



Pallet & Equipment Policy

I. Definitions:

“Approved Status”	has the meaning defined in Clause 3.2
“Bulk Shipment”	means a Shipment consigned to FedEx where: <ul style="list-style-type: none">(a) all items comprising the Shipment are to be delivered to the same receiver; and(b) FedEx is not required to consolidate the Shipment.
“Business Day”	means a day not being a weekend or public holiday in the Australian jurisdiction in which the obligation is to be performed.
“CHEP”	means CHEP Australia Ltd ACN 117 266 323.
“LOSCAM”	means Loscam Australia Pty Ltd ACN 006 440 991.
“Pallet”	means each of the pallet types referred to in Clauses 3.1(a), (b) and (c).
“Equipment”	means each and all of the following (as the context requires): <ul style="list-style-type: none">(a) a Pallet,(b) a cage, container or other similar equipment which may be used to transport a Shipment as approved by FedEx’s Senior, National Operations Excellence Specialist in writing from time to time.
“Equipment Arrangement”	has the meaning defined in Clause 7.1.
“Equipment Loss”	has the meaning defined in Clause 7.7.
“Equipment Hirer”	means CHEP, LOSCAM or such other Equipment hirer as may be approved by FedEx’s Pallets and Equipment, Senior National Operations Excellence Specialist in writing from time to time.
“Equipment Receiver”	means the party to whom FedEx delivers Equipment, whether with or without a Shipment.
“Pallet and Equipment Policy”	means this FedEx Pallet and Equipment Policy as may be amended from time to time.
“Shipment”	means goods or documents of whatever nature (whether in bulk or in one or more packages).
“FedEx”	means FedEx Express Australia Pty Ltd ABN 41 000 495 269.
“FedEx’s Account”	means, in the context of: <ul style="list-style-type: none">(a) Pallets - FedEx’s Pallet trading account with the relevant

Pallet Hirer.

- (b) Equipment – FedEx’s Equipment trading account with the relevant Equipment Hirer.

“Transaction Document” has the meaning defined in Clause 4.1(d).
"You" and "Your" means the party:

- (a) consigning Equipment to FedEx; or
- (b) requesting FedEx to supply Equipment to it

whether with a Shipment or without a Shipment, including without limitation pursuant to an Equipment Arrangement.

“Unrecoverable Location” means mine sites and those locations which are temporarily occupied by the relevant Equipment Receiver, including without limitation, showgrounds, conventions, construction sites and FedEx Special Services; International, Sameday, Time Critical, Fail Safe or Consignment Sender to Consignment Receiver direct trailers.

“Your Account” means, in the context of:

- (a) Pallets - Your Pallet trading account with the relevant Pallet Hirer.
- (b) Equipment – Your Equipment trading account with the relevant Equipment Hirer.

2. Acceptance and Application of the Pallet and Equipment Policy

2.1 You agree, by:

- (a) consigning Equipment to FedEx; or
- (b) requesting FedEx to supply Equipment to you,

whether with or without a Shipment, to the provisions contained in this Pallet and Equipment Policy on behalf of Yourself and anyone else (other than the Equipment Hirer) who has an interest in such Equipment.

2.2 The provisions contained in:

- (a) Clauses 1, 2, 7 and 8 apply to **ALL** Equipment;
- (b) Clauses 3, 4, 5 and 6 **ONLY** apply to Pallets.

2.3 You agree that FedEx will not accept any transfer of Equipment onto FedEx’s Account unless such transfer authorised by and transacted in accordance with this Pallet and Equipment Policy.

2.4 Unless agreed to by FedEx in writing and subject to this Pallet and Equipment Policy, FedEx will only accept the transfer of Pallets onto FedEx's Account.

3. Pallets and Approved Pallet Customer Status

3.1 Subject to this Pallet and Equipment Policy, FedEx only accepts the following pallets being transferred onto FedEx's Account:

- (a) CHEP pallets - code I0001;
- (b) LOSCAM pallets - code WP; and
- (c) such other pallets as may be approved by FedEx's Pallets and Equipment, Senior National Operations Excellence Specialist in writing from time to time.

