

## SCHEDULE 10

### TRAY LOAN

Where this Schedule forms part of your Contract with us, the following terms and conditions shall apply in addition to and (unless expressly stated otherwise) without prejudice to the terms set out in the General Access Terms and Conditions (and the rest of this Contract):

#### 1 Background

- 1.1 You may use trays to hand over Mailing Items to our Inward Mail Centres. You have asked us to lend you Trays for this purpose. This Schedule sets out the terms on which you and we agree that we shall lend you those Trays.

#### 2 Definitions and interpretation

- 2.1 Schedule 1 of your Contract explains the meaning of some words and phrases used in your Contract, including this Schedule, and sets out some rules of interpretation which also apply to this Schedule.
- 2.2 In addition, the words and phrases used specifically in this Schedule are defined in the table below:

<b>Associate</b>	in relation to either Party (i) any Affiliate of that Party or (ii) an agent (including a franchisee or owner-driver) of that Party engaged by that Party to fulfil its obligations under the Contract;
<b>Excess Trays</b>	has the meaning set out in paragraph 5.7 of this Schedule; and
<b>Trays</b>	trays that we own and lend to you in line with the terms of this Schedule, including any Excess Trays.

#### 3 Commencement and duration

- 3.1 The terms of this Schedule shall take effect from the Access Start Date, or such other date that is agreed between you and us.
- 3.2 The terms of this Schedule shall continue to have effect until the date it is terminated under this Contract or paragraph 7 of this Schedule.

#### 4 Your obligations

- 4.1 If you comply with your obligations under this Contract including the User Guide and this Schedule, we will supply you with Trays from time to time by way of loan.
- 4.2 You have borrowed **[insert number]** Trays from us to hand over Mailing Items in line with the Contract.
- 4.3 Each time you hand over Mailing Items in a Tray at our Inward Mail Centres in line with the Contract, we will lend you one empty Tray for each Tray you present.
- 4.4 When transporting, loading and unloading the Trays, you must only use vehicles that meet our reasonable requirements regarding:
- 4.4.1 health and safety of personnel; and
  - 4.4.2 care of the Trays.

We shall notify you of these requirements from time to time.

- 4.5 After you collect Trays from us, you shall distribute them to your premises.

- 4.6 You:
- 4.6.1 shall use the Trays to transport Mailing Items between:
- (a) your or your Associates' premises and your customers' premises or those of their agents or sub-contractors; and
  - (b) between any premises referred to in paragraph 4.6.1(a) and our Inward Mail Centres; and
- 4.6.2 may move empty Trays between your premises and those referred to in paragraph 4.6.1(a) to meet your reasonable operational requirements

to fulfil your obligations under the Contract. You shall ensure that Trays are not used to transport Mailing Items between any other premises or for any other purpose (including in respect of our other postal services).

- 4.7 You shall not:
- 4.7.1 create or allow the creation of any lien or charge over the Trays; or
- 4.7.2 sell, hire, lend, charge or otherwise dispose of or allow any third party to use or take possession of the Trays without our prior written consent.
- 4.8 Subject to paragraph 4.6, you shall not allow any Trays to be used for mail that is to be collected, conveyed or delivered by any third party.
- 4.9 We may recover any Trays that are in a third party's possession in breach of this Contract or this Schedule.
- 4.10 You shall keep the Trays in good condition (fair wear and tear excepted). You shall immediately report any damage to the Trays to us.
- 4.11 You shall not remove any labels or markings that we or the manufacturers put on the Trays. You shall not allow any other labels or markings to be put on the Trays without our prior written consent.
- 4.12 Without prejudice to paragraph 6 of this Schedule, you shall keep the Trays in a secure place at all times when they are not being used for the purposes set out in paragraph 4.6.
- 4.13 If you do not have enough Trays, you must bring Mailing Items to our Inward Mail Centres in Royal Mail bags. You may not use any containers other than those permitted under your Contract to deliver mail to our Inward Mail Centres.
- 4.14 If we introduce new designs of Trays, you shall accept these Trays that we provide.
- 4.15 You shall ensure that the Trays are not misused. You shall ensure that you do not in any way damage our reputation in using the Trays.

