

SOCIETÀ ALPE ADRIA S.P.A.

GENERAL CONDITIONS

TITLE I - Introduction

Article 1

Alpe Adria, a company for promotion of multimodal traffic concerning Friuli Venezia Giulia Region and its ports, aims to develop the transport of all types of containers, other cargo units and conventional cargo, as well as the organisation and supply of ancillary transport services, for the purpose of increasing the competitiveness of rail carriers.

In all cases not foreseen by the present general conditions, the consigner will have to comply with rules and conditions of the Italian railway administration and/or other networks concerned.

TITLE II - Transport organisation

Chapter 1 - Offers, prices and conditions

Article 2

Unless otherwise agreed and subject to the contents of art. 3 below, the offers and prices quoted by Alpe Adria are valid over a period of 30 days, starting from the date of quotation.

Alpe Adria will be bound to the offers and prices quoted only upon receiving the consigner's acceptance within the above-mentioned period of 30 days.

Article 3

All offers, agreements and prices - even on a lump-sum basis - are based on transport and ancillary services tariffs applicable by Alpe Adria as well as on possible other existing element on the date of definition of the tariffs.

Should one or several of these tariffs be subjected to changes, Alpe Adria reserves the right to change its offers, prices and agreements with a 30-day notice.

Article 4

In case of unforeseeable and unavoidable circumstances which should result beyond Alpe Adria's control, the Company will have full right to suspend the offers, prices and contents of existing agreements throughout the duration of such circumstances. No indemnity will be possible to claim from Alpe Adria because of this suspension.

In such cases, both Alpe Adria and the consigner are authorised to cancel their offer or their acceptance.

Article 5

In cases foreseen by art. 4, the cost for protection or storage of containers and/or cargo shall be borne by the consigner.

Article 6

All offers, prices and agreements include only the explicitly specified operations. Any additional operation will be charged separately.

Chapter 2 - Orders and instructions

Article 7

For each consignment entrusted to Alpe Adria, the consigner shall draw up a transport contract on printed form supplied by Alpe Adria ⁽¹⁾.

The consigner shall submit the contract to Alpe Adria, in due time, together with all transport documents requested by the customs and other administrative authorities.

The presentation of consignment, accompanied by the transport contract, reporting date and consigner's signature, will form the forwarding order.

The consigner must specify in the contract, in a precise and complete mode, the extent of the services entrusted to Alpe Adria.

Forwarding orders will not be carried out if and when the contract fails to show, in full detail, the name and address of the consigner, consignee and the payer of the order. Particularly, terms as "c/o", "on behalf of", etc., shall not be accepted.

(1) *the printed forms of transport contract can be simply requested to Alpe Adria or its authorised representatives and local agents.*

Article 8

Unless otherwise agreed with Alpe Adria, only the consigner or consignee can be designated as payer of the order. Terms as "carriage-forward" are not accepted, nor cost sharing or special prepayment requests.

Article 9

The consigner shall be responsible for the information he has furnished in the transport contract. All consequences, even indirect, arising from the lack, discrepancy, incorrectness and insufficiency of such information will fall within his responsibility.

The consigner shall also be responsible for all consequences, even indirect, arising from the discrepancy, incorrectness, insufficiency, lack or delayed submission of the transport documents required by the customs and other administrative authorities. Alpe Adria shall not be held responsible for any incorrect levying of duties, taxes, charges, etc. by customs and other administrative authorities. Unless otherwise agreed, Alpe Adria will not take part in the fulfilment of the above-mentioned procedures.

Article 10

In case of hazardous goods, in order to comply with the special transport provisions, the consigner shall produce all necessary declarations and follow all conditions laid down by the rules in force; e.g. the consigner is responsible for all declarations required and compliance with all conditions reported by "The regulations on the transport of hazardous and harmful goods", annex n°7 of the State Railway Company's conditions and tariffs. The consigner is fully responsible for the consequences of false or incomplete declarations or for non observance of relevant rules.

Particularly, in case of omissions, if goods are considered as threat to human life or things, they can, at any time and in any place, be unloaded, destroyed or made harmless, depending on the prevailing circumstances and without any indemnity being due.

The consigner is, moreover, responsible for any loss, damage, delay or cost deriving from goods acceptance, transport or any connected service.

Article 11

Alpe Adria is not obliged to check whether the information specified in the transport contract or that given by separate instructions is correct or not.

