

General Terms and Conditions of KLG Europe Holding B.V. – 2018

Chapter 1 General

Article 1 Applicability

1. These General Terms and Conditions (hereinafter referred to as: the 'General Terms and Conditions') are applicable to KLG Europe Holding B.V, and their subsidiaries, as well as all companies affiliated to them, jointly referred to in these General Terms and Conditions as 'KLG'.
2. The General Terms and Conditions are applicable to offers and/or confirmations of orders issued by KLG as well as all agreements entered into with KLG and all work carried out by another subsidiary and/or company affiliated to KLG and/or third parties, unless explicitly agreed otherwise in advance, in writing.
3. Once contracted under the applicability of the General Terms and Conditions, the General Terms and Conditions are also applicable to future offers and confirmations of orders to be issued by KLG and future agreements with KLG. In that instance, the General Terms and Conditions are deemed to be known and accepted by the Parties.
4. If, despite grounds for doing so, KLG decides not to invoke the provisions in the General Terms and Conditions, it does not mean that KLG has waived its right of invoking the provisions in the General Terms and Conditions in other cases.
5. Changes to and deviations from these General Terms and Conditions are only valid if they have been agreed between Parties in writing. These changes and deviations then only apply to the sole specific case to which they relate.

Article 2 Applicable sectoral terms and/or conditions

1. In addition to these General Terms and Conditions, the latest versions of the following general sectoral terms and/or conditions apply:
 - a. In the event of domestic transport by road in the Netherlands: the General Transport Conditions 2002 (AVC 2002); issued by sVa/Stichting Vervoeradres;
 - b. In the event of domestic transport by road in the United Kingdom: the Conditions of Carriage 2009 (RHA 2009); issued by Road Haulage Association Limited;
 - c. In the event of international transport by road: the CMR Convention of Geneva, 19th May 1956, with the Protocol dated Geneva, 5th July 1978; supplemented by the AVC 2002;
 - d. In the event of transport by sea: the Hague-Visby Rules (1968);
 - e. In the event of transport by inland waterway: Budapest Convention on the Contract for the Carriage of Goods by Inland Waterway (CMNI) 3 October 2000;
 - f. In the event of transport by rail: Convention concerning International Carriage by Rail (COTIF) as amended by the Vilnius Protocol 1999, including appendix B (CIM), in the event of carriage by rail in a country party to COTIF/CIM;
 - g. In the event of transport by rail: Agreement on International Goods Transport by Rail (SMGS), in the event of carriage by rail in a country party to SMGS;
 - h. In the event of transport by air: the Convention on the International Carriage by Air, dated Warsaw, 12th October 1929, as amended by Protocols dated The Hague, 28th September 1955, the Convention of Guadalajara, 18th September 1961, and the Convention of Montreal, 28th May 1999;
 - i. In the event of forwarding: the Dutch Forwarding Conditions - the general terms and conditions of the Netherlands Association for Forwarding and Logistics (Fenex) (2004);
 - j. In the event of warehousing services and/or value added services: the Logistics Services Conditions (LSC) as filed by Fenex and TLN (Transport and logistics Netherlands) (2014).
 - k. For all services: General Payment Terms of Transport en Logistiek Nederland (2002)
2. Insofar as any provision in the aforesaid general sectoral terms and/or conditions is found to be contrary to any provision in these General Terms and Conditions, the provision of these General Terms and Conditions prevails (this particularly applies to the jurisdiction clause of article 39, in which jurisdiction is exclusively conferred on the District Court of Rotterdam).
3. All terms and conditions can be downloaded free of charge from the internet website <https://www.klgeurope.com/en/about-klg/general-terms-and-conditions> . At request these can also be send to you, free of charge.
4. By the mere fact of giving an assignment to KLG, the client waives the applicability of his own general terms and conditions filed under whatever name and in whatever manner, so that only these General Terms and Conditions apply to all agreements; any applicability of the client's general terms and conditions is expressly rejected.

