

Terms and Conditions of Service



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APPLICATION OF TERMS AND CONDITIONS

These Terms and Conditions govern all freight forwarding services provided or arranged by Purolator (defined below), including but not limited to courier, PuroPost[®], truckload, less-than-truckload (LTL), customs brokerage, and logistics services.

Where a Customer has entered into a Services Agreement with Purolator, the terms and conditions set out in such agreement as the case may be, will govern in the event of any conflict or inconsistency between these Terms and Conditions and the terms and conditions set out in such Services Agreement.

DEFINITIONS

Unless otherwise defined in these Terms and Conditions, capitalized terms have the following meanings:

"Account Customer" means a person, entity, partnership or organization that is party to a Services Agreement or has otherwise set up an account with Purolator for billing purposes.

"Additional Charges" means those specialized service charges, administrative charges and shipping charges that may be applied to a Shipment, in addition to a Service Rate, as more fully described below in "Purolator Specialized Services", "Administrative Charges" and "Shipping Charges", respectively.

"Automated Shipping System" means any automated shipping system used by Purolator or its Customers to access Purolator's services, including but not limited to Purolator International's online shipping software, Purolator E-Ship® Online, Purolator E-Ship® Server, Purolator E-Ship® Web Services, and any Customer's own or third party provider's automated shipping system approved by Purolator pursuant to the applicable Purolator certification program.

"Bill of Lading" means any shipping document, label, waybill, manifest or similar instrument used by Purolator to accept Shipments for carriage, and includes a Purolator Bill of Lading.

"Canadian Induction Facility" means the first facility in Canada into which a Shipment is inducted.

"COS" means Purolator's Chain of Signature service described in "Purolator Specialized Services – Chain of Signature".

"Consignee" means the party to whom a Shipment is destined for delivery.

"Convention" means the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw, Poland, October 12, 1929 or the Convention for the Unification of Certain Rules for International Carriage by Air signed at Montreal, Canada, May 28, 1999, or those conventions as amended or supplemented as may be applicable. When applicable, the Convention governs and, in most cases, limits Purolator's liability in respect of loss of, damage to or delay in the carriage of international Shipments transported by air.

"Courier Shipment" means a Shipment that consists of one of more Pieces that travel through Purolator's courier distribution network.

"Customer" means a person, entity, partnership or organization using Purolator's services, whether as Shipper or Consignor, and includes any Account Customer.

"Customs Clearance Charges" means any and all brokerage fees, surcharges, customs and duties related to a Shipment tendered by a Customer to Purolator.

"End of Day" means, other than for the PuroPost® service, in respect of an Urban Area, 6 P.M. (Consignee's local time) and, in respect of a Residential Area or non-Urban Area, 8 P.M. (Consignee's local time).

"Freight Shipment" means a Shipment that consists of one or more Pieces that travel through Purolator's freight distribution network.

"FSA" means a Canadian forward sortation area, which is denoted by the first three characters of a postal code, and identifies a specific area within a major geographic region or province.

"Hazardous Materials Regulations (HMR)" mean Title 49 of the Code of Federal Regulations parts 171-180.

"ICAO Technical Instructions" means the Technical Instructions for the Safe Transport of Dangerous Goods by Air published by the International Civil Aviation Organization.

"O-SNR" means Purolator's "Origin Signature Not Required" service described in "Purolator Specialized Services – Signature Not Required / Origin Signature Not Required".

"Package" means any item or parcel that (i) is packaged for delivery by the Customer not using Purolator Express Box, Purolator Express Pack or Purolator Express Envelope, and (ii) meets Purolator's accepted packaging standards.

"Piece" means a single envelope, parcel, container, pallet or unpackaged article accepted by Purolator for delivery.

"Purolator" means, unless otherwise specified, Purolator Inc. and Purolator International, Inc., and their respective agents and subcontractors.

"Purolator Bill of Lading" means a Bill of Lading generated by a Purolator Automated Shipping System or a Purolator branded manual Bill of Lading.

"PuroPost Shipment" means a Shipment that consists of one or more PuroPost Pieces sent from a U.S. origin to a Canadian destination that travels through Purolator International's U.S. network and is inducted into the network of Canada Post Corporation or its agents for delivery in Canada.

"Residential Area" means an area that is primarily residential or is of a low business (commercial) density, as determined by Purolator from time to time.

"Service Identifier" means the Purolator authorized service identifier appearing in the form of a Purolator icon on an electronic Bill of Lading or a Purolator sticker affixed to each Item in the Shipment, and which identifies the applicable Purolator service requested by the Customer.

"Services Agreement" is defined as a contract for freight forwarding services entered into between Purolator and a Customer or any other agreement entered into between Purolator and a Customer governing the services provided or arranged by Purolator for such Customer.

"Service Rate" means, in respect of a Shipment, the rate charged by Purolator to a Customer based on the service selected, but excludes any Additional Charges, Taxes and Customs Clearance Charges in respect of such Shipment.

"Shipment" means one or more Pieces sent on the same date and at the same time, with the same Purolator service and other identical shipment characteristics, from one Shipper to one Consignee at one address under a single Bill of Lading, and the charges for which will be billed to one Customer. Where a Shipment (an "Original Shipment") contains two or more sub-Shipments with separate Bills of Lading, the Original Shipment will cease to be a "Shipment" upon (i) consolidation or deconsolidation in the U.S., as the case may be, or (ii) upon deconsolidation at a Canadian Induction Facility, and each sub-Shipment will become a "Shipment".

"Shipper" means the party tendering a Shipment to Purolator for carriage.

"SNR" means Purolator's "Signature Not Required" service described in "Purolator Specialized Services – Signature Not Required / Origin Signature Not Required".

"Taxes" means any and all taxes ordinarily payable by Customers in respect of services provided by Purolator, including those characterized as goods and services tax, sales tax, value-added tax or business transfer tax.

"Urban Area" means an area that is primarily urban, as determined by Purolator from time to time.

DELIVERY SERVICES

Transportation Services to Canada and from Canada to the U.S. and the Rest of the World

Shipments tendered to Purolator by Shippers located in the U.S. are organized for carriage to Canada based on the selected mode of carriage (including truckload, LTL, air cargo and air charter) and their respective destination points in Canada. Upon arrival at the applicable Canadian Induction Facility, each individual Shipment tendered travels to its destination, whether through Purolator's courier or freight distribution network. Subject to geographic limitations, all of the services described below under "– Services within Canada" are available upon a Shipment's induction at a Canadian induction facility. Other services may be available to Canada from the U.S. and the rest of the world upon request. Please contact Purolator for details.

PuroExpress[™]

PuroExpress[™] Services

All PuroExpress services are money-back guaranteed* expedited courier services. Purolator will deliver Shipments tendered in PuroExpress envelopes, PuroExpress packs, PuroExpress boxes or the Customer's own packaging in accordance with the terms and conditions applicable to PuroExpress Shipments.

Any PuroExpress Shipment, other than PuroExpress box and PuroExpress Evening Shipments, must be prepared using an Automated Shipping System.

The following PuroExpress Shipments, when traveling in PuroExpress-branded packaging, are charged a flat Service Rate based on the service selected and the Shipment's origin and destination:

- A Shipment traveling in a Purolator Express Envelope weighing up to 1 pounds (approximately 0.5 kilograms).
- A Shipment traveling in a Purolator Express Pack weighing up to 3 pounds (approximately 1.4 kilograms).
- A Shipment traveling in a Purolator Express Box weighing up to 7 pounds (approximately 3.2 kilograms).

PuroExpress Shipments that exceed the above-noted weights are charged a Service Rate based on the service selected, the packaging, the Shipment's origin and destination, and the Shipment's scale weight as described below in "Tendering Shipments to Purolator – Reweighing, Cubing and Low-Density Shipments". PuroExpress Shipments tendered in PuroExpress packaging will travel as single-Piece shipments.

PuroExpress[™] 9AM

Delivery guaranteed* from select points in the U.S. to select points in Canada and from select points in Canada to select points in the U.S. by 9 A.M. the next business day following induction at the Canadian Induction Facility. However, where it is not possible to effect delivery by such guaranteed delivery time, delivery will be guaranteed* by 9 A.M. on the business day.

