

WAREHOUSE RECEIPT TERMS AND CONDITIONS

SECTION 1 - INTERPRETATION

- 1.1. In these Terms and Conditions, capitalized terms shall have the following meanings:
- (a) “**Article**” means any item of tangible personal property other than a fixture, and may include the Goods;
 - (b) “**Attorney’s Fees**” means the reasonable fees charged by the Company’s attorney(s) along with the court costs, disbursements, expert fees, investigation costs and other costs incurred by the Company;
 - (c) “**Company**” means Hu Logistics Inc., the issuer of this Receipt, and its subsidiaries, related companies, agents and/or representatives;
 - (d) “**Customer**” means the owner of the Goods or the party for whose account the Goods are Stored;
 - (e) “**Freight Forwarding Terms and Conditions**” means freight forwarding terms and conditions entered into between the Company and the Customer;
 - (f) “**Goods**” means the goods or packages containing them that are described on the face of and are covered by this Receipt;
 - (g) “**Parties**” means collectively the Company and the Customer;
 - (h) “**Receipt**” means this non-negotiable warehouse receipt, including face page and any rates and charges that may be attached to the Terms and Conditions, and the Terms and Conditions hereinafter set out, which acknowledges in writing the Company’s receipt for Storage of the Customer’s Goods;
 - (i) “**Storage**” or “**Stored**” includes cross-dock, trailer-drop, transloading, warehousing and other such storage services;
 - (j) “**Terms and Conditions**” means these warehouse receipt terms and conditions;
 - (k) “**Third Party**” shall include, but not be limited to the following: carriers, trucking companies, freight forwarders, ocean transport intermediaries, customs brokers, agents, other warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise; and
 - (l) “**Warehouse Facility**” means the warehouse premises of the Company.

SECTION 2 - CONTRACT

- 2.1. Subject always to legislation in force governing warehouse receipts in the province where the Goods are Stored, this Receipt constitutes a legally binding contract between the Company and the Customer and shall govern the relationship between such Parties in respect of the Storage of the Customer’s Goods at the Warehouse Facility. By tender to the Company, the Customer hereby agrees to be bound by and acknowledges receipt, review and understanding of this Receipt

(including the Terms and Conditions). The Company reserves the right to revise and update terms and conditions of contract that may apply to and govern the Customer's transactions with the Company and the Customer further agrees to be bound by such terms and conditions as revised. This contract may be cancelled by either Party upon 48 hours written notice prior to shipment or transfer of the Goods from the Warehouse Facility, subject to any outstanding amounts owing by the Customer hereunder first being paid by the Customer and is cancelled if no Storage or other services are performed under this contract for a period of 180 days, subject to any outstanding amounts owing hereunder by the Customer first being paid by the Customer.

SECTION 3 - TENDER FOR STORAGE

- 3.1. All Goods tendered for Storage shall be delivered at the Warehouse Facility properly marked and packaged for handling. The Customer shall furnish at or prior to such delivery, a manifest showing marks, brands or sizes to be kept and accounted for separately, and the class of Storage and other services desired.

SECTION 4 - COMPANY'S LIEN

- 4.1. All advances and charges are due and payable prior to shipment or transfer of the Goods from the Warehouse. The Company shall have a lien upon, right of retention and security interest in all Articles of Customer, including the Goods, at any time heretofore and hereafter deposited by Customer in any Warehouse Facility owned or operated by the Company. Such lien, right of retention and security interest shall be for all charges, advances and expenses in relation to such Articles, whether or not heretofore released from the Warehouse Facility. In the event of non-payment of any such amounts, the Company has the right, after reasonable notice, to sell or otherwise dispose of the Customer's Articles in any manner that it may reasonably think fit to satisfy its lien, subject to legislation in force governing the disposition of such Articles in the province where such Articles are Stored. Where the Company decides, in its sole and exclusive discretion, to ship or transfer the Goods prior to receipt of payment of all charges, advances and expenses in relation to the Goods, the Customer shall deliver to the Company, immediately upon its request, a signed acknowledgment of indebtedness on an invoice or other statement of account.

SECTION 5 - BASIS OF CHARGES

- 5.1. Any charge made with respect to the Goods shall conform to the Company's rates and charges that may be attached hereto or quotation and/or tariff in effect at the time the service is performed.

SECTION 6 - ACCESS AND INSPECTION

- 6.1. The Customer may, subject to the Company's security and insurance regulations and other reasonable limitations, have access to the Goods during standard business hours of the Warehouse Facility, prior to shipment or transfer of the Goods from the Warehouse Facility, provided at least 48 hours written notice is given in advance to the Company and provided the Customer or its authorized representative is accompanied by an employee of the Company, whose time shall be an additional charge to the Customer.

