GENERAL COMMERCIAL TERMS AND CONDITIONS
of the business company
Rail Cargo Operator - CSKD s. r. o.

1. The Subject of Regulation

These General Commercial Terms and Conditions together with the actually valid price tariffs, tariff amendments and the respective pricelists regulate the relationships between the company Rail Cargo Operator - ČSKD s. r. o., with its registered seat at Prague 3, Žerotínova 1132/34, Zip Code 130 00, the Czech Republic, Identification Number: 45273081, registered in the Commercial Register held by Municipal Court in Prague, section C, insert No. 138603 (hereinafter only also as the **"Company"**) and the Customer upon realization of transport of the Company for the Customer in form of combined transport with prevailing use of railways and provision of further, among others, also related services of the Company to the Customer. In case of deviation of the General Commercial Terms and Conditions from tariff amendments or price tariffs of the Company or the respective pricelists of the Company, the following shall prevail (in the specified order): the wording according to tariff amendments, price tariffs or the respective pricelists of the Company. The Company may realize transport for the Customer as a hauler or as a shipper. In case of doubt, it shall be deemed that the Company and the Customer concluded an agreement on transport.

2. Definition of Concepts for Purposes of the General Commercial Terms and Conditions

2.1. **"Agreement on Transport"** is an agreement on transport of empty or loaded transport unit or more transport units together, or a shipment with use of railways and with eventual additional use of transport via road or by other ways of transport, concluded between the Customer and the Company.

"Agreement on Manipulation" is an agreement on manipulation of an empty or loaded transport unit or more transport units, or of a shipment concluded between the Customer and the Company, on basis of which the Company takes a transport unit or a shipment out of the train/railway truck and loads it in a road large goods vehicle, eventually loads it to a terminal area and/or takes the transport unit or a shipment out of the road large goods vehicle and loads it to a train/railway truck, eventually puts it at the terminal area and/or reloads it between two trains/railway trucks.

"Agreement on Storage" is an agreement on storage of an empty or loaded transport unit or of more transport units, or of a shipment, concluded between the Customer and the Company.

"Shipping Agreement" is an agreement concluded between the Customer and the Company, whereby the Company shall be obliged to the Customer to procure transport of an empty or loaded transport unit or more transport units together, or of a shipment, or to make operations related to transport.

"Shipping Order" shall mean an order of the Principal to the Shipper to procurement of transport and procurement or making of operations related to the transport.

"Agreement on Repair" is an agreement on repair, eventually a revision of an empty or loaded transport unit or more transport units, concluded between the Customer and the Company.

The Agreement on Transport, the Agreement on Manipulation, the Agreement on Storage and the Agreement on Repair are together hereinafter referred to only as the **"Agreement"**. In case these General Commercial Terms and Conditions only relate to any of the agreements specified hereinabove, such an agreement will be particularly specified in these General Commercial Terms and Conditions; this shall always apply to the Shipment Agreement, which is specially regulated in Article 15.

In case of a deviation of the Agreement from these General Commercial Terms and Conditions and/or the framework agreement, the wording of the Agreement shall prevail.

The **"Service"** shall mean the services provided by the Company to the Customer on basis of the Agreement or another contract, including but not limited to transport of a transport unit or a shipment, procurement of transport of a transport unit or a shipment, manipulating with a transport unit or a shipment, storage of a transport unit or a shipment, or repair and revision of a transport unit.

The **"Framework Agreement"** shall mean any agreement agreed in advance between the Customer and the Company, including provisions with the validity for more Agreements or all Agreements, concluded on basis of such an agreement. In case of deviation of the Framework Agreement from these General Commercial Terms and Conditions, the wording of the Framework Agreement shall prevail.

2.2. The **"Customer"**, also called the principal, the consignor, the client or the recipient of an invoice, is the one, who makes an order to sending of a transport unit or orders transport or other service by itself or through a representative (agent), either appointed in writing in advance or in the Framework Agreement, whereby an obligation to pay a payment for transport or another service (hereinafter also referred to as the price or the carriage) incurs to the Customer, for services related to the transport, the provision of those is not included in the carriage. The contractual partner of the Company is in principle the Customer, not its eventual representatives.

2.3. The **"Representative of the Customer"** is, besides the representative (agent) for conclusion of the Agreement, as specified in Article 2.2, at the place of departure, the one, who is determined as the "proposer" or "sender", and as regards the place of destination, it is the one, who is appointed as the "subscriber" or the "recipient".

2.4. The "**Company"** shall mean the company Rail Cargo Operator - CSKD s. r. o., which accepted an order of the transport of one or more transport units or provision of other services made by the Customer or its representative, and therefore it is entitled to require the Customer, in particular, to pay the carriage and payment of the related costs, as well as the remuneration for other services provided on basis of the Agreement and to issue an invoice and to enforce further claims in relation to this Agreement.

2.5. The **"Combined Transport"** is the transport of intermodal or non-intermodal transport unit by at least two types of transport, provided that the railway always is one of these types.

2.6. The **"Intermodal Transport Unit"** – also called UTI (Unité de Transport Intermodal) – shall mean a container, exchangeable extension and similar equipment for transport of the goods (including but not limited to transport in railway trucks).

The **"Non-intermodal Transport Unit"** shall in particular mean a road large goods vehicle.

The **"Transport Unit"** shall, for purposes of these General Commercial Terms and Conditions, mean exclusively an intermodal transport unit.

2.7. The **"Arrival"** shall not mean an arrival of the train, but the moment, when the transport unit is prepared at the agreed transhipment point or another agreed place to takeover by the Customer and/or its representative and thereby access to the transport unit is enabled for purposes of its takeover or unloading.

2.8. The **"Handover"** is the process, during which the Customer hands over the transport unit by submission to the Company, the operator of the transhipment point or another determined person, and after its arrival it shall be handed by the Company or another determined person to the Customer and/or its representative. Unless agreed otherwise, the obligation of loading and unloading of the goods shall be upon the Customer. In case of an Intermodal Transport Unit the loading and/or unloading shall be done by the Customer or a person determined by it, and the handover or delivery is done at the transhipment point, when the transport unit is upon submission placed at the transport area of a railway truck at the disposition of the Company or a person determined by it, and upon takeover, when the transport unit is given to the Customer or a person determined by it at the agreed place of delivery at their disposition and the access to the transport unit is enabled to it for purposes of its takeover.

3. The Rights and Obligations of the Company and the Customer from the Agreement

3.1. The Obligations of the Company. On basis of this Agreement, the Company shall be obliged

(i.) To transport a loaded or empty transport unit handed by the Customer or more transport units together at railway, or with use of further additional way of transport to an agreed place of destination, unless agreed otherwise, to provide a transport unit to the Customer to takeover at a complete train of the Company;

(ii.) To load this transport unit before commencement of transport at a railway truck, eventually to reload it between two railway trucks, if it was expressly agreed and if the loading is not to be procured by Customer by itself, and if the Company offers such service at the given transport way and if it is expressly agreed between the Company and the Customer, to unload it after completion of transport in the railway section from the railway truck and to transport it in additional way of transport to the place of destination agreed between the Company and the Customer and to give the transport unit to the Customer for purposes of takeover at a trailer of a road large goods vehicle, provided that the Company shall ensure the transport exclusively from and to the terminal used by the Company; unless expressly confirmed by the Company otherwise in case, when the order of the Customer includes the place of destination, other than the terminal used by the Company, even an eventual receipt of the transport unit or receipt of an order by the Company does not mean acceptance of such place of destination;

(iii.) To store a loaded or empty transport unit or more transport units together at the place determined thereto (in particular at terminal areas of the Company) for the time agreed with the Customer;

(iv.) To make control/examination of technical state of a transport unit or of more transport units and if necessary, to make repair/revision of a transport unit on basis of an agreement with the Customer; if it is agreed with the Customer, the Company shall also ensure spare parts necessary for realization of repair of the transport unit;

(v.) In case of delay or other extraordinary circumstance occurred after conclusion of the Agreement, to provide the Customer or its representative with information, which the Company received from its subcontractor (e. g. from a company ensuring traction).

