# **General Conditions of Carriage**

Contractual relations resulting from the contract of carriage are governed by the General Conditions of Carriage of the Association of Road Transport Operators ČESMAD BOHEMIA

Contractual relations between the sender and the carrier are governed by the General Conditions of Carriage of the Association of Road Transport Operators ČESMAD BOHEMIA, which set out the detailed arrangements for the exercise of international and domestic carriage of goods, the rights and obligations of the contracting parties, such as the responsibilities of the contracting parties, the scope of the carrier's compensation obligation, the evident and non-evident defects of the shipment, the period of limitation, or the content of the transport complaint.

General Conditions of Carriage of the Association of Road Transport Operators ČESMAD BOHEMIA

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# § 1

General Conditions of Carriage of the Association of Road Transport Operators ČESMAD BOHEMIA (hereinafter referred to as the GCC ČESMAD BOHEMIA) are issued in accordance with § 1751, paragraph 3 of Act No. 89/2012 Coll. New Civil Code (hereinafter referred to as "NCC") as branch conditions governing in more detail the relation resulting from contracts of carriage concluded between entrepreneurs. GCC ČESMAD BOHEMIA govern in more detail the rights, obligations and responsibilities arising during the contract relations between persons involved in the carriage of goods for hire or reward carried by road vehicles, i.e. in road

freight transport, because due to the fact that there is no road transport rules, it is considered appropriate to set in more detail the issues arising out of legal relations in national and international road freight transport.

# § 2

To transport shipments the carrier is obliged to only use vehicles capable of operating on roads that are in good technical condition, otherwise he is responsible for any damages that could arise due to the breach of this obligation. The carrier shall not be able to use the technical failure of the vehicle used for transportation in an attempt to absolve his responsibility.

§ 3 Basic terms

1. The contract of carriage is a contract on the transportation of goods concluded in accordance with § 2555 NCC.

2. The carrier is a person who is committed under § 2555 NCC to transport goods for hire or reward in return for payment. 3. The contracting (responsible) carrier is the carrier that carries out his commitment to transport goods via another carrier under § 1935 NCC.

4. The actual (performing) carrier is the carrier which itself carries out the transportation of goods himself using a road vehicle.

5. If under a single contract of carriage the transportation is performed by several actual (performing) carriers, then each of them takes responsibility for the execution of the entire shipment, with each other carrier becoming the contracting party to this single contract of carriage by taking over the goods and the bill of lading.

6. The consignor is the person concluding the contract of carriage with the carrier under § 2555 NCC. The consignor is the person who is assigning the necessary transport instructions to the carrier. The consignor is the person who delivers the shipment to the carrier. The consignor is responsible for loading and storing of the goods, unless stated otherwise in the contract of carriage. The consignor is listed in the bill of lading issued for the transport of the goods.

7. The shipper is the person who assigns the transport and who is the payer of the carriage charge to the carrier. In this case the shipper is subject to the contract of carriage. The shipper usually does not physically deliver the goods for transport to the carrier. The shipper is not usually mentioned in the bill of lading as the consignor. The shipper may be the consignee. 8. Authorized person is the person who has at a given time the right of disposal to the shipment or the exercise right based on the contract of carriage.

9. The price for transport by the carrier, i.e. for the implementation of transport of the consignment under conditions agreed under the contract of carriage, is called "carriage charge".

## § 4

1. The shipment/consignment means all goods, movables, animals, objects and substances that are as cargo consignment carried for hire or reward by any road means of transport (vehicle).

2. Consignments are shipped as truck loads, unit loads or as additional loads.

3. Additional load is a consignment transported together with other consignments.

§ 5

The origin and content of the contract of carriage

Unless agreed otherwise by the contracting parties, the contract of carriage originates between the consignor and the carrier:

a) upon the adoption of the proposal on the conclusion of the contract of carriage - the proposal is the order of transport according to § 6,

b) if it has not originated according to point a), then through the acceptance of the consignment for transport by the carrier from the consignor according to the transport document.

# § 6

Transport order

1. The consignor can order transport in writing, electronically or verbally. The carrier confirms the receipt of the order in writing, electronically or verbally. If the consignor asks for a written confirmation of receipt of the transport order, the carrier is obliged to comply. The written confirmation can also be in form of an electronic communication, which is considered by law as a written act.

2. The written transport order contains data necessary to perform and bill the transport, in particular:

a) the name, address, identification number, tax identification number, or phone number of the consignor, e-mail,

b) the address of the place of loading, if another person delivers the consignment for transport on behalf of the consignor, then also their name and address, or phone number,

c) the address of the place of unloading, the name and address of the consignee, or phone number,

d) in case of easily perishable shipment, the order must include instructions in case the consignee refuses to accept it,

e) description of the consignment, i.e. the usual naming of its contents and packaging, or its markings according to technical or other standards, product listings, catalogs, etc.,

f) if required due to the nature of the shipment, the order must state that it requires special handling during loading, transport and unloading,

g) the number of packages or the number of their packaging, transport units, pallets, etc., h) the total weight of the shipment and in case of a bulky shipment or longer than 3 m also the dimension of the individual pieces,

i) special cultural or artistic value of the shipment,

j) the required delivery time of the shipment,

k) possible ban on the deployment of other carriers or making their involvement contingent on the consent of the consignor or the shipper,

1) the nature and extent of damage of the shipment, if an already damaged consignment is submitted for transport (e.g. being sent for repair),

m) type of vehicle required for transportation or requirement on a specially equipped vehicle or the value of the transported consignment,

n) an indication that a used machine or equipment is being transported,

o) the required date and time of loading.

