

The contract №

Of a transport expedition for the organization of international cargo transportation

WHEREAS Company wishes to obtain certain expert services regarding specific projects pertaining to complex of freight forwarding services for the organization of international transportation of goods;

WHEREAS Forwarder represents that it has the necessary knowledge and experience, and wishes to provide such expert services to Client on the terms hereinafter described;

NOW, THEREFORE, In consideration of the mutual obligations specified in this Contract and compensation to be paid to Forwarder for services pursuant to this Contract, the parties agree as follows:

1. DEFINITIONS

Words or expressions used in this Contract shall have the meanings set forth below unless it is expressly stated to the contrary or any other meaning is apparent in the context in which such words or expressions are used:

- 1.1. Forwarder – is a person who undertakes, for a fee and at the expense of the other party (the Client), to perform or organize the performance of services related to cargo transportation specified in the expedition agreement.
- 1.2. The Client – is a person who undertakes to accept the cargo and pay for the services of the Forwarder.
- 1.3. Forwarding services – are a set of services provided by the Forwarder to the Client in organizing transportation, ensuring the dispatch or receipt of cargo, and other services established by the subject of this Contract.

2. SUBJECT OF THE CONTRACT

- 2.1. In accordance with this Contract, the Forwarder undertakes to provide a range of freight forwarding services for the organization of international transportation of goods (hereinafter referred to as cargo, goods) The Client by air transportation, and the Client undertakes to pay for the services of the Forwarder.
- 2.2. The subject of this Contract is the relationship between the Forwarder and the Client arising from the organization and implementation by the Forwarder, on behalf of the Client, of international cargo transportation, as well as the provision of related additional services.
- 2.3. Forwarder during the term of the Contract provides the following forwarding services:
 - (a) organizes the transportation of goods to the destination indicated by the Client by transport and along the route chosen by the Forwarder;
 - (b) ensures the dispatch and / or receipt of cargo;
 - (c) receives the documents necessary for import/export and pays all associated costs as associated with the transportation of the Client's cargo;
 - (d) ensures the storage of cargo during the period of free storage of cargo in the warehouse specified by the air carrier;
 - (e) if necessary, provides additional packaging of the cargo;
 - (f) provides other services ordered under the Contract.

3. PROCEDURE FOR THE PROVISION OF SERVICES

3.1. The provision of services begins with the execution of an order to the Forwarder, accepted for execution by the Forwarder (hereinafter – the Order). The Order is an integral part of the Contract.

3.2. The Order shall be issued no later than 3 (three) work days prior to the date of transfer of the cargo to the Forwarder. The Client's Order is transmitted to the Forwarder by e-mail and is considered accepted by the Forwarder for execution after the confirmation of the Order is sent by e-mail, unless the Forwarder expressly rejected the Order by e-mail in accordance with clause 3.6.1 of the Contract. The text of the Order should not contain ambiguous definitions or interpretations. The Forwarder has the right to suspend its actions until further clarification of the circumstances on the part of the Client, if the Order contains any ambiguous information.

Simultaneously with the Order, the Parties agree on the delivery time of the relevant cargo.

3.3. The Client undertakes to issue to the Forwarder a power of attorney to carry out actions and make transactions on behalf of the Client under the Agreement. The Client undertakes to strictly follow the procedure for transferring the cargo to the Forwarder, as well as persons authorized to receive the cargo on the territory of a foreign state.

3.4. Cargoes are accepted packed and completely ready for transportation. If the cargo is presented with damage to the container (packaging), with the absence of containers (packaging), in improper containers (packaging), which during transportation can lead to its loss or damage, the Forwarder informs the Client about this. With the written agreement of the Client and at his expense.

The Forwarder packs or additionally packs or repacks the cargo in the proper container or package. If the cargo is in improper packaging, and at the same time the Client refuses to pack, additionally pack or repackage the cargo by the Forwarder at the expense of the Client, the Forwarder has the right to refuse transportation to the Client.

When transporting dangerous cargo, the Client is obliged to notify about such cargo in advance, agree with the Forwarder the possibility of transporting dangerous cargo and the tariff for such cargo.

3.5. Involvement of third parties by the Forwarder in the performance of duties in accordance with the Contract is possible without any restrictions.

3.6. The Forwarder is obliged:

3.6.1. Accept the Client's Orders for the transportation and forwarding of goods or refuse them no later than 24 (twenty-four) hours after their receipt, excluding weekends and holidays.

