

STANDARD TRADING CONDITIONS, AS APPLIED BY ITALIAN FORWARDERS FOR INTERNATIONAL FORWARDINGS.

ART. 1) APPLICATION OF STANDARD TRADING CONDITIONS, GOVERNING THE CARRYING OUT OF THE COMMISSION, FOR INTERNATIONAL FORWARDINGS.

The following standard conditions are applied to all Forwarder's tasks, even if not preceded by his offer, unless otherwise provided in writing by the sender.

An exception is made for tasks entrusted to Forwarders acting in Trieste port by foreign clients, or for foreign forwardings, to which are applied the different standard conditions followed in such cases by the above said Forwarders.

ART. 2) LIMITS TO TASKS' UNDERTAKING.

Tasks are considered undertaken by the Forwarder at the conditions regulations and rules of Rail roads, Shipping Companies, and Air Lines, carriers in general, harbour firms and port authorities warehouse keepers, or other firms, italian and foreign both, whose services must be requested by the Forwarder on behalf of his sender, and in force of the commission received. Forwardings up to 20 kilos are accepted according to Italian postal regulations.

Except sender's contrary dispositions, the Forwarder has free choice of ways and means to be used, of modes of transportation to be utilized, of routes and technical devices to be adopted, to assure the carrying out of the contract.

Forwarder's or carrier's liability towards the sender, beside, cannot be superior to that of his agents or foreign correspondents, on the ground of laws, dispositions, rules and customs in force in the country of the above said agents and foreign correspondents.

ART. 3) THE CARRYING OUT OF THE COMMISSION.

The Forwarder must carry out the undertaken commission with the ordinary diligence of a responsible and prudent man, in the sender's interest. All expenses deriving from the carrying out of the commission are, anyway, charged to the sender.

ART. 4) FORWARDER'S LIABILITY.

The Forwarder doesn't assume any liability for the correct interpretation of instructions by voice or on the phone, which are not confirmed in writing by one of the parties, not even for the compliance with dispositions or communications given to drivers or other servants of the agent or of third parties.

Expeditions of goods valued more than D.S.P. 8,33, per gross Kg., expeditions of money, coins, documents, works of art, jewellery or the like, are considered accepted by the Forwarder only when he has agreed explicitly and previously and, anyway, when they are covered by insurance, with exclusion of the right of redraft of the insurer towards the Forwarder.

By quotation of Frs. gold we mean that used by the Administration of State Rail Roads to assess its fees.

The delivery of goods or documents of any kind carried out directly by Forwarder's workers, is carried out at exclusive sender's risk, unless previously agreed with the Forwarder or one of his authorized servants.

ART. 5) NOXIOUS, DANGEROUS OR PERISHABLE GOODS.

Except special arrangements previously made in writing the Forwarder is not bound to take on consignment and to forward goods likely to cause damage to persons, animals, other goods, or which are subject to deterioration or decay. Should such goods be entrusted or sent to the Forwarder without the above said agreement, the Forwarder has the right to refuse them or, if required by circumstances, to sell them or even, in case of impending danger, to proceed to their destruction, and the sender shall be liable for all damages and expenses arising in connection with them.

ART. 6) DIRECTIONS TO INDIVIDUATE THE GOODS TO BE FORWARDED.

In the commission entrusted to the Forwarder, the sender must specify the nature of goods, the quantity, quality, contents of cases, their gross weight, the dimensions and every other useful data to carry out regularly the commission.

Without a written order the Forwarder is not bound to check these data.

Goods must be packed, in accordance with commercial customs.

The sender is liable towards the Forwarder for all damages deriving from omission, inaccuracy or imprecision in the enunciation of the above said data, as for lack,

deficiency or inadequacy of the packing; or for missing indication, on the cases, of necessary cautions for their handling and lifting.

The Forwarder is not bound to weight the goods, unless with a precise written order of the sender, if it is not so required by dispositions in force. The written order given to the Forwarder to have the goods officially weighted by the carrier shall be compulsory for the Forwarder only when the carrier admit such acknowledgment.

