

CASTANINI SRL STANDARD TRADING CONDITIONS

"Standard Trading Conditions applied by Castanini S.r.l. - Free translation into English".

The Italian text of Castanini S.r.l. standard trading conditions is the only official binding document; in case of conflict between the Italian and the English texts, the Italian text shall prevail.

1. Trading Conditions applying to all and any activities performed by Castanini S.r.l.

The following trading conditions rule all and any activities performed by Castanini S.r.l. under Customer's instructions, whether or not preceded by an offer. These conditions have full and unconditional legal value between the contracting parties unless and until they are expressly derogated in writing.

2. Business undertaking by Castanini S.r.l.

Castanini S.r.l. undertakes its duties subject to the terms, trading conditions and provisions applied by the Shipping lines and/or air carriers and/or hauliers, Railway Carriers, Fluvial carriers, Multimodal Carriers and/or carriers of any other nature, Port Authorities or Storage suppliers, whether Italian and/or Foreign, whose services are engaged by Castanini S.r.l. on behalf of the Customer to fulfil the Customer's instructions. The responsibility of Castanini S.r.l. towards its Customer will not exceed the responsibility of Castanini S.r.l./s appointed agents and/or servants, and/or companies or Authorities whose services Castanini S.r.l. has engaged on behalf of the Customer for the fulfilment of the Customer's instructions.

3. Obligations and liabilities of Castanini s.r.l.

- 3.1. Castanini S.r.l. shall perform its duties with the diligence of the professional forwarding agent.

- 3.2. Castanini S.r.l. shall be at the liberty, in forwarding the goods, to consolidate the goods with any other, if not otherwise stated in writing by the Customer.
- 3.3. Castanini S.r.l. shall not be liable for the exact interpretation of verbal instructions, unless they are confirmed by the Customer clearly and in writing.
- 3.4. If the Customer fails to advise the correct harmonised customs code, Castanini S.r.l. and its servants and/or agents shall issue the Customs Declaration on the basis of the information and documents provided by the Customer. The Customer shall keep harmless and indemnify Castanini S.r.l. and its servants and/or agents from and against any claim that may be raised by the pertinent authorities or by any other office concerned.
- 3.5. According to the article 1717 of the Italian Civil Code and being authorised by the Customer, Castanini S.r.l. shall be entitled to substitute itself with others for any or all the activities to be performed.
- 3.6. Castanini S.r.l. shall not be liable for acts or omissions of carriers, warehousemen, stevedores, packers, customs brokers, insurance brokers and/or bankers, whose services have been engaged by Castanini S.r.l. to fulfil Customer's instructions.
- 3.7. Castanini S.r.l. is not obliged to ascertain whether or not the pre-mentioned carriers and/or the other suppliers and/or the means of transport are covered by adequate liability insurance, nor to ascertain whether or not they are certified.
- 3.8. The instructions to clear goods entitle but do not oblige Castanini S.r.l. to anticipate any freights on the goods and/or any other amounts, duties and/or other expenses. Castanini S.r.l. shall not be held responsible by its Principal for detention expenses, damages and so on, arising out of its failure to anticipate the freight and/or the other expenses.
- 3.9. Castanini S.r.l. is not obliged to warn the Customer about, nor to ascertain the existence of any impediments enforced by law and/or by any pertinent Authority such as - but not limited to - importation restrictions, exportation restrictions or transit restrictions.

