

These Standard Trading Conditions are subject to change by the Company in its sole discretion.

1. Definitions

- "Company" is B I Logistics Services Inc. (BILSI)
- "Client" is any person, firm, association, or corporation, or any other entity at whose request or on whose behalf, either directly or indirectly, the Company undertakes any business or provides services;
- "Customs Duties" means any duties, taxes and levies on imported goods under the Customs Act, the Customs Tariff Act, the Excise Act, the Excise Tax Act, the Special Import Measures Act or any other law relating to customs, excluding any penalties, interest or fines imposed under any of the aforesaid acts or any other law relating to customs;
- "Disbursements" means any payment made by the Company , on behalf of the Client, for any product or service rendered in connection with the facilitation of the import and export of goods including but not limited to Customs Duties, taxes, freight, storage, penalties, interest and fines and any other payments, including payments for goods on COD shipments made by the Customs Broker on behalf of the Client;
- "Services" shall mean those freight brokerage and related services set out in the Client Service Agreement between the parties and any schedule thereto and such other related services as the Client may request from time to time and the Company agrees to provide.

2. Fees and Disbursements

- a) Company will provide fixed price quotations (including fees and disbursements) to Client before rendering Services and Client must either accept or reject a quotation delivered by the Company as agent within 15 days of receipt of same. Quotations may be withdrawn or revised by the Company at any time and shall automatically lapse if not accepted within 15 days. Unless otherwise provided in the quotation the Company may, after acceptance, revise its charges upon notice in the event of changes beyond the Company's control, including changes in exchange rates, rates of freight, carrier surcharges, or any charges applicable to the transportation of goods.
- b) Where the Company has given a fixed price quotation or invoice, the Client acknowledges that the difference between the amounts payable to carriers and other third parties and the fixed price represents the Company's gross profit for Services.

3. Invoicing and Payment

- a) The Company shall issue invoices to the Client for all fees and disbursements pertaining to Services rendered to and on behalf of the Client;
- b) All such invoices shall be payable within 21 days of the date of invoice, or as otherwise agreed in writing between the Client and the Company;
- c) Interest on all late payments shall be paid at the rate set by the Company from time to time;
- d) In the event of default of payment by the Client, the Company, in addition to any other legal rights and remedies shall have the right to retain, in its possession, all goods of the Client which are in its possession and all goods of the Client which may, in the future, come into its possession. The right of possession shall include the right to sell the goods by public auction in the event that such default shall continue for a period of 45 days.
- e) If the Client exceeds its credit limit with the Company at any time, the Company reserves the right to demand payment on outstanding invoices and/or to demand advancement of funds prior to completion or further provision of Services.
- f) Upon request by the Company, the Client shall provide to the Company prior to the release of a shipment of goods imported by the Client, sufficient funds to enable the Company to pay on behalf of the client all Disbursements that are estimated by the Company to be payable on such shipment.
- g) If the Client fails to advance funds to the Company upon the request by the Company as aforesaid, the Company shall have no obligation with respect to rendering Services concerning the goods for which advance funds had been requested by the Company.
- h) If at any time the Canada Customs or the Company determines additional funds are required with respect to goods imported by the Client, the Client shall upon demand pay such additional funds to the Company.
- i) Any overpayment of funds by the Client with respect to the aforesaid will be returned to the Client or kept on account as per the Clients instructions.

4. Duties and Responsibilities of the Client

a) The Client shall:

- (i) Ensure that (and the Client specifically warrants that) all shipments comply with applicable laws and all goods are properly prepared, packed, labelled and/or marked for shipment, and that the description is accurate and complete at the time the goods are taken in charge by any carrier, and that all information relating to any dangerous character of the goods is properly provided to the carrier.
- (ii) Where the Company agrees on behalf of the Client to prepare and submit data to any USA, Canadian, Mexican or other Government Agency for security clearance, customs entry, export declarations, applications, documentation and/or export data, ensure that (and specifically warrants that) all

documentation and all information furnished by the Client is correct and complete, whether in paper or electronic format