PuroExpress[™] 10:30AM

Delivery guaranteed* from select points in the U.S. to select points in Canada by 10:30 A.M. the next business day. However, where it is not possible to effect delivery by such guaranteed delivery time, delivery is guaranteed to select points in Canada by 10:30 A.M. the next business day following induction at the applicable Canadian Induction Facility.

PuroExpress[™] End of Day

Delivery guaranteed* from select points in the U.S. to select points in Canada before End of Day. However, where it is not possible to effect delivery by such guaranteed delivery time, delivery is guaranteed to select points in Canada by end of business day following induction at the applicable Canadian Induction Facility.

PuroExpress[™] Evening

Delivery guaranteed* from most points in the U.S. to select points in Canada between 5:30 P.M. and 9 P.M. the next business day. However, where it is not possible to effect delivery by such guaranteed delivery time, delivery is guaranteed to select points in Canada between 5:30 P.M. and 9 P.M. the next business day following induction at the applicable Canadian Induction Facility.

PuroExpedite[™] *

PuroExpedite offers three service options to meet your needs: Air, Ground and Elite. Shipments tendered to Purolator pursuant to this service offering must comply with Purolator's shipment acceptance policy (See "Shipment Acceptance Policy") and will be delivered in accordance with these Terms and Conditions. In addition, Purolator may act as Shipper's forwarding agent for the purpose of designating a customs broker to perform customs clearance in the event Shipper does not elect or designate a specific customs broker and will submit a commercial invoice for additional fees which may be applicable pursuant to these Terms and Conditions.

PuroExpedite[™] Air *

Delivery from continental U.S. to most worldwide destinations using air transportation. Size, weight and other restrictions may apply to Shipments transported using this service. Please check with the PuroExpedite Service Center at 888-511-4811 and then choose option 2 for service availability.

PuroExpedite[™] Ground *

Customized delivery in North America using point to point ground transportation for delivery at a mutually agreed time. Size, weight and other restrictions may apply to Shipments transported using this service. Please check with the PuroExpedite Service Center for service availability.

PuroExpedite[™] Elite *

Delivery to, from and within the U.S. and Canada. PuroExpedite Elite provides the highest level of cargo security for urgent Shipments requiring expedited services. Customers using this service have the option of choosing a dedicated on- board courier or an air charter.

* Shipments transported using PuroExpedite are subject to restrictions contained within these Terms and Conditions and may be further limited by governmental authority or other air / motor carrier restrictions. Cargo Security is regulated by the International Civil Aviation Organization (ICAO), Federal Aviation Administration (FAA), Transportation Security Administration (TSA), Customs and Border Protection (CBP), and any other governmental regulatory authority exercising jurisdiction over PuroExpedite shipments.

PuroGround® Services

Delivery from most points in the U.S. to most points in Canada by End of Day from time of induction at the applicable Canadian Induction Facility within two to six business days. However, where it is not possible to fulfill delivery by such delivery day, delivery will be made to most points in Canada within two to fourteen following induction at the applicable Canadian Induction Facility.

PuroGround Services (other than PuroGround 9AM, PuroGround 10:30AM and PuroGround Evening) are not money-back guaranteed courier services. PuroGround courier Shipments must comply with Purolator's shipment acceptance policy (see "Shipment Acceptance Policy"). Courier Shipments tendered to Purolator in Purolator Express Envelopes, Purolator Express Packs or Purolator Express boxes will not be handled as PuroGround courier Shipments and will be delivered in accordance with the terms and conditions applicable to PuroExpress courier Shipments.

PuroGround 9AM, PuroGround 10:30AM, PuroGround Evening and PuroGround Shipments must be prepared using an Automated Shipping System.

PuroGround[®] 9AM

Delivery guaranteed* from select points in the U.S. to select points in Canada by 9 A.M. within two to six business days. However, where it is not possible to effect delivery by such guaranteed delivery time, delivery will be guaranteed by 9 A.M. on the business day specified by Purolator, following induction at the applicable Canadian Induction Facility.

PuroGround® 10:30AM

Delivery guaranteed* from select points in the U.S. to select points in Canada by 10:30 A.M. within two to six business days. However, where it is not possible to effect delivery by such guaranteed delivery time, delivery will be guaranteed by 10:30 A.M. on the business day specified by Purolator, following induction at the applicable Canadian Induction Facility.

PuroGround[®] Evening

Delivery guaranteed* from select points in the U.S. to select points in Canada between 5:30 P.M. and 9 P.M. within two to six business days However, where it is not possible to effect delivery by such guaranteed delivery time, delivery will be guaranteed between 5:30 P.M. and 9 P.M. on the business day specified by Purolator, following induction at the applicable Canadian Induction Facility.

PuroGround[®]

Delivery from select points in the U.S. to select points in Canada by End of Day within one or more business days based on the origin and destination selected. In no event is a Shipment tendered using Purolator Ground Service eligible for a delivery guarantee. *

* For details see the Service Guarantees section in these Terms and Conditions.

PuroFreight™

PuroFreight services are not a money-back guaranteed* services. Freight Shipments tendered to Purolator must comply with Purolator's shipment acceptance policy (see "Shipment Acceptance Policy"). Freight Shipments will be delivered in accordance with the terms and conditions applicable to PuroFreight Shipments.

Any PuroFreight Shipment may be prepared using an Automated Shipping System.

PuroFreight Shipments can travel as cargo on commercial or chartered aircraft, LTL, TL, ocean (via Purolator's duly licensed intermediary) and rail. Delivery from select points in the U.S. to select points in Canada by End of Day on the scheduled delivery day by Purolator.

PuroParcel

PuroParcel is a consolidated drop ship service that uses Canada Post's Expedited Parcel service for deliveries within Canada. The service provides a non-guaranteed delivery service of next-day local, up to 3-day regional and up to 7-day national delivery from the point of induction in Canada. The product specifications are those of Canada Post's Expedited Parcel Service. Transit times do not include transit time from U.S. origin to Canadian induction point.

PuroPost®

A door to door delivery service provided at a single rate, originating from selected points in the U.S. to most points in Canada within two to eight business days* with delivery by end of day. However, for shipments originating from non-selected points, delivery to most points in Canada is within three to fourteen business days. PuroPost scheduled delivery times are covered by a money-back guarantee calculated from point of origin to destination point.*

PuroPost Shipments are shipped in the Customer's own packaging in accordance with the terms and conditions applicable to PuroPost Shipments. No hazardous materials or household goods (personal effects) shipments of any kind will be accepted pursuant to this service offering with the exception of pre-approved shipments of limited quantities of hazardous materials, as agreed to by Purolator in writing.

PuroPost Shipments permit Pieces up to a maximum weight of 66 pounds (30 kilograms). There is no limit on the number of Pieces in a PuroPost Shipment.

PuroPost Shipments are charged at a PuroPost base delivery rate, which:

- (i) Includes a fee for customs clearance;
- (ii) Is based on the
 - a. PuroPost Shipments origin and destination;
 - b. The chargeable weight;
 - c. Any applicable accessorial fee; and
 - d. Any applicable fuel surcharge.

Any PuroPost Shipment must be prepared using an Automated Shipping System.

* Certain exceptions apply from certain U.S. origins and to certain Canadian destinations.

SERVICE GUARANTEES *

If Purolator delivers a guaranteed Courier Shipment after the applicable guaranteed delivery time on the applicable guaranteed delivery day, Purolator will, upon request by the Customer, refund or credit (at Purolator's option) the Service Rate and Taxes (but excluding any Additional Charges and Customs Clearance Charges) paid by the Customer to Purolator in respect of the Shipment (see "Claims – Refunds for Purolator Service Guarantees"). If Purolator cannot deliver a guaranteed Courier Shipment on the applicable guaranteed delivery will be by End of Day on the business day specified by Purolator.

Purolator will at its option refund or credit the whole (subject to the note below) of the product rate only (i.e., excluding any Additional Charges) paid by the Customer (payer) to Purolator in respect of a guaranteed Shipment, upon request (see "Refunds for Purolator Guarantees"), if Purolator delivers Customer's guaranteed Shipment after the applicable delivery guarantee time on the applicable guarantee day, provided the following conditions are met:

The Shipment destination must be an eligible guaranteed delivery point from the point of origin or from the Canadian Induction Facility, as the case may be, for the applicable guaranteed product, certain geographic and other limitations apply. If a Shipper selects an ineligible guaranteed delivery point from the point of origin for an applicable Canada courier guaranteed product, the guarantee for such Shipment shall be deemed to be the next best Canada origin courier guaranteed product offered from such origin point to such delivery point (e.g., if Canada origin courier 9AM is selected but not available and Canada origin courier 10:30AM is available, the guarantee will be deemed to be a Canada origin courier 10:30AM guarantee). Please call your Client Relations Representative for details.

