

ZIEGLERONE

RULES OF THE NETWORK

Ziegler One has one mission: to unite freight forwarders around the world and as members of the Network, members will enjoy an array of benefits including financial protection, building mutual commercial relationships and enjoy the highest quality of service in the international freight industry.

ZIEGLER ONE NETWORK

(Hereinafter referred to as “Ziegler One” and/or the “Network”)

Introduction:

Welcome to Ziegler One – a network built, designed, and tailored for independent freight forwarding agents.

Ziegler One has one mission: to unite freight forwarders around the world and as members of the Network, members will enjoy an array of benefits including financial protection, building mutual commercial relationships and enjoy the highest quality of service in the international freight industry.

All members of Ziegler One (hereafter referred to as “Member/s”) are required to read, understand, and accept the Network’s terms and conditions which are set out hereinbelow read together with the Network’s Code of Conduct, so as to ensure the highest standard of quality, ethics and professional behaviour.

Terms and Conditions:

1. All Ziegler One Members are carefully vetted and selected based on their reputation within the industry. In order for a membership to be considered, Members are required to provide the Network with at least 3 (three) independent references confirming a positive credit record, outstanding service quality and compliance with worldwide any-corruption and bribery laws.
2. Membership is also conditional on the agent being deemed a legitimate international freight forwarding agent. The Member must produce evidence of membership and/or registration with the likes of IATA, FIATA, local freight associations, valid customs clearing license, good standing with local VAT requirements and customs laws.
3. All Network Members will be notified when a new Member joins the Network. This is to ensure transparency and to educate fellow Members of the new Member’s business information and trading country of origin.

Ziegler One, Chaussee de Vilvorde 11, Brussels, Belgium, 1120

Phone: +32 2 422 22 47 | Email: info@zieglerone.com | Website: www.zieglerone.com

4. Members are encouraged to display the Ziegler One branding elements as provided in the membership pack and aligned with the Ziegler One Brand Guidelines in their email signatures and/or subject lines when corresponding with fellow Members so as to ensure visibility of Network Membership. If a Member is suspended or membership is terminated for any reason, the Member will be required to remove any reference to the Network from their correspondence thereafter.
5. Members will be allowed to lodge objections to other potential Members joining the Network. Such objections will be referred to the Managing Director of Ziegler One for his/her decision, which will be final. Objections must be based on reasonable and practical concerns by the Member and the Member will be required to submit proof of any adverse information in support of the objection.
6. Membership will only be active and commence once the Network receives payment in full for the invoice issued to the Member. Full payment is followed up by a membership certificate and guidance documents. Date of payment is construed as commencement date of membership.
7. Acceptance into the Network will only be considered once the Network is in receipt of the following supporting documentation:
 - 7.1 The Network's signed Code of Conduct.
 - 7.2 A signed copy of Ziegler One's Terms and Conditions (this document); and
 - 7.3 Membership contribution has been received in full and all overdue amounts if any are up to date.
8. Membership within Ziegler One may be suspended/terminated at the sole discretion of the Network's Advisory Board consisting of its primary Members on the occurrence of any one of the following events:
 - 8.1 Member does not meet its financial obligations.
 - 8.2 Member is in breach of its debt agreement with any other Network Member.
 - 8.3 Gross violation of the terms and conditions set out herein or any failure to meet the requirements of the Network's Code of Conduct.
 - 8.4 Failure by the Member to abide by the ruling of the Networks Dispute/Arbitration Committee.
 - 8.5 If the Member has been suspended twice from the Network at any given time.

- 8.6 Should termination of membership occur due to a poor financial standing or non-payment, this may be communicated by the Network to fellow Members so as to ensure the remaining Members are financially protected.

9. Membership Fees and Contributions:

9.1 Members are required to:

- 9.1.1 Pay the memberships fees within 7 (seven) days of receipt of the annual invoice from the Network.
- 9.1.2 Fees and price increases will be communicated to all Members in advance prior to any amendments being made.
- 9.1.3 Members who terminate their membership or whos' membership has been suspended or terminated by the Network will still be liable for any and all fees up to and including the date of termination, including penalties, costs, and interest, if any.
- 9.1.4 Members are not entitled to refunds for any cancellation or amendment of its membership packages.

10. MEMBERSHIP RULES

- 10.1 Within the first 12 (twelve) months of membership, Members are encouraged to refer at least 50% of new business to their fellow Members in order to create momentum and synergy within the Network and thereafter refer more than 50% of new business to its Network partners to increase mutual business within Ziegler One, if viable for such Member .
- 10.2 Members are not obliged to use only Ziegler One agents as the Network is non-exclusive however, Members trade at their own risk with non-network members and will not be entitled to claim any benefits under the Network for any claims or disputes between such agents.
- 10.3 Ziegler One Members are encouraged to attend the Network's annual conference each year.

11. In order to attend Ziegler One's conferences / meetings, the Member must be fully up to date with its membership fees and financial obligations to the Network.

12. RENEWAL AND TERMINATION

- 12.1 Renewal of membership fees each year are due within 14 (fourteen) days of presentation of invoice by the Network. Should the Member wish to terminate its Ziegler One membership, it will be required to provide the Network's administration department with at least 30 (thirty) days prior written notice of termination, however termination shall not release the Member from its financial obligations incurred prior to termination.

