

Bill of Lading (BOL) TERMS AND CONDITIONS (T&C)

PART A

I. Application: The following provisions shall apply to the transportation of all goods by Carrier whether or not licensed under the Motor Vehicle Transport Act, 1987 or under provincial statutes or U.S.A legislation.

II. Bill of Lading

1. A Bill of Lading or waybill may be completed as provided herein for each shipment. These terms and conditions apply even where a bill of lading or waybill is not issued by the carrier.

III. Uniform Conditions of Carriage

1. Liability of Carrier: The carrier of the goods herein described is liable for any loss of or damage to goods accepted by the carrier or the carrier's agent except as hereinafter provided.

2. Liability of Originating and Delivering Carriers: Where a shipment is accepted for carriage by more than one carrier, the carrier who issues the bill of lading (hereinafter called the originating carrier) and the carrier who assumes responsibility for delivery to the consignee (hereinafter called the delivering carrier), in addition to any other liability hereunder, are liable for any loss of or damage to the goods while they are in the custody of any other carrier to whom the goods are delivered and from which liability the other carrier is not relieved.

3. Recovery from Connecting Carriers

(i) The originating carrier or the delivering carrier, as the case may be, is entitled to recover from any other carrier to whom the goods are delivered the amount that the originating carrier or delivering carrier, as the case may be, is required to pay for the loss of or damage to the goods while they were in the custody of such other carrier.

(ii) If there is concealed damage and the goods were interlined between carriers so that it is not clear as to who had custody of the goods when they were damaged, the originating carrier or the delivering carrier, as the case may be, is entitled to recover from each of the interlined carriers an amount prorated on the basis of each carrier's revenue for carriage of the damaged goods.

4. Remedy by Consignor or Consignee: Nothing in Article 2 or 3 deprives a consignor or consignee of any rights the consignor or consignee may have against any carrier.

5. Exceptions from Liability: The carrier shall not be liable for loss, damage or delay to any of the goods described in the bill of lading caused by an act of God, the Queen's or public enemies, riots, strikes, a defect in the goods, an act or default of the consignor, owner or consignee, authority of law, quarantine or difference in weights of grain, seed or other commodities caused by natural shrinkage.

6. Delay: No carrier is bound to carry goods by any particular public truck or in time for any particular market or otherwise than with due dispatch, unless by agreement that is specifically endorsed on the bill of lading and signed by the parties.

7. Routing by Carrier: If the carrier forwards the goods by a conveyance that is not a public truck, the liability of the carrier is the same as though the entire carriage were by public truck.

8. Stoppage in Transit: If goods are stopped and held in transit at the request of the party entitled to so request, the goods are held at the risk of that party.

9. Valuation: Subject to Article 10, the amount of any loss or damage for which the carrier is liable, whether or not the loss or damage results from negligence, shall be full value at destination. The following shall not apply:

(i) the value of the goods at the place and time of shipment, including the freight and other charges if paid, and

(ii) \$4.41 per kilogram computed on the total weight of the shipment.

10. Declared Value: If the consignor has declared a value of the goods on the face of the bill of lading, the amount of any loss or damage for which the carrier is liable shall be or shall not exceed the declared value. This bill of lading shall be for full value as if declared on the face of the bill of lading.

11. Consignor's Risk

(i) If it is agreed that the goods are carried at the risk of the consignor, such agreement covers only such risks as are necessarily incidental to the carriage and the agreement does not relieve the carrier from liability for any loss or damage or delay that results from the negligence of the carrier or the carrier's agents or employees.

(ii) The burden of proving absence of negligence shall be on the carrier.

12. Notice of Claim

(i) No carrier is liable for loss, damage or delay to any goods carried under the bill of lading unless notice thereof setting out particulars of the origin, destination and date of shipment of the goods and the estimated amount claimed in respect of such loss, damage or delay is given in writing to the originating carrier or the delivering carrier within 120 days after delivery of the goods or, in the case of failure to make delivery, within nine months from the date of shipment.

(ii) The final statement of the claim must be filed within nine months from the date of shipment, together with a copy of the paid freight bill.

13. Articles of Extraordinary Value

(i) No carrier is bound to carry any documents, specie or articles of extraordinary value unless by a special agreement to do so.

