

SPECIAL CONDITIONS OF CONDUCTING LTL LINE GROUPAGE TRANSPORT



Preambles and definitions

Special Conditions of Conducting LTL – Line Groupage Transport are applied to all activities that TKA company does in the bounds of the authorization emerging from the Contract, Client's order, when the Client wishes to optimize costs of transport, and have a reliable scheduled delivery of the shipment. LTL stands for collecting small shipments into bigger ones.

TKA is organizer of LTL – groupage transport of items with means of transportation, on public roads, through regularly planned driving schedule.

Contracting parties agree on accepting Special Conditions of Conducting LTL Line Groupage Transport if the TKA company has presented to the Client that TKA conducts business based on it.

The Client can be any legal entity or an individual on who's request and in who's name TKA conducts any kind of activity or provides any kind of service.

By giving the Transport Order Client confirms that they have been informed about all the details from Special Conditions of Conducting LTL Line Groupage Transport and that they completely agree with them.

Sending the order, the Client is responsible for the completeness and accuracy of all the details which are in the Transport Order.

Applicability of Special Conditions of Conducting LTL – Line Groupage Transport does not exclude the applicability of TKA General Terms of Conducting Business which will be applied to all situations which are not covered by Special Conditions of Conducting LTL – Line Groupage Transport.

Article 1.

TKA as an organizer of LTL transport offers following services:

- Collecting the shipment from the sender by appropriate vehicle
- Transporting the shipment to the freight HUB
- Storing the shipment into temporary freight HUB
- Consolidating the shipment in accordance with delivery place
- Loading the shipment into the transporting vehicle
- Delivering the shipment to the receiver
- Unloading the shipment to the receiver

Additional special services for international LTL transport:

- Import/Export services
- Creating transit documents
- Creating origin of the goods certificates
- Usage of bank guarantee

The parameters taken into account for considering the inquiry to be the LTL transport are:

- Max. 10 euro pallets
- Up to 4.4 ldm
- Max. 5.5 t

Transport Order represents the Client's agreement with TKA's offer which contains:

- Date and location of issuing
- Name and the address of the sender
- Name and the address of the receiver
- Name of the shipment being transported
- Number of collets, pallets
- Dimensions
- Type of packaging (standard pallets 120x80 cm, bundle, container or other type of packaging, it is necessary to note the dimensions)
- Gross weight of the shipment
- Value of the shipment (it is necessary for calculating customs during import of the goods)
- Additional expenses coming from the import/export customs procedures
- List of documents following the packaging list
- Planned date for the unloading of the shipment

Article 2.

All the expenses which are not covered by TKA's offer will be additionally covered and paid to TKA.

The offer is valid only for the period described in the offer.

Transport Order given orally via phone conversation Client must confirm in written form before the moment of collecting the shipment.

At the moment of taking the shipment the Client is obliged to provide accurate and complete documentation, packing list with all the necessary information about the goods as for the national groupage so for the international LTL transport.

The Client is obliged to clearly and on a visible place marks the shipment with all necessary details:

- Sender
- Receiver
- Present a copy which follows the shipment in accordance with Transport Order for:

Documents for national line groupage transport:

- Bill of lading in 3 copies for:
 - a. Sender
 - b. Receiver
 - c. Transporter (copy following the goods)
- Other documents in accordance with the type of shipment

Documents for international LTL line transport:

- CMR – standard CMR waybill
- JCI
- EX
- Invoice
- Bordero – document used in transport of partial shipments which contains data about all the shipments in the vehicle
- Other documents in accordance with the characteristics of the shipment and international laws

The Client is responsible for completeness and accuracy of the transport documentation which has to be in accordance with the given Transport Order.

On the TKA's demand the Client has the obligation to amend or add information in the case of incomplete Transport Order.

The Client is obliged to provide all necessary licenses or shipment's certificates in order to provide unobstructed transport.