SECTION 7 - DANGEROUS GOODS

- 7.1. No Articles that are or may become of a dangerous, inflammable, radioactive, hazardous, explosive, cytotoxic or damaging nature (whether or not they are regulated under the Transportation of Dangerous Goods Act or other applicable legislation) or in the opinion of the Company, may create

a condition hazardous to any personnel or Articles in the Warehouse Facility or to the Warehouse Facility itself shall be delivered to the Warehouse Facility, except where the Customer has obtained the prior written approval of the Company and the Customer has given full particulars of the Articles to the Company. Any such Articles may, upon being discovered (or any Articles that in the opinion of the Company, or the person who has custody or possession thereof, are or may become dangerous and present a hazard), may at any time or place be destroyed, dumped, sold, rendered harmless or otherwise disposed of as the Company reasonably sees fit at the risk and expense of the Customer and without liability on the part of the Company. The Company shall have the right to require the removal from its Warehouse Facility any Articles of any kind or description, at any time, without stated reasons, upon written notice.

- 7.2. The Customer undertakes to mark the Articles and warrants that the Articles and the outside of any packages or container in which they may be placed comply with any laws or regulations that govern the handling or Storage of dangerous goods. The Customer assumes all liability for costs incurred and/or damages resulting from Customer's failure to do so and shall indemnify the Company against all loss, damage or expense arising out of the Articles being Stored at the Warehouse Facility or tendered for transportation or handled or carried by or on behalf of Third Parties retained by the Company.

SECTION 8 - DISCLAIMERS AND LIMITATION OF LIABILITY

- 8.1. The responsibility of the Company is the reasonable care and diligence required by the laws of the province where the Goods are Stored; provided that all Goods are Stored at the Customer's risk of loss, damage or delay in delivery, unless the Customer establishes such loss, damage or delay occurred because of the Company's failure to exercise the care required by the laws of the province where the Goods are Stored.
- 8.2. The quality, condition, contents and value of the Goods are not known to the Company except as declared by the Customer and described on the face of the Receipt.
- 8.3. Goods covered by this Receipt are not insured by the Company.
- 8.4. Without limiting the generality of the foregoing, it is specifically declared that all Goods are Stored at the Customer's risk of loss, damage or delay in the delivery caused by or through inaccuracies, obliteration or absence of marks, numbers, address or description, act of God, irresistible force, enemies of the Queen, civil or military authorities, insurrection, riot, strikes, terrorist acts, picketing or any other labour trouble, water, steam, sprinkler leakage, floods, rain, wind, storm, fire, frost, vermin, heating or corruption, deterioration, drainage, dampness, rust, decay, collapse of the building, inevitable accident, depreciation or perishing by a lapse of time, changes in temperature, interruption or loss of power, contact with or odors from other Articles, inherent defects, lack of any special care or precaution, injury to Articles insufficiently protected or arising from the nature of the Goods, loss in weight, insufficient cooperage, boxing, crating or packing, ordinary wear and tear in handling, leakage, concealed damage or any cause beyond the control of the Company or failure to detect any of the foregoing. All Storage and other applicable charges must be paid on Goods Stored for an additional time, or lost or damaged by any of the above causes.
- 8.5. Except as specifically set forth herein, the Company makes no express or implied warranties in connection with its services.
- 8.6. Compensation for any claim for which the Company is liable shall be strictly limited to the lesser of the monetary amount of the damage incurred or 100 times the monthly Storage rate on any one

package or Stored unit with the contents (or, in cases where the Company's charges are calculated for other than actual Storage, maximum \$50.00 per unit) unless the Customer specifically requests a higher limit in writing and declares an excess value, in which case the Company may, at its option, accept liability and assess an additional charge to the monthly Storage or other applicable rate. For greater certainty, should the Customer and the Goods be subject to both the terms and conditions of this Receipt and the terms and conditions of the Freight Forwarding Terms and Conditions, while the Goods are Stored with the Warehouse Facility: (a) the liability of the Company in connection with such Storage shall be limited to the liability set out in this section 8 and the applicability of this section 8 shall not constitute a conflict or inconsistency between this Receipt and the Freight Forwarding Terms and Conditions; and (b) the Customer shall be barred from seeking compensation from the Company in respect thereof under the Freight Forwarding Terms and Conditions or from relying on any limitation of liability contained in the Freight Forwarding Terms and Conditions.

