

This **GENERAL TERMS OF SERVICE (“GTS-A”)** shall govern the business relationship between TELEPORT and the Second Party in the Agreement. By using TELEPORT’s services, you are agreeing to these terms. Please read them carefully.

1.0 DEFINITION

“**Additional Fees**” shall include any fees, tax, disbursement, freight charges, penalties, fees for AWB, CCA fees, or other miscellaneous and ancillary charges deemed to be payable by the Second Party to TELEPORT as stated in the invoice(s) issued by TELEPORT to the Second Party.

“**Accepted AWB**” shall mean the Air Waybill which has been accepted by the relevant Cargo Terminal Operator.

“**AirAsia**” refers to any of these airlines:-

- AirAsia (IATA: AK)
- AirAsia X (IATA: D7)
- Indonesia AirAsia (IATA: QZ)
- Indonesia AirAsia Extra (IATA: XT)
- AirAsia Japan (IATA: DJ)
- Philippines AirAsia (IATA: Z2)
- AirAsia India (IATA: I5)
- Thai AirAsia (IATA: FD)
- Thai AirAsia X (IATA: XJ)

of which the Cargo Capacity is being utilised for the purpose of the Agreement.

“**Airline**” refers to any airline or air carrier other than AirAsia.

“**Air Waybill**” or “**AWB**” shall mean the air waybill as defined and stipulated under the Montreal Convention.

“**Business Days**” shall mean a day (other than a Saturday, a Sunday, or a public holiday in Malaysia), on which commercial banks are open for business in Kuala Lumpur, Malaysia.

“**Cargo**” shall mean a single shipment (fit for air travel) of one or more pieces, from one Shipper at one time at one address, received in one lot and transported via AirAsia flight(s) or any Airline. May also be referred to in plural as “shipments”.

“**Cargo Capacity**” shall mean the spare volume that is not being used for passengers’ luggage in AirAsia or an Airline aircrafts’ baggage compartment (“**Aircraft Belly**”) that is available for TELEPORT to provide additional cargo transportation services.

“**Cargo Compensation**” shall have the meaning prescribed to it in Clause 7.7.

“**Cargo Terminal Operator**” shall mean the entity responsible for, among others, the carriage or arranging the carriage of cargo, including the discharge of cargo from the aircraft and subsequent distribution.

“**CCA**” means charges correction advice as commonly referred to in IATA documents;

“**Chargeable Weight**” refers to the gross weight or the volume weight whichever is higher at the point of acceptance by the Cargo Terminal Operator at Origin in kilograms (kg).

“**Consignee**” shall mean that entity (including but not limited to individuals or corporations) whose name appears on the Air Waybill as the entity to whom the Cargo is to be delivered airport-to-airport.

“**Dangerous Goods**” are defined as articles or substances which are capable of posing a significant hazard during transportation for the health or safety of the passengers and crew, property or the environment and the aircraft which shall include but not limited to those specified in the International Air Transport Association (IATA) Dangerous Goods Regulations and International Civil Aviation Organisation (ICAO) Technical Instructions or any other national or international rules applicable to the performance of the Services pertaining to dangerous goods.

“**Departure Airport**” shall mean the initial airport of which the Cargo originates under this Agreement. Departure Airport may also be termed as Origin.

“**Destination**” for the purpose of the Agreement shall mean Destination Airport.

“**Destination Airport**” shall mean the airport of which the Cargo is to be delivered or the end point in the Agreement. Destination Airport may also be termed as Destination.

“**End-Customer**” means other 3rd parties, whether corporations or individuals, whom the Second Party provides cargo capacity services to.

“**Freight Charges**” is calculated as per below:-

$$\begin{array}{c} \text{Chargeable Weight} \\ \times \\ \text{<Rates excluding other Additional Fees>} \end{array}$$

“**IATA**” means the International Air Transport Association.

“**Interline Agreement**” means an arrangement with any other airline or its agent for the purpose of purchase or sale of cargo capacity for transshipment, or the appointment of another airline or air carrier to provide Routes, as applicable or the case may be.

“**Montreal Convention**” means the Montreal Convention 1999.

“**Origin**” for the purpose of this Agreement shall mean Departure Airport.

“**Rates**” shall mean (i) the multiplier value as stated in the online booking system as assigned by TELEPORT for carriage of cargo from Origin to Destination; or (ii) any other multiplier value which has been agreed between the Parties, which will be imposed on the Chargeable Weight to obtain Freight Charges.

“**Routes**” shall refer to routes from Origin to Destination, or routes in Interline Agreement(s) if any.

“**Shipper**” shall refer to as the person or organisation whose name appears on the AWB, as the party contracting with TELEPORT for carriage of the cargo.

“**Second Party**” shall mean the Party referred to in the Agreement as the “AGENT” or the “CUSTOMER”, as the context may require.

“**Transit Airport**” shall mean the midway airport(s) between Origin and Destination in which the Cargo is temporarily placed and/or stored for the purpose of delivery to the Destination.

2.0 CARGO CAPACITY

- 2.1 TELEPORT has the absolute discretion over the Second Party for the utilisation of Cargo Capacity for any AirAsia or Airline products or for any other reasons. For avoidance of doubt, the Cargo Capacity shall only be available to the Second Party if TELEPORT and/or AirAsia (or an Airline) is not utilising the said Cargo Capacity.