ART. 7) RECEIPTS SIGNED BY THE FORWARDER.

Receipts of goods signed by the Forwarder do not imply any warranty about the quality of goods, the content of cases, their value, weight and packing.

Moreover, such receipts do not imply any acknowledgment of the quantity for mass goods, wagons and the like, whose weight is not usually subject to control.

ART. 8) INACCURATE DIRECTIONS AND CONSEQUENT LIMITS OF LIABILITY.

If the Forwarder, as a result of wrong or inaccurate directions, has agreed to forward goods which for their nature cannot be accepted, or can be accepted only at special conditions by carriers, that is goods of exceptional weight and volume, or whose traffic is subject to prescriptions of control, as, for, example, drugs, explosives, inflamables, corrosives, radio active elements, or mephitic substances the commission has to be considered, doubtless, null.

If nevertheless, the forwarding takes place, the sender is liable towards the Forwarder for all damages and expenses that can arise in connection with it.

ART. 9) SENDER'S ADDRESS.

The sender is bound to communicate opportunely to the Forwarder his complete address and every possible variation. The Forwarder is not liable for consequences deriving from missing or inappropriate communication of changes of address.

ART. 10) COMMUNICATIONS BETWEEN FORWARDER AND SENDER.

Without an explicit written order, the Forwarder is not bound to forward by registered or insured letter communications, documents or the like. The Forwarder is not bound to control the originality of the signature on communications or documents, about goods or powers of the signatory if not in cases in which it has been otherwise agreed with the sender, or in which the lack of originality or of powers is easily recognizable.

ART. 11) VALIDITY OF THE COMMISSION.

A direction of the sender to the Forwarder about goods is considered valid up to the revocation, unless the direction is not already been put in effect by the Forwarder. The commission to the Forwarder can be revoked only if he hasn't yet concluded the contract of transport with the carrier. The Forwarder should anyway be indemnified against all expenses borne up to the moment of revocation and an adequate remuneration should be paid out to him for his activity on the basis of tariffs deposited at Chambers of Commerce or, when they are not available, on the ground of market prices.

An order to keep the goods at a third party's disposal cannot be revoked anymore from the moment in which the Forwarder has communicated to the third party that goods are at his disposal.

ART. 12) SENDER'S OBLIGATIONS ABOUT FORWARDINGS.

Sender's direction that the commission has to be carried out on the behalf of third party, doesn't relieve the sender from his obligations towards the Forwarder.

ART. 13) FORWARDER'S POWERS AND LIABILITIES IN DEFAULT OF INSTRUCTIONS ABOUT THE CARRYING OUT OF THE TASK.

The sender is bound to send to the Forwarder, in time, all necessary documents for the taking delivery of goods and their forwarding, together with the relevant directions. In default of adequate and effectable instructions, the Forwarder can act by his own discernment in the sender's interest. When the sender, instead of giving to the Forwarder exact instructions, merely sends a copy of the letter of credit, the

Forwarder acts on the ground of the conditions expressed in the letter of credit, without assuming, by the way, any liability for their interpretation. The sender is liable for all consequences that could arise from the dispatch of wrong, not clear, insufficient, not sent or tardively sent documents or and instructions.

ART. 14) CONSULAR INVOICES.

Consular invoices are drawn up by the Forwarder or by his representative in the maritime harbour only after sender's explicit request, together with the necessary documents, and on the ground of data resulting from the same documents.

ART. 15) CONSOLIDATION OF GOODS

The Forwarder has the right to consolidate the goods entrusted to his care, except under a contrary order previously made in writing by the sender.

ART. 16) PACKINGS: DECLARATIONS OF EXEMPTION FROM LIABILITIES.

The Forwarder is exempted from any liability with regard to losses, missings, damages and deteriorations caused to cases and goods, by an insufficient packing or which are packed in used cases or in cases which get altered by time, manipulation or contents.

The Forwarder is authorized, in such cases, to accept from carriers, warehouse keeper and receivers in general, reservations about the conditions of the packing of goods.