3.2. Obligations of the Customer. On basis of this Agreement with the Company the Customer shall be obliged

(i.) To hand over the transport unit on the agreed day, or on the presumed day of despatch at the agreed transhipment point or at another agreed place of the Company or its determined person, to load a transport unit to a trailer of a road large goods vehicle, or to a railway truck, unless it is agreed that the loading shall be ensured by the Company and to inform the Company entirely and correctly on the content and nature of the shipment in extent necessary for due realization of transport and to hand over all necessary transport documents to the Company, that are correctly and entirely filled;

(ii.) To take over the transport unit on the day of arrival at the agreed transhipment point or at another agreed place from a complete train of the Company, or if the Company offers such a service at the given transport way, and if it is expressly agreed between the Company and the Customer, then out of a trailer of a road large goods vehicle, or it if is expressly agreed between the Company and the Customer, to unload the goods placed in the transport unit;

(iii.) Always immediately after takeover, to control the state of the transport unit, as well as the goods placed in the transport unit and to immediately notify any objections to the state of the transport unit to the Company, as well as to the state of the goods placed in the transport unit, eventually to the state of fulfilment of obligations of the Company from the Agreement;

(iv.) To pay the Company the payment for the services provided on basis of the Agreement, as well as eventual costs or additional costs related to transport or further services provided on basis of the Agreement.

Unless agreed otherwise between the Customer and the Company, release of the Intermodal Transport Unit from the road large goods vehicle and its attachment to the road large goods vehicle, in particular release and fastening of attachment equipment and its further preparation for transport at the railway or at the road (e. g. change of the position of the supports, as well as side and rear protection against slipping), shall be ensured by the Customer at its own liability, unless these concern manipulation at the terminal used by the Company or manipulation ensured by a subcontractor commissioned by the Company, where the Company also directly, or through a subcontractor commissioned by the Company, provides services related to manipulation of transport units. In case the Customer does not hand over and take over the transport unit personally, it shall always be specified in the framework or a special agreement, in the Agreement or in a written notification of the Representative, who shall ensure this activity and which shall be designated according to Article 2.3 or 2.4

4. Conclusion of the Agreement

4.1. The ways of conclusion of the Agreement. The Agreement between the Customer and the Company shall be concluded in particular:

(i.) Upon acceptance of an order of the Customer, which has the nature of proposal to conclusion of the Agreement with the Company, regardless whether the order and the acceptance were made in writing, electronically, orally (via phone, personally), tacitly (e. g. upon handover of a transport unit by the Customer, or acceptance of a transport unit by the Company to transport) or in other suitable and comprehensible way;

(ii.) Upon acceptance of an order made by the Customer according to clause (i.) hereinabove with reservations, changes, amendments or deviations supplemented by the Company or by the Customer, provided that such changed order shall be sent by the Company to the Customer or otherwise delivered to the possessions of the Customer, provided that acceptance of such changed order by the Customer may expressly occur upon despatch of the confirmation of the order via e-mail, fax or in writing back to the Company or tacitly by acting of the Customer or the Representative of the Customer focused on realization of the Agreement, e. g. in case of the Agreement on Transport, upon the moment of handover of a transport unit, at the latest, by the Customer or the Representative of the Customer to the Company for purposes of transport;

(iii.) Upon conclusion of the written Agreement between the Customer and the Company;

(iv.) Upon actual fulfilment, e. g. in case of the Agreement on Transport by handover of a transport unit for purposes of transport on part of the Customer to the Company and takeover of such a transport unit by the Company for purposes of its transport;

(v.) as well as in any other way anticipated in legal rules.

4.2. The Right to Refuse an Order. The Company is in no way obliged to accept an order nor realize the transport or other service, including but not limited to in case of: lack of capacities on part of the Company; overloaded container; transport of dangerous goods, transport of which is not realized by the Company; if it is contrary to legal rules; insufficient security of the title of the Company for payment of the price, or non-payment of the price in advance, in case the Company requires such a payment, to which it is entitled upon its discretion. In case of transport, all the terms of admission of the transport unit for purposes of transport and the terms of realization of the transport, including transports with anticipated use of any of regular connections published and operated by the Company, shall depend on the actual workload of the Company and its connections and the Company is not in any way obliged to accept an order of transport of a transport unit in the term required by the Customer.

4.3. Timely Submission of an Order. In case of transport with anticipated use of any of the regular connections published and operated by the Company, the Company recommends to order the transport (i.) in case of transport to the state of the seat of the Company (import), at least three working days before the anticipated day of handover of the transport unit, always until 11 a. m., and (ii.) in case of transport from the state of the seat of the Company (export), at least one working day before the anticipated day of handover of the transport unit, always until 11 a. m.

4.4. Ordering of Import Transports. Ordering of import transports, i. e. transports from a third state, where a harbour usually is, to a place, where the seat of the Company or a container terminal are, shall include:

(i.) The exact place of takeover of the transport unit and the date, as of which it will be available in the harbour, the release reference, if it is necessary for purposes of pick-up of the transport unit;

(ii.) In case of picking of the transport unit at the terminal Eurogate, CTA and CTA – ATB Anmeldung (excerpt from the Atlas system);

(iii.) Type, size, number of the transport unit and its owner;

(iv.) The country of origin, the name of the ship;

(v.) Declaration of the goods (the invoice and the Bill of Lading), the value of the goods, weight, number of pieces of particular items of the goods, number of the seal; and also
- In case of dangerous goods - RID, IMO declaration, instructions in case of accident;
- Depending on the nature of the goods – a veterinary certificate, phytosanitary certificate etc.;
- In case a wooden package material is used in the transport unit with customs clearance of the goods, which is entirely or partially made of non-processed wood of conifers with the origin in Canada, China, USA or Japan, the Customer is obliged to submit a certificate on accomplishment of the phytosanitary control of this package material;
- The customs regimen (the goods is cleared through the customs/by customs declaration/from EU) in case of customs declaration of the goods, the respective registration number from the customs system, in case of customs uncleared or customs cleared goods, the HS code (number of customs classification, provided that the Company is in any case not obliged to control its correctness or correctness of its classification), in case of the goods of EU, the respective order number evidenced at the office (so called Lauf-Nr.);

(vi.) Address, date and term of the place of delivery and customs clearing;

(vii.) Recipient of the transport unit (whom the transport unit is at disposition);

(viii.) Contact to the recipient and the customs office;

(ix.) Place of return of an empty transport unit;

(x.) Information of the circumstance, whether import from the country outside EU occurs and the information on the harbour of origin.

4.5. Ordering of Export Transports. Ordering of export transports (i. e. transports from a place, where the seat of the Company or a container terminal are to a third state, where a harbour usually is), shall include:

(i.) The exact place of takeover of the transport unit;

(ii.) Type, size, owner and the release reference for the transport unit;

(iii.) Declaration of the goods, the weight of the goods;

(iv.) Address of the place of loading and the customs clearance, date and hour;

(v.) Eventual special requirements for the chassis or the railway truck, if the loading is on a trailer;

(vi.) Recipient of the transport unit, i. e. determination, whom the transport unit is at disposition), or the delivery references;

(vii.) The exact place of delivery to the harbour, name of the ship, shipowner and the term, by which the transport unit is to be delivered and the delivery reference;

(viii.) The requirement for issue of BHT or ZAPP, as well as the originals of necessary documents;

(ix.) The information, whether export to a country outside EU is concerned and the harbour of destination;
- In case of dangerous goods - RID, IMO declaration, instructions in case of accident.

4.6. Ordering of Further Services. Ordering of further services (i. e. in particular manipulation with a transport unit, storage of the transport unit or repair/revision of a transport unit) shall include at least:

(i.) Specification of the service;
(ii.) Specification of the transport unit and the number of transport units;
(iii.) Required time of provision of the service in case, when appropriate.

4.7. Conclusion of Partial Agreements. In case the Company is commissioned by realization of transport from places and/or to places, where it has no place of business, as well as in any other situation, when the Company considers, during provision of services according to its own discretion, that it is appropriate, the Customer agrees with conclusion of the Agreement, or commissions the Company to conclusion of a partial agreement or partial agreements with a third party determined by the Company, either for a part or for the entire transport route or for a part of or for the entire provision of a further service.

