

NLP - Rules

Rules for Participation in Norsk Lastbærer Pool AS (NLP)'s Rental and Return Scheme for Load Carriers



1. General

Norsk Lastbærer Pool AS (NLP) has been established by the industry organizations the Dagligvareleverandørenes forening (DLF) and the Dagligvarehandelens Miljøforum (DMF) in order to develop and administer return systems for reusable load carriers for the Norwegian grocery industry in the most cost-effective and environmentally friendly manner possible.

1.2 Load Carriers Included in the Scheme

In accordance with the above, a rental and return scheme has been established for plastic pallets, wooden pallets, and plastic crates, hereinafter referred to as **the Scheme**.

Unless otherwise clearly indicated by the context, the term **pallet** refers to both plastic and wooden pallets. Where the rules apply only to one pallet material, the terms **wooden pallet** and **plastic pallet** will be used.

The term **material type** refers to the material from which the pallet is made, namely plastic or wood.

The term **pallet type** refers to different pallet sizes within a pallet material category. Within the Scheme, wooden pallets are available only as full pallets. Plastic pallets are available as full pallets, half pallets, and one-third pallets.

Plastic pallets, plastic crates, and wooden pallets are collectively referred to as **load carriers**.

Plastic pallets and plastic crates are collectively referred to as **NLP Load Carriers**.

1.3 Ownership of Load Carriers Included in the Scheme

Within the Scheme, all NLP Load Carriers are owned by NLP and are made available to businesses participating in the Scheme pursuant to the Agreement Form and these Rules.

Participation in the Scheme does not alter the participating companies' ownership of wooden pallets. NLP does not own wooden pallets and acts solely as administrator of such pallets on behalf of participating companies.

2. Participation in the Scheme

2.1 Businesses Eligible to Participate in the Scheme

To participate in the Scheme, a business must fall within one of the following categories:

Suppliers, including manufacturers, importers, and suppliers within or to the grocery trade.

Wholesalers within the grocery trade.

Businesses joining the Scheme are referred to as **Customers**.

Certain categories of businesses within the grocery trade that receive limited volumes of load carriers together with goods and that do not use NLP load carriers when delivering

goods to their own customers may participate in the simplified arrangement known as **NLP LIGHT**, which is governed by a separate agreement. Businesses participating in NLP LIGHT are referred to in these Rules as **LIGHT Customers**.

2.2 Businesses with Special Load Carrier Requirements

Upon entering into the agreement, NLP may require the Customer to provide an estimate of its anticipated need for each load carrier type. If NLP must significantly increase the quantity of NLP Load Carriers in order to meet the Customer's requirements, NLP may require the parties to enter into a separate supplementary agreement.

2.3 Participation in the Scheme – Customer Contact Person

Participation in the Scheme is established by the Customer signing a separate Agreement Form. Upon signing, these NLP Rules and NLP's Data Processing Terms shall become binding upon both parties.

By signing the Agreement Form, the Customer joins the Scheme as a whole and is covered by the systems governing all load carrier types included in the Scheme. It is not possible to enter into an agreement covering only selected load carrier types. However, Customers trading with one another remain free to choose which load carrier types they wish to use.

When completing and signing the Agreement Form, the Customer designates a contact person. The Customer is solely responsible for determining who is granted access to the Customer's web connection with NLP. In the event of a change of contact person, the Customer shall immediately notify NLP of the new contact person's name and email address via support@nlpool.no.

2.4 Participation in the Scheme – Authorization

Before the Customer may receive NLP Load Carriers through the Scheme, the Customer's locations must be authorized. This is achieved by reviewing the Customer's technical installations to verify that they are suitable for handling NLP Load Carriers. Each location must be tested separately for all NLP Load Carrier types and for SRS pallets with regard to RFID tag reading performance.

2.5 Participation in the Scheme – GDPR

As described above in Section 2.3, NLP's Data Processing Terms apply upon the Customer's execution of the Agreement Form. At the individual level, NLP's Consent Declaration shall apply. The Consent Declaration, together with the document entitled "Information Regarding the Privacy Policy for Customers and Users of NLP's Website/Software", is available on NLP's website. When logging into NLP's web platform, Customers must accept the contents of the Consent Declaration.

