

GENERAL CONDITIONS OF SIA POLIPAKS FOR COOPERATION WITH CARRIERS

TERMS USED

Customer - SIA Polipaks, registration No 40003283415, legal address: Malkalni, Vetras, Marupe reg., LV-2167, Latvia.

Consignor — a person, who delivers the Freight to the Carrier at the Loading place.

Carrier — a person, who undertakes to perform the shipment towards the Customer.

Consignee – a person, to whom the Freight has been addressed, to whom the Freight is to be delivered at the Delivery place and who is specified in the Freight forwarding documents.

International shipment — shipment, during the performance of which it is necessary to cross the state border of Latvia.

Domestic shipment – shipment within the territory of the Republic of Latvia, without crossing the state border of Latvia.

Contact information – legal address, postal address, electronic mail address, telephone and fax.

Load unit - a transportation container, trailer, transportable tank, pallet or any other item, which is used in order to combine the Freight and any additional device or item added to it.

Freight – a body of Load units, which shall be accepted at the Loading place on the assignment of the Customer and shall be delivered to the Consignee at the Delivery place.

Freight forwarding – a body of activities (process), as a result of which the Freight is delivered from the Loading place to the Delivery place.

Transportation time – period of time between the loading of the Freight until the moment, when the Freight is delivered to the Consignee.

Loading place – address, where the Consignor or authorised persons thereof load the Freight or a part of it to the vehicle of the Carrier.

Loading date – a day, when the Consignor or third persons have planned to load the Freight to the vehicle of the Carrier.

Delivery place – address of the Customer specified in accompanying documents of the Freight, where the Carrier delivered the Freight to the Consignee. If the Customer is the Consignee, than delivery place must be the same as in the Transportation Order.

Delivery date – a day, when the Freight shall be delivered to the Delivery place.

1. These General conditions of SIA Polipaks for cooperation with carriers (hereinafter referred to as - the Conditions), shall determine the procedure pursuant to which the Customer shall order and the Carrier shall perform the international or domestic freight forwarding for the agreed compensation. The Customer can act as Consignor or Consignee.

2. The Carrier shall undertake to perform Freight forwarding in accordance with these Conditions, unless the mutually concluded agreement or Transportation Order executed in writing in a proper manner determines another procedure for performance of shipments.

3. The Customer shall undertake to pay to the Carrier the agreed compensation for the performed Freight forwarding in accordance with the procedure set in the Conditions.

4. Freight forwarding services shall be performed in accordance with the regulatory enactments effective in the Republic of Latvia and internationally. The civil relations between the Customer and the Carrier shall be governed on the basis of the Commercial Law, the Civil Law of the Republic of Latvia and other effective regulatory enactments, applicable to the relevant type of transportation.

5. International legal provisions, subject to the international freight forwarding, shall be complied with during the freight forwarding within the territory of other countries.

6. The Carrier, upon using its own transport or transport of subcontractors, shall undertake to ensure shipment of Freights and delivery to the Consignee at the Delivery place.

7. The Customer and the Carrier shall have an obligation to provide information to each other that is necessary for successful implementation of the Freight forwarding during the whole period of Freight forwarding.

8. The Carrier may perform Transportation Orders by itself or through any third persons. If the Carrier attracts any third persons for performance of Transportation Orders, the Carrier shall bear full responsibility for placing the Transportation Order and liabilities undertaken under it.

9. The Transportation Order, made by the Customer, when filling i the Transportation Order form and sending it to the Carrier to the electronic mail or by preparing the order in the electronic order booking system of the Booking ("Electronic Booking System") shall serve as a basis for transportation of the Freight, if the Customer agreed with such use.

10. The Carrier shall have an obligation to notify the Customer about the acceptance of the Transportation Order by signing it and sending to the Customer to the electronic mail address not later than until the end of the relevant working day.

11. The Transportation Order signed by the Carrier and received at the electronic address of the Customer or the Transportation Order registered in the Electronic Booking System shall be considered as properly concluded; the document sent to the electronic mail address or printed out from the Electronic Reservation System shall have the legal power of the original document. The Parties consider that any activities (including, but not limited to modification, cancellation, supplementation of Transportation Orders etc.), performed by the Customer in the Electronic Booking System, are properly made for the purpose of these Conditions.

12. If the Transportation Order is prepared in the Electronic Booking System, the Carrier shall ensure that the information required for preparation of the order is properly protected and that protection against authorized access, making of supplementations and/or changes, destruction of entries or any part thereof shall be ensured for the documents created in the system. The Customer shall not have any obligation to make print-outs from the Electronic Booking System, in order to prove making of orders, approval, performance or any other activities. The Carrier shall bear full responsibility for compliance with this Paragraph, as well as consequences, which may arise in case of failure to perform this obligation, including for any losses that may arise to the Customer. In case of any interruptions established in the Electronic Booking System, any doubts, uncertainties or lack of information shall be interpreted in favour of the Customer.

13. The following information shall be specified in the Transportation Order: The Customer, Consignor, Export customs, loading place and date, information about the Freight - description thereof, quantity and content, weight, preferred delivery date, the Consignee, Import customs, Delivery place, Carrier, Special transportation conditions, additional conditions, compensation for transportation as well as any other conditions.