4.8. Applicable Legal Rules. Relationship between the Customer and the Company, which exist as of handover of the transport unit by the Company, or as of receipt of the transport unit by the Company, including loading of the transport unit, if it is the part of the Agreement, until commencement of transport and as of completion of the transport to handover of the transport unit to the Customer or to the Representative of the Customer, or enabling manipulation with the transport unit to these persons, i. e. for the time of storage of this transport unit and manipulation with it, eventually as of commencement of provisions of further services on basis of the Agreement, shall be governed (in the hereinafter specified order) by the Agreement, other special agreement between the Company and the Customer (e. g. by framework agreement), if such agreement exists, price tariffs, tariff amendments, respective pricelists of the Company, special provisions of these General Commercial Terms and Conditions and provisions of the respective legal rules, in particular Law No. 89/2012 Coll., the Civil Code, as amended. Realization of the transport itself shall be in particular governed by the Agreement, the Commercial Code, Uniform Rules concerning the Contract for International Carriage of Goods by Rail - Appendix B (CIM) to the Convention concerning International Carriage by Rail (COTIF) (**"CIM"**), if the terms set herein are complied with, and the Convention on the Contract for the International Carriage of Goods by Road (CMR), if the terms set herein are complied with, always in the applicable wording. In special cases during realization of transport at the territory of the membership states of the Convention on International through Railway Traffic (SMGS), in case mandatory provisions of the respective legal rule or CIM are not applied, then realization of the transport shall be governed by the Convention on International through Railway Traffic (SMGS), always in the extent according to the respective legal rules.

5. Realization of the Transport

5.1. Realization of the Transport. The transport is realized upon handover of the transport unit to the Customer or the Representative of the Customer or upon the moment, when the Customer or the Representative of the Customer firstly had the possibility to take over the shipment under the terms and conditions included in Article 2.8. of these General Commercial Terms and Conditions. Unless agreed otherwise or unless such covenant is, considering the nature of the issue and considering the place of destination, excluded from transport, the moment of realization or completion of the transport shall be the moment, when the transport unit of the Customer is prepared to takeover by the Customer or the Representative of the Customer after arrival of the complete train of the Company with the transport unit of the Customer to the target terminal and the Customer thereby has the possibility to take over the transport unit.

5.2. Storage of the Transport Unit. In case the Customer does not comply with its obligation to hand over the transport unit after realization or completion of realization of the transport, the transport unit shall remain at its costs stored at the transhipment point or at another suitable place determined by the Company. The relationships between the Customer and the Company during the time, when the transport unit was stored, shall be governed by the special provisions of these General Commercial Terms and Conditions, the pricelist of the Company, the special agreement between the Company and the Customer (in particular the Agreement or a framework agreement), the conditions (in particular the price conditions) of the transhipment point, where the transport unit remained to be stored or a person, who manages such transhipment point or the storehouse, or if none of the hereinabove regulations is applicable, then by the provisions of the Civil Code on the agreement on storage. In case immediate substantial damage endangers the shipment and the instructions of the Customer cannot be requested or if it does not notify them without delay, as well as in case that the Customer does not take over the shipment, even not after a repeated written request (including e-mail), the Company is entitled to sell the shipment at the account of the Customer. Risk of damage to the transport unit or the shipment shall be borne, after the Customer does not comply with its obligation to take over the transport unit after realization or completion of realization the transport, by the Customer in the maximum extent allowable by the mandatory rules.

5.3. The Right of Pledge and the Right of Retention. The Company has the right of pledge, as well as the right of retention to the transported shipment (if it may dispose with it) in order to secure the debts resulting from the Agreement, the framework agreement or any other agreement between the Company and the Customer regarding transport of the given shipment or other shipments according to the respective agreement.

6. The State of the Transport Unit and the Goods, Liability of the Customer/the Transport

6.1. Liability of the Customer – conclusion of the Agreement on Transport. Upon conclusion of the Agreement on Transport, the Customer shall be obliged and shall be responsible that

(i.) The details on the transport unit and the goods, in particular the weight and the type of the goods are correct and complete,
(ii.) That all the details, codes and documents, which accompany the transport unit and are prescribed to the official controls or acquisition of any permissions in relation to transport, are correct and complete,
(iii.) That the rules of the states affected by transport of the transport unit are and will be complied with.

The Company is in no case obliged to control or verify all the documents or details provided by the Customer and shall not be in any way liable.

6.2. The Liability of the Customer – Handover of the Transport Unit. Upon handover of the transport unit the Customer confirms that the transport unit is suitable to the combined transport and that the transport unit and the goods loaded in it comply with the requirements prescribed for safe combined transport and that no fees (such as THC, demurrage, detention, storage fee) are not imposed on the transport unit. At the intermodal transport unit, the concept **"suitable"** shall in particular mean the circumstance that the transport unit is technically approved for the combined transport, which means that it is equipped by the respective

signs and codes, or as regards ISO containers, with approval labels of CSC in compliance with the Convention for Safe Containers, and that its state, which was decisive for approval for the combined transport, did not change as of that time. The concept **"safe"** shall in particular mean the circumstance that the actual state of the transport unit is suitable for the combined transport and the goods in it enables safe transport, in particular that the package of the goods, as well as its storage, placement and fixing of the goods in the transport unit is adapted to the specifics of the combined transport, in particular as regards transport of liquids or as regards the goods, which is to be transported under specific temperature conditions.

Unless agreed expressly otherwise between the Customer and the Company, the maximum weight limit to the transport of the 20' containers shall be 25 t in gross, for the transport of the 40' containers the limit shall be 29 t in gross. The 20' container with the gross weight higher than 20 t shall be transported by the Company in the middle of the 40' chassis.

For purposes of evaluation of the transport units according to the gross weight categories, it is applied that the transport units shall comply with the following weight limits:

2300 kg: 20´ standard/OT/palletwide
2500 kg: 20‘ HC/HT
3700 kg: 40‘ standard/palletwide
4000 kg: 40‘ HC/OT
3300 kg: 20´ HCOT
3900 kg: 20´ TC,
3000 kg: 20´ RF
3300 kg: 20´ HCRF
4800 kg: 45´ HC
4200 kg: 23´ TC
5000 kg: 40´ RF
5300 kg: 40‘ HC RF
4500 kg: 26´ TC
6000 kg: 30´ TC
2500 kg: 20´ DB (dry bulk)
3900 kg: 40´ DB
2800 kg: 20´ flat
4700 kg: 40´ flat
3000 kg: 30´ DV, OT, DB
4000 kg: 30´ RF

6.3. Indemnification. In case of breach of obligations according to Article 6.1., 6.2. or 8.3., the Customer shall be liable for each damage caused by such a breach (including damage caused to third parties, damage to other shipments, to the transport means etc.), even when it does not incur due to its fault. In case of breach of obligations according to Article 6.1., 6.2 or 8.3, the Customer is obliged to reimburse any additional costs to the Company (including all eventual penalties or sanctions imposed by administrative authorities as result of such a breach, including but to limited to, by customs offices, as well as all costs relating to proceedings at such administrative authorities, costs of legal representation in the actually paid amount, etc.). The Company may bind conclusion of the Agreement to a condition that the Customer proves insurance for all cases of liability of the Customer according to these General Commercial Terms and Conditions.

6.4. Control of the Transport Unit by the Company. The Company makes preliminary control of the outer part of the transport unit upon its takeover (but always only from the outside "of the ground") and the results of its findings are included in the Agreement on Transport and/or in documents relating to or accompanying the transport unit. The Company shall notify the Customer of obvious defects of the transport unit found during such outer control "of the ground" at first opportunity, considering the nature (in particular the obviousness of the defect) and in extent of these defects. In case records on obviously visible defects at the transport unit or on its obviously missing parts are missing in the agreement on transport and/or in the documents related to or accompanying the transport unit (this shall accordingly also apply to the bill of lading in extent admissible by CIM) at the moment of takeover of the transport unit by the Customer or such records are no true, the missing and/or untrue record does not prove that the transport unit was not upon the moment of its submission without damage, and that nothing missed to it. Any costs related to resolution of defects of the transport unit (e. g. reloading of the goods, transport between the terminals etc.) shall be borne by the Customer. The Company does not make control of the goods, its package, placement and fixing nor of details recorded by the Customer or documents handed by the Customer. The Company therefore is not obliged to verify and it does not control the content of the shipment or the transport unit, i. e. the actual amount of or the type of the goods in the transport unit secured by a seal or in other way and whether the specified amount of or type of the goods correspond to the accompanying documents and details specified by the Company upon handover of the transport unit, provided that the Company shall not be liable for any eventual differences in the actual amount of/ number of/ weight of/ quality of/ type of etc. the transported goods, compared to such original documents and details notified to the Company by the Customer or its representative. The Customer or the consignor are entitled to expressly ask the Company upon handover of the transport unit for examination of the state of the goods or its package, as well as correctness of data in the original document or the bill of lading (including the amount of the goods, the number of pieces etc.). The Company shall ensure such examination at costs of the Customer only if it has corresponding means and rights and if such examination is possible in the particular case.