- 3.10. Castanini S.r.l. is not obliged to check the existence, integrity or suitability of packing, and shall not be liable for the damages, of any nature, suffered by the goods which have not been properly and sufficiently packed, which have been packed with used packages or with packages which can be affected either by the goods manipulation or by the nature of the goods.
- 3.11. Castanini S.r.l. does not warrant delivery times nor the application of specific forwarding priorities, nor does Castanini S.r.l. warrants for the accuracy of the information received by the carriers concerning the date of loading, the discharge or the delivery of the goods, as well the date of arrival of the means of transport. The transit-time is given by the carriers which shall perform the carriage and is merely approximate and it is not binding, as it depends on each voyage variables and on the trading conditions of the performing carriers.
- 3.12. Castanini S.r.l. is not obliged to issue the 'Declaration of Interest Upon Delivery', neither to declare the value of the goods entrusted, unless expressly instructed by the Customer in writing, even if and when informed by the Customer about the value of the goods, pursuant to provisions 26 CMR, 4.5 letter a) of the Brussels Convention, and pursuant to provision 423 and/or to provision 952 of the Italian Maritime Code pursuant to provision 22 of the Warsaw Convention 12-X-29 (and/or to provision 46 COTIF-CIM).
- 3.13. No insurance will be effected by Castanini S.r.l. except upon express instructions given in writing by the Customer. If the Customer gives the mentioned above instructions, all insurances effected by Castanini S.r.l. will be ruled by the general or particular conditions of the Insurance Companies as chosen. If the Customer fails to clearly state the risks against which the goods are to be covered, the goods will be covered against standard/ordinary risks only (war risks, to name but one, would remain excluded). Should the insurance be effected by the Shipper, or by the Consignee, the Customer undertakes to ensure that the waiver to the recovery actions and/or any claims against Castanini S.r.l. is expressly included in any cargo insurance policy and/or policies.

4. Inspection of the goods. Castanini S.r.l. is entitled to inspect the cargo at any time.

5. Dangerous Goods. Unless otherwise agreed in advance in writing, Castanini S.r.l. will not accept or deal with goods of a dangerous or damaging nature or goods classified as dangerous by Domestic, International regulations (IMO's Codex IMDG, IBC chapter 17 and IGC, and OMI's chapter 19), and by the European agreement regarding to the international transport of dangerous goods by road ADR, or any other national EU or international rules or with goods which are subject to restrictions from IATA or ICAO or with goods likely to perish or quickly deteriorate. Should such goods be entrusted to Castanini S.r.l. without prior agreement in writing, Castanini S.r.l. shall be entitled to refuse, destroy or otherwise sell these goods at Customer's expenses. The Customer will be liable for all and any damages and or losses caused by the pre-mentioned goods to Castanini S.r.l. or to third parties.

6. Obligations and responsibilities of the Customer.

6.1. The Customer shall provide the information concerning the nature and description of the goods, the number, the quantity, the quality and the content of the packages/pieces, the gross weight, the dimensions and any other useful information for the performance of the Customer's instructions.

6.2. The Customer declares that the figure indicated in the invoice is equal to the value of the goods i.e. the price which has been or has to be paid.

6.3. The Customer shall deliver Castanini S.r.l. all the goods properly packed according to custom. In particular the Customer is required to properly mark the goods to allow the easy and unequivocal identification of the nature and characteristics of the pre-mentioned goods.

6.4. With regard to air shipments, the Customer warrants and guarantees that the goods do not contain any item which is prohibited under ICAO rules (see Annex 17 ICAO) and or any other national or international rules which rule aviation security. The shipments can be subject to security inspections, including X rays inspection systems and the Customer acknowledge and accept that the shipments can be opened and their contents

inspected during the voyage. Srl Castanini is expressly authorised to effect any security inspection of all air shipments.

6.5. The Customer also warrants that the shipment has been prepared in safe sites, employing reliable employees, and the shipment has been protected by any unauthorised or illegal interference during the preparation, warehousing and carriage until the shipment is delivered to s.r.l. Castanini for the forwarding services.

6.6. The Customer undertakes to provide Castanini S.r.l. with timely clear, accurate and full instructions in advance pertaining to the means, route, and mode of transport, and all the documents necessary to take delivery of the goods and the forwarding of same. In case of missing information by the Customer, and/or therefore in case of unclear and/or insufficient instructions, Castanini S.r.l. shall proceed according to its own best judgement, in the Customer's best interest.

