

# Pallet-Trip Rental Agreement



*MEMBER OF FABER GROUP*

**Insert customer logo here**

## AGREEMENT TO HIRE PALLETS

THIS AGREEMENT IS MADE ON DATE

### BETWEEN

- (1) International Pallet Pool BV (registered number in the Netherlands: HR17112231 and in England and Wales FC025576) whose principal place of business is at Achtseweg Zuid 159d, 5651 GW Eindhoven the Netherlands trading through its UK branch IPP Logipal (registered branch number (BR007861) also trading under the trade name of IPP (“IPP”); and
- (2) **COMPANY NAME** (registered number **0000000**) whose registered office is at **COMPANY ADDRESS** (the “Customer”).

### BACKGROUND

IPP hires Pallets to its customers. Customer wishes to hire the Pallets to store and transport its goods to its customers. This Agreement sets out the terms that IPP is willing to offer for hire and the Customer to hire the Pallets.

### OPERATIVE PROVISIONS

#### Standard Terms and Conditions

1. IPP Logipal Standard Terms and Conditions attached as Schedule 7 (the “**Standard Terms**”) shall form part of this Agreement. Any reference to Agreement shall mean this Agreement and the Schedules including the Standard Terms. If there is any conflict between the main body of this Agreement and the Standard Terms then the main body of this Agreement shall take precedence. References in the main body of this Agreement to clauses shall be to clauses of this Agreement unless otherwise stated or unless the context provides otherwise. The defined terms contained in clause 1 of the Standard Terms shall apply throughout this Agreement.

#### Agreement to Hire Pallets

2. During the continuance of this Agreement IPP shall offer to hire and the Customer shall hire such quantities of the Pallets as the Customer orders from time to time pursuant to clause 3. All Pallets will be hired upon the terms and conditions of this Agreement.

#### Ordering

3. The Customer will ensure that any order for the hire of pallets is received by IPP no later than 12.00pm two Business Days before the date on which the Pallets are required.

#### Declaration of dispatches

4. The Customer shall inform IPP within seven Business Days of dispatch of the Pallets from the Customer Environment that the Pallets have been dispatched and shall provide to IPP Dispatch Information in relation to the dispatch either through IPPs internet customer portal or via email or other transfer method agreed by IPP in each case in the electronic file format specified by IPP from time to time.
5. For each separate dispatch of Pallets from Customer Environment, Customer shall provide in the Dispatch Information a unique reference number together with the corresponding quantity of Pallets dispatched. Multiple dispatches of Pallets must not be grouped together.
6. If the Customer fails to supply the Dispatch Information, or supplies the Dispatch Information late or in a format which has not been approved by IPP, then the Customer shall pay:

- a. Any additional processing and handling costs incurred as claimed by IPP resulting from any instance where the Customer fails to provide the Dispatch Information in the correct format); and/or
  - b. the Late Declaration Fee (payable where the Customer has failed to provide the Dispatch Information within 14 calendar days of dispatch of the Pallets from the Customer Environment); or
  - c. the Rent Termination Fee (payable where the Customer has failed to provide the Dispatch Information within 90 calendar days of dispatch of the Pallets from the Customer Environment).
7. The Customer agrees that the fees payable pursuant to clause 6 represent a genuine pre-estimate of the costs which IPP will incur if the Customer delivers the Dispatch Information late or in the incorrect format.
8. For the avoidance of doubt the Customer is only permitted to deliver the Pallets to a Collection Point within the Territory. If the Customer delivers the Pallets to a location outside of the Territory it shall pay IPP the Rent Termination Fee in respect of those Pallets.

### Payment

9. IPP may invoice the Customer for the Base Trip Fees on a weekly basis, and for all other fees and charges at the end of each month. The Customer shall pay all sums shown to be due in cleared funds to the account bank nominated by IPP **within 30 days from the date of the invoice.**

### Prices

10. Upon Delivery OWT DDP the Customer shall be charged the OWT DDP Base Trip Fee. Upon Delivery OWT Ex-Works the Customer shall be charged the OWT Ex-Works Base Trip Fee. Upon Delivery Trade Direct the Customer shall be charged the Trade Direct Base Trip Fee. Upon Delivery Trade Collect the Customer shall be charged the Trade Collect Base Trip Fee. If the Customer receives the Pallets from an Authorised Transferor then it shall be charged the Customer Transfer Fee.
11. Where the Dwell Time in the Order Characteristics is zero (which for the avoidance of doubt means that there is no time cost of rental during Custody included in the Base Trip Fees) then the Customer shall be charged the Daily Hire Fee for each Pallet for each day that it is in Custody.
12. If the Customer requires Delivery on a day other than a Business Day it shall be charged the Out of Hours Fee.
13. Upon removal of the Pallets from the Customer Environment the Customer shall be charged the Dispatch Fee if any
14. Other than in the case where the Small Collection Point Fee is deemed included in the Base Trip Fee as set out in Schedule 2 if a Collection Point is deemed a Small Collection Point the Customer shall be charged the Small Collection Point Fee in addition to the Dispatch Fee at the time of removal from the Customer Environment
15. The Customer shall be charged the Rent Termination Fee and Late Declaration Fee in the circumstances described in clause 6.
16. The Rent Termination Fee shall also be charged to the Customer:
  - a. if the Pallets are delivered to an Un-Cooperative Collection Point and such fee has not already been included in calculating the Base Trip fee as set out in Schedule 2;
  - b. in the circumstances described in clauses 6.4 and 12.4 of the Standard Terms; or

- c. if the Pallets have been lost (whilst in Custody) during the course of the Trip as evidenced pursuant to clauses 13 or 11.1 of the Standard Terms.

### **Price Adjustment**

- 17. IPP shall be entitled to adjust the Price (or any of the fees, charges, or discounts comprising the Price):
  - a. at any time if any of the Order Characteristics alter materially or are changed by the Customer; or
  - b. at any time if the parties so agree; or
  - c. annually, commencing on the first anniversary of the Commencement Date and each subsequent anniversary during the period of this Agreement if upon a review of the Prices the Index Figure Change shows an increase based on weighted changes in the indices set out in Schedule 8 last published before the date of review compared with those last published before the Relevant Date the Price then in force under the terms of this Agreement will be increased in the same proportion as the Index Figure Change; or
  - d. at any time to take account of increased costs caused by changes to taxation and/or legislation, including but not limited to changes to fuel duty; or
  - e. where Dwell Time in the Order Characteristics is higher than zero, if Dwell Time (measured as an average for all Pallets supplied by IPP over the previous calendar month or other agreed period) is in excess of the Dwell Time stated in the Order Characteristics, to allow for IPP to charge the Daily Hire Fee per Pallet for such excess. Dwell Time (being an Order Characteristic) shall be calculated where applicable in accordance with Schedule 6; or
  - f. at any time to reflect changes in the cost to IPP of providing the Pallet rental services, including but not limited to the costs associated with procuring or replacing the Pallets and transportation and distribution, including procured by IPP from third parties for the provision of the services
  - g. IPP may adjust the Prices under clause 17 (f) at any time by giving the Customer not less than 30 calendar days' notice in writing.

### **Duration and Termination**

- 18. This Agreement shall commence on the Commencement Date and, subject to the following provisions of clause 10 of the Standard Terms, shall continue in force for the minimum period specified in the Order Characteristics and shall continue thereafter unless and until terminated by either party giving to the other party at any time not less than twelve months' written notice to expire on or at any time after the end of that period.

### **Stock takes**

- 19. The Customer shall undertake a stock taking exercise no less than twice a Year in relation to the Pallets which are hired to it pursuant to this Agreement. The Customer shall agree the date of such stock takes with IPP and co-ordinate such stock taking exercise with IPP's reasonable requirements. IPP and its representatives shall be entitled to accompany the Customer when the stock taking exercise is undertaken. The Customer shall certify the accuracy of such stock take.
- 20. The Customer shall provide full details of the results of such stock take to IPP in the format reasonably specified by IPP from time to time and shall co-operate fully with IPP to resolve discrepancies between the Customer's stock taking results and IPP's stock records.
- 21. The Customer shall pay to IPP:

- a. the average per Pallet of all Base Trip Fees charged to it in the preceding month in relation to any additional Pallets shown to be or have been in its Custody for which it has not paid the Base Trip Fee; and/or
- b. the Rent Termination Fee in relation to any Pallets which are lost or misplaced whilst in the Customer's Custody.