## § 7

1. The carrier carries out the transport with professional care under the concluded contract of carriage and the consignor's data on the nature of the consignment. The consignor is obliged to inform the carrier already during the negotiation of the contract of carriage about the nature of the consignment, so that the transport can be carried out with professional care. The consignor shall, in particular, indicate such shipment data, which are important for arranging the transportation in an appropriate safety mode.

2. The carrier offers and arranges the transportation under standard conditions of carriage, when the transport is carried out using the agreed type of road vehicle with one driver who during the carriage observes security breaks and parks the vehicle in public parking lots designated for parking the given type of vehicle with regard to the characteristics of the load. Standard conditions of carriage are only suitable for the transportation of safe consignments that are not at risk from theft, and for shorter distances because the cost of transport is based on only a single-member crew, which cannot guarantee continuous monitoring of the vehicle with the shipment.

3. The consignor is obliged to inform the carrier that the consignment in view of its nature or value is considered as sensitive and the contract of carriage must be arranged under heightened security conditions. The carrier carries out the transport under increased safety conditions using the agreed type of vehicle, with the agreed safety devices in the vehicle, and with a two-man crew. During the transportation of shipment under increased security measures the vehicles can be occupied by two drivers who can manage longer transport distance with shorter security breaks, but even with two drivers in the vehicle there must be security breaks when both drivers have a duty to exercise safety breaks and the vehicle with the load is parked in a public parking lot designated for parking the given type of vehicle with regard to the characteristics of the load.

4. Guarded parking lots where the parking lot operator is responsible for the parked vehicles, including cargo, are not sufficiently available, and the carrier never guarantees the use of guarded parking lots. If the consignor requires the use of certain parking lots during shipment, he is obliged to secure parking space in those parking lots for the carrier and shall identify such parking lots for the entire transport route, so that the carrier could use them in compliance with all safety regulations for road traffic. The consignor must provide the list of parking lots to the carrier at loading and must include it in the bill of lading, otherwise the consignor's instructions for the carrier are not valid and the carrier is entitled to use parking lots available at the usual transport route.

5. The carrier carriers out the transportation of the shipment based on the contract of carriage, which does not include accompaniment of the vehicle with the shipment. If the nature and sensitivity of the consignment is so high that continuous monitoring of the shipment is required for the safety of the shipment, the consignor shall then provide escort of the shipment himself or through a professional forwarding company or order this service with the carrier.  $\S$  8

Transport document

1. The shipping deed as the transportation document accompanies the shipment until its delivery to the consignee. The consignor is required to submit a duly completed shipping deed to the carrier. The shipping deed is submitted to the carrier at the same time as the shipment unless some other type of arrangement is set for some types of transport.

2. The bill of lading is not a transport document. The bill of lading - under provisions of § 2572 et seq. NCC (i.e. securities, negotiable papers) is not used in the road freight transport. These conditions do not affect the bill of lading arrangement.

3. The transport document usually means the bill of lading. The transport document shall contain the following information:

a) the place and date of issue,

b) the name and address of the consignor,

c) the name and address of the carrier,

d) the place, date and time of receipt of the shipment and the estimated location, date and time of its delivery,

e) the name and address of the consignee, or the address where you want the carrier to report,f) the usual markings of the type of shipment and the type of its packaging , in case of

dangerous goods also their specified markings, or other generally recognized marking,

g) quantity, markings and numbers of individual pieces of the shipment,

h) the gross weight of the consignment or its submitted amount specified otherwise,

i) the amount payable by the consignee in case the consignment is delivered as Cash on Delivery,

j) instructions for customs and other formal proceedings regarding the delivery of the shipment if so prescribed by legal regulations,

k) agreement on transportation in an open vehicle uncovered by tarp,

1) the carrier's confirmation of receipt of the shipment,

m) the value of the shipment, if a higher compensation duty is required of the carrier than set in § 39 paragraph 2 of these Conditions.

4. The transport document may include some additional data, if the participants of the contract of carriage consider them useful (e.g. costs against the consignment, agreed carriage charge, including other costs, as well as the record of the carriage charge payment).

5. The transport document is issued in at least three copies. They are copies that are signed by the consignor and the carrier. The carbon copies of handwritten signatures are considered sufficient if stamped. One copy of the transport document is for the consignor, the other is for the consignee and one copy will be received by the carrier.

6. If further in these Conditions the term bill of lading is used, then it should be perceived as the transport document.

§ 9

Hazardous shipments

1. Transport of hazardous shipments is subject to legislation governing their classification and conditions of their transportation.

2. The carrier may not accept for transport hazardous shipment, of which he is aware that it contains things, substances and objects the transport of which is not set in accordance with the preceding paragraph or the transport of which is prohibited.

3. If dangerous goods, substances and objects are to be transported as consignment, then the consignor has an obligation to communicate to the carrier in time and in writing or in otherwise legible and unambiguous form the accurate markings of danger and type of dangerous goods, substances or objects, as well as the required safety measures that must be observed in case of such shipment. The consignor is liable to the carrier for any damage caused to the carrier due to the fact that the data on the hazardous nature of the consignment was not correct or complete.

4. In case the carrier discovers after accepting a dangerous shipment that a shipment has been accepted for transport and the carrier does not known the hazards or the type of the hazardous thing, substance or object, or some of it has not been communicated to him, he is obliged to unload such shipment, store, transport back or return to the consignor and the consignor is obliged to take it back. If the carrier discovers this insufficiency only during the transportation, he will stop the transport and immediately request the appropriate instructions from the consignor. For this reason, the carrier may request from the consignor reimbursement of necessary expenses incurred with such carriage, which the consignor is obliged to pay.

