



## I. General Provisions

1. The subject of these terms and general conditions for road transport (hereinafter referred to as TOS) is a detailed regulation of contractual relations arising between the transport client and provider of the transportation services (contractor, carrier) in securing and implementing the transport of goods according to transport orders (hereinafter TO) or the Framework agreement on the transport of goods (hereinafter FATG). The TOS and the specific conditions of transport in the TO, along with the FATG, constitute the entire agreement between the contracted parties pertaining to the conditions of the goods transport carried out for the client. If both parties mutually agree that the TO or the FATG will result in different arrangements for the parties in contrast to the TOS, then the contents of the TO and the FATG are superior to the TOS. In the case of a different arrangement in the FATG than the TO, the TO arrangement is the binding one.
2. Changes and amendments to the TOS, as well as any changes, amendments and additions to the FATG are permitted only in writing, after prior approval by both parties.
3. Legal terms from international shipments arising from the FATG, from a specific TO, or in conjunction with them, are governed by Decree No. 11/1975 Coll. as amended by the Convention on the Contract for the International Carriage of Goods by Road (CMR), as well as other regulations relating to international transport of goods by road. The legal terms of international transport unresolved by the CMR Convention will be regulated by Czech procedural law, especially the Civil Code and other generally binding legal regulations, internal regulations, guidelines and rules that are listed in the FATG or specific TO.
4. Conditions for the domestic transport of goods in other aspects are governed by the relevant provisions of the Civil Code, Act No. 89/2012 Sb. as amended, and other generally binding legal regulations, internal regulations, guidelines and regulations that are listed in the FATG, specific TO if the carrier was informed of and aware of their existence during the duration of the contract.

## II. Terms and conditions for the implementation of road transport

1. The carrier is obligated to deliver the requested type of road vehicle for loading goods on the date agreed in the TO or on the agreed time or the loading time window. If the carrier cannot meet this commitment due to unforeseen events of a vehicle accident, road infrastructure issues, etc. the carrier is obligated to immediately notify the client of the transport and the particular employee responsible for the client, who is listed in the TO, of the incident via a telephone and subsequently in electronic writing. The carrier cannot rid him/herself of the obligation to complete the transport by referring to technical faults of the vehicle. It is obligatory to complete the begun transport even with a replacement vehicle in the agreed upon delivery time.
2. The carrier cannot rid him/herself of the obligation to complete the transport by referring to technical faults of the vehicle. It is obligatory to complete the begun transport even with a replacement vehicle in the agreed upon delivery time.
3. The carrier is obligated to respect the defined working (operating) hours of the sender in regards to loading the goods, as well as the operating period of the receiver in regards to unloading the goods according to the data in the TO, and deliver the road vehicle on the agreed upon day only during this limited working hours. Road vehicle Delivery after the sender working hours is regarded as a delayed road vehicle delivery with the right of the client to bill an agreed upon fine; road vehicle delivery after working hours until the end of the set calendar day of the delivery is considered the first day of delay. In the event that the client and the carrier have agreed upon the "Just in Time" transport mode (hereinafter JIT), the carrier is obliged to comply with a certain hour or time period specified in the delivery order with a road vehicle ready for loading or unloading of goods, in other words, to comply with the specific time within the working hours of the goods sender or goods recipient.
4. Late deliveries of the road vehicle for loading are permitted only in cases where this step was approved and the required time of loading in the TO was assigned in writing by the contracted parties.
5. If the client will request the "JIT" transport mode it is agreed that the transport is a termed transport, that is transport with a specific mention of defined time of goods loading and unloading, according to the specific content of the TO.
6. When securing the transport of bulk materials, loose substrata, and cereals, it is necessary to use road vehicles with special folding sets or a walkingfloor either with a tarp or folding system, or other accessories which are



indicated in the TO. Transportation of grains that are to be used for food requires the mode of transportation congruent with the GMO B4.1 certificate. This will be presented by the carrier prior to starting the transportation. For transportation of goods which are subject to the ADR mode transport of dangerous goods, this is indicated in the TO and the carrier is responsible for the road vehicle to meet this condition and for the vehicle driver to be trained for this type of transportation.

