

*Ship2me!*

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Payment  
**Protection**  
Plan

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# Payment Protection Plan

Ship2Me Network members are protected against bad debts from other members in several ways.

Strict membership requirements constitute the first line of defense - only the most solvent, reputable, and creditworthy agents are accepted as members. Furthermore, we continue to monitor their performance, and promptly detect any signs of trouble, such as the late payment of an invoice issued by another member. Members must immediately notify the Ship2Me Network Admin when a member is late with a payment.

But additional security is provided by the optional Payment Protection Insurance Plan (PPIP), which protects members, against losses due to uncollected debts from other members in the event of bankruptcy or insolvency. It does not include disputed invoices, which are provided for Payment and Dispute. The PPIP is available for every members and the contribution comes from the shared shipments only.

During the first quarter of each calendar year, Ship2Me Network may disburse up to 80% of the money in the PPIP fund as compensation to members with debt outstanding from members who have declared bankruptcy or gone out of business during the year, to a maximum amount of 70% of the invoice values.

To collect such debts through legal means, the PPIP will engage the services of a reputable debt collection agency.

# PPIP - rules

## Rule 1 - Management of the PPIP

The PPIP is managed and administrated by the Ship2Me Network Admin, which decision will be final. The Ship2Me Network Admin will supervise and manage the funds held in the PPIP.

## Rule 2 - Participation in the PPIP

All shipments shared inside Ship2Me Network are eligible for the PPIP Program.

If a Member is working with an other Member of Ship2Me Network but have not added their shipment inside the EWC Platform, the invoice will not be eligible to the PPIP Program

## Rule 3 - Purpose

The PPIP is intended to provide the means whereby which a Ship2Me Network member (creditor) can recover unpaid funds/invoices arising from commercial shipments that are owed by another Ship2Me Network member (debtor) which has declared bankruptcy or gone out of business. A member that ceases to exist as a result of a merger and/or acquisition is considered to remain liable for its debt and is not covered by the PPIP.

## Rule 4 - Accounting Period

The financial year for the PPIP is the same as Ship2Me Network's financial year (April)

## Rule 5 - Member Coverage

The PPIP will cover debts incurred by members up to 70% of the debtor

## Rule 6 - Contributions

Every shipment shared inside the group is growing the PPIP Program. The amount can be monitor by each member from the Platform Dashboard

## Rule 7 - Compensation Procedures

When the debtor's membership in Ship2Me Network is terminated, notification of the termination will be given by e-mail along with a deadline date for making any claim against the PPIP. No claim receive by Ship2Me Network after the deadline will be considered. Participants who apply for compensation must satisfy the Ship2Me Network that :

- The shipment must have been announced through "Shipment announcement" of Ship2Me Network
- The unpaid invoice relates to services in connection with international shipment

- The invoice was correctly issued.
- Three reminders were sent at reasonable intervals, the latest being within 90 days of the date of the invoice informing the defaulter that a report would be filed with Ship2Me Network

## Rule 8 - Operating Rules for Ship2Me Network PPIP

In its report, the PPIP participant will formally request the Ship2Me Network to contact the defaulter and assist in the recovery of the sum or sums overdue (Use the proper document in the website's member area). If no request is made within 90 days of the date of the invoice, then the overdue sum will cease to qualify for any compensation. Upon receipt of a request for compensation, the Ship2Me Network Admin will verify that the creditor complied with the aforementioned procedures, that reasonable attempts the resolve the matter were made and were unsuccessful, and that no claim submitted after the report date as announced by Ship2Me Network was taken into consideration.

## Rule 9 - Compensation Evolution and Calculation

During the first quarter of each financial year, the Ship2Me Network Admin at its sole discretion will review and evaluate both every individual claim and the total of claims received the previous financial year, using the following criteria :

- Only the invoice which were informed on the Ship2Me Network Prealert system will be considered
- The gross amount of an invoice taken into consideration will be exclusive of local taxes, VAT and interests charges for late payments
- The sum of invoices from any creditor/s will be reduced by the amount of any invoices or charges owed by the creditor/s to the debtor.
- In the event that it becomes necessary to make payments to multiple creditors within the same fiscal year, proportional payments will be calculated
- The compensation will be limited to 80% of available PPIP funds. The balance of any monies not distributed in the corresponding financial year will be used to increase the PPIP funds.

## Rule 10 - Procedures for PPIP Compensation

For a compensation request to be honored, each claimant will provide documentation to the Ship2Me Network Admin establishing the following :

- the unpaid invoices relates to a service rendered in conjunction with the shipment documents (Bill of lading, AWB, etc...)
- Services were provided by and at the request of a current member
- The invoice/s in question meet all legal requirements of the country in which it was issued and meets the following requirements :
  - Ship2Me Network Shipment Transaction ID must be informed
  - Complete name and contact information of the company that issued the invoices
  - Complete name and contact information of company billed
  - Date on which the invoice was issued
  - Date of services for which the invoice was issued
  - Amount billed for the service rendered
  - Rate quotation details

## Rule 11 - Subrogation

Before any compensation payment is required, the Ship2Me Network Admin will notify the participant of the compensation amount calculated under rule 10. As a condition of entitlement the participant will accept and will make in writing the irrevocable transfer of its rights against the debtor in these matters to the Ship2Me Network Admin organisation.

## Rule 12 - Administration and Operating Costs

The Ship2Me Network Admin will draw on PPIP funds to pay legal and other costs incurred in recovering bad debts among members, and to pay expenses incurred in the ordinary management and administration of the fund. A full accounting of these expenditures will be available to all contributors of the PPIP.

## Rule 13 - Effective Date

No application for compensation will be accepted in respect of an invoice if the date of the service is prior to the applicant's participation in the PPIP.

## Rule 14 - Acknowledgment of PPIP Operating Regulations

All members will acknowledge that they have read and understood the Rules and Regulations governing the PPIP. Acknowledgment will consist of a signed statement indicating consent to participate in the PPIP. Members that do not submit this signed statement will not be eligible to receive payment under the PPIP.

## Rule 15 - Payment of PPIP Claims

Payment of approved under the PPIP will be made during the first quarter of each calendar year.

## Rule 16 - Jurisdiction

Any legal disagreement, conflict, dispute, controversy, interpretation or enforcement of any document related to the PPIP shall be submitted to the jurisdiction of Singapore law courts, to the exclusion of the jurisdiction of the courts of another country.

## Rule 17 - Disclaimer

The Ship2Me Network Admin will not be liable for any member's failure to meet its obligations to other members or to third parties. Members understand and agree that the PPIP is not an insurance policy and that Disputes Resolution is a service. Both the PPIP and the Disputes Resolution Services are resources offered by Ship2Me Network to its members