Terms and Conditions of transportation of freight vehicle/cargo

(put into effect on April the 15th, 2021).

1. Definitions.

The terms used in these Rules mean:

- 1.1. "Carrier" means a person to whom or on whose behalf a contract for the carriage of freight vehicle/goods has been concluded, regardless of whether the carriage is actually carried out by him or by a substitute Carrier.
- 1.2. "Substitute Carrier" means a person other than the Carrier who, being the owner, charterer or operator of a ship, actually carries out all or part of the carriage.
- 1.3. "Client" a natural or legal person who has entered into a contract with the Carrier for the carriage of freight vehicle/cargo in writing or by accepting a public offer of the Carrier by paying for his (their) transportation, including the shipper, vehicle owner, driver (passenger) that accompany the vehicle, another person who drives the vehicle on legal grounds, etc. For an additional fee, the Client may be provided with additional services related to the organization of cargo transportation.
- 1.4. "Cargo" cargo transported by freight vehicle, for the carriage of which the Client applied to the Carrier.
- 2. Order.
- 2.1. The Client provides data on transportation of freight vehicle, cargo and driver by filling out the form while sending an application to the address of the Carrier (by post or e-mail), namely:
- 2.1.1. last name, first name of the driver according to a valid passport document for crossing the border, driver's mobile phone number;
- 2.1.2. registration number and make of the truck, registration number of the trailer, etc;
- 2.1.3. overall length, width, height of the car or the car with the trailer. For oversized and overweight units, indicate the load on each axle and the distance between them;
- 2.1.4. car weight, trailer weight;
- 2.1.5. weight of cargo, number of places or units of cargo;
- 2.1.6. name of cargo;
- 2.1.7. name of the Shipper, his address;
- 2.1.8. the name of the Consignee, his address;
- 2.1.9. for dangerous goods, indicate the serial number of the product or substance in accordance with the system adopted by the United Nations, class (subclass) of danger according to the "International Code for the Carriage of Dangerous Goods by Sea" (IMDG Code);
- 2.1.10. route of cargo and date / time of the beginning of transportation;

- 2.1.11. for military goods information in accordance with the requirements of the Law of Georgia on the Control of Military and Dual-Use Goods.
- 2.1.12 other details (or information) as may be requested by the Carrier on the basis of applicable legislation or otherwise.
- 2.2. The Client is responsible for the accuracy of the data provided in accordance with current legislation of Georgia.
- 2.3. The provided information can be transferred to controlling bodies according to the applicable legislation and according to requirements of transportation.
- 2.4. The Client provides support of freight vehicle/cargo with all necessary documents, certificates, permits for import (export), transit of cargo. The Client ensures obtaining a Customs` permit for import (export), transit of freight vehicle/cargo, issuance of transport documents in accordance with the current Rules, as well as, if necessary, licensing.
- 2.5. The Client provides for transportation freight vehicle/cargo in good technical and roadworthy condition, with valid documents, certificates confirming the possibility of transportation of freight vehicle/cargo. If the provided vehicle does not meet the technical and other requirements and/or is in a faulty condition, the Carrier has the right to refuse from transportation. If the defect occurred during transportation, the Client shall reimburse all additional costs inflicted upon the vessel and/or the Carrier or other third parties in connection with (due to) this defect. The demurrage fee at the port of loading/discharging is at the rate of 425 USD per hour or in proportion for each hour of delay due to Client's reasons.
- 2.6. The Client provides loading of the vehicle with cargo, and lashing of cargo in the vehicle according to rules of loading and lashing for safe sea transportations.
- 2.7. Freight vehicle must be equipped with places for fastening for sea transportation.
- 2.8. The Client must comply with the requirements of the Carrier regarding the time of readiness of the vehicle/cargo for loading and provide all necessary documents for transportation to the Carrier / Carrier's Agent. Failure to comply with this requirement is ground for refusal from transportation.
- 2.9. The Client ensures the implementation of the Resolution of the Government of Georgia of 15 February 2019 "On approval of the technical regulation "Rules for transportation of dangerous goods by vehicles"
- 2.10. When transporting animals, the client must comply with the Order №2-70 of the Minister of Agriculture of Georgia of 1 May 2006 "On approval of veterinary-sanitary rules of import, export, re-export, transit of animals, livestock raw materials and products. 2.11. If additional forwarding service necessary, the Client provides the Carrier / Agent of the Carrier with a power of attorney for the right to represent the Client's interests in customs points, seaports, state bodies of phytosanitary, veterinary and other types of control related to cargo transportation.
- 3. Payment. Conditions of preservation of a place.
- 3.1. Payment for transportation is charged in accordance with the acting tariffs for transportation of freight vehicles/cargo established and varied by the Carrier from time to time. If the freight vehicle/cargo does not comply with acting conditions of the tariff or its size, weight and / or size exceeds the limits specified in the tariff, the calculation of the cost of transportation is carried out in each case.
- 3.2. The Client makes a 100% advance payment for the ordered transportation in the amount of the complex rate for the entire volume of the freight vehicles/cargo declared for transportation no later than 1 (one) working day before the start of transportation.