- (i) The delay must not be caused by some event beyond the control of Purolator, including but not limited to, those items set under "Events Beyond Purolator's Control".
- (ii) The Shipment must not be left in a Purolator drop box facility after the posted pickup time, must not be an "after hours" pickup made after local cut-off times, and must not be tendered to Purolator (or its agents or subcontractors) after local cut-off times.
- (iii) Shipments subject to Special Handling charges (see "Special Handling") are not eligible for Purolator's delivery guarantees.
- (iv) In the case of PuroExpress (U.S. Origin) Shipments:
 - a. Each package must weigh no more than 150 pounds (68 kilograms).
 - b. Each package must be properly recorded using an Automated Shipping System.
 - c. Each package must bear the appropriate combined Purolator tracking and address label generated by an Automated Shipping System, showing the Consignee's correct name, deliverable address and postal code.
- (v) For Canada origin courier Shipments, each Package must weigh no more than 70 pounds (32 kilograms). In addition to the limitations noted above, the following conditions apply:
 - a. The service guarantee may be suspended, modified or revoked in Purolator's sole discretion.
 - b. The service guarantee will not apply to the following Shipments:
 - Dangerous goods Shipments (see "Specialized Services Dangerous Goods / Hazardous Materials");
 - 2) Chain of Signature Shipments (see "Purolator Specialized Services Chain of Signature");
 - 3) Heavy weight Shipments (see "Tendering Shipments to Purolator HeavyWeight");
 - 4) Shipments originating from or destined to points deemed by Purolator to be remote, where such points are not serviced directly by Purolator;
 - 5) Undeliverable or returned Shipments; and
 - 6) Shipments exceeding Purolator's size limitations (see "Shipment Acceptance Policy Size Limitations").
 - c. For details about the applicable geographic and other service limitations as may be determined by Purolator from time to time, please contact Purolator.

* All guarantees are determined at the point of induction at a Canadian induction facility and apply only to PuroExpress services, PuroGround 9AM, PuroGround 10:30AM, PuroGround Evening, and PuroExpedite. All Service Guarantees are subject to nonpayment due to Customer delay or failure to comply with these Terms and Conditions, Limitation of Liability and Force Majeure and may, at Purolator's sole discretion, be suspended or revoked without prior notice.

PuroPost® Shipments

If Purolator fails to attempt delivery of a guaranteed PuroPost Shipment by the end of the applicable delivery day (within two to eight business days from selected U.S. origin points to most Canadian delivery points) or within three to fourteen business days (from most other U.S. origin points to most Canadian delivery points) then Purolator, in its sole discretion will, upon request, refund or credit to the Customer only, the base delivery rate excluding any Customs Clearance Charges or Taxes paid by the Customer to Purolator in respect of the Shipment (see "Claims – Refunds for Purolator Service Guarantees"). If Purolator cannot deliver a guaranteed PuroPost Shipment by end of day on the applicable guaranteed scheduled delivery day, delivery will be by end of day on the next business day specified by Purolator.

Further, Purolator will refund or credit the base delivery rate (excluding the Customs Clearance Charge) provided the following conditions are met:

- (i) The PuroPost Shipment destination must be an eligible guaranteed Canadian delivery point from the point of U.S. origin. For the applicable guarantee, certain geographic and other limitations apply;
- (ii) The actual transit time as confirmed by a valid delivery confirmation scan for the PuroPost Shipment is not within the applicable transit time schedule provided to the Customer;
- (iii) The PuroPost Shipment must not be an "after hours" pickup made after the designated or local cut-off times, and must not be tendered to Purolator (or its agents or subcontractors) after local cut-off times;
- (iv) Each Piece weighs no more than 66 pounds (30 kilograms);
- (v) Each Piece is properly recorded using an Automated Shipping System;
- (vi) Each package bears the appropriate combined PuroPost tracking number (PIN) and address label generated by an Automated Shipping System, showing the Consignee's correct name, deliverable address and postal code; and
- (vii) The Purolator Customer Relations Representative is notified of the service failure and is provided with the Consignee's name and address, shipping date, and PIN either by phone or through properly completed service claim, within ten business days of the date of scheduled delivery.

The service guarantee may be suspended, modified or revoked at Purolator's sole discretion. The refund or credit of the base delivery rate (excluding the Customs Clearance Charges) is the sole remedy available under the PuroPost guarantee. Purolator reserves the right to deny any claim for a refund or credit, where the claim is either made by or based on information prepared by a third party, Purolator reserves the right to deny any claim when the Customs clearance procedure was not performed by Purolator or its agents.

In addition to the conditions noted above, the following limitations apply:

- (i) The service guarantee will not apply to the following PuroPost Shipments:
 - a. Undeliverable for reasons of unavailability or refusal to accept delivery on the part of the Consignee;
 - b. Undeliverable for reasons of an incorrect or incomplete address;
 - Dangerous goods Shipments (see "Purolator Specialized Services Dangerous Goods / Hazardous Materials);
 - d. Heavy weight Shipments (see "Tendering Shipments to Purolator HeavyWeight");
 - e. Shipments subject to Special Handling charges (see "Special Handling") are not eligible for Purolator's delivery guarantees.
 - f. Shipments originating from or destined to points deemed by Purolator to be remote, where such points are not serviced directly by Purolator or its agents; or

- g. Shipments exceeding Purolator's size limitations (see "Shipment Acceptance Policy Size Limitations").
- (ii) Force Majeure: The service guarantee will also not apply in the case of events beyond Purolator's control including but not limited to the following:
 - a. Adverse weather conditions, including but not limited to unplowed streets, extreme heat, extreme cold, tornados and hurricanes;
 - b. Natural disasters;
 - c. Acts of God;
 - d. Riots and civil unrest;
 - e. Strikes or other labor disputes;
 - f. Disruption in air or ground transportation networks;
 - g. Disruption in communication and information systems
 - h. Disruption in public services and utilities, including, but not limited to major power outages;
 - i. Acts of public authorities;
 - j. Acts of omission buy Customs officials;
 - k. The application of security regulations imposed by public officials;
 - I. Acts of war; or
 - m. Acts of terrorism

For details about the applicable geographic and other service limitations as may be determined by Purolator from time to time, please contact your Customer Relations Representative.

SPECIALIZED SERVICES

Unless otherwise indicated or for PuroPost Shipments, the following Purolator specialized services may be added to any Purolator Shipment for an additional charge. Other specialized services may be available upon request. Please contact Purolator for details. Purolator reserves the right to discontinue, apply new, or modify existing, specialized services at any time and from time to time.

Special Handling

Purolator may accept Courier Shipments that require special handling. All Courier Shipments that require special handling will not be eligible for Purolator's service guarantees. Where a Shipment requires special handling, an additional charge will be applied, including, without limitation, if the Shipment falls within the following categories:

- (i) Additional Handling:
 - a. Shipments with outer packaging made of wood or metal, or bundled together with metal strapping;
 - b. Shipments that contain high-risk items, which are not packaged according to Purolator's accepted standards (see "Packaging Guidelines" in the Purolator Service Guide) and are deemed high-risk at Purolator's discretion;
 - c. Non-packaged (unboxed) articles (excluding Purolator Express Envelopes, Purolator Express Packs, Purolator Express Boxes and document Shipments); or
 - d. Objects not fully encased in a suitable shipping container (e.g., tires, pails, and duffle bags) or packaged according to Purolator's accepted standards (see "Packaging Guidelines" in the Purolator Service Guide).
- Oversized: Packages that weigh more than 70 pounds (approximately 32 kilograms), but less than or equal to 150 pounds (approximately 68 kilograms), or their longest side measures more than 48" (approximately 122 centimeters) and less than or equal to 108" (approximately 274 centimeters);
- (iii) Residential Area Heavyweight: Packages that are considered heavy weight items for standard residential area delivery because they weigh more than 70 pounds (approximately 32 kilograms) and less than or equal to 150 pounds (approximately 68 kilograms);

- (iv) Large Package: Packages that measure between 130" (approximately 330 centimeters) and 165" (approximately 419 centimeters) in girth;
- (v) Over Maximum Limit: Packages that are over the maximum limit because they weigh more than 150 pounds (approximately 68 kilograms), measure more than 165" (approximately 419 centimeters) in girth, or their longest side measures more than 108" (approximately 274 centimeters); and
- (vi) Flat Package: Packages that have their longest side measure more than 18" (approximately 45 centimeters) and their shortest side measure less than or equal to 2" (approximately 5 centimeters).