Chapter 2 Rights and obligations of the contractor

Article 3 Execution of the order by KLG

1. KLG is entitled to use alternatives and/or to engage other subsidiaries and/or companies affiliated to KLG and/or third parties and to act as such as freight forwarder, if so required for the correct and timely execution of the orders it has been given, with or without the prior approval of the client. The client is obliged to render KLG every assistance, so that KLG can correctly fulfil its obligations towards the client.
2. KLG is entitled to charge the client additional costs, provided these costs were needed for the correct

- and timely execution of the orders it was given.
3. KLG is entitled to arrange for the transport to be carried out by third parties and, in that instance, solely acts as a forwarder and not as a carrier. The work of KLG in its capacity as a forwarder is subject to the most recent version of the Dutch Forwarding Conditions (2004), exclusive of the arbitration clause.

Article 4 *Acceptance of the load*

In principle, KLG accepts all types of goods, with the exception of livestock, precious metals, precious stones, jewellery, money, coins, works of art, securities, weapons, ammunition, radioactive substances and banned or illicit drugs. Goods which must be transported under certain conditions or which are subject to decay can only be accepted after consultation.

Article 5 *Euro Pallets / exchanging packaging*

Pallets are only exchanged if so agreed in writing between the client and KLG in advance. In the event an exchange is required, a depreciation rate of 15% applies to pallets of an inferior quality. This percentage is charged on the basis of the total number of pallets that has been loaded at the client. In principle, euro pallets are exchanged at the moment the goods are collected with a maximum of 33 europallets per FTL. The client is fully responsible for the quality of the euro pallets that are provided. If the recipient does not want to exchange for reasons of the quality of the pallets, the costs thereof shall be charged to the client on the basis of the then current market price. Euro pallets can only be exchanged at the moment the goods are delivered. It is explicitly stated here that this is the only moment at which the euro pallets can be exchanged. If, at that time, the recipient is unable or unwilling to exchange on the basis of the desired quality, the obligation KLG has towards its client to exchange euro pallets no longer applies and it shall set off any pallets that have not been exchanged against the balance of the client and/or charge this at the then current market price. These can therefore only be recovered by the client from the recipient that could not or would not exchange. If so desired by the client, the euro pallets delivered previously shall be collected, subject to the freight rate.

Chapter 3 **Rights and obligations of the client**

Article 6 *Orders / Announcements*

Orders must be announced no later than 2pm CET on the day prior to collection. In the event of orders announced after that time, the client must take into account longer transit times. Orders are preferably given by means of an EDI message or via the web portal of KLG and/or by means of e-mail. Since a correct and full order is the basis of a correct service provision, we are unable to accept orders by telephone. If so desired, we provide our client with a tailor-made web portal or order form. Separate orders are charged separately, at all times. Consignments that have been announced must be ready as from 8am on the day that they shall be loaded, unless otherwise agreed.

Article 7 *Customs procedures for exports outside the EU, direct representation*

The client or exporter is the declarant of the goods. The client is responsible for the contents of the declaration and for fulfilling the obligations in relation to it. In addition, the client or exporter is responsible for the requirement to keep records of the declarations and documents. KLG can only submit declarations for export or re-export on behalf of the client or exporter, in the capacity of direct representative. If this is desired by the client, written agreements must be entered into prior to the order or transport order. The client indemnifies KLG against all damage and costs, of whatever nature, that arise or have arisen due to inaccuracies in the details provided by the client, as well as against all assessments or tax assessments by the authorities or customs authorities, for whatever reason.

Article 8 *Duty to report valuable consignments*

The client guarantees that the value of the consignment does not exceed € 50,000. KLG accepts the consignment, subject to this explicit condition. If the value of the consignment is € 50,000 or higher, the value must be reported to KLG in writing, prior to transport. KLG, at the explicit request of the client and at its expense, shall try and take out supplementary transport insurance. Any conditions of this supplementary transport insurance will then be applicable for the client. Without prejudice to the provisions of articles 2, 3 and 11, KLG cannot be held liable in the event of a failure to comply with this duty to report, by virtue of article 7:900 of the Netherlands Civil Code.

