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PE Branch

Telephone No: (071) 443 6642

www.lmcexpress.co.za

GUARANTEE

The Carrier's 'MONEY BACK GUARANTEE' is available if the Customer, including all of its representatives, adheres to the Terms and Conditions as set out in this document.

TERMS AND CONDITIONS

LMC Express (Pty) Ltd shall attend to the Services as instructed by the Customer subject to the following terms and conditions:

1. DEFINITIONS

- 1.1 The Customer** shall mean the person or entity identified in the Booking Confirmation to which these Terms and Conditions are attached, including any agent or representative of the Customer;
- 1.2 The Carrier** shall mean LMC Express (Pty) Ltd;
- 1.3 Goods** shall mean all goods or documents forming the subject matter of the Services;
GIT: Goods in transit
- 1.4 The Services** mean any business undertaken by the carrier gratuitously or for consideration and includes, but is not limited to, any advice, information or logistical, freight and distribution services
- 1.5 Consignor / consignee** shall mean the entity which the Customer instructed the Carrier to collect from / deliver its booked consignment to.

2. RULES OF TRANSPORT

- 2.1.** The shipping of hazardous chemicals, explosives or dangerous goods is strictly forbidden.
- 2.2.** The required temperature for the Goods must be stated clearly by the Customer on the waybill document as well as the Booking Request and / or the booking made on the LMC Express Online Portal. Failure to do so will result in the cancellation of insurance against product deterioration. Should there be a discrepancy of required temperature between the booking made on the LMC Express (Pty) Ltd Portal and the Waybill and / or the Proof of Delivery (POD) document and / or the Pallet Label reflects incorrect temperature instructions, the Carrier does not accept any liability for any claims due to this discrepancy. It is the duty of the customer to ensure that the instructions correspond.
LMC EXPRESS will not be held liable for any data entry mistakes if the Customer refrains from using our Online Booking System.

2.3. In the event of the Goods load exceeding legal limitations, all fines, delays, losses and / or financial loss suffered and / or damage incurred by the Carrier will be for the account of the Customer. Limitations apply as prescribed in this document.

2.4. Trans-shipment of a load or part of a load or the manual shifting of some of the weight from the overloaded axle onto another axle due to overloading shall be for the Customer's account. The Carrier accepts no responsibility whatsoever to product damages when a load has to be shifted due to incorrect loading by the Customer's warehouse/ public cold store/client.

2.5. Damage caused to the Customer's product due to poor packaging or overloading of a pallet will be for the Customer's account.

2.6. The prescribed gross weight per pallet identified in Annexure 1 attached to these Terms and Conditions and forming part of these Terms and Conditions shall not be exceeded. GIT Insurance cover is not available for overloaded pallets/ half pallets.

2.7. The Carrier does not facilitate pallet de-hire on behalf of the Customer unless written consent has been given by a Director of the Carrier.

2.8. Pallet specifications and additional requirements must comply with the provisions of Annexure 1 attached to these Terms and Conditions.

2.9. Where, through no fault of the Carrier, the Carrier is unable to effect delivery of goods to the person entitled to receive them, the goods may, at the option of the Carrier, be removed to and stored in a warehouse at the expense of the Customer and held there at the risk and cost of the Customer.

2.10. It shall not be the obligation of the Carrier or its representatives to check quantities loaded and delivered at the loading and delivery points or the contents of the pallet. The Carrier's undertaking shall be limited to transport of a shrink-wrapped pallet and / or half pallet. Waybills (POD's) must be signed off as DELIVERED. The receiver must inspect if the shrinkwrap of the pallet(s) are intact. Only when tampering of shrink-wrap can be proved, will LMC Express (Pty) Ltd accept liability for shortages.

2.11. It shall not be the obligation of the Carrier to assist in the packing/unpacking of the contents of the pallet(s), half pallet (Goods).
If additional labour charges are incurred, the Customer will be invoiced accordingly. In this event, any injuries incurred by the staff of the Carrier during the process of loading / offloading of the Goods, will be for the account of the Customer. No claims for damages will be considered in this instance.

2.12. Consignments must be booked on the LMC Express (Pty) Ltd Portal before 14:00 pm on the previous day, prior to the departure of the Consignment. Consignments which are booked via e-mail on the LMC Express (Pty) Ltd Booking Request document can be overlooked by the Operations Department.
Our Operations Departments at the various Branches cannot process the large volumes of Bookings. It is vital and the onus is on the Customers to book via the LMC Express Portal in order to eliminate mistakes and missed Bookings.

CBL (Cash before Loading) Customers who do not pay via the Online Payfast System will not be allowed to submit their bookings. CBL Customers bookings are often missed and / or the Proof of Payment does not reflect timeously and the consignment cannot be collected and / or delivered which leads to disappointment, delays and out of stock situations.

Customers who do not book via the LMC Express Online Portal will be charged a Booking Administration Fee.

2.13. Depot collections: In the event that product is not collected as per the Booking Confirmation's agreed collection date, LMC Express (Pty) Ltd will not be held liable for the quality of the product whilst in storage at the LMC Express Depots.

2.14. Unpalletized consignments: this is not allowed, but should it inadvertently occur: LMC Express (Pty) Ltd is not liable for any damages or shortages to this consignment. These consignments are entirely at the clients own risk.

