



Service Agreement

MEMORANDUM OF AGREEMENT

This Agreement is made on this 30th day of January 2009 by and between: -

RK WORLDWIDE, a Company incorporated under the provisions of Companies Act, 1956, having its Registered office at 2nd cross, MG Road, Tumkur – 572102, hereinafter referred to as “**RK WORLDWIDE**” (which expression shall unless it be repugnant to the context or meaning hereof, be deemed to mean and include its successors, administrators, and assigns) **OF THE ONE PART;**
AND

M/S, a Company incorporated under the provisions of Companies Act, 1956 / a firm registered under the Partnership Act, 1932, having its Registered office/Principal Office (In case of partnership firm) . hereinafter referred to as the “**Vendor**” (which expression shall unless it be repugnant to the context or meaning hereof, be deemed to mean and include its successors, administrators, and assigns (to be used in the event of a company) partners or partner for the time being of the said firm, the survivor, survivors of them and the heirs, executors, administrators of the last surviving partner (to be used in the event of a partnership) **OF**

THE OTHER PART;

Collectively referred to as “**Parties**”.

WHEREAS:

- A. RK WORLDWIDE is in the business of International Air Express Distribution Service to various destinations world over and provides other delivery services for international shipments; subject to service updates
- B. The Vendor is engaged in the business of courier service in India and has its clientele within the territory.
- C. RK WORLDWIDE is desirous of appointing the ‘Vendor’ on Principal to Principal basis and to provide Express service to the Vendor including International Documents, International Parcels, International Heavy Weight Parcels, Jumbo Box for the territory more particularly described in **Annexure I** hereto.

Now, therefore, this Agreement is entered into by and between the Parties on the terms and conditions stipulated herein below:

1. Interpretation and Definitions

1.1 Interpretation

- a. Reference to Clauses, Exhibits and Schedules are references to the Clauses of, Exhibits and Schedules to, this Agreement.
- b. Headings to Clauses and Schedules are for convenience only and do not affect the interpretation of this Agreement.
- c. References to a statute include references to regulations, orders, notices, or codes of practice made under or pursuant to such statute, and references to a statute or regulation include references to all amendments to that statute or regulation (whether by subsequent statute or otherwise) and references to a statute or regulation passed in substitution for that statute or regulation.
- d. Words importing the singular number shall include the plural and vice versa.
- e. A reference to this Agreement or another instrument includes any variation, novation or replacement of either of them.
- f. Any obligation to not do something shall be deemed to include an obligation not to suffer, permit or cause that thing to be done. An obligation to do something shall be deemed to include an obligation to cause that thing to be done.
- g. A right conferred by this Agreement to do any act or thing shall be capable of being exercised from time to time.
- h. References to a Party are to a party of this Agreement and include that Party's successors in title and permitted assigns.
- i. Unless otherwise stated, all amounts referred to in this Agreement are denominated in Indian Rupees ("Rs.").

1.2 Definitions

For the purpose of this Agreement and its Exhibits, the following terms shall have the meanings assigned to them in this Clause.

a) **Agreement/Contract:**

Shall mean this Agreement executed by and between RK WORLDWIDE and **M/S, wherein** RK WORLDWIDE has appointed the Vendor as one of its Vendors and which appointment shall be strictly on '**PRINCIPAL TO PRINCIPAL**' basis.

b) **Banned Items:**

shall mean all items banned for carriage including those declared as banned by the governmental, regulatory or other authorities and shall also include the items described in the Domestic Reference Guide (DRG) or as intimated by RK WORLDWIDE from time to time. A copy of the DRG is annexed as Annexure "I" to this Agreement.

c) Document:

shall mean a document as defined under the Courier Imports (Clearance) Regulation, 1998 and shall mean to include any information borne on paper whether handwritten, typed, drawn copies, printed or photocopies, including bank instruments such as demand drafts, cheques or other documents or the like items as may be prescribed by RK WORLDWIDE from time to time, but excluding Banned Items, Restricted Items and Dangerous Goods.

d) Dangerous Goods:

shall mean any item which is classified/declared so as dangerous by governmental regulatory or other authorities and shall also include such items described in the DRG or as intimated by RK WORLDWIDE from time to time.

e) Government Authority:

Shall mean and include all statutory authorities.

f) Non-Document:

Shall mean any item other than the Document but does not include Banned Items, Restricted Items or Dangerous Goods.

g) Package:

Shall mean any Document or Non-Document and shall include an envelope, packet, bag, wrapper or container to be shipped as a single unit.

h) Restricted Goods:

Shall mean goods which are classified as restricted for carriage by the governmental, regulatory or other authorities or RK WORLDWIDE from time to time.

g) Reference Guides (Service Directory)

shall mean the Domestic Reference Guide (the DRG) as published by RK WORLDWIDE from time to time and shall include the Service Reference Guide (the SRG) in relation to the international shipments.

h) Services:

Means those services as set out in the terms of this Agreement and any additional services as may be agreed in writing by and between the parties from time to time.

i) Shipment:

Shall mean all Packages/Documents moving on a single airway bill.

J) Undeliverable Shipment:

A shipment where the RK WORLDWIDE facility holding the shipment has exhausted all reasonable means to attempt delivery, and for which no further delivery attempts will be made.

k) Term:

Shall mean the terms as set out in Clause 29.

l) Territory:

Shall mean the geographical area with specified pin-code locations in which the Vendor operates as a Courier Agency. The list of the locations, which comprise the Territory, is enclosed herewith as **Annexure - II**.

m) Transfer Point :

Shall mean the designated place at which the Vendor will tender shipments to RK WORLDWIDE for onward carriage/movement

n) Air Waybill:

Shall mean a non-negotiable document which accompanies the Shipment from origin to destination and is the agreement for the carriage of the shipment.