3.6.2. Organize transportation and carry out freight forwarding services for the Client's cargo on his behalf.

3.6.3. Carry out terminal processing of goods in the country of origin or in the transit zone at the airport of departure, including:

- (a) picking up cargo from the supplier;
- (b) unloading/loading cargo;
- (c) transportation to the terminal;
- (d) verification of the conformity of the cargo with the documentation;
- (e) temporary storage of cargo;
- (f) control weighing and measurement of cargo volumes;
- (g) marking or checking the marking already applied and additional packaging or marking of the cargo (if necessary).

3.6.4. Organize the acceptance of the cargo at the place of loading indicated in the Order.

3.6.5. Inform the Client in a timely manner about the method of transportation and types of vehicles that will be used to transport the cargo.

3.6.6. Ensure the supply of vehicles for loading within the time specified in the Order.

3.6.7. Inform the Client about all cases of forced delay of vehicles in route, preventing the timely delivery of cargo.

3.7. The Forwarder has the right:

3.7.1. Arrange the consolidation of the Client's cargo with other cargo going in the same direction, if this does not entail additional costs on the part of the Client.

3.7.2. The Forwarder has the right to retain the cargo at his disposal in accordance with this Contract until the Client pays the remuneration and reimburses the expenses incurred by the Forwarder in the interests of the Client.

If the Forwarder retains the cargo, the Client personally bears the risk of damage (damage) to the cargo as a result of such retention, and the Client also pays all costs associated with the storage of such cargo.

3.8. The client is obliged:

3.8.1. To carry out an order for the provision by the Forwarder of the services provided for by this Contract in the form of an Order issued in accordance with the terms of this Contract.

3.8.2. Indicate in the Order all the necessary information on the basis of which the Forwarder will provide the required services.

3.8.3. Give the Forwarder the necessary additional instructions for the provision of the relevant service.

3.8.4. Coordinate with the Forwarder the time for the vehicle to be loaded for transportation.

3.8.5. Prepare in advance and transfer for loading cargo prepared for transportation, as well as accompanying documents for the cargo, including invoices, necessary certificates and permits. Also, at the request of the Forwarder, the Client undertakes to provide the Forwarder with all necessary additional information, additional documents.

3.8.6. Ensure timely unloading of goods, avoiding any additional costs.

3.8.7. Pay for the Forwarder's services in accordance with this Agreement.

3.9. If the Forwarder incurs expenses in the provision of forwarding services, he shall draw up the Forwarder's Report on the actual expenses incurred, which is an integral part of the Acceptance Report.

3.10. For the purposes of this Contract, the date of commencement of carriage shall be the actual date of departure of the vehicle. The Forwarder is not responsible for rescheduling an aircraft's departure as the flight schedule depends on the required traffic rights, airport slots and route permits. Flight schedules are also subject to the availability of all flight and landing permits, weather conditions, applicable airport hours and noise restrictions, and payload capacity is subject to aircraft volume and dimensions.

3.11. The date of completion of the transportation is the actual date of arrival of the cargo at the airport of arrival.

4. FEE AND COSTS OF THE FORWARDER. PAYMENT PROCEDURE

4.1. Settlements between the parties will be made in dirham (AED) by non-cash bank transfers; all bank transfer costs will be at the expense of the payer; the amount received by the recipient's details must be equal to the invoice amount.

4.2. The Forwarder's expenses related to the implementation of forwarding services are fully included in the Forwarder's remuneration.

Reimbursement of additional expenses is made on the basis of supporting documents, which are attached to the Forwarder's Report on actually incurred additional expenses including export costs associated with export clearance in the country of departure.

4.3. The remuneration to the Forwarder is paid by the Client in the following order:

(a) payment in the amount of 100% is carried out after the moment of acceptance of the cargo by the Forwarder or an authorized person in the territory of the United Arab Emirates, but no later than the expected date of receipt of the cargo by the Client. In the absence of payment by the Client, the Forwarder may temporarily refuse to release the cargo (withhold the cargo) until the Client fully repays the debt. Additional expenses of the Forwarder, subject to reimbursement at the expense of the Client, are paid in the following order: no later than 3 (three) work days from the date of providing a forwarder's report on the actual costs incurred.

4.4. In case of violation of the terms of payment of remuneration under the Contract, the Client undertakes to pay a penalty in the amount of 0.5% of the number of unpaid invoices per day for each day of delay.

4.5. The Client's payments are considered to be executed on the day of receipt of funds in full to the settlement account of the Forwarder.

5. RESPONSIBILITIES OF THE PARTIES

5.1. The Forwarder shall be liable to the Client for non-performance or improper performance of obligations under the Contract on the grounds and in the amount determined in accordance with:

- (a) Convention for the Unification of Certain Rules for International Carriage by Air (Warsaw and Montreal);
- (b) Convention on International of Civil Aviation (Chicago);
- (c) IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code);
- (d) Preparation of general cargoes for transportation. General requirements.

