

GENERAL CONDITIONS COVERING THE SERVICES RENDERED BY PORTUGUESE FORWARDERS

Article 1 Definitions

For purposes of these "General Conditions", the following terms have the following meanings:

- a) **Client/Contracting Party:** anyone having rights or obligations in connection with the goods under a forwarding services contract signed with a Forwarder, or as a result of the Forwarder's activity in relation to such services.
- b) **Goods:** any property including live animals, as well as containers, pallets, transportation equipment or packing equipment, not supplied by the Forwarder.
- c) **Dangerous Goods:** goods officially classified as dangerous, as well as goods that are or can become dangerous or which can assume a dangerous, inflammable, radioactive, toxic or harmful nature.
- d) **Writing:** any visually expressed means of representing or reproducing words in a permanent way, in particular letter, telefax, telex, telegram, e-mail or any other means of electronic recording.
- e) **Forwarding Services:** services of any type connected with the transportation, consolidation, de-consolidation, storage, handling, packing, logistics, and/or distribution of goods, as well as ancillary and consultancy services related with the shipping of goods, including insurance contracts and collection of reimbursements.
- f) **Forwarder:** person that enters into a forwarding services contract with a Client.
- g) **Carrier:** person that effects transportation of goods through its own means of transport (effective carrier) or any person subject to carrier's liability for having expressly or tacitly assumed such responsibility (contracting carrier).

Article 2 Scope

Unless otherwise agreed by the parties, any and all services provided by the Forwarder, within the scope of the business activity and regime defined in the respective legal status as approved by Decree-Law no. 255/99, of 7 July, will be governed by these General Conditions.

Article 3 Applicability

The Forwarder must provide its services in accordance with the Client's instructions, as agreed upon. Where no different contractual conditions have been stipulated in writing, the Client, whether it intervenes or acts as the owner of the property or goods, or as agent or representative for another party, is bound in relation to the Forwarder with respect to the rights and obligations established in these General Conditions.

Article 4 Proposal of Prices

1. Save as otherwise expressly stipulated, the prices proposed by the Forwarder do not include customs duties, fees, taxes or rates charged by Taxation Authorities, Customs or other official departments, and the prices only apply to cargoes whose nature, weight and dimensions are considered to be normal for transport, according to the respective current regulations.
2. The prices referred to in the preceding number do not include any expenses and charges for stoppage, storage, repair or others of an accessory nature, unless they are expressly stipulated in the conditions of the proposal and have not been formally and in due time excluded by the Client.

Article 5 Alteration of Prices

The prices established may be altered, provided circumstances have arisen which modify the conditions the proposals were based upon, particularly:

- a) Inaccuracy or subsequent alteration of the indications given by the Client as regards the content, weight, volume and value of the things which are the object of the service, or regarding the conditions of purchase and sale;
- b) Routing of the transport different from that proposed by the Forwarder, or traffic interruptions on the scheduled itineraries, requiring the use of more costly means or routes;
- c) Delays in execution of the services due to natural or political events or phenomena of any other nature, not imputable to the Forwarder;
- d) Changes in regulations, conventions, rates, schedules or tariffs;
- e) Alterations to exchange rates.

Article 6 Revision of Prices and Conditions

Any unforeseen expenses that the Forwarder may have to incur owing to force majeure or fortuitous events, for fulfilment and in the exercise of its duties or to ensure preservation or protection of the property or goods that are the object of the contract, make it legitimate for the Forwarder to demand a corresponding revision of the stipulated conditions.

Article 7 Validity of Proposals

For the purposes of application and execution of the clauses of the contract, proposals shall be valid for the period that the Forwarder has indicated, it being expressly understood that, failing any such indication, the proposals will expire fifteen days after the date the Contract was formulated and presented to the Client.

Article 8 Written Instructions

1. The Client shall issue precise and complete written instructions and specifications regarding the goods that are the object of each contract.
2. On the date of reception of the instructions, the Forwarder must examine them to ascertain that they are in conformity with the services it has undertaken to provide.

Article 9 Checking of Instructions

On receiving the documents issued by the Forwarder, the Client must examine them carefully and immediately point out any possible errors or divergencies, so that the Forwarder can in due time make the necessary corrections.

Article 10 Improper or Insufficient Instructions

1. Should the documents or statements of the Client contain errors, inaccuracies, insufficient information, or lack of indications required for proper execution of the contract, in particular as regards the nature, value, weight, measurements or contents of the things that are the object of the contract, the Client shall be responsible for the consequences of such anomalies.
2. Should the Forwarder note the existence of any anomalies or irregularities as referred in no. 1 above, and they are likely to result in liability and/or losses to any of the contracting parties or to third parties, it must immediately inform the Client of such anomalies or irregularities, so that they may be corrected in due time.
3. Should the anomalies or irregularities mentioned in the preceding numbers fail to be corrected in time for the Forwarder to carry out the relevant services, the Forwarder may rescind the contract, or execute it in accordance with what is contained in the documents and statements of the Client, in which case the Client shall bear the cost of any loss and liability which, directly or indirectly, are due to the aforesaid anomalies or irregularities.
4. In case of goods that are the object of a purchase and sale contract, any lack of conformity of the Client's instructions with the conditions of such contract will be the Client's responsibility.