2.6 Participation in SRS

NLP has entered into a cooperation agreement with Svenska Retursystem AB (SRS), which operates a corresponding scheme in Sweden. The cooperation applies exclusively to plastic full pallets and only to transportation of such pallets across the border between Sweden and Norway. The purpose of the agreement is to allow companies manufacturing or importing goods in one of the countries to distribute those goods in both countries without having to consider which national return scheme the plastic full pallets belong to. Companies wishing to benefit from this arrangement must participate in both countries' schemes as customers. The specific rules governing this arrangement are set out in Section 17 below

2.7 Amendments to the Agreement

NLP may amend the NLP Rules, the NLP Agreement Form, or NLP's Data Processing Terms by providing written notice to Customers. In the event of such amendments, NLP shall send written notice to the Customer's contact person. Any amendment gives the Customer the right to terminate the agreement as described in Section 2.8, paragraph 2. The amendment shall enter into force two months after the end of the calendar month in which the written notice was sent.

Changes to NLP's price list, and minor amendments to the NLP Rules, the NLP Agreement Form, or NLP's Data Processing Terms may be made without special notice to Customers. The NLP Rules, Agreement Form, Data Processing Terms, and price list shall at all times be available in updated form on NLP's website, www.nlpool.no.

2.8 Term of the Agreement – Termination

The agreement may not be terminated during the first twelve (12) months following its entry into force. Thereafter, either party may terminate the agreement by giving six (6) months' written notice effective at the end of a calendar month.

If NLP has implemented an amendment requiring notice pursuant to Section 2.7, paragraph 1, the Customer may terminate the agreement so that it expires simultaneously with the effective date of the notified amendment. Notice of termination on this basis must be given within one (1) month after the amendment notice has been sent. Such special termination shall not apply where the amendment results from public regulation or mandatory legal requirements.

In the event of failure to carry out the mandatory inventory count, NLP may, following reminders as described in Section 10, terminate the Customer's agreement with fourteen (14) days' notice.

3. NLP Load Carriers

3.1 NLP Plastic Pallets

Whenever these Rules or the agreement between the parties refer to a plastic pallet or an NLP plastic pallet, this shall mean a plastic pallet that complies with the requirements set out below. Unless otherwise stated, the term “plastic pallet” includes all NLP plastic pallet types: full pallet, half pallet, and one-third pallet. Plastic pallets must be purchased by NLP, clearly marked with the NLP logo, and comply with the specifications published under the “Products” section of www.nlpool.no.

As a result of the cooperation with SRS described in Section 2.6, plastic full pallets marked with the SRS logo may also circulate within the Norwegian Scheme. These pallets are purchased by SRS, have the same specifications as NLP-branded plastic full pallets, and originate from the same manufacturer.

Older SRS-labelled pallets may contain two RFID tags, whereas NLP-labelled plastic full pallets and newer SRS-labelled plastic full pallets contain four RFID tags. The difference between two and four tags may affect RFID reading performance and should be considered during testing and authorization pursuant to Section 2.4.

SRS-labelled pallets may be included in deliveries from NLP to Customers regardless of whether the Customer has entered into an agreement with SRS. Wherever these Rules refer to plastic pallets, the same provisions apply equally to plastic full pallets carrying the SRS logo.

3.2 NLP Plastic Crates

Whenever these Rules or the agreement between the parties refer to plastic crates or NLP plastic crates, this means plastic crates purchased by NLP and clearly marked with the NLP logo. The Scheme includes only the crate types Deep 360, Standard 185, and Flat 106. Specifications are available under the “Products” section of www.nlpool.no.

3.3 Use and Possession of NLP Load Carriers

NLP Load Carriers are the property of NLP and shall be marked with the NLP logo, as described in Sections 3.1 and 3.2 above.

Customers may use NLP Load Carriers only in accordance with these Rules and only for their intended and normal purpose.

Subleasing, lending, or otherwise making NLP Load Carriers available to third parties is prohibited without NLP's prior written consent.

3.4 Use and Handling of NLP Load Carriers

Customers shall use NLP Load Carriers in accordance with the requirements published on NLP's website, www.nlpool.no. Customers are responsible for ensuring that the load carriers comply with the applicable product specifications.

The NLP logo may not be removed or obscured. Customers may not modify, alter, label, coat, or otherwise interfere with NLP Load Carriers in any manner unless any such marking can be completely removed and is removed before the load carrier is transferred onwards.

Customers are not entitled to repair NLP Load Carriers. NLP Load Carriers must be stored indoors.

If a Customer uses NLP Load Carriers in a manner inconsistent with these Rules or the product specifications published on www.nlpool.no and such misuse causes damage to the load carrier, NLP may claim compensation from the Customer in accordance with the current NLP price list.

NLP shall not be liable for any consequential damages arising from the use of NLP Load Carriers.

4. Wooden Pallets in NLP

4.1 Requirements for Wooden Pallets

Whenever these Rules refer to an NLP wooden pallet or a wooden pallet, this means a pallet bearing the mark of a European railway company (licensed by the International Union of Railways to authorize EUR pallets) on the left block and the EUR mark (in an oval) on the right block.

