

Terms and Conditions

Date __/__/____

This agreement between SW GROUP LOGISTICS LIMITED (herein after called SWGL) and CUSTOMER LIMITED (herein after called CUSTOMER) shall commence on __/__/____

General

1. SWGL shall perform the services as detailed in the Service Level Agreement and any others that are included (by prior agreement) at any future date to the standards set by CUSTOMER.
2. All activity covered by this agreement will be conducted in accordance with the current Health and Safety at Work Act legislation.
3. All warehouse activity will be subject to the United Kingdom Warehousing Association current conditions, copy attached at appendix 1.
4. Warehouse operations and Transport deliveries will work towards a rolling Service Level KPI target of 98% OTIF for transport and 98% picking accuracy for warehousing.
5. Rates offered are subject to UKWA Conditions of contract. Membership number 19627
6. All transport activity will be subject to the Road Haulage Association current conditions of carriage 2020, copy attached at appendix 2. CUSTOMER will therefore be required to ensure that stock is insured while in the care and control of SWGL.
7. SWGL shall not be liable for the first £35.00 of any claim for loss or damage.
8. SWGL will not be liable for claims or fines from consignee for late / early timed delivery.
9. SWGL shall not be liable for CUSTOMER loss of profit.
10. SWGL shall not be liable for any direct or indirect consequential loss or damage (including penalty charges) whether or not resulting from the act, neglect or default of SWGL except that nothing in these conditions shall operate to exclude or limit liability of SWGL for death or personal injury arising out of its negligence.
11. The endorsement of the words "not checked" or "unexamined" (or different words to the same effect) on a delivery manifest or PDA shall not render SWGL liable for any shortage or damage subsequently discovered
12. SWGL's inability to provide proof of delivery shall not of itself constitute an admission of liability for the loss of any Consignment by SWGL. CUSTOMER shall prove its loss of any Consignment. SWGL shall not be liable for the loss or damage to any Consignment where the Consignee has acknowledged receipt of the same.
13. SWGL shall not be liable for the loss of all or any part of a Consignment to the extent that the same is subsequently found and returned to CUSTOMER. The value of the goods returned to the client may be offset against the value of any claim made against SWGL whether or not such returned goods are referable to any particular Consignment.
14. SWGL shall not be liable for any damage to a Consignment however caused where collection has been ordered by CUSTOMER from a collection address or addresses other than the client's premises. These are referred to as 3rd party collections
15. SWGL shall if so required sign a document prepared by the sender acknowledging the receipt of the Consignment but no such document shall be evidence of the condition or of the correctness

of the declared nature, quantity or weight of the Consignment at the time it is received by SWGL.

16. SWGL will at all times ensure that sufficient trained personnel are available in order to meet the CUSTOMER requirements on a day-to-day basis.
17. SWGL will always exercise due diligence in terms of service provision and security of stock under their responsibility.
18. Invoices will be raised weekly; all invoices will fall due for payment within 30 days from the date of invoice.
19. Goods destined for addresses that require a booking in for our delivery service to be completed are subject to a surcharge per consignment as indicated in the SWGL tariff
20. SWGL's tariff applies to UK Mainland, Scottish Highlands and Offshore destinations. The tariff excludes shipping to the Isles of Scilly, rate available on request.
21. All charges referred to, including the minimum invoice charges, are exclusive of VAT, which will be charged at the appropriate rate.
22. The working week is Monday to Friday
23. All delivery times quoted by SWGL refer to working days and therefore exclude Saturdays, Sundays, Public Holidays, Bank Holidays, and local holidays.
24. SWGL shall notify CUSTOMER immediately of any third party asserting any claim to products of stock. SWGL will support all measures taken by customer in defence of its property.
25. SWGL are not entitled to transfer or assign any rights or duties out of this agreement to any third party without the express written consent of CUSTOMER. However, SWGL will be permitted to move the stock to any other warehouse that is under full control of SWGL and its management.
26. Modifications of or supplements to this agreement require written form.
27. For all disputes outside of this agreement the courts of Swindon, UK shall have jurisdiction.
28. CUSTOMER and SWGL will meet annually to review prices formally and to reach agreement on prices for the forthcoming contractual year.
29. Whilst SWGL will endeavour to contain agreed prices for a twelve-month period, where outside forces constitute unacceptable increases in cost on SWGL these may be passed onto CUSTOMER by prior agreement. Such factors may include fuel and statutory labour cost increases. A fuel surcharge escalator is in place for all customers.

