

LAPASAR DELIVERY PARTNER

TERMS AND CONDITIONS OF SERVICE AND ENGAGEMENT

1. GENERAL TERMS

- 1.1. **LAPASAR SDN. BHD. (COMPANY REGISTRATION NO. 201601027289 (1198228-D))** (“We”, “Us”, “Our” “Lapasar”) wish to receive services from an independent company for the matters concerning logistics and distribution services arising out of the ordinary course of Lapasar’s business including but not limited to handling, transporting, providing manpower, dispatching, and any other related services (“**Services**”) concerning Lapasar’s fast moving consumer goods (“**the Goods**”).
- 1.2. You have represented to us that you possess the necessary skill(s), equipment(s) and/or vehicle(s) to provide the Services to Lapasar (“**you**” or “**Service Provider**”).
- 1.3. These terms and conditions and any other policies and/or documents prescribed herein by Lapasar shall contain the terms and conditions on which you will provide the Services from Lapasar’s place of business (*as informed from time to time*) to Lapasar’s customers (*as informed from time to time*) (“**Lapasar’s Customers**”).

2. DESCRIPTION OF SERVICE

- 2.1. The scope of the Services to be provided by you shall be as follows:
 - 2.1.1. The Service Provider shall provide receiving, pickup, routing, transporting and dispatching Services of Lapasar’s goods from a location specified by Lapasar and deliver the Goods to Lapasar’s customers (“**Lapasar’s Customer**”) whereby the routes and/or location of the Services shall be determined solely by Lapasar;
 - 2.1.2. The Service Provider shall be responsible for the unloading of the Goods to be delivered to Lapasar’s Customer; and
 - 2.1.3. The Service Provider shall collect payment from Lapasar’s Customer on behalf of Lapasar whether in the form of Cash or Cheque (“**Payment Collection**”) and the Payment Collection must be submitted to Lapasar within **24 hours** from the date of delivery unless otherwise agreed by Lapasar.
- 2.2. The Service Provider shall be available to perform the Services stated in 2.1 above, within Lapasar’s operational hours as communicated by Lapasar to the Service Provider from time to time, including any Public Holidays that Lapasar is operating.
- 2.3. The Service provider shall conduct the loading of the Goods for the Services in 2.1 above at least 2 hours before the commencement of the delivery for the day.

3. NATURE OF ENGAGEMENT OF SERVICE

- 3.1. Your initial engagement under this term and condition shall be as a permanent Service Provider whereby you will need to comply with the following requirements monthly:
 - 3.1.1. Minimum twenty-three (23) days of services rendered to Lapasar;
 - 3.1.2. Return rate and/or unsuccessful delivery shall be kept below 5% from the total delivery per month;

- 3.1.3. At all times, provide proof of an attempt of delivery when there is a return due to the customer's rejection of the delivery;
- 3.1.4. At all times, to provide an update on the delivery of the Goods via any form of communication prescribed or preferred by Lapasar;
- 3.1.5. Unable to deliver to Lapasar the cash and/or cheques collected on delivery from Lapasar's customers within 24 hours from the collection; and/or
- 3.1.6. Unable to load the Goods into the vehicle at the time period prescribed by Lapasar;

failing which Lapasar shall be entitled to change your initial engagement to an Ad Hoc basis wherein Lapasar shall make payment to you in accordance with Clause 5.2 below.

4. PERIOD OF SERVICE

- 4.1. Your engagement as the Service Provider shall be for a period of **one (1) year** commencing from the date of registration with Lapasar and shall be automatically renewed for a successive period of **one (1) year** each (each successive period shall be referred to as the "**Renewed Term**") in the absence of either Party's written notice to the other informing the Party's decision to not renew the engagement of the Service Provider at least **one (1) month** prior to the expiry of the Initial Term or the Renewed Term.