6.5. The Term of Transport. The Customer, who is interested to use in transport any of the regular connections of the Company, the timetables of which and further conditions are published by the Company, it is obliged to comply with such conditions, in particular the terms for handover of the transport unit published by the Company, either already in these General Commercial Terms and Conditions or in other suitable way (in particular the Internet websites of the Company www.railcargo.com). No claim for realization of the transport in first or any other priority terms shall nonetheless incur to the Customer thanks to compliance with these conditions and the Company is entitled to realize transport of the transport unit in such term, which is enabled to it by capacity, operational or other reasons and circumstances, including the situation in harbours and harbour terminals outside the direct control of the Company (including but not limited to Koper, Hamburg, Bremerhaven and Rotterdam). The Customer acknowledge that capacity, operational and other problems in harbours and in harbour terminals outside direct control of the Company and with exception of services ensured by a subcontractor of the Company shall be considered to be an event of force majeure, and if such event occurs, the Company shall not be liable for any damage caused by delay in shipment of the transport unit or delay with commencement of the transport. The Customer acknowledges that the term of takeover of the transport unit in the harbour announced to the Customer in form of registration of the order shall mean on part of the Company the first possible anticipated term of takeover of the transport unit from the transport terminal and not binding confirmation of the term of commencement of the transport as of which the delivery term may be derived from. The Company is entitled to change this term (preponderantly, but not exclusively as result of capacity, operational or other reasons and circumstances in harbours an in harbour terminals outside direct control of the Company) and the Company shall not be liable to the Customer for any damage or harm, which such change

causes or may cause to it. In case the actual term of takeover of the transport unit from the harbour terminal differs from the anticipated term of takeover of the transport unit from the transport terminal, the term of delivery of the transport unit or the term of handover of the transport unit to the Customer or the Representative of the Customer shall be accordingly postponed.

6.6. Time of Handover of the Transport Unit. In case of transports with use of regular connections of the Company, the transport unit shall be prepared to handover and release in the terms, which are specified in tariff amendments of these regular connections, eventually in timetables of the connections, which the Company issues and updates. In principle, the following apply:

(i.) As regards Mělník terminal or other terminal of the Company until 6 p. m. at the latest on the day before departure of the train to Hamburg/Bremerhaven;
(ii.) As regards a terminal of another operator than the Company, until 12 o´clock at the latest on the day before the planned loading;
(iii.) At a harbour, until 10 a. m. at the latest on the day before departure of the train.

Both the Customer and the Company acknowledge and agree that the Company is not liable for services (quality, terms of fulfilment etc.) provided by third persons (this shall not apply to haulers commissioned by the Company) in harbours and in harbour terminals outside direct control of the Company (including but not limited to Koper, Hamburg and Bremerhaven), also under the terms that it ordered, paid such services for the Customer or anyhow communicated with providers of such services. The Company shall not be liable for damage caused to the Customer, directly or indirectly as a result of delay of these providers of services; the Company shall nonetheless inform the Customer of such delay immediately after it was informed of the delay, eventually it shall request it for instructions to further steps. In case the Company has any claims in respect to such providers of services due to the title of breach of obligations on their part, the Company shall assign such claims exclusively to the Customer. In case the Company, despite of the hereinabove mentioned, would be obliged to indemnify the Customer due to any reason as a result of delay of the mentioned providers of services, the parties have agreed that the damage reimbursement or the amount corresponding to damage reimbursement, eventually provided to the Customer on part of the Company and caused directly or indirectly as a result of delay of these providers shall not exceed the amount of damage, which the provider of the given service of the Company and/or the Customer are obliged to pay the services according to the governing legal regulation or the terms and conditions of the provider.

6.7. Some Customs Issues. The Customer, who has the simplified process of the customs procedure by approved by the customs office at ending of the transit mode, is obliged to hand over a copy of the "Decision on Permission of the Simplified Process of the Approved Addressee in the Transit Mode" to the Company. In case of transport of the transport unit at a trailer between the customs office and the place of loading or unloading, the Customer is obliged to ensure placement of own seal or other security device, which enables control whether the content of the transport unit was not manipulated during this transport. The number of the seal or other way of security shall be confirmed by the Customer to the Company in the transport sheet / bill of lading or in a special protocol. In import transports for the final addressee in the Czech Republic or in transports in the Czech Republic, the Company may permit distribution of transport units by own means of the Customer or its representative, exclusively under the condition that the Customer or its representative hand over a document on customs clearance for free distribution to the Company.

6.8. Obligations and Declarations of the Customer. The Customer is obliged to comply with all commercial rules of the affected countries and the European Union; the hereinabove mentioned shall relate in particular to import and export of the goods, which requires special permission, including the goods, which are for dual use ("dual use items", i. e. the economic values usable for civil, as well as military purposes). The Customer is obliged to inform the Company in writing and timely of all orders, prohibitions and restrictions considering the transported goods, or the content of the shipment and it is obliged to indemnify the Company in case of breach of such rules. The Customer is obliged to verify names/denominations and addresses according to anti-terrorism lists issued by the respective states or institutions. In case of transport to countries, which are the addressees of sanctions/ business restrictions, the Customer is obliged to realize declaration in respect to the Company required by the Company. The Customer declares and shall be responsible, considering the content of the shipment or the transport unit, that commissioning of the transport and transport of the shipment or the transport unit is not prohibited or anyhow limited, in particular considering the determined military end-use or use in relation to weapons of mass destruction (nuclear, bacteriologic and further weapons capable to induce mass death and destruction), the goods which are the dual use items or any rules relating to persons or states in relation to sanctions and embargoes (i. e. restrictive measures against persons, organizations, institutions and states) or that it has available all required permissions for purposes of such transport and that all measures were taken in advance, if they are necessary for such transport. The Customer shall be obliged to present to the Company upon request all related documents, in particular permissions, approvals etc. In case the transport is to be commissioned and realized as import transport in the European Union, the Customer declares and shall be liable that the shipment does not come from Crimea Republic/Sevastopol or that there are no reasons to reasonably presume that the shipment would come from the mentioned places; otherwise it shall be obliged to immediately inform the Company. In case liability for breach of declarations and obligations of the Customer included in this Article 6.8 is to be attributed to the Company or another person in the Rail Cargo Group, the Customer is obliged to reimburse or duly settle all these claims and sanctions and also reimburse the Company or other person in the Rail Cargo Group as regards all damage occurred in this relation.

7. Manipulation, Storage, Repairs of Transport Units, Liability of the Customer

7.1. Liability of the Customer – The Agreement on Manipulation/Agreement on Storage. Upon conclusion of the Agreement on Manipulation and/or Agreement on Storage, the Customer shall be obliged and responsible that

(i.) The details on the transport unit and eventually on the goods, in particular the weight and type of the goods are correct and complete, and
(ii.) That all the details, codes and documents, which accompany the transport unit and are prescribed for official controls are correct and complete.

The Company shall not be in any case obliged to control or verify all the documents or the details provided by the Customer and shall not bear any liability in this respect.

7.2. Liability of the Customer – Handover of the Transport Unit to Manipulation/Storage. Upon handover of the transport unit to manipulation/storage, the Customer confirms that the transport unit is suitable for manipulation/storage.

At the intermodal transport unit, the concept **"suitable"** shall in particular mean the circumstance that the transport unit is technically approved for the combined transport, which means that it is equipped by the respective signs and codes, or as regards ISO containers, with approval labels of CSC in compliance with the Convention for Safe Containers, and that its state, which was decisive for approval for the combined transport, did not change as of that time.