ART. 17) WARRANTY LETTERS ABOUT THE CONDITION OF GOODS AND PACKINGS.

The Forwarder is not bound to issue any warranty letter to obtain the omission of observations about the conditions of goods and packings on transport documents. When, anyway, the Forwarder thinks it's convenient to issue such warranty letters, in the interest of his sender, he has the right to pretend from him a similar warranty and, waiting for receiving it, to keep the goods and the pertinent documents, and also to be reimbursed for all exceptional expenses arising in connection with them.

ART. 18) SAMPLING OF GOODS.

The sampling of goods entrusted to the Forwarder is carried out without any liability on his behalf also when this operation doesn't require any technical knowledge or special facilities.

ART. 19) DELIVERY TERMS.

Except special arrangements previously made in writing, the Forwarder doesn't guarantee neither the delivery terms nor a determinate order of priority in the carrying out of the forwarding.

The simple indication of the time of delivery by the sender, does not constitute an obligation for the Forwarder. The Forwarder can never be liable for consequences of wrong informations given by carriers or their agents about dates or terms of loading, unloading or delivery.

ART. 20) VALIDITY OF PRICES AND CONDITIONS.

Prices and conditions offered by the Forwarder are valid only if readily accepted by the sender and for the immediate carrying out of the pertinent commission, except for possible variations of conditions and fares of firms, carriers and bodies whose services must be used by the Forwarder in the interest of the sender, or of costs of labour or of rates of changes.

The Forwarder is not bound to indicate the supervened variations during the forwarding.

Prizes, reductions, brokerages, commission on freights and the like, obtained by the Forwarder on carrier's fares are due exclusively to the Forwarder himself.

ART. 21) FORWARDER'S OFFERS.

Forwarder's offers and the agreement whit him about prices and services are referred only and always to determinate services; if not differently specified, they

are considered valid only for goods of normal volume, weight and qualities, in the following terms.

RAILROAD FORWARDINGS: in accordance with conditions of transport issued by railroad authorities.

ROAD kg. 300 per cubic meter.
1 Ton = 3 cbm
Kg. 1.900 = 1 linear meter

MARITIME in accordance with conditions of transport issued by Shipping Companies.

AIR in accordance with **I.A.T.A.** regulations.

Prices given on a "FORFAIT" basis are considered as set only for the sake of facilitating the sender in this commercial computations and in his administrative practices, and it doesn't modify Forwarder's legal position.

ART. 22) SPECIAL NORMS FOR FORWARDINGS FROM AND TO PORTS.

- a) Loading and unloading are carried out in accordance with rules and local usages of ports, and norms set by carriers in virtue of clauses appearing in a bill of lading or charter agreement.
- b) Except contrary orders, prices agreed do not include supplementary expenses arising from embarkations, transshipments or disembarkations of goods during nights, Saturdays, Sundays, or legal holidays, rainy days, etc.
- c) When the Forwarder carries out the forwarding and the routing to ports of embarkation of goods entrusted to him for shipment, he is not liable for possible delay, nor, consequently, for any missing embarkation, demurrage, guardianship, and detention charge, unloading, damage or "empty for full" freight, required by Shipping Companies and or their agents, etc.

The above said special expenses deriving from operations quoted at a) - b) - c) are on the sender.

ART. 23) NON CLEARING OF GOODS AT CONSIGNEE'S HOUSE.

Forwarder's commission and liability end, for goods to be delivered at consignee's house, with the presentation of goods on the vehicle in front of addressee's domicile, or in a normal unloading place previously indicated by the addressee. If the addressee retards or refuses to accept the goods delivered at his domicile, the Forwarder has the right to burden the goods with the extra expenses for the stay of the vehicle, the return of goods to the warehouse, the storage and the following redelivery at domicile.

ART. 24) CONSIGNEMENTS WHICH ARE REFUSED OR CAN NOT BE DELIVERED.