For all the consequences created by faulty documentation or uncomplete information in the bill of lading Client will be held responsible. TKA does not have the obligation to check the correctness of the documents following the shipment except the number of pallets, collets, markings, the physical appearance of the shipment and packaging and in case of any remarks they will be noted and written down into national bill of lading or CMR.

The Client will be responsible for all expenses or financial losses made by the postponing the loading of the goods which after written demand will be compensated to TKA.

The Client is obliged to compensate transport expenses in the case of loading the bigger quantity of goods than stated on the Transport Order.

The Client is obliged to compensate all costs created by law or any other changes made by authorities.

Before the realization of business activity, the Client is obliged to inform TKA about their Rules of Procedure, Rules of Conduct Code and other general acts which's unfulfilling can trigger the money penalty or some other misdemeanor procedure to TKA.

Article 3.

The Client will be held responsible for all the consequences created from changing the order during the process of transport.

The Client has the responsibility to note in the Transport Order which means of securing the load the transporter needs to possess during the loading of the shipment in order to avoid damages during the transport.

The Client has the obligation to organize the loading without bigger delays and waiting time in order for TKA to fulfill planned daily line transport. On the contrary, the Client is responsible and is obliged to cover all the expenses for the services provided out of agreed schedule.

Time of loading LTL shipments is up to 30 minutes, every consequent 15 minutes started will be invoiced with 750,00 RSD + VAT. The time of loading incorporates the time necessary for filling in national bill of loading/CMR and providing the rest and additional documents.

The Client organizes the loading of the shipment and is responsible for the damage created during the loading.

Giving multiple instructions is not allowed. When the Client provides unloading address the Receiver does not have the right to demand any other different unloading location. If it happens to be that the different unloading place must be used the Client has the responsibility to guarantee for the additional expenses and to cover them up.

The Receiver of the shipment is responsible for unobstructed unloading and has to comply with TKA's instructions regarding the safety of the shipment, vehicle and work force. Every damage created during the unloading will be the responsibility of the Client.

The Client needs to inform TKA if the driver is not allowed to attend the loading. The driver has to note this fact in the bill of loading and have the confirmation for the same by the signature of a representative from the loading place. In this case, for any potential discrepancies TKA will not be held responsible.

The Client will be responsible for all the consequences and expenses if the shipment has been loaded with pallet exchange and the exchange of pallets was not announced in the Transport Order with TKA having the obligation to inform the Client of the change.

The Client is responsible for accuracy and validity of the signed documents

Article 4.

The Client is responsible for safely and accordingly packing the shipment in order to avoid causing damage or injury, or the likelihood of damage or injury to any person or property or any other shipment.

The Client has the obligation to print on the very packaging the notes regarding careful handling with the goods or to stick the instruction additionally on the packaging (flammable, breakable, to be protected from moisture, hazardous materials). The Client is obliged to inform the TKA about

transporting of hazardous substances before TKA collects such a shipment. In this case the Client needs to provide:

- Substance name
- Total quantity of hazardous goods, size and number of pieces of the packaging
- Hazardous goods classification, and any other relevant info in accordance with transport of ADR goods

The Client will on its own expense ensure the shipment of hazardous goods from all the risks (including other parties involved in the transport risks).

Preparing the shipment for loading includes shipments packaging with its own minimal weight, accordingly tightened, which enables quick and easy manipulation of the goods by fork lifter or with the hand stacker (loading, reloading, unloading), better usage of transport and warehousing space, usage of appropriate packaging which does not have any influence on the costs of transport.

For physical protection from external influences during transport and storing of the goods use appropriate packaging.