**Trade Direct and Trade Collect**

22. In the case of Delivery by Trade Direct or by Trade Collect:

- a. Notwithstanding any other undertaking contained in this Agreement in relation to the quality of Pallets, Pallets Delivered by Trade Direct or Trade Collect shall have been originally produced to in accordance with the Specification and shall be made available to Customer directly from a previous user and therefore shall not have been inspected nor repaired by IPP and may therefore include some Pallets that are unusable by Customer. It is the Customers obligation and responsibility to inspect and reject any Pallets that it reasonably deems to be damaged beyond use. IPP shall have no responsibility for any failure by Customer to inspect and reject Pallets damaged beyond reasonable or safe use; and
- b. Once a full load of such rejected Pallets is available for collection then IPP shall collect any Pallets that have been so rejected and credit an amount to the Customer which shall be the relevant Base Trip Fee charged for such Pallets less the Damage Return Fee for each Pallet rejected; and
- c. Customer has no right to collect Pallets from Collection Points, neither to demand nor receive the Trade Collect Service in each case unless the same has been expressly agreed by IPP in writing; and
- d. The terms of Schedule 5 shall apply to Deliveries of Pallets on a Trade Collect Basis.

**AS WITNESS** the hands of the duly authorised representatives of the parties on the date stated at the beginning of this Agreement.

**SIGNED** by **THOMAS DOMSON (IF OVER £100K) SHELLEY HARRIS (IF UNDER £100K)** duly authorised to sign for and on behalf of INTERNATIONAL PALLET POOL BV trading through IPP Logipal in UK&I:

SIGNATURE:

DATE:

In the presence of: **SHELLEY HARRIS (IF OVER £100K) DEMI CRABBE (IF UNDER £100K)**

Witness signature:

DATE:

Address: Building 2020, Copse Drive, Meriden Business Park, Coventry, CV5 9RG

Occupation: COMMERCIAL DIRECTOR

**SIGNED** by **CUSTOMER NAME** duly authorised to sign for and on behalf of **COMPANY NAME**

SIGNATURE:

DATE:

In the presence of: **WITNESS NAME**

Witness signature:

DATE:

Address:

Occupation:

**SCHEDULE 1**  
**Order Characteristics**

The date upon which the agreement shall commence and Pallets may first be Delivered to Customer (the “**Commencement Date**”) is **DATE**

The minimum period for which this Agreement shall continue shall be **X YEARS**

The First Price Review Date is **00/00/00**

Customer may take Delivery by **OWT DPP, OWT EX-WORKS, TRADE COLLECT, TRADE DIRECT (delete as appropriate)**

Delivery Points are **CONFIRM DELIVERY ADDRESSES AND VOLUMES (CHECK THIS IS WHAT WAS ON RFQ) – ADD LOCATION/VOLUME TABLE IF NEEDED HERE**

Delivery is in full truckloads and can be made without any vehicle, load size or other restrictions. **CONFIRM THIS IS CORRECT OR ADD HERE ANY AGREED RESTRICTION IN PRICE**

The volumes and Collection Points are as indicated in the dispatch data provided by Customer (c.**0000** UK dispatches pa)

Seasonality is **CONFIRM**

The Dwell Time is **X** calendar days. **CONFIRM AND CHECK ON RFQ. MAKE ZERO IF DAILY HIRE CONTRACT**

No Pallets are dispatched by Customer outside the Territory.

Payment terms in clause 8.6 of the Standard Terms are adhered to.

The ordering procedure in clause 3 is complied with.

Deliveries are available 5 days per week (Mon - Fri) excluding Bank Holidays (for the avoidance of doubt Deliveries required by Customer outside these times will attract the Out of Hours Fee)

The Intended Activity is [to store and dispatch all Customers products produced at all locations to all of its customers in UK and Ireland] **CHECK and AMEND TO REFLECT THE USAGE FOR WHICH EXCLUSIVITY APPLIES**

The Unintended Usage is dispatch outside the Territory or for xxx brands/products or at location x or to any retailer that does not accept Pallets and to Asda IDC etc etc] **CHECK AND AMEND TO REFLECT THE EXCLUSIONS TO EXCLUSIVITY**

The quantity of Pallets IPP shall be obliged to supply to the Customer in any one week shall not exceed 10% more than the agreed weekly volume of **0,000 (calculated as annual volume divided by 30)**

The table below shows the expected flows of Pallets rented under this Agreement:

<b>Name To</b>	<b>Annual Volume</b>
<b>Total</b>	

## SCHEDULE 2

### PRICES AND PAYMENT

1. **OWT DDP Base Trip Fee**

The OWT DDP Base Trip Fee is set out below;

OWT DDP	A1210	E812
Base Trip Fee	£0.00	£0.00

2. **OWT Ex-Works Fee**

The OWT Ex-Works Base Trip Fee is set out below;

OWT DDP	A1210	E812
Base Trip Fee	£0.00	£0.00

3. **Trade Direct Base Trip Fee**

The Trade Direct Base Trip Fee is set out below for each Pallet delivered by IPP directly from a Collection Point;

Trade Direct	A1210	E812
Base Trip Fee	£0.00	£0.00

4. **Trade Collect Base Trip Fee**

The Trade Direct Base Trip Fee is set out below for each Pallet collected by Customer directly from a Collection Point

Trade Collect	A1210	E812
Base Trip Fee	£0.00	£0.00

5. **Dispatch Fee**

The Dispatch fee is:

Destination:	Dispatch Fee per Pallet
United Kingdom/Northern Ireland	£0.00
EU - Heat Treated Pallet Surcharge ISPM15	£1.23
Rest of world	£19.54

6. **Rent Termination Fee**

The Rent Termination Fee is £19.54 per Pallet.

7. **Daily Hire Fee**

The Daily Hire Fee is £0.0076 per Pallet per calendar day

8. **Customer Transfer Fee**

The Customer Transfer Fee is £0.00 per Pallet.

9. **Small Collection Point Fee**

Small Collection Point Fee is chargeable on Pallets dispatched to Small Collection Points. Small Collection Point Fees are **included or not included** in the Base Trip Fee.

Collection Point Monthly Pallet volume received	Fee per Pallet dispatched to such Collection Point
1-16 Pallets	£4.66
17-32 Pallets	£2.74
33-64 Pallets	£1.57

10. **Late Declaration Fee**

The Late Declaration Fee is

**£0.17** per Pallet in respect of Pallets whose dispatch notification was made later than 14 calendar days but on or before 30 calendar days after the date of the dispatch or;

**£0.52** per Pallet in respect of Pallets whose dispatch notification was made later than 30 calendar days after the date of the dispatch but on or before 60 calendar days after the date of dispatch or;

**£3.20** per Pallet in respect of Pallets whose dispatch notification was made later than 60 calendar days after the date of the dispatch but on or before 90 calendar days after the date of dispatch.

For the avoidance of doubt where dispatch notification is more than 90 calendar days after the date of dispatch then pursuant to clause 6.2 of the Standard Terms the Rent Termination Fee is payable per Pallet

11. **Out of Hours Fees**

£0.10 per Pallet collected by Customer from an IPP depot.

£0.15 per Pallet delivered by or on behalf of IPP to Customer.

12. **Damage Return Fee**

The damage return fee shall be £0.19 per Pallet Delivered under Trade Direct or Trade Collect and rejected as unusable.

13. **Currency**

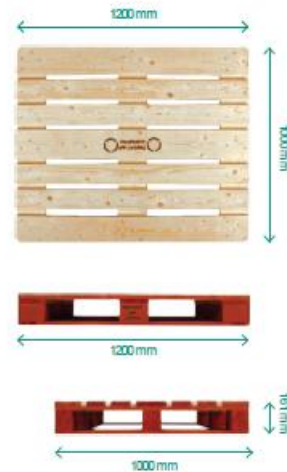
Payments made under this Agreement shall be made in Pound Sterling.



### SCHEDULE 3

#### Specification 1000mm x 1200mm Pallet known as "A1210"

**IPP POOL PALLET**  
**1200 x 1000 mm**  
**A1210**



#### SPECIFICATIONS:

##### CHARACTERISTICS

- Full perimeter base.
- Accepted across retail supply chains.
- High quality.
- Chamfered corners.

##### OWNERSHIP

IPP pallets always remain the property of IPP Logipal, part of Pooling Partners by Faber Halbertsma Group.

##### USAGE

Can be used in a variety of IPP Logipal pooling systems:  
 → One-Way Trip  
 → Trade Collect  
 → Daily rental  
 → Trade Direct

Material	Height	Top deck length x width	Aperture height 1000 mm	Aperture height 1200 mm
Controlled range of quality soft-wood timber.	161 mm	1200 x 1000 mm	95 mm	117 mm
Weight	Load capacity	Colour	Markings	Paint
+/- 29 kg	Rating 1500 kg maximum uniformly distributed & properly racked. Not to exceed 6000 kg when stacking loaded pallets.	Painted in IPP Logipal brick brown.	Property IPP Logipal marking at upper deck and middle block.	Water based paint that complies with the relevant European legislation.

