

Luka Koper, d.d.

General Terms And Conditions

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Chapter 1

General Provisions

Article 1

Luka Koper d.d. (henceforth: Luka) operates the Port of Koper on the basis of and in accordance with pertinent legislation of the Republic of Slovenia, together with regulatory statute, the articles and internal regulations of the public limited liability company, as well as these General Terms and Conditions and the Tariffs of Luka Koper d.d. (henceforth: Tariffs or Luka's Tariffs).

In the international trade in freight and cargo involving Luka, the customs of the port shall apply, unless it is discordant with these General Terms and Conditions.

Article 2

Luka is entitled to issue special terms and conditions in the context of individual cargo operations, which accordingly become a constituent part of these General Terms and Conditions.

Article 3

The special terms and conditions that exist within the Free Zone area of the Port of Koper are determined by laws of the Republic of Slovenia, and thereupon the statutory regulations and rules issued by Luka, as the founder and operator of the Zone.

Notwithstanding the above provisions, the Port of Koper zone is subject to customs control and is thus the area is for the most part enclosed within the customs fence.

Article 4

These General Terms and Conditions shall apply to all those using the Port who are in a contractual relationship with Luka (henceforth herein: Customers).

Article 5

Luka does not accept any responsibilities or obligations in relation to a contract of carriage unless it is committed to such in writing.

Article 6

Within the port zone, in which port operations are undertaken, no person shall be entitled to provide - without Luka's prior written consent - any operation or service related to either Luka's registered activities or any other operations exclusively granted to Luka through the Concession Agreement, unless otherwise provided by way of a special written contract with Luka.

Article 7

Customers and others, including shippers, hauliers and drivers, entering the Port area are obliged to fully comply with all pertinent rules, regulations and directives issued by Luka. Any person failing to comply with these shall bear full responsibility for all related consequences.

People entering the Port area shall be obliged to keep clear of operational areas in which cargo is being handled or transported - including the marked routes of cranes and other machinery and devices, railway tracks and vehicles - as well as other areas of the Port where port and handling services are performed.

Any person who fails to comply with the provisions of the previous paragraphs of this Article may be temporarily or permanently prohibited entry to the Port area by Luka.

Conclusion of the Agreement

Article 8

Luka provides services on the basis of an agreement concluded with the Customer. The General Terms and Conditions and Luka Koper Tariffs represent invitation to submit tenders under the disclosed terms and conditions, and are accordingly a constituent part of all agreements that Luka concludes with its Customers, unless an individual agreement shall state otherwise. The Customs of the Port (Official Gazette of the Republic of Slovenia No. 114/2005) shall apply unless it is discordant with these General Terms and Conditions.

An agreement is concluded when Luka confirms the Customer's order (disposition), which represents a tender submitted on the basis of the invitation to submit tenders under the disclosed terms and conditions. Eventual Customer's provisions which are in discrepancy with the invitation to submit tenders under the disclosed terms and conditions have no legal effect unless they are agreed in writing by a special contract in terms of the first paragraph of this Article.

Article 9

The Customer is entitled to change order submitted only upon the delivery of new order (disposition). The Customer is obliged to pay all damages, costs and expenses related to any change or alteration of the disposition provided.

In the event that a Customer submits irregular, inaccurate or unclear orders, said Customer shall be obliged to pay all related and collateral expenses, as well as cover any costs or damages, which might result from such a deficient instructions.

Luka shall not be liable for any damages which may result from an alteration or deficiency or irregularity in an order (disposition).

Customers shall be obliged to reimburse Luka for contracted labour and technical facilities in the accordance with the provisions of Luka's Tariffs in the event of any delay or standstill pertaining to the provision of labour or technical services for which Luka cannot be held responsible.

Article 10

Luka shall render an ordered service in compliance with its own work schedule.

Service Payment

Article 11

Payments for services rendered by Luka are determined in Luka's Tariffs whereas port dues are both determined under Port Dues.

Article 12

Regardless of the fact as to whose account services may have been ordered, the Customer shall be considered as the party responsible for the payment of services rendered.