(ii) If such goods are carried without a special agreement and the nature of the goods is not disclosed on the bill of lading, the carrier shall not be liable for any loss or damage in excess of the maximum liability stipulated in Article 9.

14. Freight Charges

(i) If required by the carrier, the freight and all other lawful charges accruing on the goods shall be paid before delivery.

(ii) If upon inspection it is ascertained that the goods shipped are not those described in the bill of lading, the freight charges must be paid upon the goods actually shipped with any additional charges lawfully payable thereon.

(iii) If a consignor does not indicate that a shipment is to move prepaid, or does not indicate how the shipment is to move, it will automatically move on a collect basis.

15. Dangerous Goods: Every person, whether as principal or agent, shipping dangerous goods without previous full disclosure to the carrier as required by law, shall indemnify the carrier against all loss, damage or delay caused by the failure to disclose and such goods may be warehoused at the consignor's risk and expense.

16. Undelivered Goods

(i) If, through no fault of the carrier, the goods cannot be delivered, the carrier shall immediately give notice to the consignor and consignee that delivery cannot be made and shall request disposal instructions.

(ii) Pending receipt of disposal instructions,

A. the goods may be stored in the warehouse of the carrier, subject to a reasonable charge for storage, or

B. if the carrier has notified the consignor of this intention, the goods may be removed to and stored in a public or licensed warehouse at the expense of the consignor, without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

17. Return of Goods: If a notice has been given by the carrier pursuant to paragraph (i) of Article 16, and no disposal instructions have been received within ten days from the date of such notice, the carrier may return to the consignor, at the consignor's expense, all undelivered shipments for which such notice has been given.

18. Alterations: Subject to Article 19, any limitation on the carrier's liability on the bill of lading and any alteration to the bill of lading shall be signed or initialed by the consignor and the originating carrier or their agents and unless signed and initialed shall be without effect.

19. Weights

(i) It shall be the responsibility of the consignor to show correct shipping weights of the shipment on the bill of lading.

(ii) If the actual weight of the shipment does not agree with the weight shown on the bill of lading, the weight shown on the bill of lading may be corrected by the carrier.

20. C.O.D. Shipments

(i) A carrier shall not deliver a C.O.D. shipment unless payment is received in full.

(ii) The charge for collecting and remitting the amount of C.O.D. bills for C.O.D. shipments must be collected from the consignee unless the consignor has instructed otherwise on the bill of lading.

(iii) A carrier shall remit all C.O.D. moneys to the consignor, or person designated by the consignor, within fifteen days after collection.

(iv) A carrier shall keep all C.O.D. moneys in a trust fund or account separate from the other revenues and funds of the carrier's business.

(v) A carrier shall include the charges for collecting and remitting money paid by consignees as a separate item in the schedule of rates.

PART B

1. Any shipment in a trailer or truck that is sealed shall remain sealed throughout the trip. If the seal is broken by government officials it must be replaced and a record kept of the new seal and signed by the government official. Shipper/Consignee reserves the right to reject all shipments if the seal is not intact. If shipper or consignee rejects the shipment as a result of a broken seal, carrier agrees to indemnify, defend, and hold shipper harmless from shipper's entire cost in regarding of the shipment, including, but not limited to transportation charges, reasonable disposal charges and the cost to shipper of the products in the shipment. In the event the original seal is broken or not intact, Carrier to advise Consignor immediately and carrier shall be deemed to be responsible for the loss regardless of proof.

2. The liability of the carrier (for damage or loss or cargo, and for consequential damages, if claimed shall be not be subject to any limitation of liability, even if carrier issues its own bill of lading.

3. The carrier shall be liable for breach of contract, breach of fundamental term of a contract and the negligence or gross negligence of the carrier whether arising from mis-delivery, failure to deliver or delay in delivery) whether at the suit of the party or parties contracting directly with the carrier, or at the suit of any third party and whether in contract or in tort,

4. The parties agree that any dispute in relation to the carriage of goods (including disputes relating to this bill of lading and to this arbitration provision) shall be subject to a first step of mediation in the English language in the City of Toronto before one mediator agreed to by the parties, if not resolved then a second step arbitration in the English language in the City of Toronto before one arbitrator agreed to by the parties, failing which the arbitrator shall be appointed by ADR Chambers. Subject to the arbitration laws of the Province of Ontario.