

Armadillo Business Parcel CJSC General Terms and Conditions of Postal Services

Armadillo Business Parcel CJSC General Terms and Conditions of Postal Services in 5 pages, effective May 04, 2010, by virtue of Order No. 57 dated April 12, 2010, issued by the General Director of Armadillo Business Parcel CJSC.

1. DEFINITIONS/TERMS

The terms and conditions of postal services listed below shall include the following definitions:

Armadillo Business Parcel CJSC shall be hereinafter referred to as ABP/Contractor.

Postal (Carriage) Services are actions or activities of pick-up, processing and handling, carriage and delivery (handover) of postal shipments (hereinafter referred to as Shipments).

Express-Service is carriage of Shipments with time-certain and/or day-certain delivery.

Classic-Service is cost-effective carriage of domestic Shipments within standard delivery times.

Express-Service includes the following services:

DPD 10:00 (TEN) – carriage of domestic Shipments from origins to destinations as detailed in the Tariff Card, with Shipments delivered no later than 10:00 on the specified delivery day.

DPD 13:00 (DPT) – carriage of domestic Shipments from origins to destinations as detailed in the Tariff Card, with Shipments delivered no later than 13:00 on the specified delivery day.

DPD AVIA EXPRESS (NDY) – urgent carriage of Shipments by air from origins to destinations as detailed in the Tariff Card, with Shipments delivered no later than the specified delivery day.

DPD BIZPAK (BZP) – carriage of domestic Shipments from origins to destinations as detailed in the Tariff Card, with Shipments delivered no later than the specified delivery times.

Classic-Service includes the following services:

DPD CLASSIC (CUR) – carriage of domestic Shipments primarily by air from origins to destinations as detailed in the Tariff Card, with Shipments delivered within the specified delivery times.

DPD ECONOMY (ECN) – cost-effective ground carriage of domestic Shipments from origins to destinations as detailed in the Tariff Card, with Shipments delivered within the specified delivery times.

Options are additional services rendered to the Customer with charges applied or free of charge. The list of Options with charges applied is given in the Tariff Card.

Prohibited Items are all goods and materials not allowed for carriage by any applicable law, by-law, provisions of these General Terms and Conditions.

Parcel is any envelope, package, bag, box or container handed over to and accepted by the Contractor and delivered under one ABP Label.

ABP Label is an address label attached to each Parcel and containing information required for its processing, handling and carriage.

Shipment is a combination of Parcels carried from one address to another under one ABP Waybill.

ABP Waybill is a document that contains references to the parties of the agreement, the nature of the service and confirming the fact and the dates of the Shipment pick-up and delivery (handover) as per the Customer's order. By signing the ABP Waybill the Customer / Shipper irrevocably and unequivocally accepts the terms and conditions of the Agreement of Postal Services, General Terms and Conditions and the Tariff Card. Any verbal or written instructions running counter to the Agreement, General Terms and Conditions, the Tariff Card and ABP Waybill shall be legally void.

Parcel Chargeable Weight is the parcel weight used for calculating the tariff rate of a service. The chargeable weight is the higher of physical and volumetric weights. The physical and volumetric weights are defined by the Contractor.

Shipment Chargeable Weight is the sum of the chargeable weights of all the Parcels within the Shipment.

Shipment with Declared Value is a Shipment accepted for carriage with the Shipper's estimate of the value of the Shipment content.

Ordinary Shipment is a Shipment accepted for carriage without the Shipper's estimate of the value of the Shipment content.

Valuable Goods are enclosures included into the list of goods subject to extra safety and security measures reducing risks of their loss or damage during carriage (valuable goods include goods that combine high market liquidity and high unit cost of a product).

The list of goods falling under the category of "valuable goods":

1. Cellular (mobile) phones.
2. Laptops.

Dangerous Goods are substances or items which may cause explosion, fire, damage to equipment or other freight, or inflict death, injury, intoxication, burns, radiation exposure or diseases of people and animals during carriage, handling and storage.

