità Contributiva (DURC, tax compliance certificate) (no older than 3 months prior to the date of submission) at the Principal's first request.

2.32 If the requested documentation is not submitted by the above mentioned deadline, the Principal has the right to suspend the payments owed to the Haulier until the up-to-date documentation has been submitted. The Haulier expressly accepts the right of the Principal to suspend the payments provided for in this clause.

2.33 The Haulier is required to provide the name of the drivers appointed for each transport and the registration number of the vehicle used. It is understood that the Principal, notwithstanding the non-exclusivity clause in this contract, is free to contact other service providers to replace the Haulier.

Social Standards

You are required to comply with the social standards set out in the Amfori BSCI code of conduct (www.amfori.org). This represents the basis for an ongoing partnership with us. You are required to impose these minimum social standards on your sub-contractors and to regularly check that they are applied.

The Papp Group has an ecological and social responsibility. To guarantee compliance, a code of conduct has been developed on the basis of the national legislation, international conventions, and the general declarations of the United Nations.

By accepting a transport order, you are undertaking to comply with the Papp Group code of conduct for commercial partners and to ensure that your sub-contractors also comply with it.

The valid and binding code of conduct is the one published on the Papp Group website. (www.papp-logistics.com)

Freight exchanges

It is strictly forbidden to publish our transport on freight exchanges. In the event of a breach, we will pass on to you all costs and any sanctions that we may incur from our clients.

Transport to the United Kingdom

With regard to transport destined for the United Kingdom (GB), the "Code of Practice" must be complied with regarding the transport of illegal immigrants published by the British Border Agency pursuant to law §33 of the British Decree on Immigration, which forms part of these Terms and Conditions and which must be completed during the transport. A copy of the Check-List must be forwarded to the Principal along with the Transport Documentation.

The Haulier undertakes to provide training to its drivers at the earliest opportunity about the implementation of the procedures illustrated in relation to this law and the correct way to complete the Check-List.

The latest official version can be found here in your language: <https://www.gov.uk/government/publications/vehicle-security-checklist-road-transport-companies-and-drivers>

The Haulier undertakes to:

- a) provide the Principal with vehicles fitted with secure locks (Container Locks!).
- b) check, where present, that the documents show the seal number. Instances of tampering or opening of the seal must be documented at the earliest opportunity (with witnesses if possible). In the event that the driver discovers illegal immigrants in or on the vehicle, the authorities must be informed immediately and the haulier will also immediately notify the Principal. The Haulier undertakes not to stop the vehicle within 300 km of the English Channel.

3. Responsibilities of the haulier in the performance of the transport services

3.1 In the execution of the transport service, the Haulier is required to comply with all of the applicable laws relating to road traffic safety, being responsible for any breach of these provisions.

3.2 The Principal cannot exert any authority or disciplinary powers over the Haulier and its representatives, with the exception of the provisions contained in this contract.

3.3 Unless expressly authorised by the Principal and/or the urgent and objective need to replace a vehicle (e.g. Breakdown) - which will, in all cases, be promptly

General Terms and Conditions of International Transport



notified to the Principal – the Haulier is strictly forbidden from transferring the Goods from one vehicle to another.

3.4 The principal and the Haulier agree that:

a) the Haulier undertakes to exchange the packaging (such as EUROPAL, EPAL, E2, H1, etc.), as specified in the load order, complying with the quantities and qualities requested.

b) all of the transport documents (such as the CMR, POD, loading equipment bill, etc.) showing the movements of the Packaging must be completed, signed and stamped by the persons in charge (shipper, recipient, haulier) with the originals sent to the Principal. This also applies in cases where the exchange of packaging is not expected and does not take place. This applies for both wooden pallets (EURO/EPAL/DUESSELDORFER, etc.) and for packaging made from other materials (E2, H1, tanks, etc.). If any of the movement documentation is missing for the packaging, the Haulier will automatically be charged for it.

c) Movements of packaging between the Principal and the Haulier will be entered into a specific packaging account.

d) The Principal will send a monthly statement including the packaging balance. This statement must be signed by both parties within 15 days of the date on which it is sent. If the Haulier does not contest it within 15 days, the statement issued by the Principal will be considered to have been accepted. If there is a disagreement, the Principal will only consider written documentation (such as movement receipts, transport documents, etc.), which must be filled in, signed and stamped by the responsible parties (shipper, recipient, haulier).