2. Scope

- a. Subject to provisions of this Agreement and during its term, the Vendor appoints RK WORLDWIDE on 'Principal to Principal' basis to provide Express Service and RK WORLDWIDE accepts the appointment, as specified in this Agreement subject to the terms and conditions as mentioned hereafter in this Agreement:
- b. The Vendor shall pickup material from segments mutually agreed upon. The Vendor is required to submit its current list of customers, which should be signed by both parties initially and thereafter updated monthly basis. In case of customers whose revenue is greater than Rupees 1 lakh per month, then RK WORLDWIDE reserves the right to approach the customer directly with prior intimation to the Vendors.
- c. RK WORLDWIDE is hereby appointed as the Exclusive International Express Service Provider of shipments booked by the Vendor, and agree to procure the RK WORLDWIDE Express Network transport on all pre-paid international document and package shipments originating from the location(s), which parties may, from time to time agree and clear and deliver such express shipments to all final destinations. .
- d. Vendor shall not use any other competition network for International transportation within/outside India. All the shipments/materials shall be routed through RK WORLDWIDE. The Vendor shall not carry on any business in association with any person, which directly or indirectly competes with the RK WORLDWIDE businesses without the express permission in writing from RK WORLDWIDE. The obligations of the Vendor and RK WORLDWIDE contained herein shall be subsisting and valid during the term of this Agreement.
- e. Vendor shall at all times ensure that Banned Items/goods, Restricted Items and Dangerous Goods are not allowed to enter RK WORLDWIDE network.

3. Obligations of the Vendor

During the term of this Agreement:

- a. The Vendor shall at all times ensure that the RK WORLDWIDE Logo and/or Trademark/s and/ or Copyright (IPR's) is not promoted in any way by the Vendor

or its/their customers or affiliates in within India or any country without a written permission from RK WORLDWIDE.

- b. Neither party shall without the consent of the other in each instance utilize the name or any trademark (registered or not) of the other in connection with the sale or provision of the services contemplated hereunder. It is understood that breaches in this will immediately terminate the business association with RK WORLDWIDE EXPRESS (INDIA) PRIVATE LIMITED.
- c. No official form of communication or correspondence from RK WORLDWIDE shall be exchanged or handed over to any third party in the any COUNTRY or overseas.
- d. Split Business / split Accounts: The preferential tariff that has been supplied by RK WORLDWIDE to the Vendor for provision of air express services offered on the understanding that tariff is NEVER used to sell against RK WORLDWIDE in any country, where we enjoy existing business relationship/ business. When this is seen to happen, RK WORLDWIDE would withdraw the preferential rates provided to the Vendors for that specific customer/business and / or terminate this agreement and the business association between the Vendor and RK WORLDWIDE EXPRESS (INDIA) PRIVATE LIMITED.
- e. The Vendor shall consult with RK WORLDWIDE about any advertising of the services as contemplated hereunder and shall abide by RK WORLDWIDE's requirements in respect of any such advertising.

4. Handling, Packaging and Documentation

The Vendor shall, at its own cost:

- a. Screen all consignments in accordance with accepted safety and security procedures and norms as mentioned in this Agreement;
- b. Obtain from the sender/consignor any required waiver of liability or payment for insurance;
- c. Collect all required information relating to each shipment;
- d. Complete the Air Waybills provided by RK WORLDWIDE accurately with all relevant information filled in, vis-a-vis,
 - i. Accurate sender / consignee addresses, commodity description, to clearly mark RK WORLDWIDE service requirement – DOX/WPX/Jumbo Box/Junior Jumbo Box /Frt (Freight) or if other, visibly on the space provided on the RK WORLDWIDE Air Waybill. Number of pieces, dimensions, weight of shipment, description of the shipment, signature of the person handing over the shipment(s), time of handing over the shipment and date.
 - ii. Attach the labels or Air Waybill produced by RK WORLDWIDE to the relevant consignments
 - iii. Attach identifying stickers/tapes/labels for multiple piece shipments.
 - iii. Forward the consignments to the RK WORLDWIDE transfer point as per this agreement.

- iv. Provide accurate dimensions and weight of all consignments handed over to RK WORLDWIDE and provide all required transit documentation (certificate of origin / Phyto-sanitary certificates / Legalized paperwork / Certificate of Origin, etc) and the Vendor shall be responsible for the correct and complete performance for all of the above-mentioned requirement.

5. The Vendor Warrants to RK WORLDWIDE that:

- a. All shipments shall be fully and accurately described and shall be accompanied by a completed Air Waybill and the required documentation for customs purposes (export and import).
- b. All shipments handed over to RK WORLDWIDE shall be invoiced as per its authentic commercial value. The Vendor, under no circumstance, to be part of any attempt by themselves or a third party to undervalue any consignment.
- c. All shipments shall be packed and loaded so as to ensure safe transportation by ordinary handling and delivering to RK WORLDWIDE.
- d. All shipments handed over to RK WORLDWIDE for transportation will be reflected on the manifest of shipments prepared by the Vendor through SPS that will be tallied against the actual number of shipments that are handed over at any given time. The Vendor will ensure that they receive a signed copy of the shipment manifest from the RK WORLDWIDE courier prior to dispatch.
- e. No shipment shall be tendered by Vendor which cannot be transported in accordance with applicable laws and regulations unless the same have been declared to RK WORLDWIDE and made the subject of a specific waiver or agreement.
- f. For security reasons, the Vendor shall inform to RK WORLDWIDE of any shipment with a value exceeding US\$ 1000 / INR 50,000/- , whichever is less, in case of samples and US\$500 / INR 25,000/- , whichever is less, for gifts prior to dispatch.
- g. All services are provided to Vendor upon the standard RK WORLDWIDE Terms and conditions, a copy of which is attached in **Exhibit 1**, which are deemed to be incorporated in this agreement. RK WORLDWIDE shall not be bound by any agreement purporting to vary these Terms and Conditions.
- h. Specifically, no IATA classified dangerous (DGR) or valuable goods and no hazardous materials, firearms, military devices or parts thereof, illegal drugs or narcotics, precious stones, jewelry, local/foreign currency, negotiable instruments, plants, animals or other similar goods normally excluded by the RK WORLDWIDE Service Directory or by law or which are subject to special handling or marking requirements shall be tendered for carriage, irrespective of the RK WORLDWIDE service (DOX, WPX, Jumbo Box, Junior Jumbo Box , etc). The Vendor shall be held completely liable for any action and or costs resulting from the correctness or not of all information provided by the shipper on the RK WORLDWIDE airway bill or commercial invoice.