Article 9 *Packaging and labelling*

Operational agreements are laid down in separate working arrangements/protocols at all times. All pallets and units or packaging units must show clear details regarding the product, the full address details of the consignee and consignor, symbols referring to any special handling requirements, etc. These details must be affixed in a way so that they can be clearly read during loading and unloading. Any old information must have been removed and/or made illegible. Goods must be packed so that they can be transported and handled without additional risks. The client must indemnify KLG against possible damage or consequential damage and losses due to improper packing.

Article 10 *Administrative procedures*

Both parties are committed to reduce and/or improve the administrative procedures and work (statements, status reports, meetings, etc.) on an ongoing basis. Expansion of this work can be reason for charging separate costs for this.

Article 11 *Hazardous substances / European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR)*

If the client offers hazardous substances for transport they must explicitly notify this in the transport order, this notification should contain all relevant details. The client must do so in accordance with the applicable statutory requirements. If the consignment contains a hazardous substance, the relevant substance must be stated as part of the transport order, together with the UN reference number, the packaging code and the name of the substance. The client is responsible for the correct labelling, approved packaging, the necessary transport documents including notification of tunnelcode if applicable and the consignor's declaration. The goods must be properly packed on pallets and secured, so that they can be loaded and transported in accordance with the statutory rules and regulations. If no information, or incomplete or incorrect information is supplied by customer and/or the labelling, packaging or documents do not comply to law, the customer is obliged to pay for all consequential costs, such as but not limited to, fines. ADR goods must be offered on pallets at all times. An ADR surcharge is applicable this will be specified in the offer.

Article 12 *Accessibility & opening hours*

It must be possible to reach the loading and unloading addresses given by the client using a truck for international transport. If this is not possible, then this restriction must be clearly noted on the order and may be subject to additional costs or delivery costs. KLG assumes loading and delivery is within standard working hours, for deliveries outside standard opening hours, or at specific time slot, a surcharge may be applicable.

Chapter 4 **Specific provisions regarding transport**

Article 13 *Incoterms*

The client needs to provide correct information to KLG regarding agreed incoterms with consignee, Incoterms in accordance with the International Chamber of Commerce (Incoterms 2010).

Article 14 *Transit times*

Except in the event of force majeure, consignments are delivered in accordance with the agreed transit times, yet no rights can ever be derived from this. If certain consignments must be delivered within other transit times, they must be discussed with the customer service department first and may be subject to additional costs. If due to an alternative transit time trucks must remain abroad during the weekend, depending on the country the truck has to remain in, a minimum weekend surcharge of € 250 shall be added. In the event of deliveries on Saturdays or Sundays and public holidays, surcharges apply. Delivery details are subject to consultation with the planning department, the practical possibilities and/or agreements made to that end.

Article 15 *Consignment notes / POD*

All consignment notes and CMRs are filed by KLG automatically, in compliance with local law. Due to the high administrative costs, CMRs are not added to the invoices. If so desired, clients can apply for a login code at KLG enabling them to retrieve and print a copy of the CMR themselves via the KLG Internet site. If the client instructs KLG to send copy of proof of delivery, the applicable rate is € 7.50 per POD if it contains a delivery made in the past year. If it concerns a delivery made over one year ago, the applicable rate for sending copy of proof of delivery is €25 per document. In the event of transport damage, the signed consignment note is provided without charging the aforesaid costs. Failure to provide signed consignment notes, for whatever reason, shall never lead to a delay, suspension or non-payment of claims. The client is never entitled to suspend or set off his payment obligations towards KLG unless explicitly agreed in writing by KLG before set off.

Article 16 *Loading, stowage and securing*

If no other agreements were made in the offer/agreement, the client is responsible for loading and stowage.