- 2.2 TELEPORT shall not be responsible for any direct or indirect losses (including loss of profit), costs or expenses suffered or incurred by the Second Party arising from or as a result of any such aforementioned utilisation by TELEPORT and/or AirAsia (or an Airline).
- 2.3 The Second Party shall bear all costs (including messaging costs) associated with the implementation and roll out of any service system at the Origin that relates to the Cargo Capacity.
- 2.4 Upon specific written request by TELEPORT, the Second Party shall act as the representative of TELEPORT for matters related to the Cargo Capacity including but not limited to the tracking and tracing of cargo and as liaison for customs related matters at no cost to TELEPORT.
- 2.5 Cargo to be transported is subject to AirAsia's General Terms and Conditions of Carriage (found at: <http://www.airasia.com/my/en/about-us/terms-and-conditions.page>) (or the terms and conditions of carriage of the Airline used for their Cargo Capacity, as applicable) and Cargo Policy as set forth in **Appendix A** of this General Terms of Service.

3.0 SIGNING ON BEHALF OF TELEPORT AND OTHER RELATED DEALS

- 3.1 Nothing in this Agreement shall be construed as granting the right or power to the Second Party to sign any document for and on behalf of TELEPORT.
- 3.2 In the event where there is a document in which the Second Party requires TELEPORT to be bound by such document, the Second Party will inform TELEPORT and request TELEPORT to approve and sign such document, based on TELEPORT's absolute discretion.
- 3.3 For any Interline Agreement that the Second Party intends to enter into, the Second Party is obliged to request for TELEPORT's written approval and review of such Interline Agreement prior to signing any document. For the avoidance of doubt, any document for Interline Agreement shall fall under the definition of document referred to in Clause 3.2 herein.

4.0 FREIGHT CHARGES, FEES

- 4.1 In consideration of the Cargo Capacity provided by TELEPORT, the Second Party shall pay to TELEPORT the Freight Charges as well as other Additional Fees in relation to the use of Cargo Capacity by the Second Party as per the Agreement.

Miscellaneous charges

- 4.2 For claim(s) or dues pertaining to cargo or warehouse handling charges incurred by or against TELEPORT that are not covered elsewhere in the Agreement, the Second Party shall pay these charges on behalf of TELEPORT if so requested or confirmed by TELEPORT. The Second Party shall inform TELEPORT of the incurred costs and provide all mandatory documents to TELEPORT to claim for reimbursement of such costs. Claims for reimbursement shall be submitted at the latest thirty (30) days from the departure date of the relevant flight.

No show or under-weight cargo loads

- 4.3 TELEPORT reserves the right to impose on the Second Party USD50.00 (or local currency equivalent) for each Air Waybill as additional fee(s) where:-
- (a) the Second Party fail to deliver the booked cargo; or
 - (b) the Second Party made the cancellation of the booked cargo 48 hours before the flight departure; or
 - (c) there is under-weight of the cargo loads more than 5% variance over the booked weight cargo loads delivered by the Second Party; or

- (d) the Second Party fails to deliver the booked cargo or there is cancellation or under-weight of the cargo loads delivered by the Second Party for bookings made less than 48 hours before the flight departure.

Overweight cargo loads

- 4.4 The Second Party will be charged with an additional of 10% base rates increase for any overweight cargo loads delivered if:-

The Second Party will be charged with an additional of 10% base rates increase for any overweight cargo loads delivered if:-

- (a) the booking is made 48 hours before the flight departure and there is overweight of more than 5% variance of the cargo loads delivered by the Second Party over the booked weight cargo loads; or
- (b) there is overweight of the cargo loads delivered by the Second Party for any bookings made less than 48 hours before the departure flight.

The above shall only apply when there are no existing clauses on cancellation, failure to deliver, over-weight of cargo loads delivered, minimum pivot weight with applicable penalties, charges and/or fees in the Agreement.

5.0 HANDLING OF CARGO

- 5.1 TELEPORT shall arrange for the handling procedure of Cargo. TELEPORT or its handling partners or contractors shall load and unload Cargo at the respective warehouses at Origin and Destination.
- 5.2 TELEPORT will only bear costs and management relating to the Second Party's cargo for the routes it is responsible for in the Agreement. TELEPORT's responsibilities will only start from the time the Second Party's cargo is accepted at the Cargo Terminal Operator at Origin up to when the cargo is released to the Second Party's intended recipient by the Cargo Terminal Operator at Destination.
- 5.3 The responsibilities under Clause 5.2 above does not cover additional cargo storage costs due to late cargo submission by the Second Party or late cargo collection by Second Party's recipient. In case of the latter, the Second Party shall indemnify TELEPORT for any fees incurred due to the late collection of Second Party's recipient.
- 5.4 TELEPORT's responsibility under Clause 5.2 above would only be applicable for the normal handling and transportation costs from warehouse to aircraft at Origin and from aircraft to warehouse at Destination including transit (if transit is applicable for the completion of delivery to Destination).

Aid Relief Cargo

- 5.5 For cargo relating to aid relief, TELEPORT shall only be responsible for the management and costs incurred from the time the said cargo is accepted by the Cargo Terminal Operator at Origin until the said cargo is released to the Second Party at Destination. Any additional work or ground handling responsibilities of the said cargo shall be held by the Second Party without reverting such responsibility back to TELEPORT.

