

# International Freight Agency Agreement

**Albatrans Lojistik A.S.**

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Effective from the Friday, March 1, 2019

This contract is issued with two originals, one for each party. Each page of this contract will be signed with initials.

**1. PARTIES TO THE AGREEMENT**

This agency agreement is made between Albatrans Logistics Inc., established and operating under the laws of the Republic of Turkey, having a place of business at Ataturk Caddesi EGS Business Park B3 Blok No 335 / 336 Yesilkoy, Istanbul, Turkey, hereinafter referred to as Party A; and ( ..... ) hereinafter referred to as Party B.

Within the duration of this Agreement, either party shall be deemed as a non-exclusive agent of the other in countries and/or regions where the other party engaging in the agency transaction. Either party hereto may, in countries and/or regions where the other conducts agency business, appoint other agents to engage in relevant business.

Except as otherwise agreed in writing, the following terms, conditions, rates and charges apply to all parties named in Section 1, including: branches, affiliates and subsidiaries.

**2. OPERATIONAL AND GEOGRAPHICAL SCOPE OF THE AGREEMENT**

**2.1. Operational Scope**

The parties to this agreement agree to perform the following service pursuant to the terms of this agreement. Booking space, storage, customs clearance and inspection, delivery, issuing of transport documents and other relating agent service.

**2.2. Geographical Scope**

Conditions of this agreement apply from/to or between/and ports, points and places in the countries or geographical regions listed below:

Between: The Republic of Turkey & ( ..... )

**3. DURATION OF THE AGREEMENT**

This agreement shall become effective from 1 March 2019

**3.1. Terms of the Agreement**

The valid term of this Contract shall be one (1) year, which can be renewed for another year automatically if neither party informs the other party in writing one month prior to the expiration of the Contract.

**3.2. Cancellation and Termination Clause and Penalty**

**3.2.1. Termination in Writing**

Either of the contract party intending to terminate or re-negotiate the terms of this contract must do so in writing by registered mail, or courier. Notices must be tendered to the head office of the principals

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executing this contract. Revision to any part of this agreement shall be valid only upon the mutual agreement by both parties.

### **3.2.2. Notice of Termination**

This agreement may be terminated by either party giving thirty (30) days written notice to the other party. The termination notice must be tendered to the place of business of the other party for signature.

### **3.2.3. Breach of Contract Penalty**

Breach of contract shall include but is not limited to: improper termination notice, willful violation, malicious or deceptive intent and/or practice that can prove damaging to the party. The contract binding party reserves the right to demand compensation for any financial losses so caused by the contract breaching party.

### **3.2.4. Insolvency and Bankruptcy**

Either party shall have the right to terminate this agreement upon commencement of proceedings against the other party for Bankruptcy and Insolvency and to demand the other party to fulfill its obligations established prior to the termination of the contract.

## **4. SERVICE COMMITMENT**

### **4.1. General Terms and Conditions**

Except as otherwise provided, following are the general services and procedures that both parties to this contract agree:

#### **4.1.1. Scope of Agreement**

Except as otherwise provided, this freight agency agreement applies to the parties named in Section 1 here of including branch offices, affiliates and subsidiaries and applies to forwarding, transportation and logistics related services from and to points and places named in Section 2 of this agreement.

#### **4.1.2. Confidentiality Clause**

Except as otherwise provided, no party to this agreement shall reveal to any person, corporation or entity, any of the trade secrets, confidential operations, processes or dealings concerning this contract, it's parties business or financial transactions or affairs which may become available during the continuation of this contract. Each party to this contract agrees to keep with complete secrecy all confidential information that may injure or cause loss either directly or indirectly to any party of this contract.

#### **4.1.3. Cargo Control**

Except as otherwise provided, each party to this contract agrees to provide the other party with available shipment information via either facsimile or other electronic means from each gateway.

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Shipment information shall include but is not limited; Shipper/Supplier, Consignee, Port of Origin, shipment description, gross weight, dimension, intended ship date and mode of transport.

Cargo Control information shall be reported on an as needed basis but not less than twice a week. Each party further agrees to communicate possible changes in transport mode, i.e. Air to Ocean or vice versa.

#### **4.1.4. Claim Handling and Responsibility to Customers**

Except as otherwise provided, each party to this contract when acting as carrier or forwarder and is the issuer of the Forwarder's Cargo Receipt, House Airway Bill or equivalent, agrees to handle and settle all liability disputes with the cargo owner, their liability underwriters, the underlying carrier's and sub-contractors according to the terms of the applicable transport document.

