

# General Terms and Conditions of National Transport in Italy



These general terms and conditions of transport, published on the website [www.papp-logistics.com](http://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 by one of the companies in the Papp Logistics Group (Balth. Papp Internationale Lebensmittellogistik GmbH & Co. KG) or one of the affiliated or associated companies (Papp Logistics GmbH & Co. KG, Papp Logistics Srl) (hereinafter the “Principal”). 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 Italian Legislative Decree 81/2008 (unified act on the protection of health and safety in the workplace), that it has employees engaged under lawful employment contracts and drivers who have the correct professional qualifications, pursuant to article 116 of the Italian Highway Code, 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 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 supplementary 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 supplementary 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 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.

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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 1 (one) year.

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 1 year 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, which must be a needle-type recorder, in order to be able to measure the product core;
- 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 one year from the date of completion of the haulage service;
- d) the Service must be taken on 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.
- e) 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. 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**");
- f) 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

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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;

g) must notify the Principal at the end of each delivery of the 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;

h) 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 to [vigasio@papp-logistics.com](mailto:vigasio@papp-logistics.com). 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.

l) undertakes to ensure that its staff wear clean work clothing, in accordance with the requirements of the legislation on food products;

m) undertakes to ensure that its staff wear any work clothing which may be provided by the Principal. In this case, the Haulier will be charged for the provision of this clothing, to be calculated based on the quantity and quality requested by the Haulier;

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

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

p) 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;

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

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

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

t) 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);

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

v) guarantees that the tractor unit/trailer will be closed in such a way as to prevent any unlawful access to the same z) undertakes to use personnel who are 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, unless expressly authorised in writing by the Principal;

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

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2.14 Before beginning their shift, every driver must ensure they have the mandatory documentation in their vehicle, as specified by article 180 of the Italian Highway Code and listed below:

Driver documentation:

- driving licence;
  - driver qualification card (DQC);
  - driver attestation (showing the harmonised union code “95”, for non-EU drivers, see Regulation (EC) and Regulation (EC) 1072/2009); CE 881/92. CE 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.

All of these documents must be valid at the time.

The Goods must be collected by the Haulier in the places indicated by the Principal, adhering to the date and time for the performance 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.

2.15 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 (cf. Articles 142 and 174 of Italian Legislative Decree 285/1992, and subsequent modifications and/or additions), which in all cases prevail over the instructions given by the Principal.

2.16 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.

2.17 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.

2.18 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.

2.19 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 imme-

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diately inform the Principal and await its instructions.

2.20 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.

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

2.22 As stipulated by paragraph 2 of article 8 of Italian Legislative Decree 286 of 21 November 2005, if the vehicle is inspected by the traffic police and/or relevant authorities, the Haulier must produce, in addition to the transport documentation, a copy of the contract or a signed declaration from the Principal or the Haulier certifying that the transport service is being carried out on the basis of a contract agreed in writing, pursuant to Italian Decree-Law 286/2005.

2.23 The Haulier is responsible for the correct and professional 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.

2.24 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.

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

2.26 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.

2.27 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.

2.28 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](http://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



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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 subcontractors also comply with it.

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

### 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, with particular regard to: article 61-loading gauge; article 62-maximum weight; article 142-speed limits; article 164-arrangement of the load on the vehicle; article 167-transport of items on motor vehicles and on trailers; article 174-vehicle driving times; as stated in Italian Legislative Decree 285 of 30 April 1992, as amended.

3.2 If the Principal, the owner of the goods transported and/or the loader should inform the Haulier of instructions relating to the collection and/or delivery times and procedures for the goods transported which are contrary to the law, the aforementioned instructions should be considered to be null and void by the Haulier, and never stated, if in order to comply with them the Haulier, its representatives and/or its employees would be forced to violate any provision relating to road safety.

3.3 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.

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

3.5 In derogation of the provisions of article 11-bis of Italian Legislative Decree 286 of 21 November 2005, the Haulier is responsible for overseeing the pallets loaded and unloaded, as well as exchanging them, both in terms of their quantity and quality (EUR, EPAL, DISPOSABLE, INDUSTRIAL, etc.). The Principal reserves the right to charge a fee for each pallet not returned at its request which is equal to the official valuation (source: <https://gs1it.org/migliorare-processi/logistica-supply-chain-best-practice-ecr/gestione-pallet>) of each individual pallet on the date on which the charge is applied ("**Pallet Responsibility**").