6.0 OPERATIONAL SECURITY

- 6.1 The responsibility for the operational security of flights and cargo transportation shall remain with AirAsia (or the Airline, as applicable) and/or TELEPORT wherever applicable. Nothing in the Agreement shall constitute any liability of the Second Party, its officers, agents and employees to meet the requirements of the laws and regulations applicable regarding security and safety of the operation of the aircraft.

6.2 TELEPORT may use its best endeavours to assist the Second Party's personnel in obtaining the necessary security passes from the relevant airport authorities to enable the Second Party to carry out its obligations under the Agreement.

7.0 LIABILITY

7.1 Parties shall perform their respective obligations in the Agreement with due diligence. The defaulting Party shall be liable to the non-defaulting Party for direct losses, damages, claims, proceedings, demands, liabilities, costs or expenses howsoever arising out of its breach of obligations under the Agreement. Neither Party shall be liable for consequential, indirect or special loss or economic losses arising out of the Agreement.

7.2 The Second Party will indemnify and keep TELEPORT harmless for all claims, fines, costs, expenses, suits, damage to any property, or death or injury of, or other loss and liabilities of every nature whatsoever arising from or as a result of the Second Party's non-compliance of the Cargo Policy as set out in **Appendix A** herein. Such indemnity shall survive the expiration or other termination of the Agreement to the extent required for full performance and satisfaction thereof. In cases or circumstances of non-compliances with the Cargo Policy by the Second Party where TELEPORT is required to compensate or incur any cost in relation to any claims, fines, costs, expenses, suits and liabilities in advance, TELEPORT will charge the said amount back to the Second Party based on actual cost incurred.

7.3 The Second Party agrees to indemnify, defend and hold harmless TELEPORT and its affiliates, and their directors, officers, employees, agents, successors and assigns (collectively referred to as the "**Indemnified Party**") from and against all liabilities, losses, damages and costs (including reasonable attorney's fees) which they may suffer as the result of third party claims, demands, actions, suits or judgments against them resulting from or arising out of:-

- a. failure by the Second Party to comply to applicable laws in connection with the exercise of any of its rights or the performance of any of its obligations hereunder; and/or
- b. any breach to the terms and conditions of the Agreement or this General Terms of Service by the Second Party.

7.4 The Second Party will ensure that any documents of carriage issued by the Second Party will include AWBs drawn up in accordance with the provisions of any applicable regulations and contain all the relevant terms and conditions limiting the carrier's liability according to the Montreal Convention.

7.5 The Second Party acknowledges and agrees that it shall be solely responsible for any damage, destruction, losses, payments, liabilities, claims, proceedings, actions, penalties, fines, duties (including loss of revenue), suffered by the Second Party and/or the End-Customers (as the case may be and/or where applicable) resulting from any act, omission, default or negligence of the Second Party, its servants, agents or representatives, whether direct or implied.

Cargo Compensation Claims

7.6 All claims and/or out of pocket expenses below USD150.00 or equivalent (value of which will be calculated for each Air Waybill) shall be absorbed by the Second Party and will not be reimbursable to TELEPORT.

7.7 The maximum legal liability of TELEPORT shall not exceed the amount of compensation based on Montreal Convention with respect to Cargo claim calculation ("**Cargo Compensation**").

7.8 The Cargo Compensation shall be determined by the comparison of the amount claimed by the Second Party and the calculated amount of based on Montreal Convention, whichever is lower except:
(a) where there has been a wilful misconduct on the part of TELEPORT; or
(b) where the damage is the result of an act or omission by TELEPORT; or

(c) where the applicable law of the land supersedes the Montreal Convention regulation.

7.9 TELEPORT is not liable for any Cargo Compensation in the following circumstances:

- (a) Damage, delay, pilferage, destruction or loss of cargo carried by TELEPORT unless:
 - (i) Such damage, delay, pilferage, destruction or loss is proven to have been caused by the negligence or wilful fault of TELEPORT or its agents; and
 - (ii) There has been no contributory negligence by the Shipper and/or Consignee.
- (b) Damage, delay, pilferage, destruction or loss of cargo that arise directly or indirectly out of:
 - (i) compliance with laws, government regulations, orders or requirements; or
 - (ii) from any cause beyond Teleport control.
- (c) Damage to or destruction of a consignment caused by or as a result of property contained therein.
- (d) Damage, delay, pilferage or loss of cargo that is not carried and/or accepted by Teleport;
- (e) Consignment contents that are liable to deteriorate or perish due to:
 - (i) change in climate
 - (ii) change in temperature
 - (iii) change in altitude
 - (iv) length of time in transit
 - (v) other ordinary exposure
- (f) Any consequential damages arising from carriage of the consignment, whether or not TELEPORT has knowledge that such damages might incur.

7.10 All claims for Cargo Compensation must be submitted by the Second Party only, which shall be made via SmartKargo as the official claim submission system except from countries where the claim must be submitted to TELEPORT personnel (eg. Sales and Care Team) due to the business relationships of the relevant parties (to be advised by TELEPORT).

7.11 The Second Party must make their Cargo Compensation claim submissions in accordance with the Montreal Convention timelines, namely:

- a. Missing cargo - within 30 calendar days from the actual flight arrival date
- b. Damage cargo - within 14 calendar days from the actual flight arrival date.
- c. Miscellaneous - within 14 calendar days from the actual flight arrival date.

