



## TERMS & CONDITIONS

### General Terms

1. Xpert-log is an exclusive network of independent project freight forwarders and international logistics companies
2. Xpert-log members must be local or regional logistics companies with good reputations (regarding finance, operations, communications, sales coordination, and other professional factors) which can be backed up with at least four third-party agency references from countries outside of the residence of their main head office. This cannot be waived.
3. Xpert-log members are attending the worldwide annual meeting on a regular basis, not missing two consecutive years without valid reason.
4. Xpert-log members should work as much as possible inside the group
5. Members should not be part of an other exclusive network
6. To be able to negotiate the bulk tariffs, all Xpert-log members will provide when requested all the information on their shipments - All datas collected will be used to negotiate rates with airlines/shipping lines/insurances, etc....
7. Xpert-log members are requested to upload inside the members area : Company contact information, Company logo, 3 personal contact with photo, Description of services, Territories where you handle shipments, Local charges (import/export, inland, etc...), Bank information, Office hours, Local bank holidays, Names of certificates, Company description
8. Xpert-log members who are not up to date and current with their accounts with Xpert-log will not be allowed to attend international meetings. Xpert-log membership invoices for new members are payable by 30 days. For renewals, Xpert-log will invoice one month in advance. Renewal invoices are due thirty days after the date of the invoices.
9. Xpert-log terms and regulations are for Xpert-log membership only. Any member to member dealings are subject to the members' own terms and conditions.

10. It is understood that any photos, press releases, advertisements, logos and the like that are sent by member companies to Xpert-log can and may be used by Xpert-log for group promotional purposes. By sending this material implicit permission for Xpert-log's use is granted.
11. The Xpert-log logo should be placed in a prominent position on the member's own website (to be understood as to the Xpert-log member's home page, project cargo page and / or contacts page in the case that the Xpert-log member is a part of a larger corporate structure). Xpert-log members also should display the Xpert-log logo on their stationery (letterhead, business cards, envelopes, etc.) whenever possible.

## Scope of Service

1. When acting as the representative for each other, both parties shall render prompt and expeditious service to break-bulk consolidations and arrange for customs clearance, delivery, trans-shipment, and other related handling of each shipment, all in accordance with the other party's instructions and existing pertinent laws.
2. When accepting each consolidation from the carrier, the import representative will ensure that cargoes and documents are received in good order and condition. If any damage, shortage, or loss is noted during acceptance, the import representative will promptly notify the carrier and the export representative, and will file a preliminary notice of intent to file a claim with the carrier.
3. If the consignee does not want the import representative to perform customs clearance and delivery, the import representative will tender all necessary documents to the consignee or consignee's designate without delay.
4. When shipments are made on a collect basis, the following conditions apply:
  - When the HAWB/HBL is issued to the order of the negotiating bank of the consignee, no documents and cargoes can be released to the consignee's name for negotiation, clearance and pick-up of the goods until receipt of the negotiation details signed by the negotiating bank. In case of any release of such "bank" shipment to any parties whatsoever caused by careless or mishandling, the

- shipment-releasing party will be held for full responsibility on the consequence of the case.
- When the HAWB/HBL is issued on C.O.D. basis (Cash On Delivery) to the consignee, the import representative is required to collect the exact payment before releasing the shipment. The collected amount must be remitted to the export representative in the agreed duration. Any violation or mishandling of this case, the shipment-releasing party will be held for full responsibility on the consequence of the case.
  - When the HAWB/HBL is issued to the consignee's name, the import representative is required to deliver all necessary documents, according to the law, AND the import representative is responsible for collection of all charges due, depending on the payment conditions and agreements between the import representative and the consignee.
5. In the event that the consignee does not take control of their shipment immediately, or refuses to accept it for any reason, the import representative will immediately notify the export representative and wait for disposal instructions.
6. Both parties shall promptly follow up and reply to all requests for proof of delivery and all other communications requested by the other party. Both parties will investigate all claims pertaining to their respective service areas for loss or damage of cargo.