5. TERMS OF PAYMENT

- 5.1. Lapasar shall make payment of the service fee to the Service Provider based on the following Pricing Schedule:

Truck Type and/or Truck Size	Price Range (RM)
3 Ton 17ft / 3 Ton 14ft truck	RM8,000 - RM8,500
1 Ton truck	RM5,300

or based on any other price as informed by Lapasar to the Service Provider from time to time in which the payment to be made to the Service Provider shall be subjected to the location of the delivery, the number of days of the Services rendered in a month excluding Malaysia's public holiday and the size of the vehicle used for the delivery.

- 5.2. In the event Lapasar has engaged the Service Provider for an additional service to be rendered, the following additional fees shall be applicable:

Description of Additional Fee	Additional Fee
Additional delivery after the first twelve (12) delivery	RM20.00 for each additional delivery
Ad Hoc	Fee will be informed before the loading of the Goods into the Service Provider vehicle and thr Ad Hoc fee shall be subjected to the location and the size of the vehicle use to deliver the Goods.

Pick Up Services	At the discretion of Lapasar between the range of RM100.00 to RM400.00 for each pick up (maximum 1 location)
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5.3. Subject to Clause 5 below, the payment(s) in respect of Clause 4.2 and Clause 4.2 above shall be made as follows:

5.3.1. The Service Fee shall be paid by Lapasar to the Service Provider within **30 days** from the last day of the service rendered on a monthly basis after deducting the penalty imposed by Lapasar in accordance with Clause 9.2.3;

5.3.2. The Additional Fee shall be collectively paid by Lapasar to the Service Provider together with the Service Fee in accordance with Clause 5.3.1;

5.3.3. If there is any discrepancy in respect of the Service Fee paid by Lapasar, the Service Provider shall notify Lapasar in writing within **forty-eight (48) hours** from the date of the Automated Payment together with its reasons and supporting documents failing which the payment made by the Service Fee is deemed as correct; and

5.3.4. If there is any discrepancy in respect of the Additional Fee paid by Lapasar, the Service Provider shall notify Lapasar in writing within **forty-eight (48) hours** from the date of receipt of the Payment Voucher that is issued on a weekly or bi-weekly basis by Lapasar to the Service Provider.

6. AUTOMATED PAYMENT

6.1. The Service Provider hereby agrees that the payment pursuant to Clause 5.1 and Clause 5.2 above (if any) shall be made by Lapasar to the Service Provider by way of an automated payment wherein Lapasar shall make the said payment automatically without making further reference to the Service Provider in accordance to the terms stipulated in the form prescribed by Lapasar for the automated payment ("**Automated Payment**").

6.2. The Service Provider shall upon registering with Lapasar, provide Lapasar with the Service Provider's Payment and Banking Details in the form prescribed by Lapasar for the Automated Payment.

6.3. Lapasar shall not be held responsible nor liable for the Automated Payment being paid to a third party and/or invalid account due to the incorrect Payment and Baking Details provided by the Service Provider Clause 4.3.

6.4. If there is any discrepancy in respect of the payment made by Lapasar *via* the Automated Payment, the Service Provider shall notify Lapasar in writing and furnish all the supporting documents within **forty-eight (48)** from the date of the payment received by the Service Provider failing which, the Automated Payment made by Lapasar shall be deemed to be accurate and the Service Provider shall be deemed to have waived any discrepancies in respect thereof.

