



**Maile Cargo LLC General contract terms and  
regulations to the Contractor.**

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## Terminology

- **Transport order** – a set of conditions, testimonials and clauses of mutual agreement concluded between the Customer and the Contractor.
- **Transport service** – The result of provided freight transportation services by Contractor to meet the cargo transportation needs of the Customer, the consignor and consignee in accordance with the established standards and requirements of the Transport Order.
- **Customer** – a legal entity Maile Cargo LLC, reg. number 40203365428, that appoints the Contractor to provide the Transport service in accordance with the terms of Transport order.
- **Contractor** – a party, that provides Transportation services according to the Transport Order.
- **Convention on the Contract for the International Carriage of Goods by Road (CMR)** – a document that defines the rights and obligations of parties in the process of international road transport.
- **ADR Convention** – an agreement of European states on the international transport of dangerous goods.
- **TIR Convention** – an international agreement that aims to create a system for the transportation of goods that simplifies the procedures for the clearance of goods when they cross borders.
- **Freight** – a fee for the provision of Transport services by the Contractor in the interests of the Customer.
- **Freight vehicle** – a declared by the Contractor vehicle, provided for the Transport service.
- **CMR insurance policy** – The Contractor's Liability Insurance Policy.
- **Insurance case** – an occurring event stipulated in the insurance contract/policy or by law, the onset of which gives rise to the insurer's obligation to make an insurance payment to the policy holder, the Customer, the beneficiary or other third parties.
- **Pallet list** – the document that confirms the return/exchange/delivery of empty pallets by the Contractor.
- **Customs declaration** – the document that contains information about the goods transported across the state border.
- **Demurrage confirmation** – the document that confirms a fact of demurrage of the vehicle at the consignors loading place, or at the consignee unloading place.
- **Off-set** – a confirmed and signed non-cash payment, which is based on a mutual debt clearance procedure between the Customer and the Contractor.
- **Claim** – a written demand from the Customer to the Contractor (or vice versa) to compensate the loss occurred during the transportation and under the terms of the current Transport order.
- **CMR** – a waybill for international carriage of goods used in countries that fall within the Convention on the Contract for the International Carriage of Goods by Road (CMR).
- **POD (Proof of Delivery)** – a waybill for carriage of goods within one country (cabotage).
- **Force Majeure** – A flood, fire, earthquake, military conflict, military coup d'état, terrorist act, civil commotion, governmental order, regulation, order or other administrative intervention or any other regulation, administrative or governmental restriction.

## **1. Subject of the contract**

1.1. The Contractor undertakes to carry out transportation of goods under the terms of this contract and the Transport order, while the Customer undertakes to pay for the transportation according to the Transport order terms and conditions.

1.2. The Customer and the Contractor agree that the transportation is carried out within the terms mentioned in present agreement, the Transport Order, the Convention on the Contract for the International Carriage of Goods by Road (CMR), the ADR Convention, the TIR Convention and all other international and national legal acts that regulate cabotage and international transport of goods.

1.3. The parties agree that penalties are applied under the terms and conditions specified in the present Transport Order - Liability of the Parties/Compensation of loss.

## **2. Contract confirmation**

2.1. Within 2 (two) hours after receiving the Transport Order, the Contractor shall provide the Customer a written confirmation, accepting or denying the present terms and conditions of the Transport Order. If the Contractor has not sent a confirmed Transport Order or a confirmation in free written form, but at the same time proceeded with the transportation, it is considered that the conditions of the order are accepted by the Contractor in full by default.

2.2. In the event that the Contractor has commenced the performance of the transportation, the terms of the Transfer Order shall not have retroactive effect.

## **3. Organisation of transportation**

3.1. The Contractor undertakes to organize the transportation of cargo in accordance with the Transport Order received from the Customer.

3.2. The Contractor is obliged to have all permits, certificates, consents, licenses and other documents necessary for performing the international/cabotage transportation, a valid and paid civil liability insurance policy, CMR insurance policy that covers the full value of the cargo in case of total loss and for the entire transport period. In case of the discovery that the Contractor or the subcontractor engaged by the Contractor does not possess a CMR insurance policy, as specified in this clause, the Customer has the right to cancel the Transport Order already submitted to the carrier without incurring any cancellation penalties and may also demand a penalty from the Contractor for failure to provide the vehicle, without paying the freight for the transportation.