## **5 Records**

- 5.1 Each time you collect Trays under paragraph 4.3, you shall sign our waybill to acknowledge that you have received the number of Trays stated in the Manifest. We will give you a copy of the waybill. You shall tell us at the time if there is any error on the waybill or are any defects in the Trays. If we agree with you, we will give you additional or replacement Trays as needed.
- 5.2 Regardless of paragraph 5.1, you shall notify us if:
- 5.2.1 the number of Trays you receive in line with paragraph 4.3 is different from the number of Trays stated on the waybill or as agreed in line with

paragraph 5.1. This notice shall be given within 12 hours of you signing the relevant waybill; and

- 5.2.2 there are defects in any Trays you receive in line with paragraph 4.3 which you have not caused. This notice shall be given within 24 hours of you signing the relevant waybill.
- 5.3 Except where there is a genuine dispute, we shall change our record of the number of Trays that you have to take into account your notice under paragraph 5.2.1.
- 5.4 If you have notified us that there are defects in any Trays in line with paragraph 5.2.2 of this Schedule, you shall return these Trays to the Inward Mail Centres that you collected them from when you next hand over mail under the Contract. We shall then change our record of the number of Trays that you have unless we dispute in good faith that those Trays are defective.
- 5.5 If you do not give a notice under paragraph 5.2:
- 5.5.1 you shall be deemed to have received the quantity of Trays stated on the waybill or as otherwise agreed in line with paragraph 5.1; and
- 5.5.2 any defects in the Trays shall be deemed to have occurred after you received them.
- 5.6 If in our reasonable opinion you may be in breach of your obligations under this Schedule, including in relation to paragraphs 4.6 to 4.12 (inclusive) and 4.15, we shall notify you. You shall let us, and any person we authorise, have access to your premises and relevant records and to the premises of any of your Associates at any time during normal working hours to check, amongst other things, the amount and condition of the Trays. If you cannot produce or account for the Trays in the correct amounts on that inspection, they shall be considered to have been lost while in your possession (unless our records indicate otherwise).
- 5.7 Within seven days of our request, you shall at your own expense give us an audit of all Trays. If in our reasonable opinion you have an excessive number of trays (**Excess Trays**) in relation to the number of Trays loaned to hand over Mailing Items, we may require you to return the Excess Trays within two Working Days.
- 5.8 If you dispute in good faith our opinion under paragraph 5.7, the disputes procedure at clause 12 of the General Access Terms and Conditions shall apply.
- 5.9 If we require you to return the Excess Trays under paragraph 5.7, you shall return the Excess Trays to our site that we specify. If you do not, we may terminate the terms of this Schedule in line with paragraph 7.2.
- 5.10 If we want to change our tracking systems across our business for Trays, you shall:
- 5.10.1 comply with those changes; and
- 5.10.2 install or obtain the necessary systems and equipment and make any necessary adjustments to your premises at your own expense within our reasonable notice period.

## **6 Loss and damage**

- 6.1 We may recover our reasonable costs incurred in relation to all Trays that are lost, stolen, damaged or destroyed while in your custody, control or possession or that of your Associates, customers or agents, or sub-contractors of your customers, howsoever such loss, damage or destruction was caused. However, this shall not apply where that loss, damage or destruction was caused by our negligence or wilful act or that of our servants or agents. Your total liability under this paragraph shall not exceed £50,000 in each Contract Year.

- 6.2 You shall maintain insurance for your potential liability under this Schedule in an appropriate amount with a reputable insurer at your own expense. You shall give us evidence of this insurance on our request.

## **7 Termination**

- 7.1 Regardless of any other term of this Contract, either of us may terminate the terms of this Schedule by giving the other Party not less than 90 days' written notice.

