

**STRADER-FERRIS TERMS AND CONDITIONS (DATED
OCTOBER 2, 2017)**

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STRADER-FERRIS TERMS AND CONDITIONS (“TERMS AND CONDITIONS”)

The following terms and conditions apply for business conducted between Strader-Ferris and any customer whose request or on whose behalf Strader-Ferris undertakes any business or provides advice, information or services.

The Customer's attention is drawn to the terms and conditions below that limit Strader-Ferris' liability as well as those that require the Customer to indemnify Strader-Ferris in certain circumstances and emphasize the fact that Strader-Ferris does not include insurance for Goods as part of its services unless Special Arrangements are made by the Customer with Strader-Ferris in this regard.

PART I. STRADER-FERRIS GENERAL TERMS AND CONDITIONS THAT APPLY TO ALL BUSINESS DONE OR SERVICES PERFORMED BY STRADER-FERRIS

1. Definitions

"Agency Agreement and Power of Attorney" means any Agency Agreement or Power of Attorney made between the Customer (as defined below) and Strader-Ferris.

"BL" means a Bill of Lading or Waybill covering the carriage of Goods, and includes a Transport Bill of Lading, a Straight Bill of Lading, a Straight Bill of Lading – Short Form, and a Shipper – Provided Short Form Bill of Lading, and whether it be in hard copy or transmitted electronically.

"Canada Customs" means the Canada Border Services Agency, any other Department or Agency, and any other successor Department or Agency of the Government of Canada or any Province thereof having jurisdiction over imports and exports.

"Carrier" means a Party, who whether on its own behalf or through an agent, signs a BL indicating it is the actual Carrier of the Goods.

"Customer" means any Party at whose request or on whose behalf Strader-Ferris undertakes any business or provides advice, information or services.

"Customs Broker" means situations where Strader-Ferris provides Services as outlined in Annex A of Part IV.

"Customs Duties" means any duties, taxes and levies on imported or exported Goods under the *Customs Act, the Customs Tariff, the Excise Act, the Excise Tax Act, the Special Import Measures Act* or any other laws, regulations or rules of Canada or any other country or jurisdiction, relating to customs, including any penalties, interest or fines imposed under any of the aforementioned laws, regulations or rules.

"Dangerous Good(s)" means Good(s) as statutorily defined in the appropriate Canadian Federal or Provincial legislation or regulations as dangerous Goods.

"Depositor" means the Party that actually deposits the Goods with Strader-Ferris for warehouse storage.

"Disbursement(s)" means any payment made by Strader-Ferris, on behalf of the Customer, for or in relation to 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 Strader-Ferris on behalf of the Customer.

"Freight Forwarder" means where Strader-Ferris arranges for the carriage, transportation, storage, packing or handling of Goods or any other services in relation thereto.

"Good(s)" means the object(s) of the services provided hereunder and shall include any packing containers or equipment.

"Instruction(s)" means a statement of the Customer's specific requirements.

"Owner" means the owner of the Goods (including any packaging, containers or equipment) in relation to which any business is done or services are performed by Strader-Ferris.

“Part” means the Part (I to V) of these Terms and Conditions.

“Party(ies)” includes persons, parties, corporations, firms and associations.

“Receipt” means a warehouse receipt.

“Related Party(ies)” means Strader-Ferris’ parent, any subsidiary of Strader-Ferris or its parent, or any Party associated with or related to Strader-Ferris, including any corporation that uses the word “Strader-Ferris” in its name.

"Strader-Ferris" means Strader-Ferris International, SFI Canada, SFI USA and MyUSAddress.ca and where stated under the definition of "Related Party", "... any corporation that uses the word "Strader-Ferris" in its name", where in this latter instance, the reference to "Strader-Ferris" means any corporation that uses the word "Strader-Ferris" in its name.

"Special Arrangement(s)" means arrangements made in accordance with express Instructions, in writing, that are both received and accepted in writing by Strader-Ferris.

"Transport Unit(s)" means containers, trailers, flats, tilts, railroad cars, tanks, igloos, or any other unit load device specifically constructed for the carriage or transportation of Goods by land, sea or air.

2. Application

Part I of the Terms and Conditions apply to **all** business done or services performed by Strader-Ferris for any Party, including that as described in Parts I to V inclusive of the Terms and Conditions, and whether or not such business done or services performed by Strader-Ferris is described in Parts II to V of the Terms and Conditions.

3. Definitions

The definitions used in this Part I apply to Parts I to V inclusive of Strader-Ferris’ Terms and Conditions.

4. Headings

Headings of Clauses or groups of Clauses are for convenience of reference only.

5. Strader-Ferris’ Lien

In relation to all Goods and documents relating to the Goods which come into Strader-Ferris’ possession or control, Strader-Ferris shall have a general lien and general right of detention upon each of the Goods and documents for all amounts owing to Strader-Ferris, whether those amounts were incurred to Strader-Ferris before, during or after the Goods or documents came into Strader-Ferris’ possession or control, or relate to other Goods or documents. If any amount due to Strader-Ferris is not paid within one calendar month after notice has been given to the Party from whom the amount is due that such Goods are being detained, the Goods and the documents that relate to the Goods may be sold at public or private sale without advertising or in such other manner as deemed appropriate by Strader-Ferris, with such sale being at the expense of such Party that owes the amount to Strader-Ferris. The net proceeds of such sale may be applied in or towards satisfaction of the indebtedness to Strader-Ferris, and Strader-Ferris will not be liable for any deficiencies or reduction in value received on the sale of the Goods and the Party responsible for the amount owing shall not be relieved from any liability, other than to the extent of the net proceeds realized from the sale, due to the sale of the Goods. None of the foregoing shall in any way shall affect

Strader-Ferris' rights under the *Repair and Storage Liens Act*, R. S. O. 1990, c. R.25 or any other legislation which gives Strader-Ferris statutory lien rights.

