

Association of Logistic Enterprises in Finland

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REGULATIONS FOR THE TRANSPORTATION SERVICE OF GOODS, 1 JANUARY 2016

The Association of Logistic Enterprises defines the ordinary transportation service provided by its members as follows. The Association encourages companies to apply these transport regulations.

Section 1 Scope of Application

These transport regulations are applied to all transportation assignments in the ordinary transport of goods, unless otherwise separately specifically agreed. The regulations are not applicable to transports which are not within the scope of the Road Transport Contract Act, or which are subject to other special regulations. Regular transport of goods is regarded as domestic transportation of freight which is ordinary, geographically comprehensive and is concerned with combining and/or linking consignments of two or more consignors. The assignments are performed in accordance with the service commitment separately declared by the carrier, in the carrier's direction and in accordance with the routing independently determined by the carrier. These general regulations specify and supplement the provisions of the Road Transport Contract Act (RTCA 1979/345) as amended.

The logistics company complies with the recommendations of the Association and in addition publishes company-specific service commitments and price lists.

Section 2 – Transport agreement and its formation

A transport agreement is formed when a carrier has confirmed the transportation order. The confirmation only includes performance in accordance with the Section 8 basic service.

The transport agreement applies to the quantity of goods provided in the order and to the confirmed service commitment. If the goods to be transported amount to less than ordered, the carrier has the right to charge the freight pursuant to the ordered quantity. The carrier also has the right to refuse to load a greater quantity on the same order, than is provided in the transportation order.

Section 3 – Transportation order

The transportation must be ordered from the carrier within the separately notified order-period limits via an electronic data transfer defined by the carrier. An order must also be completed in cases where the consignor itself delivers the goods to the carrier's office. If the transportation order is placed in a manner other than described above, or if it is not placed at all, the carrier has the right to charge the freight payer a transportation order handling fee in accordance with the list of service charges. The contents of the transportation order must comply with the $\underline{SFS} - \underline{5865}$ standard.

Section 4 - Responsibility of the consignor

The consignor is responsible for packing the product so that it withstands ordinary strains resulting from stowage, terminal handling, transport, and securing and/or supporting in the cargo hold in accordance with good practice. The service provider has the right to supplement or repair an evidently defective package to avoid risk, and may charge thereby accrued expenses in accordance with a list of service charges. If the securing or protection requires other securing equipment than 4t slings, the

consignor must provide such equipment to the carrier's disposal at its own expense when the shipment is collected.

The consignor is responsible for ensuring that the goods, order, parcel marking and the possible shipping document correspond with each other. All parcels must be allocated in accordance with GS1-recommendations (recommendation 2007) and if required, equipped with handling markings pursuant to the SFS-EN ISO 780 standard, to ensure safe handling and delivery to the right consignee also without a waybill. The address label must also clearly state the total amount of parcels included in the delivery.

The consignor must always indicate the centre of gravity of the parcel, if it is located higher than half the height of the shipment.

The carrier undertakes to comply with the handling instructions based on the order and the parcel markings; the parcels must be labelled appropriately. The shipping document alone is not a binding instruction.

If the transport package is used as a sale package and it has sales value, the consignor is responsible for the adequate protection of the packages during the transportation.

The consignor is responsible for ensuring that dangerous materials given for transportation are suitable for regular transport of goods and that the requirements of the consignor, as determined by law, are fulfilled. The consignor is responsible for all costs arising from deficient shipping of dangerous materials.

The consignor is responsible for costs arising from omitting to inform the carrier of the actual total weight of the shipment.

Section 5 – Responsibility of the carrier

The carrier is responsible for the safe transportation of the shipment, and that it is transported undamaged and within the agreed time period to the consignee named in the parcel labels. Insofar as not otherwise provided in the Act on Transport Events, the carrier is responsible for the road safety of the transportation unit, the cargo and for the compliance of legal provisions affecting the transportation.

The carrier is responsible for the loss, reduction and damage of goods between the period of receipt for transportation and delivery, in accordance with the Road Transport Contract Act (RTCA). However, the carrier is not responsible for damage due to insufficient or defective transport packaging, damage caused by cargo support, deficient handling markings of parcels or other Force Majeure event. If the carrier has compensated the goods in full, the ownership of the goods is transferred to the carrier, should it so demand.

The carrier may use subcontractors to assist in transportation. The primary responsibility of the shipment nevertheless remains with the actual main carrier confirming the transportation order for the entire time of the transport.

Section 6 – Responsibilities of the consignee

The consignee is responsible for inspecting the shipment in connection with receipt of the delivery. A verifiable remark of externally detectable damage, deficiencies and/or reduction of goods must be given to the carrier immediately. Hidden damage or other transport damage must verifiably be reported to the carrier within 7 days of the delivery of the goods. Sundays and holidays are excluded when calculating the time limit. If the remark pursuant to this section is omitted, the right of action is lost unless the carrier or the party for whose action the carrier is responsible for, has acted wilfully or with gross negligence.