2.15. Consignments consisting of machinery: these consignments are entirely at the clients own risk

3. OBLIGATIONS OF THE CARRIER

3.1 As refrigeration units are only designed to maintain the temperature of the load, no claims will be considered in accordance with clause 11 if the initial temperature of the load was above / below the required temperature.

It is the Customer's responsibility to ensure that their consignment's temperature is in adherence to the industry standard of chilled goods at +4° Celsius and frozen goods at -18° Celsius. LMC Express (Pty) Ltd can accommodate other temperature requests to transport for a Customer as per direct instruction from the Customer, provided a minimum of sixteen (16) pallets are booked. Upon booking other temperature requests, the Customer must at all times discuss if it is in fact possible with the relevant Operations Managers or Route Schedulers. Product must be specified in the consignment notes of the Booking. It is advisable to book a full truck load for temperatures other than +4° Celsius and -18° Celsius so that no load consolidation will occur. LMC Express (Pty) Ltd do not offer guaranteed storage facilities at our Johannesburg, Cape Town and Durban Branches for temperatures other than +4° Celsius and -18° Celsius.

Consolidated loads will lead to a fluctuation of temperature in cooling air, a deviance of temperature of 3 degrees below and above temperatures recorded will be deemed acceptable.

The date of product manufacturing plays an important role in that, under pressure, the Customer may produce at short notice and the product cannot be cooled down to the industry standard and will then impact on the temperature of other products on the same pallet and / or on the total load being transported. Various specific temperatures may not be co-loaded / consolidated on one (1) pallet i.e. chilled and dry products as the warmer product will always negatively impact the chilled products.

Insofar as the Carrier can be held responsible for incorrect temperature of product upon the delivery, it is only applicable if it can be proven that the Carrier was negligent during the period from collection until delivery of the product **and** that there was a malfunction of the cooling unit in excess of two (2) hours on the refrigerated vehicle and then only a claim may be submitted by the Customer at the cost price of the product value in accordance with clause 10.

3.2. Temperature Sensitive Product: LMC Express' business model is such that the doors of our local collection and delivery vehicles are opened and closed quite often. If your product is too sensitive for these conditions, you must adhere to the following:-

3.2.1. Inform the relevant LMC Express Route Controller in writing, by making this entry on your Online Booking.

3.2.2 Book a minimum of 16 (sixteen) pallets, so that a dedicated vehicle can collect / deliver your product. If your 16 pallets are a multi-drop and / or multi collection order, LMC Express will not take responsibility for temperature spikes during the collection or delivery process.

If the above provisos are not met, LMC Express will not consider a temperature deterioration claim.

FRAGILE: PLEASE MARK YOUR PALLET AS SUCH. FRAGILE HALF AND QUARTER PALLETS ARE NOT ACCEPTABLE.

4. PRODUCT TEMPERATURE MEASUREMENT

The only acceptable method of product temperature measurement will be an invasive (destructive) method whereby the product is physically penetrated by the temperature measurement device needle as per the 'REGULATIONS GOVERNING GENERAL HYGIENE REQUIREMENTS FOR FOOD PREMISES & THE TRANSPORT OF FOOD (R638)'.

Any other method to ascertain the temperature of the product will not be accepted by the Carrier and no insurance cover shall be available and / or no claim for temperature deterioration will be considered should the above procedure not be followed. The onus is on the Customer, Consignor and Consignee to prove the actual temperature.

No claim for incorrect temperature will be considered in the event that the consignment is collected from OR delivered to an LMC Express Depot and temperature is not checked upon receiving and witnessed by an LMC Express Employee. The onus is on the collecting party to check and verify temperatures at time of collection.

In the event that The Customer selects 'NO TEMPERATURE REQUIRED' as mode of transport on the LMC Express Waybill, no claim for product deterioration will be considered.

The above rules override any internal method of temperature control the Customer may have.

5. COSTS AND FEES

5.1. The Customer shall pay the freight and all other lawful charges accruing on the goods in accordance with the Carrier's Booking Confirmation.

5.2. LMC Express (Pty) Ltd allows one (1) hour for consignments consisting of less than six (6) pallets and / or a half pallet; two (2) hours for consignments exceeding six (6) pallets. Thereafter the Customer shall be liable for payment of standing time of R500.00 (VAT excluded) per hour. Overtime charges may be additional to the standing time charges. The Carrier reserves the right to withdraw its collection and / or delivery vehicle should the Customer exceed the allowed delivery and / or collection time. Re-delivery and / or re-collection charges will be for the account of the Customer. (This is billed as a Re-delivery)

Storage charges are applicable after 2 days, if no instruction received from client: discard after day 7.

5.3 The Customer shall be liable for payment of all costs of repairs to the Carrier's vehicle in the event of any damage caused by it or its representative.

6. PAYMENT TERMS

6.1. All amounts due to the Carrier are payable via electronic funds transfer (EFT) by the Customer as per the Customer's account terms granted by the Carrier.

6.2. Credit terms authorized are based on information available on the date of the credit application. LMC Express may do regular credit check-ups by requesting updated tax clearance certificates. Should a client not be tax compliant LMC Express may amend the authorized credit terms in order to manage its credit record.

LMC Express reserves the right to change account terms if client has been dormant for 3 months or more.