e) Any sums owing under the aforementioned relationship will be charged by the Principal to the Haulier. Furthermore, the Principal reserves the right to charge the Haulier for the costs incurred in order to balance the loading equipment in each place of loading and/or unloading.

f) where the exchange of packaging is provided for, the Haulier undertakes to collect the empty packaging at the place of unloading. This also applies if no exchange of packaging has occurred at the place of loading.

g) In the event that the place of unloading does not return the empty packaging to the Haulier, the Haulier must request at the time that the non-return of the packaging is recorded on the documentation and the packaging receipt.

h) If the Haulier, contrary to the provisions of this transport order, does not exchange the requested quantity of packaging, the Principal reserves the right to charge a fixed fee to cover the ensuing administrative costs (€35.00).

i) This sum will also be deducted even if the packaging is subsequently returned.

The table below shows the agreed sums to be charged for each type of packaging:

Type of loading equipment Price per unit:

H1 - Plastic pallets €46.30

E1 crate €3.60

E2 crate €4.50

Europallet/E-Pal €20.00

For any other type of packaging, the cost will be notified separately.

3.6 The Haulier is responsible for the condition of the goods until the final destination.

3.7 In the execution of the services which are the subject of these general terms and conditions:

- the Haulier must comply with the road traffic regulations stipulated by the laws in the countries in which the Services are performed;
- the Haulier must provide the driver(s) of each vehicle with the relevant documentation for demonstrating the basis for the service which the Haulier is providing and the basis for which it is performing the transport which is the subject of this Contract. These documents must be kept in the vehicle and presented in the event of controls by the relevant Authorities. In the event of hiring one or more vehicles without drivers, the hire contract must also be kept in the vehicle;
- the Haulier, with immediate effect, holds the Principal harmless from the consequences that the latter may incur from any failure to keep in the vehicle a copy of the contract, or any violations of the road traffic regulations in the countries in which the

General Terms and Conditions of International Transport



Services are performed, with particular regard to financial administrative penalties imposed on the Principal due to failures which are the responsibility of the Haulier.

- the Parties expressly agree that compensation will be set against the Principal's payables, for the payment for the transport services, and the Haulier's receivables, corresponding to any financial administrative penalties imposed on the Principal for breaches of this article by the Haulier itself ("Compensation");
- the Haulier will be responsible for any loss of the payment on receipt from the recipient and for the failure to verify the details of the bill of exchange collected.

3.8 If, for any reason whatsoever, the execution of the contract under the conditions specified in the consignment note is, or becomes, impossible prior to the arrival of the goods in the planned place of delivery, the Haulier must request instruction from the person who has the right of disposal over the goods, in accordance with article 12 of the CMR.

3.9 However, if the circumstances permit the execution of the transport under conditions different from those specified in the consignment note and if the Haulier has not been able to obtain, in good time, instructions from the person who has the right of disposal over the goods in accordance with article 12 of the CMR, it shall take what it considers to be the most appropriate action in the interests of the said person.

3.10 The Haulier is responsible for the total or partial loss or damage occurring between the time of receipt of the goods and their subsequent delivery, as well as delays in delivery.

3.11 The Haulier is exempt from this liability if the loss, damage, or delay are due to the fault of an entitled party, or an order from an entitled party which is not the fault of the Haulier, an inherent vice in the goods, or circumstances which the Haulier could not avoid and the consequences of which it could not remedy.

3.12 To be released from its liability, the Haulier may not cite defects in the vehicle which it uses to perform the transport, nor the fault of the person from which it is hired the vehicle or their employees.

3.13 Notwithstanding article 18, paragraph 2 to 5 of the CMR, the Haulier is released from its liability when the loss or damage derives from specific risks relating to one or more of the following factors:

- a. the use of open unsheeted vehicles, when their use has been expressly agreed and specified in the consignment note;
- b. the lack, or defective condition, of packing in the case of goods which, by their nature, are liable to wastage or to be damaged when not packed or when not properly packed;
- c. the handling, loading, stowage or unloading of the goods by the sender, the consignee or person acting on behalf of the sender or the consignee;
- d. the nature of certain kinds of goods which particularly exposes them to total or partial loss or to damage, especially through breakage, rust, decay, desiccation, leakage, normal wastage, or the action of moth or vermin;
- e. insufficiency or inadequacy of marks or numbers on the packages;
- f. the transport of livestock.

