

Bylaws of the WIN Association

Art. 1 Criteria for Membership

1. Fulfillment of the Art. 3.1 of Articles of Association.
2. Full membership granted by General Meeting Art. 3.2 of *Article of Association*.
3. The applicant completes the online form and submits completed form including required documents to the WIN office. Required documents are: Audited Financial results of former three years, copy of company registration, insurance policy if available, IATA certificate if available.
4. Analysis of application, decision and reasoning by the Board considering:
 - a) Strengths and weaknesses of applicant
 - b) Opportunities and threats for WIN Association if application is accepted
 - c) Willingness to contribute to WIN network
 - d) Financial status and security

Art. 2 Procedure for acceptance of membership of new WIN members

1. Any full WIN member may suggest potential members and introduce to any of the Board members or WIN office.
2. Any of the Board members or the WIN office investigate if the applicant fulfils the general requirements of Art. 3.1 of Articles of Association. If critical, other members can also be contacted to get to know their view. The applicant must be informed about what is expected from him (active participation, type of membership (gold, silver, bronze), project commitment, payment terms).
3. The Insurance Policy, its terms & conditions, and its annual premium are mandatory for all WIN Members.
4. If no obstacle of objection is found, the WIN office provides the necessary tool and information to allow the applicant to apply. Following information must be provided to the applicant prior to his final application is submitted to WIN:
 - a) *Articles of Association*
 - b) *Bylaws of Association*
 - (incl. *Arbitration Board Art. 6, Definition WIN Membership Art. 7*)
 - c) *Scale of Fees and WTO list*
 - d) *Minimum Standards Evaluation Program*
 - e) *SLA (Service Level Agreement) / Network Rules*
 - f) *Insurance Policy*
5. Within 30 days the applicant submits the complete *Application to WIN office*. After 30 days WIN office closes access to *online tool*. Any missing information or unclear matter must be clarified to allow the Board to take a firm decision to accept or reject the applicant to become temporary WIN member.

6. The WIN Office informs the new temporary member of the decision by official letter of WIN membership and status of membership and supports the member to integrate to the WIN network, by:
 - a) Making the initial set-up on the member page
 - b) Informs about next steps e.g. meetings, surveys, etc.
 - c) Adds key people on mailing lists incl. Newsletter
 - d) Instructs about use of member page and tools
 - e) Sends invoice for WIN membership fee (pro-rated to year's end)
7. The temporary member has minimum 1 year of temporary membership. Latest after one year he is expected to participate at the next General Meeting and to present his company to the General Meeting.
 - a) Full membership may be granted by the General Meeting with two-third majority votes. (*Art. 3.2 of Articles of Association*).
 - b) If the temporary member does not participate at the Annual General Meeting the temporary membership may expire and no money refund will be made

Art. 3 Duties and Obligations of Members

1. Each WIN member is obliged to keep his company details, office contacts, services etc. updated in the WIN webpage all time and actively supports access and knowledge of this tool for his employees.
2. All Air- and Sea-freight tariffs for the traffics among the members are dealt at the net costs.
3. WIN SLA (Service Level Agreement) & WIN Payment Insurance Process - latest versions - define the cooperation standards and process among the WIN members and must be adhered by the members.
4. It must be the member's objective to do as much business as possible within the WIN network. The minimum which must be achieved is stipulated in the Evaluation Process – *minimum targets*. The three WIN membership options Gold – Silver – Bronze and WTO ranking stipulate the minimum % which must be reached.
 - a) Effective October 1st, 2007. Whenever a WIN member decides to open a new branch or sales office in a country which is already represented by an existing WIN member, the expanding WIN member must inform the WIN Board and the present WIN member 60 days in advance before opening of the office. The WIN Board must inform all WIN members about this decision. If a WIN member does not respect this rule the Board can expel the violating member. Art. 3.4. Articles of Association.
 - b) A WIN member may open a maximum of two (2) of their own offices in two (2) existing WIN countries. If the same WIN member opens a 3rd own office in territory of an existing member, the failing member should meet with the territory "owner" to discuss possible cooperation:
 1. If the territory owner agrees to work and to accept the new office of this failing member, then it would not count as a strike against the member."
 2. Should the territory owner not accept the new opening of this office the violating member must give up another office in the same region. If he has no