3.2 You may apply for Approved Status by emailing Your request to be accorded Approved Status to the state emailing address as follows:

- (a) NSW/ACT: AUPalletControl_NSW@tnt.com.au
- (b) VIC/TAS: AUPalletControl_VIC@tnt.com.au
- (c) QLD: AUPalletControl_QLD@tnt.com.au
- (d) WA/SA/NT: AUPalletControl_PER@tnt.com.au

3.3 Notwithstanding anything contained in this Pallet and Equipment Policy, FedEx, in its sole discretion, may reject all transfers of Pallets onto FedEx's Account if You have not been accorded and have maintained the status of an approved pallet customer ("**Approved Status**").

3.4 The Approved Status:

- (a) must be given to You in writing by either FedEx's Pallets and Equipment, Senior National Operations Excellence Specialist or the applicable FedEx State National Operations Excellence Specialist; and
- (b) may be terminated by FedEx on written notice to You if You are in breach of this Pallet and Equipment Policy and such breach is:
 - (i) incapable of remedy; or
 - (ii) is capable of remedy and You fail to remedy such breach within such reasonable period as notified to You by FedEx in writing.
- (c) automatically terminates if there has been no transactions between Your Account and FedEx's Account for a period of twelve (12) consecutive months. If this occurs, You will need to re-apply for Approved Status.

3.5 You agree that FedEx may transfer Pallets to Your Account without obtaining Your approval for the purpose of or for the reasons contemplated in this Pallet and Equipment Policy.

4. General Principles of Pallet Control:

4.1 Unless otherwise agreed by FedEx in writing by FedEx Pallets and Equipment, Senior National Operations Excellence Specialist:

(a) You, subject to Clause 5:

- (i) must have; and
- (ii) must ensure the Pallet Receiver;

has an active account with the applicable Pallet Hirer and that such account is not a Receiver Declares account;

- (b) FedEx does not provide "Pallet banks";
- (c) and without limiting any other provision in this Pallet and Equipment Policy, FedEx may, in its sole discretion, accept or reject a transfer of a Pallet which has not been transferred by You to FedEx's Account within twelve (12) weeks from the time the Pallets were collected by FedEx;
- (d) every Pallet transfer, from Your Account to FedEx's Account, must be accounted for by completing the documentation required by the applicable Pallet Hirer e.g. transaction docket ("**Transaction Document**"). One Transaction Document per load and a copy of the completed Transaction Document must be supplied to the FedEx driver upon collection. FedEx does not accept multi-load quantities on a single Transaction Document.
- (e) when transferring Pallets to FedEx's Account, You must ensure the couriers first and surname, signature, the vehicle registration number and the FedEx consignment note is recorded clearly on the Transaction Document;

4.2 You:

- (a) acknowledge that it is Your responsibility to inspect and check the condition, state of repair and fitness for purpose of each Pallet immediately before taking possession of the Pallet;
- (b) agree by accepting the Pallet that the Pallet was supplied or otherwise provided in good order and condition;
- (c) acknowledge FedEx gives no warranty or representation about the condition, state of repair or fitness for purpose of a Pallet delivered by FedEx to You or any other party;
- (d) must not consigned a Pallet to FedEx which will be deemed to be damaged, in any manner whatsoever, by the relevant Pallet Hirer.

4.3 All Pallets which have been erroneously transferred to FedEx's account will be transferred back to Your Account effective from the date on which such Pallet was first collected by FedEx and You will be liable for all rental charges and all other amounts payable by FedEx to the Pallet Hirer arising from the erroneous transfer.

5. Transfer of Pallets onto FedEx's Account

5.1 You may only transfer Pallets onto FedEx's Account in accordance with this Clause 5.

5.2 Where the Freight or Pallet Receiver **DOES NOT** have a Pallet trading account with the

relevant Pallet Hirer, FedEx:

- (a) **WILL NOT** accept any responsibility for the rental charges or similar costs associated with the relevant Pallet for the period of fourteen (14) days from the date FedEx collected the Pallet (“**Non Acceptance Period**”); and
- (b) **WILL ONLY** accept the effective transfer of such Pallets after the expiration of the period described in Clause 5.2(a).