7. OBLIGATION OF SERVICE PROVIDER

7.1. The Service Provider shall have the following obligations:

- 7.1.1. The Service Provider shall ensure that the Service Provider is able to provide the Services to Lapasar during Lapasar's operating hours as informed from time to time;
- 7.1.2. The Service Provider shall use its best efforts to complete all the assigned deliveries within Lapasar's operating hours as informed from time to time and deliveries beyond Lapasar's operating hours are prohibited except by notice and/or acceptance of Lapasar and/or Lapasar's Customer;
- 7.1.3. The Service Provider shall perform a quantity and quality check, and ensure acknowledgement of receipt and/or signature on the Delivery Note and/or Delivery Order for all the Goods assigned to the Service Provider for delivery to Lapasar's Customer;
- 7.1.4. The Service Provider shall ensure that Lapasar's Customer, upon receipt of the Goods by Lapasar's Customer, performs a quantity and quality check, acknowledge receipt and sign-off on the Delivery Note and/or Delivery Order upon delivery by affixing the full name of the recipient, NRIC No., date of delivery and company stamp on the Delivery Note and/or Delivery Order as proof of delivery;
- 7.1.5. The Service Provider shall be fully responsible for the collection and safekeeping of the delivery documentation being the proof of delivery to Lapasar's Customers;
- 7.1.6. The Service Provider shall return the documentation in respect of the Services stated in 2.1 above to Lapasar before the next scheduled delivery and/or new Goods are to be loaded into the Service Provider's vehicle;
- 7.1.7. The Service Provider shall return to Lapasar any of the Goods that are not delivered to Lapasar's Customer for any reason within **24 hours** from the date of the delivery scheduled unless otherwise agreed by Lapasar;
- 7.1.8. The Service Provider shall be responsible to maintain the upkeep of all the assets operated and/or utilized by the Service Provider and its employees and/or agents and/or subcontractors;
- 7.1.9. The Service Provider shall be responsible for all the costs incurred for the Services rendered to Lapasar, including but not limited to, petrol expenses, road tax, insurance, and expenses for telecommunication;
- 7.1.10. The Service Provider hereby undertakes and warrants that all the required documentation and licenses in respect of the Services provided in accordance with this terms and conditions are in place and shall be maintained at all times as legally required by any governmental or regulatory authority which has the jurisdiction to regulate the logistics industry in Malaysia;
- 7.1.11. The Service Provider shall be responsible to comply with the implementation of appropriate safety measures prescribed by the Malaysian Authorities and/or Lapasar's Safety & Health Department ("**Safety Protocols**") when rendering the Services at any of Lapasar's Warehouse throughout the period of the engagement of the Service; and
- 7.1.12. The Service Provider shall comply with all applicable laws and regulations of Malaysia in rendering Services to Lapasar under this terms and conditions

including but not limited to the legal requirements pertaining to the transportation of hazardous materials, dangerous goods and/or overweight cargo.

8. LIABILITY OF THE SERVICE PROVIDER

- 8.1. In the event that the Goods are missing or damaged upon the quality and quantity check by Lapasar's Customer, the Service Provider agrees to be made responsible and liable on an indemnity basis for any losses and/or damage to the Goods that are within the possession and/or control of the Service Provider whereby, the Service Provider shall be liable for the retail value of the goods including but not limited to any expenses incurred by Lapasar in respect of the loss and damage to the goods inclusive of additional costs for storage fees, transportation fees and manpower charges (*the list is non-exhaustive*).
- 8.2. In accordance with Clause 5.1.7, the Service Provider agrees that the Service Provider shall be made responsible and liable for all payment collections in Cash and/or Cheque from Lapasar's Customers wherein the Service Provider shall provide to Lapasar the said Cash and/or Cheque within 24 hours from the delivery of the goods to Lapasar's Customer failing which, Lapasar shall have the right to claim for the full amount in any manner, including but not limited to deduct the full amount from the Payment that is due and payable by Lapasar under this terms and conditions.
- 8.3. The Service Provider agrees that the Service Provider shall be made responsible and liable for any additional costs and/or expenses incurred by Lapasar due to the Service Provider's failure, refusal and/or neglect to discharge its obligations and responsibilities under this terms and conditions in which:
 - 8.3.1. Lapasar shall, within **the same month** of the delivery or non-delivery of the Goods by the Service Provider, notify the Service Provider of the additional costs and/or expenses incurred by Lapasar and shall further request for disbursement of the additional costs and/or expenses incurred by Lapasar;
 - 8.3.2. If the amount of the additional costs and/or expenses incurred by Lapasar cannot be determined within **the same month**, it shall be automatically extended for an additional period of **seven (7) days** calculated from the last day of the said month;
 - 8.3.3. Once the additional costs and/or expenses have been determined by Lapasar and upon submission of the disbursement summary ("**Date of Submission**") to the Service Provider, the Service Provider shall make payment to Lapasar within **seven (7) days** from the Date of Submission;
 - 8.3.4. Should there be any dispute in respect of the submission made by Lapasar for the disbursement of the additional costs and/or expenses, the Service Provider shall notify Lapasar in writing within **three (3) days** from the Date of the Submission together with the supporting documents failing which, the Service Provider shall be deemed to have agreed with Lapasar's submission for the additional costs and/or expenses and Lapasar shall deduct the additional costs and/or expenses incurred by Lapasar in the next Automated Payment without making any further reference to the Service Provider; and
 - 8.3.5. Upon receipt of the written notification by the Service Provider, Lapasar shall respond to the Service Provider within **five (5) days** from the date of the receipt to conclude the dispute and Lapasar reserves the sole right to accept, reject and/or vary the disputed amount.

