

# FREQUENTLY ASKED QUESTIONS



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### 1. WHAT IS THE COOPERATIVE LOGISTICS NETWORK?

The Cooperative Logistics Network is <u>not</u> a freight forwarder.

It is an alliance of hand-picked freight forwarders in each major air/seaport who cooperate in a financially secure environment to reduce costs and risks, grow their businesses together and compete against the largest multinationals.

### 2. ENTERING THE NETWORK - APPLICATION PROCESS AND FEES

What are the standards required for my business to become a member of The Cooperative Logistics Network? The Coop isn't looking for the biggest independent freight forwarders; it is looking for those which are the most reputable, well managed and solvent, with a considerable business volume and a good credit history with their partners.

How can I become a member?

The application process is in two stages.

Stage 1: You need to complete the <u>online Membership Application form</u>. It will take 2-3 days maximum to evaluate and then you will be told whether or not you have met our criteria and made it to the second stage.

Stage 2: We will contact your 3 references to learn more about your company. If they provide us with positive references, we will then send you a letter of acceptance, a copy of the contract and your membership fee invoice.

What is the annual membership fee?

The membership fee is set at 1450 EUR per city.\*

\* This does not include the optional Payment Protection Fee (350 EUR).

Can I be a member in more than one territory?

Yes you can. We welcome all members with branch offices in other locations to apply to operate in other cities paying just 50% of the membership fee for each additional branch.

Can I get a discount on the membership fee?

Yes you can. The Coop has a referral programme which offers referring agents a 25% discount\* on their annual membership fee for every recommended agent that is accepted as a member.

<sup>\*</sup> Up to a maximum of 4 discounts can be earned annually.



### 3. MEMBERSHIP PERIOD

What is the start/expiry date of my membership?

Your membership will start on the date we announce your membership to all members and give you your intranet login details. Your membership will <u>automatically</u> renew 1 year from that date\*.

\*In the event that a company does not wish to renew their membership, as per rule 6.A., The Cooperative Head Office must be informed of these intentions no later than 1 month before the renewal date of the membership, otherwise full payment of the membership fees will be invoiced.

What details must I provide for my member profile?

The Coop believes that members should be as well informed about each other as possible. All member profiles give the following information as minimum.

- Company contact information (at least 3 personal contacts)
- Description of services
- Area of operation
- Bank information
- Office hours, local bank holidays
- Certificates, accreditations

## 4. THE COOPERATIVE BENEFITS

What makes The Cooperative Logistics Network different to other networks?

- The Coop offers an extremely competitive membership fee.
- For a non-exclusive network, The Coop operates a strict selection process with rigorous background checks being carried out on all applicants, as well as ensuring high standards are met before any agent is offered membership.
- Attendance of the Annual Meeting is compulsory. You will have the opportunity to meet a senior representative of every company in the network annually.
- The Coop has its own PR department which will ensure you are well-promoted both within the network through weekly news and quarterly newsletters as well as locally and internationally through press releases.
- Our highly professional team are on hand to assist members in the best way possible both quickly and efficiently, whatever the issue.

You can find out more about The Coop benefits here.



### 5. DIRECTORIES AND TERRITORIES

What is the maximum number of agents The Cooperative Logistics Network will accept per city?

At The Coop, we understand that familiarity in business is important which is why we limit membership to 3 members per city with the exceptions being well developed areas like Shanghai, Delhi, New York, Beijing, London, Tokyo, etc. where the maximum will be 5 members. This means that our Members will enjoy the flexibility of a non-exclusive network whilst at the same time maintaining the unity and friendship of an exclusive network.

Which companies belong to The Cooperative Logistics Network?

Company policy prevents the release of the details of our members to non-members. However, on our <u>Testimonials</u> page page, you will see the details of some members and you are welcome to get in touch with them to hear feedback on their memberships.

What happens if The Cooperative Logistics Network has no coverage in a particular territory?

You can contact head office to see the list of non-member contacts we have in that territory.\* If, once you are in contact with an agent, you find them to be trustworthy, we would encourage you to refer them to us; doing so may earn you a 25% discount on your membership fee.

How much business is there from/to my city?

The Cooperative does not keep the latest statistical data of the traffic per city/country.

<sup>\*</sup> The Cooperative accepts no liability for any financial loss or other losses that may occur as the result of working with non-Cooperative members.



### 6. NEW BUSINESS

Will other members of The Cooperative Logistics Network use me for their shipments?

Yes, if you deliver a good service at a competitive rate, as a member of the network you are in a better position for other members to consider your company for their free-hands, routings, sales leads and quotations, etc. which will convert into a significant increase in your business volume.

When I offer shipments to an individual member, will I receive the same amount in return?

Although not necessarily from an individual member, we do believe that your cooperation will be more than rewarded by the business you receive from the other members.

