

GENERAL TERMS OF EXPEDITION BY FR. MEYER'S SOHN (GMBH & CO.) KG.

1. GENERAL PROVISIONS

- 1.1 By issuing the shipping documents (Certificate of Reception – FCR-, Certificate of Transport – FCT- and Transport Contract – CT-), Fr. Meyer's Sohn (GmbH & Co.) KG. (FMS hereon) acknowledges reception of the goods mentioned in them and to make them reach their consignee in the form and in accordance to the instructions received.
- 1.2 Should there be no specific instructions, FMS may choose the routes, modalities and means of transport considered as most appropriate to carry out the transport and/or delivery of the goods in their best condition.
- 1.3 Goods will always be expedited at the shipper's and/or consignee's risk and insurance will only be covered according to the written instructions received from them.
- 1.4 In all cases, goods will be received, expedited, re-expedited, transported, embarked, stored, handled, delivered, and eventually insured, according to the terms, conditions and limitations of those to whom FMS may appoint the material performance of each of the said operations.
- 1.5 Should the consignee or final receiver reject all or part of the goods on arrival, they shall be deposited to the shipper's risk or whoever it befits in law, or else, according to the commercial usages at the place of delivery.
- 1.6 Storages shall be performed at locations, enclosures or official warehouses in ports, stations, airports or others, public or private, legally established and authorized for transport, freight forwarding or storage activity.

Definitions applicable to the contract.

Definition of road transport contract: The carrier obliges itself before the shipper, for a price, to move goods from one point to another by road and place them at receiver's disposal.

Definition of carrier: Who assumes the obligation to perform the transport, be it directly or else by contracting another party.

Definition of shipper: Who directly contracts the transport and before whom the carrier is obliged to perform it.

The letter of carriage is the document containing all or part of the performing conditions of the contracted transport, which must abide to what is ruled by the LOTT (road transport ordination Law). However, the letter of carriage is not a compulsory document.

FMS can perform its functions in organizing international transports and customs transits by means of the following activities:

- A) To directly contract the carrier, as shippers, for a transport that in its turn has been contracted by the effective shipper, before whom it becomes the carrier.
- B) To receive and pass on to the carrier appointed by the shipper, the goods addressed to them as consignees.

FMS may perform the functions foreseen in the afore mentioned points a) and b), in relation to internal transports, for as long as these may suppose the continuation of an International transport under its coordination.

2. TRANSPORT DOCUMENTS.

The letter of carriage or bills of lading corresponding to the effective performance of all or part of the transport will be available during its whole period of validity. They shall always be established by companies or firms abiding to the international agreements in force and according to the terms of the said agreements. Should this not be possible at some part of the trip, other companies will be hired that shall have the recognition or legal status as national or international carriers, as befitting.

The shipper shall attach to the letter of carriage or to the bill of lading, or else hand over to the carrier, all documents related to the cargo as needed to perform the carriage and the procedures the carrier shall undertake in order to fulfil delivery at the point of destination.

The carrier is not obliged to verify if these documents and information are exact or sufficient. The shipper is liable before the carrier for all damages resulting from the absence, insufficiency or irregularity of these documents and information, except for proven carrier's fault.

The carrier shall be liable for the consequences resulting from the loss or miss management of the said documents. In any case, the applicable indemnity shall not exceed what would befit in case of losing the goods.

3. DESCRIPTION OF GOODS AND PACKAGING

On receiving the shipment, the carrier shall check its apparent state, packaging condition and the accuracy of the mentions on the letter of carriage relating to the marks and numbers of the goods.

The shipper shall adequately condition the goods for their transport. All pieces comprising each shipment shall be clearly identified and marked with the corresponding signs to match their description on the letter of carriage. The shipper is obliged to inform FMS about the dangerous nature of the goods and the precautions to be taken.

The shipper shall respond before the carrier for any damage to persons, to transport material or to other goods, as well as for the involved expenses, caused by the defective packaging of the goods.

The carrier can reject the pieces that are badly conditioned or identified for transport, not accompanied by the necessary documentation or whose nature or characteristics do not match the ones declared by the shipper. The carrier shall immediately inform the shipper of such rejection.

4. LIABILITY EXTENSION AND LIMITS

The carrier shall respond for the total or partial loss of the goods, as well as for the damages they may suffer, from the moment of reception until the time the goods are delivered at destination. Same wise, the carrier shall respond for the damages caused by a delay in performing the transport.

The carrier shall respond for the acts and omissions of the assistants, dependent or independent, to whose services is recurring for the fulfilment of its obligations.

Carrier's responsibility applies when goods are received at origin, until delivered at destination.

However, the carrier will not be liable if there is evidence that the loss, damage or delay is caused by the shipper or the receiver or by their instructions, should they not be motivated by carrier's negligent action, or by circumstances the carrier could not possibly foresee with consequences it could not avoid.