6.7. Unless otherwise agreed in advance in writing, the Customer is required to advance funds to Castanini S.r.l. necessary for the fulfilment of the obligations and the performance of the Customer's instruction. Castanini S.r.l., acting in its own name and on behalf of the Customer, is not obliged to advance funds on behalf of the Customer. If Castanini S.r.l. agrees to advance funds on behalf of the Customer, pursuant to prior agreement in writing, or in case the funds required by Castanini S.r.l. shall not be promptly received, the Customer shall pay to Castanini S.r.l., a part from the normal competences, the commission for the advanced funds, and the interests on arrear pursuant to D. lgs. 2431/02, also any losses on the exchange rate, if, at the rime of the proceeds, the value of the pre-mentioned rate shall suffer a fall.

6.8. The Customer is responsible for damages and or loss caused to Castanini S.r.l. or to third parties resulting from inaccurate, inexact or omitted information pertaining the nature of the goods, as well as because of insufficient or unsuitable packing or marking/labelling, or resulting from the omission of all the necessary indications for the safe and proper handling, moving and lifting of the cargo and/or because of the breach of any and all the above warranties/obligations. The Customer undertakes to keep harmless and indemnify Castanini srl from and against any consequences, costs, damages or expenses (including legal expenses) incurred by Castanini s.r.l. as a consequence of Customer's breach of any and all the above warranties/obligations.

6.9. The Customer warrants that no claim or action shall be made against Castanini s.r.l. by any parties interested in the relevant shipment and in case such claim / action were made, undertakes to keep harmless and indemnify Castanini s.r.l. from any consequence of such claim / action or any consequent costs / expenses (including legal expenses).

7. Discharge of Instructions. Waiving the provision of article 1727, Italian Civil Code, Castanini S.r.l. shall discharge Customer's instructions at any time even in absence of a good cause. The Customer will be in duty bound to refund all the expenses undertaken by Castanini S.r.l. until the withdrawal.

8. Lien and right of Retention

Castanini S.r.l. shall have a lien on and a right of retention of all the goods for any and all their claims whether outstanding or not towards the Customer and documents entrusted. This pre-mentioned lien and right of retention can be exercised against any party having title on the goods (the Shipper or the Consignee, or the Owner of the good if he's not the Customer).

9. Liability and Limitation Notwithstanding the foregoing paragraph 2, Castanini S.r.l. 's liability towards the Customer on any account (whether in contract in tort) shall not exceed a sum of SDR 8.33 per kilo of the gross weight. Under no circumstance Castanini S.r.l. shall be considered liable for damages resulting from, caused by or consequent to delay and/or for consequential or indirect damages (such as but not limited to, commercial or financial loss, reputation loss, opportunity or interest loss etc.)

10. Storage. The eventual Storage of the goods entrusted to be forwarded by Castanini S.r.l., shall be performed at Castanini S.r.l./s own discretion either in its own or in third-parties warehouses (either public or privately owned companies). **10.1.** If Castanini S.r.l. stores the goods in a third party warehouse, the same conditions applied between Castanini S.r.l. and the third party will be applied between The Customer and the Castanini S.r.l. (including liability and limitation clauses).

10.2. If Castanini S.r.l. stores the shipment in its own warehouse, Castanini S.r.l. shall be not obliged to take specific precautionary security measures for the surveillance of the warehouse.

10.3 If the goods are entrusted by the Customer to Castanini S.r.l for a long-term Storage (a period exceeding 60 days), notwithstanding the foregoing, Castanini S.r.l. shall reserve the right to withdraw from the Storage contract at any rime, upon a 15 days prior notice to the Customer in writing by registered mail.

If the goods stored are likely to cause loss or damage to Castanini S.r.l, to third parties, to people or to the other goods, Castanini S.r.l. shall be entitled to withdraw from the Storage contract at any time without prior notice.

10.4. Any inspection and/or manufacturing process, taking of samples or handling of the goods while in Storage, shall be previously agreed and performed by Castanini S.r.l.' s authorised staff or, if not objected, by the Customer's authorised staff under the supervision and assistance of Castanini S.r.l.' s authorised staff.

10.5. If Castanini S.r.l. have the reason to believe that its claims are not covered by the value of the goods entrusted, Castanini S.r.l. shall be entitled to set a date by which the Customer has to cover Castanini S.r.l.' s duties. If the Customer does not supply the funds by the date set, Castanini S.r.l. shall be entitled to sell the goods entrusted for Storage and retain the money earned without applying to the Judicial Authorities

10.6. Notwithstanding the foregoing paragraph 2 and 9, Castanini's S.r.l. liability as bailee will be limited solely to the cases of gross negligence and/or intentional wrongdoing by Castanini S.r.l. and/or by its employees and/or by its servants.