Above information will only be used for transport organisation and invoicing purposes. Under no circumstance, therefore, it could be invoked against Alpe Adria, particularly as proof of missing or damaged goods.

Article 12

Proof of consignment delivery from the consigner and acceptance by Alpe Adria is provided by issuing to the consigner of one sheet of the transport contract, dated and signed by Alpe Adria or its authorised representative.

Article 13

As proof of consignment redelivery to the consignee, together with relevant cargo documentation, and of safe completion of the operations entrusted to Alpe Adria will be furnished by the consignee by handing over to Alpe Adria of one sheet of the transport contract, duly signed.

Should the redelivery fail owing to any occurrence or the consignee's request, all costs arising therefrom shall be borne by the person responsible for payment or the consigner.

Article 14

Changes to orders and instructions reported by the transport contract can be accepted only if given in due time to the local Alpe Adria agent, according to the procedures in force.

Changes given verbally cannot be invoked by the consigner if they are not promptly and fully confirmed by writing (by telex, telegram or fax) .

Acceptance of the requests for changes will imply that Alpe Adria will do its best to carry them out, in compliance with the applicable regulations, the actual capacities and the prescriptions of each carrier. Alpe Adria will have no responsibility in carrying out the changes requested.

On principle, the consigner is the sole subject authorised to change instructions given. Nevertheless, such instructions can be changed also by the consignee provided he is also responsible for payment of all expenses. The costs resulting from changes requested shall be borne by the subject responsible for payment.

Article 15

Cash-on-delivery shipments are not accepted. Consignments with pre-paid charges must be agreed with Alpe Adria in advance.

Article 16

The consigner is fully responsible for all consequences arising from the bad condition of containers or other cargo units as well as for their overloading. Moreover the consigner guarantees that the container and its contents comply with all rules and regulations in force and that it is sufficiently resistant to meet transport safety, handling and other requirements.

Article 17

The consigner is responsible for all consequences, even indirect, arising from the lack or faulty sealing of the containers, swap bodies, semitrailers and other cargo units; if such inconvenients are incurred Alpe Adria, or its agents and authorised representatives, are released from any liability in case of loss, shortage or theft of goods. Containers loaded with goods subject to special rules (e.g. hazardous goods) must match all conditions laid down by the rules in force.

The consigner shall be responsible for all consequences, even indirect, arising from the non-fulfilment of rules.

Article 18

The consigner is responsible for all consequences due to improper loading or stuffing of cargo inside the container.

Article 19

The consigner guarantees that no illegal use will be made of the containers or other transport equipment and that he shall be responsible for all consequences arising from such use.

Chapter 4 - Transport equipment

Article 20

If the consigner or the consignee provide directly for loading or unloading of the rail waggon, they must observe all rules established by the Railway Company and shall hold all consequences arising from improper loading or unloading.

Article 21

The consigner or the consignee are obliged to observe the loading or unloading terms fixed by the Railway Company, the owner or operator of the transport equipment (equipment carrying or containing goods).

Non compliance of limits fixed will lead to the payment of an indemnity.

Article 22

Alpe Adria reserves the right to release the transport equipment (carrying or containing goods) and to debit the charges arising therefrom (handling, cranes, demurrage, storage, ancillary transport, etc.).

Article 23

The consigner shall guarantee the payment of all amounts due, in compliance with above articles 21 and 22.

Chapter 5 - Execution of transport and ancillary services

Article 24

Unless otherwise agreed, Alpe Adria is free to arrange the organisation of transport and other services, by defining itineraries and operational procedures.

For rail transports Alpe Adria will entrust the execution of transfer operations and services connected to the Railways and its freely chosen agents and consigner is not entitled to dispute such decision; above operations will, therefore, be entrusted within the limits of the resources available by the respective Railway Companies and no liability can be charged to Alpe Adria for any shortage, inefficiency and inconvenience deriving from the Railway Company operational and organisational ability.

For road transports Alpe Adria will entrust freely chosen road-hauliers, unless otherwise expressly agreed. If road haulage is made by trucker chosen under the consigner's recommendation, Alpe Adria's liability is strictly limited to operations falling within its direct organisation.

Article 25

Should there be an impediment to the continuation of transport according to the consigner's instructions, Alpe Adria shall take all steps it feels useful or advisable. These decisions shall be taken in agreement with the consigner.

Article 26

Alpe Adria reserves the right to recover any cost and extra charges imposed on the consignment during the transport.