6. Insurance

(a) Rates do not include Insurance. No insurance will be effected by Strader-Ferris except if the Customer makes Special Arrangements with Strader-Ferris. All insurance effected by Strader-Ferris on behalf of the Customer under Special Arrangements is subject to the usual exceptions and conditions of the policies of the insurance company or underwriters taking the risk. Strader-Ferris shall not be under any obligation to effect a separate insurance on any Goods but may declare the Goods on any open or general policy. Notwithstanding that the premium on the policy may not be the same as that charged by Strader-Ferris to the Customer, Strader-Ferris shall in no circumstances incur liability as insurer and if for any reason the insurers dispute liability, the Customer shall have recourse against the insurers only.

(b) Strader-Ferris shall receive the benefit of any insurance policy that may have been effected on the Goods by the holder of the Receipt, the Depositor, the Customer, or the Owner of the Goods, including any payment received by the holder of the Receipt, the Depositor, Customer, or Owner of the Goods under any insurance policy, except in situations where for Strader-Ferris to receive such benefit would invalidate the insurance coverage of the holder of the Receipt, the Depositor, Customer, or the Owner of the Goods.

7. Time Bar for Bringing Legal Action against Strader-Ferris

Strader-Ferris shall in any event be discharged of all liability unless a statement of claim is issued and served within 9 months from the date of any event or occurrence alleged to give rise to a cause of action against Strader-Ferris.

8. Limits on Strader-Ferris' Liability and Others Associated with Strader-Ferris

(a) Under no circumstances will Strader-Ferris be liable for consequential damages, including without limiting the generality of the foregoing, claims for loss of use, business interruption, loss of profits or revenue, interest, fixed or variable costs, loss of good will, work stoppage, impairment of other Goods, loss by reason of shut down or nonoperation, increased expenses of operation, or loss due to exchange rate fluctuations, increased levies or taxes by authorities.

(b) Except where Strader-Ferris acts as a Freight Forwarder and Part III of the Terms and Conditions apply, or except where Strader-Ferris acts as a Carrier and Part V of the Terms and Conditions apply, the total liability of Strader-Ferris to the Customer or owner of the Goods (or anyone who has a right to bring an action with respect to the goods) arising out of any particular event that gives rise to any loss or damage, shall not exceed the lesser of:

- (i) \$75,000 in Canadian dollars;
- (ii) 2\$ per pound; and
- (iii) the fair market value of the goods that were damaged or destroyed.

(c) Loss or damage caused by continuous or repeated exposure to, or occurrence of, the same, or substantially the same, general conditions, acts, or omissions, shall collectively be deemed to constitute

a single event and in relation to which the total liability of Strader-Ferris shall not exceed \$75,000 Canadian.

(c) Except under Special Arrangements, advice and information that is not related to Instructions accepted by Strader-Ferris, is provided gratuitously. Any services provided gratuitously by Strader-Ferris, are provided by Strader-Ferris without liability.

(d) Strader-Ferris shall be relieved of liability for any loss or damage if such loss or damage was caused by an act or omission by the Customer.

(e) Claims against Strader-Ferris based upon a claim in bailment or the laws of bailment are specifically excluded.

(f) All exclusions or limitations of liability apply whether the claim against Strader-Ferris is based upon a claim in warranty, statute, contract, tort (including negligence and strict liability), bailment, or any other cause of action.

(g) Whenever the liability of Strader-Ferris is excluded or limited under the Terms and Conditions, such exclusion or limitation, as well as time limits for the bringing of actions and provisions pertaining to notice of actions or benefits of any insurance policy effected by the Customer or Owner, shall apply to claims made against a Related Party, as well as those made against directors, officers, employees, agents or representatives of Strader-Ferris or a Related Party.

(h) Part of the consideration for the rates offered by Strader-Ferris and any Related Party, is the limitations and exclusion of liability as stated in this Agreement. The Customer agrees and acknowledges that the rates are dependent upon this limitation.

9. Customer Has No Right of Set-Off

The Customer shall pay to Strader-Ferris immediately all amounts owing when due in accordance with the Strader-Ferris invoice sent to the Customer, without reduction or deferment on account of any claim, counterclaim or set off the Customer has or may have in relation to Strader-Ferris.

10. Strader-Ferris' Right to Terminate Provision of Its Services

Without in any way negating or diminishing Strader-Ferris' Lien under Clause 5 hereof, Strader-Ferris shall have the right to immediately terminate without notice any and all services it is providing to the Customer in the event of any of the following occurring:

(a) The Customer failing to pay any invoice received from Strader-Ferris within 14 days of receipt of such invoice by the Customer, and whether such invoice is transmitted to the Customer in hard copy or electronically;

(b) Insolvency of the Customer;

(c) Initiation of any proceedings in bankruptcy by or against the Customer, whether such proceedings be under the *Bankruptcy and Insolvency Act* of Canada or similar legislation of any other jurisdiction;

(d) Initiation of any proceedings by or against the Customer under the *Companies' Creditors Arrangement Act* of Canada, similar legislation of other jurisdictions, or legislation of other jurisdictions

whereby the Customer is doing or would do some form of business re-organization, including but not limited to situations where the Customer is insolvent; or

(e) Any assignment by the Customer for the benefit of creditors

11. National or International Sanction List for Denied Parties

The Customer is not involved with any Party listed on any national or international sanction list for denied parties.