2. UNACCEPTABLE PARCELS

2.1. The Contractor shall not accept for carriage Shipments to be dispatched with an enclosure list, Parcels with enumeration of enclosures and list attachment and shall not make reference to this list of enclosures in ABP Waybill or any other Shipper's internal documents.

2.2. The Contractor shall not accept for carriage:

- items classified as dangerous goods of any danger class prohibited for transportation under the Dangerous Goods Regulations (Carriage by Road) (approved by Order No. 73 of the Ministry of Transport of the Russian Federation of August 8, 1995) and Postal Service Rules of the Russian Federation, as well as by other applicable laws of the Russian Federation.

- items classified as Prohibited Items (Para 1).

2.3. The Contractor shall not accept for carriage:

- cash and its equivalent, travelers cheques, credit cards, precious metals, stones and jewelry;
- any personal identification documents;
- food (with the exception of promotional items not intended for consuming);
- hard narcotic drugs and psychotropic substances;
- firearms, airguns, gas spray guns, ammunition, cold steel (including throwing weapons);
- items that may be deemed dangerous either by their nature or packaging for ABP employees or may dirty or damage other Parcels;
- postal shipments with declared value exceeding RUR 9,000,000 (unless otherwise agreed);
- postal shipments with declared value exceeding RUR 250,000 to be carried to / within the Republics of Dagestan, Ingushetia, North Ossetia-Alania, and the Chechen Republic (unless otherwise agreed).

2.4. The Contractor shall not accept Parcels / Shipments which a Customer requires to keep under certain temperature conditions in transit. If, for some reasons, such a Parcel / Shipment is accepted, the Contractor shall not be obliged to provide the temperature conditions required by the Customer and be exempted from any Customer's claims to cover damages for failure to observe such conditions.

DPD AVIA EXPRESS

2.5. Unless otherwise agreed, the Contractor shall not accept for carriage Parcels with dimensions in excess of 120 cm length, 80 cm width and 80 cm height; Parcels with the weight in excess of 50 kg; Shipments with the weight in excess of 250 kg.

DPD 10:00, DPD 13:00, DPD BIZPAK, DPD ECONOMY

2.6. Unless otherwise agreed, the Contractor shall not accept for carriage Parcels with dimensions in excess of 350 cm length, 160 cm width and 180 cm height as well as Parcels with the weight in excess of 1,000 kg.

DPD CLASSIC

2.7. Unless otherwise agreed, the Contractor shall not accept for carriage Parcels with dimensions in excess of 120 cm length, 80 cm width and 80 cm height; Parcels with the weight in excess of 80 kg; Shipments with the weight in excess of 400 kg.

2.7.1. For certain destinations maximum dimensions of Parcels shall not exceed 100 cm length, 50 cm width, 50 cm height; the maximum weight of a Parcel shall not exceed 31.5 kg. Such destinations are specified in the Tariff Card.

2.8. The Contractor shall not accept Shipments addressed to P.O. boxes (P.O.B.) or to transportation organizations, with drawing up documents for further carriage.

2.9. In case the Contractor for some reason accepts a Shipment with the dimensions and weight of a Parcel in the Shipment and / or the weight of the entire Shipment in excess of those stipulated in Paras 2.5 - 2.7, the Contractor reserves the right to change the delivery time of the entire Shipment at own discretion.

3. PACKAGING

3.1. The Customer shall provide packaging in compliance with postal regulatory legal acts and conditions of carriage by road, air and rail and shall guarantee that the packaging keeps the enclosures safe from inherent risks that may be incurred during transportation, prevents access to content and has all the necessary marking / handling signage. Hereby the Customer is notified that the Contractor is entitled to raise claims to the Contractor if damage is caused to any other Parcels because of improper packaging of the Parcel carried by the Customer's order.

4. CONDITIONS OF ACCEPTANCE OF ORDERS FOR CARRIAGE, CONDITIONS OF COLLECTION AND DELIVERY OF SHIPMENTS, SHIPMENT ROUTING

4.1. The Contractor shall accept orders for Shipment carriage from 9:00 to 19:00 local time of the Shipment origin city / town.