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

3.7 In the execution of the services covered by the Contract, the Haulier must also:

- comply with the provisions of Italian Legislative Decree 285 of 30 April 1992 (new Italian Highway Code), as amended;
- only use drivers who are in possession of all of the legal requirements, and who adhere to the instructions provided by the Haulier and the Italian Highway Code, with particular regard to articles 61, 62, 142, 164, 167, and 174 of Italian Legislative Decree 285/1992, as amended;
- 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, shall hold 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 a declaration of the existence of the contract, or an equivalent declaration pursuant to article 7-bis of Italian Legislative Decree 286/2005, with particular regard to financial administrative penalties imposed on the Principal due to failures which are the responsibility of the Haulier.

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- 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;
- the Haulier will be responsible, until it is delivered to the Principal, for any loss of the payment on receipt collected from the recipient and for the failure to verify the details of the bill of exchange collected. To correctly carry out the task of collecting the payment on receipt, as specified in article 1197, the Haulier must only accept payment by cash or banker's draft. The only derogation from the foregoing permitted is where the transport document features the wording "collect bank cheque". The Haulier may collect cash up to the maximum amount stipulated by the applicable law. In the case of payment on receipt, for a sum equal to or greater than the limit stated above, the payment on receipt may only be accepted by the Haulier via a suitable bill of exchange. Or by a bank cheque or banker's draft.

3.8 The Haulier shall also be responsible, in addition to delays and breaches of this contract, for the loss or damage of the Goods and/or the pallets from the moment of collection until their delivery at the destination, unless the loss or damage can be proven to be exclusively the result of unforeseen circumstances which are not attributable to the Haulier, or which depend on their nature, defects in the items themselves, the packaging or from impediments and acts attributable to the Principal and/or the recipient.

3.9 The Haulier is responsible for the loss of or damage to the goods transported, under article 1693 of the Italian Civil Code, with no limits of liability.

3.10 In particular, the limit specified in article 1696, paragraph 2, of the Italian Civil Code shall not apply. In the event of the loss of and/or damage to the Goods transported, the Haulier must pay to the Principal a sum no less than the market price of the Goods which have been lost or damaged ("**Derogation of Limit of Liability**").

3.11 The delivery deadlines for the Goods indicated in the consignment note are to be considered as essential for the correct execution of the transport. If the

Goods are not delivered on the day of delivery stated on the consignment note ("**Day of Delivery**") and this is not the result of a cause which is not attributable to the Haulier (the burden of proof lies with the Haulier), a penalty will be charged to it, calculated according to the terms set out in article 1696 of the Italian Civil Code and relating to the Goods transported ("**Late Penalties**"). It should be noted that the Goods will be considered to be received by the Day of Delivery if they are received at the specific platform by the latest delivery time, as stated on the Service assignment. If the Goods are received after the mandatory time, this will constitute a delivery delay by the Haulier which will lead to the application of the Late Penalties.

3.12 The Haulier is obliged to assess the condition of the Goods transported both on their collection and delivery. The collection of the goods without reservations implies "ex recepto" liability ("**Ex Recepto Liability**").

3.13 The Parties expressly agree that, in the event of the loss of or damage to the goods transported, delays in the execution of the transport or breaches of the obligations incumbent on the Haulier under this Contract, the Principal has the right to suspend payments of the sums due to the Haulier, in accordance with article 1460 of the Italian Civil Code ("**Suspension of Payments**").

## 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 equip-

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ment 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 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 €150,000.00 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, documents issued by the Consignor, receipt for movement of pallets, 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 15 days after the completion of the transport at the Principal's head office at: Via Maestri del Lavoro 7, 37068 Vigasio.

7.3 Transport offices will be paid within 60 days end of month from receipt of the last of the aforementioned transport documents.

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

7.5 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.

7.6 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.

7.7 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. Maximum 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



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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.

In accordance with the provisions of article 6, paragraph 3, subsection e bis) of Italian Legislative Decree 286/2005, the maximum loading and unloading times for the Goods transported are defined herein; these times are set at 2 hours (two) for each loading and unloading operation (coupling - uncoupling). The loading and unloading times specified in this article are included in the price agreed by the Parties for the transport.

9.2 It remains understood that the time required to materially carry out the loading and unloading operations of the products is not considered for the purposes of calculating the grace period which is 2 hours; equally, the calculation of the grace period does not include early arrival at the loading and unloading place/point versus the Principal's instructions ("Grace Period Rules"). If the grace period is exceeded and, subject to the request made by the Haulier to the Principal, no later than eight days from the event "(Time Limit for Compensation Request)", the Haulier will receive the compensation calculated by the Italian Ministry of Transport, payable for each hour exceeding the said period, with the exception of instances where either:

- (i) the grace period is attributable to the Haulier;
- (ii) the Haulier has not made the vehicle available for the loading and unloading operations;
- (iii) the Haulier has not complied with the written instructions supplied by the Principal about the planned time and place for the loading and unloading operations;
- (iv) the Haulier has not complied with the Principal's instructions about the procedures for vehicle access to the loading or unloading points, if they are not the places of loading or unloading and these instructions are necessary for phasing access for vehicles in accordance with the time necessary to complete the operations and perform all of the checks to be carried out on entry to the places of loading and unloading.