- i. RK WORLDWIDE has the right to cause any articles, which in RK WORLDWIDE's reasonable opinion cannot be transported safely or legally to be rejected and returned to the Vendor. Such right of rejection shall not relieve the Vendor of, or impose on RK WORLDWIDE any responsibility for, the proper preparation, protection, packing and marking of items of shipments nor shall it relieve the Vendor of, or impose on RK WORLDWIDE, responsibilities or arising from the nature or any defect in the item of shipment or failure to declare the true value thereof.
- j. The Vendor hereby authorizes RK WORLDWIDE with a power of sub-delegation for the preparation and completion of all documentation required in transit of all shipments other than the documentation to be provided by the Vendor under section 4.4 above. The Vendor on behalf of itself and the shipper hereby authorizes RK WORLDWIDE to conduct customs clearance and entry and certifies RK WORLDWIDE as the consignee solely for the purpose of designating a customs broker to perform customs clearance and entry. In the event that a consignee refuses the acceptance of a shipment, RK WORLDWIDE shall have the right to return such shipment to the respective origin at the costs and risk of the Vendor.

5A In the event there is breach of any of the warranties by the Vendor as stated in Clause 5 above, RK WORLDWIDE shall be entitled, without prejudice to all other rights it may have in this regard, to impose penalty on the Vendor as under:

- i) if the breach results in interception of shipments by RK WORLDWIDE or any Government authorities, the amount of penalty shall be up to Rs.5000
- ii) if such breach recurs then the amount of penalty shall be up to Rs.20,000 for every subsequent breach

RK WORLDWIDE shall inform the Vendor about the breach in writing and also informing the amount of penalty, which shall be paid by the Vendor to RK WORLDWIDE without protest or demur.

Further, where it is found that the Vendor has not ensured safety, security or inspection of the shipment before tendering any shipment to RK WORLDWIDE; or upon tendering the shipment it is found that it contains narcotics, explosives or other prohibited items, such instance shall be treated as a material breach of this Agreement and RK WORLDWIDE shall be entitled, without prejudice to all other rights it may have in this regard, to terminate this Agreement forthwith as per provisions of clause no 30.2 (c) and/or 30.3.

6. Return to Origin (RTO) Shipments:

Shipment where the RK WORLDWIDE facility holding the shipment has exhausted all reasonable means to attempt delivery, and for which no further delivery attempts will be made. Shipments are returned to origin which are undelivered for reasons as follows:

- a. The receiver shown on the Air Waybill refuses to accept the shipment
- b. The receiver shown on the Air Waybill refuses to accept liability for
 - i. the charges.

- c. The receiver has moved from the address shown on the Air Waybill
 - i. and cannot be located.
- d. The address that is shown on the Air Waybill is incomplete or incorrect and the origin cannot contact the shipper to obtain a correct delivery address.
- e. The consignee refuses to provide documentations required by the destination customs authorities, to facilitate the clearance from the customs.

7. **RTO Procedures:**

Options:

- a. Return to Sender
- b. Redirect to an alternate address
- c. Abandon
- d. Return To Sender

If **RK WORLDWIDE** is responsible for the undeliverable shipment and they do not fall under the reasons covered in section 7, the shipment will be returned to the Vendor, under a new Air Waybill, free of charge. All transport costs and extra charges associated with returning the shipment will be absorbed by the RK WORLDWIDE facility holding the undeliverable shipment.

If the Vendor or its customer or the consignee is responsible for the shipment being undeliverable, RK WORLDWIDE will return the shipment under a new Air Waybill to the Vendor as a Transport Collect Payer controlled shipment. RTO charges will be based on the existing Import Express standard tariff rates at the origin. Where destination duties and taxes have been incurred, these will be charged back to the Vendor.

RK WORLDWIDE will not be in a position to 'hold' or return shipments in transit for any reason, for the explicit purposes of resolving any dispute between the Vendor and their customers or business associates.

If the Vendor or its customer or the consignee is responsible for the shipment being undeliverable, RK WORLDWIDE can redirect the shipment, under a new Air Waybill:

- To either an alternative domestic address (at destination) free of charge;
- Or an alternative international address using the Consignee's Import Express account number established at original shipment origin. Where the Consignee's Import Express account number is **not established** at original shipment origin, the shipment will be redirected to the alternative international address as a Transport Collect Payer Controlled to the consignee and the charges based on existing Import Express standard tariff of the importing country will be borne by the consignee. Where destination duties and taxes has been incurred and the consignee refuses to accept these charges or the shipment, the shipment shall be returned to origin and all the charges of RTO and duties etc. shall be charged back to the Vendor.

8. **Abandon**

When the Vendor elects to abandon the shipment, the shipment will be disposed of/destroyed at RK WORLDWIDE's discretion. In this case, the Vendor still remains liable for the transport costs and extra charges if the shipment is undeliverable due to reasons caused by the Vendor or its customer or the consignee.

Where RK WORLDWIDE is providing air express services to a customer in any country (Domestic and/or International Markets) and the Vendor is invited to offer its Services and Vendors to follow the procedures as under:

- a. Vendor to inform RK WORLDWIDE in writing of the customer concerned.
- b. Only offer the **current RK WORLDWIDE outbound tariff** rates to the customer directly for the provision of air express services

9. RK WORLDWIDE Air Waybill Stock

The Vendor shall be responsible to keep the stock/s of RK WORLDWIDE Air Waybills/RK WORLDWIDE Air-waybill numbers supplied to them under safe custody. The Vendors shall be solely responsible for each and every Air Waybill supplied by RK WORLDWIDE. Any misuse of the Air Waybill by the Vendor or its employee or its agents shall make the Vendor liable. RK WORLDWIDE shall not be responsible or liable for misuse of the Air Waybills by any third party or agent, due to negligence on part of the Vendor. The Vendor shall be required to keep the records of each and every Air Waybill supplied by RK WORLDWIDE and shall produce the same as and when requested by RK WORLDWIDE during the term of this Agreement.

10. Cut off times

Vendor agrees to book their shipments at the RK WORLDWIDE transfer point within the agreed daily cut off times as intimated. RK WORLDWIDE shall not be responsible for not uplifting shipments that were brought in after the agreed Cut off time.

11. Data File Transfers

Vendor agrees to upload the daily manifest data files on to the RK WORLDWIDE system that is provided. In the event of a link failure, the Vendor agrees to take back up copies of the stored data on to disc and deliver the disc to RK WORLDWIDE well before the agreed daily cut off. It is understood that shipments received in the RK WORLDWIDE facility without accompanying data files/manifests will not be uplifted or connected by RK WORLDWIDE.