12. Severability

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

13. Jurisdiction and Law

By accepting the services provided under these Conditions, the Customer accepts that the terms and conditions of the contract with Strader-Ferris shall be exclusively governed by and dealt with through the law of the Province of Ontario. In addition, the Customer irrevocably attorns to the exclusive jurisdiction of the Courts of the Province of Ontario.

14. Fees and Disbursements

(a) The fees for Services shall be in accordance with the fee schedule as agreed upon between the Customer and Strader-Ferris, as amended from time to time (the "Fees")

(b) Strader-Ferris shall issue invoices to the Customer for all Fees and Disbursements pertaining to the Services.

(c) The Customer shall pay Strader-Ferris within 15 days of the invoice date unless otherwise agreed by the Parties in writing. All invoices not paid within 15 days of invoice date will be subject to a late fee of 1.5% per month.

(d) If it becomes necessary for Strader-Ferris to utilize a collection agency and/or an attorney to collect any unpaid amount owed or to assist in effectuating the lien provisions herein, Customer shall be obligated to pay the collection agency fees and/or attorney fees, and expenses including court costs incurred, regardless of whether litigation is actually filed.

PART II. ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN STRADER-FERRIS ACTS AS WAREHOUSEMAN

1. Application

These Warehousing/Pick & Pack Terms and Conditions, as well as Part 1 of the Strader-Ferris Terms and Conditions found above shall constitute the contract between the Owner, Customer, or the Depositor, and Strader-Ferris where Strader-Ferris is acting as Warehouseman. Strader-Ferris only acts as a Warehouseman when it receives Goods into its possession for purposes of storage in a facility actually owned or controlled by Strader-Ferris itself or when Goods are temporarily stored at a facility owned or operated by Strader-Ferris as part of a larger carriage mandate. Strader-Ferris is acting as a Warehouseman when the customer utilizes Strader-Ferris' pick and pack services. Strader-Ferris does not act as a Warehouseman in any other circumstances.

For carriage mandates where Goods are temporarily stored at a facility owned or operated by Strader-Ferris as part of a larger carriage mandate where Strader-Ferris may be acting as a carrier, freight forwarder and/or customs broker, these Warehousing and Pick & Pack Terms and Conditions only apply to the portion of the carriage mandate whereby Strader-Ferris is acting as a Warehouseman and/or where the Customer is utilizing Strader-Ferris' Pick and Pack Services.

2. Ownership of Goods; Right to Store Goods

The Customer warrants that it is the lawful owner and/or has lawful possession of the Goods tendered for storage. Customer warrants that it has sole legal rights to store Goods tendered, to release Goods, and to instruct Strader-Ferris regarding delivery or disposition of the Goods. Strader-Ferris represents and warrants that it is duly licensed, qualified and accredited to the extent required by applicable law to render the services contemplated by this Agreement, and that Strader-Ferris maintains all reasonable, appropriate and legally required insurance coverage in accordance with applicable industry standards. Warehouseman shall maintain all such licenses, qualifications, accreditations and insurance coverages for so long as this Agreement remains in full force and effect.

3. Storage / Pick and Pack Services

- a) Strader-Ferris agrees to receive, store, and release the Goods in accordance with Customer's reasonable instructions.
- b) If Strader-Ferris determines that the original palletization of Goods must be broken down for storage purposes, Strader-Ferris shall be authorized to break down the pallets without further notice required to Customer.
- c) Strader-Ferris may provide additional services to Customer as requested and as agreed. Additional handling charges will apply whenever Goods are pulled for distribution or release, whenever physical inventories are requested by Customer, and whenever additional services are requested that are not explicitly included in the monthly storage charge quoted to Customer. Such additional charges will be provided to Customer and will be invoiced to Customer in addition to any storage charges due.

4. Term of Storage / Pick and Pack Services

Unless otherwise agreed to in writing by the Depositor and Warehouseman either party must provide 90 days' notice of plans to terminate this Agreement. No termination fee or other penalty shall be payable by either Party in connection with such properly noticed termination.

5. Customer's Warranties & Tender for Storage and Pick and Pack Services

Customer warrants that the Goods are properly marked, packaged, labeled and classified for handling and are fit for storage and any transportation as may be required. Strader-Ferris will not accept Goods that are not properly packaged or which, in the reasonable opinion of Strader-Ferris, are not suitable for movement or storage within the warehouse.

- a) Customer shall furnish at or prior to delivery, a manifest showing marks, brands or sizes to be accounted for separately and the class of storage desired, if applicable.
- b) Strader-Ferris' receipt and delivery of a LOT (or partial LOT) shall be made without subsequent sorting except by special arrangement and subject to a charge.
- c) Hazardous Materials. Unless otherwise made known to Strader-Ferris in writing and accepted by Strader-Ferris, Customer warrants that the Goods are not considered hazardous materials and/or dangerous goods at the time the Goods are tendered to Strader-Ferris. Customer warrants that the Goods shall be limited to the permissible materials and quantities in the then current regulations, and agrees to properly classify the Goods, to accurately describe the Goods, and to provide Strader-Ferris with all necessary or useful information for the safe storage and handling of the Goods including but not limited to, whenever applicable, Material Safety Data Sheets and/or Product Safety Data Sheets.
- d) If Customer breaches any of the foregoing warranties related to tender of hazardous materials or dangerous goods, or otherwise delivers any such unfit Goods to Strader-Ferris, Strader-Ferris shall be entitled to exercise all available remedies including the immediate destruction or removal of the Goods from the warehouse without notice to Customer.
- e) For all Goods tendered for storage, Customer shall supply such information and documents as are necessary to comply with all laws, rules and regulations. For all Goods, Customer shall provide to Strader-Ferris all documents or information necessary or useful for the safe and proper warehousing, handling, storage, and transportation (if any) of the Goods.

