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

1. Subject matter

These General Business Terms and Conditions together with the currently valid Tariff, Tariff annexes and relevant price lists shall regulate relations between the company Rail Cargo Operator - CSKD s.r.o., with its registered office in Praha 3, Žerotínova 1132/34, PSČ 130 00, Czech Republic, Ident. No.: 45273081, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, File No. 138603 in the matter of the organisational unit Rail Cargo Operator – CSKD s.r.o. organizačná zložka, with its registered office in Žilina, Bratislavská cesta 60, PSČ 010 01, Slovak Republic, Ident. No: 46 850 961, registered in the Commercial Register of the District Court Žilina, Section: Po, File No.: 10311/L („**Company**“) and the Client concerning transports of the Company carried out for the Client in the form of combined transport with dominant use of railroads and provision of other related services by the Company to the Client. In case of any derogation of these General business terms and conditions from the Tariff appendix or price Tariffs of the Company or appropriate price lists, the text of the Tariff appendix, price Tariffs or appropriate prices lists of the Company shall prevail.

2. Definition of terms for the purposes of the General business terms and conditions

2.1. „**Contract**“ means the contract on transportation of an empty or loaded transport unit or more transport units at the same time, with the use of railroads and possible complementary use of road transport or any other means of transport, concluded between the Client and the Company. In case of any derogation of the Contract from these General business terms and conditions and/or framework agreement, this Contract shall prevail.

„**Framework agreement**“ means any agreement agreed in advance between the Client and the Company, comprising provisions applicable to several Contracts or all the Contracts, concluded under this agreement. In the case of any derogation of the framework agreement from these General business terms and conditions, the framework agreement shall prevail.

2.2. „**Client**“, also called a principal, a consignor or a consignee of the invoice, is the person, which gives the order to transportation of the transport unit, or orders the transport, either by himself/herself or by the medium of his/her representative (agent), either appointed in writing in advance or in the framework agreement, thus giving rise to the obligation of the Client to pay for the transportation (hereinafter also referred to as the price or freight), or for the services related to transportation, provision of which has not been included in freight. The contracting party for the Company is in principle the Client, not his/her potential representatives.

2.3. „**Client´s representative**“ is the person, which has been, beside the representative (agent) authorised for conclusion of the Contract referred to in Article 2.2., at the place of departure appointed as a „shipper“ or „consignor“ and at the place of arrival the person which has been appointed as „recipient“ or „consignee“.

2.4. „**Company**“ means Rail Cargo Operator - CSKD s.r.o. in the matter of the organisation unit Rail Cargo Operator – CSKD s.r.o. organizačná zložka, which has accepted the order for transport of one or more transport units carried out by the Client or its representative, therefore being entitled

to require in particular the freight and payment of related costs from the Client as well as to issue the invoice and make other claims relating to the Contract.

2.5. „**Combined transport**“ means transport of intermodal or non-intermodal transport units with at least two modes of transport, whereas one of these modes is in any case the railway.

2.6. „**Intermodal transportation unit**“- also called UTI (Unité de Transport Intermodal) - means: a container, a swap unit and a similar facility for transport of the goods (particularly, but not exclusively, for transport on railways wagons).
„**Non-intermodal transportation unit”** means a goods road vehicle.
For the purposes of these General business terms and conditions „**transport unit**“ means the intermodal transport unit exclusively.

2.7. As „**Arrival**“ is not considered the arrival of the train, but the moment at which the transport unit is prepared at the agreed terminal or on any other agreed place for takeover by the Client and/or its representative thus enabling access to the transport unit for the purposes of its takeover or unloading.

2.8. „**Handover**“ means the action, during which the Client hands over the transport unit to the Company, operator of the transhipment point or any other appointed person and after its arrival it is handed over by the Company or any other appointed person to the Client and/or its representative. Unless otherwise agreed, the obligations of loading and unloading the goods shall be the responsibility of the Client.
As concern the intermodal transport unit, loading and/or unloading shall be the responsibility of the Client or the person appointed by the Client and the handover, or delivery, has been completed at the transhipment point at the moment, when the transport unit is placed on the transport space of the wagon in the disposal of the Company or the person appointed by it, and the takeover, when the transport unit is available for the Client or the person appointed by it on the agreed place of delivery and they have been granted access to the transport unit for the purpose of its takeover.

2.9. As „**services**“ are considered the services provided by the Company to the Client under the Contract or any other agreement, in particular, but not exclusively, transportation of transport unit, or consignment, handling with transport unit, or the consignment, storing of transport unit, or the consignment, repairs and revisions of transport unit.