7. If the carrier does not deliver the desired type of road vehicle and equipment for loading goods according to the confirmed TO in the agreed upon term, the client is entitled to proceed to revoke, withdraw (cancel) the TO or a part of it (in the extent of undelivered road vehicles) and ensure the required transport with another carrier. The client is authorized to cancel the TO or its parts by a written notice sent by fax or e-mail to the carrier citing the identification number of the cancelled TO.

8. The carrier agrees to initiate all the shipment directing the goods to the intended recipient without unnecessary delays after the goods have been loaded so that the actual duration of the transport taking into account all the circumstances does not exceed a reasonable period of time which is expected when implementing a shipment by a careful carrier.

### III. Carrier rights and obligations

1. The carrier is liable for damage caused to the accepted shipment incurred while assuring the transportation, as well as damage to the shipment after its acceptance until its delivery to the recipient. The contractor is entitled to fulfil their obligations in providing transport through other entities – forwarder (intermediate forwarder) or transporter; the carrier of course is bound to put forth to the client, if s/he desires, the identity of this third party for approval including the submission of the legal contracts about insuring the final transporter. In all these cases the carrier is responsible to the client in its entirety for all damages, as if the transport was realized and executed by them. The carrier cannot be released of liability for damage to the shipment, arguing that they only procured the transport.

2. The carrier is obliged to submit a written report about the damage to the client, either what could be incurred to the shipment, or what was incurred, as soon as it is known, otherwise, they are liable for damage caused to the client because this obligation was not fulfilled. Damage to the shipment is understood to mean a complete or partial loss of the shipment or its damage or deterioration.

3. The carrier is also responsible to the client for any other type of damage which occurs to the client as a result of a breach of carrier obligations resulting from the FATG, individual TOs or the relevant applicable legislation.

4. The carrier is obligated to ensure the insurance for the shipment in the case of damage during transport in the scope of liability insurance for the damage of the road carrier, and this applies to the areas of domestic transport of goods as well as for international road transport of goods. The parties have agreed that the minimum sum insured is 4.000.000,- CZK. (163.265,- EUR). In the case of a higher value of the goods than the amount listed, the carrier will be given a payment to insure the goods which have a higher value than 4.000.000,- CZK. (163.265,- EUR). In the case of a higher value of the goods than the amount listed, the carrier will receive the amount to increase the insurance.

5. The carrier further agrees to have arranged insurance and to maintain it throughout the duration of the FATG, particularly with proper and timely premium payments. If the insurance contract is not subject to liability for damages under Article 29 of the CMR, the carrier is responsible for such damages in their entirety, without the right to invoke the exclusion or limitation of liability in accordance with the terms of the CMR.

6. The carrier is responsible for the proper receipt of the completed accompanying documents, in some cases the custom documents, and assumes liability for the emergence of "customs" damage to the transported goods. After completing the transport, it has to be clear who took responsibility over the goods. If the recipient stamp is missing, the recipient name and an identification number (identity card, passport, driving license) must be adduced.

7. The carrier is further obligated to ensure that the transport of the shipment is carried out exclusively by vehicle which is in good technical and working condition, while respecting the provisions of relevant environmental protection laws and principles (especially cargo space cleanliness, the statutory conditions for waste management, emissions, the technical condition of the vehicle with respect to possible spills - fuel, oil, etc.). If these regulations and principles are violated the person concerned, either the sender or the recipient, can prohibit entry of the road vehicle to the place of loading or unloading of the goods.