3.3. At the request of the Customer, the Contractor has an obligation to submit a valid CMR insurance policy, civil liability insurance policy, the contact details of the insurance agent, the driver's passport data (name/surname, passport number, term of validity), the car's technical passport, the trailer's technical passport, access to the GPS tracking information, the driver's phone number, emergency telephone number (Out of hours contact), other information necessary for safe organisation of the transportation.

3.4. In the event of a replacement of the vehicle, the Contractor is obligated to notify the Customer in advance by sending written information via email.

3.5. In the event that the Contractor engages a Subcontractor to fulfill its obligations under the Transport Order, the Contractor shall not be released from liability to the Customer for their actions and shall bear it on general grounds.

3.6. The Contractor is prohibited from engaging any Subcontractor without the written confirmation of the Client, in relation to the transportation services. A penalty of 1500 euros shall be imposed on the Contractor for failure to provide information and for unauthorized and unconfirmed engagement of a Subcontractor

3.7. The Contractor shall provide the Customer with all necessary information about the subcontractor (in accordance with Clause 3.3 of this Agreement) for the purpose of conducting a safe transportation.

3.8. The Customer undertakes to provide the Contractor in a timely manner with information about the properties of the cargo, as well as the documents necessary for the transportation of the cargo. The information must be provided by e-mail in the form of a Transport Order containing all the data necessary for the transportation fulfillment.

3.9. In case the information provided in the Transport Order is incomplete or differs from the information in the CMR/POD, other documents, and by fact at the loading, the Contractor shall, without leaving the place of loading, contact the Customer and obtain by e-mail (from the domain @mailecargo.eu) or in other written form the instructions – what data the Contractor shall follow. If the Contractor fails to comply with this clause, the Contractor shall be liable for the financial and material losses of the Contractor.

3.10. The Contractor is obligated to timely inform the Customer via email about the current status and progress of the transportation, provide the Customer with information regarding the loading/unloading status, as well as any other significant changes that may affect the execution of the transportation.

## **4. Obligations of the Customer**

4.1. The Customer is responsible for the losses incurred by the Contractor due to the violation of the information obligations necessary for the performance of the freight transport.

4.2. The Customer is obliged to pay the freight to the Contractor (if all the requested documents are sent in accordance with paragraphs 6.1 and 6.2 of this Agreement), as well as to reimburse the costs incurred in the interests of the Customer and are documented.

4.3. The Customer is not liable for demurrages caused by veterinary, customs, governmental services, or demurrages on weekends.

## **5. Obligations of the Contractor**

### **5.1. Vehicle**

5.1.1. The vehicle provided by the Contractor must be clean, in good working condition, free from any foreign odors, and suitable for the transportation of goods.

5.1.2. The Contractor is obliged to ensure the availability of necessary equipment, fasteners, mats, and cargo securing devices for the purpose of safe transportation.

5.1.3. In the event that the aforementioned items were provided to the Contractor during loading, they must be returned by the Contractor, providing the Customer with documentary confirmation.

5.1.4. The Contractor undertakes to fully compensate the Customer for any losses arising from the failure to provide a suitable vehicle, equipment, or documentation.

### **5.2. Loading/Unloading**

5.2.1. The Contractor undertakes to strictly adhere to the designated booking time for loading/unloading the cargo, as specified in the Transport Order or Customer's instructions.

5.2.2. If the Contractor presents the vehicle for loading or unloading earlier or later than the specified booking time without prior agreement with the Customer, the Customer shall not be held responsible for any losses, expenses, or additional costs associated with such violation.

5.2.3. The Contractor is aware that any losses resulting from their failure to comply with or timely execute the booking time for loading and unloading are solely their responsibility, and the Customer will not compensate for such losses or any potential damages associated with them.

5.2.4. The Contractor's driver must participate in the cargo loading process and verify the arrangement of pallets, securing, quantity, markings, numbering, and compliance of the cargo with the CMR/POD waybill and Transport Order. They should also inspect the external condition of the cargo, packaging suitability for safe transportation, and temperature compliance.