Can The Cooperative Logistics Network guarantee that I will receive enough business to get a return on my membership fee?

Because of the differences in markets, no network, including The Coop, is able to guarantee its members business. What The Coop does is provide you with a portfolio of reliable partners as well as the financially secure environment in which to operate. The rest is up to the pro-activity of each individual member as well as the price offered.

Am I required to only work with The Cooperative Logistics Network's agents?

No. Members are not obligated to use fellow members for all their shipments. For any agent, finding good partners takes time and we certainly do not want to jeopardize your long-standing relationships. What we would encourage you to do though is recommend your favourite agents as possible members for The Coop through the <u>Referral Programme</u>. If an agent you refer is accepted, we will award you a 25% discount on your annual membership fee and then you can continue to work with them through the network.



# 7. PAYMENT PROTECTION PLAN (PPP)

What is the PPP and how does it work?

The PPP offers additional payment security and is optional for all members. In the event of an unpaid invoice, the PPP will release funds to chase the debt on that bad payment.

For more information, visit our PPP section.

What happens to my PPP contributions if I leave?

In the case of resignation from the network, the resigning agent will be refunded their total contributions to the PPP, minus their pro-rata share of the moneys used to meet claims during their time in the network. An additional 20% will be retained to cover expenses predicted to arise from future claims, such as legal or debt collection costs.

See Rule 6 A.2.

### 8. DISCIPLINE

What behaviour would lead to a member being expelled?

- Engaging in dubious business practices, rendering poor service, or neglecting responsibilities to other members.
- Recurrent late payments of invoices issued by other members.
- Failure to pay invoices issued by other members.
- Failure to attend two consecutive annual conventions.
- Failure to actively contribute to sales promotion.
- · Bad faith in a dispute with another member.
- Recurrent violations of any other rules.



### 9. PAYMENT TERMS BETWEEN MEMBERS

Who is responsible for paying the bank fees?

To be fair to all members, we believe that each agent is responsible for the bank fees at his/her end. When making a payment, there will be 3 options for who pays the fees; "Our, Share, Beneficiary," and the party making the payment needs to tick "SHARE" to ensure the fees are divided.

What currency should I pay in?

Whatever currency is stated on the invoice is the currency in which the payment must be made. Other currencies should only be used when both members have agreed in advance.

What can I do if a member is late in paying an invoice to me?

The Coop policy is one of zero-tolerance for late payments.

We believe that it is not the job of busy agents to collect debts and if this occurs the unpaid agent should contact The Coop Head Office immediately and the wrong-doer will be contacted and given 5 days to make the payment. See Rule 9.8.

How can I be sure that I will not be asked to pay excessive charges when I consign a shipment to another member of The Cooperative Logistics Network?

The destination charges to be applied by each member are published on the Cooperative intranet and are continually updated to reflect current market conditions and prices. The Coop members understand that it is in their own interests to provide a good service, as they may get return business in the future. Should any member experience unprofessional behaviour by other members, our members agree to report such incidences to The Coop Head Office.



### 10. ANNUAL MEETING

Is attendance at The Cooperative Logistics Network Annual Meeting compulsory?

We require one senior member of staff from each company to attend the annual meeting. Any company which fails to send any representation to 2 consecutive annual meetings, will be expelled from the network.

What are the benefits of attending The Cooperative Logistics Network's Annual Meeting?

The annual meeting is the most important benefit of a membership of The Coop. It is your annual opportunity to promote your business internationally, do deals and form lasting relationships.

Developing a world-wide network of agents can be a very costly task both in terms of time and money which often results in failure. We see this conference as the solution to this problem. You will be able to meet all the key players in our companies in one place for one cost; thus, saving you substantial time away from the office and considerable expense.

What happens at The Cooperative's Annual Meeting?

The annual meeting is 2 and ½ days long beginning with an evening cocktail party where members meet and catch-up in an informal setting. The following two days consist of one-to-one meetings which you pre-book via our online one-to-one scheduler. In addition to the cocktail party, we also take a tour of the local sights and enjoy a gala dinner together.

To find out more about The Cooperative Annual Meetings, click here.

# 11. USE OF THE COOPERATIVE BRAND

Where should I display The Cooperative Logistics Network logo?

The Coop logo must be displayed alongside each member's own company logo in communications with customers, suppliers and the public in general, for example on email auto-signatures and websites. This is to indicate their membership of the network and to promote the brand. See <u>Rule 12</u>.

Where are the instructions for using The Cooperative Logistics Network logo?

The Identity Manual, which can be downloaded from the intranet, has all the information you need for this. Simply login to the Members Area and click the green arrow with "Download" next to it which you will find in the right-hand corner. You are now in the download area and you should see a banner which says "The Cooperative Identity Manual", click this and your download will start immediately.













www.thecooperativelogisticsnetwork.com