

B2B SERVICE AGREEMENT

1. GENERAL

- 1.1. This document constitutes an agreement (hereinafter – Agreement) between SIA “FRACHT”, registration number 40103253277, (hereinafter – Fracht), and you, (hereinafter – Customer), containing general terms regarding the use of services, including services provided within the Automotive Logistics Control System (hereinafter – ALCS), accessible through the following websites: www.fracht.lv; www.fracht.com; www.alcs.eu; www.alcs.lt; www.alcs.lv (hereinafter – Websites) for the purpose of providing transportation services.
- 1.2. The following provisions apply to all entities using the Websites and the ALCS, including all the subdomains and their applications.
- 1.3. The Customer hereby confirms that it is familiar with the terms and conditions on the use of ALCS and the Websites, including the terms and conditions contained herein and agrees to commit to and follow them. If the Customer disagrees to unconditionally follow the terms and conditions stated herein, the Customer has no right to use the services provided by Fracht and Fracht may unilaterally block the Customer’s access to the ALCS.
- 1.4. This Agreement determines the terms and conditions for all and any actions performed by the Customer while connected to any of the Websites and logged into ALCS, and using an internet connection. The services refer to all and any Customer’s actions which it can perform in the ALCS, including *inter alia* the following: (i) publishing an advertisement for transportation services; (ii) reading published information; (iii) writing questions, answers and/or comments; (iv) publishing, sending and/or receiving any kind of information and/or data with respect to transportation services (hereinafter – Services).
- 1.5. The use of the Websites, the ALCS and the Services requires in general a high-speed data connection and a standard commercial Internet browser.
- 1.6. Each party shall bear its own costs arising in connection with its use of the Websites, the ALCS and the Services, including the costs of procuring and operating its communications facilities and related software, the costs of correcting the malfunctions of its equipment and the costs of keeping its communication facility up to the state of the art.
- 1.7. Fracht provides taxed services (hereinafter – Taxed Services). The scope of the Taxed Services and their prices are indicated within the ALCS.
- 1.8. The Customer is entitled to receive a training on the use of the ALCS. Training conditions are made by an additional agreement between Fracht and the Customer. For more details the Customer may contact: Raimonds.Balins@fracht.lv.

2. ENTRY INTO THE AGREEMENT

- 2.1. Prior to using the ALCS and receiving the Services, the Customer must sign up with Fracht by providing the requested information in the signup application for new Customer company registration and uploading necessary documentation as required by Fracht. Upon successful completion of the signup application Fracht will provide the Customer with an account accessible via the user name and password that the Customer has chosen. By clicking the “Sign up” button located at the end of the signup application, the Customer enters into the Agreement with Fracht and no additional signatures are needed, and represents and warrants that:
 - 2.1.1. according to the applicable laws the Customer is entitled to enter into an agreement with Fracht to use the Website and ALCS and receive the Services for providing the transportation services;
 - 2.1.2. the Customer has carefully studied, fully understands and agrees to comply with the terms and conditions in the Agreement.
- 2.2. After submitting the signup application, the Customer will receive an e-mail with additional information that must be followed to complete the registration with the ALCS. The failure to follow the instructions and complete the registration process will result in termination of the Agreement and the right to use the ALCS.

3. SERVICES

- 3.1. Fracht provides the Customer with a virtual space that are the Websites and an access to the ALCS (prior registration requested), where the Customer has an ability to use the Services, which *inter alia* include the following actions: (i) announce the Customer’s advertisements about the services and/or goods offered (hereinafter – Advertisements); (ii) read Advertisements; (ii) search for Advertisements, and use other Services provided in the ALCS.
- 3.2. Fracht will not take any part in trade between the Customer and its clients done within the ALCS and is not involved in the business dealings and contracts between the entities using the Websites and the ALCS. Fracht is not a broker, nor an agent or a representative, and does not assume any liability with respect to relationships between the Customer and its clients.
- 3.3. Any information published on the Websites and/or the ALCS will not be considered as an offer by Fracht to make any trade or provide any services directly to the Customer’s clients.
- 3.4. All intellectual property rights to the Websites and the ALCS and all its content, including copyright, trademarks, trade names, inventions, designs, company names, know-how, commercial secrets and any other intellectual property rights belong to Fracht (or Fracht is legally authorized to use any such rights granted by third party, where applicable).