3.15 Where under this article the Haulier is not under any liability in respect of some of the factors causing the damage, it shall only be liable to the extent that those factors for which it is liable under this article have contributed to the damage.

3.16 The burden of proving that the loss, damage, or delay was due to one of the factors specified in article 17, paragraph 2 of the CMR, lies with the Haulier.

3.17 If the Haulier demonstrates that, in the circumstances of the case, the loss or damage could be attributed to one or more of the specific risks set out in article 17, paragraph 4 of the CMR, it shall be presumed that the loss or damage was caused in that way. However, the claimant shall have the right to prove that the damage was not caused, in full or in part, by one of these risks.

3.18 The above presumption shall not apply in the circumstances specified in article 17, paragraph 4 of the CMR, if there has been an abnormal shortfall or loss of packages.

3.19 If the transport is carried out in vehicles equip-

General Terms and Conditions of International Transport



ped to protect the goods from heat, cold, changes in temperature, or humidity in the air, the Haulier may not invoke the benefits of article 17, paragraph 4 of the CMR, unless it provides proof it has applied all measures required of it in the circumstances with regard to the choice, maintenance, and use of this equipment, and that it has complied with all special instructions issued to it.

3.20 The Haulier may not invoke the benefits of article 17, paragraph 4 of the CMR, if it does not provide proof that it has adopted all measures normally incumbent upon it in the circumstances and has complied with the special instructions issued to it.

3.21 Delivery will be said to be delayed when the goods are not delivered by the agreed deadline or, if a deadline has not been agreed, when the actual transport time exceeds the reasonable time that will be granted to a diligent haulier in the circumstances and, particularly in the case of partial loads, the time required to form a full load in normal conditions.

3.22 Without having to provide further proof, the entitled party can consider the goods to be lost when they are not delivered within 30 days of the agreed delivery deadline or, if the deadline has not been agreed, within 60 days of receipt of the goods by the Haulier.

3.23 In receiving payment of compensation for the lost goods, the entitled party may request, in writing, to be immediately informed if the goods are recovered within one year of the payment of the compensation. Acknowledgement of this request will be provided to the entitled party in writing.

3.24 No later than 30 days from receipt of this notification, the entitled party may demand that the goods be delivered against payment of the sums shown to be owing on the consignment note and against repayment of the compensation that it has received less, where applicable, the costs that may have been included in this compensation and without prejudice to the right for compensation for the delayed delivery pursuant to article 23 and, if applicable, article 26 of the CMR.

3.25 In the absence of the request specified in article 20, paragraph 2 of the CMR, or instructions given within the 30-day period specified in article 20, paragraph 3 of the CMR, or if the goods are recovered more than one year after payment of the compensa-

tion, the Haulier shall have right of disposal over them, in accordance with the law of the place where the goods are found.

3.26 If the goods are delivered to the recipient without collection of the charge which would have been collected by the Haulier under the conditions of the transport contract, the Haulier must indemnify the consignor up to the value of the charge; this is without prejudice to its right of recourse against the recipient. Article 22 the CMR.

3.27 Where the consignor hands over hazardous goods to the Haulier, it must inform the latter of the exact nature of the hazard which they present and indicate any precautions to take. If this warning is not stated on the consignment note, it will be incumbent on the consignor or the recipient to demonstrate, via other means, that the Haulier was aware of the exact nature of the hazard presented by the transport of such goods.

3.28 Hazardous goods which were not recognised as such by the Haulier, under the conditions set out in article 22, paragraph 1 of the CMR, they may at any time and in any place be discharged, destroyed, or rendered harmless by the haulier without any indemnity; the consignor is also responsible for all costs and damages arising from their handing over for transport and their transport.

3.29 Where, pursuant to the provisions of this agreement, the Haulier is obliged to pay compensation for the full or partial loss of the goods, such compensation will be calculated on the basis of the goods in the place and at the time when the Haulier received them.