7.12 All Cargo Compensation claim submissions must be supported by all of the following documents:

- a) Airway Bill
- b) Damage/Irregularity Report from CTO
- c) Survey Report upon acceptance from CTO
- d) Weight of mishandled cargo
- e) Delivery Order / Proof of delivery
- f) Packing List
- g) Invoice / receipt (Supporting Claim amount)
- h) Photo of Damage Cargo and inner content damage at CTO (For Damage Cargo)
- i) Any other evidence supporting your claim (If Any)

8.0 INSURANCE

8.1 Parties shall maintain adequate insurance to cover the risks related to the performance of the obligations hereunder. The Second Party will procure and maintain at all times a comprehensive General Liability Insurance.

8.2 Upon TELEPORT's demand, the Second Party shall be obliged to deliver a copy of its insurance policy to TELEPORT.

9.0 FORCE MAJEURE

9.1 Neither Party shall be liable for, nor be in default by reason of, any failure or delay in performance of its obligations under the Agreement, if such failure or delay is caused by an act of god or a public enemy, declared and/or undeclared pandemic, war whether declared or not, hostilities, invasion, armed conflict, riot or civil unrest, insurrection, strikes, revolution or usurped power, act of terrorism, sabotage or criminal damage, trade embargoes, non-availability or revocation of any necessary licences or authorisations which is not caused by act or omission of the Parties, natural disasters including earthquake, lightning, hurricane, flood and fire, act of government or any other cause or peril beyond its reasonable control. For the purpose of this provision, strikes that arise from labour relations between a Party and its employees, machinery breakdown or correction of defect or deficiency shall not be construed as Force Majeure events. This provision, however, shall not relieve the Party alleging the occurrence of such Force Majeure from using all reasonable efforts to avoid or remove such Force Majeure and the effects thereof and to continue performance whenever and wherever such Force Majeure is removed.

9.2 If the Force Majeure event persists, both parties shall have the rights to review the Agreement.

10.0 NON-DISCLOSURE OF CONFIDENTIAL INFORMATION

10.1 For the purpose of this Clause 10.0, "**Confidential Information**" means and includes the Agreement, any information in written or oral form or any other form, whether relating to the Agreement or otherwise, including but not limited to; technical and non-technical data or know how, schedules, product plans, products, services, customers, strategies, ideas, operations, compliance information, methodologies, practices, markets, software developments, process, engineering, hardware and software configuration information, marketing or finances or any forms of business plans which Confidential Information is proprietary, except for information which is required by law, any governmental or other regulatory authority to be disclosed or which is already in the realm of public knowledge.

10.2 The Parties agree to use all reasonable endeavours to keep the others' Confidential Information secret and confidential. Each Party may disclose Confidential Information to its own officers, directors, employees and advisers who reasonably need to know for the purpose of performing that Party's obligations under the Agreement. Each Party shall take appropriate action with its employees and advisers to satisfy the Confidential Information obligations of the Agreement. Each Party shall become responsible to the other for any violation of this obligation, including any violation of this obligation by its officers, directors, employees or advisers.

10.3 The Second Party will disclose to TELEPORT all other airlines that it represents whenever applicable at the discretion of TELEPORT.

11.0 TERMINATION

11.1 In the event of any non-compliance of the Agreement and this General Terms of Service by either Party ("**Breaching Party**"), the other Party may issue a notice to the Breaching Party regarding such non-compliance ("**Non-Compliance Notice**"). The Breaching Party is required to rectify or provide a remedy to such non-compliance and any effect thereof within a period of 30 (thirty) days from the date of the Non-Compliance Notice. In the event that such non-compliance is not rectified nor an acceptable remedy is provided by the Breaching Party to the satisfaction of the other Party, the Agreement will be deemed terminated automatically upon the expiry of such 30 (thirty) days period. For avoidance of doubt, satisfaction of the other Party to the rectification and/or remedy provided by the Breaching Party must be explicitly confirmed and acknowledged by such other Party.

11.2 Either Party shall be entitled to immediately terminate the Agreement, upon notice to the other, in the event of the other's insolvency, receivership or bankruptcy (voluntary or involuntary), any substantial assignment for the benefit of creditors or in the event any substantial part of the other's property is or becomes subject to any levy, seizure, assignment or sale for or by any creditor or governmental

agency, or any changes to the applicable laws and regulations which cause the performance of this Agreement to be illegal for such Party.

- 11.3 If based on TELEPORT's reasonable opinion, there is a breach of safety by the Second Party in its operations, TELEPORT reserves the right to suspend Second Party's operations relating to the Cargo Capacity effective immediately until further notice by TELEPORT. Safety in this context is defined as the safety and well-being of TELEPORT's assets and personnel as well as AirAsia or an Airline's aircraft, flight crew, ground personnel, and its passengers.
- 11.4 Either Party shall be entitled to unilaterally terminate the Agreement by giving the other Party sixty (60) days written notice in the manner and form as prescribed in the Agreement.
- 11.5 Unless otherwise agreed between the Parties in writing, where the Second Party exercises the provisions of Clause 11.4 and terminates the Agreement by giving notice to TELEPORT with a period less than sixty (60) days, the Second Party will be responsible for any financial loss suffered by TELEPORT during the period from the actual effective date of termination until the date on which the termination should be effective if the sixty (60) days period in Clause 11.4 is fully adhered to by the Second Party. The financial loss mentioned herein should be financial loss that can be tied **directly** to this Agreement. Any consequential losses or potential future losses (including reinvestment of revenue/profit) must not be used as a ground to calculate the financial loss under this clause.
- 11.6 Upon termination or expiry of the Agreement;
- a. TELEPORT shall return the Security Deposit to Second Party (without interest) subject to set-off or deduction for any outstanding invoices and/or any sum due and payable to TELEPORT; and
 - b. both Parties shall return any Confidential Information of the other Party back to that Party upon termination of the Agreement.
- 11.7 In the event that the Agreement is terminated in accordance with this Clause 11.0, such termination shall be without prejudice to the accrued rights and liabilities of either Party which occurred prior to the date of termination.