12. Manifesting

Vendor accepts responsibility for providing the accuracy in manifesting shipments. It is understood that RK WORLDWIDE shall not be held responsible or liable for shipments that are delayed due to negligence on the part of the Vendor with regards inadequate or incomplete documentation etc.

13. Manifest copies

Vendor agrees to provide RK WORLDWIDE with a daily manifest(s) of all shipments before bringing it to the transfer point. The Vendor shall be responsible for the accuracy of the manifest and will ensure that the manifest is checked and tallied against the number of shipments actually delivered to RK WORLDWIDE for dispatch.

14. Inspection of shipments

RK WORLDWIDE reserves the right to inspect any or all shipments given to RK WORLDWIDE by the Vendor. If the inspection reveals discrepancies in weight, packing, contents of the shipment, number of pieces, item description of the shipment, mismatch in contents of the shipment with proforma invoice, cash or jewelry or any item not suitable for shipment as per IATA and or the RK WORLDWIDE service directory, the same will be returned to the Vendor.

15. Chargeable Weight:

All shipments shall be charged as per the actual weight or volumetric weight, whichever is higher. The Vendor shall be responsible for the accuracy of the weights and dimensions mentioned on the RK WORLDWIDE's Air Waybill at the time of handing over shipments to RK WORLDWIDE. RK WORLDWIDE has every right to re-weigh and re-calculate the weight and chargeable weight of the said shipments. In case of any discrepancy in the figures declared, a weight change notification will be forwarded on the same day to and shipment will be charged as per the corrected figures.

RK WORLDWIDE shall not be in a position to change the weight of any consignment after having exchanged a weight change notification and having arrived at the correct weight/volume, by both parties. Unless otherwise specified in writing by the Vendor, all shipments handed over to RK WORLDWIDE will be forwarded and charged as above.

16. RK WORLDWIDE Air Waybills, Trademarks, Advertising:

Vendor warrants to RK WORLDWIDE that:

- a. RK WORLDWIDE Air Waybill stock or Air Waybill numbers supplied to them in the country, shall not be shipped to any overseas destination for utilization by any third party or agent of Vendor. It is expressly understood that, failure to comply with the terms and conditions as under this agreement , shall severely affect the relationship between RK WORLDWIDE and Vendor and the same will be termed as breach of agreement
- b. The RK WORLDWIDE Logo and/or Trademarks and/or Copyright are not to be promoted in any way by the Vendor or its agents or its employee or its customers or affiliates in any country without a written permission from RK WORLDWIDE. Neither party will without the consent of the other in each instance utilize the name or any trademark (registered or not) of the other in connection with the sale or provision of the services contemplated hereunder. It is understood that breaches in this shall immediately terminate the business association with RK WORLDWIDE EXPRESS (INDIA) PRIVATE LIMITED and this Agreement shall stand terminated.
- c. No official form of communication or correspondence from RK WORLDWIDE shall be exchanged or handed over to any third party in the country or overseas.
- d. Each party will consult with the other about any advertising of the services contemplated hereunder and will abide by the other party's requirements in respect of such advertising.

17. The Easy Ship System

System Installation and support RK WORLDWIDE agrees to install the SPS System and agrees, at its expense, to repair and maintain the system during the term of this

agreement. All repair and maintenance services will be carried out during RK WORLDWIDE's standard business hours. The Vendor agrees to provide RK WORLDWIDE with reasonable access to the equipment at its premises during the above standard business hours for repair and maintenance services.

18. Proprietary rights and Confidentiality

Vendor acknowledges and agrees that the system and all related technical data constitute information proprietary to RK WORLDWIDE. Vendor will take no action inconsistent with RK WORLDWIDE's rights, including without limitation, the duplication or imitation of the system or software components in the whole or in part and derivation of the software source code by reverse engineering or de compiling. Vendor will exercise all reasonable efforts to protect RK WORLDWIDE's proprietary rights therein.

19. Confidentiality

Vendor shall hold in confidence and shall not disseminate to any third party any RK WORLDWIDE confidential (defined as all printed or electronic materials, prototypes, samples, and or other materials supplied by RK WORLDWIDE. The Vendor shall instruct all employees or agents (local and overseas) to comply with the above confidentiality requirements.

- a. Vendor shall ensure that all material to be carried by RK WORLDWIDE is brought to the designated premises of RK WORLDWIDE with proper documentation by the specified by the cut-off time for each day. All envelopes/packages may be opened by RK WORLDWIDE at its sole discretion prior to acceptance of the shipment/documents for onward carriage / movement.
- b. The Vendor shall engage and deploy its own workforce for picking up the material/shipments/documents and the entire workforce engaged and deployed shall work under the direct administrative and managerial control of the Vendor. The Vendor shall be the employer in respect of the workforce engaged for picking up the material from its customers or other commercial establishments and as such the Vendor shall be entitled to appoint or remove its workforce. It shall be the exclusive liability of the Vendor to pay the wages of the workmen engaged by him. The relationship between the Vendor and RK WORLDWIDE shall have absolutely no liability of any nature whatsoever in respect of employees engaged by the Vendor.
- c. The Vendor alone shall be liable to comply with all the statutory enactment that may be applicable to him, including that of Employees Provident Fund and Miscellaneous Provisions Act, Minimum Wages Act, Payment of Bonus Act, Payment of Gratuity Act or any other enactment that may be applicable to the Vendor. No liability arising out of any such statutory enactment shall be enforceable against RK WORLDWIDE. In case the Vendor commits any breach of such statutory enactment, the Vendor alone shall be liable for the penal consequences or prosecution while no such prosecution would lie against RK WORLDWIDE.
- d. Vendor shall provide RK WORLDWIDE with complete and detailed monthly reports relating to Sales. The report shall be submitted to RK WORLDWIDE by 10th of every month consisting of the following:

- i. Number of shipments booked;

- ii. Revenue generated;
 - iii. List with address, contact person, Telephone No. and Fax No. Of the clients added in the month.
- e. Vendor shall render such incidental/additional services in furtherance of its obligations created by this Agreement, as RK WORLDWIDE may reasonably request.
- f. Vendor's customers shall not interact with RK WORLDWIDE, but interact only with the Vendor. Vendor shall invest in computer hardware; the configuration of which will be provided by RK WORLDWIDE as and when need arises.