6.3. If any amounts owing by the Customer to the Carrier remain unpaid on the due date set out in the invoice, then all other amounts owing by the Customer to the Carrier, shall become due and payable immediately and the Carrier shall be entitled, but not obliged (and without prejudice to any of its other rights and remedies in law) by notice in writing to the Customer to suspend performance of any of its obligations under this Agreement until such time as the Customer has rendered payment in full of all outstanding amounts due to the Carrier.

6.4. Customer accounts which exceed their payment terms due dates will be closed after the fourth (4th) overdue payment is received. Thereafter all business will be conducted on a 'Cash before Loading' basis (CBL). CBL bookings must be paid online, via the LMC Express (Pty) Ltd booking portal. Failure to do so may lead to delays in collection or delivery as well as cancellation of GIT insurance.

6.5. In the event that a 'Cash before Loading' (CBL) Customer or Cash Customer fails to select that they require label(s) and / or shrink-wrap and / or pallet(s) when making a booking, an additional invoice will be raised for an administration fee of R200.00.

6.6. The Customer will be charged a banking fee and / or a deposit fee for all Cash deposits and / or Cash payments.

6.7. Customers who spend less than R7 000.00 per month must book and pay online.

7. DELIVERY TERMS

7.1 The Carrier undertakes to transport and to deliver the Goods in accordance with the Customer's instructions as reflected on the Booking Confirmation, but is not responsible for delays which are caused by events beyond its control.

7.2 Should the Carrier be unable to collect and / or deliver the Goods for any reason outside of its control (including the Customer's refusal to accept the Goods), the Carrier shall be entitled (at its discretion) to return, detain, store, sell, abandon or destroy the Goods, or any part thereof, at the expense of the Customer after (five) 5 days. The date of delivery as indicated on the LMC Express (Pty) Ltd Waybill will be considered as day one (1).

7.3 The Customer shall properly and accurately give to the Carrier the name and address of the Customer and all documents that must of necessity accompany the Goods or such documents as the Carrier may require.

7.4. The Carrier shall not be responsible nor incur any liability for any loss or incorrect delivery of goods due to the name and address of the Customer being incorrectly stated by the Customer.

7.5. The Carrier shall not be liable for any loss in the event of delivery being affected to some person other than the Customer, in the event of the Customer, or his agent, not being present to receive and accept delivery of the Goods.

7.6. In the event of the Customer refusing to accept delivery of the Goods in whole or in part, or in the event of the Carrier being unable to effect delivery by reason of the address of the Customer being improperly or inaccurately stated and being compelled to return the Goods to

the Customer, then the Customer shall be liable for all reasonable costs incurred in the return of such Goods.

7.7. In the event of the Carrier being compelled to dispose of such Goods by reason of their perishable nature or for whatsoever other reason, the Carrier shall not be liable for any damage to or loss of such goods or any loss or damage arising out of the disposal thereof and the Customer shall be liable to the Carrier for all costs incurred in connection with the disposal of such Goods.

7.8. The Customer warrants the accuracy of all descriptions, values and other particulars furnished to the carrier and indemnifies the Carrier against all claims, losses, penalties, damages, expenses and fines whatsoever arising from any inaccuracy or omission.

7.9. The onus of establishing the condition of the Goods at the time of acceptance and delivery thereof by the Carrier shall rest on the Customer.

7.10. The signature of the Customer / Consignee on the Waybill / Proof of Delivery, in acknowledgement of having received the Goods in good order and condition, shall be prima facie proof of the Goods having been properly delivered by the Carrier in good order and condition.

8. THE CARRIER'S SECURITY

8.1. The Carrier shall have a lien over all Goods for monies which are due and payable to the Carrier by the Customer in respect of any Services rendered by the Carrier to the Customer.

8.2. Without prejudice to any of the Carrier's rights or remedies against the Customer, in the event of the Customer failing to pay to the Carrier any monies due by it, the Carrier shall have the right on ten (10) calendar day's business notice to the Customer:

8.2.1. To open and examine any part of such Goods; and

8.2.2. To sell, either by public auction or private treaty, the whole or any part of the Goods in satisfaction of the debt; and

8.2.3. To apply the proceeds of any such sale, after deducting all expenses attendant thereupon, in payment of or towards any interest firstly and then capital due by the Customer to the Carrier and;

8.2.4. To pay the Customer any remaining surplus, within 60 (sixty) days after such sale whereupon the Carrier shall be released from all liability whatsoever in respect of the goods carried.

9. GENERAL

9.1. If there is any inconsistency between these terms and conditions and any special terms of the order / tender, then these terms and conditions shall take priority.

9.2. These terms and conditions take priority over any terms and conditions of any subcontractor that loads on behalf of the Carrier.

9.3. System generated correspondence is considered as legally accepted by the recipient. The Customer may request additional copies of this Agreement at any time. LMC Express (Pty) Ltd Terms and Conditions are available on our website: - www.lmcexpress.co.za

9.4. The parties consent to the appointment of an arbitrator in any dispute arising as a result of this Agreement and irrespective of the amount in dispute.

9.5. In the event of the Carrier having to instruct its attorneys to recover moneys from the Customer the Customer shall be liable for and shall pay all legal costs incurred by the Customer on an attorney client basis, inclusive of collection commission.