14. The Customer shall be entitled to make changes in the Transportation Order made, informing the Carrier on that without delay. The Carrier shall be entitled to promptly express its objections to the Customer regarding the changes made in the Transportation Order. Should the Carrier not raise any objections immediately, it is to be concluded that it has agreed with the changes made in the Transportation Order by the Customer.

15. Upon signing the Transportation Order, the Carrier confirms that the conditions specified therein are clearly readable, clear and it shall undertake the fulfilment thereof in full.

16. The Carrier shall be entitled to perform the freight forwarding only with a vehicle having effective carrier's or freight forwarder's third-party liability insurance policy during the whole period of execution of the freight forwarding. The Carrier shall have an obligation to present a copy of the above-mentioned insurance policy to the Customer, should the Customer request it.

17. The Carrier shall ensure placing of a vehicle in the Loading place at the time, which is specified in the Transportation Order. Should the Carrier delay the acceptance of the Freight for shipment, the Customer shall be entitled to request from the Carrier for a fine in the amount of EUR 250 (two hundred and fifty euros). Payment of the fine shall not exempt the Carrier from the obligation to execute the shipment within the time specified in the Transportation Order or in the case of delay to cover losses caused to the Customer.

18. Prior to commencement of the shipment the Carrier shall verify the compliance of the packaging of the Freight for shipment, as well as documentation delivered at its disposal for complete and timely performance of the shipment, but in the case of shortages the Carrier shall have an obligation to inform

the Consignor.

19. The Carrier shall have an obligation to ensure precise and clearly readable (with transcribed names/surnames of persons) execution of accompanying documents of the Freight, as well as to verify whether the volume of the Freight corresponds to the volume specified in the accompanying documents and Transportation Order of the Freight and that there are no visual damages and nonconformity of the Freight. In the case of established damages and/or shortfall the Carrier shall have an obligation to promptly inform the Consignor and make relevant remarks in the accompanying documents of the Freight. The Carrier shall have an obligation to make sure that in case of need after loading of the Freight the vehicle is sealed and the correct seal number is specified in the accompanying documents of the Freight. Should any changes or discrepancies be established, the Carrier shall have an obligation to inform the Consignor before commencement of the shipment.

20. The Carrier shall have an obligation to request the Consignor to eliminate shortages, arising due to incorrect loading and fixing or reloading of the Freight, which may endanger the preservation of the Freight.

21. The Carrier shall undertake to provide information regarding the course of execution of the transportation of the Freight, pursuant to the request of the Customer. The Carrier shall have an obligation to promptly inform the Customer on any obstacles with regard to execution of the Transportation Order, including about the fact that the Freight or Load unit is damaged during the transportation or the Consignee of the Freight fails to accept the damaged Freight.

22. When delivering the Freight, the Carrier shall verify Consignee's name of the Freight, address thereof and shall deliver the Freight to the Consignee by signing the accompanying document of the Freight. The Carrier shall be entitled to deliver the Freight only to the authorising person of the consignee specified in the Transportation Order by verifying the identity thereof.

23. The vehicle, by which the Freight forwarding is performed, shall be in perfect technical order with a qualified driver of the vehicle. The driver of the vehicle shall be clean, tidy and polite. The Carrier shall have all necessary permits and other documents for valuable use of its vehicle for Freight forwarding.

24. The Carrier shall ensure that the Freight is transported in vehicles corresponding with the hygiene requirements, determined in regulatory enactments (freight compartments are clean, without specific, hot smells, there are no dangerous, chemical substances or products available therein, which may affect the safety of the freight to be transported, including to worsen the organoleptic features or cause physical or chemical pollution). If the Consignor or the Consignee establish that the vehicle is not corresponding with the hygiene requirements, determined in regulatory enactments, the Consignor or the Consignee shall inform the Carrier about that without delay and shall require movement of the vehicle. The assessment of the Consignor or the Consignee about compliance with hygiene requirements determined in regulatory enactments shall not be subject to dispute and the Carrier shall undertake not to raise any complaints about that.

25. The Carrier shall undertake to carefully treat the Freight during the freight forwarding, to protect it and maintain in complete order, as well as not to leave the Freight without attendance and not to permit access of third parties to the Freight, except the cases determined in regulatory enactments.

26. During shipment of the Freight the Carrier shall not be entitled to use the Freight delivered for storage to it, deliver it for use to other persons, to pledge, sell, hold or otherwise encumber it.

27. The Carrier shall undertake, while fulfilling liabilities, to comply with road traffic rules, instructions of the officials of police and other public authorities.

28. The Carrier shall have a duty to comply with the route, should the Customer specify it in the Transportation Order.

29. The Carrier shall be entitled to perform reloading of Freight during shipment. The Carrier shall not be entitled to change, damage, open or repackage the Load units. In case of Freight reloading it is necessary to follow the Consignor's directions and warning signs on packaging and labels of Load units.

30. The Carrier shall undertake to pay all fees, taxes, road fees and other payments with regard to the shipment, which are necessary for the execution of the Transportation Order. The above-mentioned payments shall be included in the compensation for Freight forwarding.