7.3. Indemnification. In case of breach of obligations according to Article 7.1 and 7.2, the Customer shall be liable for each damage caused by such a breach (including damage caused to third parties, damage to other shipments, to the transport means etc.), even when it does not occur due to its fault. In case of breach of obligations according to Article 7.1. and 7.2., the Customer is obliged to reimburse any additional costs to the Company (including all eventual penalties or sanctions imposed by administrative authorities as result of such a breach, including but to limited to, by customs offices, as well as all costs relating to proceedings at such administrative authorities, costs of legal representation in the actually paid amount, etc.).

7.4. Control of the Transport Unit by the Company. The Company makes preliminary control of the outer part of the transport unit upon its takeover (but always only from the outside "of the ground") and the results of its findings are included in the agreement on manipulation/ agreement on storage and/or in documents relating to or accompanying the transport unit. The Company shall notify the Customer of obvious defects of the transport unit found during such outer control "of the ground" at first opportunity, considering the nature (in particular the obviousness of the defect) and in extent of these defects. In case records on obviously visible defects at the transport unit or on its obviously missing parts are missing in the agreement on manipulation/agreement on storage and/or in the documents related to or accompanying the transport unit at the moment of takeover of the transport unit by the Customer or such records are no true, the missing and/or untrue record does not prove that the transport unit was not upon the moment of its submission without damage, and that nothing missed to it. Any costs related to resolution of defects of the transport unit (e. g. reloading of the goods, transport between the terminals etc.) shall be borne by the Customer. The Company does not make control of the goods, its package, placement and fixing nor of details recorded by the Customer or documents handed by the Customer. The Company therefore is not obliged to verify and it does not control the content of the shipment or the transport unit, i. e. the actual amount of or the type of the goods in the transport unit secured by a seal or in other way and whether the specified amount of or type of the goods correspond to the accompanying documents and details specified by the Company upon handover of the transport unit, provided that the Company shall not be liable for any eventual differences in the actual amount of/ number of/ weight of/ quality of/ type of etc. the transported goods, compared to such original documents and details notified to the Company by the Customer or its representative. The Customer or the consignor are entitled to expressly ask the Company upon handover of the transport unit for examination of the state of the goods or its package, as well as correctness of data in the original document or the bill of lading (including the amount of the goods, the number of pieces etc.). The Company shall ensure such examination at costs of the Customer only if it has corresponding means and rights and if such examination is possible in the particular case.

8. Dangerous Goods and the Goods Excluded from Transport

8.1. Announcement. Announcement of the Customer upon order must precede handover of a transport unit containing dangerous goods for transport. Unless the Company or an agreement with the Company determine otherwise, the Customer is entitled and obliged to hand over such transport unit to the Company right on the day of commencement of realization of the transport.

8.2. Compliance with Legal Rules. A transport unit with a cargo of dangerous goods allowed to transport shall correspond to national and international legal rules for transport at rail and road, valid in states, at the territory of which the transport is to be realized.

8.3. Obligations of the Customer. Upon handover of such a transport unit the Customer shall be, additionally to obligations according to Article 6 and according to legal rules, obliged:

(i.) To comply with the rules specified in Article 8.2.;
(ii.) To correctly denominate the goods according to the special rules for dangerous goods, in all documents relating to the transport;
(iii.) To hand over correct "Accident Sheets" and further necessary documents;
(iv.) To notify and accept prescribed or due to other reasons necessary safety measures.

8.4. Takeover of the Transport Unit. After arrival of such a transport unit, the Customer shall take it over immediately. In case of intermodal transport units, the operator of the transhipment point is not obliged to unload them from railway trucks, in case the Customer does not place its vehicle to their takeover, if the Company is not to ensure also the subsequent transport with its road vehicle or a vehicle of a third party to the place of destination outside the transhipment point.

8.5. Non-takeover of the Transport Unit. Measures, which may be realized in case of non-takeover of the transport unit with dangerous goods in the agreed to the determined term of handover, e. g., but not limited to putting aside in the railway truck or storage at another suitable place, sending back, unloading or destruction or other measures, which the law or the respective legal rules permit the Company to realize, shall be made at costs and risk of the Customer. The Company shall inform the Customer on taken measures.

8.6. Non-transported Goods. The Company do not realize transport of the following goods to the Czech Republic:

(i.) The Regulation concerning International Carriage of Dangerous Goods by Rail - RID cl. 1 and tr. 7, import of cigarettes and tobacco products (with NHM commencing 2402 ... a 2403 ...) and tobacco waste (NHM 240130);
(ii.) To / from Bremerhaven – veterinary goods, goods in the dangerous class 1, 6.2, 7, flat-rack containers, reefer type of containers with refrigerated goods and the goods according appendix 44c of the customs code (alcohol, ethyl alcohol, cigarettes, sugar, bananas, butter, milk).

The Company ensures transport of highly risky goods (The Regulation concerning International Carriage of Dangerous Goods by Rail - RID), which are the spirit, tobacco products and the goods with high value, exclusively on basis of a special agreement with the Customer (among others as regards the price) and after consultation with its security advisor.

8.7. Further Information. Further information on the goods, which are excluded from transport or are admitted to transport only under certain conditions, regardless whether it is dangerous or not, shall be provided by the Company upon request. As regards the goods admitted to transport under certain conditions, a special agreement or contract

must be concluded in advance, provided that tacit conclusion of such agreement or contract is excluded.

9. Remuneration

9.1. Maturity. The carriage is due after realization of the transport. In case the transport cannot be completed due to any reason, the Company shall receive the proportional part of the carriage in extent of the realized transport. Unless agreed otherwise, the Company is entitled to charge the carriage to the Customer and to issue the corresponding tax document after completion of the transport or after it is obvious that the Company cannot complete the transport. The tax document shall be due within 30 days as of the day of its issue, unless the Company determines another term. Payment for services of manipulation shall be due after realization of the manipulations and the services of repairs /revisions after realization of repairs/ revisions, within 30 days as of the day of issue of the tax document. The payment for storage services shall be due according to a separate agreement between the Customer and the Company, otherwise within 30 days as of the day of issue of the tax document.

9.2. Delay Interest. **In case of delay of the Customer with payment of any outstanding amount to the Company the Company is entitled to charge a contractual delay interest to the Customer in the amount of 15 % p. a. from such outstanding amount.** These delay interests shall be applied as of the 1st day after the day of maturity of the invoice.

9.3. Contractual Penalty. **In case of delay of the Customer with payment by more than 30 days, nonetheless no more than 60 days, the Company shall be entitled, besides the claim to the delay interest, also to the claim to the contractual penalty in the amount of 0.05 % of the outstanding amount for each even commenced day of delay. In case of delay with payment by more than 60 days, the Company shall be entitled, besides the claim to the delay interest and the claim to the contractual penalty according to the previous sentence, to the claim to a contractual penalty in the amount of 0,10 % of the outstanding amount for each even commenced day of delay, as of the 61st day of delay. Besides that the Company shall be entitled to the claim to damages in full extent**.

9.4. Offsetting, Assignment. As regards outstanding amounts of the Customer against the Company as the creditor any unilateral offsetting of receivables or non-payment due to the reasons of eventual counter-claims according to the assertion of the Customer are excluded, with exception for court legally effectively adjudicated receivables or receivables of the Customer acknowledged by the Company as regards their reason and amount in writing. The Customer is not entitled to assign any its claim or receivable against the Company from the Agreement or in relation to the Agreement to a third party without prior written consent of the Company.

9.5. The Right of Retention and the Right of Pledge. Execution of the right of retention or the right of pledge of the Company shall be governed by the national law, which shall be applied according to Article 16.5 and Article 5.3 of these General Commercial Terms and Conditions.

9.6. Pricelists of the Company. The Company usually issues and it is anytime entitled to issue, cancel or change special pricelists for regular connections, which it operated, as well as for further services, which it provides in relation to transport (e. g. storage, manipulation, repairs and revision of transport units). In case the Customer orders transport to any of the destinations included in such regular connections or eventually also further related services, and unless it agrees otherwise with the Company, the carriage according to the respective Tariff and the tariff amendment for the given connection shall be charged to it, valid on the day of departure of the train from a harbour as regards the import transport or to a harbour in case of export and the fee for the related services according to the respective pricelists, valid on the day of departure of the train from a harbour in case of import transport or to a harbour in case of export. The actually valid and effective Tariffs (or their amendments) and the pricelists of the related services are among others published at the websites of the company at www.railcargo.com.