20. Obligations of RK WORLDWIDE

During the term of this Agreement:

- a. RK WORLDWIDE shall provide information on shipments through Customer Services Department.
- b. RK WORLDWIDE shall provide necessary software and training to the employees of Vendor, if required RK WORLDWIDE may charge the Vendor for such services.

21. Pricing & Compensation

- a. **Emergency Situations:**
 - i. RK WORLDWIDE reserves the right to make emergency surcharges to recover costs associated with temporary situations which could not be reasonably anticipated at the commencement of the Local Agreement. All such surcharges will apply in addition to negotiated rates and will be identified separately. RK WORLDWIDE reserves the right to change its prices from time to time. In case of any price revisions, RK WORLDWIDE will provide a 15 days' notice period before the new price comes into effect.
- b. The Vendor will book the shipments using their own airway bill, since Privity of contract exists between the Vendors and their customers.
- c. The Vendor may inform its customers that their package would be onward transmitted through RK WORLDWIDE.
- d. When the Vendor books the shipment with RK WORLDWIDE the conditions specified on the reverse of RK WORLDWIDE's Airway bill will apply to RK WORLDWIDE and the Vendor.
- e. RK WORLDWIDE shall provide the Vendor with pre-printed airway bills based on the request of the Vendor. Vendor shall use only pre-printed airway bills of RK WORLDWIDE for handing over shipments to RK WORLDWIDE at the transfer Point. The Vendor shall not, at any cost, use such airway bills to book shipments from his customer. Vendor shall maintain an inventory of these airway bills and also maintain an airway bill inventory report along with all copies of damaged Airway bills, if any.

- f. Vendor shall submit the Airway bill and Packaging material's inventory report every fortnight/month to RK WORLDWIDE before asking for fresh supplies.
- g. Vendor shall make the payment to RK WORLDWIDE within 25th days from the date of invoice from RK WORLDWIDE. Any delay in settlement would attract interest @ 24% per annum. It is strictly agreed hereby that any delay in payment of the invoice amount beyond the due date, even by a day, would entitle RK WORLDWIDE to stop business with the Vendor forthwith without giving any special notice in this regard. Such failure to pay within the agreed time frame may invite action from RK WORLDWIDE in the form of encashment of Bank Guarantee provided by the Vendor/forfeiture of deposit made by the Vendor without prejudice to any of RK WORLDWIDE rights
- h. RK WORLDWIDE may, at its discretion, give to Vendor such discounts as may be mutually agreed between the Parties on all or any of the shipments booked through RK WORLDWIDE. The word tariff referred to the above would mean tariff rates as specified in the tariff card issued by RK WORLDWIDE from time to time. The tariff shall always be exclusive of service tax, surcharge or any other applicable tax and accordingly all taxes shall be excluded while arriving at discount payable to the Vendor.
- i. Vendor shall collect from its customers and pay to the government authority service tax or any other applicable tax. The Vendor is liable to produce to RK WORLDWIDE proof of having registered with the Service Tax Authority. In the absence of the same, RK WORLDWIDE would apply the service tax on the gross bill value invoiced to the Vendor and the Vendor would be obliged to pay the same to RK WORLDWIDE.
- j. Vendor will initially provide an irrevocable bank guarantee in favour of RK WORLDWIDE for an amount of Rs.2,00,000/- EQUIVALENT TO ONE MONTH'S BILLING> (Rupees Two lacs only) The limit of the bank guarantee will be reviewed every quarter or at such shorter frequencies as RK WORLDWIDE may decide and Vendor shall furnish additional bank guarantee / Security Deposit to cover the increasing business. RK WORLDWIDE shall have the sole right to invoke the bank guarantee / forfeit the deposit as stated under clause 22.
- k. This pricing proposal is based on an average monthly billing of Rs.1,00,000/- lacs. Vendor has agreed that they will reach this level at the earliest. In the interim period the minimum billing each month shall be Rs.1,00,000/-.

22. Payment of Invoices

Vendor agrees to settle all monies outstanding to RK WORLDWIDE within the agreed terms of credit i.e., 25 days from date of invoice. Each weekly invoice should be paid in full within 25 days from the date of invoice. Any default in payment will immediately invite action from RK WORLDWIDE in the form of encashment of bank guarantee provided by the Vendor /forfeiture of deposit made by the Vendor without prejudice to any RK WORLDWIDE rights. The Vendor agrees not to deduct any amounts from invoices raised by RK WORLDWIDE Worldwide Express, from the weekly RK WORLDWIDE invoices to Vendor. The settlement of invoices should be independent of each other. Any deductions from our invoices are to be supported with appropriate documentation showing credibility to the deduction, approved by RK WORLDWIDE.

a. Discrepancies on invoices

Discrepancies (if any) found on the RK WORLDWIDE invoice should be brought to the attention of the RK WORLDWIDE accounts department within 2 weeks (or earlier) of receipt of the invoice.

b. Supporting documentation

RK WORLDWIDE shall provide the Vendor with any supporting documentation/receipts that may be requested by the Vendor prior to settling the invoices. However, any such requests for additional supporting documentation or receipts should be made within 3 weeks of receiving the RK WORLDWIDE invoice.

23. Liabilities and Claims

- a. The Liability of RK WORLDWIDE towards the Vendor in case of delayed deliveries or lost shipment would be as per the terms and conditions set out on the reverse of the shipper's copy of Airway Bill. RK WORLDWIDE will not be responsible for any claim raised by any customer of the Vendor on the latter.
- b. RK WORLDWIDE shall not be responsible for any delay due to customs checking at origin / enroute / destination or Airlines delay, hence no claim shall be entertained for such delays.
- c. The claim in written form, if any, shall be filed by the Vendor within 30 days from the date of booking of the consignment or else it shall not be considered for investigation nor any claim paid.
- d. No compensation shall be paid for the packets, which are swapped. It shall be Vendor's responsibility to appoint adequate manpower for the purpose of giving load at RK WORLDWIDE booking centers.

24. Insurance

It is expressly understood and agreed by the Vendor that RK WORLDWIDE do not offer and not be required to insure any item subcontracted by VENDOR for carriage by RK WORLDWIDE.