§ 10

If the carrier discovers after taking a dangerous shipment that a shipment has been received the transportation of which is prohibited by relevant regulations or the carrier does not known the hazard or the type of the hazardous goods, substances or objects, which may result in damage or serious breach of the conditions of carriage of hazardous shipments, he shall inform both the nearest CR Police or the nearest part of the CR Rescue System - in this case the carrier may dispose of the shipment only with their consent. If required, the carrier may destroy the shipment or render it harmless without being obliged to compensate the consignor for such incurred damage to, but must proceed at its disposal in accordance with the CR legislation.

## § 11

Packaging and marking of shipments

1. If required by the nature of the shipment, the consignor shall pack the shipment so as to protect it from damage, destruction or loss during transportation, and also so that in connection with its transport the carrier does not incur damage to the vehicle.

2. The carrier does not check if the shipment by its nature requires packaging, or if the packaging used is proper or sufficient. The consignor is responsible for any damage incurred during the transportation due to faulty or insufficient packaging.

3. The consignor is obliged to ensure that the packaging of the shipment or the individual packages of the shipment are of the right dimension, construction and strength to allow their use in road transport with regard to normal risks of transportation.

4. Unless stipulated otherwise herein, the consignor shall mark the consignment or its individual pieces, if so stipulated by the contract of carriage or it is desirable to facilitate the handling of the consignment or to avoid confusion. The marking of shipments containing

hazardous things, substances or objects is subject to special regulations.

5. If the nature of the consignment requires special handling during loading, transport and unloading or requires storing in a certain position, the consignor shall mark the consignment or its part with a handling label designating the shipping packaging in accordance with relevant standards.

6. The consignor must also mark each consignment unit with the name and address of the consignee.

§ 12

Loading and unloading of the consignment

1. If the contract of carriage does not stipulate otherwise, the consignor is obliged to load the shipment onto the vehicle. The consignor, who knows the nature of the goods, is responsible for arranging the packaging, storage and loading of the shipment onto the loading area of the vehicle so that, with regard to the nature and characteristics of the consignment, it shall not be damaged taking into account the normal risks of transport, or to prevent damage to the vehicle by the shipment.

2. The consignor is required to allow the carrier to be present at the loading of the shipment, so that the carrier could perform record checking of the shipment, including the apparent condition of the shipment, its loading and attachment to the vehicle, unless the carrier's presence is not excluded by the operational and technical conditions of loading of the consignment.

3. The carrier is not obliged to secure the loading area of the vehicle with a seal. However, if the consignor requires the seal on the vehicle to be able ti control the access to the loading area of the vehicle, the carrier must allow the consignor to place the seal on the vehicle, if it is a truck load transport.

4. If the contract of carriage does not stipulate otherwise, the consignee is obliged to unload the consignment from the carrier's vehicle in the presence of the carrier. The consignee takes over the shipment from the carrier at the point of delivery of the vehicle for unloading that allows the consignee to unload the shipment from the loading area of the vehicle. At this point the consignee also performs the record checking of the consignment in the presence of the carrier.

5. If the loading area of the vehicle was secured with the consignor's seal during loading, the consignee is required to check its integrity before unloading. The condition of the consignor's seal will then be recorded in the bill of lading. If the consignor's seal is found intact by the consignee, then until proven otherwise, the shipment is considered delivered to the consignee in the same quantity as it was delivered to the carrier for transport.

#### § 13 Demurrage

1.For the time of waiting for loading or unloading of the shipment, unless there is a different agreement of the parties setting the adequate duration of these operations, the carrier cannot require special compensation, if these activities last for a reasonable period of time with respect to their way of execution and the nature of the consignment.

2. If the carrier under a contractual agreement is waiting for the shipment and the time of loading and unloading exceeds a reasonable period of time, and this delay cannot be attributed to his scope of responsibility, then the carrier is entitled to compensation for damage. This compensation is called demurrage.

3. In the contract of carriage the consignor and the carrier may agree on a flat rate of demurrage and on the conditions under which the carrier is entitled to this demurrage. However, the amount of demurrage shall not be evidently disproportionate in regard to the damage that the carrier could incur as a result of the delay, otherwise the arrangement of the flat-rate demurrage is invalid.

4. If the demurrage arrangement between the consignor and the carrier is not valid or was not agreed, the carrier can require demurrage in the amount of the incurred damage from the consignor.

§ 14

Documents accompanying the transport

1. The consignor is obliged to provide the carrier with all the necessary deeds and documents and give him the appropriate instructions which are required for official and other administrative proceedings - and especially for customs clearance - before the delivery of the shipment.

2. The carrier is liable for damage that is caused by damage, destruction or loss of the documents provided to the carrier by the consignor, or by an improper use of the documents, unless the damage, destruction, loss or improper use of the documents had been caused by circumstances which the carrier could not avoid and the consequences of which he could not avert. However, his compensation duty is limited to the financial amount that would have to be paid for the loss of the entire shipment.

3. The carrier is not obliged to follow the instructions of the consignor if these instructions are not given in accordance with the legislation or if they circumvent legislation. The carrier is obliged to follow the instructions of the consignor in regard the handling of shipping documents or documents attached thereto only if these instructions do not compromise the credibility and relevance of the shipping documents.

