

# STANDARD TERMS & CONDITIONS

FOR INTERNATIONAL FREIGHT FORWARDING & LOGISTICS SERVICES

## 1. Scope and Exceptions

- 1.1. These Standard Terms and Conditions ("STC") apply to the provision of all freight forwarding and logistics services ("Services") by Delta Global Solutions, its sister, holding or associated companies ("Forwarder"), in any capacity. These STC will be deemed accepted by the Forwarder's customers ("Customer") upon their placing an order with the Forwarder.
- 1.2. In the event of inconsistency or conflict between these STC and local statutory laws, local laws take precedence over the STC.

## 2. Definitions

- 2.1. "Cargo" - Goods accepted by the Forwarder for carriage, storage, packing, loading, unloading or handling otherwise
- 2.2. "Shipper" - Any person, legal or physical, tendering a cargo for shipment. The Shipper may act as the Customer under these STC
- 2.3. "Consignee" - Any person, legal or physical, indicated as the consignee of the cargo in the shipping documents. The Consignee may act as the Customer under these STC
- 2.4. "Carrier" - Any transport Forwarder with whom the Forwarder enters into agency or other agreement for sales of air, road, rail or multimodal transport services
- 2.5. "Party" - The Forwarder or the Customer, individually
- 2.6. "Parties" - The Forwarder and the Customer, collectively
- 2.7. "Third Party" - Any third party recruited by the Forwarder to perform the Forwarder's obligations under these STC
- 2.8. "Chargeable Weight" - Calculated weight value of the cargo based on density
- 2.9. "SDR" - Special Drawing Rights, units of accounts as defined and used by the International Monetary Fund

## 3. Forwarder as Agent

- 3.1. Third Party Services. The Forwarder may use third parties to perform its obligations under these STC. When services are provided through third parties, the Forwarder acts as Agent and assumes no liability for the actions (or inaction) and omissions of such third parties, including (without limitation) carriers, agents, customs brokers, warehousemen, port and airport administrations, ground handlers and other forwarders ("Third Parties") provided that it uses reasonable care in the selection, instruction and supervision of the Third Parties.
- 3.2. Carrier's Liability Limitations. The Carrier's as well as the Forwarder's liability for loss, shortage and damage of the Cargo is limited by local laws and/or international conventions, agreements, protocols including (without limitation):

- a) For air freight: Warsaw Convention and Hague Protocol which limit the Forwarder's liability to an amount no greater than 250 (two hundred fifty) francs or 19 SDR per gross kilogramm of the lost, missing or damaged cargo.
  - b) For road haulage: CMR Convention which limits the liability of the Forwarder to an amount no greater than 8.33 SDR per gross kilogramm of the lost, missing or damaged cargo.
- 3.3. Liability Limitations of Other Third Parties. Liability of the Third Parties for loss, shortage or damage of the Cargo is further limited by local regulations in the countries where the Third Parties operate and where such loss, shortage or damage occurs or is discovered.
- 3.4. If the Customer is not satisfied with the Forwarder's scope of liability, it may declare a higher value for the Cargo or request the Forwarder to insure the Cargo per terms of these STC.

## 4. Forwarder as Principal

- 4.1. The Forwarder may provide Services as Principal ("Principal"), using its own vehicle fleet and/or equipment, employees or other resources for cargo storage, handling, packing or distribution and other related services or by way of issuing its own transport document where it directly assumes the liabilities of the Carrier.
- 4.2. Liability as Principal. In instances where the Forwarder acts as Principal, it assumes responsibility for the loss, shortage or damage of the Cargo as well as the related expenses, provided that the Forwarder's direct fault (such as negligence) is established. The Forwarder's liability in this case will be limited to the amount of 2 (two) SDR per gross kilogramm of the lost, missing or damaged Cargo. The maximum amount of compensation to the Customer will be capped at 70 (seventy) SDR per case.
- 4.3. Exemption From Liability. The Forwarder will not assume direct or indirect liability for any damages in all the circumstances and/or events beyond the reasonable control of the Forwarder including but not limited to electrical or magnetic damage to, or erasure of, electronic or photographic images, data recordings; any inherent defects in the Cargo, known or unknown at the time of acceptance; any act or omission by a person not employed or contracted by the Forwarder, e.g. Shipper, Consignee, third party, customs or other government official; force majeure events as described in these STC.

## 5. Choosing Routes, Carriers, Agents

Unless express instructions in writing are received from the Customer, the Forwarder has complete freedom in choosing the means, routes, carriers and procedures to be followed in the handling, transportation and delivery of the Cargo.