3. Rights and obligations of the Company and the Client under the Contract

3.1. Obligations of the Company. Under the Contract the Company undertakes to

(i.) send, or transport the loaded or empty transport unit handed over by the Client or more transport units at the same time on railroads, or with the use of any complementary means of transport to the agreed place of destination, and unless agreed otherwise, make the transport unit available to the Client for takeover on the unit train of the Company;

(ii.) load this transport unit before departure, or the start of transportation, on a wagon, eventually tranship it between two wagons, if it has been explicitly agreed upon and the Client is not the one to be responsible for loading, and in case the Company provides such a service on the particular transport route and if agreed explicitly between the Company and the Client, unload it after completion of the railway transportation from the wagon and transport it, using a complementary means of transport, to the place of destination outside the railway terminal agreed between the Company and the Client and make the transport unit available for takeover from the semi-trailer of the road vehicle, whereas the Company shall carry out transportation exclusively from and to the terminal used by the Company, unless otherwise confirmed by the Company; if there is a place of destination different from the terminal used

by the Company specified in the order of the Client, the possible acceptance of the transport unit nor acceptance of the order by the Company does not imply acceptance of this place of destination;

(iii.) provide information on any delays, or any other irregularities occurred after conclusion of the Contract, which the Company has obtained from its sub-contractor (e.g. from the company providing traction), to the Client or its representative.

3.2. Obligations of the Client. Under the Contract concluded with the Company, the Client undertakes to:

(i.) hand over the transport unit on the agreed date or expected date of departure at the agreed tranship point or on any other agreed place to the Company or any other person appointed by the Company, load the transport unit on the semi-trailer of the road vehicle or the wagon, unless agreed that the loading is to be carried out by the Company and to provide to the Company the complete and correct information on the content and nature of the consignment to the extent necessary for proper execution of transportation and to hand over to the Company all the necessary transport documents correctly and fully completed;

(ii.) take over the transport unit on the date of its arrival at the agreed tranship point or on any other agreed place from unit train of the Company, or if the Company provides such services on the transport route concerned and if explicitly agreed between the Company and the Client, then from the semi-trailer of the road vehicle or, if explicitly agreed between the Company and the Client, unload the goods placed in the transport unit;

(iii.) in any case immediately control the state of the transport unit as well as the goods placed in the transport unit and notify the Company, without undue delay, of any objections to the state of the transport unit as well as the goods placed in the transport unit, eventually to the way of fulfilment of the obligations of the Company under the Contract;

(iv.) pay to the Company the remuneration, as well as possible costs or additional costs related to transport.

Unless agreed otherwise between the Client and the Company, the Client shall be obliged to ensure the intermodal transport unit from the road vehicle and its attachment to the road vehicle, in particular releasing and securing the fittings and preparing it for further transport by rail or road (e.g. change of the position of the support legs as well as of side and back underrun protection) on its own responsibility, unless handling at the terminal used by the Company or handling carried out by the sub-contractor authorised by the Company is concerned, where the Company also directly or indirectly by the medium of a sub-contractor authorised by the Company provides services related to handling of transport units.
If the Client does not hand over and take over the transport unit in person, the Representative, who shall carry out this activity and must be indicated under Article 2.3 respectively 2.4, is to be in any case mentioned in the framework or any other special agreement or in a special agreement, in the Contract or in the written notification.

4. Conclusion of the Contract

4.1. Means of conclusion of the Contract. The Contract between the Client and the Company shall be concluded in particular:

(i.) by acceptance of the Client´s order which has a character of a proposal for conclusion of the Contract with the Company, or the order and its acceptance have already been made in writing, by electronic means, orally (by telephone, personally), tacitly (e.g. by handing the loading unit over by the Client, or accepting the transport unit by the Company for transportation) or by any other applicable and comprehensive means;

(ii.) by acceptance of an order made by the Client under point (i.) above with reservations, amendments, annexes or deviations completed by the Company, or the Client, whereas the order thus amended shall be sent to the Client or in any other way delivered to the Client´s sphere by the Company with respect to the fact that the order amended in this way can be accepted by the Client explicitly by sending confirmation of the order by e-mail, by fax or in writing back to the Company or implicitly by the acts of the Client or the Representative of the Client aiming at implementation of the Contract or transportation under the Contract, i.e. at the latest at the moment of handover of the transport unit by the Client or the Representative of the Client to the Company for transportation;

(iii.) by conclusion of a written Contract between the Client and the Company;

(iv.) by actual performance, i.e. by handover of the transport unit for transportation by the Client to the Company and takeover of such a transport unit by the Company for the purpose of its transportation;

(v.) as well as in any way predictable by the laws.

4.2. Right to refuse the order. The Company is in no case obliged to accept the order and to provide the transport, in particular, but not exclusively, in the cases of: lack of capacity on the side of the Company; overloaded container; transport of dangerous goods transportation of which is not provided by the Company; conflict with legal regulations; insufficient securement of the Company´s claim for payment of the price or non-payment of the price in advance, if this payment is required by the Company, to which it is, at its sole discretion, entitled. All times of receipt of transport unit for transportation and times of the transportation, including transports with envisaged use of some of the scheduled services published and operated by the Company, shall depend actual utilisation of the of the Company´s capacity and its services and the Company shall be in no case obliged to accept the order of transportation of the transport unit within the deadline requested by the Client.

4.3. Timely placement of orders. In case of transportation with the planned use of some of the scheduled services published and operated by the Company, the Company recommends to order the transport (i.) as concerns transports to the country of the registered seat of the Company (import) at least three working days before the planned date of handover of the transport unit, in no case later than 11:00 AM (ii.) as concerns transports from the country of the registered seat of the Company (export) at least one working day before planned date of handover of the transport unit, in no case later than 11:00 AM.