Upon receipt of an order, Luka may legitimately request the advance partial or full payment for the ordered operation or service (advance payment). In the event that the Customer fails to pay in advance, Luka shall not be liable to render the ordered operation or service.

Any statement of third party liability for the payment of the services described in the order (disposition), does not exempt the Customer from its own ultimate liability as regards payment. In such an event Luka may deliver the invoice for services directly to the stated third party; however, in the event that the said third party fails to pay the invoice within the term agreed under contract or in accordance with Luka's Tariffs, Luka shall require and be due immediate and direct payment from the Customer.

Article 13

Luka shall retain a lien on goods or a deposit against all receivables to which it is entitled on the basis of services rendered, as well as possessory lien of the Customer's goods in its possession.

Pursuant to the provision of these General Terms and Conditions, Luka holds possession of all goods located within the port zone.

Chapter 2

Port-Handling Services

Article 14

Beyond the provision of port services and basic stevedore operations, Luka also provides ancillary port-stevedore services and operations pertaining to its core business; these include temporary and transitional storage as well as port-handling services.

Port-handling services and operations shall be conducted on the basis of a contract between Luka and the Customer, in accordance with a pertaining port-stevedore agreement, concluded upon the provisions of these General Terms and Conditions.

Article 15

In the provision of port-handling services, Luka shall only perform material acts related to handling. In doing so, Luka does not involve itself in any legal relationship between the Customer and third parties nor assumes responsibility for cargo. Furthermore, Luka does not enter into the Customer's legal and business relationships with third parties, unless such is explicitly agreed through the provision of its written consent to such.

Upon the order of a shipping company, when the consignor is not able to deliver cargo to the consignee in a contract of carriage, Luka shall take cargo into storage. In any such event the storage and handling services shall be paid by the shipping company (consignor), and prior to receiving the cargo, Luka may require an advance payment for storage expenses and all other cargo handling services. Notwithstanding the aforementioned, and on the basis of Luka's prior written consent, storage services may be provided at the expense of the owner of the cargo.

Article 16

Luka shall not be held liable for damage to cargo or other detrimental consequences incurred as a consequence of the failings of carriage parties (consignors and consignees), namely a failure to implement their mutual obligations and liabilities as to the timely or accurate acceptance and control of cargo, or the timely provision of shipping or transport services.

Luka shall not be held liable for damage to cargo or other detrimental consequences in the event that the owner or the person ordering a service fails to inform Luka as to the characteristics or special properties of cargo, and thus neglects to submit Luka additional instructions so that the ordered service is appropriately rendered.

Article 17

Luka shall perform stevedore services using its own equipment and machinery or that provided by vessels.

In the event Luka expresses such requirements and the ship has it at its disposal, the shipping company is obliged to put the vessel's cargo handling equipment, machinery and pertaining motive power at Luka's disposal.

A vessel's cargo handling equipment and machinery put at Luka's disposal must be in good working order and compliant with technical as well as occupational health and safety regulations.

During the night shift, the shipping company is obliged to provide adequate illumination of the vessel alongside.

Luka performs all works involving the vessel upon the instructions and under the control of the ship's master or his representative.

Article 18

In the event that upon arrival at Luka the cargo is not composed according to the loading lists or transport documents, Luka may sort it or compose it at the carrier's expense. If the cargo is considered to be mixed, Luka shall further handle it as mixed cargo and inform the consignee as to such.

Article 19

All cargo should be adequately packaged and protected from damage that may occur during port-handling operations.

Article 20

The establishment of the quantity or content of any cargo by issuing a special certificate shall only be provided upon the basis of a special agreement and additional payment for service. In the event that Luka is not qualified or does not have the means to establish certain cargo contents, it will not perform the service pursuant to this article. The quantities of cargo pursuant to this article will be established according to the means at its disposal.

Article 21

Luka is entitled to verify information as to the quantity and content of cargo when such is required in order to accurately charge for the provision of its services or the keeping of adequate records on cargo. Expenses for this operation may be levied upon any party that has delivered inaccurate information on cargo.