Please see Purolator's published Rate Guide for current surcharge details for all Special Handling categories outlined above. Purolator retains sole discretion of which items are deemed as requiring Special Handling. Purolator reserves the right not to accept any Packages in its courier network that weigh more than 150 pounds (approximately 68 kilograms) or measure more than 165" (approximately 419 centimeters) in girth because they are considered over the maximum limit. If these packages are accepted, Special Handling surcharges will apply. The formula for calculating girth is: length + (width x 2) + (height x 2) = girth. Note that additional fees may also be charged on certain shipments to non-residential postal codes. Surcharges will also apply to Packages that must be re-packaged because their original packaging is deemed inadequate at Purolator's discretion. The payment of Special Handling charges in respect of a particular Courier Shipment does not affect Purolator's maximum liability stated in these Terms and Conditions or the classification of such Courier Shipment traveling at the Shipper's risk (see "Tendering Shipments to Purolator – At Shipper's Risk").

Dangerous Goods (Hazardous Materials)

Purolator will accept certain dangerous goods (hazardous materials) for carriage provided that they are properly packaged to ensure safe carriage in accordance with all applicable laws including, without limitation, the Hazardous Materials Regulations (HMR), the Transportation of Dangerous Goods Act (Canada) and the regulations promulgated thereunder, and the ICAO Technical Instructions. Purolator reserves the right to refuse dangerous goods for carriage where they cannot be accepted in accordance with applicable law.

The additional charge that is applied to each Shipment containing dangerous goods is non-refundable. Dangerous goods cannot be accepted for carriage to points that are deemed by Purolator to be remote, where such points are not serviced directly by Purolator (see "Rate Application – Shipping Charges – Beyond Point"). For information on shipping limited quantities / consumer commodities, please contact Purolator.

Tendering Dangerous Goods Shipments

Prior to tendering any dangerous goods to Purolator for carriage, a Shipper must:

- (i) Know the appropriate classification of the dangerous goods;
- (ii) Ensure proper packaging for the selected mode of carriage (i.e., air or ground) in accordance with applicable laws;
- (iii) Provide proper marking and labeling of each Piece in accordance with applicable laws;
- (iv) Provide the appropriate documentation for the selected mode of carriage and retain such documentation in accordance with applicable laws;
- (v) Supply the appropriate placards (for external identification of dangerous goods on Purolator vehicles) as required by applicable laws;
- (vi) Provide all statements required by applicable laws in the "description" field of the Bill of Lading; and
- (vii) Be trained, including hold a training certificate where applicable, to perform any activities relating to dangerous goods in accordance with applicable laws.

Dangerous Goods Shipments from the U.S. and Rest of World to (or to the U.S. and Rest of World) from Canada

Purolator will only accept dangerous goods for carriage for pre-authorized Customers pursuant to a Services Agreement.

Dangerous goods traveling from the U.S. or the rest of the world to Canada (and vice versa) may only be tendered to a Purolator Shipping Centre or driver. Dangerous goods may not be tendered at a Purolator drop box or to a Purolator authorized shipping agent. Tendering a Shipment containing dangerous goods to Purolator does not mean it has been "accepted for carriage" by Purolator. A Shipment containing dangerous goods is only accepted once it has been verified by a Purolator Dangerous Goods specialist (or authorized Purolator Dangerous Goods specialist agent) at a U.S. facility, and by a Purolator Dangerous Goods Specialist following induction at the Canadian Induction Facility.

Dangerous goods will travel in accordance with the terms and conditions applicable to the selected service and, if applicable, selected mode of carriage, once accepted by Purolator. Where a dangerous goods Shipment is tendered to Purolator in the U.S. on a Saturday, delivery will be on Tuesday by End of Day at the earliest and no Saturday service guarantee will apply.

The following table sets out those dangerous goods that can be accepted by Purolator for carriage with prior approval from Purolator and those that cannot be accepted:

	Dangerous Goods					
Acceptable only with prior approval by Purolator						
Class	Description					
1.4G	Explosives					
1.4S	Safety Explosives					
2.1	Flammable Gases					
2.2	Non-flammable / Non-toxic Gases					
3	Flammable Liquids					
4.1	Flammable Solids					
4.2	Spontaneously Combustible Materials					
4.3	Water Reactive Substances					
5.1	Oxidizers					
5.2	Organic Peroxides					
6.1	Toxic Substances					
6.2	Infectious Substances					
7	Radioactive Materials					
8	Corrosives					
9	Miscellaneous Dangerous Goods					
Not acceptable						
Class	Description					
1	Explosives (except 1.4G or 1.4S as listed above)					
2.3	Toxic Gases					
N/A	Regulated Wastes					
N/A	All hazardous materials listed as "Forbidden" in 49 CFR Part 172.101					

Courier Shipments

Unless otherwise indicated, the following Purolator specialized services may be added to any Courier Shipment and may incur an additional charge.

After Hours

Purolator Same Day services may be available after hours upon request. An additional charge will be applied to a Purolator Same Day Shipment where the order is received, or the service is to be performed, on a business day after 5 P.M. and before 8 A.M. (origin local time), Saturday, Sunday, and days that are statutory holidays in Canada. After hours service is not available for Purolator Same Day In-City services.

Chain of Signature

Purolator's Chain of Signature (COS) service may be used to effect the transportation of certain controlled drugs and firearms within Canada as COS Shipments travel through Purolator's distribution and sorting system, authorized Purolator employees sign the COS Bill of Lading at each point through the system.

Only pre-authorized Customers may send COS Shipments. In addition, Shippers must identify COS Shipments to Purolator before they are tendered to Purolator. A COS Bill of Lading displaying a full description of the contents of the Shipment and a COS Service Identifier must be applied to the Shipment by the Shipper. The COS service is not available with Saturday service or to delivery points that are deemed by Purolator to be remote, where such points are not serviced directly by Purolator.

ExpressCheque®

ExpressCheque is collect-on-delivery service whereby Purolator will collect payment from the Consignee, on behalf of the Shipper, at the time a Shipment is delivered. ExpressCheque is available from select points in the U.S. provided that the Shipper has a Canadian address to which Purolator can remit the payment collected from the Consignee. Please contact Purolator for details. When a Shipper elects the ExpressCheque service, Purolator will only release the Shipment to the Consignee if Purolator is able to collect payment. The following conditions apply to ExpressCheque service:

- (i) Purolator will not accept payment in cash. Only checks (including post-dated checks and certified checks), bank drafts or money orders will be accepted. Purolator assumes no responsibility for ensuring that the Consignee complies with the form of payment requested by the Shipper and assumes no liability in respect thereof.
- (ii) The Shipper is required to advise the Consignee of the amount of any checks (including post-dated check and certified check), bank draft or money order required prior to delivery by Purolator, and such check, bank draft or money order must be made payable to the Shipper.
- (iii) All checks (including post-dated checks and certified checks), bank drafts and money orders tendered as payment for an ExpressCheque Shipment will be accepted by Purolator at the Shipper's risk including, but not limited to, the risk of such check, bank draft or money order: (a) not being honored; (b) being a fraud or forgery; or (c) being declared invalid.
- (iv) Purolator's liability in the event of loss of, damage to or delay in the delivery of the ExpressCheque Shipment, regardless of the manner in which such loss, damage or delay occurs, is limited to a refund of the Service Rate and the ExpressCheque surcharge.
- (v) If the Consignee is unable or unwilling to provide payment for the Shipment, or if the Consignee refuses to accept delivery of the Shipment for any reason, Purolator will not complete delivery of the Shipment. The driver will return the Shipment to the nearest Purolator facility, and Purolator will contact the Shipper for further instructions. If the Shipment is returned to the Shipper, such return will be at the Shipper's expense.
- (vi) Purolator does not become the Shipper's agent for any purpose by virtue of performing the ExpressCheque service.