6. Liability

- a) Strader-Ferris shall not be liable for any loss or destruction of or damage to the Goods, however caused, unless such loss, damage or destruction resulted from Strader-Ferris' failure to exercise such care in regard to the Goods as a reasonably careful person would exercise under like circumstances. Strader-Ferris is not liable for damages which could not have been avoided by the exercise of such care. Strader-Ferris and Customer agree that Strader-Ferris' duty of care referred to herein shall not extend to providing a sprinkler system at the warehouse complex or any portion thereof.
- b) In no event shall Strader-Ferris be liable for any loss or damage caused by:

- i. acts of God; public authorities acting with actual or apparent authority; strikes; labor disputes; weather; mechanical or equipment failures (other than due to Strader-Ferris negligence or willful misconduct); cyber attacks; civil commotions; hazards incident to a state of war; acts of terrorism; acts or omissions of customs or quarantine officials; acts of carriers related to security; the nature of the freight or any defects thereof; inherent vice of the goods; perishable qualities of the merchandise; fires; frost or change of weather; sprinkler leakage; floods; wind; storm; moths; public enemies; or other causes beyond its control;
 - ii. fragile articles injured or broken, unless packed by Strader-Ferris' employees and unpacked by them at the time of delivery;
 - iii. pilferage or theft, unless such loss or damage is caused by the failure of Strader-Ferris to exercise such ordinary care required by law; and iv. concealed damage, or for losses incurred due to the concealed damage of the Goods.
- c. In no event shall Strader-Ferris be responsible for loss or damage to documents, stamps, securities, artwork, heirlooms, jewelry or other articles of high and unusual value unless a special agreement in writing is made between Strader-Ferris and Customer with respect to such articles.

7. Limitation of Liability

(a) Under no circumstances will Strader-Ferris be liable for consequential damages, including without limiting the generality of the foregoing, claims for loss of use, business interruption, loss of profits or revenue, interest, fixed or variable costs, loss of good will, work stoppage, impairment of other Goods, loss by reason of shut down or nonoperation, increased expenses of operation, or loss due to exchange rate fluctuations, increased levies or taxes by authorities.

(b) the total liability of Strader-Ferris to the Customer or owner of the Goods (or anyone who has a right to bring an action with respect to the goods) arising out of any particular event that gives rise to any loss or damage, shall not exceed the lesser of:

- i (i) \$75,000 in Canadian dollars;
- ii (ii) 2\$ per pound; and
- iii (iii) the fair market value of the goods that were damaged or destroyed.

(c) Loss or damage caused by continuous or repeated exposure to, or occurrence of, the same, or substantially the same, general conditions, acts, or omissions, shall collectively be deemed to constitute a single event and in relation to which the total liability of Strader-Ferris shall not exceed \$75,000 Canadian.

(c) Except under Special Arrangements, advice and information that is not related to Instructions accepted by Strader-Ferris, is provided gratuitously. Any services provided gratuitously by Strader-Ferris, are provided by Strader-Ferris without liability.

(d) Strader-Ferris shall be relieved of liability for any loss or damage if such loss or damage was caused by an act or omission by the Customer.

(e) Claims against Strader-Ferris based upon a claim in bailment or the laws of bailment are specifically excluded.

(f) All exclusions or limitations of liability apply whether the claim against Strader-Ferris is based upon a claim in warranty, statute, contract, tort (including negligence and strict liability), bailment, or any other cause of action.

(g) Whenever the liability of Strader-Ferris is excluded or limited under the Terms and Conditions, such exclusion or limitation, as well as time limits for the bringing of actions and provisions pertaining to notice of actions or benefits of any insurance policy effected by the Customer or Owner, shall apply to claims made against a Related Party, as well as those made against directors, officers, employees, agents or representatives of Strader-Ferris or a Related Party.

(h) Part of the consideration for the rates offered by Strader-Ferris and any Related Party, is the limitations and exclusion of liability as stated in this Agreement. The Customer agrees and acknowledges that the rates are dependent upon this limitation.

8. Inspection & Security

All shipments are subject to inspection by Strader-Ferris. Notwithstanding the foregoing right to inspect shipments, Strader-Ferris is not obligated to perform such inspection except as mandated by law. Further, Strader-Ferris reserves the right to unilaterally reject any shipment that it deems unfit for transport, or for storage or for pick and pack services after inspection.

9. Tender for storage / pick and pack

All goods for storage and pick and pack services shall be delivered at the warehouse properly marked and packaged for handling. The Depositor 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.