25. Force Majeure

Except as expressly otherwise provided herein, each party hereto will be excused from performance under the agreement by other during the period of any event of force majeure, including but not limited to, acts of God, Weather, lack of fuel availability, riots or civil commotion, strikes or labour stoppage, maintenance delays due to RK WORLDWIDE's inability despite its due diligence, curfews or other operational restrictions imposed by air ports or local govt. authorities, or any other cause which is beyond the control of either party and which prevents either party from performing this agreement. The party so affected shall give to the other, prompt notice if any such event of force majeure and shall use its best efforts to minimize the extent and effect of such event.

26. Claim Procedures - Mutual Indemnities

- a. Subject to and within any limitations and liabilities applicable to the shipment by virtue of the airway bill covering the shipment or otherwise pursuant to this

agreement, either party agrees to hold harmless and indemnify to the other, and other contractor / agents and their officers, partners, directors and employees from and against all payments of money (whether or not such payments exceeds the parties revenue from such shipment) by reason of all claims, demands, cost expenses and liability arising from or in connection with the loss, damages or delay of the shipment incurred while under the control or in custody of or being transported by, such party, irrespective of the legal basis on which such claim or liability might be based.

- b. Claims resulting from loss of, or damage to, delay of, pilferage and theft, or destruction of shipment, shall be the responsibility of, and shall be administered by the party to which the shipper or consignee presents the initial notice of a claim. The claim receiver shall provide a copy of the claim to the other party. Upon the request of the claim receiver, the other party shall provide its opinion of the cause of the claim and disclose all facts and records regarding the shipment.
- c. The claim receiver will, based on the facts, and the record determine the validity for the claims in case of a lost shipment.
- d. The amount of claim shall then be settled as per the terms set out in Clause 6 of the Terms & Conditions of the Air Waybill.

27. Vendor's undertaking

- a. Vendor shall advertise only after seeking prior written permission of RK WORLDWIDE. No display of RK WORLDWIDE signboard or insignia at premises, letterheads, visiting cards, or stationery will be done without prior written permission of RK WORLDWIDE.
- b. Vendor undertakes the following:
 - i. 27.2.a . Not to carry loads of competition;
 - ii. 27.2.b. Not to carry on competing business;
 - iii. 27.2.c. Ensure compliance with all legislation and statutory requirements thereunder prevalent in the country;
 - iv. 27.2.d. Do not act in a manner detrimental to the interest of RK WORLDWIDE;
 - v. 27.2.e. Not to use RK WORLDWIDE brand without specific written permission of RK WORLDWIDE;
 - vi. 27.2.f. If and whenever there is a change in the constitution of the firm, it shall be communicated to RK WORLDWIDE in writing.
 - vii. 27.2.g. Vendor shall not approach RK WORLDWIDE Customer: It is set out that Vendor or their agents are strictly forbidden from approaching RK WORLDWIDE customer.

If RK WORLDWIDE customer gives shipment to Vendor, without disclosing that he is RK WORLDWIDE customer, on knowing the same, Vendor should advise RK WORLDWIDE and stop accepting such shipments from the RK WORLDWIDE customer.

If repeated pick-up despite knowing that the customer is already using RK WORLDWIDE services, RK WORLDWIDE may forfeit the Deposit/enforce the Guarantee/impose the penalty of Rs.25,000/- or more, as it may deem fit, for each of such customer per month .

28. Non-Solicitation:

- a. The Parties recognize that existing customer databases are a valuable assets in the nature of business activity they are engaged in. Accordingly, subject to applicable laws, Vendor agrees to non-solicitation of RK WORLDWIDE's customer base for services as the same is composed as of July 1, 2003 and thereafter during the term of this Agreement. For the purposes hereof, Vendor shall submit to RK WORLDWIDE, on a confidential basis, its list of customers undertaking international consignments, and other than (i) those parties to whom RK WORLDWIDE is providing Network Services as at the date of receiving a list and (ii) an inactive customer (as agreed between the Parties), these Vendors customers shall be subject to non-solicitation. Failure to comply with the provisions of this clause shall require the Vendor to pay to RK WORLDWIDE a finding fee of Rs. 10,000/- per customer.
- b. 28.2. Both Parties shall determine protocols to ensure that their respective consolidators, affiliates and agents within the Territory do not use Confidential Information of either Party, which may breach the above non-solicitation obligations.
- c. 28.3. Neither Party shall seek to recruit the other Party's employees, nor unless otherwise agreed by the Parties, neither Party shall employ any ex-employees of the other Party unless such employee has resigned voluntarily from a Party more than 6 months prior to the date she/he commences employment with the other Party. Failure to comply with the Provisions of this clause shall require the offending Party to pay to the other Party a finding fee for such employee equivalent to 6 months' salary of such employee. Recovery of the finding fee shall be without prejudice to any other remedy available under this Agreement or under law to aggrieved Party.

29. Term of the Agreement

This Agreement shall commence on January month 29th day, 2009 and shall have an initial term of 12 months from that date unless terminated in accordance with Clause 29. Prior to the expiry of the term, RK WORLDWIDE may at its option and discretion extend the term upon such terms and conditions, as it may deem fit and proper under the circumstances.

30. Termination of the Agreement

30.1 Either party may terminate this Agreement at any time for any reason whatsoever by giving the other party not less than 30 days written notice of termination

Either party (Non-defaulting Party) may terminate this agreement forthwith by written notice effective immediately under the following circumstances:

- a) Any change in the constitution or ownership of the Other Party which materially affects its ability to perform obligations.
- b) Any extraordinary arrangement by the Defaulting Party with its creditors generally, any act of bankruptcy, liquidation or winding-up, any execution or distress levied upon any of the assets of the Defaulting Party, or its inability to pay its debts, including its debts under this Agreement, as they fall due;
- c) Defaulting Party commits any act considered by Non-Defaulting Party to be detrimental to its reputation or interest.

RK WORLDWIDE may terminate this Agreement forthwith by written notice effective immediately if during the term of this agreement, the Vendor gets into a similar type of business with any other party or in the event of any breach of the Representations, warranties and/or material obligations on the part of the Vendor or if the Vendor without the consent of RK WORLDWIDE directly or indirectly merges, amalgamates or joins with, or comes under the direct or indirect control or direction of, any other person or entity.