- 8.7. The limits of liability set out in this section 8 shall apply in all circumstances whatsoever, however occurring, including cases of negligence or gross negligence and whether the claim is made in contract, tort, bailment or otherwise.
- 8.8. Where loss, damage or destruction occurs to the Goods, for which the Company is not liable, the Customer shall be responsible for the cost of removing and disposing of such Goods and the cost of any environmental cleanup and site remediation resulting from the loss, damage or destruction to the Goods.
- 8.9. The Company shall not be liable for any loss of profit or special, indirect, or consequential damages of any kind.
- 8.10. The Company shall not be liable for loss of Goods due to inventory shortage or unexplained or mysterious disappearance of Goods unless the Customer establishes such loss occurred because of the Company's failure to exercise the care required of the Company under this section 8.
- 8.11. The Company shall, unless otherwise expressly agreed, be discharged of all liability under this Receipt unless a suit is brought within 9 months from:
 - (a) the date of delivery of the goods for claims for damage to goods; or
 - (b) the date when the goods should have been delivered for claims for delay in delivery or loss of goods.

With respect to loss or damage other than loss of or damage to the goods, the 9 months period shall be counted from the time when the act or omission of the Company giving rise to the claim occurred.

SECTION 9 - NOTIFICATION OF CLAIMS

- 9.1. The Customer shall notify the Company in writing of any claim:
 - (a) in case of loss and/or damage to Goods, within 3 days of the completion of transit (and in the case of goods that are picked up directly from the Warehouse Facility of the Company, the Customer shall notify the Company in writing within 3 days from the date on which the goods were picked up from the Warehouse Facility);

- (b) in case of delay in delivery or non-delivery within 30 days of the date when the Goods should have been delivered; or
- (c) in any other case within 30 days of the event giving rise to the claim.

If a claim was not discoverable by the exercise of reasonable care within the applicable time period, the Customer must give notice forthwith after receiving information as to events that may give rise to a claim.

- 9.2. The Customer shall give the Company and any Third Parties a reasonable opportunity to examine the goods and shall cooperate with the Company or the Third Parties to make the goods available for inspection.
- 9.3. Failing notice as required by this clause, the claim is absolutely time barred and no action can be brought against the Company to enforce the claim.

SECTION 10 - GENERAL

- 10.1. All incoming shipments to the Warehouse Facility must be consigned to the Customer, c/o the Company, freight prepaid. The Company reserves the right to refuse acceptance of any Articles improperly consigned or shipped freight collect and shall not be liable or responsible for any loss, injury or damage of any nature to or related to such Articles.
- 10.2. If a checker is not furnished by the Customer or transportation company delivering the Goods to the Warehouse Facility, the Company's load or unload count shall be conclusively deemed to be correct.
- 10.3. The Company shall have no responsibility for errors resulting from the corruption of electronically transmitted data or from verbal or telephoned instructions.
- 10.4. The Company shall not be responsible for delays in loading or unloading railway cars, trailers or other containers, nor for demurrage charges or other time penalties arising from any delay at the Warehouse Facility, which cannot reasonably be avoided by the Company in the normal course of its business.
- 10.5. A charge, in addition to regular rates, will be made for merchandise in bond pursuant to the Customs Bonded and Sufferance Warehouse Regulations of the Government of Canada.
- 10.6. The Customer represents and warrants that it is lawfully possessed of the Goods and has the right and authority to Store them with the Company and further agrees to defend, indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims and/or expenses, including but not limited to Attorney's Fees, which the Company may hereafter incur, suffer or be required to pay by reason of any dispute or litigation, whether instituted by Company or others, respecting Customer's right, title or interest in the Goods. Any such amounts shall be charges in relation to the Goods and subject to the Company's lien. The obligation to indemnify and hold the Company harmless shall include, but not be limited to, the obligation to reimburse reasonable Attorney's Fees. In the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer of such claim, suit or proceeding
- 10.7. If any provision of this Receipt shall at any time, for any reason, be declared invalid, void or otherwise inoperative by a court of competent jurisdiction, such declaration or decision shall not

affect the validity of any other provision or provisions of this Receipt, or the validity of this Receipt as a whole and, to the fullest extent permitted by law, the other provisions hereof shall remain in full force and effect. The invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

- 10.8. No delay or failure by the Company to exercise any right or remedy under this this Receipt will operate as an amendment to or waiver of any term of the terms and conditions of this Receipt, except where specifically provided to the contrary.
- 10.9. The provisions of this Receipt shall be binding upon the Customer's heirs, executors, successors and assigns and cannot be modified except in writing signed by Company.
- 10.10. This Receipt shall be governed by the laws of the Province of Alberta and the laws of Canada applicable therein. By accepting the services provided under this Receipt, the Customer irrevocably attorns to the exclusive jurisdiction of the Courts of Alberta. Documents, including this Receipt, may be issued either in physical or electronic form at the option of the Parties. The Parties agree that where they have used electronic communications to transact in whole or in part any business such communications will be given legal effect in accordance with the provisions (so far as they may be applicable) of the Uniform Electronic Commerce Act as approved by the Uniform Law Conference of Canada.
- 10.11. Unless specified otherwise, all statements of or references to dollar amounts in this Receipt are to lawful money of Canada.