4.4. Import transports order. The order of import transports, i.e. transports from third country, in which, as a rule, a seaport is located, to the place, in which the registered seat of Company or a container terminal are located, has to contain:

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

(ii.) at the time of takeover from the CTA – ATB terminal the number and, if required, ATB Anmeldung (extract from the Atlas system) or Bill of Lading;

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

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

(v.) declaration of the goods (invoice and Bill of Lading), value of the goods, weight, number of pieces of individual items, seal number; and

- in case of dangerous goods - RID, IMO declarations, instructions for the case of an accident;
- depending on the nature of the goods – veterinary certificate, phytosanitary certificate etc.;
- if wood packaging material comprised in whole or in part of non-manufactured coniferous woods originating in Canada, China, United States of America or Japan has been used in transport unit with goods declared to customs, the Client is obliged to submit a certificate on plant health checks of this packaging;

- customs regime (goods declared / non-declared / from EÚ), relevant registration number from the customs system in case of declared goods, HS code in case of non-declared and declared goods (tariff classification heading, regularity of which shall be the Company in no case obliged to examine), in case of the goods from EU the appropriate serial number registered at the customs office (so called Lauf-Nr.);

(vi.) address, date and time of the delivery and customs clearance;
(vii.) recipient of transport unit (to whose disposal is the transport unit intended);
(viii.) contact for the recipient and customs office;
(ix.) place of return of the empty transport unit;
(x.) information about the fact, whether import from the non-EU country is concerned, and the port of origin.

4.5. Export transports order. Export transport orders (i.e. transports from the place, in which the Company has its registered seat or the container terminal to third country, in which, as a rule, a seaport is located) has to contain:

(i.) exact place of takeover of the transport unit;
(ii.) type, size, owner and release reference for transport unit;
(iii.) declaration of the goods, weight of the goods;
(iv.) address of the place of loading and customs clearance, date and hour;
(v.) possible special requirements concerning chassis or railroad wagon, if loading is placed on a rail;
(vi.) recipient of transport unit in the port, i.e. specification to whose disposal the transport unit has been given, or delivery reference;
(vii.) exact location of delivery to the port, name of the ship, shipper and the deadline within which the transport unit shall be delivered and delivery reference;
(viii.) requirement concerning issue of BHT or ZAPP as well as original copies of the necessary documents;
(ix.) information on the fact, whether export outside EU is concerned and the port of destination;
(x.) in case of dangerous goods - RID, IMO declaration, instructions for the case of an accident.

4.6. Conclusion of partial contracts. If the Company has been entrusted with transport from places and/ to the places, in which it has no location, as in any other situation, when the Company shall at its own discretion consider it appropriate, the Client agrees with conclusion of the Contract, or instructs the Company to conclude a partial contract, partial contracts with third parties appointed by the Company, whether for a part of or for the complete transport route.

4.7. Applicable law. Relations between the Client and the Company, which exist from handover of the transport unit by the Client, or from takeover of the transport unit by the Company, including loading of the transport unit, if this is a part of the Contract, until the start of transportation and from completion of transportation until handover of the transport unit to the Client or to the Representative of the Client, or enabling these persons to dispose of this transport unit, i.e. for the period of storage of this transport unit and handling with it, shall be governed (in the following order) by the Contract, any other special contract between the Company and the Client (e.g. framework agreement, if this exists, price tariffs, Tariff annexes, relevant pricelists of the Company, special provisions of these General business terms and conditions, and provisions of the applicable laws, in particular the Commercial Code, as well as Civil Code. The transportation itself shall be governed in particular by the Contract, Commercial Code and Uniform Rules concerning the Contract for International Carriage of Goods by Rail - Annex B (CIM) to Agreement concerning International Carriage by Rail (COTIF) („**CIM**“), published in the Collection of laws under No. 8/1985 Col., provided that the conditions set in it are met, in any case as amended. In the particular cases, while carrying out transportation on the territory of the countries which have entered into the Agreement concerning International Carriage of Goods by Rail (SMGS) and then in case, where neither the mandatory provisions of the applicable legal regulations nor CIM are applied, the transportation

shall be governed by the provisions of the agreement concerning International Carriage of Goods by Rail (SMGS).

5. Transportation

5.1. Transportation. Transportation has been completed at the moment of handover of the transport unit to the Client or Representative of the Client or at the moment when the Client or the Representative of the Client have had the chance to take over the consignment for the first time under the conditions referred to Article 2.8 of these General business terms and conditions. Unless agreed otherwise or unless such a provision has been excluded by definition with respect to the place of destination, the moment of transportation or completion of transportation represents the moment at which the transport unit of the Client has been ready for takeover by the Client or by the Representative of the Client after arrival of the unit train of the Company with the transport unit of the Client to the target terminal thus enabling the Client to take over the consignment.

