

CHEP Pallet Handling Policy – Big Chill Distribution Limited

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 6th July 2015 the following tiered system was introduced, and effective from April 2nd 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> <ul style="list-style-type: none"> A. CHEP Pallet Levy, 30 cents (10 cents per pallet per day) or B. 3-day delay at customer daily hire rate (please circle preference) <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: _____