10. Storage Period and Charges

- a. All charges for storage and warehousing are per package or by other agreed unit per month.
- b. Storage charges become applicable upon the date that Warehouseman accepts care, custody and control of the goods, regardless of unloading date or date of issue of warehouse receipt.
- c. Except as provided in paragraph (d) of this section, a full month's storage charge will apply on all goods received between the first and the 15th, inclusive, of a calendar month; one-half month's storage charge will apply on all goods received between the 16th and the last day, inclusive, of a calendar month, and a full month's storage charge will apply to all goods in storage on the first day of the next and succeeding calendar months. All storage charges are due and payable on the first day of storage for the initial month and thereafter on the first day of the calendar month.
- d. When mutually agreed by the Warehouseman and the Depositor, a storage month shall extend from a date in one calendar month to, but not including, the same date of the next and all succeeding months. All storage charges are due and payable on the first day of the storage month.

11. Transfer, Termination of Storage

- a. Instructions to transfer goods on the books of the Warehouseman are not effective until delivered to and accepted by Warehouseman, and all charges up to the time transfer is made are chargeable to the Depositor of record. If a transfer involves rehandling the goods, such will be subject to a charge. When goods in storage are transferred from one party to another through issuance of a new warehouse receipt, a new storage date is established on the date of transfer.
- b. Warehouseman will store the goods at, and may without notice move the goods within and between, any one or more of the warehouse buildings operated by the Warehouseman.

PART III. ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN STRADER-FERRIS ACTS AS FREIGHT FORWARDER

1. Application of Part III

Part III applies to all activities of Strader-Ferris undertakes for a Customer in arranging transportation or related services.

Strader-Ferris may in respect of all or any part or parts of any contract for the movement of Goods, sign a BL that shows Strader-Ferris is the actual Carrier. Where this occurs, Parts I and V of Strader-Ferris Terms and Conditions apply, and not this Part III, to that part of the transportation of the Goods, and only that part of the transportation of the Goods, covered by the BL signed by Strader-Ferris as the actual Carrier. Prior to and after that part of the transportation of the Goods covered by the BL signed by Strader-Ferris as the actual Carrier, Parts I and III shall constitute the contract between Strader-Ferris and the Customer.

2. Role of Forwarder

Strader-Ferris provides its services as an agent of the Customer only in this regard. When acting as an agent, Strader-Ferris 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.

When determining any rights or liabilities of Strader-Ferris under this Section, the word "Customer" shall include the party giving instructions, the shipper, the consignee, and the owner of the goods. Notwithstanding the foregoing, advice is for the Customer only and is not to be furnished to any other party without Strader-Ferris' prior written consent. Gratuitous advice and information that is not related to instructions accepted by Strader-Ferris is provided without liability of any kind, including for negligence.

3. Claims Against Others

These Conditions also apply whenever any claim is made against any employee, agent or independent contractor engaged by Strader-Ferris 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 Strader-Ferris and all such persons shall not exceed the limitations of liability in these conditions. For purposes of this clause Strader-Ferris acts as agent for all such persons who may ratify such agency at any subsequent time.

4. Services Requiring Special Arrangements

The Customer must give instructions in writing to Strader-Ferris a reasonable time before the tender of goods for storage or transport where it requests Strader-Ferris 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;
- (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.

Where for any reason it does not accept such instructions, Strader-Ferris must promptly so advise the Customer by any means of communication used in the ordinary course of business. If it continues to use Strader-Ferris' services for the contemplated transport after receiving such advice, the Customer assumes all risks connected with the non-performance of such instructions, whether caused or contributed to by Strader-Ferris' negligence or not.

5. Strader-Ferris' General Responsibilities

- (A) Strader-Ferris 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.
- (B) Strader-Ferris shall arrange transport and any related services within a reasonable time after receiving the Customer's instructions.
- (C) If it has reasonable grounds for departing from any of the Customer's instructions, Strader-Ferris 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.

6. Customer's General Responsibilities

- (A) 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.
- (B) 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 Strader-Ferris or any third party whose services it has engaged. The Customer further undertakes to provide independent confirmation of such particulars on the request of Strader-Ferris.

7. Customer's Responsibility for Packaged and Containerized Goods

- (A) Except where Strader-Ferris has accepted instructions in respect of the preparation, packing, stowage, labeling or marking of the goods 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.

(B) Unless Strader-Ferris has accepted instructions to arrange for or 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 Strader-Ferris has approved the suitability of the transport unit).

8. Charges Collect Shipping

When goods are accepted or dealt with upon instructions to collect freight, duties, charges or other expenses from the consignee or any other person, the Customer shall remain responsible for the same if they are not paid by such consignee or other person immediately when due.

9. Changed Circumstances/Failure to Take Delivery

If events or circumstances, including a Customer's failure to take delivery, occur that affect performance of the Customer's mandate, Strader-Ferris shall take reasonable steps to obtain the Customer's further instructions. If for whatever reason it does not receive timely instructions, Strader-Ferris may

- (a) store the goods at the sole risk and expense of the Customer, or
- (b) sell the goods immediately and without further notice, and hold any net proceeds for the account of the Customer or
- (c) 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.

10. Dangerous Goods

(A) The Customer undertakes not to tender for transportation any goods that are of a dangerous, inflammable, radioactive, hazardous or damaging nature without giving full particulars of the goods to Strader-Ferris. 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. The Customer further warrants that the goods, the packaging and marking thereof comply in all respects with the provisions of any legislation or regulations governing the transportation of dangerous goods.

(B) If its fails to comply with the requirements of sub-clause (A), the Customer shall indemnify Strader-Ferris 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 Strader-Ferris.

(C) Goods which in the opinion of Strader-Ferris 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 Strader-Ferris.