Dimensions subject to allowable manufacturing tolerances. IPP Logipal reserves the right to change any of the above information without prior notice.  
[www.ipp-pooling.com](http://www.ipp-pooling.com)

IPP LOGIPAL part of Faber Halbertsma Group



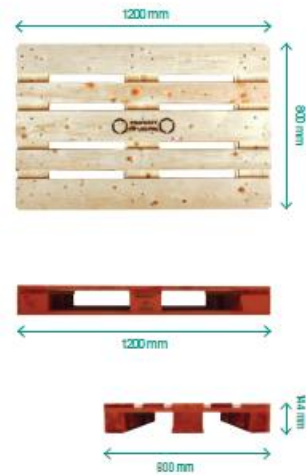
NOTE: PROPERTY OF IPP LOGIPAL MARKINGS MAY BE REPLACED BY PROPERTY OF IPP MARKINGS

## Specification 800mm x 1200mm Pallet known as "E812"

IPP POOL PALLET  
1200 X 800 mm

E812

IPP



### SPECIFICATIONS:

#### CHARACTERISTICS

- Accepted across retail supply chains.
- High quality.
- Chamfered corners.

#### OWNERSHIP

IPP pallets always remain the property of IPP Logipal, part of Pooling Partners by Faber Halbertsma Group.

#### USAGE

- Can be used in a variety of IPP Logipal pooling systems:
- One-Way Trip
  - Closed Loop
  - Daily rental
  - Trade Direct

Material	Height	Top deck length x width	Aperture height 800 mm	Aperture height 1200 mm
Controlled range of quality soft-wood timber.	144 mm	1200 x 800 mm	100 mm	100 mm
Weight	Load capacity	Colour	Markings	Paint
+/- 25 kg	Rating 1200 kg maximum uniformly distributed & properly racked. Not to exceed 4800 kg when stacking loaded pallets.	Painted in IPP Logipal brick brown.	Property IPP Logipal marking at upper deck and middle block.	Water based paint that complies with the relevant European legislation.

Dimensions subject to allowable manufacturing tolerances. IPP Logipal reserves the right to change any of the above information without prior notice.  
[www.ipp-pooling.com](http://www.ipp-pooling.com)

IPP LOGIPAL part of Faber Halbertsma Group

IPP

NOTE: PROPERTY OF IPP LOGIPAL MARKINGS MAY BE REPLACED BY PROPERTY OF IPP MARKINGS

## SCHEDULE 4

### Un-Cooperative Collection Points, Correspondence Details, Territory, and Collection Points excluded from Small Volume Fees

1. Un-Cooperative Collection Points are;

Asda Lutterworth IDC for A1210 and E812 Pallets (*alternative pallets can be provided for this location subject to agreement*)

**[None Specified] or [Enter details] or [Built In]**

2. Correspondence Details are;

#### IPP Correspondence Details;

Nominated Representative: Company Director.

Address for service: Building 2020, Copse Drive, Meriden Business Park, Coventry CV5 9RG.

Telephone number: +44 (0) 1676 524000

Email address: [uk.ippl.commercial@ipp-pooling.com](mailto:uk.ippl.commercial@ipp-pooling.com)

#### Customer Correspondence Details;

Nominated Representative: **CONFIRM NAME**

Address for service: **COMPLETE ADDRESS**

Telephone number: **CONFIRM NUMBER**

Email address: **CONFIRM EMAIL**

3. Territory is;

- Great Britain; and
- Northern Ireland; and
- Republic of Ireland; and
- France; and
- Germany; and
- Netherlands; and
- Belgium; and
- Luxemburg; and
- Spain; and
- Portugal.

4. Collection Points Excluded from Small Collection Points Fees are:

Aldi	Gist (M&S)	One Stop
Alliance Disposables	Greggs PLC	Pets at Home
Amazon	Halfords	Poundland
Asda	Homebase / Bunnings	Sainsburys
B&M	Iceland	SPAR
B&Q	Lidl	Superdrug Group
Bidfood Group	Londis GB	T J Morris
Booker Makro	Martin Brower	Tesco GB
Boots Alliance	Matalan	Tesco IE
Brakes	Morrison	Tesco ND
CDS The Range	Musgrave IE	Tool Station
Co Op	Musgrave ND	Waitrose
Costco	NHS	WH Smith
Dunelm Ltd	Nisa	Wickes
Dunnes	Ocado	Wilkinson
Farmfoods	Office Depot UK Ltd	

5. Small Volume Collection Points Included in Base Trip Fee are: INSERT TABLE HERE

**SCHEDULE 5**  
**Terms relating to Delivery by Trade Collect**

The following conditions apply only in relation to Delivery by Trade Collect.

1. Orders for Pallets shall be made by Customer and received by IPP no later than 1pm on the Business Day which is two Business Days preceding the day that Pallets are required to be available at a Collection Point (For the avoidance of doubt what is generally referred to as "day one for day three").
2. Notwithstanding that IPP shall use its reasonable endeavours to make pallets available at Collection Point locations that suit the Customer, the location of Collection Points where Pallets are available to collect under Trade Collect method may vary.
3. The quantity of Pallets generally available to be collected by box trailers (or other trailers where access for loading and unloading is only via the rear door) is strictly limited by constraints at Collection Points; and these are beyond the control of IPP. If a transporter nominated by Customer to collect Pallets from a Collection Point is using box trailers (or other trailers where access for loading and unloading is only via the rear door) then Customer shall notify IPP of the same and Customer acknowledges that it is reasonable that the location of the Collection Point at which Pallets are available to collect may vary to accommodate such trailers.
4. IPP shall provide collection paperwork to Customer by 1530 on the Business Day that the order is received. Customer (or its nominated transporter) shall only collect Pallets with IPP's express permission using the specifically issued and serially numbered collection paperwork issued by IPP. Paperwork shall only be used to collect Pallets once.
5. Customer or its nominated Transporter shall not otherwise collect or relocate Pallets even if requested to do so by the Collection Point. Customer shall report any such requests promptly to IPP.
6. Customer (or its nominated transporter) shall collect the load of Pallets on the date specified on IPP's collection paperwork at its own cost and shall comply with the time restrictions detailed therein and with any other generally applicable reasonable requirements of the Collection Point.
7. Customer shall or shall procure that all collections from Collection Points made under Trade Collect are booked-in with such Collection Point no less than 24hrs before the time of collection.
8. Customer shall procure that Pallets are received at Delivery Point no more than 24hrs from the time of collection from a Collection Point. Customer is responsible for any delay in receipt of Pallets at a Delivery Point once the Pallets have been collected from a Collection Point.
9. Customer shall, or shall procure that its transporter provides (hard copy, fax or scan) signed POD's (in each case signed by transporter, Collection Point and Customer) as proof of collection from Collection Point and delivery to Delivery Point on or before 1500 on the day following the day of Collection from the Collection Point and in any case all such proofs shall be so provided to IPP by the end of Monday of each week for the collections made in the previous week. Customers shall use the following contact details for this purpose: e-mail [uk.ippl.pods@ipp-pooling.com](mailto:uk.ippl.pods@ipp-pooling.com) or such other contact details as IPP may from time to time provide.
10. Customer shall provide a contact point and shall promptly (in reasonable circumstances within 30 minutes) respond to any requests for updates or confirmation of collection being made to allow IPP to respond to any information requests from the Collection Point.
11. All collections are made at the Customer's cost. Any failure by Customer or its nominated transporter to collect Pallets as specified on the collection documentation or in making a collection of Pallets not specifically assigned to it shall be the sole liability of Customer and IPP shall take no liability directly or indirectly in relation to any such failure.
12. IPP may suspend or remove the availability of Delivery by the Trade Collect method in the case of material or repeated failure of the Customer to adhere to the terms contained in this Schedule.
13. Customer or its nominated Transporter shall take full responsibility for the collection of pallets at the nominated collection point. IPP will not be held liable for any collection errors, or issues.

## SCHEDULE 6

(Only applicable if Dwell Time in Order Characteristics is higher than zero)

The Dwell Time is a measure of how long Pallets remain in the Customer Environment. Dwell Time is calculated for a Customer Environment over a period of time and is calculated as the stock balance on our records at the end of each calendar day combined over that period, divided by the incoming Pallets per calendar day into that Customer Environment during the same period. In other words, it describes the average stock of Pallets on your account in terms of the number of calendar days of inbound Pallets.

