

GENERAL TERMS
FOR SHIPMENT DELIVERY IN DOMESTIC TRANSPORT

1. **CITY EXPRESS doo** (in further text: carrier) is under obligation to organize express shipment delivery which includes the following: pick up, transport, moving, storage, delivery and possibly return or payment for shipment.
2. The shipment is ordinarily assumed to be packed up one or more packages up to 70 kg of weight, that is, 0,5 m³ volume. Under the special written agreement the Carrier will take heavier shipments. For the shipments which have volume greater than 0,5m³, so called volumetric billing mass is applied, meaning that the product of height, length and width of the package in cm is divided by 6666. The result is billed as the weight in kg. The palletized shipment is assumed to be one or more boxes arranged on flat standard palette, maximum weight of 600 kg and height of 1,85 m. For bulky goods, 1m³ = 150 kg. Dimensions of the palletized shipment (width, height, length) are given in running meters. Measurements performed by the carrier are considered final for sender.
3. The sender is under obligation to adequately pack the items in prescribed or customary fashion so to prevent damage or endangerment of people or goods, which implies putting the shipment in an appropriate container (envelope, box, crate) on order to ensure the contents of the shipment. The packing must be appropriate for type, nature, content, shape of the shipment and size, mass and value of the items in the shipment in order to prevent the possibility of damage or endangerment to people or goods. The damage caused by content or inappropriate packing is the responsibility of the Sender. The Sender is under obligation to legibly and conspicuously mark the address in concordance with the technology (business process) of the Carrier, content, value, weight and the dimensions of the shipment, and to add the instructions on special handling if the nature of the shipment requires, and the Carrier is authorized to check the weight and volume of the shipment. The Carrier bears no responsibility for damage to inadequately packed and fragile shipments.
4. The Sender agrees that the shipment is not acceptable to be delivered if qualified as dangerous material, dangerous goods, type of goods forbidden or restricted by a regulation or decision of the appropriate state authority or some other relevant organization, or, if the transport company decides that it can not transport goods in a safe and legal way. Such goods especially include but are not limited to: animals, perishable goods, breakable goods, inflammable and combustible goods, gold or silver in ingots and bars, money, transferable instruments of payment addressed to the bearer, jewels and precious metals, firearms, as well as their parts and ammunition, human remains and illegal narcotics/drugs. In case that there exists reasonable doubt that the shipment is unacceptable, the Carrier has the right to open and inspect the shipment. If, during transport, the shipment is determined to contain forbidden items, the Carrier

shall surrender those along with the record to the appropriate authority that acknowledges the shipment delivery on the other copy of the record.

5. The Carrier shall perform express transport service from the moment of pick up to the moment of delivery in 1 (one) work day or in the shortest possible time according to the Carriers timetable.
6. For every shipment, the Sender and the Carrier shall comprise a pick up list that serves as proof for the Sender that he had surrendered the shipment for delivery.
The pick-up list must contain all the data about the shipment in question detailed in Article 3.
For every shipment the recipient is under obligation to endorse and sign the delivery list upon delivery.
7. Endorsing of the delivery list by the recipient comprises confirmation that the shipment is delivered undamaged and after that the Carrier is released of any further responsibility.
8. If the transport documentation names the recipient as the responsible paying party, and s/he refuses payment, the Carrier is under no obligation to surrender the shipment to the recipient. In this case, the Carrier has the right to keep the shipment until the transport costs are paid by the Sender.
9. The transport of accompanying documentation for the goods created by the Sender (bills of lading, et al.) is regulated directly between the sender and the recipient. The Sender has the option of noting down the reference number of the accompanying documentation in the pick-up list. The Sender guarantees the compatibility of the real content in the accompanying documentation and the shipment. Possible return of the accompanying documentation by the Carrier is regulated by additional annex and price list.
10. If the debtor-payee does not fulfill his obligations for services rendered in the legal amount of time, the Carrier is authorized to place the lien on the Sender's shipment that was surrendered to him for transport. If there exist due but unfulfilled claims by the Carrier, based on the performed transport services to the debtor-payee, in concordance with the regulations of the Contractual relations Act, the Carrier has the right to deny the possibility of cashless payment and special commercial terms as outlined in the Contract, so the Carrier's base price list is applied until all the obligations are fulfilled. The parties agree that the debtor-payee shall provide, per the Carriers request, the proof of credit solvency, or shall allow the Carrier to obtain the aforementioned proof from the authorized financial institutions.
11. The responsibility of the Carrier is strictly limited to direct physical loss or damage to the shipment. All the other types of losses or damages are excluded (especially loss of revenue, profit, interest, future business) regardless whether such loss or damage were specific or indirect and even if the Carrier was warned about the risk of such loss or damage before or after the surrender of the shipment since the Sender has the possibility to insure himself against specific risks.
The Carrier is responsible for the loss and damage to the shipment from the moment of pick-up until the moment of delivery and shall be released from liability for damage

