



CPN AGENCY AGREEMENT

This Agreement covers in general the operation among CPN members and signed by CPN President on behalf of all members. Where the legislation of a country conflicts with parts of this agreement, then the legislation of such country takes precedence (e.g. Brazil).

Each agent will take care of all Airfreight and Seafreight formalities connected with Freight Forwarding in addition to the following:

- A. To receive cargo and provide all destination services for consignees. To share 50/50 Profit on Routed shipment only. No Break Bulk fee is to be charged by either party.
- B. To immediately notify consignee or their Broker, of the arrival of cargo and release documents necessary to affect Customs clearance. In the event of any problem, notify the Origin Agent immediately by Fax or Email.
- C. To collect all monies shown, "collect" on the House Bill and Invoice and remit to the Origin Agent urgently upon receipt, but **no later than 30 days after receipt of shipment**. Cargo must not be released to consignee without payment.
- D. When re-forwarding is required, transfer to onward carriers **immediately** and notify the Origin Agent **within 24 hours of receipt of cargo**.
- E. To arrange for DAP or DDP service, prior agreement for payment of duty and taxes must be obtained before clearance is affected.
- F. To send Pre-Advice on all shipments to the Destination Agent prior to shipment departure. Failure to do so can result in storage and handling charges to origin agent.
- G. The Destination Agent will recover all destination charges involved at destination, from the consignee before release of shipment. Origin Agent will not be responsible for settlement of charges incurred by agent at destination unless specifically arranged in advance. In case of dispute, origin agent must be notified immediately. Unexpected charges will be for account of principal.
- H. Shipments consigned to a bank will be notified both to final customer and bank and released only after receiving the bank's written authorization.
- I. Master Air Way Bill (MAWB) must be sent prepaid. House Air Way Bill (HAWB) will be either prepaid or collect.
Ocean Bill of Lading (OBL) can be sent either prepaid or collect at the discretion of the parties concern. Origin Agent cannot demand that OBL be sent prepaid. Destination Agent has the ultimate right to decide whether OBL must be prepaid or collect.



ACCOUNTING DETAILS

- J. Origin Agent does not authorize the Destination Agent to give credit on collect shipments, this is done solely at the discretion of the Destination Agent.
Accounting details for each location must be treated separately. All documentation, back up and invoices must be sent to the office handling the shipment. Each office is responsible for approval of invoices for shipments handled. If you provide monthly statement, this must be sent to the company's Head Office.

Payment of all Invoices must be made in full within 30 days from date of invoice. Contra Accounting is not permitted unless authorized in writing in advance. Payments must be made by Telegraphic transfer. Payer is to absorb origin bank charges and beneficiary is to absorb receiving bank charges. All invoices over 30 days are subject to 1.5% interest per month.

- K. Invoices that are outstanding for more than 30 days must be posted on the CPN confidential website. Upon payment, the payee must update the website immediately and no later than 48 hours. Failure to do so will result in financial penalty as per CPN resolutions.
- L. In the event of financial difficulties or bankruptcy of a CPN member, all monies owed to such member will be paid to CPN in trust. CPN can then pay debts owed to members.

COMMUNICATION

- M. All rate requests must be answered within 4 hours. All communications must be acknowledged and responded to with 24 hours of receipt. If the person addressed is not available, another person must reply. Failure to comply with communication will be subject to financial penalty as per CPN resolution.

SALES & MARKETING

- N. The agent endeavors in his country to promote and develop the sales of each other services. Each agent will exchange Sales Leads and Routing Orders; specify the other agent's name in Letters of Credit, Purchase Orders and Shipping Instructions and insert the other agents' name in all Waybills as notify party. This will enable each other to handle shipments without difficulties and gain additional business.

Each partner to provide a reasonable number of QUALIFIED sales leads during the course of each year. Sales Leads must be actioned and replied to within 21 days. All Sales Leads and Routing Orders must be sent in the CPN format.

- O. Each member must send to all members net buying and selling rates for: (a) air and seafreight; (b) Customs Clearance fees; (c) airport charges; (d) local delivery rates. Either party has the right to audit the net rate accordingly. These rates can be posted on the confidential section of the member's rate information on CPN website. Rates must be net/net and updated on regular basis. Expired rates, if used by any member, will have to be honoured.



TERMINATION OF MEMBERSHIP

- P. The board of directors has the right to terminate a member due to the following:
 - a) if more than 25% of the members are not working with such member
 - b) poor sales activities
 - c) slow payments
 - d) lack of communication
 The above will be subject to 2 months notice.

Q. This agreement supersedes all previous agreement and will be cancelled automatically if membership is terminated or the member becomes insolvent.

R. All business undertaken as per members National Association’s Trading Conditions. Where this is not present, all business will be governed under CIFFA Trading Conditions.

S. This Agency Agreement has been adopted at the CPN 18th Annual General Meeting in Casablanca, Morocco. It was unanimously approved by the members.

By signing of this Agreement, I _____, as the director / shareholder, agree
[PRINT NAME]

to all the terms and conditions on _____ day _____ month, _____.

Member:

.....
Print Name & Signature

.....
Ken Singh, President

.....
Title

.....
Witness

.....
Date