1. Loading, stowage and securing equipment such as securing straps, anti-skid mats etc. are not made available by KLG due to the nature of the work. The client must organise this, except if explicitly agreed in writing otherwise. The responsibility for the reliability of this equipment rests entirely with the client.
2. KLG is never liable for (assisting) loading and/or unloading. Loading and/or unloading are at the expense and risk of the client. If required a driver may assist with loading and/or unloading, but then the driver is assisting the client and the driver, nor KLG is never liable for any damage caused during these activities.
3. If the client presents trailers/containers with contents for transport and these trailers/containers were pre-loaded by customer, KLG is not liable for damage as a result of the loading method.
4. If the client presents goods for transport that are loaded on/in a semitrailer/trailer/container and/or are palletised and/or packed in such a way that it proves impossible to check the number of items and/or contents, KLG is not liable for the number of items and/or contents thereof as communicated by the client and/or stated in the waybill.
5. The client will never exceed the maximum loading/axle weight permitted by law and will take care of correct weight distribution for the vehicle in question. In that regard, the client indemnifies KLG

against the consequences of and/or damage caused by overloading or fines received for overloading, if this fact is the result of the client's working method.

Article 17 *Cabotage*

Cabotage is permitted only after written confirmation of KLG and after cabotage insurance in accordance with Regulation (EC) No 1072/2009 is arranged, in accordance with the prevailing EU regulation and any (additional) specific requirements per country with regard to cabotage. Client is liable for all damages to the breach of these rules.

Article 18 *Secure parking*

The client must give clear instructions about high value cargo. At the request of the client, secure parking will be used to the greatest possible extent. In that case, the client must communicate in writing in advance which parkings can be used. The statutory driving and rest times must of course be observed. Secure parkings are also used if this is reasonably required in the opinion of KLG or a driver in the given circumstances. Any costs for secure parking are passed on to the client, also costs for any additional kilometres driven to use secure parking are charged to the client.

Article 19 *Recruitment of drivers by client*

Without the explicit written consent of KLG, the client or its subsidiary is not permitted to enter into an employment relationship with a KLG driver. If the client or its subsidiary enters into an employment relationship with a KLG driver without the explicit written consent of KLG, they owe six months of full pay in compensation.

Article 20 *Intermodal Transport*

Events with regard to the rail- and or sea transport beyond control of KLG may lead to longer transit times. As an alternative other routes at adjusted rates and leadtimes may be proposed. Costs related to unforeseen changes within the infrastructure (both temporarily as permanent) will be announced and charged accordingly.

Chapter 5 **Prices and payments**

Article 21 *Prices*

Rates are based on the economic situation and governmental surcharges (such as but not limited to toll and diesel) as applicable at the time the offer was made. In the event of changes due to (for example governmental) decisions beyond control of KLG, KLG will adjust their rates accordingly and inform client in writing latest within one month after price increase. If due to other factors a price increase is communicated by KLG to client, client has the right to accept or reject increased rates during one month after adjusted rates are proposed. If client does not respond to increased rates within one month after adjustment is proposed the increased rates are deemed to be accepted. The rates charged are based on information with regard to volume and frequency provided. If after expiration of a certain period of time the actual data do not match with information provided, KLG reserves the right to adjust the rates to the actual situation.

Article 22 *Payment and proof of delivery*

1. Work that is not subject to the above conditions is subject to the general payment terms of Transport en Logistiek Nederland, filed at the Registry of the District Court in The Hague on 2 July 2002, under file reference number 69/2002. The conditions filed most recently apply. These conditions have been included in these General Terms and Conditions.
2. Contrary to the general payment terms of Transport en Logistiek Nederland (14 days), the price invoiced by KLG must be paid by the client to KLG within 30 days of the invoice date. KLG does not accept any payment or unilateral payment terms of the client, unless this has been explicitly confirmed by KLG in writing.
3. If the client has not disputed the invoice within 14 days of receipt, supported by arguments, KLG shall deem the invoice as having been accepted by the client.
4. The price stated by KLG is in any case payable to KLG immediately after delivery of the consignment at the place of destination. Proof of delivery or a (CMR) consignment note is available on request at KLG, check article 15. Failure to produce proof of delivery or a (CMR) consignment note does in no case give the client the right of suspension with regard to liability to pay the price.
5. The client is not entitled to set off the price against any claim he believes to have against KLG and/or to suspend payment thereof.
6. If the client has not paid the price to KLG within the payment term referred to in paragraph 2, the client shall be in default without a prior notice of default being required.
7. If the client is in default in accordance with article 6, he, by virtue of article 6:119a in conjunction with article 6:120 of the Netherlands Civil Code, shall owe KLG statutory commercial interest from the day the default commences until full settlement. The client further owes KLG judicial and extrajudicial costs incurred by KLG in order to ensure the client fulfils his payment and other obligations, which extrajudicial costs shall be equal to 15% of the outstanding claim, subject to a minimum of € 450, exclusive of VAT.
8. If the freight payer is not in the possession of a VAT code number, KLG may demand immediate and/or cash payment.