5.3 Where the Pallet Receiver **DOES** have a Pallet trading account with the relevant Pallet Hirer and:

- (a) the Pallet forms part of a consignment collected by FedEx from You as a Bulk Shipment then:
 - (i) FedEx will **NOT ACCEPT** any transfer of such Pallet or any responsibility for the rental charges or similar costs associated with the relevant Pallet; and
 - (ii) You **MUST** ensure that You transfer the Pallet directly to the Pallet trading account that the Pallet Receiver has with the relevant Pallet Hirer.
- (b) the Pallet forms part of a consignment collected by FedEx which is not a Bulk Shipment then:
 - (i) FedEx **WILL NOT** accept any responsibility for the rental charges or similar costs associated with the relevant Pallet for the period which is the greater of:
 - (A) fourteen (14) days from the date FedEx collected the Pallet; and
 - (B) the period, as agreed to by You or the relevant Pallet Hirer, which the Pallet Receiver has been afforded before it is required to accept transfer of the Pallet
 - (ii) **FedEx WILL ONLY** accept the effective transfer of such Pallet after the expiration of the applicable period described in Clause 5.3(b)(i).

6. Unrecoverable Delivery Locations

6.1 Notwithstanding anything contained in this Pallet and Equipment Policy, FedEx reserves the right to reduce Pallet quantities transferred to FedEx’s Account, and to transfer such quantities to Your Account, if:

- (a) the location of the Pallet Receiver is an Unrecoverable Location or FedEx determines, acting reasonably, is an Unrecoverable Location;
- (b) the Pallet Receiver rejects a transfer of Pallets, which FedEx has delivered to the Pallet Receiver, onto its Pallet trading account with the relevant Pallet Hirer; or
- (c) FedEx has delivered a Pallet to a Pallet Receiver and the Pallet Receiver has not made such Pallet or replacement Pallet available to FedEx at the time of delivery.

7. Equipment Arrangement

- 7.1 FedEx's Pallets and Equipment, Senior National Operations Excellence Specialist may, from time to time, agree to supply You with Equipment and which will either:
- (a) remain on FedEx's Account; or
 - (b) if owned by FedEx will continue to vest in and remain the property of FedEx ; in accordance with this Clause 7 ("**Equipment Arrangement**").
- 7.2 You must provide FedEx with at least two (2) Business Day's prior written notice of the number and type of Equipment that You require ("**Equipment Request**"). Unless FedEx accepts the Equipment Request in writing it will be deemed that FedEx has rejected the Equipment Request.
- 7.3 Unless otherwise agreed to by FedEx 's Pallets and Equipment, Senior National Operations Excellence Specialist in writing, all Equipment which may be supplied to You under an Equipment Arrangement must:
- (a) be made available for collection by FedEx, at the earlier of, the date agreed to by the parties and the date notified to You in writing by FedEx;
 - (b) only be used for the purpose agreed to by the parties in writing and if not agreed in writing for the ordinary purpose for which such Equipment may be used.
- 7.4 You must ensure that:
- (a) You keep the Equipment in Your possession and control at all times;
 - (b) at the time the Equipment is returned to FedEx, the Equipment is free of all rubbish and that all liners, labels, wrapping, securing materials and any other material or items on or attached to the Equipment are removed. You agree that FedEx may charge You a reasonable fee for removing any of those items and for cleaning or removing any debris or spilt substances from the Equipment;
 - (c) all Equipment must be used and operated by You in a safe and proper manner and strictly in accordance with all laws and all applicable policies and procedures and any handling instructions or guidelines as notified to You by FedEx from time to time;
 - (d) You keep accurate and complete records of all Equipment You receive and return to FedEx in accordance with this Equipment Arrangement and provide copies of same to FedEx within two (2) Business Days of FedEx requesting same in writing.
- 7.5 For the avoidance of any doubt FedEx will not be liable to You for any storage fees in relation to Equipment supplied pursuant to an Equipment Arrangement.
- 7.6 You agree that if Equipment is not returned to FedEx in accordance with this Clause 7 FedEx may, at FedEx 's discretion, either:
- (a) transfer the Equipment to Your Account with an effective transfer date being the date such Equipment was first delivered to You; or
 - (b) declare that the Equipment is lost.
- 7.7 You agree that if the Equipment is lost (including where FedEx declares the Equipment to be lost in accordance with Clause 7.6) or damaged whilst in Your care ('**Equipment Loss**'), You will

pay to FedEx on demand:

- (a) if the Equipment is not owned by FedEx, the following amounts:
 - (i) the applicable rental charges, based on the rates offered by the relevant Equipment Hirer to the public for such Equipment, calculated from the date on which the Equipment was first delivered to You until the date which is thirty (30) days from the date FedEx receives the invoice from the Equipment Hirer for such charges.
 - (ii) the applicable compensation rates payable by FedEx to the Equipment Hirer in relation to the Equipment Loss, with such rates being based on the rates charged by the relevant Equipment Hirer to the public in circumstances where Equipment is lost or damaged (as the case may be).
- (b) If the Equipment is owned by FedEx the following amounts:
 - (i) if the Equipment is lost or damage beyond economical repair, the then current replacement cost of the Equipment;
 - (ii) if Clause 7.7(b)(i) does not apply, the cost to repair the applicable damage being:
 - (A) \$100 per hour or part thereof plus the cost of all materials if the Equipment is repaired by FedEx employees; or
 - (B) the cost invoiced to FedEx (plus 10%) if the repair of the Equipment is undertaken by a third party.

7.8 FedEx agrees to notify the Equipment Hirer of the Equipment Loss within fourteen (14) days from the date FedEx notifies You of such Equipment Loss and will request the Equipment Hirer to issue an invoice for the relevant compensation payable in relation to such Equipment Loss.

7.9 FedEx is not liable for any delay or inability to provide Equipment pursuant to an Equipment Arrangement.

8. Dispute and Queries

8.1 All disputes or enquiries relating to Pallet transactions (“**Disputes**”) must be notified to FedEx in accordance with Clause 8.2 within ninety (90) days from the date FedEx either collected the applicable Equipment from You or delivered the applicable Equipment to You.

- a) Where You receive an emailed response from FedEx requesting additional information to assist in the investigation, but You do not provide the material within the ninety (90) days from the date FedEx either collected the applicable Equipment from You or delivered the applicable Equipment to You, then the dispute or query will be deemed closed requiring no further action.

8.2 All Disputes must be emailed to relevant state address in accordance with Clause 8.5, including a full description of the Dispute and all relevant documents or other evidence supporting the Dispute.

8.3 Unless otherwise agreed to by FedEx’s Pallets and Equipment, Senior National Operations Excellence Specialist in writing, You agree that Your right to Dispute a Pallet transaction will be

waived and forfeited if You do not notify FedEx of the Dispute in accordance with this Clause 8.

8.4 You agree to provide FedEx with all relevant information and documentation relating to a Pallet transaction with within five (5) Business Days from the date FedEx requests such information or documentation, failing which You agree that FedEx may reject the respective transaction.

a) Where You provide a copy of a rejected pallet transfer docket outside of the notification period in Clause 8.4 but within Clause 8.1 then upon validation of the receipt of said pallet, the rejected transfer will be reinstated at the date FedEx completes the review.

8.5 State emailing address as follows:

a) NSW/ACT: AUPalletControl_NSW@tnt.com.au

b) VIC/TAS: AUPalletControl_VIC@tnt.com.au

c) QLD: AUPalletControl_QLD@tnt.com.au

d) WA/SA/NT: AUPalletControl_PER@tnt.com.au

9. Plain Pallets

FedEx does not supply or return plain pallets and You release and otherwise indemnify FedEx against all liability suffered or incurred or otherwise threatened against FedEx in relation to FedEx not returning any plain pallets.

10. Pallet Policy on FedEx website

FedEx Pallet & Equipment Policy is located on our website at;
https://www.tnt.com/express/en_au/site/support/downloads.html