- 7.2 Regardless of any other term of this Contract, either of us may terminate the terms of this Schedule on written notice with immediate effect if the other Party commits any material or persistent breach of the terms of the Contract or this Schedule as long as, where the breach can be remedied, it has not been remedied within 30 days of the Party in breach having been notified of the breach by the other and asked to take steps to remedy the breach.

- 7.3 Regardless of any other term of this Contract, we may terminate the terms of this Schedule on written notice with immediate effect if:

7.3.1 you fail to pay any Postage, Surcharges, Profile Surcharges or other charges due under this Contract as they fall due; or

7.3.2 an Insolvency Event occurs.

- 7.4 On termination of the terms of the Contract or this Schedule and without prejudice to any other rights we may have, you shall:

7.4.1 immediately return all Trays to our sites that we specify; or

7.4.2 (at our request) make the Trays available for our collection on a date and at a time convenient to us. You shall allow us access to your premises for that purpose.

The terms of paragraph 6 shall continue to apply despite termination of the terms of this Schedule in relation to any loss, damage or destruction which is not discovered until after termination.

- 7.5 If you do not return the Trays or make the Trays available for collection in line with paragraph 7.4 for any reason, we may recover our reasonable costs incurred.

- 7.6 Without affecting your other obligations under the Contract or this Schedule, if a receiver, manager, liquidator, administrator or administrative receiver is appointed for you, you shall immediately tell them that the Trays are our property and are not part of your assets or undertaking.

- 7.7 Termination of this Schedule by either of us (for any reason) shall not affect any rights which either of us may already have under this Schedule before the date of termination, or whether or not any obligations under the Schedule which were intended either to come into or remain in force after termination do so.

## **8 Ownership**

- 8.1 The Trays shall remain our property at all times.

## **9 Health and safety**

- 9.1 In addition to your obligations under clause 5 of the General Access Terms and Conditions, you must ensure that your custody, use, management and transportation of the Trays complies with all applicable health and safety legislation. You shall also ensure that when you visit any of our premises, you shall comply with:

9.1.1 our health and safety requirements, as set out in our health and safety policies;

- 9.1.2 our reasonable requests relating to health and safety; and
- 9.1.3 the requirements of the User Guide on health and safety in force from time to time

regarding the Trays.

9.2 You shall ensure that you do not load:

- 9.2.1 any Tray in excess of 10kg; or
- 9.2.2 Trays into Yorks at our Inward Mail Centres in excess of the weight limits for these containers as set out in the User Guide

or such other maximum weight limits that we may specify from time to time.

9.3 We may refuse hand over of or refuse to handle any Trays weighing more than the maximum loaded weights.

## **10 Indemnity**

10.1 You shall indemnify us against any liabilities, costs, proceedings or expenses (including reasonable legal expenses) suffered or reasonably incurred by us (or our employees, agents and contractors) arising from your custody, use or management of the Trays (except where this arises due to our negligent act or omission).

10.2 The indemnity at paragraph 10.1 shall include but is not limited to any liabilities, costs, proceedings or expenses (including reasonable legal expenses) suffered or reasonably incurred by us (or our employees, agents and contractors) arising from any negligent or wrongful act or omission or any breach of statutory duty by you, your Associates, customers or agents, or sub-contractors of your customers, in the custody, use or management of the Trays or any breach by you of your obligations under this Schedule or this Contract.

10.3 Except for your liability for death or personal injury or breach of paragraph 12 (in which case your liability shall be unlimited), your total liability under this indemnity shall not exceed £50,000 in each Contract Year.

## **11 Warranties**

11.1 All terms, conditions and warranties implied by statute or at law with regard to the Trays are hereby excluded.

## **12 Intellectual Property Rights**

12.1 You acknowledge our ownership and proprietary rights in the Intellectual Property Rights in the Trays and agree and acknowledge that you shall not:

- 12.1.1 obtain any rights in the Intellectual Property Rights of the Trays, except as expressly granted under this Schedule; or
- 12.1.2 register or attempt to register any of the Intellectual Property Rights in the Trays in any jurisdiction.