

A to Z Barter User - Facility Agreement

This agreement is made at New Delhi on _____ day of _____ Month of year _____ between A to Z Barter Pvt. Ltd., a company incorporated under the companies Act 1956 and having its office at C-14 Mansarovar Garden , New Delhi -110015 (hereinafter referred to as A to Z Barter or A to Z) through its Director _____ which expression shall unless repugnant to the context or meaning thereof shall mean and include employees, sponsors, directors, officers, representatives, subsidiaries, fulfilment agencies and consultants and advisors.

AND

_____ a company duly incorporated under the Companies Act, 1956 and having its place of business at _____ through _____ which expression shall unless repugnant to the context or meaning thereof shall mean and include employees, sponsors, directors, officers, representatives, subsidiaries, fulfilment agencies and consultants and advisors.

Whereas:

A to Z Barter is a Barter - Trade Network enabling its client to buy & sell on barter. A to Z Barter acts solely as a clearinghouse & third party record keeper of trade transactions among its clients in the network. Clients comprise an association of sole proprietors and companies that trade their products & services in accordance with the terms & conditions set forth in this agreement.

The purpose and aim of A to Z Barter is to establish and enable fair-trading among its users and fostering a system of good business practices.

AND

Whereas the party to the second part i.e. the User is willing and has volunteered to offer his products and avail the services of A to Z. Have mutually agreed to reduce the understanding of the barter arrangement as per the following terms and conditions: -

1. Covenants & Undertakings

The User would be entitled to buy & sell products & services from / to the clients which are part of the A to Z Barter – Trade network.

All transactions conducted on the A to Z system are entered into a voluntary basis between Users / clients and are between the buyer and seller only.

All Payments for purchases and sales made by the User from / to clients in the A to Z Barter – Trade network would be on barter i.e. in kind and there would be no conversions or refunds or claims made in cash, under any circumstances. (All debits and credits of either party will be offset in kind only).

Values for all purchases and sales made by the user would be recorded in the form of A to Z Trade units (Rs.1 equivalent to 1 A to Z Trade Unit).

A to Z Barter would act solely as a clearinghouse & third party record keeper of trade transactions among its clients in the network.

As per the understanding the User would be offering the following products / services on barter: -

<i>Products</i>	<i>Brand</i>	<i>Price</i>	<i>Other Details</i>

All the above products / services would be offered against all barter purchases made by the User through the A to Z Barter – Trade network.

The trade units balance of the User, at the end of the year, i.e. either positive - credit balance (where sales made by user exceeds purchases) or negative – debit balance (where purchases made by the user exceeds sales) will be automatically carried forward each

year to the next financial year, after reconciliation between A to Z and the User. There would be no lapse in the above values and would be carried forward each year.

In case of the user having a negative balance (i.e. purchases made are more than sales) and there is a demand from A to Z clients for the user's products & services as listed in the agreement, should the user decline to fulfill the orders placed, the user is liable to pay A to Z the equivalent of Rs. 1 for each A to Z Trade unit outstanding in the users account.

A negative balance creates an obligation on the user to sell to the extent of the deficit.

A to Z trade units may be treated as taxable income for state, central and / or local tax purposes. The user should seek independent professional tax advice. The declaration and reporting of all applicable central, state and local / municipal taxes including but not limited to appropriate sales and excise taxes, resulting from any trade transactions rests solely with the user. The user should ensure that if a transaction needs tax deduction at source, service tax or any other TDS, the same has to be done. The user is required to fulfill all their requirements under the law and A to Z owes no responsibility in case the user fails to comply with the requirements.

2. Purchase & Sale transaction procedure:

(i) For any purchase transaction the user needs to:

Communicate in writing to A to Z requesting for the required product or services.

Upon confirmation of request, the user needs to submit a valid Purchase order in favor of the seller and obtain a A to Z sale authorisation code.

User needs to pay in advance 50% of A to Z trade fees at the time of raising the Purchase Order and the balance 50% upon receipt of material / service. In case of all media releases, the entire fee would be payable in advance, along with the order.

(ii) For sale transactions:

The user would sell based upon the receipt of the following:

- a. Physical & Valid Purchase order from the buyer*
- b. Sale approval code from A to Z authorizing the transaction.*

In case of sales executed without the formal approval of A to Z, there would be no transfer of A to Z trade units to the seller user's account and the transaction would not be deemed valid.

All bills / invoices need to be generated by the seller and should be drawn directly in the name of the buyers and should include all taxes payable as per law and as applicable. There would be NO TRANSFER OF A to Z TRADE UNITS unless valid bills / invoices are received by A to Z for the sales executed.