FREIGHT FORWARDING TERMS AND CONDITIONS

SECTION 1 - INTERPRETATION

- 1.1. In these Terms and Conditions, capitalized terms shall have the following meanings:
- (a) “**Attorney’s Fees**” means the reasonable fees charged by the Company’s attorney(s) along with the court costs, disbursements, expert fees, investigation costs and other costs incurred by the Company;
 - (b) “**Company**” means Hu Logistics Inc. its subsidiaries, related companies, agents and/or representatives;
 - (c) “**Customer**” means the party giving instructions for which the Company is rendering service, as well as its agents and/or representatives, including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, shipper’s agents, insurers and underwriters and consignees;
 - (d) “**Parties**” means collectively the Company and the Customer;
 - (e) “**Storage**” or “**Stored**” includes cross-dock, trailer-drop, transloading, warehousing and other such storage services;
 - (f) “**Terms and Conditions**” means these freight forwarding terms and conditions;
 - (g) “**Third Party**” shall include, but not be limited to the following: carriers, trucking companies, other freight forwarders, ocean transport intermediaries, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise;
 - (h) “**Warehouse Facility**” means the warehouse premises of the Company; and
 - (i) “**Warehouse Receipt**” means a warehouse receipt entered into between the Company and the Customer in respect of goods Stored in the Company’s Warehouse Facility

SECTION 2 - CONTRACT

- 2.1. These Terms and Conditions constitute a legally binding contract between the Company and the Customer and shall apply to all transactions with the Company. By tender to the Company, the Customer hereby agrees to be bound by and acknowledges receipt, review and understanding of these Terms and Conditions. The Company reserves the right to revise and update terms and conditions of contract that may apply to and govern the Customer’s transactions with the Company and the Customer further agrees to be bound by such terms and conditions as revised.

SECTION 3 ROLE OF THE COMPANY AS FORWARDER

- 3.1. The Company offers its services on the basis of these Terms and Conditions that apply to all activities of the Company in arranging transportation of goods or providing related services, such as, but not limited to, warehousing and any other kind of logistics services. The Company may provide its services as either principal or agent. The Company acts as agent of the Customer, except:

- (a) where it issues a transport document or electronic record evidencing its obligation for the delivery of goods, or
- (b) to the extent it physically handles goods by its own employees and equipment in the course of performing any service in which cases it acts as principal,

but whether acting as principal or as agent, these Terms and Conditions govern the rights and liabilities of the Customer and the Company.

Advice given by the Company to the Customer is for the Customer only and is not to be furnished to any other party without the Company's prior written consent. Gratuitous advice and information that is not related to instructions accepted by the Company is provided without liability of any kind, including for negligence or gross negligence.

SECTION 4 - CLAIMS AGAINST OTHERS

- 4.1. These Terms and Conditions also apply whenever any claim is made against any employee, agent or independent contractor engaged by the Company to perform any transport or related service for the Customer's goods, whether such claims are founded in contract or in tort, and the aggregate liability of the Company and all such persons shall not exceed the limitations of liability in these Terms and Conditions. For purposes of this clause the Company acts as agent for all such persons who may ratify such agency at any subsequent time.

SECTION 5 - ROLE AS AGENT

- 5.1. When acting as an agent, the Company acts solely on behalf of the Customer in engaging the services of Third Parties on the usual terms and conditions on which the Third Parties offer such services for the carriage, storage, packing or handling of any goods, or for any other service in relation to them, thereby establishing a direct contract between the Customer and the provider of such services capable of being enforced by the Customer as principal, whether or not the Customer is identified in the contract. The Company shall on demand by the Customer provide evidence of any contracts made on its behalf.

SECTION 6 - ROLE AS PRINCIPAL

- 6.1. Where requested by the Customer the Company, at its sole discretion, may:
 - (a) issue a transport document or electronic record by which it as principal undertakes carriage of particular goods; or
 - (b) guarantee in writing proper performance of the terms of any contract between the Customer and a Third Party whose services the Company has engaged on behalf of the Customer.
- 6.2. Where it issues a Warehouse Receipt, transport document or electronic record, or provides a guarantee, the rights and obligations of the Company will be governed by the special conditions therein in addition to these Terms and Conditions, and in any event the Company is liable only to the same extent as the Third Party who performs any carriage or guaranteed service, as may be limited by the conditions on which that party customarily offers its services. In the event of any inconsistency between these Terms and Conditions and the special conditions, these Terms and Conditions shall govern and supersede, however, in no event shall the failure to request, review or acknowledge the special conditions relieve the Customer of its duties and obligations to the

Company arising from its request for and/or acceptance of services rendered on the Customer's behalf by the Company.

