

FRENCH TRANSPORT AND LOGISTICS
COMPANY UNION
Union des Entreprises de Transport et Logistique de France
T L F General terms of sale

Governing transactions completed by transport and / or logistics operators

Article 1 – PURPOSE AND SCOPE

The purpose of these terms is to set forth the terms of performance by a "Transport and / or Logistics Operator", hereinafter referred to as the T.L.O in any capacity (airfreight forwarder shipping agent, freight forwarder "commissionnaire de transport", freight broker, warehouse keeper, agent, handler, accredited or non customs broker "commissionnaire en Douane agréé ou non", forwarding agent, etc.), of services and activities pertaining to the physical movement of shipments and/or to the management of flows of goods, whether packed or not, of all kinds, of all origins, to all destinations, in exchange for a freely agreed price ensuring fair compensation for the services performed, both domestically and internationally.

Any undertaking or transaction with "the Transport and / or Logistics Operator" constitutes unreserved acceptance by the instructing party of the terms set forth below.

Whatever the carriage method used, these terms shall govern the relationship between the instructing party and "the Transport and / or Logistics Operator".

"The Transport and / or Logistics Operator" performs the requested services according to the terms specified, inter alia, in article 7 below.

No specific term or other general term of the instructing party shall prevail over these terms, unless as otherwise formally accepted by the "Transport and / or Logistics Operator".

Article 2 - DEFINITIONS

In the meaning of these General Terms, the following terms are defined as follows:

2.1. INSTRUCTING PARTY:

Instructing party shall mean the party ordering the service from the Transport and / or Logistics Operator, or even the Customs broker.

2.2. PARCEL:

Parcel shall mean an item or material set made up of several items, whatever the weight, size and volume thereof, making up a unit load upon delivery for transport (bin, cage, crate, coffer carton container, envelope, burden, drum, paquet, circled or film-wrapped pallet, roll, bag, suitcase, etc.), packed by the sender before pick-up even if the contents are detailed in the shipping document.

2.3. SHIPMENT:

Shipment shall mean the quantity of goods, packages and load support effectively provided, at the same time, to the Transport and / or Logistics Operator and whose displacement is requested by one single instructing party towards one single consignee from a single place of loading to a single place of unloading and reproduced in one single document.

Article 3 – PRICE OF THE SERVICES

3.1. – Prices are calculated on the basis of the information provided by the instructing party, considering, inter alia, the services to be provided, the nature, the weight, and the volume of the goods to be carried and routes to be used. Quotations are prepared based on currency rates at the time when the said quotations are given. They are also based on the terms and prices of substituted parties and on applicable laws, regulations and international conventions in effect. Should one or more of the above base items be modified after the quotation is provided, including by the substituted parties of the T.L.O, in a manner binding upon the latter, and upon the evidence furnished by it, prices given initially shall be changed on the same terms. The same shall apply in the event of an unforeseen event, whatever it may be, leading to a change in any part of the service. This applies, inter alia to fuel prices, whose variation should be taken into account, in accordance with the provisions of articles L. 3222-1 and L. 3222-2 of the Transport Code.

3.2. – Prices do not include duties, taxes, fees and taxation owed in pursuance of any tax or customs or other regulations (such as excise, entry duties, etc.).

3.3. – Prices initially agreed shall be renegotiated at least once a year on the anniversary date of the contract. They shall also be revised in the event of significant changes in the T.L.O's expenses, which expenses are most often due to conditions beyond the T.L.O's control, such as fuel prices, as specified in the above paragraph (3.1.). If the parties fail to reach an agreement on new price terms, each party may terminate the contract according to the terms set in article 12 below.

Article 4 – GOODS INSURANCE

No insurance is taken out by the T.L.O without a written and repeated order by the instructing party for each shipment, indicating risks to be covered and values to be insured.

If such an order is given, the T.L.O, acting on behalf of the instructing party, shall take out insurance with an insurance company that is creditworthy at the time of coverage. Failing specific indicators, only ordinary risks (apart from war and strike risks) shall be covered.

As it acts, in this specific case, as an agent, the T.L.O shall not be considered as an insurer.

The terms of the policy are deemed known and approved by the senders and the consignees, who shall bear the cost thereof. An insurance certificate shall be issued, on request.

Article 5 – PERFORMANCE OF THE SERVICES

Departure and arrival dates possibly provided by the T.L.O are given for informational purposes only.

The instructing party shall give, in due time, all necessary and accurate instructions to the T.L.O for the performance of the transport services and of related services and/or logistics services. It is not within the T.L.O's duty to check the documents (commercial invoice, packing note, etc.) provided by the instructing party. All delivery-specific instructions (cash on delivery, etc.) shall be written in a written and repeated order for each shipment and formally accepted by the T.L.O. At any rate, such an agency constitutes an accessory of the main carriage service and / or of the logistics service.

Article 6 - INSTRUCTING PARTY'S OBLIGATIONS

6.1. Packing and labelling:

6.1.1. Packing:

The goods should be packed, packaged, marked or countermarked so as to withstand transport and / or storage performed in normal conditions, as well as successive handling, which necessarily occur during the sequence of such operations.