Damaged, Contaminated and Hazardous Cargo

Article 22

Stevedore operations involving damaged or contaminated cargo shall be performed on the basis of a special written agreement.

The Customer is bound to provide Luka with facts pertaining to cargo damage, the type of damage or degree of contamination. The Customer is obliged to accordingly mark any cargo which must be stored separately from other cargos and unambiguously inform Luka thereupon. The cost of any ancillary measures necessary to protect other cargo, plant and equipment shall be borne by the Customer.

Luka enjoys the right to reimbursement and compensation from the Customer for any damages it may be obliged to pay to third parties due to the contamination effects by the Customer's cargo.

Article 23

The handling of hazardous cargos is performed exclusively on the basis of special written agreements.

The type and category of hazardous cargos, conditions for their transport and handling, packaging and storage are legally determined and mandatory as regards all those engaged in the transport of hazardous materials.

Use of the Quayside

Article 24

Any person or legal entity performing loading or unloading operations at the port under the terms and conditions of a special permit issued by Luka – notwithstanding the fact that as concessionaire, Luka holds the exclusive right for the provision of said services – shall be liable to pay Luka compensation - which is neither a fee nor other public charge - for the use of the quayside as per Luka's Tariffs.

Article 25

Upon completion of mooring operations and administrative duties, a vessel alongside has to immediately enable the discharge or loading of cargo otherwise the shipping company shall be liable for any damages incurred by Luka.

Article 26

In the event that upon completion of unloading and/or loading operations the vessel fails to leave the quayside in due time as determined by Luka's Tariffs, Luka is entitled to relocate it to another berth or anchorage at the shipping company's expense or, alternatively, charge the vessel wharfage.

Article 27

As concessionaire, Luka enjoys the exclusive right to perform all berthing and mooring operations for vessels using the Port of Koper, and shall determine the quayside berth which a vessel shall use. As concessionaire, Luka may entrust the operational provision of such services to contractors.

A vessel intending to use (arriving), or using (leaving) a berth at the Port is obliged to deliver an order for mooring services at least two hours prior to the use of such service.

The movement of the vessel is performed in compliance with the custom of the port and the ship is informed on this four hours prior to the movement.

The shipping company is obliged to cover the cost of the first movement of the vessel whilst the costs of subsequent movements shall be borne by the Customer or person requesting that the vessel be moved

Luka's Responsibility in the Provision of Port-Handling Services

Article 28

Luka shall be liable for material damage incurred in relation to its provision of port-handling services to a maximum amount prescribed by law.

Article 29

A customer is obliged to inform Luka as to any damage to its cargo, or deficiency as regards quantity, within the legally prescribed terms. Any such claim should include the description of the damage or deficiency together with supporting documentation proving that Luka is culpable.

In the event that the Customer fail to notify Luka as to the existence of damaged or deficient cargo in a timely and proper manner, it shall be considered that said cargo was accepted as being without fault; unless demonstrated otherwise.

Article 30

Luka shall not be held responsible for damage to, or the partial or total loss of, any high value cargo unless it was notified beforehand as to the high value, and accordingly Luka and the Customer (henceforth and in conjunction with one another: the Parties) agreed upon the special handling of said cargo.

Article 31

Luka shall not be responsible for damage incurred as a consequence of any event that could not have been prevented by due diligence, or was the result of force majeure, or the natural characteristics of the cargo, or special handling modes explicitly required by the customer, or the conduct or failure of third parties.

Chapter 3

Cargo Storage

Article 32

Within the scope of its activities, Luka provides warehousing for cargo; such encompasses the acceptance and storage of cargo, necessary or agreed actions to safeguard and conserve cargo in its determined condition, as well as release cargo to carriers or shippers upon the request of the Customer or other entitled person.

Article 33

Luka provides services on the basis of the agreement concluded with the Customer. General Terms and Conditions and Luka Koper Tariffs represent invitations to submit tenders under the disclosed terms and conditions, and are the constituent part of all agreements concluded by Luka with its Customers unless otherwise stated in an individual agreement.