SECTION 7 - SERVICES REQUIRING SPECIAL ARRANGEMENTS

- 7.1. The Customer must give instructions in writing to the Company a reasonable time before the tender of goods for storage or transport where it requests the Company to:
- (a) arrange for the departure or arrival of goods before specific dates;
 - (b) arrange for goods to be carried, stored or handled separately from other goods;
 - (c) arrange for the transport of goods that may taint or affect other goods, or may harbour or encourage vermin or pests;
 - (d) make a declaration of value or special interest in delivery to any carrier or terminal;
 - (e) direct carriers or delivery agents to hold goods until payment of any amount or until surrender of a document; or
 - (f) arrange for the transport of goods of unusual high value, luxury goods, currency, negotiable Instruments or securities of any kind, precious metals or stones; antiques or art; human remains, livestock or plants, or any other comparable cargos.

If the Company accepts such instructions, which it can refuse at its sole discretion, it will so advise the Customer by any means of communication used in the ordinary course of business. If the Customer continues to use the Company's services for the contemplated transport after the Company has refused acceptance of the Customer's instructions, the Customer assumes all risks connected with the non-performance of such instructions, whether caused or contributed to by the Company's negligence or not.

SECTION 8 - THE COMPANY'S GENERAL RESPONSIBILITIES

- 8.1. Unless services are performed by persons or firms engaged pursuant to express written instructions from the Customer, the Company shall exercise reasonable care in the discharge of its obligations including the selection and instruction of Third Parties that provide any services engaged on behalf of the Customer.
- 8.2. The Company shall arrange transport and any related services within a reasonable time after receiving the Customer's instructions.
- 8.3. If it has reasonable grounds for departing from any of the Customer's instructions, the Company can do so without prior authorization from the Customer, but must act with due regard to the interests of the Customer, and, as soon as possible, inform the Customer of its actions and any additional charges resulting therefrom.
- 8.4. Advice by the Company that a particular person or firm has been selected to render services with respect to the goods, shall not be construed to mean that the Company warrants or represents that such person or firm will render such services nor does the Company assume responsibility or liability for any actions and/or inaction(s) of such Third Parties and/or its agents, and shall not be

liable for any delay or loss of any kind, which occurs while a shipment is in the custody or control of a Third Party or the agent of a Third Party.

- 8.5. All claims in connection with the act of a Third Party shall be brought solely against such Third Party and/or its agents, and in connection with any such claim, the Customer shall be liable for any charges or costs incurred by the Company.

SECTION 9 - CUSTOMER'S GENERAL RESPONSIBILITIES

- 9.1. The Customer shall be deemed to be competent and to have reasonable knowledge of matters affecting the conduct of its business, including terms of purchase and sale, the need for insurance and the extent of coverage available for the type of goods being tendered for shipment, the need to preserve and retain documentation, the need for care to avoid transmitting viruses by electronic communications, the need for confidential handling of information relating to high value goods, and all other matters relating thereto.
- 9.2. The Customer warrants that all information in whatever form relating to the general and dangerous character of the goods, their description, bar-coding, marks, number, weight, volume and quantity of the goods, as furnished by the Customer or on its behalf, was accurate and complete at the time the goods were taken in charge by the Company or any Third Party whose services it has engaged. The Customer further undertakes to provide independent confirmation of such particulars on the request of the Company.
- 9.3. The Customer acknowledges that it is required to review all documents and declarations prepared and/or filed with the customs service, other government agency and/or Third Parties, and will immediately advise the Company of any errors, discrepancies, incorrect statements or omissions on any declaration filed on the Customers behalf.
- 9.4. In preparing and submitting customs entries, export declarations, applications, documentation and/or export data to customs and/or Third Parties, the Company relies on the correctness of all documentation, whether in written or electronic format, and all information furnished by the Customer. The Customer shall use reasonable care to insure the correctness of all such information and shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer's failure to disclose information or any incorrect or false statement by the Customer upon which the Company reasonably relied. The Customer agrees that they have an affirmative non-delegable duty to disclose any and all information required to import, export or enter the goods.

SECTION 10 - CUSTOMER'S RESPONSIBILITY FOR PACKAGED AND CONTAINERIZED GOODS

- 10.1. Except where the Company has accepted instructions to carry out the preparation, packing, stowage, labeling or marking of the goods, or where the Customer has requested and the Company has agreed to make such arrangements with a Third Party on behalf of the Customer, the Customer warrants that all goods have been properly and sufficiently prepared, packed, stowed, labeled and/or marked, and that the preparation, packing, stowage, labeling and marking are appropriate to any operations or transactions affecting the goods and the characteristics of the goods. Without limiting the foregoing the Customer is responsible for timely communication of and warrants the accuracy of the verified gross mass (VGM) of the package(s) and or the transport unit and the identity of the duly authorized person so verifying. The Customer shall maintain documentation evidencing measurement of VGM as required by law.