4.2. Orders may be accepted either via facsimile or electronic communication or verbally. Order form, the Contractor's telephone and fax numbers as well as e-mails are available at www.dpd.ru Website. The orders received in such a manner shall have full legal force and are treated as if placed in writing.

4.3. The route and method of carriage of the Customer's Shipment shall be defined by the Contractor solely and entirely at the Contractor's own discretion.

4.4. When a Customer hands over a Shipment at the Contractor's terminal, a respective order may be registered on the day of the Shipment delivery to the terminal (this also includes order transfer by the Customer's representative to Customer Service Department at the Contractor's terminal; herewith restrictions on Shipment acceptance effective in the city / town of origin shall apply).

4.5. Orders for the carriage of Shipments with the total weight / volume over 400 kg or 3 m³ and for oversized Parcels, orders for carriage from localities within 250 km away from the city / town of ABP depot location, as well as orders for carriage of postal shipments with declared value of up to RUR 300,000 shall be accepted before 19.00 of the working day preceding the day of the Shipment collection. Orders for carriage of Shipments from localities farther than 250 km away from the city / town of ABP depot location shall be accepted upon agreement with Customer Service Department.

4.6. Valuable Goods shall be carried separately from the other Customer's Parcels and registered in a separate order. Valuable Goods may be accepted for delivery only as Postal shipments with declared value.

4.7. If the Customer is not a Payer for carriage, an order may be placed only in writing either by fax or e-mail with a respective mark in the line "to be paid by the Consignee / third party". The Customer shall indicate the Payer's account number in the Order form. If the Payer is not an ABP Customer, the Customer placing the order shall send to ABP all the information on the Payer required for settlements with the Payer. Such information shall be sent in writing prior to placing the order.

4.8. Orders for the carriage of Shipments with collection (acceptance) at the Shipper's address on the same day are accepted as follows:

4.8.1. DPD 10:00, DPD 13:00, DPD AVIA EXPRESS – before 10:30 local time of the Shipment origin city / town

4.8.2. DPD BIZPAK, DPD CLASSIC, DPD ECONOMY – before 12:30 local time of the Shipment origin city / town

4.9. Orders for the carriage of a Shipment to be accepted at the Shipper's terminal, collection / delivery point on the same day shall be accepted before 17:00 local time of the Shipment origin city / town.

4.10. The Contractor shall collect Shipments from 9.00 to 18.00 (for DPD AVIA EXPRESS from 9.00 to 13.00). For companies working till 17:00, the standard time for collection is an interval from 9.00 to 17:00 if the order specifies working hours of the company. If needed, the Customer, when placing the Order on the day preceding the date of collection, may choose either the first part of the day (from 9.00 to 13.00), or the second part (from 13.00 to 18.00) for handing over the Shipment to the Contractor's representative.

4.11. The Contractor shall deliver Shipments from 9.00 to 18.00 (for DPD 10:00 - from 9:00 to 10:00, for DPD 13:00 - from 9:00 to 13:00). For companies working till 17:00, the standard time for delivery is an interval from 9.00 to 17.00 provided the Order specifies working hours of the company.

4.12. The Contractor shall accept and deliver Shipments at the Contractor's terminals, collection / delivery points from 09.30 to 18.00.

DPD AVIA EXPRESS Shipments shall be accepted at the terminal and collection / delivery points before 13:00.

5. UNDELIVERED, UNCOLLECTED AND REFUSED SHIPMENTS

5.1. In case the Shipment cannot be handed over to the Consignee as a result of the Shipment delivery attempt or in case such an attempt results in the Consignee's refusal to accept the Shipment, the Contractor shall try to contact the Customer to make a decision on further actions.

5.2. If the Shipment is delivered to the destination terminal, it should be collected by the Consignee within four working days after the Shipment arrival to the destination terminal (excluding the arrival day).

5.3. Undelivered and uncollected Shipments shall be put on temporary storage at the destination terminal.

5.4. The Shipments shall be in temporary storage for 1 month from the date of the Shipment arrival to the destination terminal unless stipulated otherwise by a supplement agreement between the Customer and the Contractor.

5.5. In case of no fault of the Contractor, the Customer shall pay to the Contractor all the expenses incurred in connection with re-addressing, storage, disposal, return of the Shipment and repeated deliveries in accordance with the Tariff Card.