If the Forwarder proves that the breach of obligation was caused by improper performance of the contracts of carriage, then his liability to the Client is determined in accordance with the same rules under which the relevant carrier is liable to the Forwarder. The liability of the Forwarder will be limited in the same way as the liability of the carrier is limited.

5.2. The return to the Client of the previously paid remuneration, if it is not included in the cost of the cargo, in the amount proportional to the cost of the lost, missing or damaged (spoiled) cargo by the Forwarder is not performed.

5.3. Losses caused to the Client by violation of the deadline for fulfilling obligations under the Contract shall not be reimbursed by the Forwarder.

5.4. The Forwarder is not responsible:

- (a) for any damage and loss caused by the fault of the airlines, with the Forwarder coordinating related issues between the parties upon request;
- (b) for the safety, damage caused to the delivered cargo in the absence of proper packaging, namely: thick five-layer cardboard wrapped with a stretch film from getting wet (for non-fragile goods), as well as fragile and breakable items (without appropriate additional special packaging), dangerous goods are packed in accordance with the rules for the international transport and packaging of dangerous goods and the rules of airlines. In the absence or improper packaging of dangerous goods, the Forwarder packs the dangerous goods after notifying the Client and at his expense, or refuses to transport this cargo;
- (c) for intra-package shortage of the contents of packages transferred to the Client (Consignee) in serviceable containers (packaging);
- (d) for losses incurred by the Client in the event of: delivery by the Client of cargo for transportation without providing complete, accurate and reliable information about the nature of the cargo, about its special properties that require special conditions or precautions during its transportation, storage; lack of proper labeling; deficiencies in the container (packaging) of the cargo, which could not be seen during an external examination during the acceptance of the cargo for transportation;
- (e) for damage caused to the cargo as a result of the Client's refusal to carry out additional packaging of the cargo necessary for transportation;
- (f) for violation of the deadlines for the fulfillment of obligations under the contract due to the provision by the Client (his representative) of incorrect data about the Consignee;
- (g) due to force majeure circumstances documented by the relevant authorities.

5.5. Responsibility of the Client.

5.5.1. The client is responsible for all the consequences of improper internal packaging of goods (breakage, breakage, deformation, leakage, etc.), as well as the use of containers and packaging that do not correspond to the properties of the goods, its weight, established standards and specifications, if such discrepancies do not could be discovered by the Forwarder during an external examination during the acceptance of the cargo for transportation.

5.5.2. The Client is responsible for late payment of remuneration to the Forwarder and reimbursement of expenses incurred by the latter in the interests of the Client in the form of payment of a penalty in the amount of 0.5% of the remuneration to the Forwarder and expenses incurred by him in the interests of the Client for each day of delay, but not more than in the amount of the remuneration due to the Forwarder and expenses incurred by him in the interests of the Client.

5.5.3. The Client is liable for losses caused to the Forwarder and/or third parties in connection with the violation of its obligation to provide information about the cargo.

5.6. In the event that the Client provides irrelevant and unreliable information on the characteristics of the cargo being transported, the parties provide for a fine from the Client in the amount of 30% of the Contract price.

5.7. In case of cancellation by the Client of the Order and/or its refusal from forwarding services for the organization of the international transportation of goods, the parties agreed on the following penalties:

(a) The Client is released from the penalty in case of cancellation of the Order (refusal of the Forwarder's services) more than 72 hours before the transfer of the cargo to the Forwarder;

(b) The Client pays a fine of 25% upon cancellation of the Order (refusal of the Forwarder's services) from 72 to 48 hours before the transfer of the cargo to the Forwarder;

(c) The Client pays a fine of 50% upon cancellation of the Order (refusal of the Forwarder's services) from 48 to 24 hours before the transfer of the cargo to the Forwarder;

(d) The Client pays a fine of 75% in case of cancellation of the Order (refusal of the Forwarder's services) less than 24 hours before the transfer of the cargo to the Forwarder.

5.8. In case of loss (damage) of uninsured cargo, the Forwarder pays only the cost of the cargo according to the inventory, but not more than 20 (twenty) US dollars per kilogram of cargo in accordance with the rules of air transportation. Payment is made in dirham (AED) on the day of payment. In this case, the Forwarder accepts only those claims that are directly related to mechanical damage to the cargo during transportation, in case of obvious damage to the outer packaging, confirmed by photo and video recording, or the complete loss of the vehicle. Damaged parts for which compensation is paid must be returned to the Forwarder within ten days.