- 10.2. Unless the Company has accepted instructions to perform the loading of a transport unit by its employees, the Customer warrants that:
- (a) the transport unit has been properly and competently loaded;
 - (b) the goods are suitable for carriage in or on the transport unit; and
 - (c) the transport unit is in a suitable condition to carry the goods loaded therein (save to such extent as the Company has approved the suitability of the transport unit).

SECTION 11 - COMPENSATION OF COMPANY

- 11.1. The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all Third Parties and other agencies selected by the Company to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends, or other revenue received by the Company from Third Parties, insurers and others in connection with the services provided by the Company.
- 11.2. The Company shall be entitled to be paid and retain all brokerages paid by carriers, commissions, documentation allowances, profits on foreign exchange and other remunerations paid by Third Parties as is customary in the trade.

SECTION 12 - QUOTATIONS AND INVOICING

- 12.1. The Company does not assume a role as principal solely by providing a fixed price quotation, or by rendering an invoice where the difference between the amounts payable to Third Parties retained to carry out the Customer's instructions and the fixed price represents the Company's gross profit for its services. The Company acts at all times as an agent in accordance with these Terms and Conditions, except to the extent it physically handles the goods by its own employees and equipment and has issued a Warehouse Receipt acknowledging its responsibility as principal.
- 12.2. Quotations are given on the basis of immediate acceptance and are subject to withdrawal or revision. Unless otherwise provided in the quotation, the Company may, after acceptance, revise quotations or charges upon notice in the event of changes beyond the Company's control, including changes in exchange rates, rates of freight, carrier surcharges, governmental fees or any charges applicable to the goods.
- 12.3. All overdue amounts shall bear interest, compounded monthly, at the rate of 2% per month (26.82% per annum) from the date each amount became due. Any waiver by the Company of accrued interest on a particular invoice shall not be construed as a waiver of its right to impose such interest on other invoices.
- 12.4. The Customer agrees to pay any Attorney's Fees incurred by the Company in collecting any overdue amount, including the costs associated with the enforcement of the Company's lien (as provided for in Section 21 below).
- 12.5. All sums remitted by the Customer, or recovered by the Company, shall be applied to the expenses of collection and/or litigation, including Attorney's Fees first, followed by interest accrued on overdue amounts and then to the oldest invoices.

SECTION 13 - CHANGED CIRCUMSTANCES/FAILURE TO TAKE DELIVERY

- 13.1. If events or circumstances, including a Customer's failure to take delivery, occur that affect performance of the Customer's mandate, the Company shall take reasonable steps to obtain the Customer's further instructions. If for whatever reason it does not receive timely instructions, the Company may:
- (a) store the goods at the sole risk and expense of the Customer; or
 - (b) authorize any Third Party to abandon carriage and make the goods or any part of them available to the Customer at a place that is reasonable in the circumstances.

SECTION 14 - DANGEROUS GOODS

- 14.1. The Customer undertakes not to tender for transportation any goods that are of a dangerous, inflammable, radioactive, hazardous, explosive, cytotoxic or damaging nature (whether or not they are regulated under the Transportation of Dangerous Goods Act or other applicable legislation) without giving full particulars of the goods to the Company. The Customer undertakes to mark the goods and the outside of any packages or container in which they may be placed to comply with any laws or regulations that may be applicable during the carriage. In the case of goods where the place of receipt is a point within Canada, the Customer further warrants that the goods, the packaging and the marking thereof comply in all respects with the provisions of any legislation or regulations governing the transportation of dangerous goods.
- 14.2. If it fails to comply with the requirements of Sub-section 14.1, the Customer shall indemnify the Company against all loss, damage or expense arising out of the goods being tendered for transportation or handled or carried by or on behalf of Third Parties retained by the Company.
- 14.3. Goods, which in the opinion of the Company or the person who has custody or possession thereof, are or may become dangerous and present a hazard may at any time or place be unloaded, destroyed or rendered harmless without liability on the part of the Company.

SECTION 15 - INSURANCE

- 15.1. If requested by the Customer, the Company will recommend an insurance broker to arrange insurance appropriate to the Customer's needs, however, the Customer must give the Company instructions in writing to arrange insurance on its goods a reasonable time before the tender of goods for storage or transport. After making its recommendation, the Company has no further duty regarding insurance, and no liability for loss of or damage to the goods during transport or storage that could have been covered by insurance on the goods, whether such loss or damage has been caused or contributed to by its negligence or breach of these Terms and Conditions, or otherwise.