Section 7 Grounds of freighting and load units



A calculated freighting weight is defined for shipments which, on the basis of their volume or otherwise based on their stowability, do not fill the bearing capacity of the of the transport unit with their actual weight.

Most common load units and the standard transport unit:

- Standard transport unit: 40 FIN pallets or 20 loading metres, bearing capacity 37 tonnes in total and volume of 110 m³
- Roller cage (0.68m x 0.80m)
- 1 FIN pallet slot (1m x 1.2m)
- 1 EUR pallet slot (0.8 m x 1.2 m)
- 1 retail pallet slot (0.6 x 0.8 m)

The possibility to stack parcels on top of each other may be taken into account, provided that:

- The parcels of the shipment may be stacked amongst themselves to the height of 2.4 m in view of their weight, form and durability.
- If the shipment consists of only one parcel, it must be suitable to be loaded both ways, on top or underneath other parcels.
- The height of one parcel or pallet must not exceed 1.2 m.
- The mass of a parcel may not exceed half of the freighting weight of a similar pallet slot.
- The parcel must be even, solid and in good condition.
- ADR classified goods may not be double-stacked

Goods that may be double-stacked must be possible to be handled mechanically. If the product does not withstand being stowed below, this must be clearly marked on the package.

A shipment consisting of parcels > 2.40 m in length, or bundles that have a unit weight of > 20 kg per piece, are freighted according to the retail pallet slots required for its stowage and lashing, or according to the mass of the shipment, should the latter exceed the freighting weight pursuant to the retail pallet slots.

The carrier has the right to correct the freight payable weight, if the freight payable weight provided by the shipper is established to be inaccurate.

The shipper must pack the shipment on a machine-operable load unit, if the mass of an individual parcel exceeds 20 kg. If the shipment contains more than 10 parcels, the parcels must always be unitized. Clearly unitized parcels and parcels indicated in the freight information as unitized, as well as parcels clearly attached to each other, are deemed as one parcel. In accordance with labour safety legislation, parcels exceeding 1000 kg must be equipped with information of total weight.

Rules of the FI 2002 wood packaging system are observed in the ordinary transport of goods.

Section 8 Transport service

The basic service for the ordinary transport of goods includes:

- electronic handling and confirmation of the transportation order (cf. Section 3)
- transport in dry freight space at the outside temperature



- one pickup from the shipper, from the immediate vicinity of the vehicle (max 5 m) in accordance with a schedule separately informed by the carrier, from a place to which the truck has unrestricted access
- delivery within the time of the transport plan informed by the carrier
- one delivery to the address indicated on the parcel (max 20 kg), to the immediate vicinity of the vehicle (max 5 m) to a place to which the truck has unrestricted access
- handling of the shipment by the carrier with a pallet truck, provided that the total freight payable weight of the shipment is less than 2500 kg and the weight of one individual parcel is less than 1000 kg. The driver carries a parcel of <20 kg in weight to the immediate vicinity of the vehicle
- delivery on working days between 8 AM and 4 PM, however at a time independently determined by the carrier
- detention rules separately notified by the carrier
- Responsibilities of the carrier in accordance with the RTCA.

A client seeking to order other services of the carrier must place the said order electronically in advance according to the carrier's notified schedule. The carrier shall be under no obligation to carry out written or oral service requests that were issued only on collecting the goods.

For its part, the client is responsible for the fulfilment of the Driving and Rest Time Act in the manner required by law when the final consignment departs from the schedule confirmed by the carrier. Similarly, the client is responsible for the delay of the delivery if, due to action by the shipper and/or consignee, the carrier has no possibility to deliver the shipment to the consignee in accordance with the service commitment pursuant to the above mentioned law or other law defining work or working time or road safety.

The carrier has the right to invoice possible deviating measures and delivery times in accordance with a separate service charge list, unless otherwise specifically agreed in the transport agreement.

If specific safety equipment (overalls, special footwear, mask, etc.) is required in the loading or unloading of the cargo, these must be made available to the carrier free of charge.

Section 9 Transport time

The carrier performs the transportation within the time in accordance with a separate service commitment.

The carrier is responsible to the freight payer for delayed goods at most for the amount of freight, provided that the freight payer drafts a remark of the delay within 21 days from the arrival of the shipment to the consignee and proves economic loss. The freight payer is, however, responsible for the freight rate towards the carrier.

If a specific delivery time of the shipment was agreed upon, a delay is deemed as lost cargo after 14 days, and if a delivery time was not agreed upon, after 28 days from when the carrier took receipt of the shipment to be transported, unless the carrier is able to inform the consignor of the location of the shipment.