- other office in the same region the Board can decide which office to be removed from WIN or can ask the members to decide by proxy voting.
3. If the territory owner does not want to make a decision he can appeal to the Board and the Board has the authority to address and resolve matter in the best way they deem right.
 5. Each active WIN member must qualify itself by:
 - a) Completing in each consequent year the *Evaluation Program* which qualifies the members' activity and performance. The survey must be completed to the WIN Office per given deadline. Not fulfilling this duty at all or on time can lead to expulsion.
 - b) To manage and keep ongoing and updated information about all WIN members each WIN member is obliged to file a Company Profile Information (CPI) form every two (2) years. The form needs to be completed and returned, adding the necessary documentation within the given timeframe. Should the member fail to return the form (totally or partly) and not follow the reminders, he can be expelled from the WIN Association.
 - c) To reach at least a "Grade 6" from Allianz Trade Boni-Grading. If this minimum grade is not reached (7 or higher) the member is requested to submit their audited financial reports of the past two years (in English) to the WIN office. If received reports are not clear the WIN office passes them to Allianz Trade for analysis and clarification.
 - d) All financial standings are published and transparent to the WIN members in the internal part of the WIN webpage.
 6. Members must address their objection against acceptance of a new member to the Board, while the member is still temporary. Members should inform the Board of any complaints they have, particularly financial and service matters about full or temporary members.
 7. WIN member who run into conflicts with other WIN members take the responsibility to clear the problem area with personal dialogue and engagement. If such a conflict cannot be solved, the Regional Division Director/s may be requested to involve themselves and support clarification. Also, the support of the Arbitration Board can be called. (Art. 6 WIN Bylaws, Arbitration Board). In the case of extraordinary circumstances that is of interest to all members. The Board of Directors decides after evaluation case by case. As a last possible action, the foreclosure process according to Art. 3.4 of Articles of Association, can be taken through.
 8. Neither the WIN Association nor the Board of Directors can be held responsible for financial loss which can result out of a cooperation between the individual members. In case of payment default by individual members the Contingency Insurance will be considered. (Art. 6 WIN Bylaws, Arbitration Board).
 9. Each WIN member informs the WIN Board without any delay about any changes in relations to the filed information stated in the CPI form or in the Application Form. In the case of change of ownership, re-naming the company, entering joint-ventures, management buy-out, close-down, stopping services which are relevant to WIN network, the member must inform WIN office with immediate effect.

- a) Following cases are subject to termination of the WIN membership
 1. Should a WIN member be sold or be taken over by a global- or major organization, deemed to conflict the WIN Articles of Association,
 2. Should the WIN member not comply with the financial and informational regulations or not fulfill the quality standards of the WIN Association.
 3. Should the WIN member's main shareholder(s) and/or part owner be of bad behavior or convicted of illegal or criminal offences.

- b) Following cases require a *CPI Form* and are subject to re-approval by the AGM by direct- or proxy voting system. The necessity of this act remains at the Board's discretion in the case the new ownership is not in violation of Articles of Association:
 1. Change of majority shareholder with or without company's name change

- c) Following cases require a *CPI Form* and are subject to re-approval by the Board:
 1. Change of name of the WIN member, change of addresses
 2. Change of products and services
 3. Re-allocation of shares within members of the same family who are holding the total shares or majority of the shares,

10. Personal attendance of Annual General Meeting and Global Sales Meetings is recommended for each member. Attendance based on the type of membership is mandatory.

11. The maximum number of voting rights covered by one company within the WIN Association is limited to 5. The voting rights of such a company are limited to 10% of attending votes of the actual WIN Association including full and temporary members. A company is defined to belong to a Group when the majority shareholding is owned by one company or indirectly by the same shareholders. (Example: A is owning 40% of B and shareholder of A owns another 20% of B).

12. All members should use the WIN logo while their membership is valid. Only original logo may be used and can be requested from the WIN office. Once the membership expires neither logo may be used nor any association to WIN may be made. (company webpage, presentations, business cards, etc.)