11. Limitation of Liability

Compensation for any claim for which Strader-Ferris is liable in performing its mandate as a freight forwarder shall not in any event exceed 2 SDR (SDR = Special Drawing Rights) per kilo of the gross weight of the goods that are the subject of the claim. Without prejudice to any other conditions herein or other defences available to Strader-Ferris, in no circumstances whatsoever shall Strader-Ferris be liable to the Customer or owner for

(a) consequential or indirect loss, including loss of market;

(b) amounts in excess of a maximum recoverable of 75,000 SDR's per transaction.

12. Indemnity

The Customer shall indemnify Strader-Ferris against all duties, taxes, payments, fines, expenses, losses, claims and 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

(a) for which Strader-Ferris may be held responsible unless caused or contributed to by any negligence or breach of duty of Strader-Ferris, or

(b) in excess of the liability of Strader-Ferris in accordance with these Conditions,

resulting from or connected with the actions of Strader-Ferris related to any service to which these Conditions apply.

13. Customary Remuneration Received from Third Parties

Strader-Ferris 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.

PART IV: ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN STRADER-FERRIS ACTS AS CUSTOMS BROKER

1. Application

Parts I and IV of the Terms and Conditions shall constitute the contract between the Customer and Strader-Ferris when Strader-Ferris is acting as Customs Broker. Strader-Ferris only acts as a Customs Broker when it is fulfilling a function listed in Annex A. For carriage mandates where Strader-Ferris may be acting as a carrier, warehouseman, freight forwarder and/or customs broker, Part IV of the Terms and Conditions only applies to the Customers and Strader-Ferris' rights and obligations when Strader-Ferris is acting as a Customs Broker.

2. Definitions

For the purposes of Part IV, the following definitions apply:

"Applicable Laws" has the meaning set out in Section 6(a).

"Disbursement Fees" means those fees charged by Strader-Ferris to the Customer in connection with arranging making and/or managing Disbursements.

"Government Charges" means those duties, taxes, penalties, interest, fines or other charges or amounts charged or levied by Canada Customs or U.S. Customs & Border Protection or other applicable governmental authority on imported or exported goods including, without limitation, goods imported into Canada or the United States of American, exported from Canada or the United States of America or reported or released or to be reported or released under the Customs Act, the Customs Tariff, the Excise Act, the Excise Tax Act, the Special Import Measures Act and/or any other Applicable Laws relating to customs, import and/or export.

"Losses" means losses, damages, delays, costs, fees (including legal fees and expenses), liabilities, expenses, actions, suits, proceeding, demands and claims of any kind or nature whatsoever.

"Services" means those Customs Broker services described in Annex A which are required by the Customer and agreed to be provided by Strader-Ferris.

3. Company as agent.

Strader-Ferris acts as the "agent" of the Customer for the purpose of performing duties in connection with the entry and release of goods, post entry services, the securing of export licenses, the filing of export and security documentation on behalf of the Customer and other dealings with Government Agencies.

4. Advancement of Funds

(a) Upon request by Strader-Ferris, the Customer shall, prior to Strader-Ferris' release of any shipment of goods imported by the Customer, promptly provide to Strader-Ferris sufficient funds to enable Strader-Ferris to pay on behalf of the Customer all Disbursements that are estimated by Strader-Ferris to be payable in connection with such shipment.

(b) If, at any time, Strader-Ferris or Canada Customs determines that additional funds are required with respect to goods imported by the Customer, the Customer shall upon demand of either Strader-Ferris or Canada Customs promptly advance such additional funds to Strader-Ferris.

(c) If, after payment of Disbursements by Strader-Ferris concerning the goods imported by the Customer, any balance of funds remains outstanding to the credit of the Customer, Strader-Ferris shall promptly return to the Customer any remaining balance of funds, unless otherwise instructed by the Customer.

(d) If the Customer fails to advance funds to Strader-Ferris when requested by Strader-Ferris or Canada Customs, Strader-Ferris shall have no obligation to render or perform any Services for or on behalf of the Customer, and the Customer shall be responsible, and reimburse, defend, indemnify and hold harmless Strader-Ferris, for any Losses in connection therewith.

5. Duties and Responsibilities of the Customer

(a) The Customer shall:

(i) promptly provide to Strader-Ferris all information and data necessary for Strader-Ferris to provide the Services including, without limitation, all information required to complete Canada Customs' documentation and/or furnish required data to Canada Customs or other applicable government authorities;

(ii) use reasonable care to ensure the correctness of all such information

(iii) review all documents and declarations prepared and/or filed with U.S. Customs & Border Protection, other Government Agency and/or Third Parties, and will immediately advise Strader-Ferris of any errors, discrepancies, incorrect statements, or omissions on any declaration or other submission filed on Customer's behalf;

(b) In preparing and submitting customs entries, export declarations, applications, security filings, documentation and/or other required data, Strader-Ferris relies on the correctness of all documentation, whether in written or electronic format, and all information furnished by Customer; the Customer agrees that the Shipper has an affirmative non-delegable duty to disclose any and all information required to import, export or enter the shipment.

(c) The Customer further agrees that Strader-Ferris is not responsible for any loss or damages due to the Customer's failure to provide full and accurate information.

(d) The Customer will indemnify and hold Strader-Ferris 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, incomplete or false statement by the Customer or its agent, representative or contractor upon which Strader-Ferris reasonably relied.