5.2.5. In the event of discrepancies between cargo and CMR, the Contractor must inform the Customer and obtain written confirmation to proceed with the transportation. Failure to notify the Customer, the Contractor shall be liable for potential losses, expenses, and other consequences arising from it.

5.2.6. If the Contractor's driver is not allowed to participate in the loading/unloading process, the Contractor must notify the Customer and make the appropriate notation in the CMR waybill.

### **5.3. Documentation**

5.3.1. The Contractor bears full responsibility for the documentation provided at the time of loading, as well as its integrity and accuracy.

5.3.2. If the CMR/POD waybill is filled out by the driver, the Contractor is responsible for the correctness of the information contained in the document.

5.3.3. The Customer reserves the right to demand the provision of a correctly filled CMR waybill.

5.3.4. The CMR waybill or any other document confirming the transportation and delivery of goods must include the details of the actual carrier and original seals of the loading and unloading warehouses.

5.3.5. In the event of subcontractor engagement, the Contractor is not allowed to intentionally conceal, alter, seal, or falsify the information regarding the actual carrier.

### **5.4. Transportation of the cargo**

5.4.1. The Contractor is obligated to immediately notify the Customer of any forced delay of the transportation vehicle en route to the loading and/or unloading location, accidents, and other incidents/circumstances that may cause delays in the timely pickup/delivery of the cargo or pose a threat to its integrity. In the event of a potential delay in the scheduled time, the Contractor is required to inform the Customer no later than 2 (two) hours prior to the agreed upon loading/unloading time.

5.4.2. In the event of an insurance claim with a risk of damage/loss of the cargo, the Contractor is obliged to promptly notify the Customer, report it to their insurance company, and provide the Customer with explanations, photographs from the scene (including recording the tractor and trailer numbers), video recordings, and other requested documents, upon the Customer's request.

5.4.3. The Contractor is obligated to monitor and ensure compliance with the temperature regime throughout the entire transit period, from the moment of loading until the complete unloading of the goods. If a deviation from the temperature regime is observed, the Contractor must inform the Customer and request further instructions.

5.4.4. If any physical contact with the cargo (including intrusion into the trailer) by third parties occurs without the Customer's approval, the Contractor undertakes to compensate the Customer for the full value of the cargo, as well as the cost of its disposal/partial realization.

5.4.5. The Customer has the right to demand full compensation from the Contractor for any damage to the cargo, even if the total amount of damage exceeds 8.33 SDR/kg. In turn, the Contractor acknowledges and agrees to fully compensate the Customer for any damage incurred as a result of transporting the cargo.

5.4.6. In the event that the Contractor unilaterally decides to unload the cargo at an external warehouse without confirmation from the Customer, the Contractor bears full responsibility for the quality, integrity, as well as all subsequent losses associated with this decision.

### **5.5. Pallet Exchange**

5.5.1. In the event of a requirement or condition for pallet exchange/return, the Contractor is obligated to facilitate the exchange/return and/or delivery of pallets to the specified location, in accordance with the Transport Order or pallet sheet information, and provide confirmation in the form of a pallet sheet with appropriate acknowledgments of the completed exchange/return.

5.5.2. In the case of pallet exchange, if the document confirming the exchange/return of pallets is not provided by the Contractor to the Customer upon completion of the transportation, it is implied that the pallets were not exchanged/returned and should be delivered to the address specified by the Customer or financially compensated in full according to the Customer's tariff.

5.5.3. If there is no requirement for pallet exchange/return but there is a condition for providing a document stating the absence of pallet exchange, the Contractor is obligated to confirm that the pallet exchange did not occur by providing supporting documents.

5.5.4. In the case of no pallet exchange, if the document confirming the absence of pallet exchange is not provided by the Contractor to the Customer upon completion of the transportation, it is implied that the Contractor accepted empty pallets, which should either be delivered to the address specified by the Customer or financially compensated in full according to the Customer's tariff.

### **5.6. Seal**

5.6.1. The Contractor is responsible for monitoring the integrity of the seal installed on the transportation vehicle throughout the entire transport period.

5.6.2. The Contractor is obliged to immediately inform the Customer if the seal on the transportation vehicle has been broken, lost, or removed by state or customs officials. They must provide all necessary documents and seek further instructions from the Customer regarding the continuation of the transportation.

