

General Terms and Conditions for freight transport orders of DSV Group Germany 09/2020

1. Scope

- 1.1. These General Terms and Conditions for freight transport orders of DSV Group Germany shall apply to all orders of DSV Road GmbH, DSV Solutions GmbH, DSV Air & Sea Germany GmbH, DSV Air & Sea Deutschland GmbH and DSV Stuttgart GmbH & Co. KG (hereinafter referred to as "DSV") for national and international carriage of goods by road haulage.
- 1.2. Any deviating General Terms and Conditions of the contractor (hereinafter referred to as "AN") shall not apply. Unless stipulated otherwise, sec. 407 et seq. German Commercial Code (HGB) shall apply for national carriage and the provisions of the Convention on the Contract for the International Carriage of Goods by Road (CMR) shall apply in addition for international carriage.

2. Integral part of contract

- 2.1. Integral part of contract between DSV and AN are: (i) the freight transport order, (ii) the price agreement, (iii) if applicable additional agreements, (iv) these General Terms and Conditions.
- 2.2. In the event of any contradictions/discrepancies between these General Terms and Conditions and any of the aforementioned (2.1.) integral parts of contract, the particular integral part of contract shall prevail in the aforementioned (2.1.) order.

3. Specification of services

- 3.1. Subject matter of the freight transport order is the compensated transport of freight by road haulage. The AN is obliged to accept, handle and deliver the freight on time without any loss or damage as described/specified in the freight transport order to the consignee at the designated destination.
- 3.2. AN fully and correctly documents, in particular giving date, time, name in block letters and genuine signature, the acceptance and the delivery of freight in writing on a designated freight document or, if applicable, by available electronic systems.
- 3.3. AN shall check the freight at time of acceptance and at any other interface with regard to identity, completeness, and external integrity. The aforementioned obligation is also extended to the check of integrity of anti-tamper seals and locking devices, if applicable. Possible irregularities shall be documented by AN in writing and shall be reported to DSV, without undue delay, by explicitly identifying the pertained freight and the place, date and time of detection of the irregularity. An interface within the meaning of these General Terms and Conditions is any point at which the responsibility for the freight is passed on to another operator/agent or the place of delivery at the end of each stage of the transportation process.
- 3.4. When accepting anti-tamper sealed freight, the checking-obligation of AN is limited to the examination of the external integrity of loading unit and integrity of anti-tamper seal. When accepting empty loading units, the checking-obligation is limited to the examination of external and internal integrity.
- 3.5. Any irregularity of packaging, locking devices, anti-tamper seals or documents shall be documented in writing by AN and confirmed by the individual handing over as well as the individual accepting the freight.
- 3.6. Unless stipulated otherwise in the transport order, AN is in deviation from sec. 412 HGB obliged to load and unload the freight. Apart from that, his obligation includes the stowage in a way safe for transportation or operation as well as the observation of freight in his custody.
- 3.7. AN informs DSV without undue delay about any impediment to transport and/or delivery, threatening or existing delay, deviations from the original plan as well as any other disturbances and impairments, even in the event of force majeure or unavoidable events. In any of the aforementioned events, AN is obliged to contact DSV for instructions. In the event of fire, theft or other criminal offence which could affect the freight transportation order as well as accidents, with the exclusion of bagatelle-accidents, AN is also obliged to inform the local police.
- 3.8. With regard to loading time, the provisions of the individual freight transportation order shall apply.
- 3.9. Loading equipment such as euro pallet and skeleton containers is to be exchanged concurrently by AN in equal type, quality and quantity at the loading and unloading place. The exchanged loading equipment shall at least comply with category C as per UIC-Standard 435-2/-4. Expenses for loading equipment exchange are included in the freight rate. In the event that exchange of loading equipment with the consignee is not possible, this has to be confirmed accordingly by consignee in writing. AN is entitled to catch up with the exchange within 10 days from the time of unloading. The proof of exchange of loading equipment shall be in writing and shall be transmitted to DSV along with the original freight documents. AN is entitled to prove the exchange of loading equipment was denied at place of loading or unloading. Loading equipment which has not been exchanged can be charged to AN by DSV upon unsuccessful expiry of the aforementioned catch-up period with amounts of € 10,00 per euro/Düsseldorfer-pallet, € 100,00 per skeleton container and concerning other loading equipment at current replacement value of exchangeable loading equipment, whereby the AN is entitled to prove lower lump sums than the aforementioned; offset against freight claims is permissible. If a loading equipment account is agreed upon, the accounting is performed on a quarterly basis by confirmation of balance. AN shall bear the proof of a lower recovery value of loading equipment. DSV is entitled to randomly check the freight after loading. While carrying freight for DSV, AN is not entitled to approach any loading-equipment retailer.
- 3.10. For all freight transportation which AN conducts for DSV from the customs territory of the Community to a third country, AN is obliged to duly perform the export procedure. The performance of the export procedure has to be according to the Unions Customs Code, Unions-Customs-Code-executive order, German Foreign Trade and Payment Act, German Foreign Trade Regulations in its current version, as well as operating instruction for the IT-