Where actual calculated Dwell Time is in excess of the contractual Dwell Time (in the Order Characteristics in Schedule 1) an additional fee for such excess (the "Daily Hire Fee") is payable by the Customer which is £0.0076 per Pallet per day any excess.

By way of example only, the Dwell Time is calculated below based on;

**Actual dwell days = stock days actual / dwell time incoming**

Using the example report below;

DateBegin	DateEnd	Days	StockBegin	Deliveries	InterSite	Transfer	RetUse	Outgoing	Stocktaking Positive	Stocktaking Negative	StockEnd	StockDays Contract	StockDays Actual	Dwelltime Contract	Dwelltime Actual	Dwt Incoming
01/01/2019	01/01/2019	1	1,185	0	0	0	0	91	0	0	1,094	0	1,094	-	-	0
02/01/2019	02/01/2019	1	1,094	1,162	60	0	0	237	0	0	2,079	20,916	2,079	18	2	1,162
03/01/2019	03/01/2019	1	2,079	0	75	0	0	288	0	0	1,866	0	1,866	-	-	0
04/01/2019	04/01/2019	1	1,866	0	39	0	0	242	0	0	1,663	0	1,663	-	-	0
05/01/2019	05/01/2019	1	1,663	0	43	0	0	143	0	0	1,563	0	1,563	-	-	0
06/01/2019	06/01/2019	1	1,563	0	32	0	0	154	0	0	1,441	0	1,441	-	-	0
07/01/2019	07/01/2019	1	1,441	0	39	0	0	209	0	0	1,271	0	1,271	-	-	0
08/01/2019	08/01/2019	1	1,271	390	70	0	0	238	0	0	1,493	7,020	1,493	18	4	390
09/01/2019	09/01/2019	1	1,493	0	98	0	0	284	0	0	1,307	0	1,307	-	-	0
10/01/2019	10/01/2019	1	1,307	0	81	0	0	285	0	0	1,103	0	1,103	-	-	0
11/01/2019	11/01/2019	1	1,103	0	48	0	0	250	0	0	901	0	901	-	-	0
12/01/2019	12/01/2019	1	901	0	26	0	0	128	0	0	799	0	799	-	-	0
13/01/2019	13/01/2019	1	799	0	35	0	0	145	0	0	689	0	689	-	-	0
14/01/2019	14/01/2019	1	689	390	40	0	0	198	0	0	921	7,020	921	18	2	390
15/01/2019	15/01/2019	1	921	0	41	0	0	197	0	0	765	0	765	-	-	0
16/01/2019	16/01/2019	1	765	0	43	0	0	204	0	0	604	0	604	-	-	0
17/01/2019	17/01/2019	1	604	390	93	0	0	281	0	0	806	7,020	806	18	2	390
18/01/2019	18/01/2019	1	806	0	67	0	0	253	0	0	620	0	620	-	-	0
19/01/2019	19/01/2019	1	620	0	49	0	0	150	0	0	519	0	519	-	-	0
20/01/2019	20/01/2019	1	519	0	42	0	0	166	0	0	395	0	395	-	-	0
21/01/2019	21/01/2019	1	395	390	45	0	0	208	0	0	622	7,020	622	18	2	390
22/01/2019	22/01/2019	1	622	390	72	0	0	237	0	0	847	7,020	847	18	2	390
23/01/2019	23/01/2019	1	847	0	67	0	0	255	0	0	659	0	659	-	-	0
24/01/2019	24/01/2019	1	659	0	58	0	0	251	0	0	466	0	466	-	-	0
25/01/2019	25/01/2019	1	466	0	113	0	0	307	0	0	272	0	272	-	-	0
26/01/2019	26/01/2019	1	272	0	48	0	0	146	0	0	174	0	174	-	-	0
27/01/2019	27/01/2019	1	174	0	35	0	0	158	0	0	51	0	51	-	-	0
28/01/2019	28/01/2019	1	51	0	25	0	0	115	0	0	-39	0	-39	-	-	0
29/01/2019	29/01/2019	1	-39	384	45	0	0	142	0	0	248	6,912	248	18	1	384
30/01/2019	30/01/2019	1	248	0	103	0	0	175	0	0	176	0	176	-	-	0
31/01/2019	31/01/2019	1	176	390	102	0	0	228	0	0	440	7,020	440	18	1	390
<b>31</b>				<b>3,886</b>	<b>1,734</b>	<b>0</b>	<b>0</b>	<b>6,965</b>	<b>0</b>	<b>0</b>		<b>69,948</b>	<b>25,815</b>	<b>18</b>	<b>7</b>	<b>3,886</b>

- A. Stock days actual = stock end each day combined = 25,815 Pallets
- B. Dwell time incoming = Total deliveries (3,886) + total transfers (0) + positive stock take adjustments (0)
- C. Dwell Time Actual = A/B = 25,815 / 3,886 = 7 calendar days.

## SCHEDULE 7

### IPP LOGIPAL STANDARD TERMS AND CONDITIONS

#### 1. INTERPRETATION

1.1 In this Agreement, the following expressions shall have the following meanings unless the context otherwise requires:

**"Affiliate"** any person which is, in relation to a company, its parent undertaking or its subsidiary undertaking, or a subsidiary undertaking of its parent undertaking or any other person controlled by or under the same control either directly or indirectly. **"Parent undertaking"** and **"subsidiary undertaking"** will have the meanings attributed to them in sections 1161 and 1162 of the Companies Act 2006

**"Authorised Transferor"** customers of IPP who, from time to time, supply the Pallets under load direct to the Customer

**"Base Trip Fees"** the OWT DDP Base Trip Fee, the OWT Ex-Works Base Trip Fee, the Trade Direct Base Trip Fee and the Trade Collect Base Trip Fees set out in Schedule 2 calculated in accordance with the Order Characteristics

**"Business Day"** any day other than Saturday or Sunday or a bank or public holiday in England

**"Collection Point"** a location within the Territory at which Pallets become empty and therefore available to collect by IPP (not being an Un-Cooperative Collection Point) as notified by the Customer to IPP from time to time

**"Commencement Date"** the date specified in the Order Characteristics as being the date upon which IPP will first Deliver Pallets to the Customer

**"Confidential Information"** all information in respect of the business of each of the parties including, without prejudice to the generality of the foregoing, any ideas; business methods; finance; prices, business, financial, marketing, development or manpower plans; customer lists or details; computer systems and software; products or services, including but not limited to know-how or other matters connected with the Pallets, and information concerning IPP or the Customer's relationships with actual or potential clients, customers or suppliers and the needs and requirements of the parties and of such persons and any other information which, if disclosed, will be liable to cause harm to the party whose information has been disclosed

**"Custody"** the period during which the Customer has possession or control of the Pallets being the period commencing on Delivery (or delivery of Pallets to the Customer by another method not envisaged by clause 5) and ending on dispatch to a Collection Point or to a location outside of the Territory or to another customer of IPP

**"Customer Environment"** those locations operated by or on behalf of the Customer where Pallets are stored, handled or loaded whilst in Custody

**"Customer Transfer Fee"** the customer transfer fee set out in Schedule 2.

**"Damage Return Fee"** the damage return fee set out in Schedule 2

**"DDP"** Delivery Duty Paid as defined in the Incoterms 2010

**"Delivery"** delivery as defined in clause 5.3

**"Delivery Point"** the delivery point notified by the Customer to and agreed by IPP from time to time

**"Dispatch Fee"** the dispatch fee set out in Schedule 2

**"Dispatch Information"** has the meaning given to it in clause 6.1

**"Dwell Time"** the average period of time a Pallet remains in the Customer Environment prior to dispatch to a customer of the Customer

**"Daily Hire Fee"** the Daily Hire Fee set out at Schedule 2

**"Ex-Works"** Ex-Works as defined in the Incoterms 2010

**"First Price Review Date"** the date set out in Schedule 1

**"Force Majeure"** any cause preventing either party from performing any or all of its obligations which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the party so prevented including, without limitation, strikes, lockouts or other industrial disputes (whether involving the workforce of the party so prevented or any other party) act of God, war, threat of or preparation for war, armed conflict, an act of terrorism, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation, direction or imposition of sanctions, accident, breakdown of plant or machinery, fire, flood or storm, epidemic or pandemic.

**"Index Figure Change"** the change in any given period in the indices set out in Schedule 8 weighted in accordance with the percentage weightings set out in Schedule 8.