8. The carrier is also obliged to ensure that the delivered vehicle has sufficient availability of loading space in accordance with the TO, ie. that the loading capacity available in the entire area is designated for the storage of the goods and so that in this cargo space there are no other goods, packages or other things that would restrict the use of the loading area. In case of failure to comply with this commitment the client, or the sender, shall be entitled to refuse the loading of goods onto such a road vehicle, excluding any claims for reimbursement of the costs the contractor incurred.
9. The carrier is bound to note in writing the license plate of the road vehicle, especially the annexes of the TO, for further information about the driver, number of the vehicle, the time window of their choice for the purpose of allowing the entrance to the loading, and this in advance according to the established TOS, in agreement with the FATG, and according to the content of the TO and the annexes to the TO.
10. The carrier also agrees to respect the regime of use of the designated areas for parking the road vehicles before loading and unloading for individual senders, or recipients, and limit the parking time to a minimum during the day of loading or unloading according to the data in the TO. In some cases, it is also obligatory that parking areas will be used only for short-term stopping of a road vehicle to pick up the necessary forwarding documents.
11. The carrier will ensure that the driver of the road vehicle will report on the loading site with the name of the client. At the place of the unloading, s/he will then report with the name of the client or according to the instructions provided in the TO.
12. The carrier is aware that that the movement of vehicles in place where the goods will be loaded or unloaded shall be governed by internal guidelines and regulations on the basic principles of health and safety, which the driver of the road vehicle receives before entering the relevant premises or will be part of the TO.
13. The carrier ensures that a particular road vehicle driver will be acquainted with the character of the transported goods and type of transport, the person will know the conditions and customs of the relevant transport field, that s/he will be equipped with the necessary data for loading goods (relevant loading code, loading place and unloading place).
14. When loading and unloading goods at the appropriate place according to the TO, the road vehicle driver is obliged to observe all of the instructions from the client, sender and recipient of the goods, if these guidelines are in accordance with the TO. Should the conduct of the road vehicle driver be in conflict with the bestowed instructions, the client reserves the right to impose a sanction order to immediately halt the loading of the goods onto the road vehicle or unloading of goods from the road vehicle, to the subsequent disposition with the road vehicle and loading respectively unloading of the goods according to other instructions of the client. This order for the immediate suspension of loading or unloading of the goods leads to cancellation of the TO under which the shipment was started. In this case, the carrier is not entitled to payment of the agreed transportation price and shall bear all costs associated with the cancelled shipment. Unless otherwise agreed, the carrier bears a penalty in the amount of the freight cost. This arrangement does not affect any possible damage to the goods.
15. The carrier answers for the proper loading of the shipment and its mounting in the road vehicle in accordance with relevant regulations and standards, applicable in the territory of the country in which the goods are transported. Before the start of the transport the transport driver will:
- 15.1. check the apparent condition of the goods and their packaging, including the accuracy of the CMR waybill, in some cases the inventory report about the number of pieces and their symbols and numbers,
  - 15.2. check the loading, including placing the shipment on the road vehicle loading area keeping in mind the requirements of proper shipment delivery within the foreseeable transport risks,
  - 15.3. the road vehicle driver will be present during the entire loading and storage onto the road vehicle and will instruct the person conducting the loading of proper shipment storage,
  - 15.4. the goods will be properly fastened and anchored on the road vehicle loading area to prevent shifting and other road transport hazards,
  - 15.5. If loading diagrams (loading instructions) are at the loading place, then these are the sender's recommended steps for the shipment.
16. Should the driver find any deficiencies in accordance with point 15 of this TOS article, he must notify the sender about specific deficiencies and record them in the CMR waybill or the list of loading as a justified reservation about the accuracy of data in the loading document such as the number of packages, their marks and numbers, concerns



about the apparent condition of the goods and their packaging, including a justified reservation about improper storage of the shipment, and it is necessary to place this reservation into the original document intended for the sender together with a copy of the reservations on the waybill or loading sheet. If the driver started a transport but did not notify the sender about the deficiencies and did not write a justified reservation as defined above the supplier is liable for all damages incurred during the transport or related to it.