process for ATLAS-export. Included is in particular the adherence of the two stage export procedure with presentation to customs at customs office of exit and (if applicable) customs office of export, to achieve a duly clearing of the export-procedure and duly completion of export-documents.

- 3.11. AN shall perform all necessary organisational instructions and measures, particular in relation to security service, business partner-, personal- and information security, packaging and transport in order to ensure the safety of supply chain pursuant to the requirements of internationally acknowledged initiatives on the basis of the WCO SAFE Framework of Standards (in particular AEO). He shall protect deliveries and services to or on behalf of DSV or to a third party specified by DSV from unauthorized access and manipulation. For any of the aforementioned obligations AN ensures to only use reliable and trustworthy personal and he shall legally bind subcontractors to these obligations. AN is obliged to immediately present, without request, an original of the "Security Declaration for Authorised Economic Operators AEO" (available at: www.de.dsv.com), as long as AN is not certified according to AEO-S or AEO-F. This obligation does not apply if such declaration has already been presented to DSV.
- 3.12. If secure air freight is being transported, AN acknowledges his awareness of the applicable rules with regard to secure handling of air freight (LuftSiG, Regulation (EC) No 300/2008 as of 11.03.2008, Regulation (EC) No 185/2010 as of 04.03.2010, by-law (EC) No. 2015/1998 as well as corrections and supplementary/additional regulations) and AN is obliged to comply with these rules. On request AN shall be obliged to provide relevant documentation and evidence in this regard.
- 3.13. DSV shall be entitled to check the AN for compliance with regard to the aforementioned obligations pursuant to no. 3.11. and 3.12. at any time.
- 3.14. If the agreed service is not performed by the AN himself but contracted out to a third party, AN shall inform DSV in advance. DSV is entitled to reject the third party. AN has to ensure that the third party as well as all other vicarious agent comply with legal requirements and these General Terms and Conditions for freight transport orders. AN shall compensate DSV for any damage resulting from any breach of the aforementioned obligations. In the event that AN does not comply with its obligation according to specifications, DSV is entitled to assign a third party with their fulfilment. Ensuing extra costs shall be reimbursed by AN. The provision pursuant to no. 9.3. shall remain unaffected.
- 3.15. AN shall ensure that vehicles used are in technically and optical perfect and roadworthy condition and that they are suitable and properly equipped for the freight transported. Duly functional load-securing material and personal safety equipment ("PSA"), if necessary according to the specific need of the freight, must be available to AN in sufficient quantity at all times
- 3.16. When transporting foods and medical products the AN warrants that the actual driver adheres to hygiene rules and separates various foods from one another. Contamination of freight, particularly by emission, contaminant, exhaust fumes, packing materials shall be avoided. A documented maintenance system for used vehicles and transportation units shall be kept available and must be presented to DSV on demand at all times. AN has implemented an effective system for the return and recall of all products. The system will be audited at least once per year. In the event of any possible endangerment of product-safety, AN shall inform DSV by calling the DSV emergency number without undue delay.
- 3.17. AN warrants that the trailer surcharge as per § 10 KraftStG is paid for all trucks used for transportation on behalf of DSV. AN is obliged to provide corresponding evidence once a year.
- 3.18. AN shall inspect the vehicle used with regard to roadworthiness and completeness of equipment before each transport. The mandatory or by individual order specified necessary equipment shall be on-hand until completion of transport order.
- 3.19. Vehicle failure of the intended vehicle does not release AN from its obligation to fulfil the transport order agreed upon. In the event of vehicle failure AN is obliged to provide a suitable replacement vehicle, even if AN is not accountable for vehicle failure. Deadlines for loading and accepting freight shall be adhered by AN at all times. After expiration of a deadline set by DSV, DSV is entitled to provide a suitable replacement vehicle. Ensuing extra costs shall be reimbursed by AN.
- 3.20. Until completion of transport order, the vehicle driver has to be contactable by mobile phone at all times.