Article 27

In case of maritime transport, in the event of general average, Alpe Adria is entitled to claim back promptly all amounts which the Captain may request, as a guarantee or as a provisional contribution for the adjustment of the general average.

Alpe Adria can either request the consigner to sign the general average bond or can sign it itself on behalf of the consigner.

In the latter case, Alpe Adria can request a cash deposit or a bank guarantee to cover the final amount due.

Article 28

Should there be an impediment to redelivery of cargo, Alpe Adria will inform the consigner accordingly. When 7 days have elapsed from the date of consignment redelivery by the Railway Company or by any other carrier responsible for the transport, any legal action shall be extinguished in case of a non recognisable damage not ascertained during or after the final delivery of the container.

Save for the contents of chapter 4, in case of lack of prompt instructions from the consigner, Alpe Adria reserves the right to proceed with sale of the goods.

The proceeds obtained from the sale will be promptly made available to the consigner, after deducting the fees for Alpe Adria's services, the cost of sale, storage and preservation of cargo, as well as the costs of other services for which Alpe Adria has a carrier's lien.

Chapter 6 - Insurance

Article 29

Alpe Adria will provide with insurance coverage for containers and transported cargo only upon previous agreement.

If an insurance policy is subscribed by Alpe Adria within the framework of a special agreement, the consigner must clearly specify the risks and the amounts to be covered.

Alpe Adria will only act as a mere intermediary and will be free from any liability or obligation, even before communicating the name of the insurance company.

TITLE III - Ancillary services

Article 30

Ancillary services can be entrusted to Alpe Adria, according to special conditions attached to the present general conditions, of which they form integral part.

The above-mentioned special conditions are considered as known and accepted by the consigner.

TITLE IV - Liability

Article 31

Alpe Adria undertakes to carry out in the best possible way the task received from the consigner.

It will be responsible only for damage arising from proved fault while executing its contract obligations.

Article 32

The terms of delivery are guaranteed only if a special written agreement to this effect has been signed. In this case Alpe Adria's liability is strictly confined within the written agreement.

Article 33

All operations, entrusted by Alpe Adria to the Railway Company or to other carriers or agents, will be carried out under the consigner's liability and according to conditions jointly agreed by Alpe Adria and railway or other companies.

If during operations, or in connection with them, damage arises not due to Alpe Adria's proved fault, Alpe Adria shall transfer to the consigner, at his request, only the rights it can exercise against the Railway Company, other companies or third liable parties.

However, at the consigner's request and under his liability, Alpe Adria can enforce its claims vis-à-vis the Railway Company, other companies or third liable parties.

Article 34

When Alpe Adria's liability is involved because of its proved fault, Alpe Adria will recognise an indemnity within the maximum limit granted to Alpe Adria by the relevant carrier according to the conditions applied by the latter to its clients. The indemnity shall not exceed the value of the cargo and the present value of the container.

Article 35

Any liability of Alpe Adria is extinguished upon the collection of the consignment without reserve from the consignee or his authorised representative.

Any inspection carried out can be held against Alpe Adria only if the latter has been duly invited to attend the inspection.

Article 36

Any claim for damages must be submitted within 6 months from consignment redelivery.

Any claim for non compliance with delivery terms must be submitted within 20 days from redelivery of consignment.

Claims must specify the amount of damage and are to be sent by registered mail to Alpe Adria; they must include following details:

- subject of the claim;
- container serial number;
- number of packages, quality and weight of the consignment;
- number and date of the transport contract;
- place of origin and destination of the container or consignment;
- invoice number and date.

TITLE V - Financial arrangements

Article 37

All amounts due to Alpe Adria for services directly or indirectly supplied are payable upon presentation of an invoice.

For a period of six months starting from the main invoicing, Alpe Adria reserves the right to send possible additional invoice involving unknown costs at the time of the main invoicing.

Article 38

All taxes, fees and charges of any type chargeable to Alpe Adria's services will be included in the invoice and shall be payable by the debtor.

Article 39

Invoices are payable without discounts or tax deductions and relevant amounts will be remitted to Alpe Adria within 30 days from the date of invoice.

Non-payment of invoice within above deadline will entitle Alpe Adria to officially proceed, without prior notice, to invoice the overdue interest calculated on a 10% year rate.

Payment through compensation will not be allowed.

Article 40

All claims concerning invoices shall be submitted within six weeks from the date of invoice. For each invoice correction Alpe Adria will issue either a credit or a debit note. Submission of a claim shall not exempt from paying invoices according to the terms specified in art. 39 above.