9.6. The Customer agrees to accept any notice in legal processes under this Agreement at the address it gives to us on the Booking Request and / or the booking made on the LMC Express (Pty) Ltd Portal. This address is known in law as your *domicilium citandi ET executandi*.

The notices and processes include letters reminding the Customer of payments it has missed, letters of demand, a summons and other legal notices. If the Carrier sends the Customer a letter by registered post, it will treat it as if the Customer received the letter ten (10) days after date posted. If the Customer disputes this, it will have to prove it did not receive it at that time.

If the Customer wants to change the address at which it agrees to accept notices and legal processes, then it must give the Carrier notice in writing by any of these means:

- Delivering the notice to the Carrier by hand
- Send it by registered mail
- Send it by email to:

Lizette Conradie: lizette@lmcexpress.co.za

Andre Muller: andre@lmcexpress.co.za

Call the Carrier on **+27 21 551-7668 (Head Office)**

The Customer can send notices and legal processes to the Carrier at: 3 Spin Street, Parow Industria, Cape Town.

The Carrier will give the Customer notice of any change to its address where it chooses to accept notices and legal proceedings.

9.7. The Carrier is not responsible for:

- Any loss or damage the Customer may suffer because of incorrect information that it gives to the Carrier.
- Anyone else accessing the Customer's information.
- The consequences of any enquiries made by or from a credit bureau, because of any information provided by the Carrier about the Customer's account. The Carrier endeavours to ensure that all information about the Customer is accurate.

9.8. The parties acknowledge that each clause of this agreement is separate. If any clause of this agreement is or becomes illegal, invalid or unenforceable for any reason or in any jurisdiction, it will be treated as if it had not been written. This does not:

- Make the rest of the agreement illegal, invalid or unenforceable
- Affect the legality, validity or enforceability of the clause in another jurisdiction.

9.9. These written terms and conditions are the whole agreement between the Carrier and the Customer. Neither party is legally obliged to comply with any express or implied term, condition, undertaking, representation, warranty, or promise not recorded in this agreement. This agreement replaces any arrangement or understanding held by the parties.

9.10. We do not lose any of our rights under this agreement if we do not immediately and in every instance insist on them. You may not raise it as a defense if we have a right but do not enforce it at the relevant time. For example, if we allow you extra time to pay your monthly

payments in one month, it does not mean we have allowed you extra time the next or any other month.

10. LIABILITY & INSURANCE

10.1 The Carrier shall obtain for the Customer insurance cover to the maximum (cost) value of R80 000.00 per pallet and R40 000 per half (½) pallet, provided the Customer's account is not in arrears.

In the event that the Customer requires insurance cover in excess of R80 000.00 per pallet on an ad hoc basis, the Customer shall request additional cover in writing from the Carrier and the Carrier may obtain the requested insurance cover upon receipt of the written instruction from the Customer at an additional cost to the Customer. Written instruction should be submitted to the Carrier and the Company Insurance Broker, Hentie Engelbrecht (hentie@abrisk.co.za) prior to the Customer releasing the Consignment to the Carrier for cover to be in place. The extended insurance cover will only be effective when LMC Express (Pty) Ltd responds with written confirmation of the extended insurance cover to the Customer and / or the Debtor.

- Insurance cover required for the value of R100 000.00 per pallet will result in an additional charge of R300.00 per pallet to the Customer.
- Insurance cover required for the value of R150 000.00 per pallet will result in an additional charge of R500.00 per pallet to the Customer.
- Insurance cover in excess of R150 000.00 per pallet will be approved by the Carrier and cost will be provided. Customers requiring insurance cover in excess of R150 000.00 per pallet on a consistent basis may inform the Carrier in writing and the Carrier upon validating the request may instruct the insurer to increase the limit in terms of the Customer value.

The Carrier does not insure parcel consignments. Should the Customer require insurance on parcel consignments, the Carrier can at the Customer's request officiate insurance at a cost of 10% of the declared cost price value of the Customer's parcel consignment.

10.2 All LTL (Less than Full Truckload) consignments consisting of ice cream, frozen yogurt, ice lollies, ice pops, fresh fruit, fresh vegetables, fresh herbs, fresh fish and frozen croissants are transported at the risk of the Customer unless the loss or damage was caused by an accident whilst the product was in our vehicle or a breakdown / malfunctioning of the cooling unit or due to public unrest.

10.2.1. Halaal and non-Halaal goods are co-loaded in the same load consolidation compartment of our trucks and depot chillers/freezers. Should the client require separation, a booking of at least 16 pallets must be made and the client should make it clear in the booking that such a consignment is a Halaal consignment.

10.3. The Carrier shall not be obliged to insure any goods separately.

10.4. The Carrier does not guarantee that additional insurance will be obtained for the amount requested by the Customer. Please note that additional cover must be requested prior to releasing the consignment to the Carrier.

10.5. To the extent that the Carrier agrees to arrange insurance cover for the Customer, it does so as agent, for and on behalf of the Customer.

10.6. If the Customer wishes to secure its own insurance, it shall advise the Carrier accordingly. Such arrangement must be made at least 24 hours prior to collection. Additional insurance is only available to Customers who have an account with LMC Express (Pty Ltd).

10.7. It shall be the responsibility of the Customer to pack its products onto a pallet. The Customer must ensure that the product is packed to allow sufficient airflow to the product. Failing may cause for a claim to be rejected without any liability to the Carrier.