4. Ex-works and cash on delivery shipments

Cash on delivery shipments shall only be delivered versus cash payment.

5. Compliance with legal provisions

- 5.1. For the duration of the cooperation, AN warrants that he holds the necessary permissions and authorizations, in particular pursuant to sec. 3, 6 of the Law on Road Haulage of Goods (GüKG) and other legal provision. In the event of loss, revocation or refusal of any authorization, DSV shall be informed without undue delay giving the reasons thereof.
- 5.2. AN further warrants that the contractual services shall be provided in accordance with the legal requirements, in particular regulations on drivers engaged in road haulage, environmental and occupational safety regulations and regulations on the haulage of hazardous materials. He warrants that the requirements pursuant to sec. 7b GüKG are met and grants DSV the right to perform checks with regard to compliance of AN and any third party inserted by the AN to the aforementioned provision at any time. Shipments of hazardous materials shall only be conducted by specially trained personal with valid ADR-certificates and duly equipment pursuant to ADR in connection with the Regulations for the Conveyance of Hazardous Goods by Road, Rail and Inland Navigation (GGVSEB).
- 5.3. AN warrants that he and his vicarious agents comply with the provisions of the Minimum-Wage-Act (MiLoG), in particular the obligation to pay the minimum wage.

- 5.4. At all times DSV is entitled to audit AN's compliance with legal regulations either itself or via third parties. AN is obliged to provide relevant documentation and licenses in this regard on request.
- 5.5. AN is obliged to compensate DSV for any damage DSV suffers due to breach of any legal regulations on the part of AN.
- 5.6. The hold-harmless obligation also applies for any sanctions, fines or other measures or claims, which are filed against DSV by authorities or other organisations arising out of or in connection with the violation of the MiLoG by AN or by AN's vicarious agents as well as for any legal defence costs.

6. Remuneration

- 6.1. The payment of remuneration according to the pricing agreement shall be made following the submission of all freight documents (proof of delivery, if applicable proof of exchange of loading equipment and if applicable other freight documents) and at the latest within 60 days from date of invoice. The freight documents shall be transmitted to DSV in original and without undue delay following the completion of transport.
- 6.2. In case the parties agree on self-billing, DSV issues a credit note immediately upon receipt of all freight documents. Payments shall be due within 60 days from the date of issuance of the credit note.
- 6.3. Demurrage shall be remunerated pursuant to legal regulations. 2 hours of standing time for loading and unloading are free of charge when arriving on time. DSV shall be notified by AN about reimbursable standing times immediately upon AN's knowledge of possible upcoming delays in excess of the aforementioned standing time free of charge. In the event that notification is not made accordingly, AN is not entitled to demurrage. Standing times shall be proven to DSV within 3 days following end of transportation in writing. Demurrage is limited to EUR 40,00 for every full hour, at most EUR 400,00 per day.