Each party to this contract agrees to act responsibly and display due diligence with respect to cargo loss and/or damage. Each party further agrees to notify each other, all participating underlying carriers and sub-contractors within their own geographical area upon knowledge of said loss and damage.

Any claim shall be settled separately. Any party must not try to settle the claim by means of refusal, delay or offsetting of freight or charges.

## **4.2. Air Freight**

Except as otherwise provided, services for Air Freight shall include: consolidations as well as direct IATA shipments.

### **4.2.1. Documentation**

Documentation Flow: (Export and Import) except as otherwise provided, each party agrees to provide the other with all necessary documentation required to facilitate customs clearance of the shipment.

#### **4.2.1.1. House Airway Bills**

When acting in the capacity of an IATA air freight forwarder, each party to this contract shall issue their respective House Airway Bills / E-AWB's and any other document necessary to facilitate a shipment and as may be required by local law.

Each party to this contract agrees to make available to the other party for review a copy of the House Airway Bill including their standard terms and conditions. Each party must ensure that their House Airway Bill / E-AWB's and any other documentation complies with and are issued in accordance with local laws or authorities.

#### 4.2.1.2. Other Documentation

Each party to this contract shall keep the other party abreast of changes to and requirements for documentation including but not limited to changes in local laws, regulations and practices.

#### 4.2.1.3. Pre-Alerts and Manifests

The exporting party to this contract agrees to prepare and forward via fax or other electronic means a copy of the pre-alert and consolidation manifest by the close of business before the day of airline's scheduled departure.

#### 4.2.1.4. Original Documents Dispatch

The exporting party to this contract agrees to forward along with the consolidation or air freight shipment all original, relevant, documents including but not limited to, Master Airway Bills, House Airway Bills, Cargo Manifests and Commercial Invoices to the receiving contract party at destination via suitable method.

### **4.2.2. Liabilities, Statute and Insurance**

#### 4.2.2.1. Liabilities and Statute

This contract is governed by each party's limits of liability as stipulated in each party's House Airway Bill. Following are the acceptable statutes under which a party to this contract may refer to in their House Airway Bill; Two parties shall bear the liability for the financial losses caused by both parties' agent, branch offices, affiliates and subsidiaries within the Geographic Scope in accordance with Article 2 (2.2) acting within the scope of their employment.

- - 250 French gold francs per kilogram under the Warsaw Convention (unamended)
- - 17 Special Drawing Rights (SDRs) per kilogram under the Warsaw Convention amended by Montreal Protocol No. 4
- - 19 SDRs per kilogram under the Montreal Convention 1999
- Valuable shipments: Will be handled according to applicable IATA regulation.
- Each party shall be responsible for their own insurance coverage. However, the other party shall assist with processing claims.

#### 4.2.2.2. Insurance

Insurance stipulations shall be based upon the relevant articles on insurance coverage in the international sales agreement by the shipper/consignee. In the event that additional insurance coverage is deemed necessary on the part of the forwarding agent, negotiation shall be conducted on a case-by-case basis.

### **4.2.3. Costs and Profit Shares**

#### 4.2.3.1. Costs

Both parties agree that the following charges constitute cost:

- Air freight charged by the airline or integrator.
- Carrier's Standard Surcharges where applicable: (i.e., Fuel Surcharge or Over dimensional charge, etc., where applicable). A "Standard surcharge" will be considered any charge that is published or can be verified.
- Origin pick-up charges only when agreed to in advance, between the parties to this agreement and part of the shipment contract with the customer.
- Destination trucking or delivery fees only when agreed to in advance, and part of the shipment contract with the customer.
- Any FOB fees, additional costs or charges, only when agreed to in advance, and part of the shipment contract with the customer.

Both parties agree that the following costs will not be included and shared:

- Origin pick-up charges when not part of the shipment contract with the customer.
- Destination trucking or delivery fees only when not part of the shipment contract with the customer.
- Cargo Insurance as may be sold separately to the customer.
- FOB fees, whether prepaid or collect when not part of the shipment contract with the customer
- Any additional fee or charge when not part of the shipment contract with the customer.

#### 4.2.3.2. Profit Share

- a) Both parties agree not to charge any break-bulk fee to each other's cargo.
- b) Both parties agree to 50/50 share profit on the volume cut (for the freight going out of Turkey and/or related country) whenever possible under the condition that the freight is tender to PARTY A directly and not via any other third party.
- c) As for the freehand shipment, there is no profit- sharing between PARTY A and the agent at destination.
- d) Whenever possible on consolidation nominated by PARTY B, the profit on freight will be shared by 50/50 between both parties.