17. The carrier is obligated to make sure that every driver of a road vehicle (or other crew member) stationed at a loading or unloading dock is dressed in proper working attire (long pants, shirts, if case may be, work blouse) and strong work shoes, furthermore, at the loading site the workers have to wear protective helmets, gloves and warning (reflective) vests, since the places of loading and unloading and the nature of the goods provide an apparent possibility of injury and these protective devices are generally required, and the carrier is made aware of the use of protective equipment in the TO. A breach of this obligation is a reason to ban the entrance (exit) of a road vehicle to the place of loading or unloading, for which the client, the sender and the recipient of goods is authorized, and optionally to grant the order for immediate suspension of loading and unloading of a road vehicle. In this case, it is considered that the carrier failed to fulfil its obligation for the proper delivery of a road vehicle or for loading and unloading. For the breach of health protection and violation of the prohibition of alcoholic beverages and drugs a specific person or for repeated violations the carrier can be banned from the area of loading and unloading.

18. The carrier is also obliged to ensure that the road vehicle with the goods is not parked without security supervision, that the cabin and cargo space are properly closed and locked even in a situation where the driver is inside during a mandatory or other break (rest, waiting for clearance at the border, essential vehicle repair, etc.) If the driver leaves the vehicle and does not provide supervision, parking is only allowed at guarded parking lots.

19. The carrier is obligated to uphold the legislation on the safety of transporting and storing goods on a road vehicle and is also obligated to have the technical means to secure goods during transport (sufficient number of harnesses, slip pads, etc.), all in accordance with the requirements under the legislation of the country in whose territory the goods are being transported.

20. In the event that the client will require in the purchase order that the transport is secured with a road vehicle which has an environmental qualification of EUR 4, if necessary, EUR 5, the carrier must demonstrate in a relevant way that the vehicle has this qualification.

21. In the case of combined unloading of shipments of goods destined to multiple recipients, the driver road vehicle shall ensure that the goods are unloaded according to specified order of the recipients ; if this order is not specified, the driver is obligated to ensure the goods will be unloaded for the specified recipient. In the case of interchangeable shipments the road vehicle driver will ask for more information regarding the shipments, such as their markings, during the loading to avoid swapping shipments.

22. Compliance with legal minimum wage The carrier undertakes to comply with the applicable legal minimum wage provisions, i.e. to pay to its employees the applicable legal minimum wage at least. The carrier also undertakes to commit his subcontractors and used temporary work agencies to pay their employees the statutory minimum wage at least. The carrier will be liable towards the client for any violation of the legal provisions, in particular the statutory minimum wage provisions, by the carrier or by the subcontractors or temporary work agencies. The carrier shall defend, indemnify, release and hold harmless the client from and against any loss, damage, injury, liability, demands and claims, and pay any settlements and judgments against the client, arising out of the violation of the legal provisions by the carrier or by its subcontractors or temporary work agencies.

## IV. The client rights and obligations

1. The client is obligated to provide the carrier with the correct information regarding the contents and nature of the shipment as well as other facts necessary to conclude the contract, and is responsible for the damages caused to the provider in breaching this obligation.

2. Any changes to the instructions pertaining to the transport shipment terms must be made in accordance with article 12 of the CMR Convention, and this includes oral instruction (telephone), which then have to be confirmed in writing on the following working day.

3. At any time during the duration of the contractual relationship according to the FATG and the TO the client is entitled to check the duty of the carrier, including check ups of the handling areas of the carrier in order to verify that



the carrier fulfilled the shipment handling conditions. The details of the handling area checks will be additionally negotiated for each individual case between the contracted parties.

4. The contracted parties have agreed that the carrier is not entitled to assign claims on behalf of the client to third parties.

5. If any claim should arise by the client with respect to the carrier the client is entitled to include this debt into the outstanding bill of the carrier for the client.

## V. Sanction Provisions

1. In the case that the client cancels the confirmed TO at the time the applicable road vehicle is ready for the goods to be loaded, ie. after a notification (registration) of the entry of the road vehicle to the loading area. The carrier proves his claim by submitting a confirmation issued by the loading sender from the loading area; the date, time of entry and exit, and reason for not loading the vehicle must be stated.

2. If the delivery time of the road vehicles to the loading area (in all shipments, including the transportation mode JIT) was exceeded the client is entitled to charge the carrier a penalty of EUR 50, - EUR / road vehicle / day.