- 8.4. The Service Provider agrees that the Service Provider shall not sell or offer to sell or dispose to any third party in any manner the defective or expired goods without Lapasar's prior written consent. Unless otherwise directed, all defective or expired goods shall be returned to Lapasar at the Service Provider's own cost and expense.
- 8.5. The Service Provider shall at all times (during and after the Term hereof), indemnify and keep Lapasar, including Lapasar's officers, employees, agents, representatives and affiliates indemnified against all liability, loss, damages, claims, suits, penalties, fines, costs or expenses, including solicitors fees on a client-solicitors basis, asserted against Lapasar due to:
- 8.5.1. any acts or omissions by the Service Provider or its agents, sub-contractors or representatives or employees;
- 8.5.2. any breach or non-fulfilment of any representation, warranty or covenant of the Service Provider provided herein; and/or
- 8.5.3. any claim, losses, damages, costs, or expenses asserted against Lapasar caused by the Service Provider, its employees or agents arising from any injury (including sickness, disease or death) of a third party or claim or injury to third party's property arising out of or in connection with the negligence of performance by the Service Provider under this terms and conditions.

9. NO SHOW

- 9.1. In the event, that the Service Provider fails, refuses and/or neglects to show up at any specific day during Lapasar's Operating Hours and no Services were rendered due to the absentee of the Service Provider ("**No Show**"), the Service Provider shall, at its sole costs and expenses mitigate the No Show in the following
- 9.1.1. The Service Provider shall inform Lapasar of the No Show before 08.00 a.m. on the day the Service was supposed to be rendered; and
- 9.1.2. The Service Provider shall provide Lapasar with a replacement ("**Replacement**") due to the No Show and the Replacement shall be ready at Lapasar's Warehouse (as defined hereunder) to perform the Services for Lapasar before 11.00 a.m.
- 9.2. In the event the Service Provider fails, refuse and/or neglects to mitigate the No Show in accordance to Clause 8.1 above, Lapasar shall impose a Penalty as stipulated below:
- 9.2.1. the Service Fees shall be prorated accordingly wherein Lapasar shall deduct the payment of the Service Fee for the day;
- 9.2.2. In the event the Service Provider fails, refuses and/or neglects to mitigate the No Show in accordance to Clause 8 above, Lapasar shall, In addition to item 3(a) above, impose a penalty claim calculated in the following manner:
- i. the difference in value of the Service fee of engaging a third party on an Ad Hoc basis; and
- ii. RM50.00 for each No Show.
- 9.2.3. The formula of the Penalty stipulated at 2(b) above are as follows:

Ad Hoc Service by Third Party - Prorated Service Fee of the Service Provider + RM50.00 = Penalty imposed by Lapasar for No Show.