Limitation of responsibility: when the carrier proves that the loss or damage is the result of some of the following risks:

- a) Usage of open, uncovered vehicles, if such usage is mutually agreed or else in accordance to custom.
- b) Cargo packaging absence or deficiency as a result of which the goods are exposed by their nature to loss or damage.
- c) Handling, loading, stuffing, unstuffing or discharge if done respectively by the shipper or by the receiver, or by persons acting on their behalf.
- d) The nature of certain goods exposed to total or partial loss or damage caused by breakage, mildew, rust, spontaneous internal damage, decrease, spillage, desiccation, or moth and rodent action.
- e) Deficient identification or signalling of the goods.
- f) Transport of livestock.
- g) Strike, lock-out or other labour conflicts.
- h) Whatever other risks that FMS could not avoid by means of reasonable diligence.

However, the legitimated claimant may prove that the damage is not caused, in part or whole, by any of the said risks.

For national transports, the limits of the indemnity on loss or damage shall not exceed a third of the Public Indicator of Multiple Effect Incomes (IPREM) / Day per each kilogram of gross weight of the lost goods.

Same wise, the indemnity on loss caused by delay shall not exceed the price of the transport. In case of concurring indemnities for several of these concepts, the total amount to satisfy by the carrier shall not exceed the value of the total loss of the goods.

For international transports, the amount of 8,33 DEG per each kilogram of gross weight of the goods lost or damaged. For ocean transport, the amount of 666,67 per piece or unit, or 2 DEG per each kilogram of gross weight of lost or damaged goods, whichever is higher. For air transport, the amount of 17 DEG per each kilogram of gross weight of lost or damaged goods.

SDR Special Drawing Rights (DEG in Spanish) are understood as the unit of account as defined by the International Monetary Fund.

If the responsibility derives from acts occurred during the performance of the transport where FMS is a subrogate party, the indemnity shall not exceed what is established for rail, water, air or road transport companies, warehouses, depots or any other intermediary involved in the course of the transport, in accordance to the current international regulations and conventions.

5. PRICE OF THE CONTRACTED SERVICES

5.1. Transport and other services involved in FMS's activity, are understood to be contracted according to the rates in force at the time of the contract and within its foreseen limits. Should there be no rates agreed, the contract shall be done at the usual or market prices customary to the place of the contract. Any additional costs produced as a result of facts or circumstances prior to the contract date or eventually, to the date on which the shipping documents are issued, shall be at the user's expense, providing they are duly justified and not the result of a fault or negligence of any of those involved in carrying out the contracted services.

5.2. Payment of any of the expenses or services carried out by FMS will be in cash, unless special conditions have been previously agreed on.

5.3. Right of Retention

Should the carrier retain the shipment, it shall apply to the judicial authority or else to the board of transport arbitration for the deposit and expropriation of the cargo as necessary to cover the price of the transport and the expenses involved, within the maximum period of 10 days from the date of non-payment.

5.4. Payment delay

The payer will incur in default in the lapse of 30 days counting from the date of reception of the invoice or the equivalent payment request and shall pay interest as foreseen in Law 3/2004 of December 29, establishing the measures to counter default in commercial operations.

6. RESERVATIONS ON LOSS, DAMAGE OR DELAY IN DELIVERY

Should it be considered that the goods have suffered loss or damage during their transport, the consignee shall report in writing its reservations to the carrier or auxiliary, describing in general terms the loss or damage, at the time of delivery.

In case of hidden damage or loss, the reservation shall be reported within seven days after the date of delivery. When no reservations are reported, it shall be understood that the goods were delivered in the condition described on the letter of carriage, should there be no evidence to the contrary.

Reservations shall not be necessary when carrier and consignee have jointly examined the goods and have reached an agreement about their state and their causes.

In absence of an agreement, they can proceed to examine the goods as follows: the checking shall be done by the carrier in presence of the shipper or auxiliaries. Should this not be possible, the examination of the goods shall be done in presence of public notary or in presence of the president of the board of transport arbitration or delegated person. The result of this examination shall be reported on the letter of carriage or else by an official report of findings.

On its part, the shipper can also demand all or part of these procedures, in which case all expenses shall be on its account.

Delays will only qualify for indemnity when written reservation has been addressed to the carrier within 21 days to count from the day after goods are received by the consignee.

Reservations for loss, damages or delay to be addressed to the carrier, can be done indistinctly before the nominal carrier or the effective carrier and will be valid before any of them. If the reservation is only addressed to one of the carriers, this one shall be obliged to inform the other carrier or else it will respond for damages caused by its failure to inform.

7. INDEMNITY ON DELAY

In case of delay, an indemnity will be covered for the proven harm the delay should cause.

A delay exists when the goods are delivered after the agreed term, in absence of which, the goods must be delivered to the consignee within the reasonable time a diligent carrier would need to perform the transport, according to the circumstances of the case.

8. INDEMNITY ON LOSS

In case of total or partial loss of the goods, the amount of the indemnity will be determined by the value of what is not delivered, on the basis of the value declared at the moment and place of reception by the carrier.

9. INDEMNITY ON DAMAGE

In case of damage, the carrier is obliged to indemnify the loss of value of the goods. The indemnity shall equal the difference between the value of the goods at the time and place of reception by the carrier and the value these same goods would have had after damage at the same time and place.