- 3.3. The Client is obliged to reimburse the Carrier's expenses related to the delay of freight vehicle/cargo due to: incorrect execution of the shipment documents by the shipper; failure to provide documents necessary for the implementation of customs, sanitary and other administrative rules or their incorrect execution; providing inaccurate information to the Carrier on the size, weight, dangerous goods; related to the inspection of freight vehicles/cargo by customs and other administrative bodies; for other reasons that do not depend on the Carrier.
- 3.4. In case of transportation of freight vehicle/goods exceeding the declared volumes, the Client pays for transportation of undeclared volumes, as well as reimburses all related costs of the Carrier.
- 3.5. Dangerous goods, in respect of which the Client submits inaccurate information, may at any time be unloaded or destroyed or neutralized by the Carrier, as required by the circumstances, without compensation to the Client for the related loss.
- 3.6. The Client is liable for all damages caused to the Carrier or third parties in connection with the transportation of the specified goods.
- 3.7. Payment for services related to the carriage of such freight vehicle/cargo, including freight, is non-refundable, and if such services were not paid during the shipment, the Carrier may charge their full cost.
- 3.8. For overdue payments provided for in these Rules, the Client pays the Carrier a penalty in the amount of 0.1% of the amount of unpaid bills for each day of delay.
- 4. Cancelation of carriage by Client.
- 4.1. The Client has the right at any time before the departure of the vessel, to withdraw from the contract of carriage and send a written notice to the Carrier. The Client is entitled to a refund of the transportation fee except for the costs incurred by the Carrier. If the costs exceed the amount of the transportation fee, the Client must reimburse the costs of the Carrier, which arose from this refusal, including the delay of the vessel in this regard.
- 4.2. If for any reason the freight vehicle/cargo has not arrived at the point of loading to the vessel and / or is in poor technical condition, and / or does not have all the necessary documents, and / or the driver is unable to perform the necessary actions to pass all control procedures and loading of freight vehicle/cargo to the vessel, then, at the discretion of the Carrier, it is possible to transfer to subsequent voyages (if any) such transportation, if there is free space on the ship and the freight vehicle/cargo is ready for loading in all respects.
- 5. Cancelation of carriage by Carrier.
- 5.1. The carrier has the right to refuse from the sea transportation of freight vehicle/cargo in the following circumstances: a) military or other actions that may cause the danger of seizure of the vessel, freight transport / cargo or passengers; b) blockade of the port of departure or destination; c) detention of the vessel by order of the authorities for reasons beyond the control of the Parties to the Contract; d) involvement of a vessel for special needs of the state; e) epidemics or quarantine; f) in case that is mentioned at cl. 2.7 and 2.8. of these Rules.
- 5.2. The Contract of carriage of freight vehicle/cargo by sea shall be terminated without refusal of the parties in the following circumstances: a) the vessel will be lost or be forcibly seized; b) the vessel will be declared unfit for navigation.
- 5.3. In case of termination of the Contract of sea transportation of freight vehicle/cargo initiated by the Carrier before departure of the vessel, the Client is refunded the whole fee for transportation.
- 5.4. The Carrier has the right to replace the vessel with another vessel at its own discretion. The Carrier has the right to delay the departure of the vessel, change the route of carriage, place of loading or unloading, if such actions are necessary due to natural disasters, adverse weather or sanitary-epidemiological conditions, as well as other events and phenomena beyond the Carrier's control and makes impossible to fulfill obligations under Contract of sea

transportation. The Carrier is not responsible for possible delays in the vessel's arrival at the port of destination in case of force majeure, including adverse weather conditions, as well as due to other reasons beyond the Carrier's control, and caused due to this reasons reduction in the vessel's time in port.