- 3.5. The Customer grants Fracht with all the rights for unlimited time period and with no territory limitations to use any works, objects, information or data advertised or sent on the Websites and/or the ALCS by the Customer, including:
 - 3.5.1. the right to reproduce in any form, publish, publicly announce, make it publicly available, distribute, rent, hand over to any third parties;
 - 3.5.2. the right to edit, modify, amend, adapt, make derivative works;
 - 3.5.3. the right to use, partly or fully, for any purpose and in any way without remuneration.

4. CUSTOMER'S RIGHTS AND OBLIGATIONS

- 4.1. The Customer commits:
 - 4.1.1. to submit true, accurate and complete information and documents as requested by Fracht;
 - 4.1.2. not to use the Websites, the ALCS or the Services for illegal purposes or trade;
 - 4.1.3. to provide true, accurate and complete information while using the Websites and the ALCS;
 - 4.1.4. to ensure that all information presented in the Websites and the ALCS, including files, computer programs, e-mail letters:
 - 4.1.4.1. is not false;
 - 4.1.4.2. is not offering forbidden or restricted services or goods;
 - 4.1.4.3. does not violate any third-party rights (including intellectual property rights);
 - 4.1.4.4. does not violate applicable laws (including consumer protection laws, competition laws, import/export laws);
 - 4.1.4.5. does not violate civil order and public morals;
 - 4.1.4.6. does not transmit files that contain viruses, corrupted files or any programs that may damage or adversely affect the operation of the Services, the ALCS, the Websites or another person's computer or hardware;
 - 4.1.4.7. does not attempt to gain unauthorized access to the ALCS or the Websites or any Services;
 - 4.1.4.8. does not decompile, reverse engineer or otherwise attempt to obtain the source code of the ALCS or the Websites;
 - 4.1.4.9. does not modify the ALCS or the Websites in any manner or form or to use modified versions of the ALCS or the Websites;
 - 4.1.4.10. is not directly or indirectly advertising or promoting third parties, which can be or are competitors to Fracht and provide links to such parties or products.

- 4.1.5. not to copy, store, transfer, make publicly available or otherwise process the Customers' data available in the Websites and the ALCS, or data about any actions of the Customers, including services offered and/or searched and prices, etc.
 - 4.1.6. to ensure confidentiality of the Customer's account login name and password, except for persons nominated by the Customer as the actual users of the Websites and the ALCS;
 - 4.1.7. regularly update the Customer's contact information provided on the Websites and the ALCS (especially the data required upon registration) and inform Fracht within 3 (three) business days after updating the information by sending an e-mail to the following e-mail address: fracht@fracht.lv;
 - 4.1.8. report to Fracht by e-mail to: fracht@fracht.lv, if the Customer's account login and/or password, which are necessary to use the Websites and the ALCS, are or may have been lost or disclosed to a third party within 24 (twenty-four) hours after becoming aware of it;
 - 4.1.9. not to publish the Advertisements on the Websites or the ALCS, which offer the same services or goods more than once;
 - 4.1.10. announce the Advertisements only in suitable themes and sections;
 - 4.1.11. not to post meaningless Advertisements or Advertisements with meaningless symbols;
 - 4.1.12. to apply the respective normative acts regarding *inter alia* to minimal wage, cabotage, height and length of the truck, of the respective country, where transport operations are being executed.
- 4.2. When using the Services, the ALCS and the Websites the Customer confirms the that the following is true and accurate:
- 4.2.1. the Customer has the legal capacity and rights to execute trades offered on the Websites and the ALCS;
 - 4.2.2. the Customer will properly execute its obligations as specified in Clause 4.1 of the Agreement;
 - 4.2.3. the Customer understands and agrees that the Agreement creates only those legal relations, which are directly stated in the Agreement;
 - 4.2.4. the Customer understands and agrees that Fracht verifies the Customer's identity only by its account login and password;
 - 4.2.5. the Customer acknowledges that, if the login and password, which are used to login to the ALCS, will be used by a third party before the Customer notifies Fracht according to Clause 4.1.8 of the Agreement, any commitments accepted through the ALCS shall be binding to the Customer.