10. Liability of the Company for Damage / Transport

10.1. Liability of the Company. The Company shall be liable for the damage in principle in respect to the Customer, which is the liability for loss or damage of the transport unit and the goods, which is placed in it, in the time as of handover of the transport unit or the goods with an instruction to its transport, up to its delivery, as well as for damage, which occurred as a result of excess of the delivery term or loss or incorrect use of documents, with exception for cases, when the damage was caused by fault of the Customer or other third entitled party, by their instructions or order, defect in the transport unit and/or in the goods or other circumstances, which the Company cannot prevent and the results of which cannot be averted. The liability of the Company is limited or excluded in further cases determined by the legal rules, in particular CIM, eventually CMR. In case loss, damage or other damage were co-caused by acts or fault of the Customer or a defect of a transport unit or of the goods, the obligation of the Company to indemnification, as well as its extent shall be decreased in proportion, in which such circumstances contributed to occurrence of the damage.

10.2. Legal Rules. If it is found out that loss or damage occurred in framework of transport between the moment of handover of the transport unit and its issue, or enabling of takeover, the provisions of CIM, eventually CMR shall apply to liability of the Company and its limitations, in the wording valid upon the moment of conclusion of the Agreement on Transport, with exceptions expressly admitted in CIM, eventually CMR and regulated by these General Commercial Terms and Conditions. Liability for loading or unloading of the transport unit or the goods, if they occur on basis or in relation to the Agreement on Transport shall also be governed by CIM, eventually CMR and by these General Commercial Terms and Conditions.

10.3. Damage Reimbursement Limitation. If a particular case is not governed by the regulation and the liability limits determined in CIM, eventually CMR, and if it is admissible by the mandatory law for the given service, the obligation of the Company to provide remuneration for loss or damage of the transport unit and the goods in it shall be limited to 17 units of the special drawing rights (SDR) as they are defined by IMF on the day of occurrence of the damage event, and this is for each missing or damaged kilogram of gross weight, in case CIM is applicable to the given case, 8,33 units of the special drawing rights for each missing or damaged kilogram of gross weight, in case CMR is applicable to the given case; in other cases, when CIM or CMR are not applied, the obligations of the Company to provide reimbursement for loss or damage of the transport unit and the goods in it are limited to 2 units of special drawing rights for each missing or damaged kilogram of gross weight.

10.4. Reimbursement of Material Damage. In case of excess of the delivery term due to any reason, in case of loss or incorrect use of documents or in case of eventual faulty breach of other contractual obligations, besides loss and damage, the Company is, if it is liable according to the provisions of these General Commercial Terms and Conditions, only obliged to reimburse the precisely defined direct material damage of the Customer. In case of loss or incorrect use of documents, the Company is obliged to

reimburse the damage only in case of loss caused by the Company or incorrect use of documents prescribed for various official controls, e. g. customs, veterinary, phytosanitary controls or loss of documents for dangerous goods, handed for such purpose by the Customer to the Company and transported by the transport unit. In such cases the obligation of the Company to reimburse the damage shall be limited to the double of the price for transport of the given transport unit. The hereinabove mentioned shall not apply to cases, when CIM, eventually CMR are applied, and they determine different regulation for a particular case, or if it is not enabled for the given service by the mandatory provisions of the legal rules. The timetables published by the Company shall not be the delivery terms and they only include indicative data.

10.5. Calculation of Damage Reimbursement. In case the Company is obliged to reimburse damage for partial or entire loss or damage, the amount of damage reimbursement shall be calculated according to the usual value of the transport unit and the goods in it, valid at the place and in time of handover by the Customer.

10.6. Liability for Indirect or Subsequent Damage. Liability for indirect or subsequent damage is excluded with exceptions specified in CIM or in CMR in case that CIM or CMR apply, or in cases, when it is determined by the mandatory provisions of the legal rules; this shall in particular mean: the costs for downtime and impossibility of use of the transport unit and collection or distribution vehicle, costs for replacement transport, damage from the lost profits, from the non-realized or delayed use of the transported goods, for delay or production lockout, for loss of goodwill or market share.

10.7. Claim Enforcement. Claims for reimbursement against the Company, which concluded the Agreement and issued an invoice, may only be enforced by the Customer, but not by its representatives (unless these persons are expressly authorized by the Customer to enforcement of claims from the Agreement on Transport) and only the Customer may do the corresponding acts at the court, with exceptions determined by CIM, eventually CMR in case that CIM, eventually CMR are applied, or in cases, when it is determined in mandatory provisions of the legal rules.

11. Liability of the Company for Damage / Manipulation with the Transport Units

11.1. Liability of the Company. The Company shall be liable for the damage in principle in respect to the Customer, which is the liability for loss or damage of the transport unit and the goods, which is placed in it, in the time of their manipulation, with exception for cases, when the damage was caused by fault of the Customer or other third entitled party, by their instructions or order, defect in the transport unit and/or in the goods or other circumstances, which the Company cannot prevent and the results of which cannot be averted. The liability of the Company is limited or excluded in further cases determined by the legal rules. In case loss, damage or other damage were co-caused by acts or fault of the Customer or a defect of a transport unit or of the goods, the obligation of the Company to indemnification, as well as its extent shall be decreased in proportion, in which such circumstances contributed to occurrence of the damage.

11.2. Damage Reimbursement Limitation. If it is admissible by the provisions mandatory rules regulating the given service, the obligation of the Company to provide remuneration for loss or damage of the transport unit and the goods in it shall be limited to 17 units of the special drawing rights (SDR) as they are defined by IMF on the day of occurrence of the damage event, and this is for each missing or damaged kilogram of gross weight, in case CIM is applicable to the given case, 8,33 units of the special drawing rights for each missing or damaged kilogram of gross weight, in case CMR is applicable to the given case; in other cases, when CIM or CMR are not applied, the obligations of the Company to provide reimbursement for loss or damage of the transport unit and the goods in it are limited to 2 units of special drawing rights for each missing or damaged kilogram of gross weight.

11.3. Reimbursement of Material Damage. In case of eventual faulty breach of other contractual obligations, besides loss and damage, the Company is, if it is liable according to the provisions of these General Commercial Terms and Conditions, only obliged to reimburse the precisely defined direct material damage of the Customer. In case of loss or incorrect use of documents, the Company is obliged to reimburse the damage only in case of loss caused by the Company or incorrect use of documents prescribed for various official controls, e. g. customs, veterinary, phytosanitary controls or loss of documents for dangerous goods, handed for such purpose by the Customer to the Company and transported by the transport unit. In such cases the obligation of the Company to reimburse the damage shall be limited to the double of the price for manipulation with the given transport unit. The hereinabove mentioned shall not apply to cases, when different regulation for a particular case is determined, or if it is not enabled for the given service by the mandatory provisions of the legal rules.

11.4. Calculation of Damage Reimbursement. In case the Company is obliged to reimburse damage for partial or entire loss or damage, the amount of damage reimbursement shall be calculated according to the usual value of the transport unit and the goods in it, valid at the place and in time of handover by the Customer.

11.5. Liability for Indirect or Subsequent Damage. Liability for indirect or subsequent damage is excluded with exceptions determined by the mandatory legal rules; this shall in particular mean: the costs for downtime and impossibility of use of the transport unit and collection or distribution vehicle, damage from the lost profits, from the non-realized or delayed use of the transported goods, for delay or production lockout, for loss of goodwill or market share.

11.6. Claim Enforcement. Claims for reimbursement against the Company, which concluded the agreement on manipulation and issued an invoice, may only be enforced by the Customer, but not by its representatives (unless these persons are expressly authorized by the Customer to enforcement of claims from the Agreement on Manipulation) and only the Customer may do the corresponding acts at the court, with exceptions determined by mandatory provisions of the legal rules.