Article 11 Improper or Insufficient Packing

1. The Client will be liable for any losses resulting from insufficient or improper packing.
2. Whenever, during execution of the service, it is found that packing cases are damaged, the Forwarder may carry out the necessary repairs at the Client's expense, warning the Client accordingly beforehand unless the urgency of the repairs makes this impossible.

3. Such urgency must be the object of justification.

Article 12 Dangerous Goods

1. Save as otherwise expressly agreed in writing for each specific case, the Forwarder will not handle or arrange for the transportation of goods which are harmful or considered dangerous, or any other goods that may cause loss to third parties.
2. Should any Client deliver goods of such nature, without the express agreement of the Forwarder, the Client shall be liable for any loss or damage caused to the Forwarder, and/or third parties, and it shall make indemnification for all damage, expenses, fines or claims that may be incurred on account of such goods and, where deemed advisable, the goods may be destroyed or negotiated under the control of the competent authority.

Article 13 Special Delivery Conditions

The Forwarder is not obliged to fulfil special conditions for delivery of the goods and/or collection of sums, unless express written instructions for that purpose are received from the Client and accepted by the Forwarder.

Article 14 Instructions on Handling of Property or Goods

1. The Forwarder may carry out other operations for the Client, in particular the collecting or storage of property or goods, whether in compliance with instructions received from the Client, during such time as it is awaiting instructions, or in consequence of interruptions or rescheduling of the transportation, but in any case it must immediately inform the Client.
2. In the absence of special instructions from the Client, the Forwarder shall use the ways and means deemed appropriate or possible for routing of the property or goods object of the service it was entrusted with.

Article 15 Other Obligations of the Forwarder

The Forwarder is only obliged to carry out formalities with the competent entities as expressly requested by the Client; in any case, the Forwarder shall not be liable for losses that may result from rejection or delay on the part of those entities or caused by insufficiency of the information supplied by the Client for that purpose.

Article 16 Groupage of goods

Save as otherwise expressly indicated, the Forwarder may have the goods transported on a groupage system, though jointly with goods from different Clients, and may use the most suitable routes and means according to the interests of both the cargo and the Client.

Article 17 Insurance

It is not part of the Forwarder's duties to make any insurance contract to cover the risk of loss or damage to property or goods eventually occurring during a transportation whose organisation and management were entrusted to the Forwarder, unless express instructions have been duly and timely given to the Forwarder for that purpose, in particular regarding the nature of the risks and the values to be insured.

Article 18 Refusal or Failure to Take Delivery

Should the Consignee for any reason refuse to accept the goods that are the object of the service, or should it have ceased activity, the goods shall remain for account and responsibility of the contracting party or whoever has substituted it in relation with the Forwarder, and shall constitute security to the Forwarder for all costs of the service and eventual return of the goods.

Article 19 Payment of invoices

1. Failure to pay the Forwarder's invoice within a maximum of 15 days from its presentation, unless expressly agreed to the contrary, shall render any client who is remiss, liable for compensatory interest at the legal rate in force.
2. Should no payment have been made in advance, and the invoices include expenditure in foreign currency, they shall be subject to corrections for any alterations of exchange rates if such alterations have occurred up to the date of payment, together with any bank charges due on the respective operation.

Article 20 Claims against Invoices

Without this affecting the obligations as regards payment under the terms stated above, the Client is entitled to make any claim against the Forwarder's invoices or debit notes, provided that such claims are warranted and raised within 15 days from the date of presentation of the respective invoice.

Article 21 Advance Payment

The Forwarder shall ask for payment in advance whenever it is necessary to pay freight, customs duty and other duly justified costs, for account of the Client.

Article 22 Limitation of Liability

1. The Forwarder is answerable before its Client for unfulfilment of its obligations or of the obligations undertaken by third parties it may have contracted with.
2. The Forwarder's liability arising from the services rendered by it under the contract is limited to the amounts established by law or by international convention applicable to the carrier entrusted with the material execution of the relevant transportation, except if a different limit has been agreed by the parties.

3. In no circumstances will the Forwarder's liability exceed the real value of the loss or the value of the property or goods, if this value is lower.

Article 23 Failure to Collect or Remove Goods

1. Without prejudice to the right to an adequate storage rate or to a fair compensation for the losses caused, failure to collect or timely remove the goods entrusted to the Forwarder's safekeeping will be grounds for termination of the contract.
2. For purposes of the preceding number, the forwarder will notify the party concerned, informing him of all the conditions and of the time limit to collect the goods.

Article 24 Lien on Goods

Unless otherwise expressly stipulated, forwarding companies may exercise their right of lien on the goods entrusted to them under the respective contracts, for the credits resulting from those contracts.

Article 25 Lapsing of Rights

The right to compensation resulting from the liability of the Forwarder expires in 10 months from the date of conclusion of the service contracted.

Article 26 Competent Jurisdiction

1. In case of legal action, the court chosen shall be that of the place where the Forwarder is based, with express waiver of any other jurisdiction.
2. However, where the question or the rendering of services have occurred at the place of the company's branch or subsidiary, the competent jurisdiction will be that of the corresponding establishment.