## § 15

Ordering transport

1. The carrier must confirm in writing the written order only if the consignor so requires.

2. If the order does not contain the information specified in § 5 and if the order is confirmed by the carrier verbally or in writing, then it does not invalidate the contract of carriage. Whoever made such a transport order, however, is responsible to the carrier for damages caused by an incomplete order. Similarly, whoever provided inaccurate or false information has the obligation to pay compensation for damages to the carrier. The carrier is not entitled to compensation for such damage, if the incomplete, inaccurate or false data in the order had to be obvious to the carrier.

3. The arrangement on contractual penalties, indemnities or other provisions that favor one of the parties to the contract of carriage must be concluded directly in the contract of carriage and only in writing, otherwise the other party may argue the invalidity of such arrangements. § 16

Framework contract of carriage

If the consignor and the carrier are to conclude several contracts of carriage for the transport of similar goods, the consignor and the carrier may conclude a framework contract where they agree on a different content of the transport order and the way of concluding contracts than set by § 5 and § 6 of these Conditions. However, this option does not relieve the consignor or the carrier of their liability for failure to comply with § 5 and § 6 in the implementation of individual shipments on the basis of the framework agreement and the agreed content of the transport order.

#### § 17

Responsibility for records in the transport document

The consignor is responsible for the accuracy and completeness of records, which are entered in the transport document. The consignor bears responsibility also for the information in the transport document if made by the carrier. However, if the contract of carriage or the legislation give the carrier the obligation to complete the transport document, then the responsibility for its completing falls on the carrier. Burden of evidence of the transport document

1. The bill of lading signed by both parties, i.e. the consignor and the carrier, is used, unless proven otherwise, as evidence of the existence and content of the contract of carriage, as well as of the receipt of acceptance of the shipment by the carrier.

2. The bill of lading signed by the parties further establishes a presumption that when received by the carrier the shipment and its packaging were apparently in good condition and that the number of packages, their markings and numbers correspond to those in the bill of lading. However, the bill of lading does not establish this presumption if the carrier enters his reservation into the bill of lading. The reservation must be written in the bill of lading in writing and express clearly the carrier's objections. The carrier's reservation can also be justified by the fact that carriers did not have available any adequate means to verify the correctness of the information contained in the bill of lading. If the consignor signed the bill of lading, then it is considered that he agrees with the stated objection. Otherwise, the consignor can communicate to the carrier his objections to the reservation, and if they do not agree, then both parties can withdraw from the contract of carriage.

3. If the weight of the shipment had been reviewed and the result of this review was stated in the bill of lading signed by both parties, then it also justifies the presumption that the weight of the consignment agrees with the information in the bill of lading. The carrier is obliged to check the weight of the shipment, if the consignor requests it and if the carrier has adequate means for such a check; the carrier then is entitled to reimbursement of expenses associated with the checking. The carrier is entitled to reimbursement of costs and damages arising from incorrect/erroneous indication of the weight of the shipment.

4. The burden of evidence of other documents, if they were issued for the shipment, depends on their contents and the contractual conditions. The bill of lading information on the received quantity of shipment are crucial for the carrier's accountability for the received an delivered quantity of the shipment. Other documents accompanying the shipment cannot themselves rebut the legal presumption created by the bill of lading, even if they were signed also by the carrier.

§ 19

Rights of the carrier in case of nonobservance of the time of loading

1. If the consignor does not load the shipment during the set time of loading within a reasonable time after the delivery of the vehicle for loading by the carrier within the time agreed in the contract of carriage, or if the consignor does deliver the shipment for loading during the set period of loading, then the carrier may set a reasonable deadline for loading or delivery of the consignment for loading declaring that after its expiry he will resign from the contract of carriage.

2. If, after the expiry of the deadline set in paragraph 1, the shipment is not loaded or delivered for loading, then the carrier may withdraw from the contract of carriage and make claims under the provisions on withdrawal from the contract.

3. If after the expiry of the deadline specified in paragraph 1 only part of the agreed consignment is loaded or only this part is provided to the carrier, the carrier may then proceed in accordance with the provisions on claims in case of partial shipments.

4. However, the carrier does not have these rights, if the failure to load the shipment within the stipulated contractual time of loading is based on reasons that must be added to the scope of the carrier's liability.

## § 20

Withdrawal from the contract of carriage by the consignor

1. The consignor may withdraw from the contract of carriage in cases specified by law.

2. If the consignor withdraws from the contract of carriage, the carrier may require:

a) compensation for damages, or

b) compensation equal to the amount of one third of the agreed carriage charge.

3. However, if the withdrawal from the contract is based on reasons that should be attributed to carrier's liability, then there is no possible application of the carrier's claims referred to in the previous paragraph.

4. If the consignor has withdrawn from the contract of carriage before the scheduled date of loading, when the carrier had a reasonable amount of time to ensure replacement transportations, then the carrier is not entitled to the compensations referred to in paragraph 2 letter b) of this provision.

#### § 21

Additional consignor's and consignee's instructions

1.During the transportation the consignor has the right of disposal to the shipment. The right of disposal to the shipment means the consignor's possibility to provide additional or clarifying instruction to the carrier for the transport of the consignment. The consignor may especially require from the carrier to discontinue the transportation of the shipment or to transport the shipment to another place of delivery or to another consignee. The carrier is obliged to carry out such instructions only if their performance does not create disadvantages for the carrier's business activities or for the consignors or consignees of other consignments transported by the carrier within other business operations. The carrier may require from the consignor the payment of expenses incurred by performing these instructions. The carrier may bind the implementation of these instructions with the requirement for a deposit payment, the amount of which must be proportionate to the estimated costs of the carrier for performing the additional instructions.