13.0 SEVERABILITY

- 11.8 Any provision of the Agreement or this General Terms of Service, which may be determined by competent authority to be prohibited or unenforceable in a relevant jurisdiction, shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof.

12.0 ASSIGNMENT

- 12.1 Unless explicitly stated otherwise in the Agreement, no Party may assign its rights or obligations under the Agreement, in whole or in part without the prior written approval of the other Party and any such attempted assignment shall be deemed null and void.

13.0 RELATIONSHIP OF THE PARTIES

- 13.1 Nothing contained herein shall be constructed to imply a partnership, joint venture, principal/agent or an employer/employee relationship between the Parties.
- 13.2 Neither Party shall have any right, power or authority to create any obligation, express or implied, on behalf of the other, save for the authority of the Second Party to act on behalf of TELEPORT as governed in Clause 2 and Clause 3.

14.0 TAXES AND STAMP DUTY

14.1 The amount payable or price as quoted under the Agreement is exclusive of any value added tax (including but not limited to sales tax, service tax, goods and services tax, and any other similar taxes, duties or levies imposed by any taxing authority/regulatory body), in which the value added tax, if applicable, will be payable in addition thereto subject to the receipt of an invoice or a tax invoice in compliance with the requirements of the relevant laws. All payments made by the Second Party under the Agreement shall be made gross without any tax deduction or withholding of a similar nature.

14.2 Any stamp duty, value added tax, government service tax, or other applicable sales tax, levy or duty or any other tax whatsoever that arises in relation to the Agreement shall be borne by the Second Party.

15.0 RIGHT TO AUDIT

15.1 The Second Party shall use reasonable efforts to ensure that TELEPORT's authorised representatives, which include employees of TELEPORT and any other person appointed by TELEPORT, may, during regular business hours and upon reasonable advance notice, at any time during the Contractual Period and until seven (7) years after the expiry of the Agreement, examine and inspect the facilities of the Second Party during the duration of the Agreement and/or examine all books, records, and files related to the Agreement ("**Audit**"). For avoidance of doubt, this provision shall only be applicable to all books, records, and files related to the Agreement and any transaction carried out in relation to the Agreement during the Contractual Period.

15.2 The Second Party shall provide to TELEPORT the annual audited financial statements of the Second Party for every year during the Contractual Period. In the event that the Contractual Period or this Agreement is ended prior to the end of one financial year or a full one-year cycle since the last annual audited financial statements, the Second Party will still be obliged, regardless of the fact that this Agreement might already be terminated, to provide the annual audited financial statements after the end of the respective financial year or the end of the full one-year cycle to TELEPORT.

15.3 The Second Party shall provide to TELEPORT on a monthly basis, a copy of all Accepted AWB covering all Cargo Capacity utilised the period of one calendar month ("**AWB Reporting Obligation**"). In the event that the Second Party has an obligation to provide a cargo sales report ("**CSR**") based on the provisions of the Agreement, the provisions of such report shall be applied to the AWB Reporting Obligation with necessary adjustments and changes being deemed to be made to ensure that the concept behind such provisions is properly applied to the AWB Reporting Obligation. For other cases, the AWB Reporting Obligation should be fulfilled by the Second Party at the latest by the 3rd day of the following month.

15.4 In case where underpayment of Freight Charges by the Second Party to TELEPORT for whatsoever reasons are found, TELEPORT shall be entitled to demand, and the Second Party shall immediately upon such demand, pay to TELEPORT the outstanding amount (or the difference in amount) added with a penalty amounting to 50% of the outstanding amount.

16.0 REPRESENTATIONS AND WARRANTIES

16.1 Each Party has full corporate power and authority to enter into and perform its obligations under the Agreement and any other ancillary documents incidental thereto to which it is a party; and the execution, delivery and performance of the Agreement have been duly authorised by all necessary corporate action.

17.0 HEADINGS

17.1 The headings to the paragraphs contained in the Agreement are for the sake of convenience only and shall not be relied upon in the interpretation hereof.

18.0 ENTIRE AGREEMENT

- 18.1 The Agreement, its Chapters and this General Terms of Service together with its Appendix constitutes the entire agreement between the Parties as to the subject herein mentioned.
- 18.2 Any agreement or negotiation, which preceded the Agreement, shall not be valid unless ratified by written instrument signed by the Parties.
- 18.3 Any amendment and/or supplement to the Agreement shall be in writing and duly signed by the Parties save and except for any amendments to this General Terms of Service in which the Second Party agrees and understands that TELEPORT reserves the right to amend the provisions of this General Terms of Service based on the absolute discretion of TELEPORT. In such an event, TELEPORT will notify the Second Party with the amended provision of the General Terms of Service if requested.
- 18.4 The preamble and all Chapters of the Agreement shall constitute an integral part of the Agreement.
- 18.5 No rule of construction shall apply to the detriment of any Party by reason of that Party having control and/or was responsible for the preparation of this Agreement or any part thereof.