13. WIN members may be part of further international forwarding network, besides WIN Membership.

Art. 4 Duties and Obligations of the Board

1. The Board of Directors meets minimum two times per year, of which one meeting takes place on the occasion of the Annual General Meeting. If a Director cannot attend a meeting, he must summarize his comments based on the meeting agenda and submit to the Chairman in writing prior to the meeting. Personal attendance at the Board Meeting at least once a year is mandatory, however an ongoing participation is expected.
2. There is an ongoing dialogue and communication within the Board of Directors. Comments, inputs and decisions of the Board are kept in the minutes. The Chairman informs all members about important decision with no delay. General information is communicated every two months.
3. The minimum quality and performance standards (EP) for all WIN members are proposed by the Board of Directors and accepted by the General Meeting.
4. Once a year the Board controls the quality and the activity of each member with the *Evaluation Program* and presents the results to the General Meeting. In case of a member not qualifying for a consequent year the responsible Regional Division Director must take charge for correction. He sets up an action-plan together with the not qualified member and follows through until minimum requirements are met.
5. It is the Board's discretion to change status of members, based on the rules stipulated in *Art. 7 Bylaws "Definition WIN membership"* to the benefit of WIN and its members.
6. It is the Board's discretion to expel a member if this member conflicts with WIN Articles and/or WIN Bylaws of Association.
7. It is the Board's discretion to select / appoint a new "temporary" member: This member remains temporary until AGM accepts as full WIN member.
8. In case of Chairman's absence or not performing according to set duties the Vice-Chairman takes over the Chairman's responsibilities.
9. If a Board member does not support the WIN Association actively and/or does not fulfill his duties the Chairman has to request the respective Director for action. If no improvement is achieved the Chairman must inform the respective region immediately about the foreseen replacement of the failing Director at the next General Meeting. He also informs who will assume the Directors duties in the meantime.
10. The Chairman and Vice Chairman of WIN Association must be appointed members of the Board of Directors of WIN Logistics AG during their term and replace previous Board members if any.
11. The WIN office is in charge to manage the administration of the WIN network and reports to the Chairman and Vice Chairman of Association. The WIN office is responsible for a smooth operation in all aspects and must guarantee reachability during working hours. WIN office is paid according to agreed budget.

Art. 5 “ARBITRATION BOARD”

1. Scope of Arbitration Board

The formation of an Arbitration Board as a neutral body has the duty to handle disputes between members to assess responsibility and issue judgment.

2. Why the need for Arbitration?

When business dispute between WIN members that could not be resolved amicably; an independent arbitration may become necessary to determine responsibility and provide a resolution.

The Arbitration process is designed to help WIN members to settle dispute by an independent body. The Arbitration process is designed to help WIN members to settle dispute by an independent body.

3. Dispute resolution

The WIN Board cannot and must not be a referee in any dispute.

In the case of a dispute, it is always the first activity to for both members to try to resolve the matter among themselves.

- a. Members try to resolve between themselves
- b. Only if a resolution cannot be reached, either party can seek the assistance of Arbitration within a maximum timeframe of 100 days from invoice issue date.

4. Who can ask for Arbitration?

- a. All active full WIN members
- b. Members involved must agree to ask for an independent Arbitration process.
- c. The disputed amount needs to be a minimum of \$2,000 and not to exceed \$50,000. If the amount exceeds \$50,000, the members should seek professional legal advice.

5. Who may serve on the Arbitration Board?

- a. The Arbitration Board is not a permanent body; it is formed when the need arises.
- b. The WIN Board will propose 5 to maximum 10 persons to form the Arbitration Board at time of need.
- c. All current WIN members' employees excluding any WIN Board member may be appointed to serve on the Arbitration Board to work on the particular case.
- d. The persons should not have direct involvement with the case or be related to any of the dispute party.
- e. The parties involved in the dispute will mutually agree to 3 of the proposed members by WIN Board, the 3 members selected become the Arbitration Board for the case. If the disputing parties cannot agree on the Arbitration Board participants, the WIN Board will finally decide who fills any vacant positions in the Arbitration Board.
- f. When the case is over, the Arbitration Board is dissolved.