5.9. In the event of a unilateral refusal to perform the Agreement, the Party shall reimburse the other Party for losses caused by the termination of the Agreement, and also pay a fine in the amount of ten percent of the costs incurred by the other Party.

6. DISPUTES RESOLUTION

6.1. Compliance with the claim procedure provided for by the Contract before filing a claim against each other arising from the Contract is mandatory.

6.2. If the cargo arrives at the destination in an improper condition (damage, shortage, loss), the authorized representatives of the Parties draw up an appropriate act on establishing a discrepancy in quantity and quality upon delivery of the cargo, in which the relevant shortcomings are recorded, which are the basis for filing a claim with the Forwarder.

6.3. If, at the time of acceptance of the cargo, the Consignee specified in the Order, or a person authorized by him, did not notify the Forwarder in writing about the loss or damage (spoilage) of the packaging of the cargo, it is considered, unless otherwise proven, that they received the cargo undamaged.

6.4. Claims to the quality of transportation are sent in writing according to the claim form and are accepted by the Forwarder within 1 (one) day from the moment the cargo is accepted by the consignee or his authorized representative at the airport of arrival and the driver hands over the shipping documents to the consignee or his authorized representative. The date of sending the claim is the date of its sending by e-mail to the Forwarder.

6.5. The party that received the claim is obliged to consider it and provide a response in writing on the merits of the claim (confirm agreement to fully or partially satisfy it or report full or partial refusal to satisfy it, indicate the reasons for the decision) no later than 30 (Thirty) calendar days from the date of receipt of the claim.

6.6. The following documents, duly executed (copies or originals), shall be attached to the submitted claim:

(a) an act on establishing discrepancies in quantity and quality when issuing cargo;

(b) photo / video fixation of the fact of discrepancies in quantity and quality when issuing cargo;

(c) other documents confirming the right to file a claim and allowing to determine the quantity and cost of the shipped cargo.

6.7. If it is impossible to resolve disputes through negotiations, they are subject to resolution in the prescribed manner in the International Commercial Arbitration Court at the Chamber of Commerce and Industry of the Russian Federation.

7. FORCE MAJEURE

7.1. The Parties are released from liability for full or partial failure to fulfill obligations under the Contract in the event that failure to fulfill or improper fulfillment of obligations was the result of force majeure circumstances that the Parties could neither foresee nor prevent by reasonable forces, namely: fire, flood, earthquake, other natural disaster, war, acts of terrorism, epidemic, strike, riot, riots, civil unrest, acts or actions of state bodies that make it impossible for the Parties to fulfill their obligations, and if these circumstances directly affected the fulfillment by the Parties of their obligations under the Contract .

7.2. The Party for which the impossibility of fulfilling obligations under the Contract has arisen must, within 24 hours or more after the onset of force majeure circumstances, notify the other Party in writing or by telephone of the occurrence of such circumstances, the expected duration of their validity and termination of their validity. Upon the occurrence of these circumstances, the term for fulfilling obligations under the Contract is postponed in proportion to the time during which such circumstances and their consequences will operate.

7.3. If the Client's cargo falls under sanctions (prohibition to export cargo) on the territory of a foreign state, the Forwarder has the right to terminate the contract unilaterally and is exempt from paying any fines, penalties, interest in favor of the Client.

7.4. The action of force majeure circumstances must be confirmed by an appropriate act or certificate issued by the relevant state bodies.

8. FINAL PROVISIONS

8.1. In all other respects that are not provided for by the Contract, the Parties are guided by the international legislation in the field of freight forwarding and the legislation of the Russian Federation by the acts specified in paragraph 5.1 of the Contract.

8.2. Any changes and additions to the Contract are valid provided that they are made in writing and signed by duly authorized representatives of the Parties.

8.3. Notifications, notices, demands and other legally significant messages (hereinafter referred to as messages) are sent by the Parties in any of the following ways:

(a) by registered mail with acknowledgment of receipt;

(b) courier delivery. In this case, the fact of receipt of the document must be confirmed by the receipt of the Party in its receipt. The receipt must contain the name of the document and the date of its receipt, as well as the surname, initials, position and signature of the person who received this document;

(c) by facsimile, e-mail or other means of communication, provided that the appropriate method of communication allows you to reliably establish from whom the message originated and to whom it is addressed.

The cases in which a specific method of sending messages is established are determined by the Agreement.

8.4. The Contract comes into force from the moment of its conclusion (signing) and is valid until the parties fulfill their obligations.

8.5. If none of the Parties declares 10 (Ten) calendar days before the expiration of the Contract of Intentions to terminate it, the Contract shall be considered prolonged for the next calendar year on the same terms.

8.6. The Contract is made in two copies, having equal legal force, one copy for each of the Parties.