12. Liability of the Company for Damage / Storage

12.1. Liability of the Company. The Company shall be liable for the damage in principle in respect to the Customer, which is the liability for loss or damage of the transport unit and the goods, which is eventually placed in it, in the time of storage of the transport unit, with exception for cases, when the damage was caused by fault of the Customer or other third entitled party, by their instructions or order, defect in the transport unit and/or in the goods or other circumstances, which the Company cannot prevent and the results of which cannot be averted. The liability of the Company is limited or excluded in further cases determined by the legal rules. The liability of the Company for damage in provision of services in framework of the Agreement on Storage shall be in particular regulated by the respective provisions of the Agreement on Storage, these General Commercial Terms and Conditions, further legal rules regulating in particular technical requirements to storage of

transport units. In case loss, damage or other damage were co-caused by acts or fault of the Customer or a defect of a transport unit or of the goods, the obligation of the Company to indemnification, as well as its extent shall be decreased in proportion, in which such circumstances contributed to occurrence of the damage.

12.2. Damage Reimbursement Limitation. If it is admissible by the provisions mandatory rules regulating the given service, the obligation of the Company to provide remuneration for loss or damage of the transport unit and the goods in it shall be limited to 2 units of the special drawing rights (SDR) as they are defined by IMF on the day of occurrence of the damage event, and this is for each missing or damaged kilogram of gross weight, provided that the total amount of damage reimbursement for loss or damage of a transport unit and goods in it is limited to the double of the price for storage of the given transport unit.

12.3. Reimbursement of Material Damage. In case of eventual faulty breach of other contractual obligations, besides loss and damage, the Company is, if it is liable according to the provisions of these General Commercial Terms and Conditions, only obliged to reimburse the precisely defined direct material damage of the Customer. In case of loss or incorrect use of documents, the Company is obliged to reimburse the damage only in case of loss caused by the Company or incorrect use of documents prescribed for various official controls, e. g. customs, veterinary, phytosanitary controls or loss of documents for dangerous goods, handed for such purpose by the Customer to the Company and transported by the transport unit. In such cases the obligation of the Company to reimburse the damage shall be limited to the double of the monthly price for storage with the given transport unit. The hereinabove mentioned shall not apply to cases, when different regulation for a particular case is determined, or if it is not enabled for the given service by the mandatory provisions of the legal rules.

12.4. Calculation of Damage Reimbursement. In case the Company is obliged to reimburse damage for partial or entire loss or damage, the amount of damage reimbursement shall be calculated according to the usual value of the transport unit and the goods in it, valid at the place and in time of handover by the Customer.

12.5. Liability for Indirect or Subsequent Damage. Liability for indirect or subsequent damage is excluded with exceptions determined by the mandatory legal rules; this shall in particular mean: damage from the lost profits, from the non-realized or delayed use of the transported goods, for delay or production lockout, for loss of goodwill or market share.

13. Liability of the Company for Damage / Repairs, Revisions

13.1. The liability of the Company for damage in provision of services in framework of the Agreement on Repair shall be in particular regulated by the respective provisions of the Agreement on Repair, these General Commercial Terms and Conditions, legal rules regulating in particular technical requirements to repairs/revisions of transport units. The provision of Art. 11 shall apply accordingly to the liability of the Company.

14. Damage Reimbursement

14.1. Termination and Limitation of Claims. The Company shall be obliged to provide the damage reimbursement only if a notification of damage or complaint are submitted in the hereinafter specified terms and forms and damage reimbursement is enforced. Claims for damage reimbursement shall terminate in cases determined in CIM, eventually CMR, or in the respective legal rules.

14.2. Notification of Damage. Complaints and all claims from the Agreement are in principle to be enforced in written form at the address of the seat of the Company. The notification of damage shall in particular sufficiently precisely specify the damage, it must be submitted to the Company by an authorized person and all documents required by legal rules, in particular CIM, eventually CMR shall be attached thereto.

14.3. Visible Damage. As regards loss or damage obviously visible, e. g. at customs or other closings of the transport unit, the Customer or its representative must notify the objections immediately upon handover of the transport unit (provided that “immediately” means, for the avoidance of doubt, on the day of handover, nonetheless at the latest until the moment, when the transport unit gets outside the disposition of the Company).

14.4. Damage not obviously visible. As regards loss or damage, which are not obviously visible and discoverable upon takeover of the transport unit by the Customer, the Customer or its representative must

(i.) Make notification on damage in written form, immediately after discovery of the loss or damage of the transport unit or the goods, nonetheless anyway within 7 days, at the latest after handover of the transport unit;
(ii.) Immediately enable examination of the damaged transport unit or the goods by the Company or its representative and provide the Company or its determined persons the necessary cooperation to effective resolution of the damage event;
(iii.) Ensure photo documentation and all proofs that the damage occurred in the time, when the Company was responsible for the transport unit, and provide them to the Company without unreasonable delay.

14.5. Excess of the Delivery Term. If the transport unit was not delivered in the anticipated term, the Customer shall immediately notify such circumstance in writing, with exception for a case of delay notified to by the Company in advance, provided that it is obliged to enforce the claims from excess of the delivery term within 60 days, at the latest as of the day of takeover of the transport unit or within 60 days as of the day, the takeover was enabled to the Customer. The hereinabove mentioned does not apply to cases, when the mandatory legal rules determine otherwise.

14.6. Other Damage. Damage occurred due to loss or incorrect use of documents or other breach of the agreement, with exception for loss or damage or delay with delivery, must be notified by the Customer within 30 days, at the latest, after handover or arrival of the transport unit.

14.7. Commercial Record. If a notification on damage was submitted according to this Article, the Company or its local representative shall include or ensures inclusion of in particular the type and extent, as well as the alleged reason of the damage in the commercial record according to CIM, eventually CMR. In case of dispute between the representative of the Company and the Customer, each participant (at its costs) may, among others, require examination of the state of the issue, reasons, as well as the extent of the damage by an expert.

15. Shipment Agreement

15.1. The Subject of the Shipment Agreement. The subject of the Shipment Agreement is an obligation of the Company to commission under its own name and at the account of the Customer, transport of a transport unit from a certain place of takeover of the transport unit (the place of loading) to a certain place of issue of the transport unit (the place of

unloading) and the obligation of the Customer to pay for these services a payment to the Company.

15.2. The Ways of Conclusion of the Shipment Agreement. The Shipment Agreement between the Customer and the Company shall be in particular concluded:

(i.) Upon acceptance of an order of the Customer, which has the nature of proposal to conclusion of a Shipment Agreement with the Company, whether the order and the acceptance were made in writing, electronically, orally (by phone, personally), tacitly (e. g. upon handover of a transport unit by the Customer or upon takeover of the transport unit by the Company for transport) or in other suitable and comprehensible way;
(ii.) Upon acceptance of an order made by the Customer according to clause (i.) hereinabove with reservations, changes, amendments or deviations supplemented by the Company or by the Customer, provided that such changed order shall be sent by the Company to the Customer or otherwise delivered to the possessions of the Customer, provided that acceptance of such changed order by the Customer may expressly occur upon despatch of the confirmation of the order via e-mail, fax or in writing back to the Company or tacitly by acting of the Customer or the Representative of the Customer focused on realization of the Shipment Agreement;
(iii.) Upon conclusion of the written Shipment Agreement between the Customer and the Company;
(iv.) Upon actual fulfilment, i. e. by handover of the transport unit for purposes of transport on part of the Customer to the Company and takeover of such a transport unit by the Company for purposes of commissioning of its transport, or by handover of the transport unit to a hauler commissioned by the Company to ensure transport;
(v.) as well as in any other way anticipated in legal rules.

15.3. An order of transport shall include:

(i.) Exact address of the place and the term of loading (date, or the time),
(ii.) Number and type of package, description of the goods, weight and the value of the goods,
(iii.) Exact address of the place and the term of unloading (date, or the time),
(iv.) Delivery term, including the place of destination,
(v.) Value of the goods,
(vi.) Other supplementing details to transport of the goods, its features, the way of transport and the term, which the Company requires to its provided additional services, which the Customer may require,
(vii.) Unequivocal identification of the goods.

