

SAG AGREEMENT - 2015-01

SEA & AIR GLOBAL NETWORK - SAG headquartered in Lima - Peru, founded in 2015, presents the following international agreement to all partners around the world.

All our members agree to follow our general terms & conditions, and report any violations by other members. Partners who break the rules will be expelled and replaced by the next best-qualified applicant on our waiting list for each country.

A. - GENERAL TERMS & CONDITIONS:

1) SAG NETWORK is a global alliance with a shipment obligation. SAG partners must insert shipments into the network to achieve appropriate return shipments. This is observed by annual report, SAG also have levels per year, depending number of shipments generated by your good company (consignment or nominate between SAG partners) as following SAG contribution chart:

- 10 shipments → ACTIVE member.
- 20 shipments → REGULAR active partner.
- 30 shipments → GOOD active partner.
- 40 shipments → VERY GOOD active partner.
- 50 shipments → PREMIUM active partner and discount of 25% of annual membership.
- 100 shipments → EXCELLENT active partner and discount of 50% of annual membership.

Note: Less than 10 (ten) shipments per year will exclude from SAG.

2) SAG LOGO: Our partners are enjoined to use SAG logo on letterheads, business cards, Internet appearances, in their trucks and cars showing "SAG PARTNER", is very important to display SAG logo in your emails sign.

3) MEMBERSHIP: Is legally effective after receipt of the membership fee. At the same time, partners are informed when a new member joins the network.

4) EXCLUSION OR SUSPENSION: Failure to comply with internal rules will be effect for suspension or exclusion of member of the SEA & AIR GLOBAL NETWORK (SAG), it will be evaluated in each case. SAG is entitled to terminate the partnership for specific reasons with immediate effect. Such reasons can be: extraordinary financial problems, extraordinary bad service, serious conflicts or disputes with other members that cannot be solved otherwise and would risk the reputation of the whole network, and others.

5) MEMBERS PER COUNTRY: SAG have 4 categories: PLATINUM MEMBERSHIP only ONE (1) member per country as EXCLUSIVE SAG PARTNER. GOLD MEMBERSHIP only TWO (2) members per country, SILVER MEMBERSHIP only THREE (3) members per country and CLASSIC MEMBERSHIP more than FIVE (5) members.

6) ADMINISTRATION: SAG is seriously involved in the quality of cooperation among partners. Problems about reliability or about financial issues must be reported immediately to the SAG headquarters in LIMA - PERU.

7) PAYMENT POLITY: Every member will have the right to ask for any payment in advance, SAG team will not interfere in it. The partnership invoices must be canceled in advance, at 15 or 30 days maximum, growing together all members for quickly payments, also our important reliability, SAG team will not be responsible for any pending payments between SAG members, because in this moment we have not an international insurance covering this kind of risks, for this reason we recommend to request in case of air shipment payment in advance, in case of ocean shipment payment on transit time or at arrival of goods always with OMBL's on hand, also if you have one ocean shipment with OMBL's on hand in transit and in this moment the same SAG member request an airfreight you can proceed, but before to release OMBL's at destination you must request total payment of airfreight and ocean freight. When you have collect shipment (via ocean or air) and your SAG partner at destination will collect funds for you, please, be sure to send prior to ETD vessel or flight, full data of final consignee with all collect rates, so final consignee will confirm green light to proceed to your destination SAG agent, or if is better for you, you can invoice your charges directly to final consignee and use your SAG agent as a handling company for necessary documents of shipment at destination. The most important is ensuring via the best procedure all payments between partners and avoid risks, building global reliability.

8) SALES: All requirements must be answered with priority among the members according to the following periods: 24 hours to answer air & ocean requirements and 48 hours to answer project cargo inquiries, increasing efficiency, speed and competitiveness in commercial & sales departments.

DATE: _____ **CEO SIGNATURE:** _____ **COMPANY STAMP:** _____

9) NET/NET REAL RATES: SAG partners provide only real net/net rates, each company agrees to send the best and real NET/NET rates of airlines and shipping lines in order to increase the number of sales in shipments by air, ocean and projects with best route, best offer, so it will seek to increase efficiency and speed in quotes to worldwide members.

10) STANDARD RATES: SAG members will maintain their current local charges for normal departure/arrival (EXW – FOB, DAP- DDU) of air/sea shipments (Air, FCL, LCL) in our intranet system, so all SAG members can view the rates online and make quotations without having to contact the other member. This will also diminish the chance of any unpleasant surprises and increase efficacy in your sales procedures.

11) SAG IS A NON-EXCLUSIVE NETWORK OF FORWARDING AGENTS: Members are not obliged to use only SAG-members. Each partner may continue to work with his tried and trusted agents or other associations.

12) ABOUT PROFIT SHARE BASIS: Collect shipments 50/50, Prepaid shipments routed by the destination agent are also 50/50. No profit share for normal prepaid shipments, because in this case the destination SAG partner has the opportunity of profiting from local charges in this case. Partners may make other agreements like free hand, directly invoices to consignee and others depending of specific cases, as a basic rule, any losses are to be borne by the partner who generated the business.