An NLP wooden pallet shall be regarded as an independent asset with its own identity, regardless of whether it is secured to a load (shipment) or forms part of such load.

4.2 Handling of Wooden Pallets

Customers shall store wooden pallets indoors, handle them in such a way that damage is avoided, and comply with any guidelines issued by public authorities, including, where applicable, the Norwegian Food Safety Authority (Mattilsynet)

NLP is responsible for ensuring that the correct type and quality of wooden pallet is delivered when Customers order empty pallets. If a Customer requires pallets beyond its anticipated demand, NLP may procure additional pallets for the Customer's account pursuant to a separate agreement.

NLP acts solely as administrator of the wooden pallets included in the pool and is not their owner. By contributing wooden pallets to the pool, Customers retain ownership of those pallets. However, each Customer's rights thereafter relate only to a corresponding number of wooden pallets within the pool and not to any specific individual pallets.

NLP is responsible for repairing, processing, recycling, and replacing damaged wooden pallets within the limitations established by these Rules. The costs associated with these services are shared among all NLP wooden-pallet customers and are funded through the applicable wooden-pallet fees.

Based on forecasts and market information, NLP shall seek at all times to maintain an appropriate quantity of wooden pallets in the pool. When demand increases, NLP may purchase additional pallets on behalf of participating Customers. When demand decreases, NLP may dispose of surplus pallets, particularly in situations involving Customers who generate sustained negative balances.

4.3 Damaged Wooden Pallets

Wooden pallets that do not satisfy NLP's pallet requirements shall be collected by NLP for sorting, repair, or recycling. NLP bears the cost of such collection and any subsequent repair or disposal.

As a general rule, Customers shall not be charged for damaged wooden pallets, regardless of whether the damage occurred while the pallets were in the Customer's possession. However, NLP will not accept a situation where, over a three-month average period, a Customer generates wooden pallets that fail to meet NLP quality requirements beyond limits established by NLP. The accepted limit is 5% for Suppliers and 15% for Wholesalers.

Customers may not, through their own handling practices or through the pallets they introduce into the NLP reuse system, cause the proportion of non-compliant wooden pallets to exceed these thresholds.

Customers exceeding these limits may be subject to an audit. NLP will first attempt to determine the source of the damage through its own investigation. If this is not possible, NLP may require the Customer to commission an audit conducted by an auditor selected by NLP. The Customer shall bear the cost of the audit if it reveals that the Customer caused or was responsible for the excessive damage.

The number of damaged wooden pallets exceeding the permitted threshold shall be compensated at a price per pallet equal to NLP's current market price for wooden pallets at the time of balance settlement. Such compensation shall be paid by the Customer within fourteen (14) days from the invoice date.

5. Sorting

5.1 NLP Plastic Pallets

Plastic pallets to be collected by NLP pursuant to Section 7 shall be sorted into separate stacks, 17 pallets high, in accordance with the instructions provided under the "Products" section of www.nlpool.no. Each stack may contain only one type of plastic pallet. Plastic

pallets that do not meet the requirements for NLP plastic pallets (see Section 3.1) shall be separated from compliant pallets.

Where a Customer separates damaged and/or contaminated NLP plastic pallets in accordance with the sorting guidelines published on NLP's website, NLP shall pay compensation to the Customer for the number of plastic pallets sorted out and collected by NLP, as specified in the current NLP Price List. During sorting, NLP and SRS full pallets may be mixed within the same stack.

5.2 NLP Plastic Crates

Plastic crates to be collected by or delivered to NLP pursuant to Section 7 shall be sorted by the Customer according to crate type (see Section 3.2) and arranged in separate stacks.

5.3 Wooden Pallets

Wooden pallets to be collected by NLP pursuant to Section 7 shall be sorted into separate stacks, 17 pallets high, in accordance with the instructions published under the "Products" section of www.nlpool.no.

Where a Customer separates damaged and/or contaminated NLP wooden pallets in accordance with the guidelines published on NLP's website, NLP shall pay compensation to the Customer for the number of wooden pallets that are sorted out and subsequently collected by NLP, in accordance with the current NLP Price List.

6. Connection to the GS1 Register and NLP's IT System

No later than the date of signing the Agreement Form, the Customer must be registered in the GS1 Register with a GLN (Global Location Number). The Customer is obliged to maintain such registration throughout the entire duration of the agreement.

The Customer undertakes to use NLP's IT system, either directly or through a third party approved by NLP, for the purposes of, ordering load carriers, reporting dispatches and receipts, registering load carriers to be collected by NLP, and maintaining balance records and inventory accounts.