### **4.3. Ocean Freight**

#### **4.3.1. Documentation**

Documentation Flow: (Export and Import) Except as otherwise noted, each party agrees to provide the other with all necessary documentation required to facilitate customs clearance of the shipment.

##### 4.3.1.1. Bills of Lading

Except as otherwise noted, and when acting in the capacity of an Non Vessel Operating Common

Carrier, each participating party to this agreement shall issue their respective Bills of Lading and any other document necessary to facilitate a shipment and as may be required by local law.

Each party to this agreement agrees to make available to the other party for review a copy of the House Bills of Lading including their standard terms and conditions. Each party must ensure that their House Bills of Lading and any other documentation complies with and are issued in accordance with local laws or authorities.

If an express Bill of Lading is used, the terms and conditions of the carrier's regular long form bill of lading will govern it.

#### 4.3.1.2. Other Documentation

Each party to this agreement shall keep the other party abreast of changes to and requirements for documentation including but not limited to changes in local laws, regulations and practices.

#### 4.3.1.3. Pre-Alerts and Manifests

Each party to this agreement, when responsible for preparing the shipping documents, agrees to prepare and forward via fax or other electronic means a copy of the pre-alert and container manifest on the date of departure.

#### 4.3.1.4. Original Documents Dispatch

The exporting party to this agreement agrees to forward along with the consolidation all original, relevant, documents including but not limited to, Master Bills of Lading, House Bills of Lading and Cargo Manifests to the receiving agreement party at destination via suitable courier.

### **4.3.2. Liabilities, Statute and Insurance**

#### 4.3.2.1. Liabilities and Statute

This agreement is governed by each party's limits of liability as stipulated in each party's House Bills of Lading. When one of the agreement parties is acting as carrier, following are the acceptable statutes under which a party to this agreement may refer to in their House Bills of Lading; Two parties shall bear the liability for the financial losses caused by both parties' agent, branch offices, affiliates and subsidiaries within the Geographic Scope in accordance with Article 2 (2.2) acting within the scope of their employment

- Hague/Visby Rules: (Where ratified) limiting carrier's liability per package.
- Carriage of Goods by Sea Act (COGSA) governing transport between the US and Europe, limiting carrier's liability not to exceed \$ 500.00 USD per package or customary freight unit.
- Standard FIATA Terms and Conditions limiting the carrier's liability to 666.67 SDR per package or 2 SDR per kilogram whichever produces the greater revenue.

#### 4.3.2.2. Insurance

Insurance stipulations shall be based upon the relevant articles on insurance coverage in the international sales agreement by the shipper/consignee. In the event that additional insurance coverage is deemed necessary on the part of the forwarding agent, negotiation shall be conducted on a case-by-case basis.

#### **4.3.3. Costs and Profit Shares**

##### 4.3.3.1. Costs

Both parties agree that the following charges constitute cost:

- o Ocean freight charged by the steamship line or NVOCC.
- o Carrier's Standard Surcharges where applicable: (i.e., CAF / BAF /THC where applicable). A "Standard surcharge" will be considered any charge that is published or can be verified).
- o De-vanning cost and CFS charge.
- o Destination trucking or delivery fees only when agreed to in advance, and part of the voyage contract with the customer.
- o Any FOB fees, additional costs or charges, only when agreed to in advance, and part of the voyage contract with the customer.
- o Positioning Fees at the origin or destination as agreed and may be published separately from, or included as an appendix to this agreement.

Both parties agree that the following charges will not be included in the cost and profit share scheme:

- o Origin pick-up charges when not part of the voyage contract with the customer.
- o Destination trucking or delivery fees only when not part of the voyage contract with the customer.
- o Marine Cargo Insurance as may be sold separately to the customer.
- o FOB fees, whether prepaid or collect when not part of the shipment contract with the customer.

##### 4.3.3.2. Profit Shares

- a) Unless subject to be confirmed by both parties, both parties agree not to charge any break-bulk fee to each other's cargo.
- b) Both parties agree to 50/50 share profit on the volume cut whenever possible under the condition that the freight is tender to PARTY A directly and not via any other third party.

#### **4.4. Sales**

##### **4.4.1. Sales Leads**

Except as otherwise provided, each party to this contract agrees to provide the other with qualified sales leads for their respective territories.

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Each party agrees to action the sales leads, and report back the results thereto, to the party originating the sales leads within 5 working days.

**4.4.2. Mutual Sales Calls**

Except as otherwise provided, each party agrees to arrange for the other, in their respective territories mutual, quantifiable and meaningful sales calls.

