COLOGNE PALLET EXCHANGE

Rules for the double exchange of pallets in the transport of goods on standardized, exchangeable, re-usable (pool) pallets.

The Cologne Pallet Exchange means:

The use by the transport company (freight carrier/haulage contractor) of its own exchangeable pallets and the undertaking by the customer (sender/consignor) that at the point of unloading the transport company will receive back from the recipient, in connection with the receiver's obligation to re-supply, pallets of the same number, type and quality at the time of the delivery of the palletized goods.

I. Aim

The economical maintenance of a firm's own stock of pallets in the interests of all those involved in transport chains since as a rule such loading aids are not sold along with the goods to the recipient but are to be returned by the recipient to the supplier or are to be made up for in some other way. That is why readily exchangeable, standardized pallets are used which are to be made good by other pallets of the same type and quality.

II. General terms and conditions

- 1. In order that the Cologne pallet exchange can operate, the customer at the delivery level (relationship supplier /original consignor to the recipient) must include the recipient in the pallet exchange in so far as he is not a party to the freight or forwarding contract.
- 2. The customer can only impose the implementation of the pallet exchange on the transport company if the recipient has been obliged to hand back the same number of exchangeable pallets of the same type and quality upon taking delivery of palletized goods. The question of exchangeability is regulated by the UIC-Norm 435-4 of the international railway association.
- 3. The pallets handed over become the property of the recipient as agreed. They must be made good by other pallets of the same type and quality.
- 4. The shipper under the meaning of these pallet clauses is the company that loads the palletized goods or as the direct owner hands them over to the transport company to be transported. The shipper need not be identical with the customer of the transport company.
- 5. In so far as a written form is required for these terms and conditions, the text form according to § 126 b of the German Civil code is sufficient.
- 6. The right to make an agreement on remuneration for the pallet exchange is reserved to the parties.

III. Obligations of those involved

1. Obligations at the loading point

The transport company shall

- hand over the agreed number of exchangeable pallets and obtain a receipt for the number and type of pallets handed over,
- confirm any non-exchange,
- issue a receipt for the number and type of the loaded pallets taken over and state in writing any reservations regarding their quality.

2. Obligations at the unloading point

The transport company shall

- deliver the palletized goods and obtain a receipt for the delivery of the number and type of pallets,
- check the appearance of the empty pallets offered with regard to their exchangeability, issue a receipt for the number and type of pallets taken over and state in writing any reservations regarding quality,
- obtain confirmation of any nonexchange.

The shipper shall

- on behalf on the customer issue a receipt for the pallets received and state in writing any reservations with regard to quality,
- obtain confirmation of any nonexchange if no or an insufficient number of pallets of the same type and quality are handed over or if the pallets are rejected as not exchangeable,
- Obtain a receipt for the customer specifying the number and type of the loaded pallets.

The recipient shall

- issue a receipt for the customer for the number and type of the loaded pallets and state in writing reservations regarding their quality,
- hand over to the transport company the same number of empty pallets of the same type and quality in an exchangeable condition and obtain a receipt for the hand-over,
- give confirmation of any non-exchange if no or an insufficient number of pallets of the same type and quality are handed over or if the pallets are rejected as not exchangeable.

3. Other obligations

- a) If, contrary to the agreement, the transport company hands over no or an insufficient number of empty pallets at the loading point, it must inform the customer and remains under the obligation to deliver the lacking exchangeable pallets to the loading point.
- b) If, contrary to the undertaking of the customer, the recipient hands over no or an insufficient number of exchangeable empty pallets, the customer is under the obligation to re-supply the transport company.
- c) The obligations arising under a) and b) respectively must be met within one month of delivery (onus on party in default).