Article 41

Except for the provisions of art.8 above, should payments not be settled by the payer specified by the consigner, Alpe Adria reserves the right to recover its credit from the consigner himself. The latter is formally responsible for all debts contracted towards Alpe Adria.

Article 42

At any time Alpe Adria reserves the right to ask the consigner for a guarantee for payment of his credits. Alpe Adria will fix the method and the amount of the guarantee.

Article 43

For collection of all its credits with the consigner, or cargo owner, Alpe Adria has a right of pawn or lien on all cargo, documents and amounts paid to it for transport or other operations.

TITLE VI - Final arrangements

Article 44

The consigner, who is considered as a contracting party for himself and/or on behalf of other possible beneficiaries, expressly accepts the present general conditions.

Article 45

In case of non-observance of present general conditions and special ones, particularly those from title V – financial arrangements – Alpe Adria is entitled to reject all offers, quotations and agreements as well as to ask for payment of all costs, invoices, dues and indemnities. The objection will take effect from the day it has been notified by Alpe Adria.

Article 46

Without prejudice to public provisions, the general conditions in force at the time of transport are obligatory between the parties.

The general conditions are assumed to be known and accepted by customers and they are available through Alpe Adria, its authorised representatives or agents and can be sent to anyone interested upon simple request. They can be changed at any time and without previous notice. No waiver or exception to the present general conditions can be accepted unless it is written, is submitted to and signed by Alpe Adria.

Article 47

In case of dispute not solvable amicably between the parties through usual procedures of verbal and mail communication, an arbitration board of three arbitrators will be resorted out of which one arbitrator appointed by Alpe Adria, a second one by the other contracting party and the third one will be nominated jointly by the two arbitrators already known; in the absence of an agreement, the third arbitrator will be appointed by the President of the Chamber of Commerce of Trieste. Trieste will be the seat of the arbitration board. For any other dispute not solvable by arbitration, the Court competent will be that from Trieste.

Article 48

These general conditions are issued in several languages. In case of possible contradiction between various versions, the Italian original version is to be considered as the true one.

SPECIAL CONDITIONS APPLICABLE TO ALPE ADRIA ANCILLARY SERVICES

TITLE I - General

Article 1

In case of allowable circumstances Alpe Adria can guarantee ancillary services, as described in the present special conditions.

Article 2

Ancillary services are subject to present special conditions, to general conditions of Alpe Adria and, if necessary, to the rules and conditions of the Railway Company, of manadatories and subcontractors.

Article 3

Ancillary services are considered:
road transport, handling, loading or lashing of containers on the trucks or waggons, container storage, transfer, return and delivery notices, brief inspection of empty containers, as well as any other service expressly specified in an offer, contract or agreement legally binding Alpe Adria towards the consigner.

Article 4

Ancillary services are guaranteed only in certain, limited number, of rail stations, the list of which can be consulted through general office of Alpe Adria or its authorised representatives or agents.

Article 5

At any time and without previous notice, Alpe Adria reserves the right to change the nature of services, their method of execution, the relevant technical requirements, as well as the list of rail stations where such services can be supplied.

Except for case of temporary impediments to the supply of its services, Alpe Adria shall do everything in its power to avoid such changes may affect consignments or containers already accepted.

Article 6

It is consigner's duty to ascertain that any additional service he may request can actually be carried out. If service is required at a railway station where it cannot be carried out, the consigner shall expressly recognise that Alpe Adria has been relieved of any liability.

TITLE II - Offers and quotations

Article 7

On principle, the prices applicable to various services remain unchanged as follows: until June 30th for offers made during first half of the year and until December 31st for offers made during second half of the year.

Article 8

Nevertheless Alpe Adria reserves the right to change its tariffs both when tariffs of its subcontractors are changed or in case of any other unforeseeable circumstance. In such cases tariff changes will take effect with one month notice.

Article 9

Unless otherwise agreed, tariffs applicable to ancillary services are those in force on the day the services are carried out.

TITLE III - Road terminalisation

Chapter 1 - Conditions of execution

Article 10

The road-terminal service includes the transport of a container (full or empty) between terminal and place of delivery or acceptance of that container.

Unless otherwise agreed, this service can include only one place and one single loading or unloading operation.

Article 11

The client shall be informed in advance of any road-terminal service (barring a permanent exemption).

Chapter 2 - Tariff conditions

Article 12

On principle, the road tariffs are defined per km, whereas tariff prices quoted are based on distance, type of container type and its weight.