In the event of any breach of any obligations on the part of the Vendor, RK WORLDWIDE may give fifteen (15) days' notice to the Vendor for rectifying the breach. In the event Vendor continues to be in breach of any of its material obligations despite fifteen (15) days' notice in this regard RK WORLDWIDE may terminate this Agreement and such termination shall be effective forthwith on expiry of fifteen (15) days' period. Upon such termination, The Vendor would be liable to settle all dues to RK WORLDWIDE within the next ten (10) days.

Notwithstanding anything contained herein RK WORLDWIDE reserves its right to terminate the Agreement in the event of any breach of obligation on the part of the Vendor. Any termination will operate without prejudice to the rights or either party accrued up to the date of termination.

31. Assignment

Vendor shall not assign this Agreement in full or in part or any of its entitlements, rights, liabilities, and obligations arising out of this Agreement without prior written consent of RK WORLDWIDE which consent shall not be unreasonably withheld.

32. Amendment to the Agreement

The term and provisions of this agreement can be altered/amended/ modified at any point of time during the term of the agreement by mutual consent of both the parties to come into force.

33. Non-Exclusive Contract

While it is expressly understood that RK WORLDWIDE will have its own office and operate as it deems fit in the area for which the Vendor is appointed as a VENDOR. RK WORLDWIDE also reserves the right to open other VENDOR/S or other business channels in the territory allotted to the Vendor or as may be required by the changing needs of business from time to time. This arrangement is, therefore, non-exclusive.

34. Arbitration

Any dispute, difference, claim, counter claim arising out of, under or in connection with this agreement or any other breach thereof shall be resolved by mutual negotiations by and between the parties. Any unresolved dispute claim counter claim or difference shall be finally settled by an arbitrator to be nominated by the Chairman of RK WORLDWIDE. It

being clearly understood and agreed by the Vendor that the Vendor shall not object to appointment of such a person on the grounds of bias or the like. The arbitration shall be conducted in accordance with the Arbitration and Conciliation Act, 1996. The venue of Arbitration shall be Mumbai.

35. Jurisdiction

Subject to the clause 33, the Parties mutually agree that the Courts of Tumkur alone shall have jurisdiction with regard all or any of the matters arising out of or related to this Agreement pertaining to interim reliefs.

36. Notices

Any notice, report, demand, acknowledgement or other communication which under the terms of this agreement or otherwise must be given or made by either party shall, unless specifically otherwise provided in this Agreement, be in writing and shall be given or made by the respective parties as follows:

No modification of any term or condition contained herein shall be effective unless the same is in writing and executed by both parties.

For - RK WORLDWIDE

Name : Mr. Ramakrishna
Address : 2nd cross, MG Road
Tumkur – 572102 (Karnataka)
Tel No : 0816 – 4001891
Mob No : 9448084952

For – M/s

Name : Mr.
Address:

IN WITNESS WHEREOF, the parties have signed this Agreement in duplicate, one for each of the parties, on the date first written above.

SIGNED AND DELIVERED

By the within named
RK WORLDWIDE
Through the hands of its authorised signatory
Mr.

in the presence of

SIGNED AND DELIVERED

By the within named Vendor

Through the hands of its authorised signatory
Mr.

In the presence of

ANNEXURE I

Service directory (DRG) will be provided at the time of signing the Agreement

ANNEXURE II

1. TUMKUR CITY

37. TUMKUR JURISDICTION

EXHIBIT 1

STANDARD TERMS AND CONDITIONS OF CARRIAGE ("Terms and Conditions")

IMPORTANT NOTICE

When ordering RK WORLDWIDE's services you, as "Shipper", are agreeing, on your behalf and on behalf of anyone else with an interest in the Shipment that the Terms and Conditions shall apply from the time that RK WORLDWIDE accepts the Shipment unless otherwise agreed in writing by an authorized officer of RK WORLDWIDE. Your statutory rights and entitlements under any defined service feature (for which additional payment has been made) are not affected.

"Shipment" means all documents or parcels that travel under one waybill and which may be carried by any means RK WORLDWIDE chooses, including air, road or any other carrier. A "waybill" shall include any label produced by RK WORLDWIDE automated systems, Air Waybill, or consignment note and shall incorporate these Terms and Conditions. Every Shipment is transported on a limited liability basis as provided herein. If Shipper requires greater protection, then insurance may be arranged at an additional cost. (Please see below for further information). "RK WORLDWIDE" means any member of the RK WORLDWIDE Worldwide Express Network.

1. Customs, Exports and Imports

RK WORLDWIDE or its nominee may perform any of the following activities on Shipper's behalf in order to provide its services to Shipper: (1) complete any documents, amend product or

service codes, and pay any duties or taxes required under applicable laws and regulations, (2) act as Shipper's forwarding agent for customs and export control purposes and as Receiver solely for the purpose of designating a customs broker to perform customs clearance and entry and (3) redirect the Shipment to Receiver's import broker or other address upon request by any person who RK WORLDWIDE believes in its reasonable opinion to be authorized.

2. Unacceptable Shipments

Shipper agrees that its Shipment is acceptable for transportation and is deemed unacceptable if:-

- it is classified as hazardous material, dangerous goods, prohibited or restricted articles by IATA (International Air Transport Association), ICAO (International Civil Aviation Organization), any applicable government department or other relevant organization;
- no customs declaration is made when required by applicable customs regulations; or
- RK WORLDWIDE decides it cannot transport an item safely or legally (such items include but are not limited to: animals, bullion, currency, bearer form negotiable instruments, precious metals and stones, firearms, parts thereof and ammunition, human remains, pornography and illegal narcotics/drugs).

3. Deliveries & Undeliverable

Shipments cannot be delivered to PO boxes or postal codes. Shipments are delivered to the Receiver's address given by Shipper (which in the case of mail services shall be deemed to be the first receiving postal service) but not necessarily to the named Receiver personally. Shipments to addresses with a central receiving area will be delivered to that area. If Receiver refuses delivery or to pay for delivery, or the Shipment is deemed to be unacceptable, or it has been undervalued for customs purposes, or Receiver cannot be reasonably identified or located, RK WORLDWIDE shall use reasonable efforts to return the Shipment to Shipper at Shipper's cost, failing which the Shipment may be released, disposed of or sold by RK WORLDWIDE without incurring any liability whatsoever to Shipper or anyone else, with the proceeds applied against service charges and related administrative costs and the balance of the proceeds of a sale to be returned to Shipper.