They should not constitute a hazard to driving or handling personnel, the environment, transport vehicle safety, other carried or stored goods, vehicles or third parties.

The instructing party shall be solely responsible for packaging and for its fitness to bear the transport and handling.

Should the instructing party entrust the T.L.O with goods in breach of the above provisions, it shall be solely responsible, with no claim against the T.L.O for any damage they may cause.

6.1.2. Labelling:

On each parcel, item or load support, clear labelling should be provided to allow immediate and clear identification of the sender, of the consignee, of the place of delivery and of the nature of the goods.

The statements on the labels should match those shown on the shipping document.

6.1.3. Liability:

The instructing party shall be responsible for all consequences of any lack of, or inadequacy or defect in, packing, packaging, marking or labelling.

6.2. Sealing:

Full trucks, semi-trailers, mobiles crates, containers, after the loading operations are completed, should be sealed by the loader himself or its representative.

6.3. Declaratory obligations:

The instructing party shall be responsible for all consequences of any failure to perform the duty of information and declaration regarding the specific nature and the specificity of the goods, when the latter requires specific provisions, including the value thereof and / or any covetousness that it may cause, or its dangerousness or fragility. In addition, the instructing party formally agrees not to provide the T.L.O with illegal or prohibited goods (for instance, infringing products, narcotics, etc.).

The instructing party shall bear alone, with no claim against the T.L.O, any consequences of erroneous, incomplete, unenforceable or belated declarations or documents including but not limited to information needed for the provision of any brief declaration required by customs regulations, including for goods transports from third countries.

6.4. Reserves:

In the event of any loss or damage sustained by the goods, or of any delay, the consignee or receiver is responsible for making regular and adequate inspections, expressing motivated reserves and generally carrying out any action useful for the protection of claims and for confirming said reserves in legal forms and timeframes, failing which no claim may be exercised against the T.L.O or its representatives.

6.5. Refusal or failure by the consignee:

In the event the goods are refused by the consignee, and in the event of the latter's failure for any reason, all initial and additional costs owed and incurred in connection with the goods shall be borne by the instructing party.

6.6. Customs formalities:

If customs transactions need to be completed, the instructing party shall hold the customs agent harmless against any financial consequences arising from erroneous instructions, unusable documents, etc. generally leading to the payment of additional duties and / or taxes, fines, etc. to the respective public authorities

In the event the goods are customs cleared under a preferential status entered into or granted by the European Union, the instructing party guarantees that it has taken all steps in the meaning of the Community Customs Code, to ensure that all conditions for the preferential status process have been fulfilled.

The instructing party shall on the T.L.O's request, provide the latter, within the requested time, with any information requested from it in connection with customs regulations requirements. Failure to provide such information within such time shall cause the instructing party to be responsible for any harmful consequences of such failure in connection with delays, over-charges, damages, etc...

However, as goods quality and / or technical standardisation rules are the responsibility of the instructing party, it shall be responsible for providing the T.L.O with all documents (tests, certificates, etc.) required by regulations for the circulation of the goods. The T.L.O shall not be responsible for any failure by the goods to comply with the said quality or technical standardisation rules.

The accredited customs broker "commissionnaire en Douane agréé" clears in direct representation mode, in accordance with article 5 of the Community Customs Code.

Article 7 - LIABILITY

7.1. Liability for substituted parties' actions:

The liability of the T.L.O is limited to the liability incurred by the substituted parties in the framework of the transaction entrusted to it. When the compensation thresholds of intermediaries or substituted parties are unknown or do not result from absolute or legal provisions, they shall be deemed equal to those set in article 7.2. below.

7.2. Personal liability of the Transport and / or Logistics Operator (T.L.O):

The compensation limitations shown below are consideration for the liability borne by the T.L.O

7.2.1. Losses and damages:

In all cases where the T.L.O's personal liability is incurred, for any reason and in any capacity, it shall be strictly limited to damages to the goods involved in the transport as a result of losses and damages and for any consequences resulting therefrom, to EUR 17.25 per kilogramme of gross weight of missing or damaged goods, without exceeding, whatever the weight, volume, sizes, nature or value of the respective goods, an amount exceeding the product of the gross weight of the goods expressed in tonnes multiplied by EUR 2 850 with a maximum amount of EUR 60 000 per event.

7.2.2. Other damages:

For all other damages, including duly acknowledged delivery delays, should its personal liability be incurred, the compensation owed by the Transport and / or Logistics Operator shall be strictly limited to the price of the goods transport (exclusive of duties, taxes and miscellaneous costs) or to that of the service leading to the damage, under the contract. Such compensation shall not exceed the compensation that is owed in the event of goods damage or loss.

For any damage resulting from a failure in the performance of the logistics service, under the contract, the compensation owed by the Logistics Operator, in the event its personal liability is incurred, shall be strictly limited to the amount of the service leading to the damage and shall not exceed a maximum amount of EUR 60 000 per event.

In no event shall the T.L.O's liability exceed the above-mentioned amounts.