2. The consignor's right of disposal terminates with the delivery of the shipment to the consignee. From this moment the right of disposal belongs, as referred to in paragraph 1, to the consignee. If the consignee exercises this right, then he is obliged to pay the carrier the negotiated carriage charge for the new section of the transportation, and if the carriage charge has not been agreed, then the carrier shall receive the carriage charge in the usual amount. 3. If the consignee in the exercise of his right of disposal ordered the delivery of the consignment to a third party, then the third party is no longer entitled to designate another consignee.

4. The consignor may exercise his right of disposal to the consignment only if he can present a copy of his bill of lading to the carrier, unless the contract of carriage excludes the right of disposal of the consignor.

5. If the carrier intends, for the reasons set out in paragraph 1 of this provision, not to perform the new instructions assigned to him, then he is required to immediately inform the one who had assigned such instructions to him and explain the reason for not performing the new instructions.

6. If the performance of the right of disposal is made dependent on the presentation of the bill of lading and the carrier executes this instruction without requesting a copy of the consignor's bill of lading, then he is accountable to the authorized party for such incurred damages. The provisions of these terms on restrictions of the carrier's compensation duty cannot be applied if the carrier has acted with gross negligence. The authorized party, however, is not entitled to compensation for incurred damages from the carrier if the carrier has changed the instructions in good faith on the basis of written instructions from an authorized person. However, if the authorized person is different from his contractual partner, then he has an obligation to immediately inform him of the change of instructions made by the authorized person.

## § 22

Carriage charge

1.In the contract of carriage the carrier and the consignor agree on the amount of carriage

charge with regard to the conditions of the contract of carriage resulting from the consignor's transport order, especially the consignor's data regarding the shipment and the type of security measures during transport. If the carrier failed to perform the transport in the extent agreed in the contract of carriage due to reasons for which he is not responsible, the carrier shall be entitled to the payment of the agreed carriage charge in full. This does not affect the carrier's right to reimbursement of costs related to the change of the consignor's instructions to the shipment.

2. Unless otherwise agreed in the contract of carriage, the consignor must pay the carrier the carriage charge within 30 days of sending the invoice for the shipment by the carrier to the consignor.

3. If the transport was stopped prematurely due to transportation obstacles or obstacles that have their origins in the delivery of the shipment, the carrier is entitled to partial carriage charge for the partial delivery of the shipment made by him. However, if the obstacle must be added to the responsibility of the consignor, the carrier is entitled to the full agreed carriage charge.

4. If, after the start of the transportation - but before the arrival of the consignment at the place of delivery - there is a delay and if this delay is based on the grounds that are the responsibility of the consignor, then the carrier is entitled not only to the carriage charge, but also to an adequate surcharge to the carriage charge corresponding to the demurrage determined in accordance with § 13 of these Conditions.

5. If the bill of lading or another document show that the quantity, weight, volume or otherwise specified amount of the consignment is greater than that provided in the contract of carriage, and the amount of carriage charge had been determined by the carrier on the basis of data, the inaccuracy of which was discovered, then the agreed carriage charge increases by the same ratio, as is the ratio between the actual amount of the shipment and the amount of shipment stated in the contract of carriage. However, this provision does not oblige the carrier to accept for transportation a different amount of shipment than stated in the contract of carriage.

6. The consignor and the carrier may agree on a due date in relation to the delivery of other documents to the invoice for the shipment. If the delivery of these documents becomes difficult for the carrier, the carrier's claim becomes due after the expiration of 30 days after the carrier's written notification to the consignor that he cannot provide the required documents. This provision shall not affect the carrier's obligation to compensate the consignor for damages incurred as a result of the carrier's breach of obligation to deliver the required documents. If the carrier was not informed about the amount of damages that may arise from the violation of this provision when negotiating the contract of carriage at the latest, the carrier is obliged to pay damages up to the maximum amount of the carriage charge. § 23

The rights of the consignee

1. After the arrival of the shipment to the place of delivery, the consignee is entitled to require from the carrier that the consignment is released to him against the fulfillment of the obligations arising from the contract of carriage. If the shipment is damaged or was delivered late or has been damaged, destroyed or lost, the consignee may assert claims against the carrier on its own behalf. The consignor continues to be entitled to such claims, if the consignee did not assert such rights against the carrier. The carrier, however, retains the right to apply to the consignee any objections that he might apply to the consignor.

2. The consignee who is exercising his right under paragraph 1 shall be obliged to pay the due carriage charge from the given transportation up to the amount specified in the bill of lading. If the bill of lading was not issued or was not presented to the consignee, or the bill of lading does not contain the amount of carriage charge, then the consignee is required to pay the

carriage charge agreed between the carrier and the consignor.

3. The consignor remains obliged to make payments stated in the contract of carriage.  $\S 24$ 

Cash on delivery

1.If the parties agreed in writing that the consignment is to be delivered to the consignee only as cash on delivery (COD), then it is considered that the amount set by the COD is to be paid to the carrier in cash or other similar or contracted form. The consignor shall bear the carrier's costs associated with protecting the amount accepted in cash and must agree with the carrier on measures to minimize the loss of the COD.

2. If the shipment was delivered to the consignee without collecting the COD by the carrier, then the carrier is responsible to the consignor for such incurred damages, but only up to the amount of the COD and even if the carrier's error has not been proven.

3. The carrier shall not perform COD if the financial amount of the required COD exceeds the amount allowed by legislation for cash payments. The consignor is responsible for damages that the carrier incurred in performing the COD due to the violation of cash payments regulations.