10. LAPASAR'S REFUSAL OPTION

- 10.1. At all times, Lapasar shall have the option to refuse the Services to be rendered by any of the Service Provider's employees, agents, subcontractors or representatives without providing any reason to the Service Provider ("**Lapasar's Option to Refuse**").
- 10.2. In exercising Lapasar's Option to Refuse, Lapasar shall notify the Service Provider in writing wherein, the Service Provider shall replace its employees, agents, subcontractors or representatives within **seven (7) days** from the date of the receipt of Lapasar's written notification ("**Replacement Exercise**") wherein the Service Provider shall provide a replacement to Lapasar to provide the Services pursuant to this terms and conditions.

11. DEFAULT AND TERMINATION

- 11.1. In the event the Service Provider fail, refuse and/or neglect to adhere to Clause 7.1.11 above, Lapasar shall have the right to issue a warning letter against the Service Provider up to a maximum of **three (3)** warning letters wherein should the Service Provider still fail, refuse and/or neglect to adhere to Clause 7.1.11 above, Lapasar shall terminate the Service Provider immediately by issuing a Termination Notice to the Service Provider within **seven (7) days** from the date of the breach and the Service Provider shall indemnify and keep indemnified Lapasar against any action and/or costs incurred due to the Service Provider's breach of Clause 7.1.11.
- 11.2. In the event the Service Provider fails, refuses and/or neglects to provide the Services for **three (3) consecutive days**, the Service Provider's engagement shall be automatically terminated unless otherwise informed by Lapasar in writing.
- 11.3. In the event the Service Provider fails, refuses and/or neglects to provide Lapasar with the replacement upon the notification of Lapasar's Option to Refuse, Lapasar shall terminate the Service Provider with immediate effect by issuing a Termination Notice to the Service Provider within **seven (7) days** from the last date of the Replacement Exercise and the Service Provider shall indemnify and keep Lapasar indemnified against any action and/or costs incurred.
- 11.4. In the event a Winding Up petition is presented against the Service Provider or the Service Provider becomes insolvent by operation of law, the Service Provider shall be automatically terminated.

12. TERMINATION FOR CONVENIENCE

- 12.1. Either Party may terminate the engagement under this terms and conditions for convenience by serving a Termination Notice of **seven (7) days** to the other Party without providing any cause or reason.
- 12.2. Parties agree that in the event that the engagement under this terms and condition is terminated for any reason whatsoever, the Service Provider shall provide full and complete cooperation to assure that Lapasar's goods, data and documents continue to be handled efficiently, safely and expeditiously during the transition period of the Service to another Service Provider or to Lapasar.
- 12.3. Without affecting the generality of the obligations of the Service Provider stipulated in Clause 10.2 above, the Service Provider agrees that the Service Provider shall not delay the transportation of goods or transmission of data or documents whether or not such goods, data or documents are in the possession or control of the Service Provider during the transition period.

13. NOTICES

- 13.1. Any notices or other communication under this terms and condition shall be in writing and shall be deemed effective as of the date of such documents or letters sent to parties by any means of communication.
- 13.2. All notices may be given or delivered to such other address or addressee as any Party may from time to time designate to the other by written notice.

14. INSURANCE

The Service Provider shall at all times subscribe for the Goods In Transit Insurance and the costs in respect of the Goods In Transit Insurance shall be borne solely by the Service Provider.

15. WARRANTIES AND REPRESENTATIONS

The Service Provider hereby warrants and represents to Lapasar that the Service Provider has full power and authority to enter into and perform the services under this terms and conditions and when executed shall be binding upon the Service Provider.

16. NO LIEN

The Service Provider shall have no lien on any goods or portions thereof or on any documentation relating to the Services provided herein.

17. VARIATION AND AMENDMENTS

Except where expressly stated in this term and condition, no modification, amendment or variation of this term and condition shall be effective or binding unless it is made in writing by Lapasar. Any amendment, modification or variation shall be deemed to be a part of this term and condition.