3.30 The value of the goods will be calculated at the exchange price or, in the absence thereof, at the current market value, or the absence of both, at the ordinary value of goods of the same nature and quality.

However, the compensation may not exceed 8.33 francs for every kilo of gross weight missing

3.31 In addition, the price of the transport, customs fees, and other costs incurred during the transport of the goods will be reimbursed, in full for full loss and proportionately for partial loss; no other compensation for damages will be owed.

3.32 In the event of a delay, if the claimant proves

General Terms and Conditions of International Transport



that it has incurred damages as a result thereof, the Haulier must pay compensation not exceeding the cost of the transport.

3.33 Additional compensation may only be claimed where the value of the goods has been declared or a special interest in delivery declaration has been made, pursuant to articles 24 and 26 of the CMR.

3.34 By paying a price supplement to be agreed, the Principal can declare in the consignment note a value of the goods higher than the limit specified above and set out in paragraph 3 of article 23 of the CMR and, in this case, the declared amount replaces this limit.

3.35 In the event of damage, the Haulier shall pay the amount by which the goods have diminished in value, calculated according to the value of the goods set in accordance with article 23, paragraphs 1, 2, and 4. 2 of the CMR. However, the compensation may not exceed:

- a. if the entire shipment is diminished in value by the damage, the sum which would be payable in the event of total loss;
- b. if only part of the shipment is diminished in value by the damage, the sum which would be due for the loss of the diminished part.

3.36 The consignor may set the value of a special interest in delivery, in the event of loss or damage and delay against the agreed deadline, specifying it in the consignment note and paying the agreed price supplement.

3.37 Where a special interest in delivery has been declared, in addition to the compensation provided for in articles 23, 24 and 25 of the CMR, compensation for additional damages may be claimed, up to the value of the declared interest.

3.38 The claimant may claim interest on the compensation. This interest, calculated at a rate of five per cent per year, shall accrue from the day on which the claim is presented in writing to the Haulier or, if no such claim has been submitted, from the day on which legal proceedings were initiated.

3.39 Where the information required for calculating the compensation is not expressed in the currency of the country where the payment is to be made, the conversation shall be made using the exchange rate

applicable on the day and place of the payment of the compensation.

3.40 The Haulier shall not be entitled to avail itself of the provisions of these general terms and conditions and those set out in the CMR which exclude or limit its liability or which reverse the burden of proof if the damages are the result of wilful misconduct or by failings attributable to the Haulier which, according to the seized court, are equivalent to wilful misconduct.

3.41 The same applies in cases of wilful misconduct or failings which are attributable to employees of the Haulier or other persons whose services it uses to provide the transport, when these employees or persons are acting in the performance of their duties. In this case, said employees or persons do not in turn have the right to avail themselves, with regards to their personal responsibility, of the provisions of Chapter IV, paragraph 1, of the CMR.

4. Registration in the national register of road hauliers

4.1 The Haulier is registered in the national register of road hauliers for goods on behalf of third parties and is authorised to operate as a road haulier pursuant to Italian Law 298 of 6 June 1974, as amended. With regards to the foregoing, the Haulier is obliged to issue to the Principal a copy of the document proving its registration in the register.

4.2 The Haulier must also be duly authorised to transport goods for third parties, it must be in possession of the certification and all licences/authorisations specified by the applicable legislation for the transport of goods and for the transport of hazardous goods and/or explosive substances.

5. Personal protective equipment provided to the haulier's staff

5.1 The Haulier is required to provide its workers with all of the personal and collective protective equipment necessary for providing the service which is the subject of this contract. All equipment made available to the workers must comply with the legislative and regulatory provisions governing the health and safety of the workers and applicable to them.

6. Insurance

6.1 Notwithstanding the liability of the Haulier towards

General Terms and Conditions of International Transport



the Principal for damages and losses caused to the Goods, the Haulier declares that it has taken out the following policies:

- third-party vehicle insurance: every vehicle used for the services requested of the Haulier under this contract must be insured by a leading Insurer against the risks for which insurance is mandatory for the circulation of road vehicles;
- insurance for Carrier's Liability ("all risks"), including cover for wilful misconduct and gross negligence, which must expressly include coverage for the Goods transported and in all cases of the seizure or detention of the vehicle, against all harm, losses and/or damage to the Goods, including the costs of disposal, with a limit of liability which is at least **€250,000** for each individual journey.