## § 25

Delivery time

The carrier is obliged to deliver the consignment within the agreed delivery time. If the delivery time is not agreed, then within the period, which may be reasonably required from a dutiful carrier taking into account the circumstances of a particular transportation.  $\S 26$ 

Presumption of loss of shipment

1.If the consignment has not been delivered to the consignee after the expiration of 30 days from the agreed delivery time, the authorized party may without further evidence consider the shipment lost. In case the delivery time was not agreed by the parties neither in the contract of carriage nor in the order, the consignment may be considered lost after 30 days from the date of the shipment receipt by the carrier for its transport. The above periods do not include the time during which there were obstacles to the delivery, and the carrier informed the consignor of this fact.

2. If the compensation for damage or loss of the shipment has already been paid, the damaged party may require upon the receipt of the compensation to be immediately informed by the carrier if the consignment was found again.

3. Within one month after receiving notice of the found consignment it is possible to request the found shipment to be re-delivered against the settlement of compensation, or after a deduction from the compensation of paid expenses. The obligation to pay the carriage charge, as well as claims for damages, remains unaffected.

4. If after the payment of the compensation the shipment was found again and if no notice of it being found was required or if no claim for its delivery was applied, the carrier may exercise his own right of disposal to the shipment.

§ 27

Obstacles to the delivery of the consignment

1.If before the delivery of the consignment to the designated place of delivery (place of destination) the performance of the transport contract under the terms set in the bill of lading becomes impossible or will be impossible for any reasons, then the carrier must acquire additional instructions from the person authorized to grant instructions.

2. However, if under the conditions deviating from those included in the bill of lading, the circumstances allow the implementation of the transportation and the carrier could not within a reasonable time obtain the instructions from the person authorized to dispose of the

shipment, the carrier shall take such measures as may be deemed best in the interest of the person authorized to dispose of the consignment.

3. If after the shipment was transported by the carrier to the place of delivery, there are obstacles in the delivery of the shipment, the carrier shall request additional instructions from the authorized person. If the consignee refuses to receive the shipment, the consignor has the right to dispose of the shipment. The consignee may, even if he refused to receive the shipment, request that it be released until the carrier receives any instructions to the contrary from the consignor.

4. If there is an obstacle in the delivery of the consignment after the consignee on the basis of his authorization gave the instruction to deliver the consignment to a third party, then under the provisions of the preceding paragraph No. 3 of this section the consignee supersedes the consignor and the third party supersedes the consignee.

5. The carrier is entitled to compensation of his expenses incurred by requesting or performing the additional instructions regarding the delivery of the consignment, unless such expenses were incurred through his own fault.

6. The carrier may sell the consignment without awaiting instructions from the authorized person, if the shipment is perishable or the condition of the shipment makes such measure justifiable or if the costs of storage of the shipment are disproportionate to the price of the consignment. The carrier is entitled to proceed to sell the consignment even if within an adequate time - with regard to the contracted time of transportation- he does not receive from the authorized person additional instructions regarding the delivery of the consignment or if the execution of such additional instructions may be inadequate for the carrier with regard to the particular circumstances of the transportation. The carrier must inform the authorized person about the intention to sell the consignment. If the nature of the consignment threatened serious damage to the consignment or its destruction, or if the carrier cannot be rightfully required to continue to pay the costs of its storage, then the carrier may proceed to sell the consignment in the form of a compulsory auction.

7. If the consignment was sold within the meaning of the above provision, the proceeds from the sale of the consignment will be, after deducting the amounts chargeable against the consignment, made available to the authorized person. When these charges exceed the proceeds from the sale of the consignment, the carrier is entitled to the payment of such difference from the authorized person.

8. The procedure of the consignment sale shall be governed by the provisions of the NCC.  $\S$  28

Exceeding the delivery time

The delay in delivery occurs when the agreed delivery time is exceeded, i.e. if the consignment has not been delivered to the consignee within the agreed time period or the delivery time, which can be expected of a dutiful carrier with regard to the number of places of loading and unloading. The carrier is liable for damage sustained due to exceeding the delivery time up to the amount of the agreed carriage charge, if a special interest in delivery has not been agreed with the carrier in accordance with § 42 of these Conditions. § 29

#### Non-contractual claims

In case of assertion of claims outside the contract of carriage due to liability for damage, loss or destruction of the consignment or by reason of delay in delivery against the carrier or against some of the carrier's employees, the carrier or the carrier's employee may refer to the reasons that apply for exemption from liability, limitation of liability and compensation duty of the carrier based on the contract of carriage. This does not apply if he did so intentionally or through gross negligence or knowing that the damage can occur with the greatest probability.

## § 30

Notification of damage

If during the implementation of the transport damage to the shipment is detected, the carrier must notify the consignor and request from him further written instructions for the continuation of the transportation. The consignor communicates the instructions to the carrier in a way corresponding to the exercise of the right of disposal to the shipment. § 31

The condition of the consignment during unloading

1. The consignee has an obligation upon the receipt of the shipment from the carrier to inspect together with the carrier the condition of the consignment and to communicate to the carrier his reservations as to the quantity of the consignment, its apparent damage or the packaging of the consignment, or other reservations that he considers relevant to the condition of the consignment. The consignment is considered received by the consignee from the carrier when the consignment leaves the transportation area of the vehicle. The consignee must communicate his reservations about the consignment to the carrier immediately and either enter them into the bill of lading, or write a report on the condition of the shipment, which, however, is only binding to the carrier if it is signed by the carrier or the driver. Consignee's reservations about an obvious defect communicate by the consignee only after the receipt of the consignment, are ineffective against the carrier.