7. Right of lien, retention, assignment

- 7.1. The right to exercise a lien or the assertion of the right of retention with regard to the goods in possession by AN shall be waived with the exception that due counterclaim of AN is undisputed or has been finally determined by a court.
- 7.2. Claims against DSV shall not be entitled for pawning by AN. The assignment of a claim against DSV by AN is only admissible in the event of prior written notification and written consent of DSV to the envisaged assignment.

8. Confidentiality, customer protection

- 8.1. AN is obliged to keep all information received from DSV in the course of cooperation confidential, the same applies for his subcontractors or other vicarious agents. If such information is unnecessary for the fulfilment of the contract, such information shall neither be used in AN's own business interest against DSV nor be forwarded to third parties.
- 8.2. AN is obliged to customer protection. AN shall not perform, neither directly nor indirectly, any freight transport orders on behalf of a customer he came to know during the course of performing business for DSV, in his own name or on his account nor is he entitled to pass such freight transport orders onto a third party. Contractual relations between DSV's customers and the AN already in place at the time of conclusion of the contract with DSV remain unaffected from this obligation.
- 8.3. The confidentiality and customer protection obligations shall remain in force for a period of two years after termination of all contracts governed by this terms and conditions. If DSV terminates the cooperation with its customer, the obligations shall remain in force for a period of two years after the termination.
- 8.4. The confidentiality and customer protection obligations shall apply equally for AN's subcontractors and their vicarious agents. By means of according agreements with such third parties, the AN is obliged to ensure that these obligations are adhered to.

9. Liability

- 9.1. For cross-border transports the provisions pursuant to CMR shall apply. Supplementary the provisions on freight forwarding of the HGB shall apply.
- 9.2. AN's liability in connection with the transport contract, which is not within the scope of the CMR, shall be governed by the provisions on freight forwarding of the HGB. **Indemnification payable due to loss of or damage to goods shall, pursuant to sec. 449 subsec. 2 sentence 2 no. 1 HGB in derogation from sec. 431 subsec. 1 and 2 HGB, be agreed upon 40 units of account (special drawing rights of the International Monetary Fund – SDR) per kilogram of gross weight of the consignment, unless DSV has agreed upon a lower liability in relation to the respective customer of DSV. This shall apply without prejudice to a possible higher statutory liability of AN.**
- 9.3. AN shall be liable for any damage caused by him, his drivers or vehicles deployed by him. This shall also apply to damages caused to ceded DSV trailers and third-party damages caused by combination of truck and DSV trailer during transport ("truck-trailer-liability"). In addition, he shall be liable for acts and omissions of his subcontractors and any other vicarious agents.
- 9.4. AN shall indemnify DSV against any and all claims of third parties filed against DSV due to acts and omissions of the AN, his subcontractors and vicarious agents. This shall in particular apply to any sanctions, fines or other measures or claims, which are filed against DSV by authorities or other organisations arising out of or in connection with the violation of clauses 3.17, 5.1, 5.2 and 5.3.
- 9.5. The liability of DSV pursuant to sections 414 and 455 is limited to EUR 200,000 per damage event. The aforementioned liability limitation does not apply in case of personal injuries, such as injury of life, body and health, if the damage was caused by gross negligence or wilful intent of DSV or its vicarious agents, or infringement of material contractual obligations, whereas the latter is limited to predictable and typical damages.