## 6. General Forwarding Rules

- 6.1. Service Inquiries. Services inquiries are drafted and sent by the Customer to the Forwarder in writing using Email unless the Forwarder has established a different procedure for accepting inquiries.
- 6.2. Packing / Labeling. The Cargo must be packed, packaged, marked or labeled in a way that is suitable for a transport, storage and/or handling process. Each package, item or load support must be clearly labeled to allow immediate and unequivocal identification of the Shipper, Consignee, delivery location and the nature of the goods. The Customer is responsible for all

the consequences of any absence, lack or defect in the packing, packaging, marking or labeling as well as any failure in its obligation regarding information or declaration of the nature and the characteristics of the Cargo.

- 6.3. Cargo Acceptance. Cargoes are accepted by the Forwarder by inspecting the number of pieces, volume and weight only, without inspecting the contents and their status, inner parts, quantity, quality, any visible or invisible defects, sensitivity to various temperatures, etc.
- 6.4. Cargo Release. As soon as delivered to the final destination, the Customer or the Consignee must accept the Cargo, inspecting the quantity and status, and immediately report any discrepancies, if discovered, to the Forwarder. If delivery of the Cargo is not accepted at the appropriate time and place, the Customer will reimburse the Forwarder any expenses and costs of the Forwarder related to the untimely acceptance, unloading, demurrage and storage of the Cargo.
- 6.5. Warehousing. Pending forwarding from origin and/or delivery to the Customer upon arrival, the Cargo may be warehoused or otherwise stored at any place as determined by the Forwarder in its absolute discretion, at the Customer's expense.
- 6.6. Handling Dangerous Goods.
  - a) The Customer and the Forwarder will be guided by international regulations for packing, storage and carriage of the Dangerous Goods, including (without limitation):
    - i) For air freight: IATA DGR
    - ii) For road haulage: ADR (Agreement concerning the International Carriage of Dangerous Goods by Road)
    - iii) For ocean freight: IMDG Code
    - iv) For rail freight: RID
  - b) The Customer will, in its request for quotation or service inquiry, undertake to provide full and reliable information about the Dangerous Goods, including HS codes, hazard class, UN numbers, safety data sheet, export, transit and import permit status from relevant authorities.
  - c) The Forwarder may not accept for carriage any Cargo requiring special transport conditions or special permits issued by the authorities of the Republic of Uzbekistan or per IATA (International Air Transport Association) regulations, including (without limitation): weapons, explosives, narcotic and psychotropic substances, precursors, etc. The Forwarder also reserves its right not to accept any Cargo which due to its nature poses a risk of hazard for goods other than the Cargo and the Forwarder's employees.
  - d) If during transportation undeclared Dangerous Goods are detected, the Forwarder may neutralize or destroy it with no compensation to the Customer. The Customer alone will be responsible for any damage caused to the Forwarder and the Third Parties arising from forwarding such Cargo.

## 7. Incoterms

Incoterms rules apply to contracts between buyers and sellers and have no relationship to the Agreement between the Forwarder and the Customer or the contract between the Forwarder and the

Carrier.

## 8. Declared Value

- 8.1. In the absence of a written notice from the Customer stating the declared value of the Cargo, the Cargo will be forwarded without declaring any value for carriage. In this case the Forwarder's responsibility for the Cargo will be determined based on the market value of similar goods which the Parties together establish. The price of the goods indicated in the commercial invoice cannot be a basis for declaring the value of the Cargo; it will be considered a price statement for customs and export statistics purposes.
- 8.2. The Parties may, upon a written request of the Customer, agree on a higher declared valuation of the Cargo, in which case they must agree the commercial terms of carriage (freight cost, additional fees, cargo insurance, etc) with all players in the logistics chain.
- 8.3. When declaring a high value for the Cargo and upon the Carrier's consent to carriage of such cargo, the Carrier's limitation of liability for loss, shortage or damage of the Cargo will be based on the declared value of the Cargo.

## 9. Price Estimates, Quotations

- 9.1. Any price estimates or quotations issued by the Forwarder are for informational purposes only and may be subject to change without notice and will not be binding on the Forwarder unless the Forwarder undertakes in writing to provide specific services at specific prices.

## 10. Forwarder's Right of Lien

- 10.1. The Forwarder has a general lien on the property of the Customer under its control, for all claims for charges payable to the Forwarder.
- 10.2. In case the Forwarder's claim remains unsatisfied for 30 (thirty) days after demand for its payment is made, the Forwarder may sell the property of the Customer at its sole discretion, upon 5 (five) days of written notice to the Customer, and apply the net of such sale to the payment of the costs and fees due the Forwarder.
- 10.3. Any surplus from such sale will be transferred to the Customer, and the Customer will be liable for any deficiencies in the sale.

