
These Standard Trading Conditions are subject to change by the Company in its sole discretion**1. Definitions**

- a) "Company" is BI Logistics Services Inc. (BILSI)
- b) "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.
- c) "Services" shall mean those freight 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.
- d) "Shipment" means one or more packages/boxes sent on the same date and the same time from the Client to one address under a single bill of lading
- e) "Accepted Rate" means, in respect of a Shipment, the rate charged by BILSI to a Customer based on the Customer's selected product but excludes all Additional Charges in respect of such Shipment.
- f) "Additional Charges" means those specialized service, administrative and shipping charges that may be applied in addition to agreed rates in respect of a Shipment as more fully described below in "Fees and Ancillary Charges".

2. Fees and Ancillary Charges

- a) Company will provide fixed price quotations plus Additional Charges to Client before rendering Services and Client must either accept or reject a quotation delivered by the Company within 15 days of receipt of same. Upon acceptance, the quotation will be the Accepted Rate
- b) Quotations may be withdrawn or revised by the Company at any time and shall automatically lapse if not accepted within 15 days.
- c) 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.
- d) Declared Value Surcharge - If the Client declares a value for BILSI liability purposes, a surcharge of 3.50% of the amount of the declared value will be applied to the cost of the Shipment.
- e) Dangerous Goods - BILSI will accept certain Dangerous Goods for transportation provided that they are properly marked, labeled and packaged to ensure safe transportation in accordance with BILSI's ordinary care in handling and in accordance with all applicable legislation, including, without limitation, the *Transportation of Dangerous Goods Act* and the Regulations there under and the Technical Instructions published by the International Civil Aviation Organization. The client must also indicate whether the Shipment has been prepared for transportation by air or ground. Additional costs will be detailed in the quotation.
- f) Special Handling (courier shipments only) - An additional charge will be applied when shipping items that require special handling, including, without limitation:
 - (i) Non-packaged (unboxed) items (excluding envelopes)
 - (ii) Items not fully encased in a suitable shipping container (e.g. tires, pails, shrink wrapped items, etc.)
 - (iii) overweight/oversized Packages which (a) weigh more than 70 lbs (32 kgs) (b) equal or exceed 5 feet (152 centimeters) in length; and/or (c) equal or exceed a total overall size of 165 inches (419 centimeters) (calculated as follows: length + 2 x width + 2 x height)
 - (iv) items which, due to their nature (size, shape, packaging, contents), are deemed by BILSI, in its sole discretion, to be unsuitable for sorting and/or handling using BILSI's carrier's automated systems (e.g., ball bearings, nuts, bolts and fasteners, liquids, wooden or metal crates, etc.). The payment of Special Handling Charges in respect of a particular Shipment will in no way effect BILSI's maximum liability stated in these Terms and Conditions or the classification of a Shipment as being "At Shipper's Risk". Additional costs will be detailed in the quotation.

- g) Beyond Charges (for courier shipments) – An Additional Charge will be applied to destinations that are deemed by BILSI's carrier to be remote and not serviced directly. Beyond Charges will be detailed in the quotation.
- h) Right to Reweigh Shipments - BILSI reserves the right to reweigh Shipments, notwithstanding that a weight has been declared on the Bill of Lading. Reweighing is done on government-approved scales. In the event that the Customer fails to declare a weight on the Bill of Lading and BILSI does not reweigh the Shipment, BILSI reserves the right to ascribe to any such Shipment an average Shipment weight. The Customer acknowledges that charges based on the weight determined or ascribed by BILSI shall be levied and Customer agrees to pay same.

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 due and payable on receipt of invoice, or as specified in the Accepted Rate 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) 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.

4. Duties and Responsibilities of the Client

The Client shall:

- a) 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.
- b) 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
- c) 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 4, 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
- d) 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
- e) The Client shall be solely liable for:
- f) any and all disbursements made by the Company on behalf of the Client;
- g) 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
- h) 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 arrange transport for shipments at the Accepted Rate in accordance with instructions received from the Client.

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- 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.
- 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.