3. The client is entitled to charge a contractual penalty of EUR 200, - EUR / road vehicle / day during the implementation of a transport in the JIT mode should the deadline for unloading the goods be exceeded by the carrier. If the road vehicle is delivered on the day that was required for unloading the goods, but after the operating time of the receiver of the goods, this is considered a delay of the road vehicle to unload the goods, where the client has the right to bill the agreed upon contractual fine; the delivery of a road vehicle after this operating time until the end of the calendar day of the vehicle delivery is considered the first day of delay.

4. If the restriction of the delivery claim is violated under Section 4 Article IV of these terms a contractual penalty has been agreed upon in the amount equivalent to 60% of the nominal value of the claim delivered without the consent of the customer.

5. In case of a delay in meeting financial obligations under this agreement the Parties have agreed to a default interest of 5% p.m.

6. All contractual penalties, as well as interest on late payments in the agreed amount is payable within 15 days after receipt of a written bill to the appropriate authorized party liable for their payment.

7. Except for arrangements for the contractual penalty under section 2 Article V. TOS, no agreement of other contractual penalties affect the right to compensation for damages caused by one of the parties' breach of contractual obligations to the other party.

8. If it comes to any assertion of a claim from the shipment recipient, relating to the duties of the carrier during the fulfilment of the contractual obligations and statutory obligations relating to the conduct of the execution of the activities of the forwarder, the client has the right to suspend the payment of the carrier's invoices up to the anticipated damage, and until a comprehensive settlement of the claim is reached. Payment will be withheld in the case that the carrier does not deliver in the 7 days from reporting the damage to their insurer the number of the occurrence of loss which shows the initiation of the investigation of the incurred damage to the insurer.

## VI. Force Majeure

1. If during the contractual relationship between the client and the carrier there will be events that at the time of creation could not have been predicted and which cause a partial or complete barrier to one of the parties to fulfil their contractual obligations, in particular to the circumstances of force majeure, the contracted parties are bound without unnecessary delay to inform each other about the events and discuss further action. Circumstances of force majeure are events that cannot be averted even if the relevant party exerted as much effort as can be requested, such as strike, war, other unrest, trade, monetary, political or other measures by the authorities, as well as natural events such as fire, flood, earthquake, etc.

2. If the obstruction due to force majeure acts for a period of time not exceeding 30 calendar days, the Parties are obliged to fulfil their obligations under the contract, once the effects of force majeure have passed, and the delivery and all other deadlines are moved for the period of the force majeure. If the obstruction due to force majeure, during





the duration of the FATG or TO, lasts longer than 30 calendar days, each of the contracted parties has the right to withdraw from this contract.

3. Responsibility of the contracted parties for the partial or complete failure to meet contractual obligations is also excluded if it happened in consequence of a decision or instruction of the state authority, which prevents any of the parties to meet obligations arising from the FATG or TO. The parties are obliged to immediately inform each other of this fact and such fact is a sufficient reason to withdraw from the FATG.

4. Withdrawal from the FATG or TO for reasons of force majeure, shall be delivered in writing to the remaining parties and is effective the day it is delivered to the last contracted party and no contracted party will, with regard to remaining contracted parties, apply property or any other penalty or compensation of damages incurred for failure to comply with obligations under this contract.

## VII. Other provisions

1. In the event that circumstances occur with the carrier as a debtor that would indicate a state of imminent bankruptcy or bankruptcy in accordance with Act No.182/2006 Coll. as amended, ie. the Act on Bankruptcy and Settlement (Insolvency Act) or if the carrier as a debtor or other person files an insolvency petition, the carrier undertakes to immediately inform the client of these facts. In this case the client is entitled to withdraw from the FATG or TO at his/her own discretion.

## VIII. Final provisions

1. Any disputes that may arise from and in connection with the Framework agreement will be primarily dealt with mutual consent and in an amicable manner.

2. If the contracted parties cannot come to an agreement with an amicable resolution to the dispute there are applicable courts according to subject matter and location under the Act No. 99/1963 Coll. as amended - Civil Procedure Code for hearings of the arising disputes.