13. SALES AND AGENTS

- 13.1 Ziegler One does not vet or have sight of the agency agreements entered into between fellow Members and Members cannot hold Ziegler One liable for any loss, expenses or claims which arise from such agreements.
- 13.2 Members are bound by the terms of the agency agreements agreed between Members and are required to use their best judgment at all times.
- 13.3 Ziegler One members will not actively pursue or target accounts or agents which are being pursued by fellow network Members. This will apply to situations where the Member is aware or becomes aware that a fellow Member has already engaged with an account. Should a Member become aware that a fellow Member is in breach of this clause and continues to pursue one of their accounts, it shall report same in writing to info@ZieglerOne.com.
- 13.4 Members undertake to provide the best rates possible to fellow Members to encourage increased shipments.
- 13.5 Clause 13.3 will not apply to Members that have been directly approached by an agent or customer and in such case the Member will be fully entitled to quote and pursue such an account.
- 13.6 Member are also restricted from soliciting or encouraging fellow Members to join competing networks. Should Ziegler One become aware of such behaviour it reserves the right to terminate the Member's membership with immediate effect.
- 13.7 Members agree and understand that agents who are not Members of Ziegler One are not vetted and accredited by Ziegler One and therefore Members who trade with non-affiliated agents do so at their own risk and cannot rely on the protections afforded by the Network.

14. OPERATIONS

14.1 Members unequivocally agree as follows:

- 14.1.1 to abide by the quotations issued and provided to fellow Members for shipments which must be agreed in advance and in writing;
- 14.1.2 to clearly indicate the currency required for payment purposes on the quotations, failing which the default currently will be US Dollars;
- 14.1.3 to settle invoices due and payable to fellow Members as per the payment terms agreed by and between the Members in writing;
- 14.1.4 If no payment terms have been agreed, it will automatically mean that all outstanding amounts between the Members shall be settled within 30 (thirty) days of invoice;
- 14.1.5 provide each other with monthly statements;
- 14.1.6 report any and all overdue amounts to the Ziegler One administration department within 7 (seven) days once the account has become 60 (sixty) days overdue; and
- 14.1.7 failure to report overdue amounts as set out in clause 14.1.6 may result in a repudiation of future claims, if any, by the Member at the discretion of the Network's dispute resolution department, unless the Member has a valid reason for the late notice, which shall also be determined at the sole discretion of the Network's Managing Director.

- 15. All shipments (ocean or air) must be handled in such a way so as to avoid payment risks and ensure reliability.
- 16. Members will enjoy financial protection for bad debts between Members under the Network's credit insurance policy; a copy of which will be provided to the Member separately on commencement of its Membership with the Network ("the Credit Policy").
- 17. Members will only be eligible for credit cover as referred to in clause 16 if it has complied with the terms of this Agreement at all times during its membership with the Network, and such cover will be strictly regulated by the conditions set out in the Credit Policy.

18. Unless agreed otherwise in writing between the Members, profits and losses for international air and ocean freight shipments shall be split on a 50/50 basis.
19. Members are required to communicate in English where possible as this will be the global Network language.
20. Members must ensure that their emails and phones are in working order at all times.
21. Communication must always be clear and concise to ensure transparency and reliability.
22. Members are required to respond to rate requests from fellow Members within 6 (six) working hours of receipt. If rates are received at night due to time differences, the Member undertakes to respond as early as possible the following morning.
23. Any and all orders and requests from Member to Member should be clearly marked so as to ensure the receiving Member is aware that the request has been generated from a fellow Member. Subject lines should include the following: “Ziegler One Request”.
24. Should a Member be unable to assist with a request or alternatively refuses to handle a shipment, it will be required to provide the Member with sufficient and valid reasons as to why is the request is being rejected.
25. In order to create consistent, quality and professional communication within the Network, Ziegler One has developed a Network Review Portal for Members and their operational staff to share their experiences and review and rate the Services of fellow Members.

26. ARBITRATION AND DISPUTES

- 26.1 Every year, primary Members partners will be appointed to a panel of experts (“the Arbitration Panel”) that will be called upon to support the Network with any arbitration disputes requiring mediation between Members.
- 26.2 Should a dispute arise between Members, the dispute is to be dealt with internally in good faith between the Members.
- 26.3 All disputes must be kept confidential at all times.
- 26.4 The Arbitration Panel will get involved should the Members fail to resolve the dispute with 7(seven) days of the dispute being brought to the attention of the Member.
- 26.5 Should a dispute be referred to the Arbitration Panel as set out above, the Members will be obliged to provide the Arbitration Panel all relevant documentation pertaining to the dispute on written request by the Arbitration Panel.
- 26.6 All disputes including arbitration will be governed by the laws of Belgium.
- 26.7 The decision of the Arbitration Panel shall be final and binding on the Members and the Members agree to abide by such ruling at all times.
- 26.8 Members shall act in a professional and ethical manner at all times in the event of a dispute. Any public shaming or aggressive behaviour will not be tolerated by the Network and may result in suspension or expulsion of the Member and the Member shall forfeit its membership fee to the Network.

27. NETWORK INSURANCE

See Network Insurance Annexure.