The agreement is concluded when Luka confirms the Customer's order (disposition) which represents tender given on the basis of the invitation to submit tenders under the disclosed terms and conditions.

In the event of any request for the provision of additional services, the Customer is obliged to deliver a new order (disposition) which encompasses said additionally ordered services (special instructions).

Acceptance of Cargo

Article 34

Upon delivery of any consignment of cargo to Luka, the Customer is obliged to submit all pertinent information as well as state the value of the cargo.

A Customer that fails to provide genuine and accurate information shall be responsible for any damage that may be incurred as a consequence, as well as obliged to cover the costs of any examination of the cargo.

In the event that Luka subsequently establishes that the weight, measurement or volume of stored cargo exceeds the recorded one, it shall enjoy the right to charge for storage and other services for the unreported portion of the cargo at a rate of three times the amount of the pertinent Tariff.

Article 35

Luka shall not accept any cargo for storage that may damage warehousing or other premises or facilities. Cargo which is in poor condition or which is inappropriately or inadequately packaged shall be considered as unsuitable and, accordingly, unacceptable for warehousing.

Any decision as to whether cargo is suitable for warehousing shall be taken solely and unilaterally by Luka.

Article 36

Luka shall accept a hazardous cargo for storage on the basis of a separately concluded written agreement that such a cargo complies with all valid regulations on the transport, handling and storage of said hazardous materials.

Article 37

Luka shall notify the Customer as to any unsuitable packaging and may request that any such deficiency be put right. In the event that the Customer fails to remedy said deficiency, Luka shall take remedial measures and accordingly charge the Customer or refuse the provision of service until the deficiencies on the packaging are eliminated.

Suitable packaging is the packaging that does not endanger environment, life and health of people who come in contact with cargo, the cargo packaged in it and other material goods that might be affected by packaged cargo or packaging itself, as well as packaging that allows undisturbed provision of services compliant with Luka's technological procedures.

Luka gives the goods unsuitable for warehousing at Customer's disposal. Such cargo may be stored temporarily upon the responsibility and on the account of the Customer, who shall be informed as to this.

Article 38

Luka shall accept cargo into storage on the basis of the number of pieces, or by weight, or by volume, or by length or surface area.

Storage and Protection of Cargo

Article 39

Luka shall store cargo in the open, or in covered, or in enclosed premises, taking into consideration the characteristics of said cargo, and the suitability of a particular cargo as regards storage.

Luka may also store, in open storage facilities, cargos which are not suitable for such type of storage, but only upon the Customer's written consent and at the Customer's risk. Luka is obliged to record the provision of any such consent in the warehousing manifest and the documents issued to the Customer.

Article 40

Luka shall provide storage for cargo within the agreed term or – if the storage period is not defined in the agreement – for a period of one year.

A storage period shall commence on the day when the cargo is accepted into warehousing or other storage facility.

In the event that the Customer fails to retrieve the cargo within the agreed term or after the expiration of one year, Luka may - upon serving prior notice upon the Customer - sell the cargo at public auction 15 days after the notice. Providing that it settles all Luka's claims against it, the Customer may retrieve the said cargo within the aforementioned 15-day term.

Luka is obliged to inform the Customer as to any sale or disposal of the cargo through public auction.

The Customer is liable to immediately inform Luka as to any change to its title or registered office. In the event Luka sends a notice to an incorrect address submitted by the Customer, Luka shall be considered to have acted appropriately and with due care if it provides evidence as to the attempt to deliver to the last recorded address of the Customer or the address provided on the order.

Luka shall use the proceeds of the public auction of cargo to cover all its expenses and claims against the Customer as well as the costs of sale. The balance accumulated from the disposal of the cargo by public auction shall be forwarded to either the Customer or the holders of the receipt and warrant pursuant to the Articles 47 and 48 of these General Terms and Conditions.

In the event that the holders of the receipt and warrant fail to retrieve the amount within 30 days from the maturity of the warrant, Luka shall deposit these funds with the competent court in Koper, Slovenia.