- 4.3. The Customer is itself responsible for compliance with its obligations, statutory and otherwise, to retain and properly archive commercial documents. For this purpose, the Customer is entitled to store posted documents and documents transmitted to it on its own data storage media.

5. FRACHT'S RIGHTS AND OBLIGATIONS

- 5.1. Fracht has the right to restrict or terminate the Customer's right to use the Websites and block the access to the ALCS, including any information which the Customer has placed to the Websites and the ALCS. Fracht has the right to edit any information provided in the Customer's Advertisement, terminate the Customer's Advertisement, terminate its account or disable further Customer's registration on the Websites and/or the ALCS, if the Customer:
 - 5.1.1. violates the Agreement or any other terms and conditions provided by Fracht;
 - 5.1.2. provides false or incomplete information upon registering or using the Services, the ALCS or the Websites;
 - 5.1.3. knowingly posts false or misleading information on the Websites and the ALCS, insults other users or acts improperly.
- 5.2. Fracht has the right (but not an obligations) to monitor the Customer's actions on the Websites and the ALCS at any time, including monitoring the content of the Customer's Advertisements. Fracht has the right to investigate any violation of the Agreement according to applicable laws.
- 5.3. Fracht has the right to delete the Customer's Advertisements or any other information from the Websites and the ALCS at any time, if it violates the Agreement or applicable laws, legal rights of the users or data subjects of the Websites or the ALCS or are contrary to public morals.
- 5.4. Fracht has the right to edit Advertisements and transfer them to other sections at any time to ensure better communication on the Websites and the ALCS, but without changing the Customer's data.
- 5.5. Fracht has the right to charge the Customer for the Services based on the fees specified on the Websites and the ALCS. Upon the Customer's request, Fracht will prepare and issue an invoice to the Customer.
- 5.6. Fracht has the right to send to the Customer commercial offers or other offers by Fracht. The Customer has the right to refuse to receive such offers by notifying Fracht.
- 5.7. The Customer agrees that Fracht has the right to pause or terminate the operation of the Websites and/or the ALCS at any time without any warning and without an obligation to pay any compensation to the Customer.

6. PAID SERVICES

- 6.1. Paid Services and their payment orders are described and specified on the Websites and the ALCS. Service fees are specified in each exact Paid Services order page.
- 6.2. The Customer understands and agrees that the Paid Services can be supplied only after the Customer pays to Fracht for Paid Services in the order. Fracht has the right to change the amount and payment order of any Paid Services at any time.
- 6.3. If the Customer's rights to use the Paid Services are restricted or suspended or the Customer has not received the Paid Services for other reasons (other than violation of the Agreement), Fracht commits to extend the Paid Services period during which the Paid Services have not been supplied to the Customer or grant the Customer with services analogous to the Paid Services (which were granted before), if the Customer requests it (if it is not a follow-up Paid Service).
- 6.4. Fracht has the right to restrict or suspend supply of the Paid Services for unlimited period during prophylactic works. In such case Fracht may extend the Paid Services for a period the Paid Services were not available or provide services analogous to the Paid Services, which were granted before free of charge (if it is not a follow-up Paid Service).

7. SAFEGUARDING OF BUSINESS AND TRADE SECRETS

- 7.1. Fracht and the Customer agree to preserve the strict secrecy of the Confidential Information as defined below; they covenant not to reveal or disclose such information to third parties, to use it solely for the purposes as described in this Agreement, and to take all appropriate action in accordance with the terms of this Agreement to preserve the secrecy of the Confidential Information and prevent any disclosure thereof.
- 7.2. The term **Confidential Information** includes without limitation all documents, all data, information and all knowledge that Fracht of the Customer contributes, or of which they become mutually aware, in connection to this Agreement or its performance. The term also includes such data, information and knowledge that are made available or exchanged in connection with the access to or the use of an application or the non-public area of the Websites and the ALCS. Confidential Information furthermore includes any document, data, information and knowledge or other item contributed by Fracht or the Customer that is expressly designated as such or is recognized as such.
- 7.3. The obligation in Clause 7.1. of this Agreement does not apply to Confidential Information as to which the disclosing party is able to prove (a) that, at the time of its communication by the party that provided it, it was either (i) a matter of common knowledge, i.e., already published or generally accessible, or (ii) already known to the disclosing party, or (b) that, subsequent to its communication by the party that provided it, it became a matter of common knowledge without fault on the part of the disclosing party, or (c) that, subsequent to its communication, it was made available to the disclosing party by a third party in a lawful manner without restrictions regarding the confidentiality or use thereof.