5.6. The delivery address and / or the Consignee may be changed during carriage upon the Customer's written request only.

5.7. Unclaimed Shipments shall be stored by the Contractor within the period specified in the Postal Service Rules.

6. DOCUMENTS

6.1. The signature and full name of the Contractor's representative in ABP Waybill shall confirm the acceptance of a Shipment for carriage. One copy of the ABP Waybill shall remain with the Shipper. When collecting the Shipment, a driver shall present his / her passport and a Power of Attorney for Shipment collection.

6.2. In case the Consignee of a Shipment is a private individual, the signature and full name of the Consignee as well as the number of the presented personal identification document to be entered into ABP Waybill shall confirm the Shipment receipt by the Consignee.

6.3. In case the Consignee of a Shipment is a legal entity representative, the signature and full name of the Consignee shall confirm the Shipment receipt by the Consignee. The Consignee's signature shall be certified by a seal of the Consignee company or by the Consignee's warehouse stamp. The name of the Consignee

company on the seal impression or on the warehouse stamp shall be identical to the company name stated in the 'Consignee' field of ABP Waybill.

6.3.1. In case the Shipment is received by a Power of Attorney, a personal identification document shall be presented. In case the Shipment is received by a non-recurrent Power of Attorney, the Contractor's representative shall collect this Power of Attorney from the Contractor's representative. In case the Shipment is received using a General Power of Attorney, the Contractor's representative shall collect this Power of Attorney from the Contractor's representative. When the Shipment is received by General Power of Attorney, the number of this Power of Attorney shall be indicated in ABP Waybill. One copy of ABP Waybill shall remain with the Consignee; one copy shall be collected by the Contractor's representative.

6.3.2. In case the Consignee's representative does not have a seal of the Consignee company, a warehouse stamp or a Power of Attorney, and provided the Shipment is ordinary (without declared value), it is permitted to hand over the Shipment against the signature of the Consignee's representative, with the latter's full name and job title entered into ABP Waybill.

7. CUSTOMER OBLIGATIONS

The Customer undertakes to ensure the fulfillment by the Shipper and the Consignee of the provisions and requirements of the Agreement, General Terms and Conditions and the Tariff Card related to the Shipper and the Consignee.

The Customer guarantees:

7.1. Timely provision of all the necessary reliable information on the Parcel content. The Customer shall specify correctly and properly the content, collection / delivery addresses of the Shipment in the Order and ABP Waybill and shall fill out ABP Waybill completely, carefully and neatly.

7.2. The weight, dimensions of the Parcels and the Shipment volume stated in the Order are identical to their actual parameters.

7.3. The Shipment content is packed neatly and carefully; the Shipment content is properly marked to prevent inherent risks in transit.

7.4. The Shipment does not contain any items listed in Paras 1 and 2 of these General Terms and Conditions.

7.5. To ensure the safety and security of carriage, the Customer shall notify the Contractor of the presence of "valuable goods" in the Shipment when placing the order and, if any, the Customer shall hand over the Shipment to the Contractor as a postal Shipment with declared value.

7.6. When handing over the Shipment to the Contractor, the Customer / Shipper shall indicate the Shipment category in ABP Waybill: "Postal shipment with declared value" or "Ordinary postal shipment". For a postal Shipment with declared value the Customer / Shipper shall specify the amount of the declared value in Russian Rubles. The ABP Waybill shall be signed by the Customer / Shipper.

7.7. All the documents normally required by government authorities in transit are attached to the Shipment. The documents shall be placed inside one of the Parcels or sent by a separate Parcel within the Shipment concerned. In both cases such a Parcel shall bear the "Documents inside" marking.

7.8. Upon request of government authorities the Customer shall present additional documents related to the Shipment as soon as possible. The Customer shall bear risks of extra expenses and / or losses which may arise as a result of the Shipment delay by government authorities for inspection. Should the supervisory authorities have any doubts as to the accuracy of the information provided with regards to the Shipment, the Customer shall present original documents or their duly certified copies.