7.3. Quotations

All quotations given, all occasional price offers provided, as well as general price lists, are established and / or published based on the above-mentioned liability limitations (7.1. and 7.2.).

7.4. Value or insurance declaration:

The instructing party may always make a value declaration which, when set by it and accepted by the T.L.O, results in substituting the amount of that declaration for the compensation limits specified above (Articles 7.1. and 7.2.1.). Such a declaration of value shall result in an extra price.

The instructing party may also instruct the T.L.O, in accordance with Article 4 (Goods insurance), to take out insurance on its behalf, in exchange for the settlement of the respective premium, and by indicating risks to be covered and values to be insured.

The instructions (declaration of value or assurance) should be renewed for each transaction.

7.5. Special interest in delivery :

The instructing party may always make a statement of special interest in delivery which, set by it and

accepted by the T.L.O, results in substituting the amount of that declaration to the compensation limits specified above (Articles 7.1 and 7.2.2.). Such a declaration shall result in an extra price. Such instructions should be renewed for each transaction.

Article 8 – SPECIAL TRANSPORT

For special transports (transport in tanks, transport of indivisible items, transport of perishable goods at controlled temperature, transport of live animals, transport of vehicles, transport of goods subjected to special regulations, including transport of hazardous goods, etc.), the T.L.O provides the sender with suitable equipment as set by the instructing party in advance.

Article 9 – PAYMENT TERMS

9.1 The services shall be payable cash on receipt of invoice, with no discount, in the invoice issuing place. The instructing party always guarantees the settlement thereof.

9.2 No unilateral offsetting of alleged loss amounts to the price of the services is allowed.

9.3. If payment terms are granted, they shall not exceed thirty days as from the invoice date, for all services performed by freight forwarder "commissionnaire de transport "and road carriers, as well as those performed by shipping agent / or airfreight forwarder, by customs brokers "commissionnaire en Douane", freight brokers and forwarding agent in accordance with the provisions of article L.441-6 "a linea" 11 of the Business Code.

9.4 Any late payment shall automatically result, on the day following the settlement date shown in the invoice, in the payability of late payment interests in an amount equal to the interest rate applied by the European Central Bank (ECB) to its latest refinancing transaction increased by ten percentage points and set according to the terms set in article L.446-1 "a linea" 12 of the Business Code as well as a fixed compensation amount for collection costs in an amount of EUR 40 according to article D.441-5 of the Business Code, without prejudice to the possible remedy, according to general law provisions, of any other damage resulting directly from such late payment.

9.5. The payability date, the late payment interest rate as well as the fixed compensating indemnity for collection costs should always be shown in the invoice.

9.6. Any partial payment on the agreed term shall be applied firstly to the unsecured fraction of the claim. Failure to pay any single term shall result, with no formality whatsoever, in an event of default, and the balance shall become immediately payable even in the event of commercial paper acceptance.

Article 10 – CONTRACTUAL POSSESSORY LIEN

Whatever the capacity in which the T.L.O acts the instructing party formally acknowledges its contractual surety right including a possessory lien and general preferential right on all the goods, valuables and documents held by the carriage operator, to guarantee all claims debts (invoice, interests, incurred costs, etc.) that the T.L.O has against it, even those previous or foreign to the transactions completed with the goods, valuables and documents effective held by it.

Article 11 – PRESCRIPTION PERIOD

All claims arising from the contract entered into by the parties shall be time barred within one year after the performance of the disputed service of the said contract and in the area of duties and taxes collected afterwards, as from the adjustment notification.

Article 12 – CONTRACT TERM AND TERMINATION

12.1. In the event the instructing party and the T.L.O enter into an open-ended contract materialising lasting relations that the parties wish to establish, the contract may be terminated at any time by either party by registered mail with receipt confirmation subject to one month notice when the time elapsed since the commencement of the performance of the contract does not exceed six months. Such notice is increased to two months when such time exceeds six months and is under one year. When the relationship has lasted for more than one year, the notice time is increased to three months.

12.2. During the notice time the parties agree to maintain the balance of the contract.

12.3. In the event of serious or repeated proven breaches by any of the parties in the performance of its obligations the her party shall send it a motivated injunction by registered mail with receipt confirmation. In the event that injunction is unsuccessful for one month, during which period the parties may attempt to negotiate, the contract shall be terminated without notice or compensation by registered mail with receipt confirmation acknowledging the failure of the negotiation attempt.

12.4. All claims pertaining to the above provisions shall be time barred within one year in accordance with the provisions of above-mentioned article 11 (PRESCRIPTION PERIOD).

Article 13 – CANCELLATION - INVALIDITY

Should any of the provisions of these General Terms of sale be found invalid or cancelled, all other provisions shall remain in full force and effect.

Article 14 – JURISDICTIONAL CLAUSE

In the event of any dispute or complaint, the venue shall be the Courts of the headquarters of the carriage and/or Logistics Operator, even if there are several defendants or in the event of an impleader

These General Terms of sale of the Union des entreprises de Transport et Logistique de France (T.L.F) override those published on November 2, 2011 and shall become effective on January 1, 2013 (on the first of January , two thousand and thirteen).