31. The Carrier may electronically issue the invoice on the compensation for Freight forwarding by sending to the e-mail: [log_dep2@polipaks.com].

32. The Customer shall pay for the Freight forwarding within 30 days afterwards, when the Carrier

has submitted the invoice for Freight forwarding and has submitted a properly completed transportation delivery note with the approval of the Consignee of the Freight on receipt of the Freight (including with Delivery date and signature), as well as other documents, the submission of which is determined in the Transportation Order. If the Customer is the Consignor and if the transportation delivery note (CMR) is prepared on the form, then the Carrier shall submit to the Customer original form of the transportation delivery note within 15 days after completion of the transportation. If the Carrier delays submission of the original form of the transportation delivery note to the Customer or fails to submit it at all, the Customer shall be entitled to postpone payment for the Freight forwarding until the day of receipt of the documents referred to in this Paragraph or to apply a contractual penalty to the Carrier in the amount of EUR 50. Application of the contractual penalty shall not exempt the Carrier from the obligation to submit the original form of the transportation delivery note.

33. The Carrier shall issue all invoices for the Transportation services performed during the calendar month until the end of the current month.

34. Any disagreements with regard to the amount of the invoice or other objections shall not give the rights to the Carrier to suspend the Freight or delay delivery of the Freight.

35. The Carrier shall undertake and pay all payments for bank services, fees and other payments with regard to making of payment.

36. The Carrier shall bear material responsibility for full or partial loss of the Freight, shortfall, damage or harm, loss of accompanying documents from the moment of receipt of the Freight until delivery to the Consignee.

37. The Customer shall be responsible for timely and full payment of the agreed compensation to the Carrier.

38. Non-compliance with the procedure for fulfilment of certain liabilities shall be deemed as bad faith or gross negligence.

39. The Carrier shall have an obligation to perform all necessary measures in order to preserve confidentiality of the Commercial secret of the Consignor, the Consignee and the Customer, as well as to protect data and information from unauthorised access and unauthorised processing. The Customer shall be entitled to keep, collect and publish the name of the Carrier and specifics and volume of freights shipped by it for the marketing purposes.

40. Any information with regard to activity of the Consignor, the Consignee and/or the Customer and execution of the Freight forwarding, except for the one, which is not to be considered as such in accordance with the laws and other regulatory enactments effective in the Republic of Latvia, shall be considered as a commercial secret. All information related to the current, former and potential investors, partners, representatives, suppliers, customers of the Consignor, the Consignee and/or the Customer and other involved parties, legal, financial or other kind of information, contracts, terms and conditions of contracts, circumstances of possible negotiations, transactions, intentions, plans, strategies, property, fulfilled or non-fulfilled obligations, reports and investigations, marketing and management issues, service and product process, pricing structure, methods of provision of services and other activities, as well as all and any information about the Freight forwarding shall be confidential and it shall not be disclosed to third parties, without a written consent of the Consignor, the Consignee and/or the Customer, except the cases determined by legal acts of the Republic of Latvia to disclose it to the state and law enforcement authorities.

41. Force majeure circumstances and consequences of effect thereof, if such circumstances have directly affected the fulfilment of obligations or liabilities, shall serve as a ground for delay of the term of fulfilment of liabilities. Such circumstances shall include: weather conditions, due to which it is not possible to use the required route, natural disasters, flood, fire, earthquakes, strikes, mass rebellions, orders of executive bodies and activities of governmental authorities, armed conflicts, war activities and pandemics. Should any of force majeure circumstances have directly delayed fulfilment of liabilities within the time period specified in the Transportation Order, such a time period shall be accordingly prolonged for a period of time, for how long the effect of force majeure circumstances have existed. The Party referring to force majeure circumstances shall prove the impact of force majeure circumstances on fulfilment of liabilities.

42. The Customer shall undertake to perform everything possible as much as possible in order to eliminate the adverse effect of force majeure circumstances. The Carrier shall have an obligation to make maximum possible efforts in order to eliminate the adverse effect of the force majeure circumstances.

43. All disputes, disagreements and complaints arising during execution of the Freight forwarding shall be settled by mutual negotiations, undertaking to mutually make every effort for settlement of disputes.

44. Any dispute, disagreement or claim arising from Freight forwarding or these Conditions, being related to it or breach, termination or invalidity thereof shall be finally settled in the court of general jurisdiction, in accordance with regulatory enactments of the Republic of Latvia.

45. Unless the Transportation Order determines otherwise, the written correspondence shall be sent via registered mail to the legal address of the Parties. Correspondence (submissions, notifications, warnings) shall be deemed as received (served) on the seventh day once it has been delivered to the postal merchant.

46. The Carrier shall store all documents in relation to such forwarding for at least 5 years, unless the regulatory enactments determine the longer period of storage. The Carrier shall deliver to the Customer the following documents or certified copies of such documents pursuant to the first request of the Customer.

47. The Carrier shall have an obligation to promptly, however not later than within five working days, inform the Customer, should the name, address, other details, representatives or contact information of the Carrier change.

48. These Conditions shall become an integral part of the Transportation Order.