6.2 The Haulier is obliged to provide the Principal with a copy of these insurance policies and copies of the receipts for payment of the associated premiums, at the Principal's first request.

7. Rates and fees

7.1 The payment of the fees by the Principal is contingent on the receipt by the Principal of the original versions of all transport documents (CMR, PODs, check-list for the UK, movement receipts for the packaging, etc.).

7.2 All of the above documentation must be signed and stamped in acceptance by the consignors, the recipients, and the Hauliers and must be received no later than 10 days after the completion of the transport at the Principal's head office at: Via Maestri del Lavoro 7, 37068 Vigasio. If the documentation is not received by the specified deadline, the Principal will be obliged to issue a request for the missing documentation and to this end may apply a charge of €15.00. The payment terms will be calculated from the moment that the final missing document is received.

7.3 The Haulier is forbidden from assigning the receivables arising from the execution of the transport.

7.4 The fees for the provision of the transport take account of the laden journey, the additional ancillary operations and all operating costs associated with the execution of the Services; therefore, they include all costs involved in the operation, personnel engaged in the transport, maintenance, vehicle fuel and tax,

loading and unloading times and the payment of all charges required in the execution of the transport.

7.5 The Parties declare that the fees charged for the transport services are the result of individual negotiations freely conducted by the Parties and are considered by the Haulier to be sufficient to allow it in all cases to fulfil the road traffic safety parameters by virtue of the Haulier's specific corporate structure.

7.6 The Parties expressly agree that in the event of proven damage and/or loss of the Goods stored or transported, delays in the execution of the transport, damage to people and/or property attributable to the Haulier or to its agents or representatives, caused by failure to comply with the behavioural safety standards to be applied during the transport operations and, more generally, by non-compliances attributable to the Haulier, including those relating to the non-and/or incorrect payment of its staff and their social security contributions, leading to claims against the Principal as the party incorrectly deemed to be jointly responsible by the social security authorities and the Haulier's employees, the Principal has the right to suspend payments due to the Haulier, and/or be indemnified by the Haulier for the economic loss that it may have incurred as a result of the claim for presumed joint and several liability. The Parties expressly agree that the sums charged to the Haulier by the Principal for the above reasons may be offset against the sums payable to the Haulier by the Principal as the fee for the execution of the transport and/or the Services. The Haulier authorises with immediate effect the Principal to apply this compensation ("**Compensation**").

8. Sub-hauliers

8.1 It is expressly forbidden to use sub-contracted hauliers.

9. Loading and unloading times for the transported goods

9.1 The Haulier must complete the loading and unloading operations within the time strictly required to perform the tasks, according to the quantity and nature of the goods. The Parties agree that the transport fee includes waiting times for the vehicles according to the various requests of each client.

10. Non-competition and penalty clause

General Terms and Conditions of International Transport



10.1 The Haulier undertakes not to solicit the Principal's clients and not to accept any direct order from one of the aforementioned Clients and/or from parties connected directly and/or indirectly to the same for the Services and for other assignments of the same nature.

10.2 In the event that the parties identified in the preceding paragraph intend to conduct a tender process to award the Services to third-party operators, the Haulier must refrain from participating in this tender, even as a member of a temporary grouping of companies, and from performing similar services to those which are the subject of this contract either directly or through subcontracting, in any way whatsoever, including through parent companies, subsidiaries or affiliates or through third-parties, throughout the term of this contract and for a period of 2 (two) years from the date on which the effects of this contract end. This non-competition clause is valid and effective within the Republic of Italy.

10.3 The Parties acknowledge that this non-competition clause is compensated in the contractual fee provided for the activities performed by the Haulier.

10.4 In the event of a breach of this clause by the Haulier, the Haulier will be obliged to pay to the Principal, by way of a penalty, a sum equal to the fees paid in the year prior to the breach or in the final contractual year ("Penalty for Breach of the Non-Competition Clause), without prejudice to compensation for further damages, in addition to all legal remedies, in recognition of the unlawful competitive disadvantages and the violation of the know-how and the principal of professional integrity that such a breach would entail.