NLP's IT system is available via a web-based platform.

Alternatively, the Customer may use EDI (Electronic Data Interchange) integration with NLP's IT system. Such integration requires prior approval from NLP. Additional information regarding EDI integration is available on NLP's website.

Registrations in the system shall be maintained separately for plastic pallets and wooden pallets.

7. Delivery and Collection of Load Carriers

NLP shall deliver empty load carriers to the Customer in accordance with orders placed through NLP's IT system. Delivery shall take place within two business days from the date of order, provided that the order is submitted before 13:00 on the ordering day.

For orders exceeding the Customer's stated ongoing requirements at the time of joining the Scheme, or exceeding the Customer's normal operating requirements, delivery times may be extended. In such cases, NLP shall contact the Customer's designated contact person and provide information regarding the expected delivery time.

Alternative delivery schedules may be agreed separately and may result in additional charges in accordance with the NLP Price List available at www.nlpool.no

Collection of load carriers is ordered through NLP's IT system in the same manner. The Customer shall specify the number of load carriers made available for collection by NLP and the number of load carriers that, following sorting, do not satisfy the applicable quality requirements.

Upon receipt of pallets, up to five percent (5%) of the pallets may have defects or damage. If the number of damaged pallets exceeds five percent (5%), the recipient may photograph the freight document and the damaged pallets so that NLP may forward the deviation documentation to the sender.

Deviations exceeding five percent (5%) of the total number of delivered wooden pallets shall be subject to a fee for insufficient sorting.

If, upon collection by NLP, the quantity of load carriers available does not correspond to the quantity reported by the Customer, the Customer shall be charged a separate fee in accordance with the NLP Price List.

8. Balance Management and Autocommit

8.1 Balance Recording

The Customer shall maintain balance records for its inventory of NLP Load Carriers in accordance with these Rules and the requirements of NLP's IT system

The **System Balance** consists of load carriers received and dispatched through NLP's IT system, together with any corrections resulting from inventory counts or audits. Upon commencement of the agreement, the Customer's balance shall be zero for both NLP Load Carriers and wooden pallets, even where the Customer already possesses wooden pallets at the time of joining the Scheme.

For a Supplier, the following entries shall be recorded **into** the System Balance:

- Load carriers received through NLP's IT system.

The following entries shall be recorded **out of** the Supplier's System Balance:

- Load carriers delivered with goods to another NLP Customer or LIGHT Customer; and
- Empty load carriers dispatched through NLP's IT system pursuant to an agreement.

For a Wholesaler, the following entries shall be recorded **into** the System Balance:

- Load carriers received with goods from a Supplier or another Wholesaler participating in the Scheme; and
- Empty load carriers delivered through NLP's IT system pursuant to an agreement.

The following entries shall be recorded **out of** the Wholesaler's System Balance:

- Load carriers delivered with goods to another NLP Customer or LIGHT Customer; and
- Empty load carriers dispatched through NLP's IT system pursuant to an agreement.

If load carriers other than those covered by these Rules (see Sections 3.1, 3.2 and 4.1) are transferred between Customers or to a LIGHT Customer, such carriers shall not be recorded in the balance system. Load carriers covered by the Scheme shall be recorded regardless of their condition.

A Customer may have multiple **Balance Points**. Each Balance Point must be registered in the GS1 Register with its own location number.

Customers shall record all balance changes (inbound and outbound) at the location or locations designated as Balance Points. Balance records shall be updated daily in NLP's IT system, and transactions shall be recorded no later than the same day on which they physically take place.

Where a Customer or LIGHT Customer receives load carriers from another Customer or directly from NLP, the quantity received will be proposed as an update to the recipient's System Balance. If the recipient takes no action, the System Balance will automatically be updated after a specified period. The recipient therefore has a period in which to verify the incoming balance before it is confirmed. This mechanism is referred to as **Autocommit**.

The Autocommit period is seventy-two (72) hours and is calculated from the time the transaction is submitted through NLP's IT system. For long-distance transport, an extended Autocommit period may be agreed separately between NLP and the individual Customer.

8.2 Balance Discrepancies

Differences between incoming or outgoing balance records in the system and the number of load carriers physically received or dispatched are referred to as **Balance Discrepancies**. The receiving Customer shall notify the delivering Customer, or NLP where the load carriers originate from NLP, of any Balance Discrepancy.

If a Balance Discrepancy is not reported before Autocommit takes effect, the receiving Customer shall be responsible for the confirmed System Balance. Any fees or rental charges incurred in connection with such pallets shall not be credited. Any damage to received pallets shall be recorded by the receiving Customer in the designated section of the customer web portal.