6. Start of Arbitration process

- a. Any WIN member can apply to the WIN Board in writing requesting for Arbitration within a maximum timeframe of 100 days from invoice issue date.
- b. The WIN Board will inform the other litigated party of the request for Arbitration.
- c. Any individual member can request Arbitration. WIN Board will start the process to form the Arbitration Board.
- d. All parties in dispute will sign an agreement with the WIN Board that they will accept the final judgment made by the *Arbitration Board*. Failure to sign the agreement will result in expulsion from WIN Network.

- e. WIN Office will change status of both parties in the Financial Security List as “under revision” until case is closed.

7. What is the Arbitration process?

- a. Both applicants must submit all the documents related to the case to be analyzed by the Arbitration Board.
- b. The document as proof includes communication between the 2 parties, related correspondence, any needed (requested) record and invoices.
- c. Each Applicant should submit their case in writing explaining the reason of the discrepancy and action that they have taken so far to resolve the case. The Arbitration Board may request additional documents.

8. What happens with the Arbitration Board decision?

- a. The Arbitration Board member will analyze the case collectively to reach a consensus to issue their findings and their judgment.
- b. Based on the signed agreement with the WIN Board, the disputed parties must accept unconditionally the judgment issued by the Arbitration Board. Case closed.

9. Will there be cost to ask for Arbitration?

- a. A fee will be assessed to each disputed party requesting Arbitration. The required fee is subject to the complexity of case.
- b. Disputed parties will sign the Arbitration Agreement and will receive an invoice from WIN Office for the Arbitration Fee.
- c. In case that the Arbitration Board needs to incur additional costs, these will be documented and will forward to the Applicants. These costs will form part of the final judgment, and each party will pay their portion according to the resolution.
- d. In the case that there is only one guilty party, this guilty party will bear the extra expenses.
- e. In the case that the judgment is to share the responsibility, the extra expense will be shared proportionally.

10. Where will the Fees go to?

Members who served on the Arbitration Board will receive a fee based on the complexity of the case and time required.

11. How long will the Arbitration process take?

- a. Once both parties agree and sign the arbitration agreement.
- b. To get the Board formed, maximum one week.
- c. During this week, the disputed parties should prepare their case and provide all the relevant documents/information and their written comment to the Arbitration Board.
- d. Once the Arbitration Board is formed.
- e. To review and analyze the case by the Arbitration members and to issue their finding and publish the verdict – 10 working days maximum, external procurement of information or documents time may be added, the whole process should not exceed 17/20 days.

12. What happens after the Arbitration Board issues its judgment?

- a. The Applicants will comply with the findings and follow through the judgment within 15 days.
- b. If the guilty party does not act within the agreed time frame, the WIN Board must expel the guilty party from WIN and the Contingency Insurance will follow for any compensation based on policy terms & conditions.

Art. 6 “Definition WIN membership”

1. Purpose Statement:

- To create a secure environment, agile and focused, steered by committed and linked members
- To offer WIN representation in most important and in industrialized countries and regions
- The network must be able to act as a multinational, both in the obligations as in the rights
- Exclusivity should remain main achievable
- Members who are active, connected and who create business opportunities should steer the network
- Any member has the right to have a valid solution in any WIN country within WIN.
- To have capacity and tools to reach global accounts.
- Open the doors to handling agents, where the representation is limited, or the agent has limited development interest for WIN.
- To empower the Board (active Regional Directors and professional Head office, working as a focused and committed management team)
- The Board to add, complement or replace members for the benefit of the network, guided by EP and decisions taken by the members
- To have funds and dedicated persons to manage projects based on defined and agreed needs
- To adapt constantly the Network to the market trends
- Make use of incentive programs mandatory and generate extra income
- To increase importance of AGM' and GSM's and secure high attendance, obligation to the members to attend and to create greater benefit for members attending
- To make more use of WIN as a brand name
- WIN to participate in selected fairs
- To secure as much as possible qualified and quality driven WIN coverage and continuation of co-operations.