- 5.5. Any deviation of the vessel from the intended route for the purpose of bunkering the vessel, rescuing people, vessels and cargo at sea, as well as other reasonable deviation, if it is not caused by improper actions of the Carrier, shall not be considered a breach of the Contract of carriage of freight vehicles/cargo.
- 5.6. Transportation of the driver of freight vehicle is carried out according to the <u>Conditions of contract of sea carriage of Passengers and their Luggage</u>
- 5.7. The driver on his own drive the freight vehicle on the territory of the port, performs rolling on to the vessel for the vehicle in proper technical condition and rolling off the vessel, keeping safety requirements and fulfilling all requirements of the crew (on board) and / or port administration.
- 5.8. Times shown in timetables, sailing plans or elsewhere are approximate and not guaranteed. They are not considered to be part of this Contract and the Carrier reserves its right to change these without notice to the Client. The Carrier shall in no circumstances whatsoever and however arising be liable for direct or indirect loss or damage caused by delay.

6. Force majeure.

- 6.1. The Parties shall be released from liability for partial or complete non-fulfillment of obligations under this Contract, if it occurred due to force majeure, namely: fire, flood, earthquake, hurricane, storm conditions at sea, other natural disasters, epidemics, pandemics, military actions of any nature, strikes, popular unrest, embargoes, other international sanctions, currency restrictions, other actions of states that make it impossible for the Parties to fulfill their obligations under the Contract, conventional restrictions on transportation, quarantine, Government decisions, changes in legislation.
- 6.2. The Party, for which it has become impossible to fulfill the obligations under this Contract, is obliged to immediately notify the other Party in writing of the occurrence and termination of the above circumstances. Certain confirmation of the existence of the above circumstances and their duration will be certificates issued by the relevant Chamber of Commerce or other authorized official Authorities at the place of occurrence of such circumstances.
- 6.3. If the above circumstances last more than 30 days, each of the Parties will have the right to refuse from further fulfillment of its obligations under this Contract.
- 6.4 Clint's lack of financing or lack of funds for payment shall in no circumstances constitute a Force Majeure Event or otherwise excuse it from any payment obligation or relieve any default in respect of any payment obligation hereunder.

7. Other.

- 7.1. Loading, Discharge and Delivery.
- 7.1.1. The Client or his Assign shall tender the freight vehicle/cargo when the vessel can receive and but only if required by the Carrier also outside ordinary working hours notwithstanding any custom of the port. Otherwise the Carrier shall be relieved of any obligation to load such freight vehicle/cargo and the vessel may leave the port without further notice. The demurrage fee at the port of loading is at the rate of 425 USD per hour or in proportion for each hour of delay due to Client's reasons.