Fuel Surcharge rates need to be calculated based on the 4PL Central Station European Fuel Floater (**European Fuel Floater**), which was developed to avoid continuous renegotiations in freight agreements caused by constant fluctuations in diesel prices. It is based on fuel prices (including VAT) that are published by the European Commission Energy ("Oil Bulletin of the European Commission") and is updated monthly.

The European Fuel Floater is available at: <https://4plcs.com/4pl-fuel-floater>

Calculation Formula

$$\text{Fuel Floater (\%)} = \frac{(\text{Current Index} - \text{Base Index})}{\text{Base Index}} \times \text{Ratio}$$

Where:

Base Index is the average fuel price for the second half of the year 2010.

Current Index is the average fuel price from previous month as published on the website of the European Fuel Floater.

Ratio is share of diesel costs (road transport = 25%, combined transport = 10%)

The Fuel Floater is rounded commercially (e.g. 4.25% = 4% : 3.75% = 4%)

Example

Feb 2022 (applied Apr 22) month - 2

Fuel Floater % = $2.1314 - \frac{1.43}{1.43} \times 0.25$

= 12.26%

Figures can also be negative: if the current fuel level drops below the base level (average value of the second half of 2010), the fuel surcharge will be negative and applied accordingly.

30. If new technology within the marketplace renders existing technology obsolete or becomes redundant during the period of this agreement, SWGL will change to new technology at the earliest opportunity so as to maintain service levels. Investment in such technology will be subject to discussion between SWGL and CUSTOMER.
31. Whilst it is not normally anticipated that waiting time is to be charged, should a situation arise where SWGL incur costs due to delays directly or indirectly caused by CUSTOMER then charges will be levied.
32. SWGL shall have on the goods carried or stored a particular lien as well as a general lien entitling it to retain the goods as security for payment of all sums due from CUSTOMER on any account (relating to the goods or not). Storage charges shall continue to accrue on any goods detained under lien. SWGL shall also have the right to dispose of goods and retain the proceeds against any sums due from CUSTOMER.

Contract terms

The contract term will take effect from __/__/____ TBD

and shall remain in place, until terminated by either party, with not less than Six months' notice given in writing to the other party.

Termination Terms and Dispute Escalation

1. Any consistent failure on the part of SWGL to perform the set standards will result in written notification from CUSTOMER setting out the details of the failure and allowing a period of three months for rectification. If the same issue is still not resolved within this time frame CUSTOMER can in writing issue three months' notice of termination of this agreement.
2. SWGL reserve the right to terminate this agreement without penalty if CUSTOMER is in breach of the agreement and or any separate agreements.
3. The other party to this agreement becomes unable to pay its debts, or the party enters liquidation, Administration or bankruptcy (or the equivalent in its jurisdiction)
4. The other party passes a resolution for its winding up, or has a petition presented to a court for its winding up or the equivalent in the relevant presentation.

SERVICE LEVEL AGREEMENT AND PRICE STRUCTURE

SERVICE 1.

SWGL will provide the following services

- Storage of CUSTOMER stock
- RH&D of CUSTOMER stock
- Order picking as per CUSTOMER software confirmed orders

Services provided by SWGL will be within 06:30 – 15:00 for Production, all deliveries and collections would be within 07:00 – 17:00 unless otherwise agreed

SWGL charges for the service will be as follows:

Transport as per transport tariff (end of document)

Prices will be subject to review on a Yearly basis.

CUSTOMER will provide all packaging materials at their expense with exception of pallets and sundry packaging which will be supplied by SWGL and recharged to CUSTOMER at cost plus 10%

CUSTOMER will insure the stock whilst in SWGL warehouses and in transit

Claims by CUSTOMER against SWGL will be limited to RHA and UKWA guidelines when items are transported by SWGL and stored in SWGL warehouses.

Signature.....

Signature.....

Print.....

Print.....

Date.....

Date.....

SW Group Logistics Limited

Customer

Delivery Tariff