3. Transaction authorization by A to Z

A to Z will not effect transfer of A to Z Trade units from the account of the buyer and in favor of the seller unless the transaction had prior approvals from A to Z. A to Z reserves the right to refuse to authorize transactions in case of the following:

- The account associated with the buyer does not have sufficient A to Z Trade units for purchase.*
- The account associated with the buyer or seller is not in good standing*
- The transaction is prohibited by law or by this agreement*
- Non-payment of advance / fees to A to Z.*

4.A to Z Barter Transaction fees - on purchases:

(i) A to Z would be entitled to a 10% transaction fee, +service tax (10.3%) assessed on the value of purchases made by the user, this would be payable by cheque / bank draft only.

In addition to the transaction fees the user would also be liable to pay any charges which are borne on behalf of the client, such as delivery charges for goods, cheque bouncing charges, any liabilities associated with transactions etc.

(ii) A to Z has the right to forfeit the entire credit balance in the user's account, in case of a delay in payment of fees due to A to Z for more than 30 days.

(iii) In case of a debit balance and default in payment of fees to A to Z and resulting forfeiture of user's account, the user is liable to settle the entire debit in cash to A to Z within 30 days.

5. Dispute resolution procedures

A to Z Barter is a trade exchange company that acts solely as a clearinghouse and third party record keeper of barter transactions amongst its clients. A to Z barter has no interests in the business of the user. A to Z barter's interest is limited to the fees it receives from the buyers. A to Z Barter's sole function is in a brokerage capacity. The user does hereby indemnify and hold A to Z harmless with respect to any claim, debt, or liability whatsoever arising out of any trade exchange transaction wherein user is a buyer or seller.

Although A to Z may give referrals as a service to its users, A to Z barter assumes no responsibility for the quality, timely delivery, warranty or dispute of any nature between users with regards to any product or service being traded.

Users should exercise the same diligence entering into trade transactions as they do with all cash transactions and ensure that all the documents required to execute an agreement / contract has been executed and A to Z owes no responsibility.

6. Termination

A to Z Barter reserves the right to freeze / cancel an user's account if :

- A to Z has received more than 3 complaints in relation to a given user for poor performance, charging in excess of users normal business practice or violating the rules of the agreement*
- User commits fraud, or is not abiding by the terms set forth in this agreement*
- A to Z trade fee is over due for more than 30 days.*
- A to Z Barter determines that there is reasonable cause for such termination.*

Either party may terminate this agreement after 30 days advance notice to the other party.

Upon termination / cancellation the user must spend all the positive balance in its account within 90 days of cancellation. However the said time can be extended, upon a specific request made by the user and if approved by A to Z. However in case of non-payment/delay of fees due to A to Z, the entire positive balance would be forfeited by A to Z as per clause 4 above.

In case of a negative balance in the users account, the same shall be settled through sale of the user's products & services or paid in cash, within 60 days of cancellation of account. Negative balance of the user shall be settled through sale of the user's product service which shall be the exclusive power of A to Z and it shall have the liberty to purchase the product / service from the user at any time. In case the user fails to comply / deliver the said products / services, the same shall be compensated to A to Z in cash.

7. Arbitration

That in event of any dispute arising out of this agreement or in relation thereto or regarding the interpretation of any clause hereof for which no express provision has herein be made, the same shall be tried to be resolved amicably within 30 days and in the event the dispute still persists the same shall be referred to an Arbitrator appointed by each party with consent and in accordance with and subject to provisions of the arbitration & conciliation act 1996. The venue of such arbitration shall be at New Delhi and the courts at Delhi shall have the exclusive jurisdiction.

All purchase orders issued and accepted by the User would be subject to this facility agreement, with respect to barter values in lieu of each transaction, carry forward of barter values of either party and transaction fees payable.

IN WITNESSES WHEREOF, BOTH THE PARTIES HAVE SET THEIR RESPECTIVE HANDS TO THIS AGREEMENT AND HAVE SUBSCRIBED THEIR RESPECTIVE SEALS ON THE DAY AND YEAR FIRST ABOVE WRITTEN.

A to Z Barter through its Director

User Through its Director

WITNESSES

1.

2.

CUSTOMER INFORMATION FORM

Client:

Key Point Of Contacts:

Name: _____

Designation: _____

E-mail: _____

Name: _____

Designation: _____

E-mail: _____

Name: _____

Designation: _____

E-mail: _____

Contact Address

Telephone No.

Fax No.

A to Z Barter Account Manager :