2. If the condition of the goods was duly checked by the consignee and the carrier, evidence against the result of such findings is admissible only in case of loss or damage that is not apparent. However, this applies only if that the consignee sent the written reservations to the carrier within seven days of such finding, excluding Sundays and official holidays.

3. The date of delivery of the consignment or, depending on circumstances, the date of ascertaining the condition of the consignment or the date when the goods were handed over to the consignee are not included in the time periods stated in this section.

4. The consignee and the carrier are bound to each other to ease the implementation of the necessary findings and inspections of the condition of the shipment. § 32

Costs related to ascertaining damage

In case the shipment is damaged, the carrier bears the costs for damages to the shipment and also the costs related to minimizing the incurred damage, if the carrier is liable for damage to the consignment.

#### § 33

## Complaint

1. The authorized person must claim the damage to the shipment from the carrier no later than six months from the delivery of the consignment to the consignee, and if the consignment has not been delivered to the consignee, then within six months from the date it was expected to be delivered by the carrier.

2. In the complaint the authorized person is obliged to make a claim for damages. If the authorized person knows the amount of the claimed damage, then he must notify the carrier and present documents proving the amount of the claimed damage.

3. The carrier is obliged to inform the authorized person of his opinion on the complaint no later than within three months of receiving the complaint, or within the same time give the authorized person the reasons why it is not possible to inform the authorized person of the opinion on the complaint.

4. The complaint against the carrier and the carrier's opinion must be made in writing.  $\S$  34

The burden of proof

1. If the carrier refers to liberation reasons leading to the waiver of his responsibility, then the carrier bears the burden of proof and must demonstrate the liberation reasons, to which he refers.

2. The following circumstances are considered special hazard during transportation:

a) the use of open vehicles without tarps, if the use of these vehicles was agreed,

b) handling, loading, storage or unloading of the consignment have been carried out by the consignor, the consignee or persons acting on behalf of the consignor or the consignee,c) the nature of the transported consignment is characterized by the fact that it may be subject to total or partial loss or damage - especially through breakage, rust, decay, desiccation, leakage, natural wastage or damage by insects or rodents,

d) insufficient or inadequate markings or numbers on the individual pieces of the shipment were used,

e) transport of live animals was performed.

3. If the carrier proves that under the circumstances of the given case the damage, destruction or loss could be incurred due to one or several special hazards mentioned in the preceding provision, it is assumed that they were incurred due to these hazards. The authorized person may, however, prove that the damage was not caused wholly or in part by any of these hazards. The legal presumption set out in this paragraph does not apply in case of the provision that addresses the use of open vehicles without tarps, if it is an unusually large loss or a loss of a single piece of the consignment transported by the carrier.

4. If the carrier under the contract of carriage is bound to specifically protect the consignment against weather, temperature and moisture impacts, shocks and similar impacts, then in such cases, the carrier cannot refer to the reasons given in paragraph 2 for transferring the burden of proof, if he did not follow all the set measures and the special instructions granted to him, especially regarding the selection, delivery and use of appropriate road vehicles or their equipment.

5. The carrier may refer to the reasons for transferring the burden of proof only if he followed all reasonable measures and special instructions, if they had been given to him by the consignor in time.

6. If the transport is conducted by a road vehicle with such facilities or equipment that the shipment is protected against weather, temperature and humidity impacts, shocks and similar impacts, the carrier may refer to the provisions on transferring the burden of proof due to the natural nature of a certain consignment, which is subject to damage, destruction or loss only if he demonstrates that he took all the measures available to him under the circumstances regarding the selection, use and maintenance of such equipped road vehicles, and that he complied with the special instructions that he were awarded to him in a timely manner.
7. The carrier may refer to the provision on transferring the burden of proof in case of damage, destruction or loss of the consignment due to special hazard during the transportation of live animals only if he complies with all the obligations with regard to the provisions of other legislation , and if he proves that he took all measures that he was obliged to take under the circumstances of the particular shipment, and that he observed the special regulation for the transport document.

§ 35

If the damage to the shipment or delay in delivery occur due to the carrier's willful misconduct or such conduct that is deemed to be equivalent to willful misconduct, i.e. such conduct when the carrier's conduct compared to the usual performance of the carrier during similar transportations was so negligent that the carrier had to be aware that damage will occur, but unreasonably relied on the fact that the damage or delay do not occur, or was informed that it might occur, then the carrier may not refer to the provisions of these

conditions, which limit his compensation duty or transfers the burden of proof.  $\S 36$ 

The responsibility of the consignor in special cases

1. The consignor is obliged to compensate the carrier for damage, if it was caused by:

a) insufficient packaging or marking of the consignment,

b) incorrectness or incompleteness of the date stated in the bill of lading,

c) failure of communication regarding the hazardous nature of the consignment,

d) errors, incompleteness or inaccuracy of the accompanying documents or shipping instructions.

2. However, if the damage has also been affected by the conduct of the carrier, then the consignor's commitment to providing compensation for damages depends on the extent to which the conduct of the carrier contributed to the damage.

§ 37

Entitlement to partial transportation

1. If only part of the agreed shipment was loaded for transportation, the consignor may at any time require that the carrier begins the transportation of the incomplete shipment.

2. In this case the carrier is entitled to the full carriage charge and also the corresponding demurrage, as well as the reimbursement of expenses that he possibly incurred as a result of the incomplete shipment; there is a deduction from this full carriage charge, which is the part of the carriage charge for the consignment that the carrier shipped using the same means of transport as substitute for the shipment that was not loaded.