Article 23 *Advances*

Import duties, excise duties, turnover tax and other costs must be paid prior to transport. The goods are released after KLG has received payment of these costs in its account. If, by way of exception, an agreement is entered into to grant credit, an advance commission of 3% of the VAT, import duties, excise duties and other government levies paid in advance applies, as well as other amounts paid by KLG in advance, such as sea freight etc. In that instance, invoices with regard to amounts paid in advance must be settled within 8 days of the invoice date.

Article 24 *Rates*

Rates are expressed in Euros, exclusive of VAT, and always contain a conditions sheet, detailing special agreements or conditions which prevail over these General Terms and Conditions. Barring special agreements, rates apply from the date of issue until the end of the relevant calendar year. All rates are exclusive of delivery costs in city centres that are closed off for normal truck traffic or which are subject to specific permits. Rates are also exclusive of ferry- and tunnel charges and additional transport costs such as (but not limited to) Islands. All rates are based on the current cost level. In the event of unforeseen changes in the costs, these costs shall be passed on. The client is solely responsible for obtaining any permits or other documents for specific transports for all circumstances. Any costs arising from the lack of such permits / documents will be passed on to the client.

Article 25 *Diesel oil surcharge (DOT)*

With a view to the unpredictability of the diesel oil price, rates are exclusive of a possible diesel surcharge unless specifically stated otherwise in the offer. This diesel oil price is mentioned on <https://ec.europa.eu/energy/en/data-analysis/weekly-oil-bulletin> and changes every week. The basic price and conversion factor and frequency of amending the surcharge is stated separately in each offer. The agreed prices are the minimum prices.

Article 26 *Payable weight / Maximum measures and weights*

The payable weight determines which graduated rate system applies to the offer and is calculated on the basis of the highest weight of the actual gross weight or volume weight and the following departure points:

1 m ³	= 330 kg	
1 load metre	= 1750 kg	
1 euro pallet	= 120 x 80 x max. 250 cm	= max. 700 kg
1 block pallet	= 120 x 100 x max. 250 cm	= max. 875 kg
Full Truck Load (FTL) = max. 13.6 load metres / maximum weight depending on local law		

Length load: if consignments exceed a length of 2.4 metres, the applicable load metres or any special agreements shall be subject to a minimum length surcharge of € 50. For network distribution (last mile) the maximum height of shipment is 220 cm.

Article 27 *Stackable pallets / Double-Stocker*

Pallets are considered to be stackable and shall be stacked if the client offers them stacked in pre-advice and/or at loading, provided there is no increased risk of damage during transport and transfer. KLG has the disposal of a large number of so-called double-stock trailers in which pallets can be loaded to a maximum height of 1.20 m and a certain maximum weight and stacked two high by means of loading bars. Based on the higher investment and depreciations, limited availability, longer loading and unloading times and more laborious packaging exchange, this shall be subject to a surcharge.

Article 28 *Free loading and unloading times, waiting charges*

The following loading and unloading times are included in the rates:
When loading or unloading groupage or part consignments (LTL), the maximum address time is 30 minutes. When loading or unloading a full truck load (FTL), the maximum address time is 2 hours.
When changing exchange/stand trailers, the maximum address time is 30 minutes.
Exceeding these times shall be subject to a rate of € 24 per commenced half hour. This is excluding any weekend surcharge (article 14).

Article 29 *Tailboard surcharge*

If consignments must be delivered by means of a tailboard, the client must state this for each order separately, unless this has been agreed as a standard. Deliveries made with a tailboard are subject to a minimum surcharge of € 50.