Where the receiving Customer reports a discrepancy in accordance with the above, the delivering Customer shall, if the parties agree, adjust the transaction through NLP's IT system.

If the delivering Customer does not respond to the receiving Customer's notification within eight (8) business days, NLP shall adjust the System Balance in accordance with the receiving Customer's report.

If a Customer receives load carriers through the flow of goods without the delivering Customer having proposed an update to the System Balance, the receiving Customer shall notify the delivering Customer through NLP's IT system. The delivering Customer must correct the transaction within eight (8) business days. If no correction is made within this deadline, the delivering Customer may not subsequently request correction of the System Balance under Section 9 below.

Transactions in which the sender and receiver disagree regarding the pallet quantity shall be assigned the status "**Not Agreed**". The parties shall first attempt to resolve the disagreement directly between themselves. If the disagreement remains unresolved after eight (8) business days, NLP reserves the right to determine the allocation between the parties based on transaction history and customer comments.

For companies that maintain agreements with both NLP and SRS, certain special balance-recording provisions may apply. Further details are set out in Section 17

9. Missing or Incorrect Registrations

If a Customer discovers missing or incorrect registrations of load carriers that have not previously been corrected, the Customer may request a correction of the balance. Requests relating to the period from 28/29 February to 31 August must be submitted no later than 31 October of the same year. Requests relating to the period from 1 September to 1 March of the following year must be submitted no later than 30 April.

The claim shall be directed to the other party involved in the transaction containing the missing or incorrect registration. Such claim must be documented in accordance with the documentation requirements set out in the NLP Price List. [\[](#)

Any rental charges already paid shall not be credited, and fees shall be calculated in the ordinary manner for any transactions affected by the correction.

If the Customer receiving such a claim from another Customer does not take a position on the claim within fourteen (14) days after the claim is submitted, the System Balance shall be updated automatically.

If the delivering Customer has previously received a notification from the receiving Customer pursuant to Section 8.2, paragraph four, the delivering Customer may not subsequently request correction under the provisions of this Section concerning missing or incorrect registrations.

10. Mandatory Counting of NLP Load Carriers

Both categories of Customers (Suppliers and Wholesalers, see Section 2.1) shall perform a physical count of their inventory of NLP Load Carriers twice each year, namely as of 28/29 February and 31 August, or as close to those dates as practically possible.

Large Customers or groups of Customers may be granted an exemption allowing them to count only once per year, as of 28/29 February or as close to that date as possible. Such exemptions may be granted where counting procedures are particularly complex, for example where pallets are in circulation to entities that cannot participate in the Scheme or NLP LIGHT.

The count shall be conducted in accordance with the Counting Guidelines available on NLP's website. The results shall be registered as a **Main Count** in the NLP Customer Web portal.

Where the physically counted inventory differs from the System Balance shown in the NLP Customer Web portal, a correction must be made. The correction shall be performed by creating a correction order in the Customer Web portal under the menu item "Counting". Customers discovering such discrepancies are obligated to investigate whether any missing or incorrect registrations exist.

A Customer who identifies missing or incorrect registrations shall submit a correction claim against the other Customer involved in the transaction. The claim must be documented in accordance with the documentation requirements set out in the NLP Price List and must be submitted within the deadlines specified below. A Customer receiving such a claim may choose to accept it regardless of whether the applicable deadlines or documentation requirements have been met.

If the delivering Customer has previously received a discrepancy notification pursuant to Section 8.2, that Customer may not, in connection with the inventory count under this Section 10, request correction of the Balance Discrepancy covered by that notification.

Claims for correction of Balance Discrepancies relating to the count as of 28/29 February must be submitted no later than the end of April of the same year. Claims relating to the count as of 31 August must be submitted no later than the end of October of the same year. These deadlines also apply to Customers that have been granted permission to count only

once annually. Consequently, Customers counting only at 28/29 February may submit claims only for missing or incorrect registrations occurring after 1 September of the previous year.

If a Customer receiving a correction claim from another Customer does not take a position on the claim within fourteen (14) business days after it has been submitted, the correction shall be carried out through the Autocommit process described in Section 8.1. If the parties are unable to agree on the correction, either Customer may request NLP to make a final determination.

If the Customer is unable to identify any missing or incorrect registrations, cannot document them in accordance with the applicable requirements, fails to submit the claim within the prescribed deadlines, or if the Customers fail to reach agreement, NLP may make a final determination and implement the correction.

If, following a physical count, the Customer possesses fewer NLP Load Carriers than are recorded in the Customer's System Balance, the Customer shall be invoiced for the missing NLP Load Carriers in accordance with the prices specified in the NLP Price List. The Customer's System Balance shall simultaneously be reduced accordingly.