Hold For Pickup

For Courier Shipments destined for delivery in Canada, a Shipper may request that the Shipment be held at an authorized Purolator location for in-person pickup (in lieu of having the Shipment delivered to the delivery address indicated on the Bill of Lading) by ensuring that a "Hold for Pickup" service indicator is on the Shipment. Purolator will notify the Consignee by telephone when the Shipment is available for pickup. Where a Consignee is not available to accept a delivery attempt by Purolator, the Shipment to be held at an authorized Purolator location for in-person pickup. For select points in Canada, Purolator may elect to deliver the Shipment to an authorized Purolator location for in-person pickup and will notify the Consignee that the Shipment is being held for pick up. Shipments held for pickup will be held at the authorized Purolator location for at least five business days. If the Consignee fails to pick up the Shipment during this time, Purolator may return the Shipment to the Shipper at the Shipper's expense.

The following conditions apply when picking up a Hold For Pickup Shipment:

- (i) If the Consignee is an individual, the Consignee must present a valid piece of government-issued photo identification.
- (ii) If the Consignee is a company, an individual authorized by the Consignee must present a valid piece of governmentissued photo identification and a signed letter of authorization printed on the receiving company's letterhead.
- (iii) If the Consignee (whether an individual or company) authorizes a third party to pick up the Shipment on the Consignee's behalf, such third party must present a valid piece of government-issued photo identification and a signed letter from the Consignee, which references the Shipment's package identification number and authorizes Purolator to release the Shipment to such party. Purolator may also release a Shipment to a third party provided that such third party presents a valid piece of government-issued photo identification that shows they live at the same address as the Consignee.

Notwithstanding the foregoing, Purolator may, in its sole discretion, refuse to release a Shipment to anyone other than the Consignee of the Shipment named on the Bill of Lading.

When picking up a Hold For Pickup Shipment that was sent using Purolator's third party billing service, the Consignee (or authorized third party) will be required to pay all Shipment charges at the time of pickup if such Consignee (or authorized third party) does not have a valid Purolator account.

Returns Services

Purolator offers Customers the ability to create return shipping labels, whether for inclusion with an outbound Shipment (referred to as "Outbound Return Service") or without an associated Shipment (referred to as "Returns Management Service"). Return shipping labels must be prepared using an Automated Shipping System. There is no additional charge for generating a return shipping label. Customers will be invoiced the applicable Service Rate and any Additional Charges and Taxes when a Shipment bearing a return shipping label travels through Purolator's courier distribution system. The Service Rate, Additional Charges and Taxes that will be applied to a return Shipment will be those in effect at the time the Shipment is tendered for carriage.

Saturday Service

Purolator will accept Courier Shipments traveling to Canada from the U.S. and the rest of the world for delivery on Saturday. Where Saturday Service is selected, an additional charge will be applied.

If Purolator fails to deliver a Saturday Service courier Shipment by End of Day on the guaranteed delivery day, Purolator will, upon request by the Customer, refund or credit (at Purolator's option), the Saturday Service charge (excluding the Service Rate, Taxes and other Additional Charges) paid by the Customer to Purolator in respect of the Shipment (see "Claims – Refunds for Purolator Guarantees").

The following limitations apply to Saturday Service:

- (i) The Shipment destination must be an eligible Saturday Service guaranteed delivery point from the point of origin or from the Canadian Induction Facility, as the case may be.
- (ii) The delay must not be caused by some event beyond Purolator's control including, but not limited to, those items described in "Liability of Purolator Events Beyond Purolator's Control".
- (iii) The Courier Shipment must not be left in a Purolator drop box, must not require pickup after local cut-off times, and must not be tendered to Purolator after local cut-off times.
- (iv) A Saturday Service courier Shipment cannot be converted, upgraded or modified to any other service (e.g., to a PuroExpress 9AM or a PuroExpress Evening Shipment).
- (v) Each Piece in the Shipment must weigh no more than 70 pounds (approximately 32 kilograms) for the Saturday Service guarantee to apply.
- (vi) For Shipments traveling to Canada from the U.S. or the rest of the world, the Saturday Service guarantee will only apply to the Shipment following induction at the Canadian Induction Facility.

In addition to the limitations noted above, the following conditions apply:

- (i) The Saturday Service guarantee may be suspended, modified or revoked in Purolator's sole discretion.
- (ii) Purolator will not accept the following Courier Shipments for Saturday service:
 - Dangerous goods Shipments (see "Purolator Specialized Services Dangerous Goods / Hazardous Materials");
 - b. ExpressCheque Shipments (see " ExpressCheque");
 - c. COS Shipments (see "Purolator Specialized Services Chain of Signature");
 - d. Heavy weight Shipments (see "Tendering Shipments to Purolator HeavyWeight"); and
 - e. Shipments exceeding Purolator's size limitations (see "Shipment Acceptance Policy Size Limitations").

(iii) The Saturday Service guarantee will not apply to the following Shipments:

- a. Shipments originating from or destined to points deemed by Purolator to be remote, where such points are not serviced directly by Purolator; and
- b. Undeliverable or returned Shipments.
- (iv) In the event that at least one (but not all) of the Pieces in a guaranteed Saturday Service Shipment are not delivered in accordance with the Saturday Service guarantee, Purolator will, at its option, refund or credit the Customer, upon request, an amount equal to the Saturday Service charge that was applied to the original Shipment.
- (v) For details about the applicable geographic and other service limitations, as may be determined by Purolator from time to time, please contact Purolator.

Signature Required / Signature Not Required (SNR / O-SNR)

Shippers and Consignees may request that Purolator obtain a signed proof of delivery for Shipments.

- Any Courier Shipment destined for delivery in a Canadian Residential Area (that was not prepared using an Automated Shipping System) travels as a Shipment requiring a signature, and will be subject to the Residential Area charge, not the Signature Required Residential charge.
- Any Courier Shipment prepared using an Automated Shipping System that is destined for delivery in a Canadian Residential Area travels as a Shipment not requiring a signature, unless the Customer selects that the Shipment requires a signature, in which case the signature required charge will apply.
- Any Courier Shipment destined for delivery in Canada (other than in a Residential Area) travels as a Shipment requiring a signature at no additional charge.
- Fuel Surcharges may apply.

Consignees that do not require a signed proof of delivery may waive this requirement for one or all future Courier Shipments destined to their delivery address by signing up for Purolator's SNR service by completing a "Customer's Authorization to Waive Delivery Signature Form – Single Shipment Use Form" or "Customer's Authorization to Waive Delivery Signature Form – Multiple Shipment Use Form". Where a Shipper waives this requirement for one or all future Courier Shipments, it is referred to as Purolator's O-SNR service. Each Piece in an O-SNR Shipment must display the O-SNR Service Identifier.

Where the SNR or O-SNR service is elected, Purolator may leave Shipment(s) at the Consignee's address unattended and without obtaining a signed proof of delivery, and the Shipper and the Consignee are bound by the liability release in favor of Purolator contained in the above-mentioned authorization forms. For greater certainty, the Shipper and the Consignee release and indemnify Purolator, on a joint and several basis, from and against any claims or liabilities resulting from the delivery of a SNR or O-SNR Shipment. In the case of the O-SNR service, the Shipper may alternatively provide Purolator with electronic authorization if the Shipment is prepared using an Automated Shipping System.

The SNR service will override a Shipper's request for a signature. Upon request, Purolator will reimburse any Shipper, within 45 days of Purolator's acceptance of the Shipment for carriage, for the difference between the Signature Required charge paid (if any) and the Residential Area charge that would have otherwise been payable in respect of such Shipment (see "Shipping Charges – Residential Area"). If the signature required charge is less than the Residential Area charge that would have otherwise been payable in respect of such Shipment. Please contact Purolator for details.

Notwithstanding the foregoing, the following services will always travel as a Shipment requiring a signature and are not eligible for the SNR or O-SNR service:

- (i) PuroExpress Evening Shipments;
- (ii) PuroGround Evening Shipments;
- (iii) Dangerous goods Shipments, including limited quantities/consumer commodities;
- (iv) ExpressCheque Shipments; and
- (v) Chain of Signature Shipments.

For Shipments traveling from Canada to the U.S. and the rest of the world, such Shipments may travel as Shipments requiring a signature (see "Delivery of Shipments – Driver Release for Shipments to U.S. and Rest of World"). Please contact Purolator for details.