5.2. Storage of transport unit. If the Client fails to meet its obligation to take over the transport unit after transportation or completion of transportation, the transport unit shall stay stored, on his/her costs, at the tranship point or on any other suitable place designated by the Company. Relations between the Client and the Company during the period of storage of the transport unit shall be governed the special provisions of these General business terms and conditions, price list of the Company, special contract between the Company and the Client (in particular the Contract or the framework agreement), conditions (in particular the price ones) of the tranship point, at which the transport unit stayed stored or the person, which manages such tranship point or storeroom, or by the provisions of the Commercial Code concerning storage contract, if none of the above mentioned regulations is applicable. If there is a threat of an urgent substantial damage to the consignment and it is not possible to require instructions of the Client or he/she fails to notify without undue delay such instructions, the Company shall be entitled to hand over the consignment on the deposit of the Client. After the Client´s failure to meet the obligation to take over the transport unit after transportation or completion of transportation, the Client is the one to be responsible for damages on the transport unit or the consignment, the liability for damages on the transport unit or the consignment shall be is borne by the Client, namely to the maximum extent authorised by mandatory legislation.

5.3. Lien. The Company has a lien to the carried consignment (if it is entitled to dispose of it) for security of the debts arising from the Contract, framework agreement or any other agreement between the Company and the Client in respect of the transport of the consignment concerned.

6. State of the transport unit and the goods, responsibility of the Client

6.1. Responsibility of the Client – conclusion of the Contract. By concluding the Contract, the Client undertakes to and is responsible for the fact,

(i.) that the data on transport unit and the goods, in particular on the weight and type of the goods, are correct and complete,
(ii.) that all data, codes and documents, which accompany the transport unit and are prescribed for official controls, or obtaining of any permits relating to the transport are correct and complete,
(iii.) legal regulations of the countries concerned with transport of the transport unit has been complied with.

The Company is not in any case obliged to control or examine any of the documents or data provided by the Client and bears in this respect no responsibility.

6.2. Responsibility of the Client – handover of transport unit. By handing over the transport unit, the Client confirms that the transport unit is suitable for combined transport, and that the goods loaded in it meets the requirements prescribed for safe combined transport, and that there are no amounts chargeable against the transport unit (e.g. THC, demurrage, detention, storage).
The term „**suitable**" means in case of intermodal transport unit in particular the fact, that the transport unit has been technically approved for combined transport, which means, that it bears appropriate inscriptions and codes or as concerns the ISO containers the CSC approval plates CSC in compliance with the Container Security Agreement, and that its state, which has been decisive for approval for combined transport, has not changed since then.
The term „**safe**" means in particular the fact, that the actual state of the transport unit is be suitable for combined transport and the goods in it enables safe transport in the first place, especially that the packaging of the goods, as well as storage, layout and fixing of the goods in the transport unit has been adapted to the specificities of the combined transport, in particular as concerns transport of the liquids or the goods, which has to be transported in special temperature conditions.

Unless explicitly agreed between the Client and the Company otherwise, the maximum weight limit for transport of 20´ containers amounts to 25t gross, for transport of 40´ containers the limit amounts to 29t gross. 20´ container with gross weight exceeding 20t shall be transported by the Company on 40´ chassis in the middle.

For the purposes of valuation of the transport units according to the gross weight categories, it applies, that the transport units have to meet 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. Damages. In case of breach of obligations under Articles 6.1., 6.2. or 7.3., the Client shall be liable to any damage caused by this breach (including damages caused to third parties, damages to other consignments, to means of transport etc.), even when the damage is not caused by him/her. In case of breach of the obligations under Articles 6.1., 6.2. Article 7.3., the Client shall be obliged to pay to the Company also any additional costs (including any possible fines or penalties imposed by public authorities resulting from such an infringement, in particular, but not exclusively, customs authorities, as well as any costs relating to procedures before such administrative bodies, legal

costs in the amount actually incurred etc.), or differences between the prices due to statement of incorrect data. The Company may make conclusion of the Contract conditional on the Client proving it has insurance for all cases of Client´s liability under these General business terms and conditions.

6.4. Control of the transport unit by the Company. The Company shall carry out preliminary control of the external part of the transport unit during its takeover (always only from the outside „from the ground“) and include the results of its findings in the Contract and/or in the documents relating to, or accompanying the transport unit/s. The Company shall notify the Client of apparent defects of the transport unit detected during such an external control „from the ground“, at the first opportunity, taking into account the nature (in particular visibility of the defect) and the extent of these defects. If there are no records on clearly visible defects on the transport unit or on visibly missing parts hereof in the Contract and/or in the documents relating to or accompanying the transport unit/s (the above mentioned applies accordingly also for Bill of Lading to the extent admissible under CIM) at the moment of takeover of the transport unit by the Client or these records are false, the missing and/or false record represents no decisive proof that the transport unit has had no defects at the moment of its deposit and nothing missing. Any costs relating to settlement of the defects of the transport unit (e.g. relocation of the goods, freight between the terminals etc.) are borne by the Client. The Company does not carry out control of the goods, its package, storing and fixing, not even of information recorded by the Client or documents handed over by the Client. Thus, the Company shall not be obliged to check and it does not check the content of the consignment or the transport unit, particularly the actual quantity or type of the goods in the transport unit sealed or secured in any other way, and whether the given quantity or the type of the goods correspond to the accompanying documents and information provided to the Company during handover of the transport unit, while the Company shall not be responsible for any possible differences in the actual quantity /number / weight /quality /type etc. of the transported goods compared to such accompanying documents and information provided to the Company by the Client or its representative. The Client or consignor is entitled to require expressly the Company to examine the state of the goods or its packing as well as accuracy of the information in the accompanying document or Bill of Lading (including the weight of the goods, number of pieces etc.) during the handover of the transport unit. The Company shall carry out such an examination on the costs of the Client, only if it has appropriate means and authorisations for it and if such an examination is possible in the particular case.