## Financial Terms

1. Unless otherwise agreed, Xpert-log members will settle all debts within 30 (thirty) days of invoicing one another. Members must immediately notify the Xpert-Log Management when a member is late with a payment and a warning light will be shown next to the offending member's agent profile.
2. Quotations from Xpert-log members to Xpert-log members must specifically state exactly which currency invoices will be made in and payments should be received in and whether such quotes are subject to any changes or surcharges.

3. Unless otherwise agreed, payments to Xpert-log members will be in the currency quoted.
4. For business between members, monthly statements should be provided by the creditor.
5. For all ongoing Xpert-log business requiring offsets, unless otherwise agreed, both parties should provide statements for settlement by the 10th of each month.
6. Any amounts that pass the 60 day overdue mark should be reported to the Xpert-log Coordinator so that Xpert-log can be informed of any members who are having financial difficulty.
7. When a Xpert-log member supports a policy that a credit application is a requirement to do business, this should be clearly stated in quotations to all other Xpert-log members. Otherwise this will not be assumed to be a requirement.
8. All transactions between members are to be paid as agreed bi-laterally between members (or multi-laterally should the trade be cross trade arrangements between members). Payment between members for due invoices, debits, or other agreed debts which are incurred by the trade, unless prior agreed between the concerned members, will not ever require or depend upon the actions, payments, or motions of any third or fourth parties (shippers, consignees, customers, or agents otherwise). If a debt with another member was incurred then it shall be duly paid by responsible party ordering the transaction as agreed. Awaiting payment from a client, agent, or any other party, is not an excuse for non-payment to another member unless these were the terms prior to the trade.

## PPP Program

1. This program is to protect our member for unpaid funds/invoices arising from commercial shipments that are owed by another Xpert-log member (debtor) which has declared bankruptcy or gone out of business.
2. A member company 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 PPP
3. Members eligible will be those whose annual and PPP fees have been paid, and are in good standing with Xpert-log and its members.

4. Members who resign will be covered until the last day of their membership
5. Members who are under suspension or are expelled from Xpert-log will lose protection with immediate effect.
6. The program is limited to logistics transactions between members for territories in which they are fully registered members.
7. The minimum claim covered is Usd. 500 and the maximum is Usd. 20,000 per claim, subject to availability funds. In the event of multiple debts from the debtor, this will be handled on a prorata basis.
8. A claim is defined as the total amount of unpaid invoices not older than 90 days, excluding interest, profit, penalties, VAT and/or other taxes.
9. PPP does not cover any member invoice which is a result of operational disputes or overcharges between members. In this event, the Board of Directors will appoint an Arbitration Committee to assist in the dispute resolution.

## Debt Recovery Services through FDRS - Hong Kong

- FDRS will only accept for collection amounts over USD 400.00
- FDRS only accepts freight industry related accounts for collection. The client must guarantee that any claim against an assigned party is accurate and lawful in all respects and that all supporting documents forwarded to FDRS are true and accurate and duly authorise FDRS to use those documents in the pursuit of collecting the claims from the debtor.
- FDRS will pursue recourse pursuant to the documents as supplied by the client. Please note - FDRS assumes that your express permission is given for any supporting documentation so supplied to be on-forwarded to the debtor in support of the claim
- In the event that legal action is necessary, and upon the express written authority of the client, an attorney versed in transportation law will be selected by FDRS and will be deemed an employee or an agent of FDRS. Please note - FDRS and/or their attorney are not empowered to file a suit or any legal action without the express written authority of the client
- The client expressly authorises FDRS and/or their attorney to appropriately endorse, for deposit and collection, any remittances received from debtor, and to deduct therefrom its lawful fee(s).

- Should a client have any special requests, the client must advise FDRS in writing at the time of account assignment.