(e) The Customer warrants that (i) it is the importer, exporter and/or owner of the goods (as applicable) for which it has retained the Services of Strader-Ferris; (ii) it has full power and authority to retain and appoint as agent and attorney and authorize and instruct Strader-Ferris including, without limitation, as set out in the Agency Agreement and Power of Attorney; and (iii) all information provided to Strader-Ferris is complete, true and accurate. The Customer acknowledges that Strader-Ferris is relying on such information to provide the Services.

(f) The Customer is solely liable and responsible for each and all of:

(i) Disbursements made by Strader-Ferris on behalf of the Customer;

(ii) Government Charges; and

(iii) Losses incurred or sustained by Strader-Ferris in relation to the provision of Services to the Customer.

6. Duties and Responsibilities of Strader-Ferris

(a) Strader-Ferris shall at all times provide Services in a timely and professional manner in accordance with the generally accepted standards of the Canadian and American customs brokerage industry and in compliance with all applicable laws and regulations of the United States of America and any applicable State law, as well as the applicable laws and regulations of Canada and any applicable Province, Territory and municipality thereof

(b) All information pertaining to the Customer is, and shall be kept, confidential by Strader-Ferris and its sub-agents, if applicable, and shall only be released to Canada Customs or the United States Customs & Border Protection or other applicable government, police or official investigation authorities, if and as (i) required by Applicable Laws or order of a body, agency or court of competent jurisdiction and authority; and/or (ii) directed or authorized by written instructions from the Customer to Strader-Ferris to release confidential information, or any part thereof, to third parties.

(c) Strader-Ferris shall take all reasonable steps to provide Services in accordance with the instructions from the Customer, provided however, that if in Strader-Ferris' judgement it is in the Customer's interest to depart from the Customer's instructions, Strader-Ferris is hereby instructed and directed to do so and shall be reimbursed, defended, indemnified and saved harmless by the Customer for all Losses incurred in so doing.

(d) Strader-Ferris shall provide to the Customer in respect of each transaction or summary accounting made on the Customer's behalf a copy of the accounting documents and data pertaining thereto.

(e) Strader-Ferris shall promptly account to the Customer for funds received by Strader-Ferris to the extent that these funds are

i. for the credit of the Customer from the Receiver General for Canada or other applicable government authorities; or

ii. from the Customer by way of advances provided in Section 4 in excess of the Disbursements payable in respect of the Customer or the Customer's business.

(f) Strader-Ferris shall not be liable for any Losses resulting from or caused in any part by (i) Strader-Ferris' negligence, misconduct or breach or for anything which it may do or refrain from doing; (ii) any act of God, unavoidable delay or event, or other act or cause beyond the reasonable control of Strader-Ferris; or (iii) Strader-Ferris' failure to provide the Services as a result of or due to the operation of the Applicable Laws or the applicable laws of any other country that affects the Services or a change in the policies of the United States Customs & Border Control or Canada Customs or other applicable government authorities.

(g) Strader-Ferris shall use its commercially reasonable efforts, in accordance with industry standards, to advise the Customer on matters referred to Strader-Ferris. The Customer acknowledges that Strader-Ferris has given no assurances, representations or warranties to the Customer regarding the outcome of these matters, and (ii) understands that there is no guarantee of any specific results from the Services.

7. Termination

In the event that the Agency Agreement and Power of Attorney is terminated and there are any outstanding matters pertaining to the Customer for which Strader-Ferris has been engaged by the Customer and for which Strader-Ferris remains liable to make payment, the Agency Agreement and Power of Attorney shall continue in force with respect to such matters until such matters are concluded and payment by the Customer to Strader-Ferris of such funds as may be required to satisfy all outstanding payment liabilities of Strader-Ferris to United States Customs & Border Control or Canada Customs and others (including all Fees and Disbursements) has been made by the Customer.

Annex A

Strader-Ferris services pertaining to it acting as Customs Broker include:

- (i) assisting the Customer in the preparation of information required by Canada Customs with respect to the importation of Goods into Canada by the Customer or the exportation of Goods from Canada by the Customer;
- (ii) presenting information, by any acceptable means, on behalf of the Customer to Canada Customs that is required to release and/or account for the Customer's Goods including information as may be required for inbond transportation within Canada;
- (iii) paying requisite Customs Duties and disbursements by or on behalf of the Customer and obtaining release of the Goods from Canada Customs;
- (iv) making arrangements for domestic delivery of the Goods;
- (v) assisting the Customer in preparing and presenting information required by domestic and foreign jurisdictions with respect to Goods exported from Canada by the Customer;
- (vi) providing information and advice concerning the relevant Canadian laws and regulations pertaining to the import into Canada and the export from Canada of the Customer's Goods;
- (vii) providing advice on tariff classification, value for duty, and any other relevant federal or provincial customs requirements, regulations or rules;
- (viii) providing advice on federal and provincial tax implications, payment options and any other tax requirements concerning the Customer's imported Goods;
- (ix) providing advice on preparing and filing federal and provincial sales tax refunds and appeals;
- (x) providing advice concerning Customs Duties refunds, drawbacks, and remissions, as well as appeals of tariff classification or value for duty decisions of Canada Customs.
- (xi) providing advice on preparing and filing Customs Duties refunds, appeals, drawbacks and remission applications;
- (xii) providing advice and assistance to the Customer on matters pertaining to the seizure, detention, and forfeiture of Goods;
- (xiii) providing advice on marking of imported Goods;
- (xiv) providing advice regarding trade agreements, including without limiting the generality of the foregoing, advice regarding NAFTA;
- (xv) providing advice and assistance on all other matters necessary and incidental to the foregoing services.