The good packaging quality is of key importance for protecting the shipment during transport. Protecting the shipment by adequately closing it guarantees safe arrival to the Receiver. In accordance with this it is for example necessary to use the following tapes sensitive to pressure:

- Polypropylene tapes (brown plastic tapes and not paper tapes)
- Vinyl tapes (duck tapes) and not cellophane tapes
- Paper tapes enforced with fibers (duck tapes) not ropes
- Stretch foil
- Styrofoam and other means for securing the packaging

The shipment needs to be packed according to its nature, markings, transport route necessities, transporting vehicle. Every shipment needs to be packed and sealed in accordance with its mass, shape, type of the goods, declared value and according to the type and length of transport, contrary the Client is responsible for generated damage.

Outer dimensions of the shipment must be in accordance with the ones provided through the Transport Order. The Client is responsible for any damage to people, equipment or other goods generated by inadequate packaging.

When the subject of the shipment are the goods of high value, securities, exhibition goods, goods prone to self-igniting, freezing, defrosting, shipment which requires additional insurance, which contains extra risks (war zones, strikes), Client makes a decision about extra insurance and the Client bears all the responsibility for it.

Article 5.

If in the case TKA becomes unavailable to use its vehicle the Client is obliged to cover the fee of demurrage in accordance with TKA General Terms of Conducting Business (the demurrage per day in domestic line transport is 30.000,00 RSD).

The contracting parties agree the price of transport based on TKA price list taking into consideration all the expenses and services which TKA offers to the Client, length of the shipment, length of the transport route (loading place mentioned in the Transport Order, TKA Logistics center in Velika Plana, unloading place mentioned in the Transport Order).

For the shipments of non-standard dimensions, the price is set on the basis of the biggest value (weight, length meters or volume) of the shipment.

TKA has the right to increase the expenses for covering the costs of any other extra insurance, also for the created extra costs, costs for waiting time which are determined by the Contract respecting the TKA pricelist.

Payment terms for the finalized service of transport and all transport fees created through the process of transport the Client is obliged to settle 30 days after the moment of delivery.

All payments are conducted without VAT.

TKA reserves the right to change or add expenses at any time.

If the Client does not settle the invoice in agreed time, legal interest will be added to the agreed sum.

Invoice complaint deadline is 3 days from the day of the receiving the invoice. If only a part of invoice is objected the Client is obliged to settle the unobjected part of the invoice in the agreed deadline.

By giving the Transport Order for international transport Client also gives permission for customs representation.

The Client is obliged to settle customs bill in the period of 8 days from the moment of issuing the customs bill.

TKA is not responsible if the data does not agree with real condition. The Client is obliged to compensate all the damage incurred because of it.

TKA is responsible for the declaration being filled in accurately.

For the service of customs representation TKA is paid by the Client according to TKA actual price list.

If need be, TKA collects and delivers the samples of the goods to the Official Inspections the costs of which are covered by the Client.

Customs representation order does not commit TKA to settle customs bill in the name of the Client.

TKA is obliged to use technically sound and registered vehicles in accordance with the Road Traffic Safety Law.

If in the Transport Order the type of vehicle is not explicitly asked for it will be considered that the choice is left to TKA and TKA is obliged to secure the suitable vehicle for the mentioned transport.

Article 6.

TKA is obliged to provide safe and efficient transport in all its areas and to comply with regulations which define technical characteristics of used vehicles during transport:

- Vehicle dimensions
- Gross weight
- Maximum axle weight rate
- Clean loading area
- Tightly covered loading area in order to prevent entrance of atmospheric precipitation into it.

TKA is responsible for the deadline of the delivery if and only if TKA specifically obliged to do so in the Transport Offer.

TKA is responsible to finalize the transport from loading to unloading place on most efficient way. The driver has the possibility to digress from dedicated transport route and make a decision based on current situation (traffic, accidents, road works). As a result, TKA will not be held responsible for digressing from the standard route except if this digressing is unjustified, unreasonable and can cause damaging the goods.

TKA decides road freight directions. In such cases TKA needs to protect the interests of the Client.

TKA is responsible for the driver's activities, for his/her work ethics and attitude towards working environment during the loading, road freight and unloading.

TKA is obliged to implement and apply Work Health and Safety Regulations.