compensation if it is proven that he is not at fault for the damage caused, or if it were caused by the unforeseen, unavoidable and non-amendable causes due to the nature of the contents or the packing, or caused by Sender, or by unforeseen higher power that can not be prevented, avoided or amended.

- 12.** The Carrier is under obligation to insure himself against direct physical loss or damage to the shipment with the insurance company in the name of carrier liability in road transport, by writ, packed in an envelope, up to the ten times the amount charged for transport services, and for the packages with specified value up to the 65 000 dinars per accident specified by the Sender in the bill of lading, and the aforementioned will serve as basis for determining the damages amount.

At the request of the Sender, the Carrier will additionally insure the shipment on the Sender's charge.

- 13.** The recipient can make the claim for the damage or loss of shipment content immediately upon delivery to the recipient or another authorized entity or at the latest, the next work day. If the recipient does not follow these contracted terms it shall be assumed that the damage was created post delivery.

If the Sender or the authorized entity is of the opinion that the shipment has not been delivered to the recipient or that it has been delayed, s/he can submit the claim to the City Express at the latest six months from the surrender of the shipment otherwise the Carrier shall assume that the Sender is not claiming damages.

The City Express is under obligation to respond to the validity of the claim in 8 days after it was submitted.

When the service recipient or another authorized entity wishes to claim damages and other claims pursuant to the Service Contract, s/he shall submit a written request and the proof for the request. In the request the recipient or another authorized entity are obliged to determine the claim amount and to state the data that form the basis for the claim.

- 14.** The shipment is returned to the Sender if the recipient refuses to accept the delivery, if the recipient is unknown, on travel, moved to an unknown address or if the address is incomplete, if the recipient is deceased, in which cases the shipment is returned to the Sender, and the Carrier retains the right to claim extra costs from the Sender.

- 15.** The Carrier retains the right to adjust the prices according to its decision. The Carrier is under obligation to send the written notice to the Contractor, and if the Contractor does not cancel the Contract with the Carrier within the 15 days upon receiving the notice, it shall be understood that he accepts newly formed transport prices. In the case that the Contractor does not accept the change in prices, s/he can one-sidedly cancel the Contract with the Carrier in the written notice, without any obligations except payment for the claims due up to the moment of cancellation.

- 16.** On the date of signing of these General terms, all the previous general terms established among the Carrier and the Contractor cease to be valid. In case that any of the provisions of these General terms of contract be ruled null or void by authorized parties, or if it

becomes illegal to fulfill, that provision shall have no influence to the fulfilling of the rights and obligations of the Sender, the Carrier and the recipient to other provisions of the General terms which shall still be binding.

- 17.** The Sender and the Carrier agree to business cooperation, in accordance to which all the parties shall try to amicably resolve all the misapprehensions and misunderstandings related to their respective rights and obligations. If a misunderstanding or a dispute can not be resolved amicably and mutually, the jurisdiction *ratione materiae* of a Court in Belgrade is agreed upon.