6.5. Date of transport. The Client, who is interested in using some of the regular routes of the Company, whose timetables and other terms and conditions are published by the Company, for transportation is obliged to comply with these terms and conditions, in particular deadline for handover of the transport unit published by the Company whether as a part of these General business terms and conditions or in any other suitable way (particularly using the websites of the Company www.railcargooperator.cz). Nevertheless by compliance with these terms and conditions the Client shall not be entitled to transportation in the first or any other preferential and the Company is entitled to carry out transportation of the transport unit in such a term which enables transportation with respect to capacity, operational or any other reasons and circumstances, including the situation in the seaports and at the seaport terminals outside the direct control of the Company (in particular, but not exclusively in Koper, Hamburg and Rotterdam). The Client takes into account that the capacity, operational or any other difficulties in the seaports and at the seaport terminals outside the direct control of the Company and outside the services provided by the sub-carrier of the Company are considered to be events of force majeure, and if an event like this occurs, the Company shall not be liable to any damages caused by delay in sending the transport unit, or delay in starting transportation. The Client takes into account that the date of removal of the transport unit in the seaport notified to the Client in the form of registration of an order **means from the side of the Company the earliest possible expected date of removal of the transport unit from the seaport terminal, but not a binding confirmation of the date on start of transportation from which the delivery time could be derived. The Company is entitled to change this date**

(in particular, but not exclusively, as a result of the capacity, operational or any other reasons and circumstances in the ports and at the port terminals outside the direct control of the Company) and the Company shall not be liable to the Client for any other damages or harms which this change could or can cause to the Client. If the actual date of removal of the transport unit from the port terminal is different from **the expected date of removal of the transport unit from the port terminal, also the date of delivery of the transport unit or date of handover of the transport unit to the Client or its representative shall be** postponed accordingly**.**

6.6. Date of handover of transport unit. In case of transports using regular routes of the Company the transport units have to be ready for handover and release within the time limits which are laid down in the Tariff annexes of these regular routes or timetables of these routes issued and kept up to date by the Company. However, In principle, it applies that:

(i.) at the terminal Bratislava or any other terminal of the Company until 15:00 on the day of train´s departure of the train to Koper;
(ii.) at the terminal Žilina or any other terminal of the Company until 12:00 on the day before departure of the train to Koper;
(iii.) at the terminal Kosice or any other terminal of the Company until 12:00 on the day before departure of the train to Koper;
(iv.) at the terminal Praha or any other terminal of the Company until do 18:00 on the day before departure of the train to Hamburg / Bremerhaven;
(v.) at the terminal of other operator other than the Company until 12:00 on the day before the planned loading;
(vi.) in the port until 10:00 on the before departure of the train.

The Client as well as the Company note and agree that the Company is not liable for services (quality, due dates etc.) provided by third parties (the above mentioned is not applicable for sub-carriers authorised by the Company) in the ports and at the port terminals outside the direct control of the Company (in particular, but not exclusively, in Koper, Hamburg, Bremerhaven and Rotterdam), even if the Company would order, pay these services for the Client or communicate in any way with providers of these services. The Company shall not be liable for damages caused to the Client directly on indirectly as a result of delay of these providers of the services; however the Company shall notify of this delay the Client without undue delay immediately after receiving the information on the delay, and possibly require instructions on how to further process from the Client. If the Company has any claims towards such providers of the services related to the breach of obligations from their side, the Company shall assign these claims exclusively to the Client. In case the Company would be despite the above mentioned for any reason obliged to pay damages for delay of the above mentioned providers to the Client, the parties have agreed that damages respectively the amount corresponding to the damages or provided by the Company to the Client and caused directly or indirectly as a result of delays of these providers shall not exceed the amount of damages which the provider of the particular service shall be obliged to pay to the Company and/or the Client under the applicable laws or conditions of the provider of services.

6.7. Selected customs matters. The Client, to whom the simplified customs clearance procedure in respect of termination of customs transit operation has been approved by the customs office, shall be obliged to give one copy of „the Decision on authorisation of simplified customs procedure in respect of termination of transit operation“ to the Company. As concerns transportation of the transport unit on a tractor between the customs office and the place of loading or unloading, the Client shall be obliged to ensure placing its own seal or any other secure device which enables control and that the content of the transport unit is not handled in the course of this transportation. The Client shall confirm in the Waybill/Bill of Lading or on a special protocol the seal number or any other security method of the Company. As concerns import transports for the final recipient in the Slovak Republic or in the Czech Republic, distribution of the transport units using own means

of the Client or its representative may be allowed exclusively on the condition that the Client or its representative has handed over to the Company the document of release for free circulation.