Except contrary orders in writing, the Forwarder can send back to the sender all goods refused by the consignee addressee or which, for any reason, cannot be delivered. All this, at risk and on behalf of the sender. During the demurrage, for any impediment of delivery, goods stay in deposit at sender's risk and the Forwarder is not bound to insure them. The Forwarder, moreover, is not liable for missings, damages, etc., nor for auction sales, confiscations, distructions or the like, which could occur to the goods, and this in accordance with law in force in the country where the goods are undelivered.

ART. 25) FREIGHTS AND EXPENSES BURDENING THE GOODS.

The commission to clear arriving goods authorizes, but doesn't oblige, the Forwarder to advance freights burdening the goods, sender's crossbills and cheques, custom duties, and other expenses. The Forwarder cannot be kept responsible, by who has the right, for storage charges, damages, etc., arising from lacking of freights and other expenses' advance.

ART. 26) SENDER'S DUTIES ABOUT EXPENSES BURDENING THE FORWARDING.

The sender, except contrary agreement previously made, is bound to give to the Forwarder the necessary sums to carry out the commission and the obligation contracted by the Forwarder in his own name, on the sender's behalf; the Forwarder is not bound to advance any sum on the sender's behalf. If, by previous

agreement, the sender doesn't advance the funds, or if the sums required by the Forwarder do not arrive opportunely the Forwarders must receive, in addition to normal competences, commissions for advanced funds, and interests for delay, also the possible losses on charges, if at the moment of cashing in the currency set for the computation, it has undergone a fall.

Also if the Forwarder has accepted to burden the goods with his expenses and credits, at any title, or if the sender has ordered to the Forwarder to debit the addressee or a third party with certain expenses, this doesn't exonerate the sender from paying what is due, when, the goods having not been released by the addressee or for any other reason, the Forwarder cannot realize his credit. The sender is bound to reimburse, on Forwarder's request, any possible difference for freight custom duties and any other not collected expense, about debit notes issued by State Administrations, carriers etc., in the terms of prescription set for each of them.

ART. 27) PAYEMENT OF SUMS DUE TO THE FORWARDER

Forwarder's invoices have to be settled cash. In case of late payement, without any arrear, interests are applied in accordance with passive current rates, without any influence on credit's liability.

ART. 28) SENDER'S DUTIES ABOUT INTIMATIONS OF PAYEMENT TO THE FORWARDER FOR DETAINED GOODS.

The sender is bound to releave immediatly the Forwarder from any intimation of payement for freight, custom duties, taxes, damages' contributions, fines or any other payement required to him as holder of goods on behalf of a third party.

Failing this, the Forwarder is authorized to take the necessary steps for his warranty and to proceed, if necessary, alienating or even distructing the goods according to the laws in force in the country where the goods are, or to the applicable international Conventions.

The sender is bound to inform opportunely the Forwarder about every legal, customs obbligations, etc., deriving from holding the goods, and he has to answer to the Forwarder for every consequence arising from the omission.

ART. 29) FORWARDER'S LIABILITY LIMITS FOR INCORRECT APPLICATION OF FREIGHTS AND CUSTOMS DUTIES.

If there aren't any contrary agreements, the Forwarder is not liable for information on freights, duties, taxes, charges, tariffs, etc..

The Forwarder is not liable for the incorrect application of freight and customs duties, and cannot be held responsible for consequences arising from unexpected increases of custom duties, or from other authority's dispositions.

ART. 30) SENDER'S CHARGES OR DEDUCTIONS.

Sender's charges or deductions on what is due to the Forwarder are acceptable only if pertinent to matured credits, recognized by himself.

ART. 31) INSURANCE'S VALUE.

The Forwarder is not bound to insure the goods, except after written, and express order set by the sender. He stipulates the insurance as a simple intermediary at the conditions of special policies and clauses of Insurance Companies chosen by himself and without any liability of his own, even if he hasn't communicated to the sender the insurer's name. Without an exact specification of risks to be insured, only ordinary risks are covered. The simple indication of good's value doesn't constitute an insurance order. In every respect, insurance shall be considered operating as soon as the Forwarder will be in a position to stipulate it. If the Forwarder has effected the insurance in his own name but on the sender's behalf, he is only bound, if required, to make over all his rights towards the insurer to his sender. If the insurer should in anyway question the applicability of the policy, the sender shall have recourse only against the insurer, and the Forwarder will not be liable, by any means. The Forwarder can never be considered as coinsurer.

