

GENERAL CONDITIONS For the Lease of the Railway Cars

1. Use and Interpretation of the Contract and the General Conditions

- 1.1.** These General Conditions are an inseparable annex of the Contract on the lease of the railway cars. The Contract and the General Conditions shall be interpreted together in mutual conjunction whereby both are mutually complementary and explanatory each other. For the purpose of interpretation and in case of discrepancies or doubts between the provisions of the Contract and the General Conditions the provisions of the Contract shall prevail.
- 1.2.** The terms used in the Contract and/or in the General Conditions with initial capital letter shall have the meaning given to it by definition stated in the Contract or General Conditions.
- 1.3.** The lessee hereby agrees that for the duration of the contract he shall employ the Stock responsibly and in abidance with the prescribed conditions.

The lessee in particular agrees to comply with the condition in the preamble not to enter into transport contracts or engage in business with Railway Undertakings (RUs) other than those members to the General Contract of Use (GCU).

Failing this the lessee hereby expressly undertakes to ensure that the relevant Railway Undertaking (RU) acknowledges precedence of and agrees that provisions of the General Contract of Use (GCU), version in force since 1 January 2013 and all subsequent versions shall prevail over all other contractual clauses.

2. Handover of the Subject of the Lease

- 2.1.** The Subject of the Lease shall be sent to Lessee by the Lessor to the destination place specified in the Contract. Expenditures related to expedition of the Subject of the Leasing to the destination place are borne by the Lessee.
- 2.2.** The Lessee undertakes to takeover the Subject of the Lease at the destination place. The Lessee is obliged at the moment of takeover to make an inspection in order to verify that the Subject of the Lease is in suitable condition for the Purpose of the lease, tanks or loading floors are clean and that technical condition of the car is suitable. The Lessee shall issue the handover protocol with stating of the condition and cleanliness of the Subject of the Lease. The Lessee is entitled to report any defect which is on the car at the moment of takeover before the first loading however at least in five days after the delivery of the Subject of the Lease to the destination place. In case that Lessee doesn't report any defects in this period, it is deemed that Subject of the Lease is in proper condition and it was delivered without any defects, suitable for usage according to agreed Purpose.
- 2.3.** In case of justified claim of defects regarding separate parts of the Subject of the Lease the Lessee shall not pay Rent for the defective until the remedy of defect.

3. Lease Term and Duty to Pay a Rent

- 3.1.** The Lessor shall leave the Subject of the Lease (railway cars) for the agreed tariff rate stated in clause 6.1 of the Contract and for the time period stated in the clause 5.1 of the Contract.
- 3.2.** The duty of the Lessee to pay the Rent begins from the day of dispatch of the Subject of the Lease to destination place identified by the Lessee. In case that Subject of the Lease shall be delivered to the destination place step by step in parts the Lessee is obliged to pay the Rent for the part of the Subject of the Lease already delivered.
- 3.3.** The duty of the Lessee to pay the rent cease with regular return of the Subject of the Lease however not sooner than expiration of agreed lease term (period) or expiration of notice period. Should the return be performed on the request of the Lessor by the handover to a third person assigned by the Lessor or by delivery to the place designated by the Lessor, the duty of the Lessee to pay the rent shall cease on the day which preceding the day of handover or delivery.
- 3.4.** In case that just the part of the Subject of the Lease is returned the Lessee is obliged to pay the Lessor sum counted in accordance with Rent (tariff rate) stated in the clause 6.1 of the Contract for the each day of the delay. However, the Lessee is in delay even if he fulfils his duty to pay this sum and payment of this sum shall have no impact to Lessor's right to claim for damages incurred due to

breach of obligation to return the Subject of the Lease duly and on time and Lessor's right to claim contractual penalties.

- 3.5. Both Parties are entitled to give a notice of the Contract where the notice have to be executed in written form with the exception of the contract for a fixed period and delivered in the way stated by clause 11.1 of the General Conditions.
- 3.6. The notice period commences on the first day of the month succeeding the month in which the notice was delivered to the other Party.
- 3.7. Outstanding obligations of the Parties from this Contract, mainly but not limited to right to payment for unreturned Subject of the Lease or its part, claims for damages, right to contractual penalties, right to interest for delay which by their nature exceed time of the lease term, after expiration of the lease term remain valid and shall govern by provisions of Contract, General Conditions and Contract Annexes.
- 3.8. In case that Subject of the Contract or its part is disabled due to reasons out of the Lessee's risk as per article 9 the duty of the Lessee to pay the Rent for such part ends after the last day on which the railway car was available to use for the Lessee.