6.8. Obligations and declarations of the Client. The Client is obliged to comply with all business related regulation of the countries concerned and the European Union; the above mentioned relates in particular to import and export of the goods, which require special permits including dual use items („*dual use items*“, i.e. economic value usable for civil and military purposes.). The Client is obliged to inform in writing and in time the Company of all instructions, prohibitions and restrictions relating to the goods transported or the content of the consignment and is obliged to compensate the Company in case of infringement of these regulations. The Client is obliged to examine the names / titles and addresses under the anti-terrorists lists issued by the relevant institutions. As concerns transports to the countries on which the penalties / trade restrictions are imposed, the Client is obliged to the make the statement towards the Company required by the Company. The Client states and is responsible, with respect to the content of the consignment or the transport unit, for the fact that the provision of transport and transportation of the consignment or the transport unit are not prohibited or limited in any way, especially as concerns the military end-use or use relating to weapons of mass destruction (nuclear, bacteriological and other weapons capable of causing mass death and destruction), dual use items or any regulations relating to the persons or countries with respect to sanctions and embargos (i.e. restrictive measures against persons, organisations, institutions and countries), or that it has for the purpose of such transportation at its disposal all the required permits and all the measures, if required for such transportation, have been taken in advance. The Client is obliged to submit to the Company without undue delay upon its request all related documents, in particular the permits, approvals etc. If the transport shall be provided and carried out as import transport within the European Union, the Client declares and is responsible for the fact that the consignment does not originate from the Crimean Republic / Sevastopol, or i tis not reasonable to assume that the consignment would originate from the above mentioned places; otherwise the Client is obliged to inform the Company without undue delay. If the responsibility for breach of statements of the Client referred to in this Article 6.8 is attributed to the Company or any other person from Rail Cargo Group, the Client shall be obliged to pay for all these claims and sanctions or to deal with them properly and, at the same time, to pay to the Company or any other person from Rail Cargo Group all the damage which occurred in this connection.

7. Dangerous goods and the goods excluded from transportation

7.1. Notice. Dispatch of the transport unit containing the dangerous goods has to be preceded by notice made by the Client when ordering the transport Unless provided otherwise by the Company or an agreement with the Company, the Client shall be entitled and obliged to deposit such a transport unit only on the day of dispatch or the day when the transportation starts.

7.2. Compliance with legal regulations. Transport unit loaded with acceptable dangerous goods must comply with national and international legal regulations for transport by rail and by road applicable in the states, on whose territory the transport is to be carried out.

7.3. Obligations of the Client. By handing over such a transport unit, the Client, in addition to the obligations under Article 6 and the law, undertakes to:

(i.) comply with the legal regulations referred to in Article 7.2.;
(ii.) name correctly the goods under special regulations for the dangerous goods in all documents related to the transport;
(iii.) hand over the correct „Lists for accidents“ and other necessary documents;
(iv.) notify of and implement prescribed or for any other reasons necessary security measures.

7.4. Takeover of transport unit. After arrival of such a transport unit, the Client has to take it over without delay. As concerns intermodal transport units, the operator of the hubs is not obliged to take it

down from the wagon provided that the Client has not presented its vehicle for takeover, unless the Company is obliged to secure consecutive transportation by its road vehicle or by a vehicle of third party to the place of destination different than the hubs.

7.5. Failure to take over the transport unit. The measures which can be taken in case of non-takeover of the transport unit with dangerous goods within the agreed or given deadline for takeover, such as, not exclusively, parking on a wagon or storage on any other suitable place, sending back, unloading or destruction or any other measures which the Company is entitled to take in compliance with the applicable law or legal regulations, shall be taken on the costs and at the risk of the Client. The Company shall notify the Client of the measures taken.

7.6. Goods not transported. The Company does not provide transport of the following goods to the Slovak Republic as well as to the Czech Republic:

(i.) Regulation concerning international transport of dangerous goods by rail - RID Class 1 and Class 7, import of the cigarettes and tobacco products (with NHM starting with 2402… and 2403…) and tobacco waste (NHM 240130);
(ii.) To / from Bremerhaven - veterinary goods, goods from hazard classes 1, 6.2, 7, flat-rack containers, reefers - containers with chilled goods and goods under annex 44c of the customs code (alcohol, ethyl alcohol, cigarettes, sugar, bananas, butter, milk).

The Company provides transport of the high risk goods (Regulation concerning international transport of dangerous goods by rail - RID), namely the transport of spirits, tobacco products and high value goods solely on the basis of the special agreement with the Client (among other things in respect of the price) and after consultation with its security consultant.

7.7. Other information. Other information on the goods which is excluded from transport or is acceptable on certain conditions only, regardless of whether it is dangerous or not, shall be provided by the Company on request. There must be a special agreement or the Contract concluded in advance for the acceptable goods, while the tacit conclusion of such an agreement or the Contract is excluded.

8. Payment

8.1. Maturity. The freight is due after the transportation. If the transportation could not be, for any reason, completed within the time period anticipated by the Company, the Company shall be entitled to a proportional part of the freight corresponding to the transportation carried out. Unless agreed otherwise, the Company shall be entitled to account to the Client for the freight and to issue the relevant tax document (invoice) after termination of transport operations, or after the moment it becomes clear that the Company will not complete transport operations within anticipated period of time. Tax document shall be due as a rule within 14 days from the issue date, unless the Company provides for another date.