10.8. The Carrier shall not be liable for any loss, shortage or damage, caused by any circumstance beyond the control of the Carrier.

10.9. The Carrier shall not be liable for any indirect or consequential damages from an incident which occurred whilst the Customer's product was in the care of the Carrier.

Disclaimer of Liability:

LMC Express (Pty) Ltd shall not accept any liability for any loss, injury and / or damages in the event that a Customer, Consignor and / or Consignee or an employee of the Customer, Consignor and / or Consignee requests that an LMC Express (Pty) Ltd employee operates the Customer, Consignor and / or Consignee's forklift or any other vehicle.

11. CLAIMS

Notwithstanding the provisions of clause 10 above, the Customer shall be entitled to **report damages, shortages, product temperature deviations and product returns as follows: (the onus is on THE CUSTOMER to ensure that its CONSIGNEES are duly informed about this procedure/requirement)**

11.1. The Carrier's drivers shall be issued with reporting documents which the Customer / Consignee must complete to report damages and / or shortages and / or product temperature deviations and / or product returns.

Should a PO / Invoice be attached to the LMC Express waybill, but the product has been reported absent by the client: please note that LMC Express accepts no responsibility and liability for this, as we do not count and verify product upon collection. We will endeavour to report such incidents within 48 hours. There is also a duty on the client to use the LMC Express portal to check if complete documentation has been scanned in.

Alternatively, the Customer may request the applicable form from LMC Express (Pty) Ltd.

The Customer is obliged to comply with all the conditions as stated on the relevant document(s) in order to qualify for consideration of a credit request / claim to the Carrier.

On the occasion that the Customer's product is rejected upon delivery, resulting in product return, the Carrier's insurance cover ceases immediately and no claim will be considered in the event of damages, shortages, temperature deterioration as a result of the returned product.

LMC Express is under no obligation to obtain permission from the Customer (Debtor) to accept Product Returns and to execute the Returns to our Dispatching Depot.

Product returns (to the nearest depot, provided within a 60 km radius) will be charged at **R550 per pallet or incident if the return reason is not the fault of LMC Express (Pty) Ltd**. Re-delivery

or return to point of origin are separate requests and transactions and will be billed accordingly.

Storage fees of R150 per day per pallet/parcel are applicable after day 2; product will be discarded after 7 days.

11.2 . Effects of odour:-

The descriptions from complainants may differ from the discharger, who might be unaffected by working in the odour on a daily basis.

It is preferable to refer to the character of an odour, rather than its 'offensiveness' to avoid confusion between the inherent characteristics of an odour (i.e whether it is pleasant or unpleasant) and whether there is an 'objectionable or offensive' effect occurring as a result of exposure to odour.

It is the Customers responsibility to inform LMC Express of products they wish to transport which may have an odour that will affect other consignments transported by the Carrier. Certain food types absorb odours i.e. dairy, bakery types of products etc.

List of odour risk food types:-

Offal, casings, onions, garlic, animal horns and animal skins etc.

In the event of odour contamination, the Consignor / Debtor will be responsible for any claims which affected other Customer's consignments.

Determining if an odour is offensive or objectionable (and so a breach of consent) is always dependent on all of the FIDOL factors (Frequency, Intensity, Duration, Offensiveness and Location), and proof is required before enforcement action can be taken. For a breach of the condition to occur, this generally requires an assessor officer to validate an odour complaint by determining if the odour was offensive or objectionable in the instance.

11.3. Notice of the loss and damage to any goods carried under the bill of lading, setting out particulars of the origin, destination and date of shipment of the goods and the estimated amount claimed in respect of such loss or damage must be given in writing to the Carrier at the point of delivery or at the point of origin. Endorsement of a potential claim must also be effected on the Carrier's Proof of Delivery document or its subcontractor's Proof of Delivery Document by the Customer and countersigned by the relevant driver. Any claim against the Carrier for damages to the load will only be considered if the condition of the load is inspected by a representative of the Carrier within twenty-four (24) hours of the damages being detected.

11.4. The maximum insured value of R80 000.00 per one (1) complete pallet applies in the event of the total rejection as a result of a relevant claim. In the event of a partial claim, the total insured value of R80 000.00 does not apply. *The claim will be subject to a pro rata value of the actual loss incurred and / or will be calculated as a percentage of the maximum insurance cover of R80 000.00 per pallet at the cost price of the product as specified in point 11.4.

11.5. Each claim must consist of a formal credit request, itemizing the damages and / or shortages and / or product returns at its cost price.

11.6. All claims must be reported whilst the Carrier's vehicle is on site. Failure to do so will result in the rejection of the claim.

11.7. Claims and refunds are at the Carrier's discretion and will only be considered by the Carrier if:-

11.7.1. the above procedure has been followed;

11.7.2. the Customer can prove the temperature of the product at the time of loading. (The Customer should follow the procedure as set out in Annexure 1 to obtain the accurate temperature in this regard);

11.7.3. the Consignor / Sender probes a specific sample box / carton, clearly marked as TEMPERATURE SAMPLE BOX/ CONTROL BOX and enter this temperature on the LMC Express Waybill. This procedure must be witnessed by a representative of the Carrier or the LMC Express driver upon collection. This box will be deemed the temperature sample box, of which the temperature must be taken upon delivery.