9.3 The fees for each hour exceeding those stated above, specified by the Parties as the maximum times

for the loading and unloading of the transported Goods, as well as the waiting times for the aforementioned operations which exceed the grace period (to be calculated on an individual basis for each loading/unloading operation) are set by the parties.

## 10. Written contract and essential information (Article 6 Italian legislative decree 286/2005)

10.1 The Parties intend to specifically regulate and give certainty to their relationships pursuant to and in accordance with Italian Legislative Decree 286/2005, in the text currently in effect and acknowledge that these general terms and conditions apply without exception to all transport carried out by the Haulier at the appointment of the Principal.

10.2 In consideration of the fact that this contract governs multiple transport Services in relation to which at the time of its signature not all elements considered to be essential by the above cited legislation can be reasonably identified, these elements will be specified in the transport document, the transport card or other equivalent documents, which will be issued on a case-by-case basis for each transport service. Consequently, the Parties mutually acknowledge that the transport that will be carried out:

- a) will relate to the type of Goods indicated in this contract and/or the type indicated in the transport document and/or in the transport card and/or in the equivalent documents which are issued for each transport;
- b) will relate to the quantities of Goods specified in the information shown in the transport document and/or in the transport card and/or in the equivalent documents which are issued for each transport;
- c) will have the places of collection of the Goods by the Haulier and the places of delivery to the recipient shown on a case-by-case basis in the transport document and/or the transport card and/or the equivalent documents issued for each transport;
- d) may have the loader indicated in the documents referred to in points a), b), and c);
- e) will have the maximum loading and unloading times for the Goods transported indicated in these general terms and conditions.

10.3 As this is a written transport contract between

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the Principal and the Haulier containing all of the essential elements specified in article 6 of Italian Legislative Decree 286/2005, as amended, the Parties explicitly and without reserve declare that in the event of disputes arising from the application of this contract the practices and customs set out in article 9 of the aforementioned Legislative Decree 286/2005, as amended, shall not apply.

## 11. Non-competition and penalty clause

11.1 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.

11.2 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.

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

11.4 In the event of a breach of this non-competition clause, without prejudice to the right to terminate this contract for the fault of the Haulier and the right to compensation for further damages, this will entail the payment of a penalty to the Principal 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").

11.5 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.

## 12. Express termination clause

12.1 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 following 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.

## 13. Cause for termination of the contract

13.1 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

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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.

13.2 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.

13.3 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.

## 14. Forfeiture clause

14.1 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.

14.2 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.

14.3 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 (certified email) 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.

14.4 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.

## 15. Exclusion of rights of retention and security and exclusive ownership of the goods

15.1 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.

15.2 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.

## 16. Miscellaneous

16.1 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.

16.2 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.

16.3 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.

16.4 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

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which do not have a legal personality”.

## 17. Confidentiality

17.1 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 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 enters the public domain.

## 18. Data protection

18.1 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.

18.2 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.

18.3 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.

18.4 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.

18.5 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.

18.6 If the confidentiality obligation is breached, the Principal will grant the Haulier, in a written notice, a maximum deadline of 30 (thirty) days to remedy the breach. If the deadline passes without the Haulier having ceased the conduct which has negatively affected the confidentiality of the information, the Principal may terminate the contract pursuant to article 1456 of the Italian Civil Code, sending a written notice to the Haulier, without prejudice to the Principal's rights and actions under this Contract and

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applicable legislation. If the contract is terminated, the Haulier will not be entitled to any compensation, indemnity or damages for the early end of the relationship (“**Termination for Breach of Confidentiality Obligations**”).

18.7 In the event of a breach of the confidentiality obligations, notwithstanding the termination of the contract, the Principal shall be entitled to obtain compensation for the damage suffered as a result of the Haulier’s breach.

## **19. Competent court**

19.1 Any dispute which may arise between the Parties regarding the interpretation, execution and/or termination of this contract will be referred exclusively to the Court of Verona.

19.2 The Parties acknowledge and accept that, given the particular nature of the Haulier’s business, the Principal has the right to serve the Haulier at the Court where the Principal has been served by third parties, or where it may serve parties, due to actions or claims arising or in any way connected to the activities provided by the Haulier under this contract.