8.2. Interests on late payment. If the Client is in delay with any due payment for the Company, the Company shall be entitled to charge the Client with contractual interests on late payment amounting to 15% p.a. on the sum due. These interests on late payment shall be charged starting on the first day after the maturity date of the invoice.

8.3. Contractual penalty. In case of a payment delayed by more than 30 days, or by a maximum of 60 days, the Company shall be entitled, in addition to the interests on late payment, to a contractual penalty amounting to 0,05% of the sum due for each day or a fraction of a day of delay. In case of a payment delayed by more than 60 days, the Company shall be entitled, in addition to the interests on late payment, to a contractual penalty under preceding sentence, to a contractual penalty

amounting to 0,10% of the sum due for each day or a fraction of a day of delay starting on the 61 day of delay. In addition, the Company shall be entitled to compensation in full amount.

8.4. Offset, assignment. As concerns the amounts of the Client due against the Company as a creditor, any unilateral offset of claims or non-payment for reasons of possible counter-claims according to the statement of the Client is excluded, with the exception of claims of the Client which have been granted in compliance with the law by the court or recognised in writing with respect to the reason and amount by the Company. The Client shall not be entitled to assign any claim or receivable against the Company under the Contract or in connection with the Contract to third party without prior written consent of the Company.

8.5. Lien. Exercise of a lien of the Company shall be governed by the national law which is to be applied under article 11.3 and article 5.3 of these General business terms and conditions.

8.6. Price lists of the Company. As a rule, the Company shall issue price lists and shall be at any time entitled to issue, cancel or amend special price lists for regular routes operated by the Company as well as for other services provided by the Company in respect of transportation (e.g. storing, handling, repairs and revisions of transport units). If the Client orders transportation to any of the destinations included in such regular routes or also other related services and, unless agreed otherwise with the Company, it shall be charged with freight under relevant Tariff and Tariff annexes for a particular route valid on the date of conclusion of the Contract and with payment for the related services in accordance with the price lists valid on the date of conclusion of the relevant agreement or the Contract. Currently valid and effective Tariffs (or their annexes) and price lists of related services have been beside that published on the websites of the Company www.railcargooperator.cz.

9. Liability of the Company for damages

9.1. Liability of the Company. The Company shall be liable for damages, in principle, against the Client, namely for the loss of or damage to the transport unit and the goods which is loaded in it, for the period from handover of the transport unit, or the goods, with the shipping instruction until its delivery, as well as for damages which occurred as a result of the failure to meet delivery time or a loss or improper use of the documents, except for the cases where the damage was caused by the Client or any other third authorised person, their instruction or order, defect on the transport unit and/or the goods or other circumstances which could not have been prevented by the Company and the consequences of which could not have been avoided. Liability of the Company shall be limited or excluded in other cases laid down by applicable legal regulations, in particular CIM.

9.2. If an action or a fault of the Client or a defect on the transport unit or the goods participate in causing a loss, defect or any other damages, liability of the Company for damages as well as the extent of this liability shall be reduced in proportion to which they have contributed to damages.

9.3. Legal regulations. If it has been established, that the loss or damage occurred between the moment of handover of the transport unit and its release, or allowance of its takeover, the CIM provisions, in its version in force at the moment of conclusion of the Contract, with the exceptions explicitly recognised by CIM and provided for in these General business terms and conditions, shall be applied with respect to the Company´s liability and its limitation. Liability for loading and unloading of the transport unit, or the goods, if they are carried out on the ground of or in connection with the Contract, shall be governed by the CIM provisions and these General business terms and conditions.

9.4. Limitation of damages. If any particular case is not subject to regulation and liability limits laid down by CIM and if mandatory law for the particular service allows so, liability of the Company for the

loss or damage of the transport unit and the goods loaded in it shall be limited to 8,33 units of the Special Drawing Rights as defined by International Monetary Fund on the date of occurrence of the damage, namely for each kilogram of the gross weight missing or damaged, whereas the total amount of damages for loss or damage of the transport unit or the goods loaded in it shall be limited to double the price for transportation of the transport unit concerned.

9.5. Compensation for material damage. If the delivery time is not met for any reason, in case of a loss or improper use of the documents or possible infringement of other contractual obligations except for the loss and damage, the Company, if being responsible under these General business terms and conditions, is obliged to pay only the precisely definable material damage of the Client. In case of a loss or improper use of the documents, the Company shall be obliged to pay for damages only with respect to a loss or improper use of documents prescribed for different official controls, e.g. customs, veterinary, phytosanitary, or a loss of documents for dangerous goods, handed over for this purpose by the Client to the Company and transported using the transport unit. In such cases the liability of the Company for the damages shall be limited to double the price for transportation of the transport unit concerned. The above mentioned does not apply in cases where CIM is to be applied and requires regulations different from standard regulations be applied in a particular case, or where the mandatory provisions do not allow it for of the service concerned.
Timetables published by the Company do not represent delivery times and the data contained in it are only indicative.

9.6. Calculation of damages. If the Company is obliged to pay damages for partial or complete loss or damage, the amount of compensation for damages shall be calculated using the usual value of transport unit and the goods loaded in it, valid at the place and time of handover by the Client.