If, following a physical count, the Customer possesses more NLP Load Carriers than are recorded in the Customer's System Balance, the surplus shall be added to the Customer's System Balance so that the physical inventory and the System Balance correspond.

NLP's involvement, whether at the request of the parties or on its own initiative, may result in the imposition of a fee as specified in the Price List. The Customer whose claim is unsuccessful shall pay the fee. If neither party is fully successful, NLP may decide to divide the fee between the parties.

For corrections made pursuant to the above provisions, rental charges already paid shall not be credited, and fees shall continue to be calculated in the ordinary manner for any transactions affected by the correction.

If a Customer fails to carry out the mandatory inventory count, NLP shall send reminders requesting compliance. Two reminders shall be sent by email to the Customer's contact person at intervals of fourteen (14) days. If the count is still not completed following the final reminder, NLP shall suspend the delivery and collection of load carriers and may terminate the Agreement by giving fourteen (14) days' notice. Upon the effective date of termination, the Customer's inventory of NLP Load Carriers must be returned within fourteen (14) days.

11. Inventory Adjustment

When a surplus of load carriers identified through the counting procedure described in Section 10 is added to a Customer's System Balance, and the surplus cannot be linked to another Customer, the same number of load carriers shall be transferred to a special account referred to as the **NLP Inventory Adjustment Account**.

The balance in the NLP Inventory Adjustment Account shall be settled once annually, normally during the month of May. Settlement shall be carried out by distributing the balance to Customers who, following inventory counting, have more NLP Load Carriers recorded in the NLP Customer Web than they physically possess. [

The distribution among Customers with shortages shall first be made by dividing the number of load carriers in the NLP Inventory Adjustment Account equally between the two Customer groups, **Industry (Suppliers)** and **Wholesalers**. Thereafter, distribution within each Customer group shall be based on the number of trips made by the relevant Customer during the preceding calendar year. Every transfer of plastic pallets within the supply chain constitutes one trip for both the sender and the recipient.

If a Customer's calculated allocation, based on the Customer's number of trips, would result in the Customer's physical inventory exceeding the System Balance, the excess number of NLP Load Carriers shall remain in the NLP Inventory Adjustment Account and be carried forward for distribution in the following year.

If, during the next counting period, a Customer is found to possess fewer NLP Load Carriers than recorded in the Customer's System Balance and that Customer had previously received additional load carriers from the NLP Inventory Adjustment Account, the corresponding quantity shall be reversed from the Customer's System Balance.

12. Wooden Pallet Balance Settlement

A Customer's pallet balance shall continuously reflect the relationship between the number of wooden pallets received and the number of wooden pallets dispatched.

Customers who, during the period between two balance settlements, have made a net contribution of wooden pallets to the NLP system by registering more pallets out of their balance than into their balance shall have a **negative balance**.

Customers who, during the period between two balance settlements, have received a net inflow of wooden pallets from the NLP system by registering more pallets into their balance than out of their balance shall have a **positive balance**.

Balance settlement shall take place on the last business day of each calendar month.

When a balance settlement is performed, the balance shall be financially settled as follows, a Customer with a **negative balance** shall be deemed to sell to NLP a number of wooden pallets corresponding to the size of the negative balance. A Customer with a **positive balance** shall be required to purchase from NLP a number of wooden pallets corresponding to the size of the positive balance.

The valuation of wooden pallets for settlement purposes shall be based on the pallet price published on NLP's website at the relevant time. If the volume involved exceeds a threshold specified on NLP's website, the price shall be agreed separately.

Upon completion of the settlement, NLP shall issue either a credit note or an invoice, as applicable.

13. Balance Verification – NLP Load Carriers

NLP may require verification of a Customer's balance of NLP Load Carriers. Any such inspection initiated by NLP shall be preceded by five (5) business days' written notice. The Customer shall provide NLP, or a representative appointed by NLP, with access to the relevant premises for the purpose of conducting the verification.

In addition, NLP may once per calendar year require the Customer's balance of NLP Load Carriers to be confirmed in writing by the Customer's external auditor.

The Customer may also independently review its balance records and request that NLP adjust the balance if discrepancies are identified

14. Consideration for the Use of NLP Load Carriers

14.1 Supply Fee

When an empty NLP Load Carrier is supplied by NLP to a Customer, the Customer shall pay a **Supply Fee** in the cases and at the rates specified in the current NLP Price List.

14.2 Trip Fee

When an NLP Load Carrier is transferred between Customers, or from a Customer to a LIGHT Customer, a **Trip Fee** shall be charged in the cases and at the rates specified in the NLP Price List.