5.6.3. The Contractor is required to organize the transportation of the cargo in such a way that stops and parking are carried out at secure and safe parking locations.

5.6.4. In the event that the Contractor discovers the breaking or loss of the seal on the transportation vehicle, and such circumstances pose a threat to the safety and integrity of the goods, the Contractor bears full responsibility for all losses and additional expenses incurred by the Customer as a result of such an incident.

### **5.7. Container**

5.7.1. In the case of container transportation, the Contractor is obligated to clarify with the Customer the deadlines and the location for returning the empty container to the seaport. The standard time for returning an empty container is within the fourth day after unloading.

5.7.2. In the event of a delay or failure to return the container to the port, the Contractor undertakes to compensate the Customer for the full extent of the losses incurred.

#### **5.8. Other conditions**

5.8.1. The Contractor agrees to strictly adhere to the prohibition of any kind of cargo overload during its transportation. The transportation of the cargo should be carried out without any overloading from one vehicle to another, at the warehouse, or at other transit points.

5.8.2. In the event of a violation of the prohibition on cargo overload or breach of the vehicle's integrity, the Contractor bears full responsibility for any losses incurred by the Customer, including loss or damage to the cargo, as well as other direct and indirect losses associated with such a violation.

5.8.3. The Contractor is not entitled to retain the cargo for its own interests. In the event of negligence of this provision, the Contractor compensates the Customer for the full extent of the damage incurred as a result of the delay in delivering the cargo to the consignee, as well as any contractual penalties within the scope of this Transport Order.

5.8.4. The Contractor undertakes not to directly approach the client of the Client regarding the provision of transportation services. All matters related to the details of transportation, including but not limited to scheduling, routes, cargo, and payment, shall be addressed directly with the Client. In the event of the Contractor directly contacting the client of the Client without prior agreement, the Contractor agrees to pay a penalty of 10,000 euros to the Client within 30 days from the notification of the violation.

#### **6. Procedure of the document exchange**

6.1. The original CMR/POD in two (2) copies and the invoice for provided services must be submitted to the Customer not later than 14 days after unloading ([According to the VAT Act, Section 131](#)) to the following address:

6.2. The Customer can request, and the Contractor must provide the following additional documents of the transportation within 14 days after receiving the request from the Customer:

- a) Temperature printout, if the temperature control had to be observed;
- b) Custom declaration;
- c) Pallet list;
- d) Demurrage confirmations;
- e) Other documents.

6.3. The invoice has to be issued from the date of unloading, contain the information about the transport service provided (route, reference number, correct accounting entries, full company and banking details of the Contractor, etc.).

6.4. The invoice is considered to be accepted, if provided together with CMR/POD, and all additional requested documents.

6.5. Within a calendar year from the date of unloading, the Customer may request and the Carrier is obliged to provide a temperature printout for the transport order, if the condition to comply with the temperature regime has been stated.

6.6. In the event that the Contractor engages a subcontractor to perform the transportation, the Contractor undertakes to provide written confirmation of receiving payment for freight services from the actual carrier. The confirmation is accepted in the format provided by the Customer. If the confirmation is not provided, the Customer may postpone the payment of freight charges to the Contractor until the document is provided.

#### **7. Payment procedure**

7.1. The Contractor's company details (name of the legal entity, registration/VAT number, legal address and bank details) must be identical to those specified in the Transport Order, otherwise the Customer reserves the right not to accept the invoice. In case the bank details of the Contractor differ from initially provided, the Contractor is obliged to provide confirming letter from the Bank, that the new banking account corresponds to the Contractor.

7.2. The Customer makes payment for the transport services in EUR at the ECB exchange rate on the day of transfer within the current week after reaching the payment deadline agreed in the Transport Order. The payment deadline is counted from the date of receipt of original documents (invoice, CMR/POD, as well as documents according to Clause

6.2) if the documents are received before 12:00, and on the next day after receipt of original documents if they are received after 12:00 of the current day.

7.3. In case the documents were not provided within the terms, specified in the Clause 6.1. and 6.2. the Contractor compensated the fine - 50 EUR.

