

## **UKWA CONTRACT CONDITIONS FOR LOGISTICS 2024 EDITION**

## NOTES ON THE CHANGES FROM THE 2019 EDITION

This note identifies where changes have been made from the 2019 Conditions and explains those which are material. The numbers below relate to the clauses in the 2024 Conditions. Most of the changes are for clarification or refinement of wording arising from the experience of UKWA Members, UKWA or its advisors. Members are referred to as "the Company" in the Conditions.

IMPORTANT NOTE

This has been expanded to make it clear that as well as a limitation of liability, there is also exclusion of some aspects of liability and time limits for Customers to bring claims.

- 1.3 Clarifies that unless agreed otherwise the Member isn't responsible for loading / unloading unless it is providing both carriage and storage.
- 1.4 Clarifies that if advice is given it is simply guidance for the Customer only.
- 1.7 New clause to say that <u>subject to what is agreed</u>, the Member isn't obligated to monitor cameras / other surveillance devices either in real time or regularly, nor have any particular security configuration or resource.
- 1.8 Also new, to clarify that it is for the Customer to specify stock consolidation or rotation unless otherwise agreed.
- 2.1.4 Clarifies the extent of the customer's indemnity against expenses incurred on its behalf by the Member, and that invoicing is not a precondition of the indemnity.
- 2.1.5 The wording is expanded without the principle being changed. The Customer is responsible for ensuring that whether or not the goods consigned have been inspected by the Member, they are and will remain safe to handle and store, and not be contaminating.
- 2.1.8 This clarifies that the Customer must on its own initiative (as well as on request) provide information about the goods or the Customer which may be needed to comply with legal requirements such as the FHDDS, import or export restrictions and so on.
- 2.1.9 Stock removals and other specific action are to be notified in writing by the customer and are chargeable.
- 2.10 UK Legislation makes the Member potentially liable for product safety if it is deemed to be the importer or distributor of goods into the UK for a Customer who is not a UK established

business. This clarifies that the Customer will not consign goods to the Member without informed prior written consent in such circumstances.

- 2.2 This refines the existing clause without changing the principle of it, and adds a reference to cover the impact on the Member of a "general average" being declared (which should be unlikely).
- 3.3 Wording refinement.
- 3.4 Adds business interruption to the list of excluded liabilities.
- 3.5.1 The principle remains that the Customer can request a higher limit of liability on the basis that it pays the cost of insuring to that level. The change is that the revised limit only applies from the date on which that insurance is in force, the Customer pays the extra cost / charge, or the Member opts to accept the higher limit anyway, whichever is later.
- 3.5.2 This now provides that the Member will make reasonable efforts to obtain a higher limit of insurance if requested. The effect of 3.5.1 is that if this is not successful then the higher limit will not apply.
- 3.5.3 This is a new clause (the previous 3.5.3 is now 3.5.4). Where a higher limit applies and greater insurance is in place, the Member's liability is limited to the amount paid out by the insurer.
- 3.5.4 The default limit of liability stays at £100 per tonne if no higher limit is in effect.
- 3.5.5 Clarifies that there is no exclusion of direct liability for death or personal injury.
- 3.7 Refinement of the wording imposing time limits for bringing claims (principle unchanged).
- 3.9 New clause to deal with a specific technical legal point to protect the exclusion / limitation of liability.
- 3.10 / 3.11 These were clauses 4.2 and 4.3 in the 2019 Edition and are unchanged (they are more appropriately in Condition 3).
- 4.1 Gives the Member the right to relocate goods if reasonable to do so and the new location is of at least the same quality. The Customer's consent is to be obtained except where the move is urgent.
- 4.2 Clarifies that if the Member is providing carriage it can hold goods temporarily at an interim destination.
- 5. Wording refinement and clarification that a change of Customer requires the Member's written consent.
- 6.5 Wording refinement and clarification that the Member's lien applies to goods held by its agent or subcontractor.
- 7.1 Removal of goods by the Customer is subject to availability of resource and not disrupting normal operations.

- 7.2 Clarifies that the Member can take any expedient action to deal with perishable, contaminating or dangerous goods, or where urgent.
- 8. Force Majeure now expressly includes pandemic, war and government directives or restrictions.
- 9.3 Clarification of the Member's right to transfer data where necessary.
- 9.4 The obligation to protect confidential information is now to use all reasonable endeavours to do so.
- 10. The Service Provision Change clause now says the Customer will also cover the cost to the Member of taking advice on Transfer of Undertakings.
- 11.2 Wording refinement relating to delivery notes (principle unchanged).
- 11.6 Wording refinement of the "no waiver" clause (principle unchanged).
- 11.7 Intellectual property created by the Member belongs to it whether or not the Customer has carried the cost of generating it.
- 12. The parties can agree which country's law and courts shall govern the contract (English law and courts if no alternative choice is made).
- 13. Definitions: "Company" and "UKWA Member" are worded so that the Conditions can only be used and applied by someone who is a Member of UKWA or was so when a relevant contract was entered into.

The wording of "Customer" has been refined to cover those who request or receive the services provided by or on behalf of the Member.

"Date" works with clauses 3.5.1 / 3.5.2 to clarify when a higher limit of liability will come into effect.

The meaning of "Loss" has been expanded.

UKWA Ltd / Aaron & Partners LLP, April 2024