When the insurance is covered by the sender or the consignee, the sender binds himself to obtain that any recourse action of the insurer towards the Forwarder must be excluded from the insurance conditions.

ART. 32) INSURANCE EXTENT: FORWARDER'S REWARD

In case of damages, the sender is entitled, as a reimbursement, only to what the Forwarder has received from the insurer. The Forwarder accomplishes his tasks,

making over to the sender, on his request, all rights towards the insurer, and so, in case of loss, averages or any other damage foreseen by the policy, the sender is bound to act towards, the insurer or liable third parties. The sender can charge the Forwarder to act on his behalf and risk, for realizing his rights.

The Forwarder is entitled to a special reward in addition to what he is usually entitled to get from the forwarding commission for: the treatment of practices pertinent to damages and averages towards the insurer, his presence to the remark of damages or averages, carried out by experts named by Insurance Company or by the Carriers, the exercise of reimbursement rights towards liable third parties and other similar practices.

ART. 33) STORAGE: CONDITIONS.

Eventual storage of goods is carried out by the Forwarder's choice in his or in a third party's warehouse (private or public). If the Forwarder has stored the goods in a third party's warehouse, between the Forwarder and his sender are applicable the same conditions as those between the Forwarder and the warehouse keeper. If the Forwarder has stored the goods in his own warehouse he is not bound to adopt special measures for deposit's safety and control, and he meets his duties if he has taken care of it in accordance with local usages. In case of goods entrusted by the sender to the Forwarder to be stored for a long stay in warehouse, always considering the above said, the sender has the right to visit warehouses or to have them visited on the basis of a previous agreement with the Forwarder and the warehouse keeper. Exceptions or remarks shall be made immediately.

ART. 34) CONTROLS AND MANIPULATION OF STORED GOODS.

Every control, work, sampling or manipulation of goods to be carried out during the stay in the warehouse, must be previously agreed and carried out by the Forwarder's servants, or, if there is nothing hindering, by sender's servants too, but always with Forwarder's paid attendance.

ART. 35) STORAGE'S LENGTH.

The Forwarder can withdraw from a storage contract at any time, at a 45 days' notice, by a registered letter to the last address communicated to him.

A withdrawal without any notice is admitted in case of possible damage to other goods caused by the goods in question.

The Forwarder, if he can think that his rights are not covered by the goods' value, is authorized to set to the sender a limit within which he has to cover the Forwarder's competences: in lack of this, the Forwarder is authorized to sell the goods and to satisfy his competences out of the proceedings.

ART. 36) WAREHOUSE RECEIPT-GOODS' REDELIVERY.

After goods' storage, the Forwarder will issue, on request, a certificate of receipt and storage. Goods' redelivery will be carried out only in accordance with written order, signed by the sender or by the person entitled, on the basis of the sender's disposition; certificate of receipt and storage of goods do not have any value for redelivery purposes, and they are not a proof of property of goods.

ART. 37) PRIVILEGE AND "DROIT DE RETENTION"

The Forwarder has, in respect of the sender, for any possible matured, or going to mature, credit, arising from his services, a privilege and a "droit de retention" on goods and other valuables in his charge.

ART. 38) LIMITS OF LIABILITY IN CONSEQUENCE OF A THIRD PARTY'S ACTION

The Forwarder shall be not liable for carrier's action, neither for other Forwarders, warehouse keepers, insurers, banks, whose services he has required in the carrying out of his commission: he is liable only for negligence in selecting or transmitting instructions, the Forwarder is only bound to save his sender's rights of recourse action, and to transfer his right to him in accordance with the pertinent contracts, towards eventually liable third parties.