The Trip Fee is referred to as a **Sender Fee** when charged to the Customer dispatching the load carrier, and as a **Receiver Fee** when charged to the Customer receiving the load carrier.

14.3 Special Fees

Special fees shall be charged for urgent orders, small deliveries, and specially handled NLP Load Carriers, as set out in the NLP Price List.

If the number of NLP Load Carriers reported by the Customer is not available when NLP attempts collection, as described in Section 7, a separate fee shall be charged in accordance with the NLP Price List.

14.4 Daily Rental Charge

The Customer shall pay a **daily rental charge** for the number of NLP Load Carriers shown in the Customer's System Balance. The daily rental charge is calculated each day at 24:00 (midnight). The applicable rates for each type of NLP Load Carrier are specified in the NLP Price List.

The basis for calculating the daily rental charge is:

Incoming volume in transit + System Balance – Outgoing volume in transit.

Incoming and outgoing volumes consist of transactions that have been registered by the sender in NLP's IT system but have not yet been confirmed by the recipient.

For **Wholesalers**, the daily rental charge ceases when the Wholesaler orders collection of empty NLP Load Carriers in accordance with Section 7.

For **Suppliers**, the daily rental charge ceases when the Supplier orders collection of sorted-out NLP Load Carriers in a quantity of at least 100 units and the collection has been confirmed by NLP.

Adjustments resulting from quantity disputes between Customers shall automatically be taken into account by temporarily suspending rental calculations until the matter has been resolved, as described in Section 8.2.

Rental charges accumulate daily and are shown in reports available through the NLP Customer Web portal.

For Customers who have agreements with both NLP and SRS, special provisions regarding daily rental charges for plastic full pallets may apply. Further details are provided in Section 17.

For certain types of NLP Load Carriers, daily rental charges for Wholesalers and LIGHT Customers commence only after a specified number of days following receipt of the load carrier. The applicable grace period is stated in the NLP Price List.

15. Consideration for the Use of Wooden Pallets

15.1 Fees for Wooden Pallets

Both the sender and the recipient of a loaded wooden pallet shall pay a fee to NLP, referred to respectively as the **Sender Fee** and the **Receiver Fee**, based on the number of wooden pallets used in the flow of goods. The applicable rates are specified in the NLP Price List.

No fee is charged for orders of empty wooden pallets in standard quantities and with standard delivery times supplied by NLP.

Special fees shall apply to urgent orders, small deliveries, specially handled wooden pallets, brand-new wooden pallets, and cancellations, as specified in the NLP Price List.

For Customers maintaining a positive balance over time, NLP may, at its discretion, require freight compensation for deliveries of wooden pallets.

Apart from the fees expressly stated above, no transport compensation shall be payable.

The fees are identical for all geographic locations within Norway.

Where a Customer located outside Norway orders empty wooden pallets through NLP's IT system, the Customer shall bear the transportation costs. However, NLP shall subsidize transport by an amount specified in the NLP Price List. The Customer shall remain fully responsible for any customs duties, taxes, or other charges arising from the import or export of the wooden pallets.

Except for the fees specifically described above, no transport compensation shall be paid.

15.2 Surplus Fee for Wooden Pallets Applicable to Wholesalers

The **Surplus Fee** for wooden pallets is calculated monthly.

A negative balance for a Wholesaler means that the Wholesaler has supplied a greater number of wooden pallets to the NLP system than it has received through the flow of goods from participating Suppliers or from NLP. For these surplus pallets, neither Sender Fees nor Receiver Fees have been paid.

Since NLP incurs costs associated with these pallets, the Wholesaler shall, in the event of a negative balance, pay a fee for each surplus pallet equal to the combined value of the Sender Fee and the Receiver Fee. This charge is referred to as the **Surplus Fee**.

The Surplus Fee shall be invoiced monthly.

If a Wholesaler has accumulated a positive balance, that balance may be offset against future negative balances before the Surplus Fee is calculated.

16. Invoicing

16.1 Invoicing of Fees and Daily Rental Charges

Fees and daily rental charges shall be calculated for each full calendar month. Following the end of the invoice month, NLP shall issue a consolidated invoice covering all categories of load carriers used by the Customer, in accordance with the NLP Price List.

16.2 Invoicing of Wooden Pallet Balance Settlements

Balance settlement for wooden pallets shall be performed at the end of each calendar month, with an invoice or credit note being issued on the final day of that month.

The payment period shall be thirty-one (31) days, both for payments from the Customer to NLP and for payments from NLP to the Customer.