**"Intellectual Property Rights"** any and all of IPP's patents, trade names, service marks, copyright, moral rights, rights in design, rights in databases, software and systems know-how, Confidential Information and all or any other intellectual or industrial property rights whether or not registered or capable of registration and whether subsisting in the Territory or any other part of the world together with all or any goodwill relating thereto

**"Intended Activity"** the Customers activity for which it shall use the Pallets as set out in Schedule 1. But always excluding the Unintended Activity.

**"Late Declaration Fee"** the late declaration fee as set out in Schedule 2

**"Logistics Service Provider"** any third party who provides logistics or management or administration services to Customer and to whom the Customer directly or indirectly sub-contracts the performance or execution of any of the Customers obligations under this Agreement. By way of example only this may include but shall not be limited to transporters, hauliers, warehouse providers, logistics providers and pallet management providers

**"Order Characteristics"** the characteristics of the Customer's Pallet usage, which determine the Price of an order, including the details which are set out at Schedule 1

**"Out of Hours Fee"** the out of hours fee as set out in Schedule 2

**"OWT DDP"** the method of Delivery as defined in clause 5.3.1

**"OWT Ex-Works"** the method of Delivery as defined in clause 5.3.2 **"OWT Ex-Works Base Trip Fee"** the OWT Ex-Works Base Trip Fee as set out in Schedule 2

**"OWT DDP Base Trip Fee"** the OWT DDP Base Trip Fee as set out in Schedule 2

**"Pallets"** pallets which comply in all material respects with the Specification

**"Price"** the price paid for the Pallets under this Agreement (being the total of the Base Trip Fees, Dispatch Fee, Late Declaration Fee, Rent Termination Fee, Daily Hire Fee, Out of Hours Fee, Small Collection Point Fee, Customer Transfer Fee and the Damage Return Fee) and including fees, charges or discounts.

**"Relevant Date"** (a) in the case of the first review the Commencement Date

(b) for each subsequent review the date of the previous review

**"Rent Termination Fee"** the rent termination fee set out in Schedule 2

**"Small Collection Point"** any Collection Point to which the number of Pallets dispatched by customers of IPP per calendar month in the preceding quarter is fewer than the number of Pallets specified in Schedule 2 (which for the avoidance of doubt shall not include those Collection Points set out at Schedule 4 as excluded from Small Collection Point Fees" as amended by IPP from time to time by notice in writing to the Customer)

**"Small Collection Point Fee"** the small collection point fee set out in Schedule 2 (for the avoidance of doubt the Small Collection Point Fee is only charged in relation to Pallets dispatched to Collection Points in calendar months during which a Collection Point is deemed a Small Collection Point)

**"Specification"** the specification set out in Schedule 3

**"Territory"** the countries described as the territory in Schedule 4

**"Trade Collect"** the method of Delivery as defined in clause 5.3.3

**"Trade Direct"** the method of Delivery as defined in clause 5.3.4

**"Trade Collect Base Trip Fee"** the trade collect base trip fee as set out in Schedule 2

**"Trade Direct Base Trip Fee"** the trade direct base trip fee as set out in Schedule 2

**"Trip"** the round trip undertaken by the Pallets from the point of Delivery until collection by IPP at a Collection Point

**"Un-Cooperative Collection Points"** those collection points deemed to be un-cooperative in accordance with clause 7.2 of these Standard Terms and the collection points set out in Schedule 4 as Un-Cooperative Collection Points.

**"Unintended Activity"** the Customers activity for which Pallets are not required to be used as set out in Schedule 1

**"Year"** the period of 12 months from the date of this Agreement and each consecutive period of 12 months thereafter during the period of this Agreement, or any shorter period commencing on a day immediately following the end of a Year and ending on the termination of this Agreement.

1.2 The index and headings to the clauses and Schedules of this Agreement shall not affect its construction.

1.3 Where the context so requires or admits, the masculine shall include the feminine and the neuter and the singular shall include the plural and vice versa.

1.4 Any reference to "writing" includes reference to any communication effected by electronic mail, letter or any comparable means.

1.5 The expression "person" means any individual, firm, company, incorporated association, partnership, government, state, or agency of state, or joint venture.

1.6 Any reference to a statute or statutory provision shall be construed as a reference to the same as from time to time amended, consolidated, modified, extended, re-enacted or replaced.

1.7 References to clauses shall refer to clauses of the Standard Terms contained in this Schedule 7 unless otherwise stated. References to Schedules shall refer to the Schedules attached to the Agreement of which this Schedule 7 forms part.

#### 2. RENTAL OF THE PALLETS

2.1 Customers obligation to hire pallets is subject to clause 2.2.

2.2 In the first five Years of this Agreement (to the extent that it continues to be in force for such duration) the Customer shall hire all of its requirements for pallets (and goods of a similar description or application to the Pallets) for the Intended Activity from IPP. Accordingly, except as otherwise provided in this Agreement, the Customer shall not hire pallets (and goods of a similar description or application to the Pallets) for the Intended Activity within the first five Years of this Agreement (to the extent that it continues to be in force for such duration) from any other person provided that IPP is able and willing to supply the same on the terms of this Agreement. Nothing in this clause 2 shall require IPP to supply Pallets in excess of the quantity specified in Schedule 1, save that (without prejudice to clause 3.5) IPP agrees that it shall use its reasonable endeavours to meet Customer's orders for Pallets which exceed this quantity.

#### 3. ORDERS AND REPORTS

3.1 Each order given by Customer to IPP shall be final, except that IPP shall use reasonable endeavours to accommodate any amendment to an order or accept additional orders made by the Customer prior to Delivery.

3.2 Orders for the Pallets shall be given by the Customer to IPP either via IPP's internet customer portal or in writing or by email to IPP's nominated representative or, if given orally, shall be confirmed by the Customer in writing or by email not more than one Business Day after the order is given by the Customer.