15.4. Rights of the Company. The Company is entitled:

(i.) To require the Customer that a written instruction to commissioning the transport of a transport unit (shipment order) is given to it, in case the Shipment Agreement is not in written form;
(ii.) To sell the transport unit in suitable way at the account of the Customer, if substantial damage is immediately pending and there is not time to request instructions of the Customer or in case the Customer is in delay with such instructions and no necessary measures are taken by the Customer itself;
(iii.) To require the Customer to pay a reasonable advance payment for costs related to fulfilment of the Shipment Agreement, before the Company commences with its fulfilment;
(iv.) To require the Customer to pay the agreed remuneration. Besides that the Company shall receive reimbursement of necessary and useful costs paid for purposes of fulfilment of the Shipment Agreement;
(v.) To enforce the right of pledge to the transport unit to security of all claims occurred from the shipment relationship, until the transport unit is at someone who holds it on behalf of the Company or until the Company has the documents, which entitle it to dispose with the transport unit;
(vi.) To act according to its discretion, while the interests of the Customer are kept, in particular in choice of type of the means of transport and the route, unless it received sufficient and feasible instruction;
(vii.) To organize transport of the transport unit, including choice of the way of transport, unless it was agreed otherwise.

15.5. Obligations of the Customer. The Customer is obliged:

(i.) To provide the Company with an order in writing to commission of transport of the transport unit, unless the Shipment Agreement is in written form;
(ii.) To immediately provide the Company with further instructions upon request of the Company, if immediate damage is pending to the transport unit;
(iii.) To pay the agreed remuneration to the Company;
(iv.) To provide the Company with correct details on the content of the transport unit and its nature, as well as on other circumstances necessary for conclusion of an agreement on transport, e. g. on weight, type of the Shipment, number of pieces, dimensions, the way of package, the information, whether dangerous goods are concerned in sense of the ADR agreement, RID etc., provided that eventual results of incorrect and incomplete details are always to disadvantage of the Customer;
(v.) To hand over to the Company all documents, information and correct details necessary for commissioning of the transport and compliance with all obligations of the Company. In case the details specified in the Shipment Order differ from the details specified in documents relating to the transport unit and its transport, the Customer is obliged to remove such discrepancy without unreasonable delay and to remedy the disputed details according to the actual state. Until the time, when the Customer removes discrepancy in the included details or if the transport unit does not correspond to the details specified in the Shipment Order, the Customer is not entitled to require commissioning of transport or fulfilment of any obligations of the Company; on the other hand the Company is entitled to refuse commissioning of transport and ensuring of related activities in such cases and to require the Customer to pay reimbursement of all incurred costs;
(vi.) In case of withdrawal of the Shipment Order by the Customer, to pay the remuneration to the Company, including reimbursement of all costs; at the same time, the monies provably saved by the Company shall be deducted.

15.6. Remuneration. For commissioning transport of the transport unit and eventually also ensuring of or making of tasks related to the transport, the Company shall receive a remuneration, which the Customer obliges to pay to the Company. Unless anything else expressly results from the covenants of the Contracting Parties, the amount of the remuneration is specified without the value added tax. As regards maturity of the remuneration, delay interests, contractual penalty and further related rules not expressly regulated in this Article, Art. 9 of these General Commercial

Terms and Conditions shall apply accordingly. The amount of the remuneration is determined in the offer sent to the Customer by the Company, or shall be governed by the valid pricelist published by the Company at the website of www.railcargo.com.

15.7. The Liability of the Company for Damage at the Taken Transport Unit. The Company shall not be liable for realization of the commissioned transport of the transport unit, unless transport of the transport unit, which it should commission according to the Shipment Agreement, realized by itself. In such a case the Company shall be liable as a hauler according to the respective legal rules, international treaties and these General Commercial Terms and Conditions. The Company shall be liable to the Customer for damage incurred at the taken transport unit upon commissioning of the transport, if it cannot avert it even though making of professional effort. Eventual claims in respect to haulers:

(i.) Shall be enforced by the Company only upon express request of the Customer, at its name and at the account of the Customer, who is obliged to provide the Company with necessary cooperation, in particular to provide documents and information relating to the transport unit, particularly as regards is value, type, the amount of damage etc., and to pay the advance payments and costs related to enforcement, otherwise the Company is not obliged to enforce the claims or continue in enforcement, *otherwise*

(ii.) Shall be assigned by the Company to the Customer for direct enforcement of its claims against the hauler and shall provide the Customer with necessary cooperation. In case the Customer does not apply for the requirement in respect to the Company according to the previous paragraph or the claims against the hauler according to this paragraph, or if it does not provide the Company with necessary cooperation, the results resulting therefrom shall go to the debit of the Customer.

15.8. The Right of Pledge. The Company has the right of pledge to the shipment, until the shipment is at its disposition or until the Company has documents, which entitle it to treat with the shipment, to secure the debts of the Customer in respect to the Company resulting (i) from the Shipment Agreement, according to which transport of the shipment was commissioned, to which the Company enforced the right of pledge, (ii) from all other shipment agreements concluded until the moment of enforcement of the right of pledge to the shipment on part of the Company, (iii) from all framework agreements concluded until the moment of enforcement of the right of pledge to the shipment on part of the Company and (iv) from all further any other agreement or legal rules occurred between the Company and the Customer. Covenants on the right of pledge according to these General Commercial Terms and Conditions shall also apply in case the shipment or the documents entitling treatment with the shipment at someone, who holds them on basis of an instruction of the Company.

Any time after any debt of the Customer secured by the right of pledge according to the previous paragraph becomes due and it is not paid, the Company is entitled to deliver notification to the Principal on commencement of enforcement of the right of pledge and it is subsequently entitled to execute the right to pledge in the ways specified in these General Commercial Terms and Conditions and the Customer expressly agrees therewith.

15.9. Execution of the Right of Pledge. In case of execution of the right of pledge, the Company is entitled, upon its exclusive discretion:

(i.) To sell the pledge in direct sale;

(ii.) To transfer the pledge to settlement of debts secured by the right of pledge into its ownership, provided that the Customer is obliged to provide necessary cooperation thereto;

(iii.) To let the pledge to be sold in a public auction according to Law No. 26/2000 Coll., on Public Auctions, as amended, or in judicial sale according to the provision of § 354 et seq. of Law No. 292/2013 Coll., on Special Court Procedures, as amended;

(iv.) To execute the right of pledge in other way admissible according to the valid legal rules.

16. Final Provisions

16.1. Limitation of Time. All receivables of the Customer against the Company from the Agreement on Transport and from the Shipment Agreement shall be limited by time after one year after they may be enforced for the first time, unless the mandatory law, which should be applied or international treaties (in particular CIM) obligatorily determine otherwise.

16.2. The Venue of the Court. In case the Company and the Customer cannot achieve extrajudicial resolution of their dispute and unless agreed in particular case between the Company and the Customer otherwise, eventually unless determined differently by CIM, eventually CRM or a mandatory legal rule, the Czech courts shall have the venue for resolution of any disputes resulting from the Agreement, which will be the District Court for Prague 3, if a district court is the court of venue in the first instance, and the Municipal Court in Prague, if a regional court is the court of venue in the first instance.

16.3. Governing Law. All relationships based on the Agreement and related thereto shall be governed by the Czech law, in particular the Civil Code, unless the Customer and the Company agree something else in writing or a mandatory provision of the governing law determines otherwise. As regards the content of these General Commercial Terms and Conditions, the Czech version shall prevail.

16.4. Assignment of Claims. The Company shall be entitled to assign its eventual claim to reimbursement of damage, which it has against a third party responsible for damage, to the Customer.

16.5. Force Majeure. The cases of force majeure events according to the Agreement shall be considered the events outside control of the Parties, which affect or prevent due fulfilment according to this Agreement. Including but not limited they mean war, civil disorders, accidents, strikes, epidemics, natural disasters, such as earthquakes and floods. A Party damaged by a force majeure event is obliged to immediately inform the other Party accordingly. The affected Party may postpone fulfilment according to this Agreement until the time, when the effects of the force majeure cease, and the terms for fulfilment shall be accordingly postponed. Until that time the Party is not in delay. Both Parties are obliged to limit the results of force majeure in maximum extent; in case of breach of this obligation, the Party shall be responsible for such caused damage.

16.6. Salvation Clause. In case any Article, paragraph or their part are / or become ineffective or invalid, all other provisions of these General Commercial Terms and Conditions shall remain valid. Instead of such ineffective or invalid provision, such a provision shall apply, which is the most proximate to the economic purpose of the invalid or ineffective provision.

This is the translation and in case of a legal dispute, the Czech version shall be used.