SECTION 16 - NOTIFICATION OF CLAIMS

- 16.1. The Customer on its own behalf and on behalf of the owner of the goods shall notify the Company in writing of any claim:
- (a) in case of loss and/or damage to goods, within 3 days of the completion of transit (and in the case of goods that are picked up directly from the Warehouse Facility of the Company, the Customer shall notify the Company in writing within 3 days from the date on which the goods were picked up from the Warehouse Facility);

- (b) in case of delay in delivery or non-delivery, within 30 days of the date when the goods should have been delivered; or
- (c) in any other case within 30 days of the event giving rise to the claim.

If a claim was not discoverable by the exercise of reasonable care within the applicable time period, the Customer must give notice forthwith after receiving information as to events that may give rise to a claim.

- 16.2. The Customer on its own behalf and on behalf of the owner of the goods shall give the Company and any Third Parties a reasonable opportunity to examine the goods and shall cooperate with the Company or the Third Parties to make the goods available for inspection.
- 16.3. Failing notice as required by this clause, the claim is absolutely time barred and no action can be brought against the Company to enforce the claim.

SECTION 17 - DISCLAIMERS AND LIMITATION OF LIABILITY

- 17.1. Except as specifically set forth herein, the Company makes no express or implied warranties in connection with its services.
- 17.2. Compensation for any claim for which the Company is liable shall not in any event exceed 2 SDR (SDR = Special Drawing Rights) per kilo of the gross weight of the goods damaged or lost. Without prejudice to any other conditions herein or other defences available to the Company, in no circumstances whatsoever shall the Company be liable to the Customer or owner for:
 - (a) consequential or indirect loss, including loss of market, except as provided for in paragraph (b);
 - (b) loss of, damage to or consequential or indirect loss caused by delay or deviation in connection with the transport of goods, or other services related to those goods, in a sum in excess of twice the difference between the charges invoiced by the Company and amounts paid by the Company to Third Parties for transport or other service related to those goods; or
 - (c) amounts in excess of a maximum recoverable of 10,000 SDR s per transaction.
- 17.3. Upon the Customer's written request, the Company may accept liability in excess of these limits provided the Customer pays the Company's additional charges for such increased liability. The Customer can obtain details of these charges from the Company. For greater certainty, should the Customer and the Customer's goods be subject to both the terms and conditions of these Terms and Conditions and the terms and conditions of a Warehouse Receipt, while the Customer's goods are Stored with the Company's Warehouse Facility: (a) the liability of the Company in connection with such Storage shall be limited to the liability set out in the Warehouse Receipt and shall not constitute a conflict or inconsistency between the Warehouse Receipt and these Terms and Conditions; and (b) the Customer shall be barred from seeking compensation from the Company in respect thereof under these Terms and Conditions or from relying on any limitation of liability contained herein.

- 17.4. The limits of liability set out in section 17.2 shall apply in all circumstances whatsoever, however occurring, including cases of negligence or gross negligence and whether the claim is made in contract, tort, bailment or otherwise.

SECTION 18 - INDEMNITY

- 18.1. The Customer warrants and represents that the goods can be lawfully exported from Canada and imported in the country of destination. The Customer shall defend, indemnify and hold the Company harmless against all duties, taxes, payments, fines, penalties, costs, expenses, losses, damages, claims and/or liabilities, including without limitation any storage, demurrage, port, or terminal charges and any liability to indemnify any other person against claims made against such other person by the Customer or by the owner of the goods:
- (a) for which the Company may be held responsible unless caused or contributed to by any negligence or breach of duty of the Company; or
 - (b) in excess of the liability of the Company in accordance with these Terms and Conditions, resulting from or connected with the actions of the Company related to any service to which these Terms and Conditions apply.
- 18.2. The Customer shall be solely liable for any loss, damage, cost, claim and/or expense arising from the importation or exportation of Customer's goods and/or a violation by the Customer of any federal, state, provincial and/or other applicable laws, and the Customer further agrees to defend, indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims and/or expenses, including but not limited to Attorney's Fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims.
- 18.3. The obligation to indemnify and hold the Company harmless shall include, but not be limited to, the obligation to reimburse reasonable Attorney's Fees. In the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer of such claim, suit or proceeding.

SECTION 19 - SET OFF AND COUNTERCLAIM

- 19.1. The Customer shall pay to the Company in cash, or as otherwise agreed, all sums immediately when due without reduction or deferment on account of any claim, counterclaim or set off.

SECTION 20 - C.O.D. OR CASH COLLECT SHIPMENTS.