- (iii) reimburse, indemnify and save harmless the Company from any and all claims asserted or liability or losses suffered by reason of the Client's breach or warranty or failure to comply with this section 5, or which otherwise result from inaccuracies, mistakes or omissions in the information and/or documentation provided to the Company by the Client or its agents and relied upon by the Company; and,
 - (iv) not solicit or hire, directly or indirectly any employee of the customs broker during the term of this agreement or after the termination thereof.
- b) The Client represents and warrants that it is the importer, exporter, or owner of the goods in respect of which it has retained the Company to provide Services and that it has full power and authority to retain and instruct the Company
- c) The Client shall be solely liable for:
- (i) any and all disbursements made by the Company on behalf of the Client;
 - (ii) any customs duties, fines, penalties, interest or other levies imposed by customs authorities or other government agencies or departments and any loss or damage, with respect to the goods imported or to be imported into any country, or exported or to be exported from any country, by the Client; and
 - (iii) any loss or damage incurred or sustained by the Company in relation to the provision of Services to the Client herein.

5. Duties and Responsibilities of the Company

- a) The Company agrees to act as agent for the Client in arranging transport and distribution of goods in accordance with instructions received from the Client, and as agent will enter into contracts with carriers and other third parties in its own name but for the account of the Client.
- b) The Company shall take all reasonable steps to provide Services in accordance with the instructions from the Client, provided however, that should the Company reasonably consider that it is in the interest of the Client to depart from the Client's instructions, the Company shall have the authority to do so and shall be indemnified and saved harmless by the Client for so doing;
- c) The Company shall provide to the Client in respect of each transaction made on the Client's behalf a copy of the accounting documents and/or data pertaining thereto;

6. Confidentiality

All information pertaining to either party shall be kept confidential by the other party, and protected and secured in the manner in which the receiving party secures its own confidential information, but in no event with less than a reasonable degree of care. Confidential information disclosed by one party shall only be used by the other party for the purpose of the delivery of Services and shall only be released as required by law, or in accordance with written instructions from the disclosing party for release. Each party hereby acknowledges that the other party's confidential information shall at all times remain the property of such other party to the extent permitted at law.

7. Errors and Omissions

- a) The Client acknowledges that carriers and other third parties offer services on the basis of their standard terms and conditions. The Client accepts such terms and conditions as part of any contract between the Client and the party providing services, and acknowledges that they govern the rights of the Client against such party.

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- b) Notwithstanding anything else contained herein the Company shall not be liable for damage to goods in excess of \$2.00 Canadian per pound of the gross weight of the goods that are the subject of a claim. In no event shall the Company be liable for late delivery or misdelivery of goods. Upon the Client's written request, the Company may accept liability in excess of the limits herein provided the Client pays the Company's additional charges for such increased liability and such increased liability is expressly agreed to in writing.
- c) Except as expressly provided in subparagraph 7 (b) above, the Company shall not be liable for any error in judgment or for anything which it may do or refrain from doing or for any resulting direct, indirect, consequential, punitive or exemplary damage or loss (including loss of profit or loss of market) caused by the negligence of the Company or by an act of God or other act or cause beyond the reasonable control of the Company even if the Company has been advised of the possibility of such damage or loss. The Company shall not be liable for any failure to provide the Services which is a result of the operation of the applicable laws of Canada or any other country or a change in the policies of any governmental authority.

8. Governing Law

These Standard Trading Conditions and any and all agreements between the Company and the Client in respect of the Services will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The parties hereby irrevocably and unconditionally attorn to the jurisdiction of the courts of the Province of Ontario and all courts competent to hear appeals therefrom.

9. Severability

Each of the clauses of these Standard Trading Conditions is and shall be deemed to be separate and severable and if any provision or part of these conditions is held for any reason to be unenforceable, the remainder of these Standard Trading Conditions shall remain in full force and effect.