Should a consignment consist of more than one pallet, the CLIENT/CONSIGNOR is allowed to use only ONE sample box / CONTROL BOX for the entire consignment. All parties are in agreement that this one sample box / CONTROL BOX will represent the temperature of the entire consignment (all the pallets)

11.7.4. the Customer can prove that the shrink-wrap of the pallet has been tampered with and

11.7.5 the Customer does not request an employee of the Carrier to de-palletize and / or re-pack and / or re-load any product;

11.7.6 the Customer has submitted a completed Booking Request and / or the booking made on the LMC Express (Pty) Ltd Portal prior to the collection of a consignment.

11.8 Good in Transit Insurance Cover is forfeited if the LMC Express (Pty) Ltd Booking Request is not received prior to the collection of a consignment.

11.9. No claims can be offset against any payment owed to the Carrier.

11.10. In the event of a Customer submitting a claim, the value of the load will be based on the cost price of the product.

11.11. The decision of the Carrier's assessor will be binding regarding whether the products are still fit for use.

11.12 All products on which a potential claim is lodged must be kept until the Carrier's assessor agrees to the release thereof.

11.13 In the case of a hijacking, if there was any involvement of any representatives of the Customer, the Carrier has the right not to consider such a claim.

11.14 Insurance claims take about 6 – 8 weeks to be approved. The 6 – 8 weeks period is taken from the day all documents have been received as requested from the CUSTOMER(s)

ANNEXURE 1

Pallet Specification :-

No claim will be considered if our pallet specifications (full and half pallets) have not been adhered to :-

The Integrity of Product on a Pallet should comply with the following:-

- It can support the product characteristics and protect against weight and in transit movement.
- The outer packaging secures the specified units per carton precisely.
- The outer packaging cardboard does not get damaged in transit over long distances.
- The cartons at the pallet bottom can support the total pallet weight without being damaged.
- For double stacked pallets, (including half pallets) again the packaging can protect AND support the product in the bottom layers.

1. Pallet Specifications and Additional Requirements:

- Pallet dimension should be 1m x 1.2m
- Pallet height should not exceed 1.8m
- Pallet should be a four-way entry pallet
No overhang of product on the pallet is allowed: product loaded should not exceed the 1m x 1.2m dimensions of the pallet.
- A loaded pallet should fill the empty pallet edge to edge. If there is a gap between loaded pallets, it may lead to damages, as the loaded pallet will lean (and fall) into the empty space en – route.
- **Pallets consisting entirely or partly of bags: space must be allowed on the pallet for in-transit sagging of the pallet. In transit sagging may lead to overhang on pallet and therefore damages.**
- Pallet should be correctly labelled and shrink-wrapped.
- Pallet should not exceed the prescribed weight. (all GIT insurance is void if pallet height exceeds the prescribed height)
- Broken pallets or pallets of an inferior quality may lead to damaged product – LMC Express (Pty) Ltd accepts no liability for damaged product under these circumstances.
- **The use of a plastic pallet is not ideal, especially when the consignment is packed in plastic containers/crates. No claims for damages will be accepted in this instance.**
- **Product packed in crates/ plastic containers: netting, in addition to strapping, is required.**
- **Please visit our website for specs of half pallets.**

1.1. Weight:

- The prescribed maximum gross weight per pallet allowed for Consignments between Cape Town and Johannesburg is 950 kilograms.
- The prescribed maximum gross weight per pallet allowed for Consignments on all other routes is 850 kilograms.

- Customers will be charged at R3.50 excluding VAT per kilogram on the excess weight of all pallets exceeding the prescribed gross weight.
- Fines and / or penalties and / or damages due to overloading of the pallet(s) will be for the Customer's account.
- Please be aware that the permitted weight of the first and last six (6) pallets of a Full Truck Load Goods must not exceed 850 kilograms per pallet.
- HALF PALLETS: Please visit our website for specs.

1.2. Protective Wrapping (Shrink-wrap) and Labelling:

- Pallet should be shrink-wrapped. For security purposes, we require that the top of the pallet also be shrink-wrapped.
*Please note that LMC Express (Pty) Ltd will charge per pallet to re-wrap and / or provide additional shrink-wrap.
- Shrink-wrapping should be done in such a manner that the product is stable and well-protected.
No claims for shortages will be considered if the Customer receives the pallet with shrink-wrap intact.
No claims for damages will be considered if the pallet was not shrink-wrapped according to our specifications.
- Should LMC Express (Pty) Ltd have to re-wrap pallets due to non-adherence to our Pallet Specifications and Requirements, we will not be held liable for shortages, damages and temperature deterioration.
- Pallets should be labelled and we recommend that Customers label their pallets on all four (4) sides whilst shrink-wrapping. This will prevent pallets from being re-wrapped without the Customer's knowledge. Claims which arise due to the incorrect labelling of a pallet will not be considered.
***Please note that LMC Express (Pty) Ltd requires all its clients to use the LMC Express label. This label can be obtained from the LMC Express customer portal, a label is sent to the consignor with every booking confirmation.**

*Please ensure that labels have the following information:-

- Company Name of the Customer (Receiving Customer)
- Contact Person's Name and Telephone Number & e-mail address.
- Required Temperature
Example of Required Temperature:
DRY: NO TEMPERATURE REQUIREMENT
FROZEN: MINUS 18° CELSIUS
CHILLED: PLUS 4° CELSIUS

LMC Express (Pty) Ltd will not be held liable for an incorrect delivery due to an absence of a label or an incorrect label and redelivery of such will be for the account of the Customer.