9.7. Liability for indirect of consequential damages. Liability for indirect or consequential damages is excluded, with the exceptions specified in CIM and mandatory regulations; under this term, in particular all costs relating to downtimes and impossibility to use of the transport unit and vehicles for collection or distribution, costs of alternative transport, damages for loss of profit, loss because of unrealised or delayed use of the goods transported, for delay in or halt to production, for the loss of good repute or market share have to be understood.

9.8. Claims. Claims for damages against the Company, which has concluded the Contract and issued the invoice, may be made by the Client exclusively, not by his/her representatives (unless the persons explicitly authorised by the Client to claim damages under the Contract are concerned) and he/she is the only person authorised to perform legal acts against the court, with the exceptions specified by CIM, in case CIM is applied, or by mandatory rules.

9.9. Non-contractual claims. If a loss or damage occurred in the period between the conclusion and termination of the Contract result in non-contractual claims against the Company, the disclaimer and limitation of the damages shall under this article 9 be applied.

10. Damages

10.1. Preclusion and limitation of claims. The Company is obliged to pay damages only if, the notice of damage, or the complaint have been filed or compensation for damages has been claimed within the deadlines laid down bellow using the forms laid down bellow. Claims for damages shall lapse in the cases specified by CIM, or by applicable legal regulations. If any of the requirements under this article and these General business terms and conditions for submission of claims are not met and the claim under the preceding sentence does not lapse, the claim shall not become in any case payable before all specified requirements concerning the claim are met and the damage may not be claimed.

10.2. Notice of damage. Any complaints and claims arising from the Contract shall be as a rule made in writing on the address of the registered seat of the Company. In particular, the notice of damage has to contain sufficiently precise specification of damage, it has to be submitted to the Company by an authorised person and it has to be accompanied by all documents required by legal regulations, in particular CIM.

10.3. Visible damages. As concerns obviously visible losses or damages, e.g. on customs or any other seals of the transport unit, the Client or his/her representative has to report all reservations immediately upon handover of the transport unit (whereas "immediately" means, for the avoidance of doubt, on the date of handover, not later than until the moment when the transport unit gets out of the Company´s possession).

10.4. Damages obviously not visible. As concerns losses or damages, which are not obviously visible and detectable at the moment of takeover of the transport unit by the Client, are concerned, the Client or his/her representative has to:

(i.) provide written notice of damage immediately after establishment of a loss of or damage to transport unit, or the goods, in any case not later than within 7 days after handover of the transport unit;
(ii.) allow the damaged transport unit, or the goods to be examined immediately by the Company or its representative and provide to the Company or the persons appointed by it all necessary assistance in order to settle the damage or loss in an effective way;
(iii.) provide photos and all evidence proving that the damage occurred in the period during which the Company was responsible for the transport unit, and provide them without undue delay to the Company.

10.5. Failure to meet delivery time. If the transport unit was not delivered on the intended date, the Client has to notify of this fact in writing, except for the case of delay notified in advance by the Company, whereas he/she is obliged to claim damages for failure to meet the delivery time not later than within 60 days from the date of takeover of the transport unit or within 60 days after the arrival.

10.6. Other damage. Damages arising as a result of a loss or improper use of documents or any other breach of the Contract, with the exception of loss or damage or delay in delivery, must be notified by the Client not later than within 30 days after takeover or arrival of the transport unit.

10.7. Commercial record. If the notice of damage under this article has been filed, the Company or its local representative shall indicate or let indicate in the commercial record under CIM, in particular the type and extent as well as the alleged cause of the damage. In the event of conflict between the representative of the Company and the Client, any party may among other things (on its own costs) require establishment of the facts, causes and extent of damage by an expert.

10.8. Delayed takeover. If the Client after the arrival refuses, without indicating legal grounds, to take over the transport unit, then in case of alleged damage not only must he/she file the notice of damage and claim damages in a way and within a period referred to in this article, but beside that he/she is obliged to claim and prove that the damage has occurred in the period between takeover of the transport unit by the Company and the arrival.

11. Final provisions

11.1. Statute of limitations. Any claims of the Client against the Company under the Contract shall be time-barred within one year after they could have been made for the first time, unless regulated otherwise by applicable mandatory rules or international agreements (in particular CIM).

11.2. Jurisdiction. If the Company and the Client are not be able to reach the out-of-court settlement of their dispute and unless otherwise agreed between the Company and the Client in the particular case, Slovak courts shall be competent for settlement of any disputes arising from the Contract, namely the District Court Bratislava II, if a district court is competent as the court of the first instance, and the Regional Court Bratislava, if a regional court is competent as the court in the first instance.

11.3. Applicable law. Any legal relations arising from this Contract and related to it shall be governed by the law of the Slovak Republic, unless otherwise agreed in writing by the Client and the Company or required by the mandatory provisions of the applicable law. The Slovak version of these General business terms and conditions shall be prevail.

11.4. Assignment of claims. The Company is entitled to assign its possible claims for damages, which it has against third parties responsible for damages, to the Client.

11.5. Salvatore clause. Should any of the articles, paragraphs or part hereof be /or become void or invalid, the validity of other provisions of these General business terms and conditions shall remain thereby unaffected. The void or invalid provision shall be replaced by another provision, which is regarded as the closest to the intended economic scope of the original void or invalid provision.