Article 30 *Time agreement (rendezvous deliveries), announcements*

Rates are based on standard day deliveries in accordance with the transit times schedules which make it possible to plan the most logical and effective routes. Delivering at specific times is subject to considerable additional costs.

Additional time: in order to prevent being late, we are required to plan additional time, as a result of which the truck is often too early and has to wait.

Additional kilometres: routes cannot be planned in accordance with the most efficient and logic method. The loading factor of the truck is lower, as the agreed times must be honoured as a result of which it is often not possible to utilise maximum capacity.

If so required, KLG can meet these requirements, subject to the following rates:

Announcing consignment to consignee	: surcharge of € 10 per consignment
Agreed unloading time on a certain day (am or pm)	: surcharge of € 35 per consignment
Agreed unloading time within a 2-hour time window	: surcharge of € 75 per consignment
Agreed unloading time within a 1-hour time window	: surcharge of €150 per consignment

Article 31 *Maut*

The toll surcharges (Maut) for the various countries are included in the rates, unless stated otherwise on the conditions sheet / B sheet.

Article 32 *Confidentiality*

The client shall keep all offers and agreements made with KLG confidential and will not disclose this information to third parties. KLG shall keep all information received from the client confidential, and share only with those who need to know.

Chapter 6 Liability, compensation and indemnity

Article 33 *Liability*

1. With regard to the activities which are subject to the sectoral terms and/or conditions referred to in article 2, the liability of KLG is determined by those sectoral terms and/or conditions, with due observance of the provisions of article 2, paragraph 1 of these General Terms and Conditions. If, however, the liability or scope of liability is not defined in certain cases, KLG cannot be held liable for any damage or losses, unless the client demonstrates that the damage or losses were caused by an, under the law, attributable breach on the part of KLG in the fulfilment of its obligations towards the client or contracting party. KLG can never be held liable for (consequential) damage or loss, including, but not limited to, loss of profits or income.
2. KLG shall in no case be liable for damage or losses due to failing to fulfil its obligations, or failing to do so in time, as a result of force majeure. Force majeure is taken to mean, yet not limited to: war/riots/sabotage, strikes, national or international government measures, industrial conflict (in the broadest sense of the word), theft/burglary/fire, weather conditions, traffic jams, accidents, disruptions, broken down vehicles, breakdowns in utility services (including water and power), acts of God, tunnel blockades and breakdowns in ferry services, regardless of the manner in which they were formed or where they took place.
3. KLG is not obliged to pay any compensation for limited, reasonable delay.
4. If during or as a result of unloading the goods, property of the client, contracting party and/or third parties is damaged in any way, other than damage to or loss of the goods itself, and/or if that client, contracting party and/or third parties suffer any financial losses, KLG cannot be held liable for this, unless in the event of intention or wilful recklessness on the part of KLG or its management.
5. Except in the event of intention or wilful recklessness by KLG or its management, the liability of KLG shall at all times and in any case be limited to the maximum amount covered by the insurance.
6. Insofar as the limitation of liability is not determined by the general conditions set out in article 1 paragraph 6 of the CMR Convention, the liability stipulated in the previous paragraph is in any case limited to the freight and/or rate owed by the client per transport or per activity, and if such freight and/or rate is lacking, the liability is in any case limited to the amount that can be claimed under the heading of the liability insurance, increased by the amount of the excess according to the relevant policy, while the client expressly safeguards KLG from any further claims of thirds.
7. Fines, taxes and invoices from (judicial) authorities ensuing from (violations of) statutory provisions, including but not limited to those relating to the dimensions of trailers and maximum permissible axle pressure, will be passed on to the client, unless the client can prove beyond all reasonable doubt that KLG (alone) is responsible and liable for a violation. Costs in relation to preloaded trailers will be passed on to the client at all times.