In circumstances where the Purolator driver is of the opinion that the Shipment will be at risk of loss or damage if left SNR or O-SNR, the driver may elect (in his / her own discretion) not to leave the Shipment without obtaining a signature notwithstanding that an SNR or O-SNR election has been made. In such cases, the Shipment will be treated as a Hold For Pickup Shipment (see "– Hold For Pickup").

Freight Shipments

Unless otherwise indicated, the following Purolator specialized services may be added to any Freight Shipment traveling within Canada for an additional charge.

Delivery Notification / Appointments

An additional charge will be applied each time Purolator is required to provide notice to, or book an appointment with, the Consignee in advance of making a delivery.

After Hours Services

PuroFreight services may be available after hours upon request. An additional charge will be applied if pickup or delivery is required on a business day after 6 P.M. and before 8 A.M., Saturday, Sunday, and days that are statutory holidays in the jurisdiction of pickup or delivery, as the case may be.

Inside Pickup / Delivery

Purolator may pickup or deliver a Shipment from / to a place other than a loading dock upon request. The inside delivery service is typically requested, but not limited to, shopping mall deliveries where Purolator may be required to take the Item(s) in a Shipment beyond the shopping mall's loading dock. Where this service is requested, an additional charge will be applied.

Pre-booked Appointment Fee

An additional charge will be applied each time Purolator is required to honor a pre-booked appointment for pickup or delivery made by a Shipper; however, where it is not possible to effect delivery on the Customer's desired delivery date due to geographic restrictions (including point of origin and destination), delivery will be on the business day specified by Purolator. Please contact Purolator for details.

Protect from Freezing

Customers may request, where available, Purolator's protect from freezing service for Items that have a freezing point of $0^{\circ}C$ (32°F) or lower. Where such service is requested, an additional charge will be applied.

The following conditions apply to the "Protect from Freezing" service:

- (i) The service is a seasonal service that is offered between the months of November and April. Exact dates are determined annually by Purolator and standard delivery transit times may not apply. Please contact Purolator for details.
- (ii) The Shipper must specifically and prominently indicate "Protect from Freezing" on the Bill of Lading and affix the "Protect from Freezing" Service Identifier on each Piece(s) in the Shipment that requires this service.

Calculated as: length + (2 X width) + (2 X height).

- (iii) Purolator is not liable for any loss or damage to any Piece(s) in a Shipment that require(s) protection from freezing where the loss or damage arises or results from:
 - a. The Shipper's failure to properly label the Piece(s) in the Shipment;
 - b. The Consignee's refusal of the Shipment; or
 - c. Purolator's inability to complete delivery through no fault of its own.
- (iv) This service may be suspended or modified in Purolator's sole discretion.

Stop-Off

Purolator may, upon request, stop to make an additional delivery for a Customer en route to the destination point indicated on such Customer's Bill of Lading. Where this service is requested, an additional charge will be applied.

Storage

Purolator will hold a Shipment in storage where Purolator, through no fault of its own, was unable to complete delivery on the first attempt. An additional charge will be applied per day for each day following the original delivery date; or pending a prebooked, future delivery date that Purolator is required to hold the Shipment, for including non-business days.

Trailer Spotting

Purolator may, upon request, leave a trailer (unaccompanied by a power unit) at a Customer's premises, in full possession and care of such Customer, for subsequent loading by the Customer and transport by Purolator. Where this service is requested, an additional charge will be applied.

Tailgate / Liftgate

PuroFreight services are available with a power tailgate / liftgate (whether at pickup or delivery) as required to complete pickup or delivery. Where this service is required, an additional charge will be applied.

Two Person Pickup / Delivery

Customers may request the presence of a second person to assist with the entire pickup or delivery. Where this service is requested, an additional charge will be applied on a per minute basis from the time of pickup or delivery, as the case may be, until completion of such pickup or delivery.

PuroPost® Shipments

Tracking and Confirmation of Delivery

Purolator will provide a tracking scan for each PuroPost Shipment from the point of pick-up at the U.S. origin to the point of delivery in Canada and at certain points in between. The final scan will be a delivery scan event for every PuroPost Shipment that is successfully delivered or determined to be undeliverable and returned to the sender. This provides electronic confirmation of the delivery status. Upon delivery, or attempted delivery, the tracking number is scanned and the date and time are captured.

Safe Drop

When an item will not fit in the addressee's regular mail receptacle, Purolator may leave the PuroPost Shipment in a Safe Drop location. To be considered as a Safe Drop, the PuroPost Shipment must not require a signature, must not be in an area which is not authorized for safe drop, and cannot be left in the open (e.g., doorstep). A Safe Drop card, indicating the location of the Safe Drop, is left at the time of delivery.

Redirection

Provided that the addressee has filed a Change of Address Notification (COAN), that the forwarded delivery address is within the same delivery area served by the same delivery station or depot and that the service is still in effect, Purolator's delivery agent will redirect the item, whenever possible, to the new address at no additional charge.

Undeliverable - Return to Sender

PuroPost Shipment that cannot be delivered or redirected will be returned to sender for a fee, payable by the Sender plus a \$10 undeliverable fee.

Optional Specialized Features

Unless otherwise indicated, the following Purolator optional specialized features or services may be added to any PuroPost Shipment for an additional charge. Other optional specialized services may be available upon request. Please contact Purolator for details. Purolator reserves the right to discontinue, apply new, or modify existing, specialized services at any time and from time to time.

To obtain an optional feature, the Customer must either select the option by checking a box or affixing an additional label or sticker or through electronic notification.

Details on these features are provided as follows:

Advance Shipment Notification

A Customer has an option to be able to send at no charge an "Advance Shipment Notification" via email to a Consignee that advises the Consignee that a PuroPost Shipment has been dispatched and also provides a tracking number allowing the Consignee to track their PuroPost Shipment through Purolator's Client Portal.

Signature on Delivery

If the Customer checks the "Signature Required" box on the PuroPost shipping label, Purolator's delivery agent will collect a signature upon delivery for a fee. When a person answers the door, the delivery agent will hand off the item, and collect the signature and the signatory name. Signature Required Shipments will not be delivered to minors.

In the event that the their in no one available to receive the Shipment, the delivery agent will leave a Delivery Notice Card in the Consignee's mail receptacle that direct the Consignee to the nearest Canada Post retail outlet to pick up the item.

If the Customer (including someone living at the same address) is picking up a carded item at the post office, an acceptable government-issued photo ID will be required.

If the Customer authorizes someone not living at the same address to pick up the carded item:

- (i) Signed Delivery Notice Card with the authorized individual's name and the signature of the addressee must be presented; or
- (ii) Legal document demonstrating the Customer's authority to act on behalf of the other individual, such as, a power of attorney, an appointment as trustee or a letter of authorization.

Note: If the addressee or his / her representative refuses to sign for the item. Purolator or its agent will ask the addressee to print his name in block letters. If the addressee refuses, Purolator or its agent will deliver the item and indicate "SIGNATURE REFUSED" in the Signature box.

A space will be included on the Delivery Notice Card for the addressee to authorize someone else to pick up the item (e.g., a third-party not living at the same address as the addressee).

A Self-declaration form is available for third-party authorization for entities such as businesses and organizations. This form requires the name and address of the business or entity, the name(s) and signature(s) or the individual(s) receiving authority, and the title, name and signature of the individual picking up the item, witnessed by a post office employee.

Signature Hard Copy

If the Signature option was purchased at the time of shipping and if a signature was captured at the time of delivery, a hard copy of the signature is also available, for a fee, by contacting your Customer Relations Representative. The Signature Hard Copy will be sent to the sender via letter mail or by facsimile within three (3) business days of the sender's request.

PuroPost® Returns Services

PuroPost Parcel Returns offers several options for collecting returns / exchanges of online purchases, as well as defective, unwanted or obsolete products. All labels contain a unique tracking number and bar code, which allow return shipments to be tracked. You will be charged only if your Parcel Return label is used. The return services are described as follows:

- Include in your original Shipment (Outbound Return Service)
 Outgoing shipments using our PuroPost web service link or an approved Customer-Developed / Third-Party Shipping system have the option to create and print a Parcel Return label that you are required to include in your outbound Shipment.
- (ii) Request and print from your website (Returns Management Service)
 Using our Web services, your Customer can request and print Parcel Return labels directly from your website and attach it to their Shipment.