- 20.1. The Company shall use reasonable care regarding written instructions relation to "Cash/Collect" on "delivery (C.O.D.)" shipments, bank drafts, and cashier's and /or certified cheques, letter(s) of credit and other similar payment documents and/or instructions regarding collection of monies, but shall have no liability if the bank or consignee refuses to pay for the shipment. All charges must be paid by the Customer in advance unless the Company agrees in writing to authorize and extend credit to the Customer; however, the granting of credit to a Customer in connection with a particular transaction shall not be considered a waiver of this provision by the Company.
- 20.2. When goods are accepted or dealt with upon instructions to collect their cost, freight, duties, charges or other expenses from a consignee or any other person, the Company shall transfer sums owed and sums collected on behalf of the Customer to the Customer, net of any amounts owing to the

Company or Third Parties in respect of the goods delivered, or general balance or other monies owing, and the Customer shall remain responsible to the Company or any Third Parties if the Company or any Third Parties are not paid by such consignee or other person immediately when due.

SECTION 21 - RIGHT OF DETENTION AND LIEN

21.1. All goods (and documents relating to goods) shall be subject to a particular and general lien and right of detention for monies owing either in respect of such goods, or for any particular or general balance or other monies owed, whether then due or not, by the Customer, sender, consignee or owner of the goods to the Company. If these monies remain unpaid for 10 days after the Company sends notice of the exercise of its rights to these persons by any means of communication reasonable in the circumstances, the goods may be sold by private contract or otherwise at the sole discretion of the Company, and the net proceeds applied on account of the monies owing. The Company will not be liable for any deficiencies or reduction in value received on the sale of the goods nor, will the Customer be relieved from the liability merely because the goods have been sold.

SECTION 22 - TIME BAR

22.1. The Company shall, unless otherwise expressly agreed, be discharged of all liability under these Terms and Conditions unless a suit is brought within 9 months from:

- (a) the date of delivery of the goods for claims for damage to goods; or
- (b) the date when the goods should have been delivered for claims for delay in delivery or loss of goods.

22.2. With respect to loss or damage other than loss of or damage to the goods, the 9 months period shall be counted from the time when the act or omission of the Company giving rise to the claim occurred.

SECTION 23 - FORCE MAJEURE

23.1. Company shall not be liable for losses, damages, delays, wrongful or missed deliveries or non-performance, in whole or in part, of its responsibilities under these Terms and Conditions, resulting from circumstances beyond the control of either Company or any independent contractor engaged by the Company, including but not limited to: (a) acts of God, including flood, earthquake, storm, hurricane, power failure or other natural disaster; (b) war, hijacking, robbery, theft or terrorist activities; (c) incidents, derailments or deteriorations to means of transportation; (d) embargoes; (e) civil commotions or riots; (f) defects, nature or inherent vice of the goods; (g) acts, breaches of contract or omissions by Customer, shipper, consignee or anyone else who may have an interest in the shipment; (h) acts by any government or any agency or subdivision thereof, including denial or cancellation of any import/export or other necessary license; or (i) strikes, lockouts or other labor conflicts.

SECTION 24 - SOLICITATION OF CARRIERS BY CUSTOMER

24.1. The Customer shall not solicit carrier services from any carrier of the Company where:

- (a) the availability of such carrier service first became known to the Customer as a result of the Company's efforts; or

- (b) where the traffic of the Customer was first tendered to such carrier by the Company.
- 24.2. If the Customer breaches this this Section 24 and “back-solicits” the Company’s carriers, and/or obtains carrier services from such a carrier, the Company is then entitled, for a period of 15 months after the involved traffic first begins to move, to a commission from the Customer of 20% of the transportation revenue paid to such carriers within the scope of these Terms and Conditions, as liquidated damages. Termination of any document incorporating these Terms and Conditions shall not affect the enforceability and applicability of the foregoing provisions of this Section 24 for a period of 15 months after termination.

SECTION 25 - SEVERABILITY

- 25.1. If any provision of these Terms and Conditions shall at any time, for any reason, be declared invalid, void or otherwise inoperative by a court of competent jurisdiction, such declaration or decision shall not affect the validity of any other provision or provisions of these Terms and Conditions, or the validity of these Terms and Conditions as a whole and, to the fullest extent permitted by law, the other provisions hereof shall remain in full force and effect. The invalidity and unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

SECTION 26 - WAIVER

- 26.1. No delay or failure by the Company to exercise any right or remedy under this these Terms and Conditions will operate as an amendment to or waiver of any term of these Terms and Conditions, except where specifically provided to the contrary.

SECTION 27 - APPLICABLE LAW AND JURISDICTION

- 27.1. These Terms and Conditions shall be governed by the laws of the Province of Alberta and the laws of Canada applicable therein. By accepting the services provided under these Terms and Conditions, the Customer irrevocably attorns to the exclusive jurisdiction of the Courts of Alberta and the Federal Court of Canada. Documents, including these Terms and Conditions, may be issued either in physical or electronic form at the option of the Parties. The Parties agree that where they have used electronic communications to transact in whole or in part any business such communications will be given legal effect in accordance with the provisions (so far as they may be applicable) of the Uniform Electronic Commerce Act as approved by the Uniform Law Conference of Canada.