LMC Express (Pty) Ltd will not be held liable for consequential damages, losses or returns in the event that pallet labels do not match the instruction on the LMC Express Waybill.

- LMC Express (Pty) Ltd reserves the right to charge the Customer 75% of the transportation rate of the consignment, should the consignment be cancelled and / or postponed on short notice.
- No claim for damages due to poor packaging will be considered.
- For all consignments consisting of buckets; please ensure that the empty pallet is covered with a layer of cardboard prior to loading the first layer of buckets as well as inserting cardboard between the layers of buckets in order to stabilize the load. Please ensure at least five (5) layers of shrink-wrap. The shrinkwrap must be secured to the pallet.
Please watch our video in this regard on our website www.lmcexpress.co.za.

1.3. Temperature Control:

- The only procedure accepted by the Carrier of obtaining accurate temperature readings is by inserting the needle of the thermometer into the product at the time of loading.
- The onus is on the Customer, Consignor and Consignee to prove the actual temperature. (as per clause 11 and Annexure 2)
- This rule overrides any internal method of temperature control the Customer may have.
- It shall be the responsibility of the Customer to pack its products onto a pallet. The Customer must ensure that the product is packed to allow sufficient airflow to the product. Failing may cause for a claim to be rejected without any liability to the Carrier.

1.4. Additional Terms:

- Failure to palletize according to our specifications will result in additional charges of up to R500.00 excluding VAT per pallet as a consequence of re-packing. No claim will be considered should LMC Express (Pty) Ltd have to re-pack a Customer's pallet. It is not the duty of LMC Express (Pty) Ltd staff to correct pallets.
- Please note that you will be charged for the number of pallets booked, even if you load less pallets than quantity booked, unless you have made the changes timeously.
- Please do not load more (or less) pallets than the quantity booked without prior permission of our Operations Manager.
- The onus is on the Customer to ensure when making a booking, to check on the Booking Confirmation that the correct Debtor has been stipulated. It is not permitted to make a booking on behalf of another Debtor. No Credit Request will be considered in this instance.
- No Credit Requests to change an invoice from a full pallet to a half pallet will be considered after the collection date of the consignment.
- LMC Express (Pty) Ltd does not supply labour to load / offload pallets – please note that you will be charged R500, 00 excluding VAT per pallet should this occur. No claim for damages or shortages will be considered in this instance.
- LMC Express (Pty) Ltd does not take any responsibility for product quantities or damages when product is packed on pallets and / or half pallets and loaded at the

LMC Express (Pty) Ltd depots. Customers must ensure that they witness the shrink-wrap of these pallets and / or half pallets. No claim for damages or shortages will be considered in this instance.

- Returns and re-delivery requests: Please ensure that you are aware of our procedures in this regard as LMC Express (Pty) Ltd does not take any responsibility for consequential losses e.g. damages, shortages or temperature deterioration, should you or your customer request product to be returned.
- Additional charges for timeslot collections and / or deliveries will be charged.
- Additional charges for the unpacking and sorting of pallets at the Consignee will be charged.
- LMC Express (Pty) Ltd accepts no liability whatsoever if the Customer fails to complete a Booking Request prior to loading and fails to complete the Waybill / Proof of Delivery Document in such a manner that clear instructions are given with regards to the description of the product, required in – transit temperature and complete collection and delivery physical addresses.
- LMC Express (Pty) Ltd accepts no liability for incorrect data entries if the Customer does not process bookings via the LMC Express (Pty) Ltd Portal.
- When Consignors and / or delivery staff deliver Consignments for dispatch to a LMC Express (Pty) Ltd depot on the instruction of the Customer; LMC Express (Pty) Ltd does not verify entries made on the Waybill by the Consignor and / or the delivery staff of Customers at our depots against Booking Requests and / or Booking Confirmations. This is the responsibility of the Customer / Consignor.
- No losses may be claimed if a time-slot was missed.
- LMC Express (Pty) Ltd will not be held liable for consequential damages losses or returns in the event that there are any errors on documentation from Customers whose consignments are accompanied by the Customer Invoices in order to receive a stamped and signed GRV, AOD, GRN etc. from the receiving Customer (Consignee).
- LMC Express (Pty) Ltd will not be held liable for consequential damages, losses or returns in the event that pallet labels do not match the instruction on the LMC Express Waybill.
- No Customer payment can be withheld if the invoice of the Carrier to the Customer does not include an Invoice and / or Inter-Company Invoice and / or any additional document required by the Customer to accompany a signed Proof of Delivery unless the reference numbers of the required documents are clearly indicated by the Customer on the LMC Express (Pty) Ltd Proof of Delivery document PLUS additional (3) copies are supplied by the Customer to enable The Carrier to return such documents.
- No original documentation will be sent to the Customer, all documentation is sent electronically and copies thereof can be obtained by yourself from the LMC Express (Pty) Ltd Online Portal and payment therefore cannot be withheld due to copies being received by yourself.