PART V. ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN STRADER-FERRIS ACTS AS CARRIER

1. Strader-Ferris' Contract as Carrier

Parts I and V of the Terms and Conditions shall constitute the contract between Owner or Customer and Strader-Ferris in any situation where Strader-Ferris acts as the Carrier for the Goods.

Strader-Ferris may in respect of all or any part or parts of any contract for the movement of Goods, sign a BL that shows Strader-Ferris is the actual Carrier. Where this occurs, Parts I and V of Strader-Ferris Terms and Conditions apply, and not Part III, to that part of the transportation of the Goods, and only that part of the transportation of the Goods, covered by the BL signed by Strader-Ferris as the actual Carrier. Prior to and after that part of the transportation of the Goods covered by the BL signed by Strader-Ferris as the actual Carrier, Parts I and III shall constitute the contract between Strader-Ferris and the Customer.

2. The Only Situations Where Strader-Ferris Shall be considered to be the Carrier of Goods

Strader-Ferris shall only be held, considered or deemed to be the Carrier of Goods in those situations where Strader-Ferris signs the BL indicating it is the actual Carrier of the Goods. For greater clarity, Strader-Ferris shall not be held, considered or deemed to be the Carrier of the Goods in any situations where Strader-Ferris signs the BL on behalf of another Party as Carrier, including on behalf of a Related Party.

3. Applicable Law

In all such situations where Strader-Ferris acts as a Carrier by signing as Carrier a BL in relation to the transportation of Goods, the Customer and Strader-Ferris agree that the laws of Ontario shall apply, and specifically, the Uniform Conditions of Carriage found in Ontario Regulation 643/05.

If the Carmack Amendment ("Carmack") to the Interstate Commerce Act, 49 U.S.C. sections 14706 and/or 11706, is compulsorily applicable to the stage of the transportation covered by the particular BL, then the Customer expressly agrees to a waiver of the Carmack provisions to the extent legally permissible.

4. Conditions of Carriage

(a) Subject to the limitations stated in Parts I and V of the Terms and Conditions, the responsibility of Strader-Ferris is to show reasonable care in relation to its acting as a Carrier.

(b) The quality, condition, contents and value of Goods stored are not known to Strader-Ferris except as declared and described by the Customer or Owner to Strader-Ferris.

(c) Strader-Ferris is not responsible for packing containers and equipment used to protect goods in the normal rigors of transportation. Strader-Ferris is not responsible for damage to Goods caused by condensation or build up of moisture within any packing containers.

5. Limitation of Liability

The following limitations of liability shall apply:

- (i) For shipments involving general freight:**

The amount of any loss or damage for which Strader-Ferris is liable, whether or not the loss or damage results from negligence, shall be the lesser of,

- 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.

Unless the consignor has declared a value of the goods on the face of the contract of carriage, in which case the amount of any loss or damage for which the carrier is liable shall not exceed the declared value.

(ii) For shipments involving livestock or animal specialities:

The amount of any loss, injury or damage for which Strader-Ferris is liable, whether or not the loss, injury or damage results from negligence, shall be the lesser of,

- i. the value of the goods at the place and time of shipment including the freight and other charges if paid, and
- ii. \$3.31 per kilogram computed on the total weight of the shipment.

Unless the consignor has declared a value of the goods on the face of the contract of carriage, in which case the amount of any loss, injury or damage for which the carrier is liable shall not exceed the declared value.

(iii) For shipments involving household goods:

(a) Subject to (b) the amount of any loss or damage for which Strader-Ferris is liable, whether or not the loss or damage results from negligence of the carrier or the carrier's employees or agents, shall be the lesser of:

- i. the value of the goods at the place and time of shipment, and
- ii. the greater of,
 - A. the value of the goods as represented by the consignor on the face of the contract of carriage, and
 - B. \$4.41 per kilogram computed on the total weight of the shipment.

(b) If the consignor so elects on the face of the contract of carriage, the maximum liability shall be based on \$1.32 per kilogram per article lost or damaged. If the liability is calculated under (a), the consignor shall pay to the carrier any additional charges incurred by the carrier to provide insurance coverage in excess of \$1.32 per kilogram per article.

6. Force Majeure

If either Strader-Ferries or the Customer is prevented or delayed from performing any of its obligations hereunder by reason of any Act of God, strike, threat or imminent strike, walkout, labour disruptions, fire, war, insurrection or mob violence, requirement or regulation of government or governmental authority or unavoidable casualty, or any act or event which is beyond the reasonable control of a Party, then, and in any such event, such failure to perform shall not be deemed a breach of the Terms or the basis of any

claim for damage hereunder. Performance of any of the obligations of the Party so prevented or delayed shall be suspended during such period of disability and the Party so delayed shall use reasonable diligence either through itself or of an affiliate or subsidiary to remove such causes of disability as may occur from time to time. The inability of a Party to obtain funds shall not be deemed as a force majeure under this clause. If a Party is affected by force majeure prompt notice shall be provided to the other Party to be confirmed in writing. The Party affected shall use all reasonable efforts to rectify the cause. The Customer has the right to secure transportation elsewhere during the periods of force majeure. In no event shall a Party hereto be liable for any indirect, consequential or special damages in respect of any such delay. Service Provider's decision not to deliver to a location that is the subject of a labour disruption shall be deemed to be an event of force majeure hereunder.