Section 10 Electronic waybill and reservation

The electronic waybill formed by an electronic order must at least include all of the details stipulated for the contents of a waybill under the Road Transport Contract Act (SFS standard no. 5865).

The driver shall acknowledge receipt of the order for transportation electronically or in an otherwise verifiable manner. The driver shall enter any reservations or remarks into the information system before acknowledging receipt. The carrier's reception inspection and acknowledgement of a cargo



hold loaded by the consignor may be made at some other location separately agreed with the transportation client (e.g. at the terminal).

The consignee shall record any remarks and acknowledge receipt of the shipment electronically using the carrier's generally applicable method. The electronic acknowledgement shall not discharge the consignee from the obligation to inspect incoming goods.

All reservations or remarks arising in the transport chain shall be recorded in the carrier's information system in a manner that enables subsequent verification of their chronological order. The carrier shall furnish the transportation client on request with an offprint of the electronic waybill, for which the carrier shall have the right to charge in accordance with its service price list. Transport liabilities for a shipment shall be assigned in accordance with the Road Transport Contract Act.

Section 11 – Transportations requiring special measures

Section 11.1 Dangerous goods (ADR): In the transport of goods classified in accordance with the Finnish national transport of dangerous materials classification [Finnish VAK – classification], the parties of the transport chain must comply with the provisions required by the Act on the Transport of Dangerous Materials by Road, 2 August 1994/719 together with its amendments and associated regulations.

Dangerous goods may only be transported in the ordinary transportation of goods as bulk cargo, and it must be possible to load them, within the limits of the Finnish national transport of dangerous materials classification [Finnish VAK – classification], in the same vehicle together with other dangerous materials and with other materials to be transported.

Tank-container transportations, bulk transportations, temperature controlled transportations and transportations of dangerous materials requiring the approval of the vehicle or the labelling of the vehicle with placards (such as classes 1 and 7) or those dangerous materials whose transportation requires a safety plan, are carried out on a case-by-case basis and only as a separately agreed, scheduled and freighted transportation.

The carrier has the right to claim for an additional charge for all transports of dangerous materials, in accordance with its list of service charges and to amend the service commitment, if the aim of the amendment is to ensure that the transportation of dangerous materials is carried out in accordance with the law. Stacking with other products is not possible.

Section 11.2 Oversized: If the cargo exceeds the greatest allowed measures of the vehicle in terms of width, height, length or weight, the transportation must always be separately agreed with the carrier. Oversized shipments are transported and scheduled always on a case-by-case basis and by taking into account regulations concerning special shipments.

Section 11.3 Temperature-controlled: The carrier informs in a separate service commitment the extent to which, and the types of temperature controlled shipments, it accepts to be carried in its transport. Parcels requiring temperature control must be equipped with appropriate labels and the transport must always be ordered separately.

Section 11.4 Foodstuffs: Foodstuffs that are subject to self control regulations are transported by separate agreement only.

Section 11.5 Transportations of hazardous waste: Hazardous waste is transported in the ordinary transportation of goods only on a case-specific basis and in accordance with a separate transportation agreement.

Section 12 Terminal services

In cases where the client delivers the shipment to the carrier's terminal, the shipment is deemed to have transferred to the ordinary transportation service when it is placed in the reception area of the carrier's terminal and is unloaded, inspected and has been signed for. When the consignee collects the



shipment from the carrier's terminal, the assignment for the ordinary transportation service is deemed to have concluded when the shipment is transferred to the terminal delivery area and it has been signed for by the recipient.

The possible unloading and/or loading assignments connected to the above receipt and delivery functions are performed pursuant to a separate agreement and in accordance with a separate price list. These assignments are not within the scope of the general contract terms for the ordinary transportation of goods. Occasional free unloading and/or loading measures connected to customer service, which are not within the transportation service for the ordinary transportation of goods, are always the client's responsibility.

Section 13 Principal regulations affecting the delivery of transportation services

Definitions are provided in Appendix 2.

Section 14 Definitions

Definitions are provided in Appendix 1.

Section 15 Payment of freight

The invoicing right of the carrier arises when it confirms to have received the transportation order. Details of the freight payer must be provided in connection with the transportation order.

The carrier is entitled to full freight rate, when the shipment has been collected from the consignor in accordance with the transportation order, or if the transportation order has not been cancelled in time. If the actual amount of the shipment is less than the amount disclosed and verified in the transportation order, the carrier has the right to the full freight rate. In case the actual amount is greater than disclosed, the freight payer is invoiced a freight rate for the actual amount. If the loading or unloading of the vehicle is not commenced within the free loading and unloading time notified by the carrier, the carrier has the right to depart without cargo, but is nevertheless entitled to full freight rate. The same is applied if the loading of the shipment proves impossible due to issues relating to traffic and/or safety.