Should the damage affect the totality of the goods, the indemnity shall not exceed the value in case of loss of the said totality.

Should the damage affect only part of the goods, the indemnity shall not exceed the value in case of loss of the said part.

10. VALUE OF GOODS

The value of goods shall be determined according to their market price, or else, in accordance to the value of goods of the same nature and quality. In case of goods being sold immediately before their transport it shall be presumed, unless if agreed otherwise, that its market value is the price figuring on the selling invoice, after discounting the transport cost, should it figure on the invoice.

When presenting this invoice, the shipper must offer sufficient evidence to prove this was the invoice effectively issued for payment by the seller.

11. EQUIVALENCES TO TOTAL LOSS

The consignee may refuse the goods when he receives only a part of the pieces composing the shipment, if he proves they are useless without the non delivered pieces.

The same right will assist the consignee in case of such damage that the goods become useless for sale or consumption, according to their nature and customary use.

The goods may as well be considered as lost when 20 days have passed after the agreed date of delivery at destination.

12. REFUND OF OTHER EXPENSES

In case of total loss or damage, as well as the corresponding indemnity, the totality of the transport price and other expenses involved shall be refunded. In case of partial loss or damage, the refund shall be proportional.

In both cases, the salvage expenses, reasonable and proportional, shall also be refunded. No other damage or harm shall be compensated.

13. LIVESTOCK TRANSPORT

When transporting livestock, the carrier shall only be able to invoke the exoneration of the preceding clauses when it can prove that, considering transport conditions, it has adopted the measures normally incumbent and it has followed the special instructions it may have received.

14. TRANSPORT BY SPECIALLY CONDITIONED VEHICLES

Should the contracted transport be performed by means of specially conditioned vehicles to control the temperature, air humidity and other ambient conditions, the carrier shall only be able to invoke to its favour the presumption that the cause of loss or damage was the nature of the goods by proving that it took the measures in its reach for the selection, maintenance and use of the vehicle installations, following the special instructions it may have received.

15. RECOVERY OF LOST GOODS

Whoever has been indemnified because of the loss of goods may request, in writing, at the time of receiving the indemnity, to be immediately notified if the goods re-appear within the period of one year. The carrier shall issue a receipt acknowledging this request.

Within 30 days time of this notification, the re-appeared goods can be requested for delivery, after payment of the amounts agreed on the letter of transport, if, any, and the restitution of the indemnity, deduction made of the compensatory expenses, and this without detriment of the right of compensation for delay in delivery in conformity to Law.

In absence of a notification request, or else, of delivery instructions, or in any case, if the goods re-appear after one year counting from the date of payment of the indemnity, the carrier shall freely dispose of the goods.

16. DECLARATION OF VALUE AND OF SPECIAL INTEREST IN DELIVERY

The shipper may declare the value of the goods on the letter of carriage, having paid a surcharge on the price of transport in agreement with the carrier, which shall replace the established indemnity limit, if the declared value is higher.

Same wise, the shipper may declare on the letter of carriage, having paid a surcharge on the price of transport in agreement with the carrier, the amount of a special interest in the delivery of the shipment, in case of loss, damage or delay. This declaration will enable the shipper to demand the refund of the declared special interest amount, with independency of the ordinary indemnities.

Notwithstanding what is already said, the parts on the transport contract may agree to raise the limits of the standard indemnity. The carrier may then rightfully demand a surcharge on the price of the transport, to be agreed by both parts.

17. NOTIFICATION AND PRESCRIPTION

17.1 No actions on loss, damage or delay may be exercised if no reservations have been declared at the time of receiving the goods.

17.2. In case of loss, damage or delay occurred during the material performance of the transport, all reservations shall be declared within the terms and conditions expressed on the letter of carriage, Bill of Lading, etc... or else, by what is established by the international conventions regulating each transport modality.

17.3 The term of prescription for actions related to services by FMS is one year counting from the date of effective or expected delivery of the cargo to the consignee. Notwithstanding this, the prescription or expiration of the actions related to the material performance of the different transport operations will be effective in the lapse of time described on the letters of carriage, Bills of Lading, etc., or else by what is established by the international conventions regulating each transport modality.

18. JURISDICTION

The Shipper and/or consignee expressly submit themselves to the jurisdiction and competence of the Courts at the place of fulfilment of the obligation.

However, if the controversy does not exceed Eur.3.005,06,- it shall be addressed to the board of transport arbitration at the place of residence of FMS, unless any of the parts has expressly refused such arbitration before the date of performance, or expected performance, of the transport.

On controversies exceeding Eur. 3.005,06,- the contracting parts may expressly agree to abide to the board of transport arbitration.

19. APPLICABLE LAW

The present conditions shall read and rule in conformity to Spanish Law.

20. CLAUSE OF SURVIVAL

Should any of the clauses on this contract may become null, invalid or inapplicable in Law for whatever reason, the rest of the clauses shall remain fully valid and applicable.