- 7.4. In fulfilling the above confidentiality obligations, the Customer shall impose corresponding written obligations on its employees and other persons involved in performing the Agreement or using the Websites and the ALCS, or are able to obtain access to Confidential Information.
- 7.5. The above confidentiality obligations terminate at the end of the 5th (fifth) year following the termination of this Agreement.

8. PERSONAL DATA

- 8.1. Fracht acts as a processor of all and any personal data uploaded by the Customer to the Websites and the ALCS, and provided to Fracht for the performance of the Services or the Agreement.
- 8.2. Fracht shall inform the Customer if it receives any data subject requests regarding personal data uploaded to the Websites and the ALCS by the respective Customer, and shall under no circumstances answer any data subject requests directly.
- 8.3. Fracht shall provide for technical and organizational measures ensuring secure processing of any personal data on the Websites and the ALCS according to applicable laws. As long as Fracht holds a valid ISO 27001 certificate, the Customer shall not audit, inspect or otherwise analyze Fracht's compliance with applicable personal data protection laws.
- 8.4. Any personal data processing on the Websites and the ALCS, for example, assessing the quality of a driver's work or blacklisting her or him, shall be controller by the respective Customers jointly or separately. The Customer warrants and represents that it is the controller of the personal data of blacklisted drivers available on the Websites and the ALCS based on a legitimate interest. The Customer has carried out a legitimate interest test required under applicable laws.
- 8.5. Fracht shall issue all the information available about a data subject, restrict, erase or rectify personal data and assist the Customer with compliance with the General Data Protection regulation (EU 2016/679) only upon a Customer's written request and for a separate fee.
- 8.6. The Customer is responsible for informing the data subjects that Fracht will use all and any personal data uploaded to the Websites and the ALCS for supplying and developing Services and ensure a lawful basis for such processing.
- 8.7. Fracht has the right to engage sub-processors, such as IT software developers or other service providers, necessary for maintaining or developing the Websites and the ALCS. Fracht shall inform the Customer of the sub-contractors on a specific section of the Websites or the ALCS and post any new sub-contractors therein.
- 8.8. Should the Customer stop using the Websites, the ALCS or the Services, the Customer is responsible for informing Fracht what should be done with the personal data, which Fracht processes on its behalf.

9. LIABILITY

- 9.1. The Customer agrees that Fracht is not and will not be responsible or liable for failure of or errors in the performance of the Websites or the Services, including the operation and performance of the ALCS.
- 9.2. Fracht will not be responsible for goods or services or their quality related to using the Websites and the ALCS.
- 9.3. The Customer understands and agrees that the Websites, the ALCS or the Services are supplied without any warranty from Fracht that the Websites, the ALCS or the Services will run all the time, on time and properly without disorders, full volume and that this will not cause any negative consequences to the Customer or any third party. Fracht is not and will not be responsible for inadequate information on the Websites and the ALCS and for any loss or damages to the Customer or any third party.
- 9.4. The Customer agrees and understands that Fracht is not and will never be responsible in any matters for all and any actions of itself or disorders related to the Customer's usage of the Websites, the ALCS or the Services. The Customer accepts all the responsibility for any harm or losses, which it or the third party might encounter while using the Websites, the ALCS or the Services or information.
- 9.5. The Customer commits to ensure that Fracht will never face any legal responsibilities to pay or in other way compensate any losses or other expenses, because the Customer has used the Websites, the ALCS or the Services.
- 9.6. The Customer understands that Fracht is not and will not be responsible for the actions or omissions of any third party, including, but not limited to internet operators, mobile operators, email providers, banks, etc. If the Customer is not able to use the Websites, the ALCS or the Services because of the third-party disorders, fee for Services is not returned to the Customer.
- 9.7. The Customer is fully liable for breach of the Agreement and/or any applicable laws and regulations and must stop and remedy such breach immediately after receipt of a respective request from Fracht or any state or other authority.
- 9.8. The Customer is fully liable and shall indemnify Fracht for any direct and/or indirect loss and/or damage, loss of profit, expense, penalty or fine that Fracht may incur as a result of the Customer's breach of the Agreement and/or a claim by a third party (including the client) directly or indirectly related to provision of the transportation services. Should any client present any claims against Fracht with respect to the Customer's transportation services or use of the ALCS, then the Customer shall compensate such damage to Fracht within 10 (ten) business days from the respective request from Fracht.
- 9.9. Should legitimate claims be raised by third parties against Fracht by reason of illicit content posted or transmitted by the Customer in contravention to this Agreement, the Customer shall indemnify Fracht against and procure its release from all such third-party claims.