Article 13

This tariff includes a total loading and unloading time of six hours (including customs and administrative procedures). Should this time limit be exceeded, an extra charge will be counted for each half-hour stop.

Article 14

When local conditions may allow it, container trailer (chassis) can remain on the spot. In this case an extra charge can be applied.

Article 15

A price increase can also be applied in some cases as per following - not restrictive - list:

- missing return of container trailer on same day (after 12.00 midnight);
- road-terminal services performed outside the hours and days foreseen for normal service operation;
- transport of hazardous cargo subject to special regulations;
- use of a special container trailer;
- necessity of special authorisation for extra height, width and/or weight of container;

- transport with triangulate service;
- transport of full inbound and outbound containers;
- assistance;
- stuffing and unstuffing operations to be performed in different and several sites within the same premises.

Chapter 3 - Liability

Article 16

The consigner is responsible for all damages caused to the truck and/or trailer, while the latter is under his care.

Article 17

Should the trailer (chassis) with full or empty containers remain stored at the customer's site, no responsibility for damage can be charged to Alpe Adria, unless the operations underway are interrupted to allow the ascertainment and detailed description of the damage and that proof is given that damage is ascribed to an error made by Alpe Adria.

Article 18

Under no circumstance the responsibility of Alpe Adria, in case of road-terminal service, may exceed the responsibility of the subcontractors to whom the execution of the service has been entrusted.

Particularly, Alpe Adria can resort to any clause of total or partial exemption from liability or, generally, to any liability limitations or exceptions of which its mandatories or subcontractors can benefit from, even if Alpe Adria has not given a prior notice.

TITLE IV - Handling

Chapter 1 - Conditions of execution

Article 19

The handling of loading units requiring the use of special equipment is carried out only if previously and specifically agreed.

Chapter 2 - Tariff conditions

Article 20

Unless otherwise agreed, for each handling operation performed, Alpe Adria will charge a fee, as per tariff fixed locally.

Article 21

An extra charge is applicable if handling is carried out:

- outside the hours and days of normal terminal operations;
- with special equipment necessary for a particular type of container.

Chapter 3 - Liability

Article 22

Container storage fees will not be charged when the terminal handling equipment is not available, for whatever cause.

Article 23

Except for the case of heavy fault or fraud, Alpe Adria is not obliged to pay any indemnity because of unavailability of handling equipment, for any period of time.

Article 24

Under no circumstance Alpe Adria's responsibility for handling shall exceed that of subcontractors used to supply the service.

Particularly, Alpe Adria can use any clause of total or partial exemption of responsibility or, generally, any responsibility limitation or exception from which its mandatories or subcontractors can benefit, even if Alpe Adria has not given prior notice.

TITLE V - Wagon loading. Lashing

Chapter 1 - Conditions of execution

Article 25

When transfer of containers by rail wagons is entrusted to Alpe Adria, the Company will carry out the service in compliance with the Railway's rules. Alpe Adria shall do everything to utilize at the best the capacity of wagons available.

Article 26

Unless otherwise agreed, Alpe Adria is not obliged to provide for particular accommodation of containers on wagons.

Chapter 2 - Tariff conditions

Article 27

Alpe Adria reserves the right to invoice lashing costs when lashing is compulsory, even if not expressly requested by the consigner.

Chapter 3 - Liability

Article 28

In case of damage to the container or its contents, if a fault may occur during loading or lashing operations, Alpe Adria shall be liable to pay an indemnity up to a maximum amount of 35,000 lire per kg for goods and 4,000,000 lire for container; under no circumstance the amount of the indemnity can exceed the actual value of goods and the current value of the container.

TITLE VI – Container storage in areas belonging to the Railway Company

or on transshipment yards

Chapter 1 - Condition of execution

Article 29

Alpe Adria can accept the storage of containers as long as suitable space is available and technical capacity of yard is guaranteed. In case of necessity, Alpe Adria is free to limit the lasting of container storage.

Article 30

The storage service can only be guaranteed if preceded or followed by rail and/or road transport service entrusted to Alpe Adria.

Chapter 2 - Tariff conditions

Article 31

Every storage of container can lead to the charging of a fee per container.

Chapter 3 - Liability

Article 32

Unless expressly agreed, the storage of containers does not involve or entail a watching service on containers.

Article 33

Unless in case of heavy fault or fraud, Alpe Adria shall not be held responsible for average, theft, fire or other damage to containers and/or cargo contained during the period of storage.

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