19.0 FURTHER ASSURANCE

- 19.1 Each Party hereto shall, at its respective expenses, promptly and duly execute and deliver to the other Party such further documents and promptly take such further action not inconsistent with the terms hereof as the other Party may from time to time reasonably request in order to more effectively carry out the intent and purpose of the Agreement or to perfect and protect the rights and, with respect to TELEPORT, remedies created or intended to be created.

20.0 COUNTERPARTS

- 20.1 Whenever applicable, the Agreement may be executed in two or more counterparts and such counterparts, taken together, will constitute one and the same instrument.

21.0 ANTI BRIBERY AND ANTI CORRUPTION

- 21.1 The Second Party undertakes, represents and warrants that:-
- a. Second Party, Second Party's personnel and any other person responsible for providing and performing the obligations in the contract are in compliance with all anti-corruption and anti-bribery laws, and will remain in compliance with all such laws during the term of the Agreement; and
 - b. without prejudice to the generality of Clause 21.1.a., the Second Party, the Second Party's personnel and any other person responsible for providing and performing the obligations in the contract has not made, authorised or offered to make payments, gifts or other transfers of value, directly or indirectly, to any government official or private person in order to (i) improperly influence any act, decision or failure to act by that official or person; (ii) improperly induce that official or person to use his influence with a government or business entity to affect any act or decision by such government or entity; or (iii) secure any improper advantage.
- 21.2 Second Party agrees that should it learn or have reason to know of any payment, gift or other transfer of value, directly or indirectly, to any government official or private person that would violate any anti-corruption or anti-bribery law, it shall immediately disclose such activity to TELEPORT and TELEPORT shall have the right to immediately terminate the Agreement by giving written notice to the Second Party.

22.0 NO-BROKER PROVISION

22.1 Each Party represents and warrants to the other Party that in relation to the transaction contemplated in this Agreement:

- (a) No finder nor broker nor any other similar role has been retained or used by such Party or any of its employees, officers, directors, third party advisors, or any other party related to such Party; and
- (b) Neither Party is nor should it be obligated to any finder's fee or broker's fee or any other similar fee to each other, any of its employees, officers, directors, third party advisors, or any other party related to such Party.

23.0 ILLEGALITY

23.1 Illegality affecting TELEPORT

If it is or becomes unlawful for TELEPORT to perform any of its obligations as contemplated by the Agreement (but excluding any unlawfulness caused by an act or omission of TELEPORT), TELEPORT may, by written notice to the Second Party, terminate the Agreement and the Second Party shall immediately pay to TELEPORT any monies due and unpaid.

23.2 Illegality affecting the Second Party

If it is or becomes unlawful for the Second Party to perform any of its obligations under by the Agreement (but excluding any (i) unlawfulness caused by an act or omission of the Second Party and (ii) any unlawfulness referred to in Clause 23.1 (Illegality affecting TELEPORT)), the Second Party may, following consultation in accordance with Clause 23.3 (Negotiation) and by written notice to TELEPORT, terminate the Agreement and shall pay to TELEPORT by way of indemnity for loss of profit but without liability for TELEPORT taxes which would have been payable by the Second Party in respect of the remaining duration of the Agreement in the absence of such termination.

23.3 Negotiation

If any circumstances arises which would or would upon the giving of notice result in termination of the Agreement pursuant to either of Clause 23.1 (Illegality affecting TELEPORT) or Clause 23.2 (Illegality affecting the Second Party) then, either party shall, promptly upon becoming aware of the same, notify the other party, whereupon the parties shall, for a period of up to thirty (30) days or, if shorter, for a period ending on the date which is five (5) Business Days before such unlawfulness will take effect, negotiate with each other in good faith with a view to restructuring arrangements so that payments can be made hereunder or obligations maintained and performed in such manner, place, currency and other circumstances as shall be lawful and so as to achieve substantially the same result as would have been achieved had such circumstances not occurred (it being understood that neither party shall be obliged to enter into any restructuring arrangement if the same shall (in such party's sole opinion) give rise to any additional cost or liability to such party) unless such party has been indemnified to its reasonable satisfaction in respect thereof.

24.0 USE OF AIRASIA AND/OR TELEPORT'S CORPORATE NAME, LOGO AND/OR TRADEMARK (COLLECTIVELY, THE "MARK")

24.1 The Second Party is allowed to use the Mark **solely for marketing purposes** in relation to the transaction stipulated in the Agreement, provided that such usage has been approved in advance by TELEPORT. Marketing purposes shall include brochures, name cards, internet website, advertising in newspaper and/or other periodicals, and any other materials. The Second Party agrees that the usage of the Mark is subject to terms and conditions as may be specified by TELEPORT and/or AirAsia from time to time, including but not limited to the following terms and conditions:

- a. AirAsia or TELEPORT's logo must not exceed 10% of the surface of the marketing material;