10. Insurance

- 10.1. AN is obliged to insure his liability risk and to maintain such insurance during the period of cooperation with DSV. The termination of insurance and / or commencement of dunning proceedings according to sec. 37, 38 Insurance Contract Act (VVG) shall be indicated to DSV immediately.
- 10.2. AN is obliged to have and maintain the following limits on insurance: (i) freight forwarders liability insurance under standard market conditions and with standard limits of liability, which, apart from statutory minimum liability pursuant to sec. 7a GüKG, covers maximum liability of up to 40 SDR/kg according to HGB and liability according to CMR including Art. 29 CMR. Furthermore, insurance coverage of liability according to HGB shall include transport services not within the scope of the GüKG. If a sublimit for qualified fault is agreed upon, the insurance coverage shall amount to minimum of € 1 Mio. per damage event. (ii) third-party vehicle insurance with minimum insurance coverage of € 50 Mio. for damage to goods and € 7.5 Mio. for damage to persons. (iii) Public liability insurance with minimum insurance coverage of € 2.5 Mio. all-in and € 100000 for processing and operational damages, respectively per damage event.
- 10.3. In connection with truck-trailer-liability incidences, AN warrants that his insurance company waives any possible claims against the insurance company of DSV following a claims settlement with third parties. AN proves the waiver by written statement of the insurance company.
- 10.4. AN is obliged to prove the conclusion and perpetuation of the aforementioned minimum cover to DSV without prior request by submission of up to date confirmation of insurance issued by the insurance company or the insurance agent which provides information on coverage, exclusions, insurance- and coverage sums, sublimits (e.g. for qualified actual fault) and deductible.
- 10.5. DSV is entitled to check the insurance cover at any time. Upon request AN shall provide DSV with proof of on time payment of insurance fees as well as the extend of use of coverage as well as the deductible agreed upon.
- 10.6. AN is, pursuant to sec. 7a subsec. 4 GüKG, obliged to carry along and also to provide to authorities a proof of a valid freight forwarders liability insurance while carrying freight for DSV.

11. Miscellaneous

- 11.1. AN confirms his acceptance and unconditional observance of the Supplier Code of Conduct ("CoC") (available at www.de.dsv.com). Any breach of the CoC entitles DSV to extraordinary termination of contract.
- 11.2. AN shall strictly meet the code of behaviour on the premises of DSV and actively contribute to compliance with the following certifications in their current version: ISO 9001, ISO 14001, ISO 50000 and BS OHSAS 18001. AN also warrants, that all drivers deployed by him, as well as drivers of subcontractors and their vicarious agents are subject to a complete ban of alcohol.
- 11.3. AN warrants that he will only use such employees, subcontractors, vicarious agents etc. for services that are not mentioned in any German, European and/or American foreign trade sanction lists. This refers in particular but not limited to the terrorist lists of the EU as well as the US Denied Persons List ("DPL"), the US-Warning List, the US-Entity List, the US-Specially Designated Nationals List, the US-Specially Designated Terrorist List, the US Foreign Terrorist Organizations List, the US-Specially Designated Global Terrorist List. The AN further warrants, that he has no link to persons or organisations that measures to fight terrorism or any other foreign trade sanction have been imposed upon.
- 11.4. Amendments, changes or oral supplements to the signed contract of carriage shall require written form. This also applies for deviations from the written form requirement.
- 11.5. Exclusive jurisdiction for any dispute arising is Bremen, Art. 31 CMR remains unaffected. The law of the federal republic of Germany shall apply.
- 11.6. In the event of individual provisions of the integral parts of contract are or become invalid or are or become unenforceable, or in the event that any integral part of contract has a loophole, this shall not affect the validity of the remaining provisions. The invalid, unenforceable or missing provision shall be replaced by a proper and legally valid provision which comes closest to the economic intent of the particular integral part of contract and which DSV and AN would have agreed upon knowing the invalidity, unenforceability or incompleteness of the certain provision. DSV and AN are obliged to confirm such provision in due form, at least in writing.

This English translation of the General Terms and Conditions for freight transport orders by DSV Group Germany 09/2020 is provided for information purposes only. The legally binding text is only the German Version of the General Terms and Conditions for freight transport orders by DSV Group Germany 09/2020 (available at: www.de.dsv.com).