10.5 The Parties acknowledge and accept that the penalty provided for in this article, which the Parties consider to be fair and equitable, may be subject to a provisional enforcement order.

11. Express termination clause

11.1 Without prejudice to compensation for the damages suffered due to the breach, the Parties agree that the contract will be automatically terminated, pursuant to and in accordance with article 1456 of the Italian Civil Code, if any of the follow occurs:

a) the Haulier loses the authorisations (e.g. registration

on the Register of Road Hauliers on behalf of third parties) which allow it to execute the obligations set out in this contract;

b) breach of the Haulier's obligation, for its employees, to comply with the legal and contractual regulations covering obligations for payment, social security and welfare, tax, health and safety;

c) repeated breaches during the term of the contract of the obligation to conduct the transport under the terms and in the manner requested by the Principal in the execution of this contract; to that effect, repeated should be considered as at least 2 breaches (especially due to the non-availability or unsuitability for the load of the vehicles with ensuing changes to the delivery schedule, diverting other loads to requests to perform the transport services to other hauliers);

d) breach of the Haulier's obligation to provide the Principal with the tax compliance certificate (DURC) in the time and manner specified in these general terms and conditions;

e) failure to take out and/or termination of the insurance policies specified in article 6 above;

f) breach of the non-competition clause set out in article 12 above;

g) use of sub-hauliers in violation of the provisions of this contract.

12. Cause for termination of the contract

12.1 Notwithstanding the previous article, the Parties agree with immediate effect that the contract will be automatically terminated even if only one of the following conditions relating to the Haulier arises, without the requirement for written notification:

a. dissolution or winding-up of the Haulier or a financial situation which could jeopardise the dependability of the Haulier in the performance of the Services;

b. legal proceedings that could compromise its capability to comply with the obligations undertaken in this contract (such as, by not limited to, the seizure or impounding of equipment or pending criminal proceedings for tax offences against the directors) or harm its image or commercial reputation or the image and reputation of either of the Parties.

General Terms and Conditions of International Transport



12.2 If the expiry, withdrawal or early termination occur, the Haulier will still be obliged to complete the services and activities in progress, even in the event that, in order to complete them, activities and/or operations are necessary after the expiry, withdrawal or termination; the Principal must complete all administrative activities necessary for verifying and completing the activities/services performed by the Haulier in the execution of this contract.

12.3 In any case, the Haulier - where requested - undertakes to perform the contractual services for the time required by the Principal to find alternative solutions to perform the Services.

13. Forfeiture clause

13.1 The Parties intend to give reasonable certainty to their relationships by agreeing the following forfeiture clause which, in any case, at their express acknowledgement, shall not make it excessively difficult and costly for the Haulier to exercise its rights.

13.2 The Haulier must request from the Principal, on penalty of forfeiture, for the additional tariffs and/or prices that it considers to be payable for the Services provided in the execution of this contract or from the application of the law, and in any case deriving from any difference in tariffs and/or prices and/or cost adjustments and/or increases, no later than six months from the date of the invoice for the services performed for which it considers the deficits to be payable.

13.3 The Haulier, to assert its rights within the aforementioned six-month deadline, is obliged to send the request in writing to the Principal for any additional amounts which may be payable, setting out the calculations in detail. This request must be sent, again on penalty of forfeiture, to the Principal by registered letter with acknowledgement of receipt within the mandatory six-month deadline. If the Haulier does not send the registered letter specified in this article within the aforementioned six-month deadline, the possibility of reclaiming the difference in the tariffs and/or prices will be considered to be irrevocably forfeited, pursuant to the application of this contract and the application of the law.

13.4 In the event that the expiry clause is declared null and void, the entire contract shall be null and void, since the Parties would not have signed it

without the forfeiture clause, which constitutes an essential condition for its validity.

14. Exclusion of rights of retention and security and exclusive ownership of the goods

14.1 All rights of retention are excluded (pursuant to article 2761 of the Italian Civil Code) by the Haulier and/or its agents over the goods and/or equipment which are assigned to it by the Principal.

14.2 All goods covered by this contract remain the exclusive property of the legitimate owner and the Haulier is fully responsible for their integrity and may not remove them or use them in any way, or give them to third parties for any reason, not even as a security.