## Communications /Operations Terms

1. English is the common language of communication between Xpert-log members when writing. All Xpert-log members should have in their office at all times at minimum one person to handle communications who has an internationally acceptable standard of spoken and written English.
2. Quotation between Xpert-log members must be transmitted through the Quotes system provided by Xpert-log - Members must question the other Xpert-log member unless there is no representative office in this specific region. In addition to request a quote to an Xpert-log member, it is also authorize to question 2 other companies who are not in the Xpert-log network to keep the market dynamic. Quotes must be replied without delay unless it requires more time to elaborate it; in this case, Xpert-log member must inform its other party for such a delay.
3. Pricing requests for Xpert-log, bids and any special cargo should be answered as soon as possible with the requested party giving their best estimate as to when such requests can be replied to completely. Said follow up on such requests should be within one working day.
4. It is assumed that Xpert-log member's operations have workable telephones, faxes and e-mail systems. Xpert-log members should, when ever possible, use official company e-mail accounts for business and refrain from free sites such as Hotmail, Yahoo!, etc.
5. Routing orders, rate inquiries to Xpert-log members should clearly state that the request is from a Xpert-log member. This is in order to avoid confusion.
6. Any time a quotation or shipment is refused, the refusing party must let the Xpert-log party being refused know concisely in writing the reason the quotation or cargo is being refused.
7. If bilateral agency contracts are required by Xpert-log members as a condition of working with other members, this should be clearly stated in initial quotations to other Xpert-log members.
8. Performance audit takes place through the MAP program

## Sales Coordination

1. Acknowledgement of all sales leads should be undertaken by next business day latest. This includes leads that the recipient might not be able to accept for whatever reason (reason should be stated).
2. Leads should be followed up and reported to the originating party within five business days. This includes all leads with holding patterns.
3. Members of Xpert-log will provide only real net rates as well as real selling rates.

## Profit Share

1. Members of Xpert-log will provide only real net rates as well as real selling rates
2. Collect shipments are shared at 50/50 / Prepaid shipments routed by the destination agent are also shared at 50/50
3. No profit share for normal prepaid shipments. The destination agent has the opportunity of profiting from local charges in this case.
4. Members may make other agreements but must be clearly stated in writing.
5. FOB costs remain with the departure partner, DDU costs remain with the destination partner.
6. As a basic rule, any losses are to be borne by the partner who generated the business.

## Rewarded Cooperation - Bonus

1. Commitment of 25 shipments shared per year in the group
2. Additional shipment receive a bonus of \$12 - It is added on a separate account
3. The bonus will not be paid to Xpert Pay account
4. You cannot claim the bonus if you are leaving the network
5. The bonus can only be deducted on the Membership fees (limit equivalent to the annual membership fee)
6. The bonus is not valid for shipment between the same company (group)
7. The shipment details (MAWB & HAWB or MB/L & HB/L) must be received within 30 days from the transport day
8. The bonus is VALID only to companies who are attending the GAM Meeting

## Official Complaints / Dismissal / Termination / Resignation

1. Any official complaints regarding Xpert-log members should be made to the Xpert-log Administration. Any official complaints regarding Xpert-log staff should be made to the Xpert-log President.
2. Xpert-log members may be dismissed at the discretion of the Xpert-log Management for non-conformity with the Xpert-log Standards, Terms and Conditions listed here etc.
3. Xpert-log members may be dismissed at the discretion of the Xpert-log Management for joining any competing project logistics network within 3 years from joining Xpert-log. In case the members do so the Xpert-log membership can be terminated with or without prior notice and any fees paid will be not refundable.

4. Xpert-log members may be dismissed at the discretion of the Xpert-log Management for refusing to quote to or work with other Xpert-log members without sufficient reason if they have never worked together.
5. Xpert-log members will be dismissed at the discretion of the Xpert-log Management for non-payment or extremely late payment (per member-to-member agreement) of non-disputed debts to other members.
6. Xpert-log members may be dismissed at the discretion of the Xpert-log Management for non-payment membership subscription fees after two official warnings.
7. Dismissal of Xpert-log members for financial reasons will be broadcast to all members for the financial protection of these members.
8. Resignation of membership will have an immediate effect if no resignation advance notice is given. Resignation of membership has to be submitted in writing at least 3 months before the official expiry date to the Commercial Director, stating the reasons of termination.
9. If any outstanding debts or invoices are owed to Xpert-log, they are to be settled in any case either according to the payment conditions or before expiry date of the membership. There are no refunds of membership dues for resignations before the official expiry date of membership.