7.4. In case the documents mentioned in the Clauses 6.1 and 6.2 are not provided after 30 days after the date of unloading, a fine is applied according the following rate: from 30-60 days - 0,2% from the freight amount for each day delay; over 60 days - 2% for each day delay.

7.5. An offsets and deductions in an unilateral manner are forbidden. In case of a written confirmation by both parties about mutual debt clearance, an offset must be prepared electronically and sent to the e-mail address

#### **8. Liability of the parties/Compensation of loss**

8.1. If the transport order is not executed in full and a claim for compensation of losses is arisen, the Customer reserves the right to deduct the amount of the invoice from the Transport Payer until the claims between the two parties are resolved.

8.2. For cancelation of truck in less than 24 (twenty-four) hours before loading date and time, the Contractor agrees to pay a fine to the Customer. The amount of fine, however should not exceed the amount of freight, but not less than 100.00 EUR.

8.3. For cancelation of loading by the Customer in less than 24 (twenty-four) hours before loading date and time, the Contractor has a right to demand to pay fine in amount of 100.00 EUR. The Customer is not liable for any other losses of the Contractor related to the cancellation of the loading.

8.4. The Customer pays the Contractor a fine for demurrage in the amount of 100.00 EUR per vehicle for every twenty four (24) hours, excluding weekends and holidays at loading/unloading state. The fact of demurrage should appear in CMR/POD or other documents as a mark of arrival at the place of loading/unloading and departure. If the demurrage occurred as a result of the vehicle being late for loading/unloading please, any claims will not be covered by the Customer.

8.5. For late arrival at loading/unloading the Contractor agrees to pay fine to the customer. The amount of fine, however should not exceed the amount of freight, but not less than 100.00 EUR.

8.6. In case the Transport order terms the General conditions of the Contract are violated by the Contractor, the Contractor undertakes to compensate 20% of the freight amount, but not less than 150.00 EUR (one hundred and fifty) euros.

8.7. Administrative costs in the amount of 10.00 EUR will be added to each claim invoice from the Customer to Contractor, and will not be deducted in case the claim is canceled.

8.8. Priority conditions and the amount of the penalty for cancellation, demurrage, late arrival, etc. can be specified in the Transport Order - Additional information.

8.9. The claim invoices/fines shall be compensated by the Contractor within 10 (ten) calendar days from the date of receipt of the claim from the Customer.

8.10. Claims and claim-invoices from the Contractor together with confirming documents should be sent by the Contractor to the following e-mail address:

8.11. For non-performance or improper performance of duties the Contractor is liable in accordance with the legislation of the Republic of Latvia.

#### **9. Force Majeure**

9.1. In case of force majeure circumstances, caused directly or indirectly, affecting the performance of obligations, one Party shall inform the other Party of the occurrence of such circumstances and agree on further actions to organize the pickup-delivery of cargo under the Transport Order terms and regulations.

9.2. In case of force majeure has occurred to one of the Party, they are released from liability if the occurrence of such circumstances are proved.

#### **10. Dispute Resolution**

10.1. All disputes or claims arising from the Transport order, which imply its violation, termination or invalidity will be settled in the Riga Court of Arbitration (No. 40003756873), in accordance with the rules of this court of arbitration, before one arbitrator or in a state court at the choice of the claimant.

10.2. In the event of any typographical errors, mistakes, or inaccuracies discovered in this Agreement, such typographical errors, mistakes, or inaccuracies shall not deprive the Agreement of legal force and shall not be construed as grounds for its invalidity or modification.

*Maile Cargo LLC*

*Registration number: 40203365428*

*Member of the board,*

*Veronika Kusaite*

## **Appendix 1.**

Document submission at Maile Cargo SIA

- 1) Please send invoices together with CMR/POD and other documents in one email to: [invoices@mailecargo.eu](mailto:invoices@mailecargo.eu)
- 2) Please mention our reference number in the title, Invoice and CMR title.
- 3) Original documents (invoice and CMR/POD) must be sent together to the following postal address: Maile Cargo SIA, Ilzenes iela 2, LV-1005 Rīga
- 4) Please use the following email for Claims [claim@mailecargo.eu](mailto:claim@mailecargo.eu)