Pre-printed PuroPost Return shipping labels must be prepared using an Automated Shipping System. There is no additional charge for generating a return shipping label. Customers will be invoiced the applicable base delivery rate and any Additional Charges and Taxes when a Shipment bearing a return shipping label travels through Purolator's distribution system. The base

delivery rate, Additional Charges and Taxes that will be applied to a return Shipment will be those in effect at the time the Shipment is tendered for carriage.

Additional Handling Surcharge

Purolator may accept PuroPost Shipments that require additional handling. Where a Shipment requires additional handling, a surcharge will be applied to, without limitation, the following:

- (i) Non-packaged (unboxed) items, except pre-approved packs;
- (ii) Objects not fully encased in a suitable shipping container (e.g., tires, pails, articles wrapped in stretch wrap);
- (iii) Oversized Pieces which have a single dimension (length, width or height) exceeding 39" (1 meter) in length;
- (iv) Mailing tubes that are cylindrical in shape; and
- (v) Articles which, due to their nature (e.g., size, shape, packaging, contents), are deemed by Purolator, in its sole discretion, to be unsuitable for Purolator's distribution and sorting system (e.g., ball bearings, nuts, bolts and fasteners, liquids, wooden, metal crates).

The payment of Additional Handling surcharges in respect of a particular PuroPost Shipment does not affect Purolator's maximum liability stated in these Terms and Conditions or the classification of such PuroPost Shipment traveling at the Shipper's risk (see "Tendering Shipments to Purolator – At Shipper's Risk").

SHIPPING CHARGES

Purolator reserves the right to discontinue, apply new, or modify existing, shipping charges at any time and from time to time. Unless otherwise indicated, any of the following Purolator shipping charges may be applied to any Purolator Shipment. Please contact Purolator for details.

Declared Value Surcharge

Customers may declare a value for the Shipment on the Bill of Lading. If a value is declared:

- (i) A surcharge of 4.50% of the amount of the declared value will be applied to all Courier Shipments with a declared value exceeding CAD\$100; however, no surcharge will be applied to the first CAD\$100 of declared value. A value for Purolator liability purposes cannot be declared for Purolator Same Day Shipments.
- (ii) A surcharge of 3.25% of the amount of the declared value (in increments of CAD\$100, rounded up to the nearest hundred) will be applied to all Freight Shipments.
- (iii) For PuroPost Shipments, a surcharge of CAD\$1.80 per CAD\$100 of declared value over CAD\$100 (in increments of CAD\$100 rounded up to the nearest hundred) will be applied, up to a maximum declared value of CAD\$2,500. No surcharge will be applied to the first CAD\$100 of declared value.

For the maximum value that may be declared for Purolator liability purposes in respect of any Shipment, see "Liability of Purolator – Maximum Liability".

For greater certainty, the declared value surcharge does not constitute insurance but rather an increase in Purolator's limitation on liability (see "Liability of Purolator – Maximum Liability").

Fuel Surcharge (FSC)

Purolator's fuel surcharges are set as follows:

Courier Shipments – The fuel surcharge is set monthly based on the 4-week average price of regular unleaded
gasoline calculated by Purolator using the weekly average prices reported by Kent Group Ltd. (formerly known as MJ
Ervin Associates), a company that monitors fuel prices across Canada. Changes are effective the first Monday of each
month and are posted at <u>www.purolator.com</u> approximately 2 weeks prior to the effective date. The fuel surcharge

applies to all Courier Shipments tendered to Purolator regardless of destination or selected mode of carriage. The fuel surcharge for Courier Shipments, other than Purolator Same Day Shipments, will be applied to the sum of the Service Rate, and Beyond Point surcharges. The fuel surcharge for Purolator Same Day Shipments will be applied to the sum of the Service Rate and special van request charge. Other Additional Charges, Taxes and Customs Clearance Charges are excluded from the calculation. For additional information about Purolator's fuel surcharges, visit http://www.purolatorinternational.com/fuel-surcharge.

Freight & PuroPost Shipments – Purolator reserves the right to apply fuel and other surcharges to all shipments
regardless of destination or selected mode of carriage for such periods and in such amounts as Purolator may
determine appropriate in its sole discretion. Generally, the fuel surcharge is formulated using national rolling average
data from the Freight Carriers Association of Canada as well as the North American Transportation Council. By
tendering your shipments to Purolator, you agree to pay all applicable surcharges, as determined by Purolator. For
additional information about Purolator's fuel surcharge, call your Client Relations Representative.

Redelivery

An additional charge will be applied to any Shipment that is required to be redelivered where Purolator, through no fault of its own, was unable to complete delivery on the first attempt. This charge will be applied for each subsequent delivery attempt by Purolator.

Courier Shipments

Unless otherwise indicated, the following Purolator shipping charges may be applied to any Courier Shipment traveling to or from Canada.

Beyond Point

An additional charge will be applied where the origin or destination point is deemed by Purolator to be remote or is not serviced directly by Purolator. Please contact Purolator for details.

Multipiece[®]

An additional charge will be applied where five or more Pieces are sent on the same day and at the same time from one Shipper to one Consignee at one address under a single Bill of Lading, and the charges are billed to one Customer. This charge will be calculated as follows: (# of Pieces in Shipment – 4) x (3.0%) x (Applicable Service Rate). Please contact Purolator for details.

Residential Area

An additional charge will be applied where a Shipment's destination point is located in a Residential Area. In the case of Courier Shipments, this charge will not be applied in respect of Purolator Express Evening or Purolator Ground Evening Shipments. Where a Courier Shipment prepared using an Automated Shipping System is destined for delivery to a Residential Area and the Shipper requests a signature, the Shipment will be subject to the signature required charge, not the Residential Area charge (see "Specialized Services – Signature Required / No Signature Required (SNR)"). Please note that additional Fuel Surcharges may apply.

Rural

An additional charge will be applied to Courier Shipments traveling to Canada from the U.S. or the rest of the world, where the origin or destination point is deemed by Purolator to be rural in nature. Where a Shipment's origin or destination point results in both the application of the beyond point charge and the rural charge, only the beyond point charge will be applied to the Shipment.

Freight Shipments

Unless otherwise indicated, the following Purolator shipping charges may be applied to any Freight Shipment.

Attempted Pickup (Vehicle Furnished But Not Used)

An additional charge will be applied where a Shipper has not cancelled a requested or scheduled pickup and, upon arrival at a Shipper's premises, the Shipper informs Purolator that no Shipment will be tendered by such Shipper.

Order Cancellation

Purolator Freight orders are considered "dispatched" after a confirmation number has been provided to the Customer. If a Purolator Freight order is cancelled after being dispatched:

- (i) If cancelled before pickup, a fixed charge will be applied if cancellation occurs before pickup; and
- (ii) If cancelled before pickup, orders will be charged the portion of the Service Rate applicable for carriage from the point of pickup to the Purolator facility, inclusive of Additional Charges.

Redirect in Transit

An additional charge will be applied to any Shipment requiring a change of delivery address while in transit. Where such change is requested, it must be submitted in writing by the Shipper.

Residential Area

An additional charge will be applied where a Shipment's destination point is located in a Residential Area.

Trade Show

An additional charge will be applied to any Shipment originating from, or destined to, a trade show.

Waiting Time (Detention with Power)

A waiting time surcharge (calculated on a per minute basis) will be applied if Purolator is detained or delayed at the point of origin or destination, through no fault of the driver for longer than the maximum waiting time limits set out below, which are included in the Service Rate:

- (i) Where a Shipment weighs less than 10,000 pounds (approximately 4,536 kilograms), the maximum included wait time is 30 minutes.
- (ii) Where a Shipment weighs 10,000 pounds (approximately 4,536 kilograms) but less than 20,000 pounds (approximately 9,075 kilograms), the maximum included wait time is 60 minutes.
- (iii) Where a Shipment weighs 20,000 pounds (approximately 9,072 kilograms) or more, the maximum included wait time is 90 minutes.

The included wait time is calculated on a per stop basis. Where one or more Shipments are destined for delivery to the same Consignee, the wait time surcharge will be shared among all Shippers of such Shipments on a prorated basis calculated by the weight of each Piece in such Shipments.