18. FORCE MAJEURE

- 18.1. Neither Party shall be in breach of or be liable to the other Party for failure or delay in the performance and/or observance of any of its obligations under this term and condition or any part thereof, for the time and to the extent such failure or delay is caused as a result of the occurrence of an event of Force Majeure ("**Force Majeure Event**").
- 18.2. For the purposes of this term and condition, a Force Majeure Event shall mean an event, condition, or circumstance or its effect which:
 - a. is beyond the reasonable control of and occurs without fault or negligence on the part of the Party claiming it as a Force Majeure Event; and
 - b. causes a delay or disruption in the performance of any obligation under this term and condition despite all reasonable efforts of the Party claiming it as a Force Majeure Event to prevent it or mitigate its effects.
- 18.3. Force Majeure Events include without limitation, the following:
 - a. strikes or lockouts and/or other work stoppages or industrial action (other than those solely affecting the Party claiming the same as a Force Majeure Event);
 - b. acts of public enemies or terrorists or acts of war, whether or not war is declared, acts of force by a foreign nation or embargo;

- c. public disorders, insurrection, rebellion, sabotage, riots or violent demonstrations;
 - d. explosions, fire, earthquakes, landslides, subsidence, sabotage, and/or other natural calamities and acts of God; and
 - e. compulsory acquisition by any Government Entity.
- 18.4. If a delay or failure of a Party to perform its obligations is caused or anticipated due to Force Majeure, the performance of that Party's obligations will be suspended.
- 18.5. If a delay or failure by a Party to perform its obligations due to Force Majeure Event exceeds **twenty-one (21) days**, either Party may immediately terminate this term and condition by providing notice in writing to the other Party.

19. CONFIDENTIALITY AND DATA PROTECTION

- 19.1. The Service Provider shall take reasonable steps to protect the secrecy of the information provided by Lapasar, including but not limited to trade secrets, know-how, and confidential information ("**Information**") and to prevent the information from any unauthorized disclosure.
- 19.2. The Information obtained from Lapasar shall only be used for the purpose of the Services provided under this term and condition.
- 19.3. The Parties shall comply with the provisions of any written law with which they may be required to comply respectively including the Personal Data Protection Act 2010 and any other Act, Enactment or Ordinance or any by-law, rules, regulations or other subsidiary legislation under such Act, Enactment or Ordinance or any direction, Order, requirement or instruction given by any authority competent to do so under any written law.
- 19.4. Each Party agrees to indemnify the other Party against any infringement of the Personal Data Protection Act 2010 pursuant to Clause 7.6 above.

20. VARIATION

Lapasar may, at its sole and absolute discretion, from time to time vary the Services described in **Schedule A** and a written notification shall be provided by Lapasar to the Service Provider within **one (1) week** before the implementation date of the variation.

21. COST

Each of the Parties hereto shall be responsible for its respective legal and other costs incurred in relation to the preparation of this term and condition.

22. SEVERABILITY

The invalidity, illegality or unenforceability, for any reason, of any provision of this term and condition shall not prejudice or affect the validity, legality or enforceability of the remaining provisions. The Parties will negotiate in good faith a valid provision to substitute the invalid, illegal or unenforceable provision which will have a similar objective as the invalid or unenforceable provision to such extent as possible.

23. GOVERNING LAW

This term and condition shall be governed and construed in accordance with the laws of Malaysia and the Parties shall submit to the exclusive jurisdiction of the Malaysian courts.

24. TIME

Time whenever mentioned in this terms and condition shall be of the essence of this term and condition

25. NON- WAIVER

No failure nor delay to exercise any rights created under this term and condition shall operate as a waiver.

26. ENTIRE AGREEMENT

26.1. These terms and conditions are the entire understanding between Parties and shall supersede any prior understandings, discussions, negotiations, and agreements previously entered into by Parties.

26.2. In the event of any conflicting provisions between this terms and conditions and the schedules and appendices subsequent to this terms and condition, the terms of this term and conditions shall prevail.

26.3. If any of the translation or interpretation of this term and condition is inconsistent with the terms stipulated in the English language, the English version shall prevail to the extent of any conflict or inconsistency.

By registering with Lapasar Sdn. Bhd., you give your irrevocable acceptance of and consent to be bound by these Terms and Conditions of Service and Engagement and any part thereof.