When the forwarder issue a document for the Combined Transport Fiata Bill of Lading (FBL) recognized by the International Chamber of Commerce (I.C.C.), the forwarder will assume the liabilities foreseen on the back of the same document then the transport is intended to be done on the basis of these General Conditions.

ART. 39) IMPOSSIBILITY OF CARRYING OUT THE TASKS, FOR CIRCUMSTANCES OF FORCE MAJOR

Events not caused by the Forwarder, but that prevent him, at all or partly, from carrying out his tasks, strikes and lock outs included, and also all circumstances of force major beyond control, foreseen by International Conventions, relieve the Forwarder, for the period of their length, from any liability in regard of tasks jeopardized by such events.

In such cases, the Forwarder is authorized, but not bound, to recede from the contract, even if the task is already partly carried out.

Analogously, the sender, in such cases, has the same right, when the continuity of the carrying out of the order is not guaranteed.

In case of Forwarder's or sender's receding, the sender has to reimburse to the Forwarder all expenses borne for transport, storage, freightage, insurances, delivery, ect., included those arising from circumstances of force major.

ART. 40) RESTRICTIONS AND OBSTACLES TO TRANSPORT.

The Forwarder is not bound to control nor to call the attention of the sender on the existence of legal or authority impediments about the forwarding, such as import, export and transit restrictions.

ART. 41) INDEMNITY LIMITS FOR DAMAGES.

Considering what is said in Art. 2 and 4 of this "Standard Trading Conditions" in cases of Forwarder's liability, it is anyway, limited to D.S.P. 8,33 per gross kg of the value set in Art. 4. When the declared value results superior to the commercial current value and in any other case of discordance of value, the commercial current value in the place and the time in which is drawn up the forwarding contract, is taken as basis.

In case of missing, damages or delays for forwardings of samples and of goods addressed to fairs, exhibitions, etc., Forwarder's liability is limited to the value of goods declared on forwarding, and, anyway, in the limits stated at the first paragraph of this article.

ART. 42) DAMAGES ARISING FROM INSUFFICIENT PACKING

The Forwarder is not liable for damages of any kind in relation to not packed or insufficiently packed goods. Goods which, on the basis of conditions or usages inherent to the pertinent contract of transport, are considered not packed or insufficiently packed, are considered so also towards the Forwarder. Easily recognizable external damages or successively appeared damages can be repaired by the Forwarder at sender's expense, without any consequent liability for the Forwarder himself.

ART. 43) PLACE AND FORMALITIES (DAMAGES ASCERTAINMENT)

The Forwarder is not liable for damages ascertained after delivery of cases in regular external conditions.

ART. 44) ADVICE OF DAMAGES TO THE FORWARDER

To put the Forwarder in condition to have his possible rights towards third parties recognized, every damage, even if not recognizable from the outside must be advised in writing to the carrier to which has been entrusted the transport by the Forwarder, in carrying out the received task, ascertained in accordance with laws and opportunely let known to the Forwarder. If the Forwarder receives an advice of damages when he isn't anymore able to have his rights recognized by third parties the Forwarder is not liable for any possible consequence.

ART. 45) REGULATING INTERFERENCES OF THIRD PARTIES INTERESTED IN THE FORWARDING

If a third party, directly or indirectly interested in the commission entrusted to the Forwarder, or in its carrying out, makes, in reference to it, any claim towards the Forwarder, the sender is bound to free immediately the Forwarder from such claims, which shall be regulated directly between the sender himself and the third party.

ART. 46) EXTENSION OF LIABILITY

The Forwarder is free to assume liabilities superior to those foreseen by the proceeding norms with clear preventive agreement, and for special fees.

ART. 47) PRESCRIPTIONAL TERM

Without prejudice to Art. 2951 of Civil Code about prescriptive terms of rights arising from the forwarding contract, the Forwarder has the right to obtain in any moment by his sender the sum that, in dependence of the carrying out of the tasks entrusted to him, he is bound to pay to Public or Private Companies, to whose credit prescriptive terms, superior to the above said one, are valid.