Article 34 *Compensation*

Visual damage to a consignment caused by transport must be reported to KLG in writing within 24 hours of receiving the consignment, at the risk of forfeiting the right to complain and/or compensation, without prejudice to all other limitations of liability. Liability has been laid down as per applicable conditions mentioned in article 2.1 of these General Terms and Conditions. It includes a limitation of liability of a maximum amount per kilogramme in the event of loss or damage. The effect of limited liability is that it often does not cover the total value of the consignment, despite KLG possibly being liable for a claim. For example if the claim is covered by CMR, the maximum liability to be claimed at KLG is around € 8,96 per damaged or lost kilogramme. Therefore, in order to cover the actual value of the goods during transport, KLG recommends insuring the goods against transport risk separately, at request KLG can offer you this without obligation. With regard to damage to products which, by their very nature and/or packaging (e.g. glass), are sensitive to damage, the client must demonstrate that KLG did not handle the goods with due care and attention (reversed burden of proof). Relatively minor damage representing a value of less than € 150 causes a disproportionate amount of administration and follow-up costs for all parties concerned and is therefore disregarded.

Article 35 Indemnification and Himalayas clause

1. Subject to article 33.6, the client is obliged to indemnify KLG against all third-party claims in relation to damage caused during the execution of the work by KLG, except insofar as this damage has been caused by an act or omission of KLG or its management with the intention to cause that damage or is due to recklessness with the knowledge that this damage would probably be the result thereof. Damage is understood to include damage or losses as a result of death or injury as well as any form of financial loss.
2. KLG is an Authorised Economic Operator (AEO) and as such has a license of this from Dutch customs. The client indemnifies KLG against all damage and costs, of whatever nature, that arise or have arisen due to inaccuracies in the details provided by the client, or persons and bodies engaged by him, as well as against all assessments or tax assessments by the authorities or customs authorities, for whatever reason.
3. The client is at all times and in all cases obliged to indemnify KLG against all third-party claims referred to in article 33.6, insofar as the total amount of those claims exceed the amount that shall be covered by the insurance, except insofar as this damage has been caused by an act or omission of KLG or its management with the intention to cause that damage or is due to recklessness with the knowledge that this damage would probably be the result thereof.
4. If subordinates of KLG, as well as individuals whose services KLG uses for the execution of the agreement, are held liable, they shall be able to invoke any limitation and/or discharge of liability which KLG may invoke by virtue of the General Terms and Conditions (including article 2 of the aforesaid sectoral terms and conditions) or any other legal or contractual provision.

Chapter 7 Terms of delivery/applicable law

Article 36 Cash on delivery

KLG explicitly states that cash on delivery (COD) is not possible.

Article 37 Cancellation charges

Planned and/or reserved loading space is payable, at all times. This means that if less space is loaded than initially announced and confirmed, the space reserved shall be invoiced. Previously announced loads can be changed and/or cancelled up to 1pm CET on the day before loading. If loads are cancelled thereafter, a freight discrepancy of 70% of the agreed freight rate is charged.

Article 38 Complaints

Complaints in respect of invoices must be submitted within 8 days of receiving the invoice. Failure to do so means that the client is deemed to agree to the contents thereof, in accordance with article 7:900 of the Netherlands Civil Code.

Article 39 Applicable law and competent court

1. The legal relationship between KLG and its clients and/or contracting party is governed by the laws of the Netherlands and will be judged in accordance with the laws of the Netherlands.
2. Any disputes arising from or related to the A(a)greement(s) to which these C(c)onditions apply will be submitted exclusively for arbitration in Rotterdam in accordance with the TAMARA arbitration regulations, with exception of claims up to €25.000 and undisputed claims, which will be submitted to the competent court in Rotterdam.
3. No appeal can be made to the exception referred to in Paragraph 2 if Client has its registered office or principal place of business in a country outside the EU.
4. The arbitrators will, where applicable, apply the provisions of international transport treaties, including the convention on the international carriage of Goods by road (CMR). The Client guarantees KLG that the unloader, the addressee and the other parties with an interest in the cargo will in case of damage to the Goods and/or delay in the delivery thereof be bound to the provisions of this Article.

Article 40 Change to the terms and conditions

KLG is entitled to change these terms and conditions. After such change, the changed terms and conditions will apply to the next agreement with the client or another contracting party, including the preceding legal relationship. Government measures that cannot be influenced by KLG and which may have financial consequences for transport costs will be charged to the costs price calculation on the basis of pas through costs. They may include road pricing, charges, taxes and surcharges. If applicable, the client and KLG will discuss the way in which these costs are incorporated in the rates as from the effective date, check article 21.

