

# CHEP Pallet Handling Policy – Big Chill Distribution Limited

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Dear Customer,

Big Chill Distribution is making changes to the way it currently handles the hireage/use of CHEP pallets for non-contracted customers.

These moves bring Big Chill into line with CHEP pallet best practice, and other freight companies in the ambient and temperature controlled sector.

*From the 6<sup>th</sup> July 2015 the following tiered system was introduced, and effective from April 2<sup>nd</sup> 2018, an increase in the levy was increased from \$1.25+GST to \$1.98+GST.*

1. Customers who do NOT hold a CHEP account:

Where a customer does not hold a CHEP account and requires Big Chill to do 1-4-1 swaps on pick-up, a pallet handling fee of \$1.98+gst per CHEP pallet will be charged. This charge covers the administration cost for provisioning pallets at pick-up, administration and recovering pallets on delivery.

This will also include customers who currently use Big Chills CHEP account that attracts processing fees via Foodstuffs & Americold.

2. Customers who DO hold a CHEP account:

- Where the customer holds a CHEP account and transfers the pallets to Big Chill and the receiver operates a 1-4-1 swap on delivery, then a 3-day transfer levy will be applied.
- The levy will be \$0.10 cents +GST a day x 3-calender days = \$0.30 cents +GST. CHEP will apply this as a debit to the shippers account and credit the Big Chill CHEP account. This levy allows time for the carrier to transport/recover/administer/dehire the pallet.
- Non-Contracted customers who currently transfer pallets onto our account will be asked to sign a commercial agreement where they will chose their preferred option for a 3 day delay, or a transfer levy which is applied to the account via CHEP. Each transaction is visible on their CHEP invoice every week.
- Where the customer holds a CHEP account and who currently rely on Big Chill for provisioning of pallets at pick-up the pallet handling fee of \$1.98+GST per pallet will apply.
- Where the customer holds a Chep account & do not require 1-4-1 swaps on pick-up, and the pallets are transferred directly to the receivers account, then NO levy will apply.

Big Chill would also take this opportunity to remind customers that it does not hold/operate a Loscam account.

<p>Option 1:</p> <p>CHEP Pallet Handling agreement to be administered by Big Chill Distribution.</p>	<p>Option 2:</p> <p>A. CHEP Pallet Levy, 30 cents ( 10 cents per pallet per day) or</p> <p>B. 3-day delay at customer daily hire rate (please circle preference )</p> <p>To be sent to CHEP NZ customer services for lodgement. Please complete CHEP Levy Agreement document.</p>
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On behalf of the customer:

Name of Company \_\_\_\_\_

Name of Signatory (Print) \_\_\_\_\_ Position: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

On behalf of Big Chill Distribution:

Name of Signatory (Print) \_\_\_\_\_ Position \_\_\_\_\_

Signature \_\_\_\_\_ Date: \_\_\_\_\_