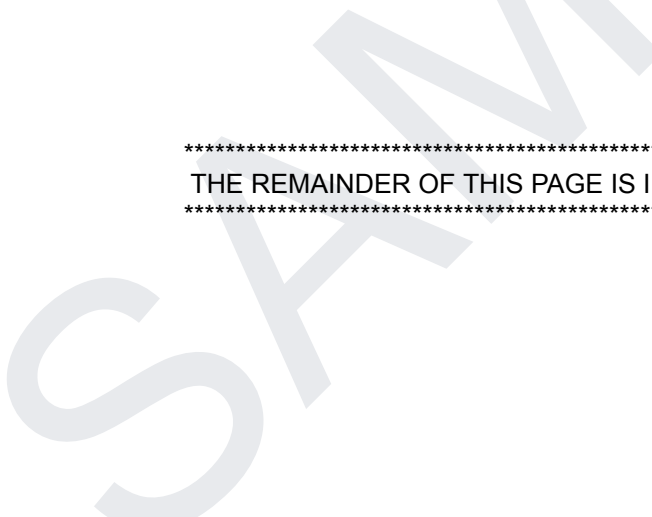


- b. If you are using AirAsia or TELEPORT's logo, the logo of your company must be bigger than AirAsia or TELEPORT's logo and covers at least 10% of the surface of the marketing material;
- c. AirAsia or TELEPORT's logo can only be placed either at the bottom part or top part of the surface of the marketing material;
- d. If you are planning to use AirAsia or Teleport's logo, the logo must be accompanied by the appropriate term to define the relationship, such as "Sales Agent for <AirAsia or TELEPORT's logo>" or "Freight Forwarder for <AirAsia or TELEPORT's Logo>". The term must be easily readable;
- e. You are required to provide details of your own company (Name of your company, address, telephone number & email address);
- f. You are strictly forbid to include the term "AirAsia" in creation of your email address or mailing address;
- g. You will not use the Mark in a way that it will mislead (directly or indirectly) the reader or the recipient of the material, including to cause other people to think that you are associated to AirAsia group in the way that you are not; and
- h. All such representation will need to get prior written approval via email from the Legal Team at the following email address teleportlegal@airasia.com.

Usage of any Marks belonging to any other Airline shall be subject to TELEPORT's prior written approval.

24.2 PROVIDED ALWAYS that the Second Party is strictly prohibited from using the Mark to misrepresent its clients or third parties or to adduce reasonable inference (from the way the Mark is put on the promotional material) that the Second Party (and/or any employees or individuals related to the Second Party) is a part of and/or a subsidiary of AirAsia and/or TELEPORT (or an Airline).

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APPENDIX A CARGO POLICY

1. This Cargo Policy shall be maintained and amended at the absolute discretion of TELEPORT.
2. The cargo policies and operating procedures as stated in the TELEPORT Cargo Manual and/or other Airline partners' policies must be strictly adhered to. Any deviations must be requested from TELEPORT and shall not be allowed without express written consent from TELEPORT.
3. In the event of any contradiction between the terms in this Cargo Policy and TELEPORT's Cargo Manual, the latter shall prevail.
4. Each cargo must be delivered to TELEPORT or its handling agent "Ready-for-Carriage".
5. Weight/volume ratio 1:6 (1kg. per 6000 cubic centimetres or 1 lb. per 166 cubic inches in volume) accuracy of weight / dimensions will be strictly enforced.
6. Dimensional weight is calculated as per IATA standards.
7. **Prohibited Cargo:** The following cargo is not to be accepted for carriage in the aircraft :-
 - a. For carriage on A320 aircraft:- Any piece of loose cargo exceeding 85kgs in weight or exceeding 140 cm (width) x 70 cm (length) x 70 cm (height) in dimensions;
 - b. For carriage on A330 aircraft:- Any piece of loose cargo exceeding 85kgs in weight or exceeding 140 cm (width) x 70 cm (length) x 70 cm (height) in dimensions, ULD exceeding 4,500kgs (96-inch and 88-inch size pallet) and light weight containers (LD3) exceeding 1,500kg.

The Second Party shall be held solely responsible for all the costs, disposal or return of the Prohibited Cargo wherever applicable.

8. **Perishable Goods** such as flowers, fruits and vegetables are accepted subject to proper leak proof packaging. Upon request by the Second Party and subject to TELEPORT's written approval of the said request, other perishables that are not damaging to the aircraft floor may be considered.
9. **Special Cargo:** Special cargo, including but not limited to valuables, dangerous goods, live animals, perishables, fragile goods, human remains, is acceptable only under the conditions set forth in the regulations applicable to the carriage of such cargo. Such cargo must be packed and documented strictly in accordance with prescribed special handling procedures which are incorporated and form part of these conditions. In the event of deterioration of such shipments for whatever reason AirAsia or the Airline in its sole discretion may take such steps as it deems appropriate.
10. **Dangerous Goods:** The Shipper shall not tender for carriage any volatile or explosive cargo or cargo which is or may become dangerous, inflammable or offensive or which is or may become liable to damage any property whatsoever without presenting a full description disclosing the nature of the cargo, and in any event the Shipper shall be liable for any loss and damage caused thereby and indemnities as set forth in this General Terms of Service. If in the sole opinion of AirAsia or the Airline the cargo becomes or is liable to become dangerous, inflammable, explosive, volatile, offensive or damaging in nature, the same may at any time be retained, destroyed, disposed of or abandoned or rendered harmless by AirAsia or the Airline without compensation to the Shipper and without prejudice to AirAsia's or the Airline's right to any charges hereunder and at the sole cost of the Shipper.