3. If the incompleteness of the shipment consists in reasons that belong to the scope of the carrier's liability, then the carrier is entitled to the carriage charge only up to the extent to which he actually delivered the shipment within the meaning of paragraph 2 of this section.  $\S$  38

The liability of the carrier in case of damage to the consignment

1. The carrier is liable for damage, destruction and loss of the consignment since its receipt until its delivery to the place of destination under applicable laws.

2. If the consignor's or consignee's conduct or any other property, character or deficiency of the shipment are co-responsible for the damage to the shipment, then the liability for damages, including the determination of its extent depends on the extent to which these factors contributed to the resulting damage.

§ 39

Carrier's compensation obligation

1.If the carrier is obliged to pay damages for the total or partial loss, destruction or damage of the consignment, the compensation is calculated from the value of the consignment at the place and time of its receipt for transportation.

2. The damages paid by the carrier, however, in case of complete or partial loss, destruction or damage of the consignment may not exceed 8.33 units of account per kilogram of gross weight of the lost, damaged or missing shipment.

3. In addition, the transportation costs, customs duties and other costs incurred in connection with the carriage of the consignment are paid in case of complete loss in full and in case of partial loss on a pro rata basis; other damages are not covered.

4. Higher compensation may be claimed only if, according to § 40 and 42, the value of the consignment was declared or there was a special interest in the delivery.

5. The unit of account mentioned in these Conditions is the Special Drawing Right (SDR) as defined by the International Monetary Fund.

6. If the damage, destruction or loss occurred only in case of individual packages of the consignment, then the expected value of the shipment may not exceed the amount of 8.33 SDR per each kilogram of gross weight

a) of the total consignment, if that damage devalued the whole consignment,

b) of the damaged packages of the consignment, if only part of the consignment was devalued.

7. An individual piece of the consignment is such part of the consignment, which is specified in the bill of lading as a separate piece of consignment depending on the transport packaging. If the bill of lading contains also the number of pallets, then an individual piece of consignment is considered to be the goods on a pallet. If the bill of lading contains only the number of cartons, then an individual piece of consignment is considered to be one carton. If the bill of lading indicated also the number of contents of individual packed cartons, then an individual piece of consignment is always considered to be a carton. When other transportation packaging is used, then the principle is that an individual piece of packaging is considered to be a piece of transport packaging, which is listed in the bill of lading and which also allows the carrier to check the shipment by this type of packaging. § 40

The consignor may, if he pays the carrier the agreed surcharge to the carriage charge, state in the bill of lading the price of the consignment exceeding the limit specified in § 39 and in such case the stated price replaces this limit.

§ 41

If the carrier undertook in the contract of carriage to return the pallets to the place of loading, then this instruction must be included in the transport document and the carrier is not obliged to check whether the quality of the returned pallets fully corresponds with the delivered pallets. However, the carrier shall be liable if the returned pallets are apparently damaged. § 42

Special interest in delivery

1 The consignor may, if he pays an agreed surcharge to the carriage charge, indicate in the bill of lading the amount of special interest in delivery of the consignment in case of its loss or damage or delay in delivery.

2. If special interest in delivery has been given, the compensation of other proven damages may be requested up to the specified amount of special interest in delivery, aside from the compensations for damages provided for in § 39, § 40 and § 42.

§ 43

Reimbursement of special expenses

If the carrier is liable for damage, destruction or loss of the consignment, then in addition to compensation for damages to the shipment he is liable to the authorized person also for duties, taxes and charges, as well as for other expenses incurred in connection with the performance of the subject of the contract of carriage. Other damages caused by the destruction, damage or loss of the shipment or exceeding the time of delivery are not paid by the carrier to the authorized person.

§ 44

Statute of limitations

Claims for damages from transportation are barred for one year. In case of intent or such fault that, according to the law of the court which deals with the case, is deemed equivalent to willful misconduct, the limitation period is three years. The beginning, duration and interruption or termination of the period of limitation are governed by general legislation.  $\S$  45

If the contract of carriage does not state otherwise, the consignor and the carrier agreed on the scope of authority of Czech legal code.

§ 46

If the parties did not agree in the contract of carriage in writing on an arbitration clause, then

the consignor and the carrier arrange for potential lawsuits the possibility to bring the lawsuit in the court with jurisdiction according to the seat of the carrier.

#### § 47

Final provisions

1. These General Conditions of Carriage (GCC) are intended for the regulation of relations between entrepreneurs and the provisions of § 1798 - § 1800 NCC are not used for their interpretation, because in the sense of § 1751 paragraph 3 NCC they are branch conditions, which were duly published and everyone has the opportunity to become acquainted with them.

2. The provisions contained in the contract of carriage shall prevail over the provisions of these General Conditions of Carriage, provided that the parties clearly expressed their will in the contract of carriage to deviate from these General Conditions of Carriage. If the contract of carriage contained reference to other general branch or private conditions, then such general conditions shall be considered effective only if they are not in breach of these Conditions or if the parties in the contract of carriage negotiated the priority of other conditions of carriage for a specific provision.

3. If any provision of these General Conditions of Carriage was contrary to the mandatory provisions of legal regulations valid in the Czech Republic or were directly or indirectly contrary to the CMR Convention (Decree 11/1975 Coll., as amended), then the provisions of these regulations shall be used, which, however, does not affect the validity of the remaining provisions of these

General Conditions of Carriage. § 48 Effectiveness These GCC ČESMAD BOHEMIA come into effect on May 15, 2014.