16.3 Provisional Invoicing in the Absence of Transaction Data

In extraordinary circumstances where NLP's ERP systems or transaction data are unavailable during normal operations, NLP may temporarily use **provisional invoicing (a conto invoicing)**.

Provisional invoicing may be used where invoice data for seven (7) days or more is unavailable as a consequence of the extraordinary event. Customers shall be notified immediately when this right is invoked.

Provisional invoicing shall be based on ninety percent (90%) of the Customer's average transaction volume during the three preceding months, combined with the applicable prices for the invoicing period concerned.

Once complete and quality-assured transaction data again becomes available, final settlement shall be performed without undue delay. Any over-invoiced amount shall be credited to the Customer, and any under-invoiced amount shall be invoiced retrospectively.

16.4 Invoicing upon Termination

Upon termination of the agreement, invoicing shall be carried out in accordance with the provisions set out in Sections 14 and 15 above.

17. Customer Agreement with NLP and SRS Pursuant to the Cooperation Agreement Between NLP and SRS

17.1 General

For Customers holding membership in both systems, the general rule is that the rules of the return system in the country where the plastic full pallet is physically located shall apply. Special provisions applicable to dual membership are set out below.

17.2 Participation in the Cooperation Scheme

As the cooperation scheme applies only to companies with dual membership, a company entering into a membership agreement with NLP must already be an active member of SRS or must enter into a membership agreement with SRS no later than the same day on which the agreement with NLP is established.

All transactions involving plastic full pallets that cross the border between Norway and Sweden shall be eligible for recording in the balance account of the cooperation system. The recipient of goods in Norway must be a member of NLP but is not required to be a member of SRS.

A company in Norway that is already a Customer of NLP shall not require a new authorization when joining SRS. A company in Sweden that is a Customer of SRS must obtain authorization upon joining NLP.

17.3 Handling, Use and Possession of Plastic Full Pallets

As described in Section 3.1, plastic full pallets bearing the NLP and SRS logos are substantially identical. Accordingly, the provisions governing plastic full pallets contained in Sections 3.1 and 3.3 to 3.4 shall apply equally to pallets belonging to both systems.

17.4 Customer Liability

The Customer's liability for damages shall be governed by the provisions set out in Section 3.4.

17.5 Sorting

Plastic full pallets shall be sorted in accordance with the procedures described in Section 5.1. Plastic full pallets bearing the NLP logo and those bearing the SRS logo may be stacked together.

17.6 Connection to the GS1 Register and the NLP/SRS IT Systems

For Swedish companies participating in the Scheme, the provisions of Section 6 above shall apply.

For Norwegian companies registering in Sweden, the rules and requirements of SRS shall apply.

17.7 Delivery and Collection of Pallets

Pallets shall be ordered and collected in the country where the need for delivery or collection arises and in accordance with that country's system for pallet distribution and collection. In Norway, this shall be carried out in accordance with the procedures described in Section 7 above.

17.8 Balance Recording

As described in Section 8, a company in Norway that becomes a Customer of NLP shall have a zero System Balance upon entering into the agreement. If the Customer is also an SRS Customer at that time, the Customer's pallet balance held with SRS shall be transferred to the Customer's account with NLP.

Balance recording shall be carried out in the country where the pallets are physically located. For pallets located in Norway, the provisions of Section 8 shall apply.

When pallets are transferred in the flow of goods to Sweden, the Norwegian Customer shall record the outgoing pallets in the SRS system on behalf of the Swedish Customer.

Correspondingly, when pallets are transferred from a Swedish Customer to Norway, the transaction shall be recorded in the NLP system on behalf of the Norwegian Customer.

17.9 Missing or Incorrect Registrations

Balances maintained in Sweden under SRS membership may not be corrected using the provisions governing missing or incorrect registrations set out in Sections 9 and 10 above.

17.10 Balance Verification – Plastic Full Pallets

For Customers holding dual membership, verification of balances relating to plastic full pallets shall be carried out by NLP only at locations situated in Norway.

17.11 Fees and Daily Rental Charges

The circumstances under which Trip Fees (Sender Fees and Receiver Fees) are payable to NLP and SRS when plastic pallets cross the border between Sweden and Norway are regulated by the cooperation agreement between NLP and SRS. Customers are requested to contact NLP for further information regarding these arrangements.

Special fees pursuant to Section 14.3 and daily rental charges pursuant to Section 14.4 shall be calculated in accordance with the NLP Rules and NLP Price List while the pallet is located in Norway.

While the pallet is located in Sweden, the rules and charges of SRS shall apply.

17.12 Invoicing

Invoicing of fees and daily rental charges shall be carried out as described in Section 16.1.

Invoicing upon termination of the agreement shall be carried out as described in Section 16.4