The following terms and conditions shall apply to the Dangerous Goods:-

- 10.1 The Second Party acknowledges that any delivery of Dangerous Goods is subject to TELEPORT's full discretion and TELEPORT may without assigning any reason and without incurring any liabilities decline to deliver such Dangerous Goods.

- 10.2 For any delivery of Dangerous Goods, the Second Party shall ensure and warrant that the packaging, labelling, marking, handling, documentations and declaration of the Dangerous Goods are in accordance with the dangerous goods guidelines which can be found at <https://sites.google.com/airasia.com/csn/dangerous-goods-dg> and Cargo Policy in Appendix A herein ("**Dangerous Goods Guidelines**") and further warrant that the same shall be complied by its contractors and/or agents.
- 10.3 The Second Party further acknowledges that, where there is reasonable belief by TELEPORT that the shipment may contain Dangerous Goods, TELEPORT reserves the right to inspect such shipment in the interest of safety and security without incurring any liabilities and at the cost and expenses of the Second Party. The Second Party shall also provide a complete packing list for possible misdeclaration and hidden Dangerous Goods and to be made available during acceptance stage by TELEPORT. In the event where TELEPORT exercises its right to inspect the shipment for any undeclared, misdeclared, suspected and/or hidden Dangerous Goods, any and all service level agreement, if any, imposed on TELEPORT on such shipment shall not be applicable, or be waived and/or exempted without any liabilities or costs to TELEPORT.
- 10.4 The Second Party is also required to procure its personnel who manage or deal with TELEPORT business to attend at least 2 training sessions conducted by TELEPORT on Dangerous Goods per year failing which TELEPORT may be entitled to terminate this Agreement or suspend the Cargo Capacity until further notice without incurring any liabilities.
- 10.5 TELEPORT is entitled to suspend the Cargo Capacity to the Second Party on immediate basis until further notice if:-
- (a) the Second Party breaches or fail to comply with any of the requirements on Dangerous Goods herein; or
 - (b) where there is reasonable belief by TELEPORT that the Second Party's operations may raise safety and/or security concerns affecting on TELEPORT's assets, personnel and/or agents as well as airport or terminal grounds or premises, and/or AirAsia's or an Airline's aircraft, flight crew, ground personnel, and its passengers.
- 10.6 Any non-compliance or breach by the Second Party to any of the Dangerous Goods requirements herein shall entitle TELEPORT the discretion to impose onto the Second Party an embargo or such Additional Fees arising out of or resulting from undeclared or misdeclared Dangerous Goods or a Dangerous Goods Incident and/or Dangerous Goods Accident.
- 10.7 For the purposes of this clause:-

"**Dangerous Goods Incident**" refers to an occurrence, other than a Dangerous Goods Accident, associated with and related to the transport/delivery of Dangerous Goods, not necessarily occurring on board an aircraft, which results in injury to a person, property damage, fire, breakage, spillage, leakage of fluid or radiation or other evidence that the integrity of the packaging has not been maintained. Any occurrence relating to the transport/delivery of Dangerous Goods which seriously jeopardises the aircraft or its occupants is also deemed to constitute a Dangerous Goods Incident.

"**Dangerous Goods Accident**" refers to an occurrence associated with and related to the transport/delivery of Dangerous Goods which results in fatal or serious injury to a person or major property damage. For this purpose, "serious injury" is an injury which is sustained by a person in an accident and which:

- (a) requires hospitalisation for more than 48 hours, commencing within 7 days from the date the injury was sustained; or
- (b) results in a fracture of any bones (except simple fractures of fingers, toes or nose); or
- (c) involves lacerations which cause severe haemorrhage, nerve, muscle or tendon damage; or



- (d) involves injury to any internal organ; or
- (e) involves second or third degree burns, or any burns affecting more than 5% of the body surface; or
- (f) involves verified exposure to infectious substances or injurious radiation.

Dangerous Goods Accident shall also include any damages to aircraft or accident.

10.8 The imposition of any embargo and/or Additional Fees shall be in addition to and without prejudice to such other rights that TELEPORT may have against the Second Party under this Agreement and/or at law including any penalties imposed by any relevant regulatory bodies on TELEPORT.

- 11. **Responsibility for Non-Observance of Conditions, Laws and Regulations:** The Shipper warrants that he has complied with all the laws, regulations and conditions relating to the nature, packaging, labelling, storage or carriage of cargo and that the cargo is packed in a manner adequate to withstand the ordinary risks of carriage having regard to its nature, and further the Shipper hereby indemnifies AirAsia or the Airline for any liability whatsoever and costs, fees and expenses as a result of or arising out of the Shipper's failure to comply with each of these warranties, including but not limited to compliance with the applicable Dangerous Goods Regulations.
- 12. **Right of Inspection:** AirAsia or the Airline reserves the right to examine the packaging and contents of all shipments and to enquire into the correctness or sufficiency of information or documents tendered in respect of any shipment but AirAsia or the Airline shall be under no obligation to do so and under no circumstances will AirAsia or the Airline be liable for any direct or indirect losses resulting from its examination of the packaging and shipments.
- 13. Any further details are to be defined between the Parties during the mobilisation phase or are as established in the TELEPORT Cargo Manual.



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