The consignor is responsible for the payment of the freight in cases where the freight payer provided in the transportation order declines or is unable to pay the freight invoice.

The carrier holds a right of lien to the goods transported by it as security for all expenses encumbering the said goods, and for all other receivables due from the same client. If the carrier's receivables are not paid within 60 days from the first debt collection, or if the freight payer cannot be reached within 90 days from the maturity date of the receivable, the carrier has the right to realize the goods to the extent that all reasonable costs arising from the debt accrued by the carrier are covered. If possible, the carrier must give notice to the freight payer of its intention to realize in advance.

Section 16 Disputes

Disputes between the parties shall primarily be settled through negotiations between the contracting parties.

If settlement cannot be reached through negotiations, all disputes are resolved in the district court of the carrier's domicile or "main office" pursuant to Finnish law and these general transportation regulations. The contracting parties may agree that instead of the district court, disputes are settled in an arbitration court by one arbitrator in Helsinki in accordance with the rules of the Arbitration Institute of the Finnish Central Chamber of Commerce.

Section 17 Force Majeure



The contracting parties are excused from the fulfilment of their contractual obligations and from liability for damages in cases of *Force Majeure*, which include, e.g. strike, lockout, accidents, actions by authorities and other circumstances which the parties could not have avoided, and the consequences of which they could not have prevented. The service provider shall endeavour to carry out the services referred to in the agreement to the best of its abilities also in the abovementioned



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APPENDIX 1

GENERAL TERMS OF DELIVERY FOR REGULAR TRANSPORT OF GOODS, DEFINITIONS

Parcel A parcel is the smallest handled transport unit.

Freighting weight The freighting weight is calculated by ratio of the

shipment's volume, mass or the freight space used by it in the transport unit, to the total bearing capacity and bed space of the transportation unit. The definition also takes into account the supporting of the shipment and its traffic-safe placement in the bed

space.

Load unit is a pallet, roller cage, box etc., where the

goods or parcels may be packaged for transportation

and handling.

Basic securing equipment A 4 tonne tying rope, max 5 ropes per vehicle

Main carrier The party confirming the transport order

Subcontractor

The party that possibly carries out transportation or handling partly or fully pursuant to assignment by the

main carrier

Electronic data transfer Electronic data transfer refers to the electronic

transfer of data between the client's and the service provider's data systems. Electronic data transfer does **not** refer to fax, email or to a scanned document.

Electronic data transfer is not real-time.

Warm-space transport In warm-space transport, the transport of the product

is mechanically ensured to take place in >+0 C°

temperature.

Temperature-controlled transport In temperature-controlled transport the transport of

the product is mechanically ensured to take place in a specific, controlled temperature or between max/min

temperatures.



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APPENDIX 2

PRINCIPAL REGULATIONS AFFECTING THE PROVISION OF TRANSPORTATION SERVICES

General Legislation and Decrees

- Road Traffic Act and Decree
- Decree on the Use of Vehicles on the Road
- Road Transport Contract Act
- Statutory provisions on the transport of dangerous materials
- Decision of the Ministry of Transport and Communications on special transportations
- Driving Licence Decree
- Act and Decree on the Competence of Professional Drivers
- Vehicles Act
- Decree of the Ministry of Transport and Communications on the Construction and Equipment of Motor Vehicles and Trailers
- Decision of the Ministry of Transport on load baskets, loading and on securing of loads
- Act on Overload Charges
- Traffic Insurance Act and Decree
- Act on the Transport of Dangerous Goods by Road

Foodstuffs and Feed legislation and Decrees

- General Foodstuffs Decree
- General Food Hygiene Decree
- Decree on Food Hygiene of Foodstuffs of Animal Origin
- Commission Regulation on Monitoring Temperatures of Frozen Foodstuffs During Transportation, Interim Storage and Storage
- Foodstuffs Act
- Act and Decree on Protection of Health
- Decree on Frozen Goods
- Medicines Act and Decree
- Feed Hygiene Decree

Working Hours Act and Decrees

- Working Hours Act
- Regulation of the Council of the European Communities on the Harmonization of Road Traffic and Social Welfare Legislation and on the Monitoring Equipment of Road Traffic
- Driving and Rest Time Decree
- Labour Protection Act

Environmental Legislation and Decrees

- Environmental Protection Act and Decree
- Waste Act and Decree
- Act on Safety of Dangerous Chemicals and Explosives
- Radiation Act And Decree

Other regulations and instructions

• Additionally, the guidelines and standards of different Ministries and of the Finnish Transport Safety Agency (Trafi)