- 7.1.2. The Client shall take delivery of the freight vehicle/cargo and continue to receive the freight vehicle/cargo as fast as the vessel can deliver and but only if required by the Carrier also outside ordinary working hours notwithstanding any custom of the port. Otherwise the Carrier shall be at liberty to discharge the freight vehicle/cargo and any discharge to be deemed a true fulfillment of the contract. The demurrage fee at the port of discharging is at the rate of 425 USD per hour or in proportion for each hour of delay due to Client's reasons.
- 7.1.3. When accepting freight vehicle/cargo, the Client is obliged to reimburse the costs incurred by the Carrier at the expense of freight vehicle / cargo, pay a fee for vessel demurrage at the port of unloading, and pay freight and a fee for vessel demurrage at the port of loading and/or the port of discharging.
- 7.2. General Average shall be adjusted according to York Antwerp Rules 2016, at any port or place at the option of the Carrier whether declared by the Carrier or a Substitute Carrier by one or more General Average adjuster(s) in the Carrier's choice. The Amended Jason Clause as approved by BIMCO to be considered as incorporated herein. This provision shall cover all Cargo whether carried on or under deck as well as deck cargo and live animals. The Merchant shall deliver such cash deposit and/or other security as the Carrier may deem sufficient to cover the estimated general average contribution of the Cargo before delivery if the Carrier requires, or, if the Carrier does not require, within three months of the delivery of the Cargo, whether or not at the time of the delivery the Merchant had notice of the Carriers lien. If a salving vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if the said salving vessel belonged to strangers. If the Carrier delivers the Cargo to the Merchant without claiming any average bond or other security for contribution to General Average, the Merchant, by receiving the Cargo, becomes personally liable for the contribution up to the CIF value of the Cargo provided the Carrier notifies the Merchant within three months after receipt by the Merchant of the Good of his intention to declare General Average. The Merchant undertakes, if so requested by the Carrier, to disclose the CIF value of the Cargo and the name and address of the Under-writer. Unless the Merchant provides the Carrier with an undertaking from such Underwriter to pay General Average contribution the Merchant shall give the Carrier such other security as he may request.
- 7.3. The Carrier shall have an absolute lien on freight vehicle / cargo for any amount due under this contract and for contribution in respect of general average and for salvage to whomsoever due, including costs of recovering the same and storage fees, demurrage fee and may enforce such lien in any reasonable manner which he may think fit. If on sale of the goods the proceeds fail to cover the amount due and the cost and expenses incurred, the Carrier shall be entitled to recover the difference from .
- 7.4. The right of lien is terminated in the following cases:
- 7.4.1. Delivery of freight vehicle/cargo to the owner after fulfilling the requirements of the Carrier;
- 7.4.2. Satisfaction of the Carrier's secured claims;
- 7.4.3. Acceptance by the Carrier of other appropriate security.
- 7.5. The Carrier has the right in the manner prescribed by law to sell the freight vehicle/cargo that is the subject of the lien, notifying the Owner in advance.
- 7.6. From the amounts received from the sale of freight vehicle, the requirements of the Carrier specified in paragraph 7.1 are met after payment of court costs, costs related with the preservation and sale of freight vehicle.
- 7.7. If the amount received from the sale is not sufficient to meet the needs specified in paragraph 7.1, as well as interest and losses caused by late payment, the Carrier may claim from the Client the amount that is missing.

- 7.8. The provisions of these Terms and Conditions of transportation of freight vehicles/cargo apply to each order of the Client regarding the organization of transportation of freight vehicle/cargo by the Carrier.
- 7.9. The time and date are specified in the ship's schedule, voyage plans and wherever approximate and are not guaranteed by the Carrier. This information should not be considered as part of the conditions and rules of carriage of freight vehicles/ cargo and may be changed by the Carrier at its discretion without separate notice to the Client.
- 7.10. The Carrier does not carry out the inspection and does not separately notify the Client about the seals on the truck.
- 7.11. The carrier is not responsible for the absence or consequences of the absence of seals on the truck or their defect.
- 7.12. In order to verify the conditions for calculation of the cost for transportation, the Carrier has the right to verify the conformity of the declared freight vehicle/cargo actually declared for transportation, as well as to check the weight and size and/or other properties of freight vehicle/cargo.
- 7.13. The Carrier reserves the right to charge the Client for the freight vehicle/cargo declared for carriage but not actually provided for registration and loading within the prescribed time. The Carrier is also entitled to receive payment for late notification of cancellation by the Client of the carriage of freight vehicle/cargo less than 12 (twelve) hours before the time of departure of the vessel.
- 7.14. If the freight vehicle/cargo are not applied for within a reasonable time, the Carrier may sell the same privately or by auction. The Carrier shall bear all overtime charges in connection with tendering and taking delivery of the freight vehicle/cargo as above. The Carrier shall accept his reasonable proportion of damaged or unidentified loss of cargo.
- 7.15. Transportation is carried out on the terms and subject to the exceptions and limitations of liability provided by the Hague-Visby rules and other applicable laws and regulations.
- 7.16. Other than that, is not provided by these Rules, the Parties will be guided by applicable legislation of Georgia including applicable international conventions to which Georgia is a party.
- 8. Jurisdiction.
- 8.1. All disputes and disagreements that may arise from this contract or in connection with it shall be considered by Tbilisi city court.