11. Tariffs. The parameter for the computation of the tariffs will be based on the chargeable weight, being it either the actual gross weight or the dimensional volumetric weight of the shipment whichever the higher of the two, as determined by Castanini S.r.l. even if and when different weight would be declared by the Customer. The parameters applied in determining chargeable weight shall be as follows:

Air freight shipments: lebm = 166 kg.

Sea freight shipments: lebm = 1000 kg.

Road freight shipments/storage: lebm = 300 kg.

11.1 It is agreed that Castanini srl shall be entitled to retain all premiums, allowances, brokerage commissions and other commissions on freights obtained by Castanini srl on the carriers' tariffs.

12. Terms of Payment.

12.1 The payment will be arranged by direct transfer remittance within 30 days from the date of invoice, except for taxes and duties or advanced funds which all must be paid immediately upon demand when the invoice is issued.

12.2. If there is any dispute regarding the invoice, the Customer must immediately return the pre-mentioned invoice to Castanini S.r.l., stating the reason why the invoice is disputed.

12.3. It is agreed that payment shall be made without deductions or set off of any amounts debited or invoiced to Castanini S.r.l., unless the latter agree on such deductions/set off.

12.4. If Customer does not pay within the due date, pursuant to the terms pre-mentioned, for any reasons not attributable to Castanini S.r.l., interests pursuant to D. Lgs. 231/02 and following amendments shall be charged.

13 Impossibility of performance. All the events which are not the consequence of Castanini S.r.l.'s or their servants' fault, and which affect - partially or totally - the performance of Castanini S.r.l.'s duties (as an example, wars, earthquakes, flood, flash flood, riots or civil commotions, fires, strikes, lockouts, and all the *force majeure* events contemplated by the International Conventions) shall exempt Castanini S.r.l. from liability for all the duration of the pre-mentioned events regarding performance of their tasks. In these events, Castanini S.r.l. shall be entitled to cancel the agreement even if it has been partially performed, and the Customer shall have the same right. In the event of cancellation, the Customer will refund all the funds advanced by Castanini S.r.l. (as an example, the funds for the transport, the storing, the hiring, the stock, the stopover, the insurance and the delivery) even if necessitated by the majeure forces.

14. Applicable Law. All the situations not expressly mentioned in this Terms and Conditions, will be ruled by Italian Law, and in particular by article 1737 Italian civil code and following.

15. General Conditions of Carriage. If the parties agree that the transport of the goods shall be performed by Castanini S.r.l. with its own or others means of conveyance, in total liberty and under their exclusive responsibility, the following general conditions of carriage shall apply.

16. Agreed form. The contract shall be made in writing, failing which it shall be void.

17. Liability and Limitation for loss or damage to the goods. The liability of Castanini S.r.l., as Carrier, will be ruled by the following provisions.

17.1. Carriage of goods by Road

17.1.1. **Domestic Carriage** For the domestic road carriage, the liability of Castanini S.r.l. for losses or damages to the goods will be limited to the sum of €1,00 per kilo of the gross weight of any goods lost or damaged.

17.1.2. **International Carriage** For International road carriage between two different countries, at least one of which adhering to the Convention on the Contract for the International Carriage of Goods by Road (CMR) stipulated in Geneva, 19 May 1956, the liability of Castanini S.r.l. for loss or damage to the goods will be ruled by the above mentioned Convention. Such liability (whether in contract or in tort) shall not exceed the sum of DSP 8,33 (i.e. Special Drawing Rights, whose quotation can be found on the International Monetary Fund web site - www.imf.org under section "Data and statistics" or in Sole 24Ore in "Finanza e Mercati" insert), per kilo of the gross weight of any goods lost or damaged.