A follow-up system to measure the performance of joint sales efforts shall be devised and executed in a format to be agreed by both parties to this contract.

**4.4.3. Neutral**

Both Parties are acting as a neutral party. Neither will not solicit traffic booked by other forwarders or direct customers, released through each other.

**5. BILLING AND ACCOUNT SETTLEMENT**

**5.1. Invoice and Statements**

**5.1.1. Invoices**

All invoices and credit notes must be issued in the agreed currency as set forth in term 5.2.2., and sent via electronic means.

All invoices must be booked by the receiving party without adjustment. If any discrepancy exists, a request for correction must be submitted along with a detailed explanation stating the name and amount of the disputes.

The party creating the invoice may assume that the invoice is correct if the party receiving the invoice fails to submit amendments and/or corrections to fees or charges stated in the invoice within the 5 days of shipment date.

All exchanges of invoice disputes transmitted between the participating offices must be in writing and accomplished by fax, e-mail or courier and must include a confirmed receipt or acknowledgement.

All invoices will be addressed to both parties' headquarters and will specify the operative centers where the shipments take place.

Invoicing Address of PARTY A:

Ataturk Caddesi EGS Business Park B3 Blok No 335/336 | TR34149 | Yesilkoy – Istanbul - Turkey

Invoicing Address of PARTY B:

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### **5.1.2. Statements**

Except as otherwise provided, the contract parties shall issue its Consolidation Master Air Waybill on a freight PREPAID basis only.

A monthly statement along with invoices covering airfreight charges, on-forwarding charge and/or other payments due for the period of the 1st to the end of the preceding month shall be dispatched to each other between the 5th and 8th of each following month.

On the 20th of the said month, both parties shall advise each other of the reconciliation status with reasons and supporting documents on disputed items.

### **5.1.3. Credit Limit**

The payment on credit granted by either party hereto to the other shall be USD 10,000. Where dues by either party hereto exceed the said amount, the other may discontinue operations of relevant agency business; where the party in excess of the said amount pays the relevant sum, the other party may resume operations of relevant agency business.

## **5.2. Billing Cycle, Credit, Currency and Settlement**

### **5.2.1. Billing Cycle**

Except as otherwise provided, all accounts are due and are to be settled by wire transfer in currency billed once per month, and must be at the disposal at the beneficiary's bank account on the date.

### **5.2.2. Currency**

All invoicing and crediting will be in USD. All invoices concerning import airfreight into China will be recalculated from local currency into USD by the origin country based upon the respective country's internal rate of exchange at the invoice date.

Whenever a currency adjustment factor (CAF) applies, it shall be stated on the HAWB as "CAF" with the relevant amount.

### **5.2.3. Settlement**

Financial settlement between PARTY A and PARTY B shall be conducted between PARTY B's Head Quarter and PARTY A's Head Office in Istanbul, Turkey. Remittance of payments must be made by the 30th of each month settling the prior month's activity. Each remittance must contain a detailed specification including invoice numbers covered by the remittance. Details must be forwarded no later than the first business day after remittance. Paying party shall provide the payment slip of bank to the other party's accounting/financial department by means of Fax and E-mail. All outstanding dues, if



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both parties' national rules & regulations permit, may be settled on monthly basis through direct offsetting account.

If there is any dispute about the invoices in the statement of accounting, the remittance of the payment should be made on designated date-30th of each month and just leave the disputed invoices to be settled onto next month

### 5.2.4. Late Payments and Interest

Except as otherwise provided, both parties agree that failure to make payment, for undisputed invoices, within the credit period specified in 5.2.1 above may result in interest being charged on any outstanding balance at a rate of twelve percent (12%) per annum.

### 5.2.5. Bank Fees and Charges

Except as otherwise provided, sender's bank charges are for the account of the sender and beneficiary bank charges are for the account of the beneficiary.

## 5.3. Bank Information

### 5.3.1. PARTY A

All payments for invoices issued by PARTY A, its branches or subsidiaries are to be remitted via wire transfer to the following account(s) or otherwise agreed to, in the currency agreed in clause 5.2.2 – currency

Bank Name	:	GARANTI BANK
Bank Address	:	BAKIRKOY TICARI / ISTANBUL/TURKEY
IBAN	:	TR960006200167400009008325
Branch Code	:	1674
A/C No	:	9008325
Swift Code	:	TGBATRIS1674

### 5.3.2. PARTY B

All payments for invoices issued by PARTY B, their branches or subsidiaries are to be remitted via wire transfer to the following account(s), in the currency agreed in clause 4.2.2 – currency.

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#### **5.4. Disputes**

All disputes arising between the parties in connection with this agreement shall be settled amicably with a view to fairness and equity in all the circumstances.