- 3.3 The Customer may cancel Delivery by giving IPP written notice to be received by IPP no later than 12.00 hours on the Business Day which is two Business Days prior to the anticipated date for Delivery.
- 3.4 Whilst IPP agrees to take all such steps as may reasonably be required to fulfil its obligations under this Agreement in the normal course, IPP shall not be obliged to give the Customer any priority over any other customer of IPP with regard to the supply or Delivery of the Pallets.
- 3.5 The Customer shall be entitled to obtain from any other person such quantity of goods of a similar description or application to the Pallets as IPP is unable and/or unwilling to supply (and that quantity shall be deemed, for the purposes only of clause 2.2, to have been ordered from IPP), Juntil such time as IPP has given the Customer notice that it is able and willing to resume the supply of that quantity of Pallets specified in the Customer's orders.
- 4. SPECIFICATION AND USE OF THE PALLETS**
- 4.1 The Customer undertakes to comply with all reasonable guidelines and instructions provided by IPP as to the storage, use or operation of the Pallets.
- 4.2 The Customer shall be solely responsible for the safe use and operation of the Pallets and for compliance with relevant laws, regulations and codes of practice relating to the use or operation of the Pallets.
- 4.3 In the case of Pallets Delivered by Trade Direct or Trade Collect under this agreement:
- 4.3.1 Pallets shall have been originally produced to in accordance with the Specification. Pallets Delivered under this Agreement shall be made available directly from a previous user and therefore shall not have been inspected nor repaired by IPP and may therefore include some Pallets that are unusable by Customer. It is the Customers obligation and responsibility to inspect and reject any Pallets that it reasonably deems to be damaged beyond use. IPP shall have no responsibility for any failure by Customer to inspect and reject Pallets damaged beyond reasonable or safe use.
- 4.3.2 Once a full load of such rejected Pallets is available for collection then IPP shall collect any Pallets that have been so rejected and credit an amount to the Customer which shall be the relevant Base Trip Fee charged less the Damage Return Fee for each Pallet rejected.
- 4.4 In the case of Pallets Delivered via OWT DDP or OWT Ex-Works:
- 4.4.1 IPP warrants that the Pallets shall comply with the Specification in all material respects but subject to damage and wear and tear allowable under IPPs depot inspection standards in force from time to time.
- 4.4.2 The Customer shall, immediately upon Delivery inspect the Pallets and notify IPP in writing of any defect by reason of which the Customer alleges that the Pallets delivered are not in accordance with the Specification or the order for the Pallets (including as to quantity).
- 5. DELIVERY OF THE PRODUCTS**
- 5.1 IPP will use reasonable endeavours to deliver each of the Customer's orders for the Pallets on the date agreed and within any time agreed when the Customer places an order and, if no time is agreed, then within a reasonable time, but the time of Delivery on the agreed date will not be of the essence.
- 5.2 Customer shall hold sufficient stocks of Pallets to ensure that it has sufficient Pallets for use in the case of reasonably foreseeable delays in Delivery by IPP howsoever caused.
- 5.3 Delivery of the Pallets shall be either:
- 5.3.1 DPP (Delivery Point) from an IPP depot having passed IPP inspection or been repaired ("OWT DDP"); or
- 5.3.2 Ex-Works (IPP nominated depot) having passed IPP inspection or been repaired ("OWT Ex-Works"); or
- 5.3.3 Available Ex-Works directly from an IPP nominated Collection Point without prior inspection or repair by IPP ("Trade Collect"); or
- 5.3.4 Delivered DPP (Delivery Point) directly from a Collection Point without prior inspection or repair by IPP ("Trade Direct"); or
- 5.3.5 pursuant to a transfer of Pallets from an Authorised Transferor in each case ("Delivery").
- 5.4 For the avoidance of doubt the IPP depot or the Collection Point as the case may be shall load the Pallets onto the Customer's collection vehicle when Delivery is OWT Ex-Works or Trade Collect, and the Customer shall unload the Pallets at the Delivery Point for all Deliveries.
- 6. EXIT OF PALLETS FROM CUSTOMER ENVIRONMENT**
- 6.1 The Customer shall inform IPP within seven Business Days of dispatch of the Pallets from the Customer Environment that the Pallets have been dispatched and shall provide to IPP information in relation to the dispatch either through IPPs internet customer portal or via email or other transfer method agreed by IPP in each case in the electronic file format specified by IPP from time to time. This information shall include (in respect of each separate dispatch of Pallets):
- 6.1.1 the quantity and type of Pallets;
- 6.1.2 the place of dispatch;
- 6.1.3 destination (including the full address and postcode) of the Pallets;
- 6.1.4 the date of dispatch; and
- 6.1.5 the dispatch reference number (together the "Dispatch Information").
- 6.2 If the Customer fails to supply the Dispatch Information, or supplies the Dispatch Information late or in a format which has not been approved by IPP, then the Customer shall pay:
- 6.2.1 Any additional processing and handling costs incurred as claimed by IPP resulting from any instance where the Customer fails to provide the Dispatch Information in a format which has not been approved by IPP; and/or
- 6.2.2 the Late Declaration Fee (payable where the Customer has failed to provide the Dispatch Information within 14 calendar days of dispatch of the Pallets from the Customer Environment); or
- 6.2.3 the Rent Termination Fee (payable where the Customer has failed to provide the Dispatch Information within 90 calendar days of dispatch of the Pallets from the Customer Environment).
- 6.3 The Customer agrees that the fees payable pursuant to clause 6.2 represent a genuine pre-estimate of the costs which IPP will incur if the Customer delivers the Dispatch Information late or in the incorrect format.
- 6.4 For the avoidance of doubt the Customer is only permitted to deliver the Pallets to a Collection Point within the Territory. If the Customer delivers the Pallets to a location outside of the Territory it shall pay IPP the Rent Termination Fee in respect of those Pallets.
- 6.5 As IPP shall reasonably request but in any case no later than 14 calendar days before the first dispatch of Pallets from the Customer Environment Customer shall supply to IPP the full address and postcode and telephone number of all locations to which Customer intends to dispatch Pallets.
- 6.6 Customer shall also supply the full address and postcode and telephone number of any new locations to which Customer intends to dispatch Pallets.
- 6.7 For the avoidance of any doubt the Customers obligation to inform IPP of the dispatch of the Pallets from the Customer Environment pursuant to clause 6.1 shall be absolute and is entirely the responsibility of the Customer. Any failure or default by any Logistics Service Provider in fulfilling any obligation on behalf of Customer shall not release the Customer from such obligation.
- 7. COLLECTION OF THE PALLETS**
- 7.1 Towards the end of a Trip IPP shall liaise directly with the Collection Point to arrange collection of the Pallets from that Collection Point.
- 7.2 The Customer shall use all reasonable endeavours to procure that each Collection Point complies with terms equivalent for those set out in this clause 7.2 and that once all of the Customers goods have been removed from each Pallet that each Pallet is made available to IPP for collection (within a reasonable time from delivery to that Collection Point) at the Collection Point and that the Pallets:
- 7.2.1 shall be stacked safely, securely, and separately from similar goods;
- 7.2.2 are not used or reused by the Collection Point to hold goods other than those originally delivered into the Collection Point on the Pallet;
- 7.2.3 are delivered up in a good condition (fair wear and tear excepted);
- 7.2.4 are loaded onto IPP's collecting vehicle at no charge or risk to IPP; and
- 7.2.5 are not used for onward shipment of goods unless arrangements have been agreed by IPP with the Collection Points for redelivery to that Collection Point.
- 7.3 If IPP is not satisfied that a Collection Point has complied with clause 7.2 in any material respect then IPP shall use its reasonable endeavours to procure compliance by that Collection Point, but if it fails to procure compliance:
- 7.4 IPP shall notify the Customer in writing (including by e-mail) of any such non-adherence; and
- 7.4.1 following receipt of such notification the Customer shall use its reasonable endeavours to bring an end to the non-adherence; and
- 7.4.2 if the non-adherence continues after 14 days have elapsed from the date of notification to the Customer of the non-adherence IPP may notify the Customer that that Collection Point is an Un-Cooperative Collection Point.
- 8. PRICE OF THE PRODUCTS AND PAYMENT**
- 8.1 Base Trip Fees
- 8.1.1 Upon Delivery the Customer shall be charged the applicable Base Trip Fee.
- 8.1.2 If the Customer receives the Pallets from an Authorised Transferor then it shall be charged the Customer Transfer Fee.
- 8.1.3 The Customer shall also be charged an average of the Base Trip Fees pursuant to clause 13.3.
- 8.2 Out of Hours Fee
- 8.2.1 If the Customer requires Delivery on a day other than a Business Day it shall be charged the Out of Hours Fee.
- 8.3 Dispatch Fee and Small Collection Point Fee
- 8.3.1 Upon removal of the Pallets from the Customer Environment the Customer shall be charged the Dispatch Fee.
- 8.3.2 Other than in the case where the Small Collection Point Fee is deemed included in the Base Trip Fees as set out in Schedule 2, if the Collection Point is deemed a Small Collection Point the Customer shall be charged the Small Collection Point Fee in addition to the Dispatch Fee at the time of removal from the Customer Environment.
- 8.4 Rent Termination Fee and Late Declaration Fee
- 8.4.1 The Customer shall be charged the Rent Termination Fee and Late Declaration Fee in the circumstances described in clause 6.2.
- 8.4.2 The Rent Termination Fee shall also be charged to the Customer.