## 11. Presenting Claims

- 11.1. Any claims to be made by the Customer under these STC will be done in writing within 5 (five) days of the Cargo being delivered or other services being provided.
- 11.2. The Forwarder may not accept any claims if the Customer did not follow the legally established claim procedure.
- 11.3. Claims of the Customer will be reviewed only after the Forwarder's claims for charges have been fully satisfied.
- 11.4. Claim review timeframe. The Forwarder will review any claims of the Customer within 30 (thirty) days and provides a written statement on acceptance or rejection of the claims presented.
- 11.5. Time bar. The time bar for claims under these STC is 1 (one) year. The Forwarder will be relieved of any liabilities under these STC if no claims are brought to the Forwarder within the mentioned time frame following the delivery of the Services.

## 12. Cargo Insurance

- 12.1. The Forwarder's rates do not include cargo insurance. The Forwarder may, upon written request of the Customer, arrange cargo insurance as required by the Customer, on behalf and at the expense of the Customer.
- 12.2. The Forwarder will not go into direct contract relationships with insurance companies.

## 13. Forwarder's Rates and Payment Terms

- 13.1. Rates. The Forwarder's rates ("Rates"), including the fees due the Third Parties, are established by the Forwarder at its sole discretion and made available to the Customer in writing and upon request. The Forwarder may change the rates at its sole discretion.
- 13.2. Unforeseen Expenses. The Customer will reimburse any unforeseen expenses of the Forwarder backed by documentary evidence, including (without limitation), expenses arising from customs clearance, storage, packing, repacking, destroying of the Cargo as well as other fees incurred to ensure the safety of the Cargo.
- 13.3. Calculation of Charges. Rates and charges for freight will be based on the Chargeable Weight of the Cargo, which is derived from volumetric, actual or other conditional weight applicable by the Carrier (e.g. pivot weight or positional weight), whichever is greater. Rates for various categories of the Cargo will be established based on the Carrier's pricing policy.
- 13.4. Payment Terms. The Customer will pay the Forwarder's fees in Uzbekistan soums, US Dollars or any other hard currency as the Parties may agree, by remitting the funds to the current account of the Forwarder 10 (ten) days prior to:
  - (1) the date the Cargo is accepted for forwarding;
  - (2) the commencement date of any other Service under these STC

unless otherwise agreed by the Parties.

- 13.5. Bank Charges. Any bank charges on funds transfers will be fully absorbed by the remitting Party.
- 13.6. Late Fees. If the Customer fails to make payment when due under these STC, the Customer will pay the Forwarder a late fee equal to 0.5% of the total past due amount per day.

## 14. Complete Information

- 14.1. The Customer will provide complete and correct information to the Forwarder to enable it to perform its obligations under these STC.
- 14.2. The Customer will take full responsibility for the accuracy of the instructions, integrity of the information in the shipping documents as well as any consequences arising from incomplete information.

## 15. Force Majeure

- 15.1. The Parties will be relieved of any responsibility for delay in performance or non-performance under these STC (except for performance of payment obligations) if such delay or non-performance is a consequence, in part or in full, of force-majeure circumstances ("FMC")

which the Parties could not foresee or reasonably prevent.

- 15.2. In the event of FMC, a Party notifies the other in writing as soon as reasonably practicable and provides documentary evidence confirming the circumstances.
- 15.3. In the event of FMC, the time for performance of a Party's obligations will be extended for a period equal to the duration of such circumstances and their consequences.
- 15.4. The Parties will use commercially reasonable efforts to remove any consequences of FMC and resume performance under these STC as soon as reasonably practicable.

## **16. Confidentiality**

The Parties undertake to keep confidential all information of the other Party received within or in relation to the performance of the Services and to not disclose the information to a third party without the prior written consent of the other Party.

## **17. Notices and Information Exchange**

Any notices, documents, reports and other information to be exchanged between the Parties under these STC will be in writing and will be deemed given if delivered personally or by sent by registered mail or email to the most recent address or email address notified to the other Party.

## **18. Applicable Law and Jurisdiction**

- 18.1. These STC will be governed by, and construed in accordance with the laws of the country the Forwarder's headquarters are located in as well as the international conventions and regulations mentioned in these STC.
- 18.2. In the event of a dispute arising out of or in connection with these STC, the Parties will strive to settle the dispute through good faith negotiations. If the dispute cannot be resolved through negotiation, the Parties agree to submit the matter to the non-exclusive jurisdiction of the court of the Forwarder's headquarters.

## **19. Severability**

If a provision of these STC is or becomes illegal, invalid or unenforceable, this will not affect the validity or enforceability of any other provision of the STC.

## **20. Compliance with Laws**

The Parties undertake to abide by laws of the countries they do business in as well as the regulations of international conventions concerning the carriage and handling of the Cargo. In case of discrepancies between the local laws and the provisions of international conventions, the provisions of international conventions will prevail.