4. Invoicing and Payment of the Rent, Expenses, Damages and Contractual Penalties

- 4.1. The Lessor makes an invoice for Rent monthly, on the base of Rent tariff rates agreed in the article 6.1 of the Contract, five days after end of the month for which the Rent is paid.
- 4.2. The invoice for Rent shall be delivered to other Party by 15th day of month in which invoice is issued. In case that Lessee shall not obtain invoice within this term Lessee is obliged to request the Lessor for delivery of the invoice.
- 4.3. The Parties invoice reimbursement of expenses for which they are entitled, interest for the delay, damages and contractual penalties by separate invoices delivered to the other Party with attached justification of such accounting and calculation method of invoiced sum. The right of any Party to require for statement of other Party to reason of the damage or to reason for application of the contractual penalty.
- 4.4. Any invoice is due in 30 days after its issuance.
- 4.5. In case of default with payment of Rent invoice issued duly according to the Contract and General Conditions or of invoice for expenses paid by the Lessor instead of Lessee, which should be borne by the Lessee, by more than 10 days Lessor is entitled to terminate the Contract and to require immediate return of the Subject of the Lease. For this purpose after the termination of the Contract the Lessor is entitled to acting toward third persons and takeover the Subject of the Lease or any of its part from the third persons. The expenses for such takeover shall be borne by the Lessee.

5. Freight charges, taxes, custom duties and fees

- 5.1. Freight charges and other expenses accrued during the lease term connected to operation, shipment and side tracking of the Subject of the Lease are paid by the Lessee.
- 5.2. In case of occurrence of any tax duties, custom duties or fees related to transport of the Subject of the Lease whether within Slovak Republic or abroad such expenses are borne by the Lessee.

6. Disposal right of the Lessee

- 6.1. The Subject of the Lease is during the lease term at disposal of the Lessee but it can be used by a third person for its own freightage in compliance with the Purpose agreed by the Contract.
- 6.2. The shipment abroad and further lease to a third person is allowed.
- 6.3. In case of sublease or giving in usage of the railway car to a third person the Lessee is responsible for all acts of a third person in the same scope as by himself and all obligations of the Lessee toward Lessor remain in existence.
- 6.4. The Lessee is not entitled to retain Subject of the Lease or its part for enforcement of his due payments against the Lessor nor dispose of the Subject of the Lease in contradiction with provisions of the Contract or generally binding legal regulations.
- 6.5. The Lessee is not entitled to sublease the Subject of the Lease or its part to a third person under conditions which would preclude the Lessor from exercise of his rights given by the Contract or which would constitute wider rights of the sublessee than has the Lessee himself.

7. Operational Regulations, Marking of the Subject of the Lease

- 7.1. During the operation of the railway car the Lessee is obliged to observe all generally binding legal regulations, rules, directions and decisions of public authorities related to usage and operation of Subject of the Lease as well as regulations and directions of railway authority.
- 7.2. Any change on railway car including changes in markings and labeling is forbidden without written approval of the Lessor except for cases of generally binding legal regulations mandatory provisions, decisions of public authorities or railway authorities. In case of decision issued by railroad authority the Lessee is obliged to inform the Lessor without delay.
- 7.3. Should the Lessee omit information duty on shortcomings in marking and labelling of the railway car then the Lessee is liable for all damages and expenses accrued to the Lessor and third persons.
- 7.4. The Lessee is entitled to place his own labelling on the railway tanks only with written approval of the Lessor. In such a case the Lessee bears the expenses for placement as well as for removal after termination of the lease.
- 7.5. The Lessee is obliged to assure professional care of the Subject of the Lease. The Lessee is within the scope of professional care obliged to fulfill technical conditions stated by the Lessor:

8. Maintenance and Repairs

- 8.1. The Lessor bears the costs of periodical maintenance of the Subject of the Lease pursuant to generally binding legal regulations. The Lessor bears the costs of changing of wheel-sets, frames, undercarriages, bumpers and costs of removal of hidden defects of the railway cars.
- 8.2. In case that the Subject of the Lease is during the lease term, regardless reason, under maintenance, repair or official revision or it is otherwise temporarily withdrawn from use by the order of the railway authority the Lessee is obliged to pay the Rent and this not entitled to discount or cancellation of Rent or to delivery of the substitute railway car.
- 8.3. In case that for the maintenance or for official revision neutralization or cleaning of the tanks or/and loading floors is required the Lessee bears the costs of neutralization or/and cleaning. The lessee shall undertake or have undertaken work such as degasification, cleaning and neutralization of the stock during the period of operation. Each time such work is carried out in a specialized workshop, the lessee shall immediately notify the lessor.
- 8.4. The Lessee is during the validity of the Contract at his own costs obliged to provide regular maintenance of travel gears, brakes, closing hoods and valves and the lubrication of the railway cars. The Lessee bears the costs of revisions and repairs arisen due to omission of regular maintenance.
- 8.5. The place of maintenance is designated by the Party which is obliged to bear the costs. The Party is entitled to realize it by skilled person with authorization for such activities.

9. Risk of Damage on the Subject of the Lease, Losses a Damages to a Third Persons

- 9.1. The Lessee bears the risk of the damage on the Subject of the Lease. The Lessee bears the risk of loss and damage on railway car from the moment of delivery of the railway tank to the moment of return in due condition regardless reasons and infliction of the Lessee and regardless any representation of the Lessor regarding suitability of the railway car for certain type of goods.
- 9.2. The Lessee answers to Lessor for all damages which shall be caused by railway car or by goods loaded regardless infliction of Lessee.
- 9.3. In case of loss or destruction of the Subject of the Lease or its part the Lessee is obliged to pay the Lessor the compensation of damages which shall be calculated as the sum of prices of the railway cars. The Lessee is obliged to pay the sum equivalent of Rent for destructed/lost Subject of the Lease or its part up to the day of payment of compensation.
- 9.4. In case of damage on the Subject of the Lease or its part the Lessee is obliged to reimburse the Lessor costs of full repair. The Lessee is obliged to pay the sum equivalent of Rent for damaged Subject of the Lease or its part up to the day of payment of repair and takeover by the Lessee or Lessor.

10. Return of the Subject of the Lease

- 10.1. The Lessee is obliged to return the Subject of the Lease or its separate parts to the destination place or more destination places according written instruction of the Lessor delivered to the Lessee before end of the lease term.
- 10.2. The Lessee is obliged to return the railway car free of any defects, unloaded and cleaned. Should the Lessee return uncleaned railway car i. e. tanks and loading floors the Lessor is entitled to provide cleaning and to charge the expenses of cleaning to Lessee. This is without prejudice to the right of Lessor for damages arisen from the breach of Lessee's obligation.

- 10.3.** In case that the damage on the Subject of the Lease shall be recognized after return by the expert review the Lessor is obliged, in 15 days after return of the Subject of the lease, to send the Lessee a request for mutual determination of the damage. Should the Lessee or his authorized person not occur for the review in 7 day after request the Lessor is entitled to make documentation on damage, provide the repair of the Subject of the Lease and to send the Lessee an invoice.
- 10.4.** If the Subject of the Lease after end of the lease term and return has to be cleaned, repaired or officially reviewed the Lessee is obliged to pay the sum equivalent of Rent for damaged Subject of the Lease or its part up to the day of completion of repairs, cleaning works, reviews and other necessary works. This is without prejudice to the right of Lessor for damages.

11. Delivery of communication

11.1. The Parties agree that all written communication shall be delivered by following ways:

- 11.1.1. personally, or
- 11.1.2. via mail as registered letter, or
- 11.1.3. other way agreed in the Contract.

11.2. The Parties agree that the communication is deemed to be delivered in case that:

- 11.2.1. the other Party denied to takeover the communication – communication is deemed to be delivered on this day,
- 11.2.2. the communication was not delivered due to reason on the Lessee's side (e.g. delivery unpicked in deposit period, addressee not found in, addressee unknown, or other reason stated by the postal service on the delivery) – the communication is deemed to be delivered from the day of deposit period commencement.

11.3. The Parties agree that the Lessee is obliged to announce change of the address stated above in the header of the Contract without undue delay after the change, otherwise the Lessee is responsible for the damage which would arise to the Lessor.

In Trnava, on

In, on

In the name of the Lessor

In the name of the Lessee