4. Inspection

RK WORLDWIDE has the right to open and inspect a Shipment without prior notice to Shipper.

5. Shipment Charges & Billing

RK WORLDWIDE's Shipment charges are calculated according to the higher of actual or volumetric weight and any Shipment may be re-weighed and re-measured by RK WORLDWIDE to confirm this calculation. Shipper shall pay or reimburse RK WORLDWIDE for all Shipment charges, storage charges, duties and taxes owed for services provided by RK WORLDWIDE or incurred by RK WORLDWIDE on Shipper's or Receiver's or any third party's behalf and all claims, damages, fines and expenses incurred if the Shipment is deemed unacceptable for transport as described in Section 2.

6. RK WORLDWIDE's Liability

RK WORLDWIDE contracts with Shipper on the basis that RK WORLDWIDE's liability is strictly limited to direct loss only and to the per kilo/lb limits in this Section 6. All other types of loss or damage are excluded (including but not limited to lost profits, income, interest, future business), whether such loss or damage is special or indirect, and even if the risk of such loss or damage was brought to RK WORLDWIDE's attention before or after acceptance of the Shipment since special risks can be insured by Shipper. If a Shipment combines carriage by air, road or other mode of transport, it shall be presumed that any loss or damage occurred during the air period

of such carriage unless proven otherwise. RK WORLDWIDE's liability in respect of any one Shipment transported, without prejudice to Sections 7-11, is limited to its actual cash value and shall not exceed the greater of \$US 100 or:

- \$US 20.00/kilogram or \$US 9.07/lb for Shipments transported by air or other non-road mode of transportation; or
- \$US 10.00/kilogram or \$US 4.54/lb for Shipments transported by road (not applicable to the US).

Claims are limited to one claim per Shipment settlement of which will be full and final settlement for all loss or damage in connection therewith. If Shipper regards these limits as insufficient it must make a special declaration of value and request insurance as described in Section 8 (Shipment Insurance) or make its own insurance arrangements, failing which Shipper assumes all risks of loss or damage.

7. Time Limits for Claims

All claims must be submitted in writing to RK WORLDWIDE within thirty (30) days from the date that RK WORLDWIDE accepted the Shipment, failing which RK WORLDWIDE shall have no liability whatsoever. Shipper will make the claims along with all supporting documents (shipment invoice etc.) and submit the same to RK WORLDWIDE designated personnel for settlement as per this clause.

8. Shipment Insurance*

RK WORLDWIDE can arrange insurance for Shipper covering the actual cash value in respect of loss of or physical damage to the Shipment, provided the Shipper completes the insurance section on the front of the waybill or requests it via RK WORLDWIDE's automated systems and pays the applicable premium. Shipment insurance does not cover indirect loss or damage, or loss or damage caused by delays.

* Not available for mail services

⇒ **PRESENTLY INSURANCE IS NOT PROVIDED BY RK WORLDWIDE**

9. Delayed Shipments

RK WORLDWIDE will make every reasonable effort to deliver the Shipment according to RK WORLDWIDE's regular delivery schedules, but these are **not guaranteed and do not form part of the contract**. RK WORLDWIDE is not liable for any damages or loss caused by delays.

10. Circumstances beyond RK WORLDWIDE's control

RK WORLDWIDE is not liable for any loss or damage arising out of circumstances beyond RK WORLDWIDE's control. These include but are not limited to:- "Act of God" - e.g. earthquake, cyclone, storm, flood, fog; "Force Majeure" - e.g. war, plane crash or embargo; any defect or characteristic related to the nature of the Shipment, even if known to RK WORLDWIDE; riot or civil commotion; any act or omission by a person not employed or contracted by RK WORLDWIDE e.g. Shipper, Receiver, third party, customs or other government official; industrial action; and electrical or magnetic damage to, or erasure of, electronic or photographic images, data or recordings.

11. Warsaw Convention

If the Shipment is transported by air and involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention, if applicable, governs and in most cases limits RK WORLDWIDE's liability for loss or damage.

12. Shipper's Warranties and Indemnity

Shipper shall indemnify and hold RK WORLDWIDE harmless for any loss or damage arising out of Shipper's failure to comply with any applicable laws or regulations and for Shipper's breach of the following warranties and representations:-

- all information provided by Shipper or its representatives is complete and accurate;
- the Shipment was prepared in secure premises by Shipper's employees;
- Shipper employed reliable staff to prepare the Shipment;
- Shipper protected the Shipment against unauthorized interference during preparation, storage and transportation to RK WORLDWIDE;
- the Shipment is properly marked and addressed and packed to ensure safe transportation with ordinary care in handling;
- all applicable customs, import, export and other laws and regulations have been complied with; and
- The waybill has been signed by Shipper's authorized representative and the Terms and Conditions constitute binding and enforceable obligations of Shipper.

13. Routing

Shipper agrees to all routing and diversion, including the possibility that the Shipment may be carried via intermediate stopping places.

14. Governing Law

Any dispute arising under or in any way connected with these Terms and Conditions shall be subject, for the benefit of RK WORLDWIDE, to the non-exclusive jurisdiction of the courts of, and governed by the law of, the country of origin of the Shipment and Shipper irrevocably submits to such jurisdiction, unless contrary to applicable law.

15. Severability

The invalidity or unenforceability of any provision shall not affect any other part of these Terms and Conditions

38. Notices

Any notice, report, demand, acknowledgement or other communication which under the terms of this agreement or otherwise must be given or made by either party shall, unless specifically otherwise provided in this Agreement, be in writing and shall be given or made by the respective parties as follows:

No modification of any term or condition contained herein shall be effective unless the same is in writing and executed by both parties.

For - RK WORLDWIDE

Name : Mr. Ramakrishna
Address : 2nd cross, MG Road
Tumkur - 572102
Tel No : 0816-4011891
Mob No : 9448084952

For – M/s

Name **Mr.**

Address

IN WITNESS WHEREOF, the parties have signed this Agreement in duplicate, one for each of the parties, on the date first written above.

SIGNED AND DELIVERED

By the within named

RK WORLDWIDE

Through the hands of its authorised signatory

Mr.

In the presence of

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By the within named Vendor.

Through the hands of its authorised signatory

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In the presence of