7.9. When the Shipment is collected at the Shipper's address, the Shipment shall be ready by the time of arrival of the Contractor's representative, i.e. all the Parcels of the Shipment shall be in the same place. The loading of a transport vehicle sent to collect the Shipment shall start within 20 minutes after the Contractor's representative contacts the contact person or the first representative of the Shipper's company. If no actions are undertaken by the Shipper to hand over the Shipment and complete the necessary documents within the timeframes specified above, the Contractor's representative may leave the Shipper.

7.10. When the Shipment is delivered to the Consignee's address, the Shipment unloading from the transport vehicle shall commence within 20 minutes after the time the Contractor's representative contacts the contact person or the first representative of the Consignee company.

7.11. The Shipper / Consignee shall provide access of the Contractor's representative and vehicle to the place of loading / unloading.

7.12. The Shipper/ Consignee shall provide loading / unloading in case the actual weight of the Shipment exceeds 30 kg and unless the Customer has ordered the "Parcel loading / unloading Option".

7.13. The Customer agrees that the charges for the Contractor's services shall be calculated on the basis of the Shipment Chargeable Weight recorded in the Contractor's software database after the Shipment has been processed at the origin terminal.

7.14. The Customer shall provide payment for the ordered core services, options as well as extra charges as per the Tariff Card. The Customer shall provide payment of pre-agreed extra charges arising for the reasons specified in paras 2.5-2.7.

7.15. The Customer undertakes to give a 5-day notice to the Contractor regarding changes in the Customer's address, bank details, telephone and fax numbers.

DPD AVIA EXPRESS, DPD AVIA, DPD CLASSIC:

7.16. In case items subject to completing a Dangerous Goods Declaration are located in the Parcels to be carried by the Customer's order, the Contractor shall complete the Dangerous Goods Declaration and notify the Customer accordingly. The Contractor reserves the right to extend the delivery time. The Customer undertakes to pay for the Dangerous Goods Declaration completion according to the Tariff Card.

8. CONTRACTOR'S LIABILITY FOR NON-OBSERVANCE OF SHIPMENT DELIVERY TIMES

8.1. The Contractor shall be liable for non-observance of delivery times from the time of accepting the Shipment for carriage.

8.2. **DPD 10:00** – In case a Shipment is delivered (handed over) to the Consignee after 10:00 without failure to observe the Shipment delivery time, the service shall be paid as per DPD BIZPAK tariff. In case of non-observance of the Shipment delivery time the Contractor's liability shall be limited to a fine equivalent to the amount of the rate charge for the carriage of the entire Shipment or the part of the Shipment which has been delayed.

8.3. **DPD 13:00** - In case a Shipment is delivered (handed over) to the Consignee after 13:00 without failure to observe the Shipment delivery time, the service shall be paid as per DPD BIZPAK tariff. In case of non-observance of the Shipment delivery time the Contractor's liability shall be limited to a fine equivalent to the amount of the rate charge for the carriage of the entire Shipment or the part of the Shipment which has been delayed.

8.4. **DPD BIZPAK** - In case of non-observance of the Shipment delivery time the Contractor's liability shall be limited to a fine equivalent to the amount of the rate charge for the carriage of the entire Shipment or the part of the Shipment which has been delayed.

8.5. **DPD AVIA EXPRESS** – In case a Shipment is delivered (handed over) to the Consignee after the stated time, the service shall be paid as per DPD CLASSIC tariff.

8.6. **DPD CLASSIC, DPD ECONOMY** – In case of non-observance of the delivery time the Contractor's liability shall be limited to a penalty amounted to 0.1% of the rate charge for the carriage for each day of delay but not exceeding the rate charge of the carriage.

8.7. The Contractor shall be entitled to extend the maximum delivery time by one working day when Shipments are accepted for carriage from November 1 to March 15 of a relevant year and if the Shipper / Consignee fail to comply with the provisions of Paras 4.9, 4.11., 7.12.

8.8. The Contractor's liability as per Paras 8.2.-8.5 shall occur only if a Customer has an effective agreement with APB and has no overdue debt in payment for other Shipments on the date of the claim.