<p>8.4.3 if the Pallets are delivered to an Un-Cooperative Collection Point and the fees for such point have not already been included in the Base Trip fee;</p> <p>8.4.4 in the circumstances described in clauses 6.4 and 12.4; or</p> <p>8.4.5 if the Pallets have been lost (whilst in Custody as evidenced pursuant to clause 13 or clause 11.2.</p> <p>8.5 Daily Hire fee</p> <p>8.5.1 Where the Dwell Time in the Order Characteristics is zero (which for the avoidance of doubt means that there is no time cost of rental during Custody included in the Base Trip Fee ) then the Customer shall be charged the Daily Hire Fee for each Pallet for each day that it is in Custody.</p> <p>8.6 Payment</p> <p>8.6.1 IPP may invoice the Customer for the Base Trip Fees on a weekly basis, and for all other fees and charges at the end of each month. The Customer shall pay all sums shown to be due in cleared funds to the account bank nominated by IPP <b>within 30 days from the date of the invoice.</b></p> <p>8.6.2 Unless specified otherwise in Schedule 2 all payments due under this Agreement shall be made in Euros.</p> <p>8.6.3 If any sum payable under this Agreement is not paid when due then, without prejudice to IPP's other rights under this Agreement, that sum will bear interest from the due date until payment is made in full both before and after any judgment, at 3% per annum over Barclays Bank plc base rate from time to time and the IPP will be entitled to suspend deliveries of the Pallets, until the outstanding amount has been received by IPP from the Customer.</p> <p>8.6.4 All payments to be made by the Customer to IPP under this Agreement will (in the absence of express prior written agreement from IPP) be made in full without any set-off, restriction or condition and without any deduction or withholding for or on account of any counterclaim or any present or future taxes, levies, duties, charges, fees, deductions or withholdings of any nature unless the Customer is required by law to make any such deduction or withholding.</p> <p>8.6.5 The Price shall be exclusive of any value-added tax or other applicable sales tax or duty, which shall be added to the sum in question.</p> <p>8.7 Price Adjustment</p> <p>8.7.1 IPP shall be entitled to adjust the Price (or any of the fees, charges, or discounts comprising the Price):</p> <p>8.7.2 at any time if any of the Order Characteristics materially alter or are changed by the Customer;</p> <p>8.7.3 at any time if the parties so agree;</p> <p>8.7.4 annually, commencing on the first anniversary of the Commencement</p>	<p>Date and each subsequent anniversary during the period of this Agreement if upon a review of the Prices the Index Figure Change shows an increase based on weighted changes in the indices set out in Schedule 8 last published before the date of review compared with those last published before the Relevant Date the Price then in force under the terms of this Agreement will be increased in the same proportion as the Index Figure Change; or</p> <p>8.7.5 at any time to take account of increased costs caused by changes to taxation and/or legislation including but not limited to changes to fuel duty; or</p> <p>8.7.6 In the case that Dwell Time in the Order Characteristics is higher than zero then if Dwell Time (measured as an average for all Pallets supplied by IPP over the previous calendar month or months or as otherwise agreed in writing) is in excess of the period stated in the Order Characteristics then the Customer shall be charged the Daily Hire Fee per Pallet for such excess. Dwell Time (being an Order Characteristics) shall be calculated where applicable in accordance with Schedule 6; or</p> <p>8.7.7 at any time to reflect changes in the cost to IPP of providing the Pallet rental services, including but not limited to the costs associated with procuring or replacing the Pallets and transportation and distribution, including procured by IPP from third parties for the provision of the service. IPP may adjust the Prices under clause 17 (f) at any time by giving the Customer not less than 30 calendar days' notice in writing.</p>	<p>shall continue thereafter unless and until terminated by either party giving to the other party at any time not less than twelve months' written notice to expire on or at any time after the end of that period.</p> <p>10.2 Either party may by written notice served on the other terminate this Agreement immediately if the other:</p> <p>10.2.1 is in material breach of any of the terms of this Agreement and, where the breach is capable of remedy, the other party fails to remedy such breach within 20 days' service of a written notice from the party not in breach, specifying the breach and requiring it to be remedied;</p> <p>10.2.2 becomes bankrupt or enters into any arrangement with its creditors or takes or suffers any similar actions in consequence of a debt or if an encumbrancer takes possession or a receiver, administrator or administrative receiver is appointed over its assets or property or if it goes into liquidation or administration or ceases or threatens to cease trading;</p> <p>10.2.3 has any distraint, execution or other process levied or enforced on any of its property; or</p> <p>10.2.4 ceases or threatens to cease to trade.</p> <p>10.3 For the purpose of clause 10.2.1 a breach shall be considered capable of remedy if the party in breach can comply with the provisions in question in all respects other than as to the time of performance (provided that time of performance is not of the essence).</p>	<p>11.4 Upon the termination of this Agreement for any reason, subject as otherwise provided in this Agreement and to any rights or obligations which have accrued prior to termination, neither party shall have any further obligation to the other under this Agreement.</p> <p><b>12. RISK AND LIABILITY</b></p> <p><b>Risk</b></p> <p>12.1 Risk in and responsibility for the Pallets shall pass to the Customer in the case of Delivery Ex-Works or Trade Collect once the Pallets are loaded onto the Customer's collecting vehicles at IPP's nominated depot or Collection Point as the case may be, in the case of Delivery OWT DPP or Trade Direct once the Pallets have been unloaded at the Delivery Point, and in the case of Delivery from an Authorised Transferor once the Pallets have been received from the Authorised Transferor by the Customer. Risk and responsibility for the Pallets shall pass back to IPP upon delivery of the Pallets to a Collection Point (notwithstanding the Customer's liability to pay any element of the Price to IPP and/or damages) and to the Customer complying with clause 7).</p> <p>12.2 The Customer shall maintain the Pallets in a satisfactory condition insured on IPP's behalf for their full replacement cost against all risks to the reasonable satisfaction of IPP, and shall whenever requested by IPP produce a copy of its policy of insurance to IPP.</p> <p><b>Customer's Liability</b></p> <p>12.3 The Customer shall use the Pallets in a careful and skilful manner only for the Intended Activity and, subject to such use, all liability in respect of fair wear and tear to the Pallets shall be IPP's.</p> <p>12.4 If a Pallet is damaged or destroyed by an act or omission of the Customer, the Customer shall pay to IPP the lesser of the repair cost of such Pallet and the Rent Termination Fee.</p> <p>12.5 The Customer will indemnify and keep indemnified IPP against all fines, penalties and liabilities imposed on or incurred by IPP arising in respect of a breach of clause 4.2 and 4.3 or of non-compliance or contravention by the Customer, of any law or regulation which applies to the Pallets, their use or operation, together with any costs or expenses relating thereto incurred by IPP.</p> <p>12.6 Subject to clause 12.9, IPP's liability (including arising as a consequence of IPP's negligence) in respect of any claim arising pursuant to this Agreement shall be limited to 20% of the total Price paid by Customer in connection with this Agreement in the previous Year (or estimated Price to be paid in the case of the first Year of the term of this Agreement).</p> <p>12.7 Except as provided in clause 12.6 and 12.9 IPP will be under no liability to the Customer whatsoever (whether in contract, tort (including negligence), breach of statutory duty, restitution or otherwise) for any injury, death, damage or direct, indirect or consequential loss (all three of which terms include, without limitation, pure economic loss, loss of profits, loss of business, depletion of goodwill and like loss) howsoever caused arising out of or in connection with this Agreement.</p>
<p><b>9. OWNERSHIP OF THE PRODUCTS</b></p> <p>9.1 The Customer acknowledges that the Pallets are IPP's property and that the Customer has no rights to them other than as hirer. The Customer shall not do or permit or cause anything to be done whereby IPP's rights in and title to the Pallets are or may become prejudiced.</p> <p>9.2 The Customer shall not sell, offer to sell, assign, underlet, pledge, mortgage, charge, encumber or part with possession of or otherwise deal with the Pallets or any interest in them nor create or allow to be created any lien over the Pallets, whether for repairs or otherwise. Save as otherwise set out in this Agreement or in the normal course of a Trip the Pallets shall not be moved from the Customer Environment without the prior written consent of IPP.</p> <p>9.3 The Customer shall ensure that it:</p> <p>9.3.1 Uses all reasonable endeavours to procure that all Collection Points are obliged to comply to terms equivalent to the terms set out in this clause 9; and</p> <p>9.3.2 advises each Collection Point that the Pallets are and remain the property of IPP.</p>		<p><b>11. CONSEQUENCES OF TERMINATION</b></p> <p>11.1 Upon termination of this Agreement:</p> <p>11.1.1 IPP's consent to the Customer's possession of the Pallets shall be deemed to have been revoked; and</p> <p>11.1.2 subject to clause 11.3 the Customer shall redeliver the Pallets to IPP, and if it fails to do so, without prejudice to IPP's claims for arrears of payment and damages or any other rights under this Agreement, IPP shall be entitled to resume possession of the Pallets and IPP shall be entitled for this purpose to enter upon the Customer's premises.</p> <p>11.1.3 Customer and IPP shall together perform an interim stock take to ascertain if the Customer has redelivered all of the Pallets in its Custody, or if any Base Trip Fees, other elements of the Price or Rent Termination Fee is outstanding pursuant to clause 13.3.</p> <p>11.2 Notwithstanding clause 11.1, if IPP so permits the Customer shall, upon termination, be permitted to deliver the Pallets in its possession to a Collection Point provided it notifies IPP in writing that it intends to complete the Trip and that it continues to comply with clauses 5, 6, 7 and 8 as if this Agreement had not terminated.</p> <p>11.3 The rights to terminate this Agreement given by this clause 11 shall not prejudice any other right or remedy of either party in respect of the breach concerned (if any) or any other breach.</p>	
<p><b>10. DURATION AND TERMINATION</b></p> <p>10.1 This Agreement shall come into force on the Commencement Date and, subject to the following provisions of this clause 10, shall continue in force for the minimum period specified in the Order Characteristics and</p>			

12.8 Except as set out in clause 12.6 and 12.9 IPP hereby excludes to the fullest extent permissible in law, all conditions, warranties and stipulations, express (other than those set out in this Agreement) or implied, statutory, customary or otherwise which, but for such exclusion, would or might subsist in favour of the Customer.

12.9 IPP does not exclude its liability (if any) to the Customer:

12.9.1 for breach of IPP's obligations arising under section 12 Sale of Goods Act 1979 or section 2 Supply of Goods and Services Act 1982;

12.9.2 for personal injury or death resulting from the IPP's negligence;

12.9.3 under section 2(3) Consumer Protection Act 1987;

12.9.4 for any matter for which it would be illegal for IPP to exclude or to attempt to exclude its liability;

12.9.5 for fraud or fraudulent misrepresentation.