10. AMENDMENTS

- 10.1. Because the Websites, the ALCS and the Services are constantly developing, Fracht has the right to unilaterally amend the Agreement or any of the documents that are a part of the Agreement, at its own discretion.
- 10.2. Within the meaning of this Agreement, the terms “changes” and “additions” refer both to amendments or additions to the Agreement itself and to modifications of existing applications within the ALCS or information services and the introduction of new applications and information services.
- 10.3. Fracht notifies the Customers regarding the changes in the functions, procedures or provisions of the Agreement, or regarding the introduction of additional applications by announcing those on the Websites and/or the ALCS or by other means. There is no prescribed form for notices regarding changes or additions.
- 10.4. The amendments, changes or additions shall enter into force after they have been published on the Websites and/or the ALCS or made known to the Customers by other means.
- 10.5. The Customer confirms that it is informed and accepts such amendments, changes and additions, and completely agrees to them by continuing to use the Websites, the ALCS and the Services after the amendments, changes or additions are published and enter into force according to Clauses 10.2 and 10.3.
- 10.6. Should the Customer does not wish to use the modified or additional application or not to consent to a change in the existing Agreement, the Customer should notify Fracht accordingly without delay.

11. TERM AND TERMINATION

- 11.1. The Agreement shall enter into force as of submitting the signup application and is entered into for an indefinite period. Other documents that are a part of the Agreement shall enter into force once the respective document has been made available to the Customer and the Customer commences or continues to provide the transportation services, unless prescribed otherwise in the respective document.
- 11.2. The Customer may terminate the Agreement at any time by notifying Fracht at least 10 (ten) days in advance, after which the Customer’s right to use the Services, the ALCS and the Websites shall terminate. The Agreement will also terminate upon deletion of the Customer’s account in the ALCS.
- 11.3. Fracht may terminate the Agreement at any time and for any reason by notifying the Customer at least 5 (five) days in advance.
- 11.4. Fracht is entitled to immediately terminate the Agreement and block the Customer’s access to the ALCS and the Websites, without giving any notice to the Customer, in case the Customer (i) breaches the Agreement; (ii) breaches any applicable laws or regulations;

(iii) causes harm to Fracht, its business or reputation (as determined by Fracht at its sole discretion).

- 11.5. Fracht may immediately block the Customer's access to the ALCS or the Websites for the period of investigation, in case Fracht suspects breach of the Agreement or fraudulent activity of the Customer.
- 11.6. The termination of this Agreement is without prejudice to the validity of separate contracts between the Customer and its clients. Despite termination, it continues to apply to separate contracts entered into between the Customer and its clients.

12. FINAL PROVISIONS

- 12.1. The laws of the Republic of Latvia are applied in relations between the Customer and Fracht.
- 12.2. Should one or more clauses of this Agreement be or become invalid or unenforceable, this shall not affect the validity of the remainder of the Agreement. Fracht shall substitute such invalid or unenforceable clause with a valid and enforceable provision that approximates as closely as possible the intent and economic effect of the invalid or unenforceable clause. The above shall apply analogously in the event of gaps in the terms of the Agreement.
- 12.3. Any disagreement or dispute that may arise in connection to the Agreement, whether with respect to its existence, validity, enforceability, interpretation, breach, termination or otherwise, shall be settled by way of negotiations. If the disagreement or the dispute cannot be settled by way of negotiations, then the disagreement or the dispute will be finally solved in the courts of the Republic of Latvia according to provisions of the applicable laws.
- 12.4. The construction and interpretation of this Agreement shall be determined solely on the basis of its English language version. Any other language versions are purely for the sake of convenience and not authoritative.