Storage Receipts and Warehouse Warrants

Article 41

Luka shall issue a non-transferable receipt, which is a non-negotiable document, upon the placement of cargo in storage at the Port. The transfer of rights and the further disposition of such goods is executed on the basis of the Customer's forwarding instructions (disposition). Any transfer only becomes valid after it has been confirmed by Luka and entered into the warehousing records.

Upon any request by the customer, Luka shall issue a transferable receipt on the placement of cargo into storage at the Port.

In the event that Luka issues a receipt on placement into storage to the entitled person, a warehouse warrant (confirming title to the goods) shall only be issued upon the return of said receipt.

The warehouse warrant issued by Luka is a security composed of a warehouse warrant, receipt and talon. The issued warehouse warrant is subject to legally prescribed terms and conditions.

Article 42

Luka shall enter the complete content of the first endorsement into the warehousing records, and also makes a note on this entry on the receipt and warrant, thereby marking the date of entry into the warehousing records. Other transfers are entered into the warehousing records upon the request of the recipient of the receipt or warrant.

Luka may issue a duplicate warehouse warrant or one of its two constituent parts only in the event of any court annulment of the original.

Procedure in the Event of Cargo Deterioration

Article 43

Luka shall promptly notify the Customer as to any defects or hazardous characteristics of cargo, as well as of any deficient or defective packaging, which might lead to the damage or deterioration of cargo.

In the event that Luka perceives any signs of deterioration or other changes in the state of the cargo, which might reduce its value or cause damage to other goods or warehousing premises, it shall notify the Customer and request further instructions. If, on the basis of the Customer's instructions, Luka is called upon to perform services which are not included within the basic storage tariff, it shall additionally charge the Customer the cost of such services in accordance with Luka's Tariff. The instructions provided to Luka by the Customer shall provide the basis for the calculation of the pertaining cost. In the event the implementation of such instructions would endanger the health and safety of workers or the public, or material or goods, Luka may refuse to act upon the Customer's instructions.

In the event the Customer fails to provide timely delivery of necessary instructions, or the deterioration or alteration of the cargo cannot be prevented, and shall result in almost immediate ruin, as well as in other cases when it is not possible to await instructions, Luka shall, without delay, sell the cargo in the most appropriate way possible. In any such event, the Customer cannot claim compensation from Luka for damages that it may have incurred through any such disposal.

In the event of any deterioration of cargo for which Luka cannot be held responsible, Luka may deliver the Customer a proposal for the implementation of remedial measures that would prevent further deterioration. If the Customer fails to respond to such a proposal, or refuses it, Luka cannot be held responsible for any damage that may be incurred as a consequence. Proposing measures to prevent the deterioration of cargo is Luka's option, and not an obligation. In the event that Luka fails to deliver any such proposal, it is bound to act in accordance with the general provisions of the storage contract.

Cargo Processing and Sampling

Article 44

Upon the request of the Customer, Luka may provide all necessary additional and ancillary operations regarding cargo; this provision encompasses services as sorting, cleaning, mixing, finishing, weighing and packaging, as well as taking samples and performing analyses. Upon prior agreement, and under the ultimate control of Luka, such services may also be performed by the Customer within the Port area, in which instance Luka cannot be held responsible for any eventual damage that may be caused.

Article 45

Upon agreement with the Customer, or if it is obvious that mixing of such cargos does not present any eventual damage to the Customer, Luka may store a fungible cargo with another commodity of the exact same quality. Under such a storage arrangement, and upon the deduction of standard ullage, Luka shall release the Customer's portion of cargo without prior notice to, or the participation of, other persons who also enjoy title to other portions of said commodity.

Article 46

The Customer, or its appointed representative or agent, or the holder of a receipt or warrant, may take samples and inspect cargo in the presence of an authorised representative of Luka. In the event that cargo may lose value upon the taking of samples, Luka shall enter the quantity of sample taken in the receipt and warrant and thus record the change to the cargo.

Luka may take samples upon the Customer's detailed written request, which shall also accurately determine the mode and manner of sampling. If the Customer fails to accurately determine the mode and manner in which sampling should be undertaken, Luka shall use its own initiative in the taking of samples, and, accordingly, not bear any liability as regards their suitability.