1.5. Customer Communication:

LMC Express (Pty) Ltd accepts no responsibility for mistakes on bookings for consignment if the booking has not been made on the LMC Express (Pty) Ltd Portal.

It is the duty of the Customer to ensure that all contact details and required temperature are correct on the LMC Express (Pty) Ltd System. It is important to have correct contact details to whom invoices, rate adjustments, booking confirmations must be sent to.

It is the duty of the Customer to ensure that the Consignor (Dispatching Warehouse) and Consignee (Receiving Warehouse) details are correct. Please note that the e-mail address for the Consignor and Consignee is used to email LMC Express (Pty) Ltd Booking Confirmations.

All corrections can be made on the LMC Express (Pty) Ltd Portal.

LMC Express (Pty) Ltd accepts no responsibility for any mistakes if the above are not adhered to.

LMC Express (Pty) Ltd cannot be held liable for any losses incurred due to late arrivals for collections or deliveries.

1.6. Claims:

The Customer shall be entitled to **report** damages, shortages, product temperature deviations and product returns as follows:

No claim will be considered if the relevant procedure, as stated per report, has not been followed.

No claim for shortages will be considered for deliveries to Distribution Centers. We strongly recommend that Consignors strap all their pallets in a crisscross manner with custom made tape prior to handing pallets over to LMC Express (Pty) Ltd.

The Carrier's drivers shall be issued with reporting documents which the Customer must complete to report damages and / or shortages and / or product temperature deviations and / or product returns. (Alternatively, request that The Carrier e-mails the applicable document to the Customer/Consignee.)

The Customer is obliged to ensure that all its Consignors and Consignee's comply with the Carrier's Issue Reporting Procedure.

No claim will be considered if the Customer, Consignor and Consignee do not sign the Carrier's Proof of Delivery and endorse on the Carrier's Proof of Delivery regarding any issues i.e. damages and / or shortages and / or product temperature deviations and / or product returns.

No claims will be considered if the Customer, Consignor and Consignee do not complete the relevant documentation and / or do not complete the relevant documentation to the Carrier's specification.

The Customer is obliged to comply with all the conditions as stated on the relevant document(s) in order to qualify for consideration of a credit request to the Carrier.

1.6. Pallet consolidation

DEFINITION:

- a) Suppliers bring their product to one of our depots, where LMC Express staff consolidates these various orders onto one pallet, for one client (debtor). This pallet is delivered to / collected by one client.
 - b) One client consolidates various orders onto one pallet, LMC Express ships it to one of its depots, where various client come and collect their specific orders on this pallet.
- 1.6.1. This service offered only to approved clients.
 - 1.6.2. Special rates apply for consolidated pallets.
 - 1.6.3. No claims for shortages or damages (including temperature deterioration) will be considered.
 - 1.6.4. LMC Express debtor must specify in CONSIGNMENT NOTES of booking the names of suppliers / clients for a specific booking. Suppliers / clients must have the booking number on hand. We strongly recommend that the POD Controls sheet (example can be provided) be completed and uploaded when the booking is made. This procedure assists all parties in managing all the orders on the consolidated pallet.
 - 1.6.5. LMC Express parcel service does not form part of this service. Parcel service is strictly Depot to Depot.
 - 1.6.5. This service includes 3 days free storage, after which a daily fee of R150 per day (including weekends) will be charged, payable by the LMC Express client (debtor)
 - 1.6.6. If a consolidated pallet partly consists of product in buckets (e.g. Feta or Olives), LMC Express (Pty) Ltd takes no responsibility for breakage or leakage of such as well as the consequential damage such leakage may cause to the rest of the product on the pallet

Annexure 2

Requirement for a Claim due to Temperature Deterioration

It is NOT the LMC Express' driver responsibility to remind the sender of this procedure

⚠ No claim will be considered if this procedure has not been followed in full.

1. Temperature at Loading / Handover:

- The customer must measure the temperature using their own needle probe.
- The temperature must be taken from a SAMPLE BOX / CONTROL BOX provided by the Sender/Customer. (CONTROL BOX is not a separate box, but a box from the consignment.)
- This measurement must be witnessed by an LMC Express employee and recorded on the LMC Express Waybill.
- R638 regulations apply.
- The SAMPLE BOX / CONTROL BOX must be:
 - Clearly marked as "SAMPLE BOX" / "CONTROL BOX"
 - A box on the / in the top layer of the pallet.

2. No Graph Data Without Compliance:

No temperature graph will be provided to clients who have not followed the SAMPLE BOX procedure in Point 1.

3. One Sample Box / Control Box is Sufficient:

A single SAMPLE BOX / CONTROL BOX may represent the temperature of a consignment containing multiple pallets.

4. Temperature at Delivery / Depot Collection:

- Temperature must again be taken from the same SAMPLE BOX / CONTROL BOX (see Point 1).
- Measurement must be:
 - Done with the customer's own needle thermometer.
 - Witnessed by an LMC Express employee and recorded on the Waybill.
 - In accordance with R638 regulations.

5. Calibration Requirement:

Calibration certificates for all thermometers used must be available upon request.

6. Delivery Site Procedure:

- The LMC Express Temperature Deterioration Report must be:
 - Completed while the driver is still on-site.
 - Witnessed by the LMC Express driver.
 - Reported immediately by the driver to the Operations Department before departure.