TKA employs professionally trained workers who are informed about Code of Conduct at the loading and unloading place of the Client if it is provided by the Client.

TKA is responsible for the drivers not to roam through the loading/unloading zone outside the instructions noted in the Transport Order.

Article 7.

TKA is responsible for material and non-material damage caused by the driver's behavior, as for the damage created as a physical loss or a damage to the shipment during transport in case that before realization of the transport the shipment was adequately packed and protected

TKA is responsible for material and non-material damage caused by not adhering to Road Traffic Safety Regulations.

TKA is obliged to, if in possession of all necessary info from the Client, before starting contracted transport realization announce designated vehicle plate number and driver's personal information (first and last name, ID card or passport card number), insurance policy and valid CMR insurance

TKA is obliged to send all changes regarding the designated vehicle in written form at least 2 hours before loading.

TKA is obliged to check the accuracy of information in the bill of loading, visually examine the exterior of the shipment and packaging.

TKA is obliged to inform the Client to the inadequate packaging of the shipment.

TKA is not responsible for:

- content of the improperly packed shipments
- shipments which are half-open
- content of the shipments which are properly packed and delivered to the Receiver in clearly undamaged condition
- shipments which are in any way damaged or lost as a result of Client's oversights or one of his employees or third parties outside of TKA's control there including the Receiver and its employees.

The responsibility of TKA for loss or damage to the shipment will be limited only to the damage to the exterior packaging.

Basically, the delivery of the shipment contains handing over the things, documents and Receivers activities connected with receiving the documents. Examination and checking of the shipment are confirmed in written form. The transporter is not liable for wastage in transit or for the usual tolerances in the scales. If the Receiver takes the shipment without any notes of objections it is considered that the shipment has been delivered in orderly fashion as described in the bill of loading or CMR.

TKA is not liable for returning the pallets to the Client or to any other third party.

TKA is responsible for positioning the shipment and fastening it in the truck.

TKA is obliged to inform the Client of the shipment's status.

During the reloading of the shipment TKA is obliged to act conscientiously and carefully in order for the reloading to be done in the most optimal way.

TKA is obliged to inform the Client before loading has started in case of together with the goods receiving additional items for securing the goods (corner protectors, additional tightening belts, anti-slid mat).

TKA is liable for untimely posting the truck for loading, the shipment delay in the delivery if and only if the fixed slots had been agreed upon and if the reason for the delay is not higher power out of TKA's control (war, civil unrest, strikes, blockades, fires, floods, storms).

TKA's driver must report to the loading place 10 minutes before the agreed fixed slot for loading.

If the TKA experiences any kind of deviation from the Transport Order or any kind of problem during the loading it will be noted on CMR or bill of loading.

TKA needs to deliver the shipment only in accordance with what was demanded in transport documents. Deviations can be made only with written consent of the Client.

In case of Receiver refusing to accept the shipment or it simply cannot be found then the transporter, TKA, must without any delay ask for instructions from the Sender. In case of not getting the requested information TKA can on the risk and expanse of the shipper's owner unload the goods and deliver for safekeeping into a public customs warehouse.

From the moment the driver signs the CMR and/or other additional transport documents TKA becomes liable for the shipment.

Transit time stands for the time the shipment needs to be transported from the TKA Logistics Centre to the Receiver of the shipment.

TKA is obliged to deliver the invoice with the proof of finalized transport to the Client after the agreed service has been completed.

Article 8.

LTL line traffic will be conducted on the basis of official line transport schedule.

Article 9.

Special Conditions of Conducting LTL – Line Groupage Transport are valid from the day of issuing. It can be changed under the procedure created for General Terms of Conducting Business and can be applied to the other contracting party only if it has been informed of the change in an agreed manner.

On all instances which are not covered by these terms will be applied TKA General Terms of Conduct and positive legislation.

In Krnjevo, on 8.4.2019.



Slavisa Suleic
CEO