Responsibility for Stored Cargo

Article 47

Luka shall not be held responsible for any delay, damage, shortfall or loss of cargo that is attributable to circumstances that were not foreseen and, despite the diligence of Luka, could not have been prevented.

Article 48

Responsibility for stored cargo commences from the moment Luka accepts the cargo and shall continue until the cargo is released to the Customer. The cargo is also considered released when the authorised consignee physically retrieves cargo into its own possession prior to being issued documents on the release of cargo.

The cargo is considered to be accepted into storage from the moment when the authorised representative of Luka issues the Customer with a receipt on placement into storage or a warehouse warrant.

In the event that cargo handling is provided by Luka as a direct handling operation, Luka shall be responsible for that cargo during handling operations.

Article 49

Compensation, which Luka may be obliged to pay consequential to damage, shortfall or loss of cargo, shall be regulated in accordance with pertinent legislation of the Republic of Slovenia.

Article 50

The consignee should report all apparent and latent faults in relation to cargo within the legally prescribed terms.

In the event that the consignee fails to appropriately report any fault with the cargo in a timely manner, it shall be considered to be faultless unless ultimately proven otherwise.

Cargo Release

Article 51

Luka shall release cargo to an entitled party, i.e. the holder of a storage receipt or warehouse warrant.

Luka shall release cargo upon the settlement of all costs, fees and duties that burden the stored cargo.

In the event that a warehouse warrant has been issued, Luka shall only be obliged to release the cargo upon the return of said warehouse warrant.

The holder of a receipt may require the release of cargo without a warrant only in the event that it pays the holder of the warrant, or deposits with Luka the amount which will have to be remunerated to the holder of the warrant on the day the claim falls due. Luka shall retain a lien on this amount.

Lien on Stored Cargo

Article 52

Pursuant to any claims deriving from the storage contract, as well as other claims related to cargo storage and services provided, Luka shall retain a lien on the cargo and the cash amount that stands as the legal lien.

Insurance

Article 53

If such is prior agreed with the Customer, Luka shall insure cargo accepted into storage.

Luka insures cargo with the insurance company of its own choice upon the account of the Customer.

The Customer may insure cargo in its own name and upon its own account. The Customer is obliged to inform Luka as to the insurance of cargo.

If the agreement between Luka and the Customer fails to stipulate which risks must be covered by the insurance policy, Luka is bound to insure the cargo against fire. Luka shall insure cargo in accordance with its documented value. If the value of the cargo is not indicated in the pertinent documentation, Luka shall make its own assessment as to value, which it shall accordingly communicate to the insurance company. Luka shall bear no responsibility for eventual mistakes it may make in any self-assessment as to the value of a cargo.

If the Customer ultimately requires an increase or decrease in the amount of insurance cover for the cargo, it shall enjoy no right to reimbursement of any premium which has already been calculated.

The amount of any premium and the pertaining costs of insurance shall be paid by the Customer at the tariff determined by Luka in conjunction with the insurance company.

Final Provisions

Article 54

In the event of any dispute between parties as to interpretation of these General Terms and Conditions, the Slovene language version shall prevail.

Unless otherwise stipulated in the agreement with the Customer, all irreconcilable disputes between Luka and Customer shall be settled by the competent court in Koper, Slovenia, and with the mandatory use of Slovene legislation.

Article 55

These General Terms and Conditions have been adopted by the Management Board of Luka Koper d.d., a public limited company, and shall be effective from 1st February 2012 until further notice.

These General Terms and Conditions shall be considered to have been published upon Luka's publication on its publically accessible websites, thereupon informing forwarding agents and shipping agents operating at the Port of Koper and across the territory of the Republic of Slovenia.

These General Terms and Conditions are published on Luka Koper d.d.'s website. Notification as to their availability, together with the website address, has also been provided via online media and printed media published in the territory of the Republic of Slovenia.

Dr. Gregor Veselko
President of Management Board
Luka Koper d.d.