13) MAWB & MBL INSTRUCTIONS: The members must update their complete data with all details in order to consign MAWB & MBL and special requirements if data changes (name, address, phone number, contacts) member must immediately notify headquarters in Lima via e-mail. If in this point exist a delay, penalty or problem with the shipment, the company who not advice will be responsible, also, the agent who commits the error or fails to comply with all required data to destination country will assume full responsibility.

14) SAG NOT HAVE INSURANCE: SEA & AIR GLOBAL NETWORK (SAG) currently is NOT covered by international insurance funds for the shipments, or for protection payments between members of our network. SAG NETWORK is not responsible about pending payments between SAG members, goods loss, value loss, cargo damage, or similar between SAG partners.

15) CUSTOMS: Each company will report requirements, deadlines and mandatory documents with customs requirements for DDU and DDP for air, ocean and project cargo shipments, also, likewise always report any changes in the process of country directly or indirectly affecting the shipments.

16) OPERATIONS: The members must operate within air, ocean and inland, in addition to handling all types of project cargo, supporting complete global network for all services related to cargo agents.

17) OFFICIAL CARGO AGENT: All members must be official International Freight Forwarders, with legal documents issued by the regulator entity or customs, certifications accepted are IATA, FIATA, local association of agents, VAT registration, port or airport certificate of operations and others.

18) RANGE OF OFFICIAL SAG PARTNERS: In official certification per year your good company will apply as annual range:

CRYSTAL MEMBER	→	1 year with SAG.
STEEL MEMBER	→	2 years with SAG.
BRONZE MEMBER	→	3 years with SAG.
SILVER MEMBER	→	4 years with SAG.
GOLD MEMBER	→	5 years with SAG.
EMERALD MEMBER	→	6 years with SAG.
PLATINUM MEMBER	→	8 years with SAG.
TITANIUM MEMBER	→	10 years with SAG.
DIAMOND MEMBER	→	15 years with SAG.

19) QUALITY SERVICES: Since fastest reply between members, correct operations procedures, payments on time, SAG partners must comply with general highly quality services in order to maintain routes, customers and global traffic as multinational company.

20) ACTIVE COMMERCIAL & SALES: SAG partners commit to be active in doing commercial sales force for other SAG members.

B. - SAG COMMUNICATION RULES:

1) Placing a message to all members: please send your email to sag@sagnetwork.com with remark "Forward to all SAG partners". SAG team will resend to all members.

2) First contact with another member: please put "SAG FAMILY" in the subject-line.

3) Please keep a fair manner and a decent tone in your correspondence, even when things might not go the way they were planned before.

4) Feedback on quotations: in the rush of daily business life it has become normal manner not to reply on given proposals. But we ask our members to give appropriate feedback upon bigger inquiries e.g. general rates inquiries, specific inquiries for projects or tenders and others.

5) Be frank, be open! It's not good to keep your opinion for yourself, if something went wrong or not for your satisfaction, then say so. Improvement is a process, which can only be achieved by learning out of mistakes. This also includes your SAG HQ. of course, but please always consider the right tone.

- 6) If you are in need for an agency abroad, do not hesitate to contact SAG HQ management. Due to our intense knowledge of world commerce and our global contacts we shall be able to provide you with certain information about any market or at least start an inquiry among all members.
- 7) Disputes, queries should also be carried out in a fair manner. Please discuss any problems inside the SAG Network with us first, we will do our very best to help in solving the problem.
- 8) SAG is always open for proposals on improvement, changes of the SAG alliance and its basics. Please let us know your ideas, we are a democratic network.
- 9) SKYPE user is needed as minimum of 1 per each company in order to arrange global conference and online communication for urgent cases.

C. - ANNUAL MEMBERSHIP:

The annual SAG Network membership will be in the following categories:

- PLATINUM MEMBERSHIP** ::: **USD 790** only ONE (1) member per country as EXCLUSIVE SAG PARTNER.
- GOLD MEMBERSHIP** ::: **USD 490** only TWO (2) members per country.
- SILVER MEMBERSHIP** ::: **USD 390** only THREE (3) members per country.
- CLASSIC MEMBERSHIP** ::: **USD 290** more than FIVE (5) members per country.

- The annual fee not includes bank charges SAG Network must receive complete membership fee.
- The number of members can be different depending on the year, which will be duly informed.
- SAG reserves the right qualification, acceptance and subsequent expulsion of members according to research, evaluations and external reporting.

Signing this international agreement in 2015,



JEAN MARCO MARTINEZ | C.E.O - DIRECTOR
SEA & AIR GLOBAL NETWORK - SAG

CEO or GENERAL MANAGER'S SIGNATURE & NAME: _____

NAME AND SEAL OF THE COMPANY MEMBER: _____

COUNTRY: _____

CITY AND DATE: _____

DATE: _____ CEO SIGNATURE: _____ COMPANY STAMP: _____