It is agreed that disputes to invoices and/or statements will move towards resolution in a quick and efficient manner. Each party agrees to present the dispute to management, within 30 calendar days of the dispute's occurrence and notification, if the disputes have not been resolved by the operation's staff or supervisor.

All disputes must be presented in writing and documented as to the nature and the amount claimed to be in dispute. For purposes of monitoring and calculating the 30 days to resolve disputes, all correspondence documenting a dispute must be transmitted by fax, e-mail or courier and include a confirmed receipt or acknowledgment.

All disputes, if not resolved within 30 days, shall be treated as anomalies pending for resolution and set aside from the normal settlement process. In any event, disputes shall not affect the agreed upon monthly settlement between the contracting parties.

#### **6. ADDENDUMS AND ALTERATIONS TO CONTRACT**

Except as otherwise provided, any party requesting addition(s), deletion(s) and/or amendment(s) to this contract, within the control of the contracting parties, must be submitted to the other party in writing.

#### **7. CLARIFICATION, INTERPRETATION AND RESOLUTION**

Except as otherwise provided, any clarification or interpretation of this contract shall be resolved prior to final execution of the contract.

Except as otherwise provided, both parties agree that arbitration as stipulated in Section 8 below shall be a final resort and will only apply after all methods to resolve issues have been exhausted.

#### **8. ARBITRATION**

In the event that, notwithstanding the best endeavors of both parties an amicable solution is not possible, the dispute shall be subjected to a committee of arbitration consisting of three arbiters, one appointed by PARTY A, one appointed by PARTY B and the third by the arbitration committee taking the case. Any disputes arising in connection with the agreement or any amendment thereto, including but not limited to any questions regarding existence, validity or termination, shall be finally settled under the jurisdiction and principles set forth by Istanbul, Turkey Arbitration Committee.

## **9. APPLICABLE LAW**

This agreement shall be governed by and interpreted in accordance with laws as follows:

### **9.1. Applicable law for International Air Freight Agency**

This agreement relating to the International Air Freight Agency shall comply with Convention for the Unification of Certain Rules Relating to the International Carriage by Air.

### **9.2. Applicable law for International Ocean Freight Agency**

This agreement relating to the International Ocean Freight Agency shall comply with United Nations Convention on the Carriage of goods by Sea (Hamburg Rules) and United Nations Convention on International Multimodal Transport of Goods.

## **10. FORCE MAJEURE**

Notwithstanding any other provision of this contract and to the extent that either party may fail to meet any obligations imposed by its term owing to "Force Majeure," performance of this contract shall, to that extent, be deemed to have been frustrated and no cause of action for breach or liability there under shall arise as a consequence, thereof. For the purpose hereof, the term "Force Majeure" shall mean and include, without reservation or restrictions, strikes, lockouts, or exceptional circumstances arising from the threat thereof, acts of God, States or the public enemy, including but not limited to war, restraints of Princes, riots, civil disorder and insurrection, embargo or other disruption or interference with trade, marine disaster, fire or other casualty.

Declaration of Force Majeure must be made in writing accompanied with the official endorsement from the concerned authorities (e.g., Public Notary,) and must be presented to the other party within 45 days after the circumstances causing such declaration commenced.



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SIGNATURES

IN WITNESS WHEREOF the parties hereto have executed this contract on:

Date:

Friday, March 1, 2019

PARTY A

PARTY B

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By:

Title:

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By:

Title:

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**APPENDIX A – AGENTS COMPANY PROFILE**

**Head Quarter Details**

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Albatrans Logistics Inc.  
Atatürk Caddesi | EGS Business Park  
B3 Blok No 335/336  
Yesilkoy – Istanbul – Turkey  
Tel +90 [212] 465.55.99 pbx  
Fax +90 [212] 465.55.89 pbx

**Managing Director**

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Name: A. Bahadır GÜMÜŞHAN (Mr)  
Mobile: +90(532) 721 03 03  
Tel: +90(212) 465 55 99 pbx  
Email: gumushan@albatrans.com.tr  
Fax: +90(212) 465 55 89

**Aifreight Manager**

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Name: Zeynep BEKMEZCİ (Miss)  
Tel: +90(212) 465 55 99 pbx  
Fax: +90(212) 465 55 89  
Email: pinard@albatrans.com.tr

**Accounting Contact**

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Name: İlker ÖZDOĞAN (Mr)  
Tel: +90 (212) 465 55 99 pbx  
Fax: +90 (212) 465 55 89  
Email: account@albatrans.com.tr