12.10 IPP's charges to the Customer are determined on the basis of the exclusions from and limitations of liability contained in this Agreement. The Customer expressly agrees that these exclusions and limitations are reasonable because of (amongst other matters) the likelihood that otherwise the amount of damages awardable to the Customer for a breach by IPP of this Agreement may be disproportionately greater than the Price for provision of the Pallets.

### 13. STOCK TAKES, AUDIT AND INSPECTION

13.1 The Customer shall undertake a stock taking exercise no less than twice a Year in relation to the Pallets which are hired to it pursuant to this Agreement. The Customer shall agree the dates of such stock takes with IPP and co-ordinate such stock taking exercise with IPP's reasonable requirements. IPP and its representatives shall be entitled to accompany the Customer when the stock taking exercise is undertaken. The Customer shall certify the accuracy of such stock take.

13.2 The Customer shall provide full details of the results of such stock take to IPP in the format reasonably specified by IPP from time to time and shall co-operate fully with IPP to resolve discrepancies between the Customer's stock taking results and IPP's stock records.

13.3 The Customer shall pay to IPP:

13.3.1 the average per Pallet of all Base Trip Fees charged to it in the preceding month in relation to any additional Pallets shown to be or have been in its Custody for which it has not paid one of the Base Trip Fees; and/or

13.3.2 the Rent Termination Fee in relation to any Pallets which are lost or misplaced whilst in the Customer's Custody.

13.4 In addition to its rights of audit set out in this clause 13, IPP will be entitled upon

reasonable prior written notice during normal business hours to inspect or cause to be inspected such records, documents and other apparently relevant information (in whatever tangible or intangible form) as IPP will reasonably require to investigate Pallet transactions or movements and will be entitled to be supplied without charge for any copies or extracts therefrom. Customer acknowledges that IPP shall be entitled to perform periodic sample validation checks on Dispatch Information by requesting copies of delivery notes. IPP shall be entitled to enter upon the Customer's premises for the purposes of exercising its rights pursuant to this paragraph.

### 14. INTELLECTUAL PROPERTY

14.1 The Customer shall not apply to register any of the Intellectual Property Rights.

14.2 Except as expressly provided in this Agreement the Customer shall have no rights in respect of any Intellectual Property Rights however used by IPP and the Customer hereby acknowledges that it shall not acquire any rights in respect of the Intellectual Property Rights and that all Intellectual Property Rights are and shall remain vested in or controlled by IPP.

### 15. CONFIDENTIALITY

15.1 IPP and the Customer warrant to the other:

15.1.1 to keep confidential all Confidential Information (whether written or oral) of the other which it has obtained or received as a result of the discussions leading up to or the entering into, or obtains or receives in performance of, this Agreement;

15.1.2 not to disclose the Confidential Information of the other in whole or in part to any other person without the other's written consent, save to those of its employees, agents and sub-contractors who are involved in the performance of this Agreement and who have a need to know the same and are bound to keep it confidential; and

15.1.3 to use the Confidential Information solely in connection with the performance of this Agreement and not otherwise or for the benefit of any third party.

15.2 The provisions of clause 15.1 shall not apply to the whole or any part of the Confidential Information which is:

15.2.1 lawfully obtained after the Commencement Date free of any duty of confidentiality otherwise than directly or indirectly from the other party to this Agreement;

15.2.2 already in the other's possession other than as a result of a breach of this clause 15;

15.2.3 in the public domain (other than as a result of a breach of this clause 15);

15.2.4 necessarily disclosed pursuant to a statutory obligation;

15.2.5 disclosed to the professional advisors, auditors and bankers of each party under terms of confidentiality; or

15.2.6 disclosed with the prior written consent of the other party.

### 16. FORCE MAJEURE

16.1 Save in respect of the Customer's obligation to pay the Price for all Pallets hired to it, either party to this Agreement will not be deemed to be in breach of this Agreement or otherwise liable to the other party in any manner whatsoever for any failure or delay in performing its obligations under this Agreement due to Force Majeure, provided that the party concerned has and continues to comply with its obligations set out in clause 16.2.

16.2 If a party's performance of its obligations under this Agreement is affected by Force Majeure:

16.2.1 it will give written notice to the other party, specifying the nature and extent of the Force Majeure, immediately on becoming aware of the Force Majeure and will at all times use all reasonable endeavours to bring the Force Majeure event to an end and, whilst the Force Majeure is continuing, to mitigate its severity, without being obliged to incur any expenditure;

16.2.2 subject to the provisions of clause 16.3, the date for performance of such obligation will be deemed suspended only for a period equal to the delay caused by such event;

16.3 If the Force Majeure in question continues for more than three months and materially adversely affects either party then, either party may give written notice to the other to terminate this Agreement. The notice to terminate must specify the termination date, which must not be less than 15 days after the date on which the notice is given, and once such notice has been validly given, this Agreement will terminate on that termination date.

### 17. NATURE OF AGREEMENT

17.1 IPP may at any time assign to its Affiliates the benefit (including any present, future or contingent interest or right to any sums or damages payable by the Customer under or in connection with this Agreement) or delegate to its Affiliates the burden of this Agreement or otherwise sub-contract, mortgage, charge or otherwise transfer or hold on trust any or all of its rights and obligations under this Agreement. The Customer may not assign the benefit (including any present, future or contingent interest or right to any sums or damages payable by either party under or in connection with this Agreement) or delegate the burden of this Agreement or hold this Agreement on trust for any other person.

17.2 This Agreement contains all the terms which the parties have agreed in relation to the transactions provided for by this Agreement and neither of the parties have been induced to enter into this Agreement by a statement or promise which it does not contain. This shall not exclude any liability which a party would otherwise have to the other party in respect of any statement

made fraudulently by that party prior to the date of this Agreement.

17.3 If any provision of this Agreement is held by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid or unenforceable in any respect this shall not affect any other provision of this Agreement, which shall remain in full force and effect.

17.4 No failure or delay by any party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.

17.5 No variation of this Agreement shall be valid unless in writing signed by a duly authorised representative of the parties.

### 18. NOTICES

18.1 Any demand, notice or communication must be in writing and may be given by hand or sent by first class pre-paid post, cable or electronic mail and shall be deemed to have been duly served:

18.2 if delivered by hand, when left at the proper address for service;

18.3 if given or made by prepaid first class post, 48 hours after being posted (excluding Saturdays, Sundays and public holidays);

18.4 if given or made by electronic mail at the time of transmission, provided that a confirming copy is sent by first class pre-paid post to the other party within 24 hours after transmission;

18.5 provided that, where in the case of delivery by hand or transmission by electronic mail, such delivery or transmission occurs either after 4.00 pm on a Business Day, or on a day other than a Business Day, service shall be deemed to occur at 9.00 am on the next following Business Day (such times being local time at the address of the recipient).

18.6 Any demand, notice or communication shall be made in writing or by electronic mail addressed to the recipient at its registered office or its address or electronic mail address set out in Schedule 4 (or such other address or electronic mail address as may be notified in writing from time to time) and shall be marked for the attention of the nominated representative details of whom are given in Schedule 4

### 19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

The parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

### 20. ENGLISH LAW

The formation, construction, performance, validity and all aspects whatsoever of this Agreement shall be governed by English Law and the parties hereby agree to submit to the exclusive jurisdiction of the English Courts.

## Schedule 8

### The composite Index which comprise a weighted average of the Index Figure

The Index Figure Change in relation to a period of time shall be calculated as the weighted average of the change in each index set out in the table below weighted using the weightings as set out in the table below.

Cost Element	OWT-DDP %	OWT-EXW%	TD %	TC %	Index
Labour	20.50%	25.71%	18.90%	27.44%	EARN01 Average Weekly Earnings - regular pay - private sector*
Transport	42.50%	27.92%	31.10%	0.00%	SPPI Services Producer Price Index (2005=100,SIC07)*
Wood	6.20%	7.76%	9.50%	13.91%	Poyrey UK pallet timber index (source timcon / fefpeb) - yoy change
Other	10.10%	25.95%	9.80%	44.35%	Consumer Prices Index (CPI) all items*
Pallets	20.70%	12.66%	30.70%	14.30%	Poyrey UK pallet timber index (source timcon / fefpeb) - 7 yr average
	100.00%	100.00%	100.00%	100.00%	

Note : should any of the above indices be no longer published or available then an appropriate reasonable substitute shall be used in its stead.