Article 41 Validity

If any clause in these General Terms and Conditions is invalid or is held to be invalid, the remainder of the contract shall remain in force to the extent possible and the invalid clause shall be replaced forthwith in consultation between the parties by a clause which reflects the intent of the original clause as closely as possible.

Appendix 1 GENERAL PAYMENT TERMS OF TRANSPORT EN LOGISTIEK NEDERLAND

These payment terms are in relation to payments for transport, storage and other work KLG has been instructed to carry out. The terms have been defined by Transport en Logistiek Nederland and filed with the Registry of the District Court in The Hague on 2 July 2002, under file reference number 69/2002.

Article 1 Freight payment

1. The consignor is obliged to pay for the freight and other costs in relation to it, the moment he hands over the consignment note and/or when the goods have been transferred to KLG.
2. If the goods have been agreed to be dispatched on the basis of carriage forward, the consignee, upon delivery of the goods by KLG, is obliged to pay the freight and any other costs payable in relation to the transport and/or goods; if he failed to pay these on first demand, the consignor and consignee shall be jointly and severally liable to pay. If, in the event of carriage forward, the consignor has stated on the consignment note that without payment of the freight and any other costs payable in relation to the transport and/or goods, delivery cannot take place, KLG, if payment has not been effected, must request the consignor for further instructions to be followed, insofar as reasonably possible, subject to reimbursement of the costs, damage and possible payment of a reasonable remuneration, unless these costs were incurred due to his own fault.
3. KLG is entitled to charge the party obliged to pay the freight and other costs all necessary judicial and extrajudicial collection costs in relation to the freight and otherwise, as referred to in paragraphs 1 and 2. The extrajudicial collection costs are payable from the moment the debtor is in default and the claim has been outsourced for collection.
4. The freight and any other costs payable in relation to the transport and/or goods are payable, even if the goods have not been delivered at the place of destination, or have been delivered at the place of destination in part, or while damaged or delayed.
5. Invoking setoff of claims to pay the freight and any other costs payable in relation to the transport and/or goods against other claims is not permitted unless KLG has explicitly agreed with this in writing before setoff.
6. If the consignor has failed to fulfil his obligations referred to in this article, KLG shall be entitled to suspend the departure of the means of transport. Any damage suffered as a result of this shall be deemed as costs payable in relation to the goods.

Article 2 Right of retention

1. KLG has a right of retention in respect of goods and documents that he retains under this agreement against anyone who requires these to be delivered. He shall not be entitled to this right if, at the time he received the goods, he had reason to doubt the authority of the consignor to make available the goods.
2. The right of retention also relates to that which is subject to the goods sent COD as well as the commission payable to him under the COD condition and for which he is not required to accept security.
3. KLG may also exercise the right of retention against the consignor in respect of any outstanding payments under previous agreements.
4. KLG may also exercise the right of retention against the consignee who became a party in those agreements in that capacity, in respect of any outstanding payments under those agreements.
5. If upon settlement the amount payable becomes subject of a dispute or, in order to calculate this, a non-urgent calculation is required, the party demanding delivery shall be obliged to immediately pay the part which indebtedness is not subject to the dispute of the parties and provide security for the part disputed by him or for the part which amount is yet to be calculated.

Article 3 Pledge

- 1 All goods, documents and monies retained by KLG in connection with the work agreed shall serve as security for all claims he has against the consignor.
- 2 Except in those instances in which the consignor is bankrupt, has been granted a moratorium or has been declared subject to the debt management scheme for natural persons, KLG shall never be entitled to sell the goods without the permission of the courts, in accordance with article 3:248, paragraph 2 of the Netherlands Civil Code.

Article 4 Default interest

In accordance with article 6:119 of the Netherlands Civil Code, the parties owe statutory interest on any amount payable by them.

Article 5

These conditions can be cited as "General Payment Terms of Transport en Logistiek Nederland".

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