15. Miscellaneous

15.1 The tolerance by the performing Party of actions shall not grant any rights to the defaulting Party, nor shall it be interpreted as a waiver of the full application of the obligations deriving from this contract.

15.2 The Principal and the Haulier are, also given the statements in the recitals, independent businesses which operate in their own capacity and at their own risk, with organisational structures, independent and autonomous logistics and their own personnel, workers, employees, representatives, agents and associates. Between the Haulier and the Principal all and any commercial, representation, agency or other relationship must be excluded, as well as all and any employment relationship or any of those listed in article 409 of the Italian Code of Civil Procedure.

15.3 This agreement may not be assigned to third-parties, in full or in part, without the express and written consent of the non-assigning Party.

15.4 The Parties declare that in the activities carried out for the purposes of this agreement they will refrain from conduct which may expose the Parties to the liabilities provided for under Italian Legislative Decree 231 of 8 June 2001, "Guidelines for the administrative liability of legal persons, companies, and associations which do not have a legal personality".

16. Confidentiality

16.1 The Haulier must keep confidential and not disclose to third parties any of the information acquired in the fulfilment of this assignment. All information about Goods, Services and the Principal's clients, of

General Terms and Conditions of International Transport



any nature, obtained through the Haulier's work or learned by the Haulier from other sources, will be considered to be confidential information. The Haulier undertakes to maintain the strictest confidentiality with third parties regarding any piece of information, news, or circumstance relating to the Principal's activity or even indirectly connected thereto. The Haulier undertakes in respect of the Principal to maintain the maximum confidentiality, taking all preventative measures and actions necessary to prevent the disclosure and use of the information considered to be confidential by the Principal, as well as the relevant legal requirements. The confidentiality obligation under this article shall continue to be valid and effective even after the end of this contract, until such time that the confidential information enter the public domain.

17. Data protection

17.1 Pursuant to and in accordance with articles 13 et. seq. of Regulation (EU) 2016/679, the Parties mutually acknowledge that the respective personal data will only be processed for (i) the execution of the Contract, (ii) for current and administrative purposes, including in relation to the fulfilment of the contractual obligations incurred under this Contract, and (iii) to discharge all legal and/or administrative duties necessary for the purposes of executing the relevant contract. With regard to the indicated purposes, the processing of personal data will be performed by both Parties using suitable paper and/or electronic tools, using logic which is strictly associated with the stated purposes and which are able to ensure the security, secrecy, and confidentiality of the said data.

17.2 The provision of the personal data by the Parties is mandatory; any refusal or the provision of inaccurate and/or incomplete information may have the following consequences:

- render it impossible to sign this Contract and/or ensure the correct and timely execution of the associated contractual relationship;
- inconsistencies between the results of the data processing and the obligations imposed by the applicable legislation, including tax law.

17.3 Within the respective organisations, the following persons may become aware of the personal data of the Parties: shareholders, members of the board of

directors or other governing body, auditors, company staff involved in processes linked to the stated purposes. In the pursuit of the above mentioned purposes, the Parties may also use the following categories of parties, who may also become aware of the personal data: qualified parties providing services which are instrumental to the achievement of the above mentioned purposes and/or compliance with the obligations deriving from this Contract such as, for example, banks, insurers, companies appointed to manage and maintain IT systems, or consultants assisting the Parties for various reasons, with particular reference to legal, fiscal, social security, accounting and organisational aspects; any other party to whom the data must be disclosed based on an express legal requirement. The Parties' personal data will not be disclosed without the express consent of the affected Party.

17.4 Should either Party in the course of the relationship become aware of data owned by the Company, that Party undertakes to process said data in compliance with the provisions of Regulation (EU) 2016/679, the rules and guidelines of the Italian data protection oversight authority, and any other applicable legislation relating to the processing of personal data.

17.5 The Parties declare that they are aware of the fact that, with regard to the aforementioned processing, the rights provided for by articles 7 and 15-21 of Regulation (EU) 2016/679 may be exercised, as well as the right to lodge a complaint with the data protection oversight authority.

18. Applicable law

18.1 For all aspects where the Services are not covered by the non-derogation clause of the CMR set out in article 41 thereof, the transport contract is regulated by Italian law.