2. Terminology:

- a) What does WIN consider a “Multinational”?
- Company with offices in different countries
 - Company who also works with other agents than own offices

A “Multinational” can be part of WIN if:

- They produce business for WIN
- Uses WIN as a strategic growing tool
- Offers business solutions for a majority of WIN
- Company can be part of WIN
- Reach minimum EP targets

- b) What does WIN consider a “Global player”?
- Company with own offices in (most) global major markets
 - Company with global strategy under same brand
 - = *This Company cannot be part of WIN*
Company creates conflicts for a majority of WIN members (strong competition)

- c) What does WIN mean by “other Network”?
- Company who uses different agent network similar to WIN
 - = If company fulfils EP requirements it can be part of WIN

3. Types of Membership

- a) GOLD members
- Full range of business solutions for all WIN members
 - Produce and give a lot of business to WIN
- b) SILVER members
- Full range of business solutions for a majority of WIN
 - Produce and give regular business to WIN
- c) BRONZE members
- Handling business for some WIN members
 - Might produce some business to WIN
- d) All membership categories must fulfill following criteria:
1. Coverage:
Coverage offer business solutions a defined and assigned market
 2. Product:
Air, Sea (FCL/LCL) Export, Import (further services are advantages)
 3. Service:
Competitive rates and professional operations
 4. Financial security
To fulfil WIN financial standards
 5. Quality
To fulfil WIN EP standards

4. Gold Member

- a) Obligations:
1. to offer full range of products and services in the assigned market for all WIN members
 2. To produce and give lot of business to WIN
 3. Not to be a Multinational
 4. To attend all AGM/GSM
 5. To reach EP minimum standards in 3 categories (Network, Productivity, Quality, Over-all)
 6. To pay Gold Membership fees (based on WTO)
- b) Rights:
1. Only 1 exclusive Gold member in the assigned market
 2. Voting rights with decision factor 2
 3. Can serve on the Board
 4. To participate at WIN incentive carrier program
 5. To participate at WIN internal incentive program (project under construction)
 6. To use WIN logo and to represent WIN

5. Silver Member

- a) Obligations:
1. To offer full range of products and services in the assigned market for the majority of WIN members
 2. To produce and give regular business to WIN
 3. To attend all AGM/GSM
 4. To reach EP minimum standards in 2 categories (2 of Network, Productivity, Quality, Over-all)
 5. To pay Silver Membership fees (based on WTO)
- b) Rights:
1. Maximum 2 Silver members in the assigned market, except in key markets and/or for strategic reasons approved by the Board.
 2. Voting rights with decision factor 1
 3. To serve on the Board
 4. To participate at WIN internal incentive program (project under construction)
 5. To participate at WIN incentive carrier program
 6. To use WIN logo and to represent WIN

6. Bronze Member

- a) Obligations:
1. To offer defined products and services in the assigned market
 2. To reach EP minimum standards in category Quality
 3. To pay Bronze Membership fees (based on WTO)
- b) Rights:
1. Maximum 4 Bronze members in the assigned market, except in key markets and/or for strategic reasons approved by the Board.
 2. To participate at WIN incentive carrier program
 3. To use WIN logo

7. Change of Status

- a) Gold becomes Silver
- I. EP results 2 years in a row) / or if become Multinational
- b) Silver becomes Gold
- I. Fulfil Gold standards – EP results (2 years in a row)
 - II. No existing Silver member in this market
- c) Silver becomes Bronze
- I. EP results (2 years in a row)
- d) Bronze becomes Silver
- I. Fulfil Silver standards – EP results (within 1 year)
- e) Bronze becomes Gold
- I. Fulfil Gold standards – EP results (2 years in a row)
 - II. No existing Gold or Silver member in this market

8. Exclusivity – maximum number of members – voting rights

- a) Gold Member
 - I. Maximum members in assigned market/territory: 1
 - II. Voting rights: 2
 - III. Exclusivity: yes
 - IV. Must complete EP: yes
- b) Silver Member
 - I. Maximum members in assigned market/territory: 2, except in key markets and/or for strategic reasons approved by the Board.
 - II. Voting rights: 1
 - III. Exclusivity: no
 - IV. Must complete EP: yes
- c) Bronze Member
 - I. Maximum members in assigned market/territory: 4, except in key markets and/or for strategic reasons approved by the Board.
 - II. Voting rights: 0
 - III. Exclusivity: no
 - IV. Must complete EP: yes