17.1.3. **Loading and unloading of cargo.** Loading and unloading operations on the vehicles shall be performed or allowed without delays and they must be completed within 2 hours from arrival of the vehicles at shipper warehouse (for loading) or receivers warehouses (for unloading). If the vehicle shall wait for a period time exceeding the 2 hours the freight charge will be majored for every hour (or fraction of hour).

17.2. Carriage of goods by Air

17.2.1. **Domestic Carriage.** For domestic air carriage, the liability of Castanini S.r.l. for loss or damage to the goods shall be ruled by the Italian Code of Navigation and it shall not exceed the sum of €17,04 per kilo of the gross weight of any good lost or damaged.

17.2.2. **International Carriage.** Castanini S.r.l/s liability (whether in contract or in tort) will not exceed the sum of DSP 17,04 per kilo of the gross weight of any good lost or damaged for carriages which are governed by the Warsaw Convention 1929 and will not exceed the sum of DSP 19 per kilo of the gross weight of any good lost or damaged for carriages which are governed by the Montreal Convention 1999.

17.3. Carriage of goods by Sea

17.3.1. **Domestic Carriage.** For domestic/sea carriage, Castanini S.r.l/s liability for loss or damage to the goods will be ruled by the Italian Code of Navigation and it shall not exceed the sum of €103,29 per each loading unit of any good lost or damaged

17.3.2. **International Carriage.** For International sea carriage Castanini S.r.l/s liability will be ruled by the Brussels Convention 1924. Castanini S.r.l/s liability (whether in contract or in tort) will not exceed the sum of DSP 666,67 per piece or loading unit of any goods lost or damaged or the sum of DSP 2 per kilo of the gross weight of any goods lost or damaged

17.4. Carriage of goods by Rail.

17.4.1. **Domestic Carriage.** For domestic rail carriage, Castanini S.r.l/s liability for loss or damage to the goods will be ruled by the General Trading Conditions of the goods by rail dated 10/12/2004. Castanini S.r.l/s liability (whether in contract or in tort) will not exceed the sum of and it shall not exceed the sum of €18,08 per kilo of the net weight of any good lost or damaged.

17.4.2. **International Carriage.** For International rail carriage Castanini S.r.l/s liability will be ruled by the Bern Convention 1980, as modified. Castanini S.r.l/s liability (whether in contract or in tort) will not exceed the sum of DSP 17 per kilo of the gross weight of any good lost or damaged

17.5. Multimodal or Combined Carriage.

17.5.1. **Domestic Carriage.** In the event of a carriage performed with different kind of means, Castanini S.r.l./s liability for loss or damage, as Multimodal Carrier (whether in contract or in tort), will not exceed the sum of €1 per kilo of the gross weight of any good lost or damaged.

17.5.2. **International Carriage** Castanini S.r.l./s liability (whether in contract or in tort), as Multimodal Carrier, for loss or damage will not exceed the sum of DSP 8,33 per kilo of the gross weight of any good lost or damaged.

17.5.3. If it is ascertained that the loss or the damage to the goods occurred in a section of such multimodal or combined carriage ruled by National Conventions or local Regulations containing different liability limitations, Castanini S.r.l.'s liability (whether in contract or in tort) will be ruled by the above mentioned Conventions or local Regulations.

18. Exclusion of liability for delay and for indirect or consequential loss. Under no circumstances, Castanini S.r.l. will be liable for loss or damage caused by or consequent of delay, and/or for consequential and indirect loss or damage (such as, but not limited to, loss of profit, loss of market, commercial and/or financial and/or reputation loss, loss of opportunity or interests etc).

19 Jurisdiction Both parties expressly agree that any and all disputes which may arise regarding the interpretation or termination of this contract will be subject to the exclusive Jurisdiction of Italian Courts and in particular of the Tribunal of Genoa.

20. Privacy. For the performance of the duties the Customer authorise Castanini S.r.l. to review the personal data, and if necessary also the sensitive data, in accordance with the current Italian Data Protection Law (Decreto Legislativo 196/2003), and takes note about the rights that this Law recognise to the Customer.

ANY CORRESPONDENCE CAN BE DIRECTLY ADDRESSED TO CASTANINI S.R.L.