PuroPost® Shipments

Unless otherwise indicated, the following Purolator shipping charges may be applied to any PuroPost Shipment traveling to or from Canada.

Extended Area Surcharge

Purolator will not charge an Extended Area Surcharge (EAS) for PuroPost Shipments delivered to the designated EAS FSA listing, provided that the percentage of PuroPost Shipments destined to these FSA's does not exceed the maximum allowable Customer specific percentage as defined the PuroPost Volume Discount Agreement. If the percentage of PuroPost Shipments to the EAS FSA's exceeds the maximum allowable percentage over a period of one week, Purolator reserves the sole right to charge an Extended Area Surcharge. Please contact Purolator for details.

Package Weight Mix Surcharge

Purolator reserves the sole right to apply a Package Weight Mix Surcharge when Pieces weighing less than or weighing more than (or both) weights specifically defined in the PuroPost Volume Discount Agreement are tendered by Customer, over a period of one week.

PuroExpedite Shipments

Purolator Shipment charges are calculated according to the higher of the (i) actual; or (ii) volumetric weight. Purolator reserves the right to re-weigh and re-measure any Shipment to confirm weight calculations. Shipper is responsible for all Shipment charges, ancillary charges, duties and taxes owed for services provided by or incurred by Purolator on behalf of Shipper, Consignee or any third party's for any claims, damages, fines and expenses incurred if the Shipment is deemed unacceptable for transport.

ADMINISTRATIVE CHARGES

Purolator reserves the right to discontinue, apply new, or modify existing, administrative charges at any time and from time to time. Unless otherwise indicated, any of the following Purolator administrative charges may be applied to any Purolator Shipment.

Address Correction

An additional charge will be applied where the Consignee's address is incorrect, incomplete or illegible.

Document Copies

An additional charge will be applied where the Shipper or Consignee requests an extra copy of a paper document or a replacement copy of an electronic document relating to a specific Shipment Certain document copies are available free of charge online at <u>www.purolatorinternational.com</u>.

Missing / Invalid Account Number

An additional charge will be applied where no account or incorrect account number appears on Bill of Lading.

Proof of Delivery

Unless otherwise specified in these Terms and Conditions, Purolator will provide electronic proof of delivery, where available, to Customers at no charge. The Shipper, the Consignee and any third party payor in respect of a Shipment may obtain electronic proof of delivery for such Shipment, as follows:

- (i) At www.purolatorinternational.com;
- (ii) By emailing track@purolator.com or PODtrack@purolator.com;
- (iii) Through Purolator's Automated Shipping Systems; or
- (iv) By contacting Purolator (see "Contact Us").

An additional charge will be applied if a Customer requests, and is provided with, a hard copy proof of delivery.

Rebilling

An additional charge will be applied where a Customer requests a change to an invoice, or where Purolator is required to issue an invoice to a Customer or amend an invoice to correct or reverse a charge, due to the Customer's actions, including where the Customer has incorrectly represented information on an electronic manifest or Bill of Lading, or has reused a Bill of Lading or has used a voided one.

Courier Shipments

Credit Card Retrieval

Purolator will provide back up in respect of credit card transactions for six months from the payment date free of charge. After six months, a fee will apply.

Manual Shipping

An additional charge will be applied to Courier Shipments if a Customer uses a manual Bill of Lading or if the Bill of Lading must be manually processed by Purolator (e.g., in the case of manifests).

Third Party Billing

An additional charge will be applied when a third party pays the Service Rate and any Additional Charges and Taxes for a Shipment.

PuroPost® Shipments

Signature on Delivery

Provided the Signature option was selected at the time of shipping, delivery information including a secured signature image will be available at no additional charge. Some exceptions apply in smaller centers. This delivery information can be obtained either through the Client's Portal web service or on Purolator's website at <u>www.purolatorinternational.com</u>.

RATE APPLICATION

Rates

Where a Customer has entered into a Service Agreement with Purolator, the Service Rates and Applicable Charges for Purolator services will be determined in accordance with that agreement.

Where a Customer has not entered into a Service Agreement with Purolator, Customers will be charged a Service Rate, as well as any applicable Additional Charges, as follows:

- For Courier Shipments traveling to Canada from the U.S. and the rest of the world, the Service Rates are based on origin and destination FSAs. Please contact Purolator for details.
- For Courier Shipments traveling to Canada from the U.S. or the rest of the world, the Service Rates are based on a zone-to-zone grid system according to zones set out in the Service Agreement and any Addendums. Refer to Appendix A.

Purolator reserves the right to:

- (i) Make any additions, deletions or modifications to its Service Rates and Additional Charges at any time;
- (ii) Consolidate a number of individual Courier Shipments traveling, on the same date and at the same time, with the same Purolator service and other identical shipment characteristics, from one Shipper to one Consignee at one address, and for which will be billed to one Customer, into one Shipment under single Bill of Lading. Where five or more individual Pieces are consolidated, the Multipiece charge will be applied to the entire Shipment (see "Shipping Charges – Multipiece");
- (iii) Make any necessary adjustments to the charges applicable to a Shipment, where a Customer has failed to provide, or incorrectly provided, information about such Shipment. In such circumstances, Purolator may rate the Shipment on the actual number of Pieces traveling or that traveled through Purolator's courier or freight distribution network, as well as apply any Additional Charges and Taxes applicable to such Shipment, and invoice the Customer an amount equal to the difference between (a) the charges originally invoiced for the Shipment based on the electronic manifest or manual Bill of Lading and (b) the actual Service Rate, Additional Charges and Taxes applicable to the Shipment; and
- (iv) Rate the Shipment on the basis of the actual number of Pieces traveling or that traveled through Purolator's courier or freight distribution network and invoice such Shipment for the Service Rate and any Additional Charges applicable to such Shipment in the event that:
 - a. An electronic manifest or manual Bill of Lading is not available or obtainable at the time of billing; or
 - b. Shipper has re-used a Bill of Lading, or tendered a Shipment with a Bill of Lading that has been voided.

In addition, Purolator reserves the right to invoice a Customer, on any Shipment, the greater of:

- (i) The weight (rounded up to the nearest whole number) declared by the Customer on the Bill of Lading;
- (ii) The scale weight (rounded up to the nearest whole number) of the Shipment determined by Purolator (see "Tendering Shipments to Purolator – Reweighing, Cubing and Low-Density Shipments"); and
- (iii) The cubic (dimensional) weight of the Shipment (rounded up to the nearest whole number) determined by Purolator (see "Tendering Shipments to Purolator – Reweighing, Cubing and Low-Density Shipments").

In the event that a Customer fails to declare a weight on the Bill of Lading and Purolator fails to reweigh the Shipment, Purolator reserves the right to ascribe to such Shipment an average Shipment weight, and to invoice the Customer on the basis of such ascribed weight.

Rate Quote

Customer may obtain a rate quote by contacting their Client Relations Representative (CRR). Purolator will also provide a rate quote online when preparing a Shipment using one of Purolator's Automated Shipping Systems. Any such rate quote is subject

to Additional Charges incurred after tendering the Shipment, which may include, without limitation, Special Handling and adjustments made to a Shipment's weight as a result of Purolator's right to reweigh or cube Shipments.

Any rate quoted for a Shipment is an estimate only and is based solely upon information provided by the Customer. The actual Service Rate and Additional Charges that will be applied to a Shipment, and for which a Customer will be invoiced, may vary from the rate quote based on the characteristics of the Shipment actually tendered to Purolator. Purolator is not liable, nor will Purolator refund or credit Customers, for any discrepancy between the rate quoted prior to tendering the Shipment, and the actual Service Rate and Additional Charges applied to the Shipment. The rate(s) quoted to a Customer will depend on whether such Customer is an Account Customer and what discounts apply to such Customer's Purolator account.

Taxes

Purolator's Service Rates and Additional Charges do not include Tax. The Customer shall pay to Purolator any and all applicable Taxes imposed in respect of the service provided so that Purolator is fully reimbursed by the Customer as required by law.

Customs Clearance Charges

Purolator's Service Rates and Additional Charges do not include applicable Customs Clearance Charges, (with the exception of PuroPost). The Customer shall pay to Purolator's designated customs broker or the Customer's own customs broker, as the case may be, any and all Customs Clearance Charges. The Customer agrees to indemnify Purolator against any claims or liabilities for unpaid Customs Clearance Charges.

TENDERING SHIPMENTS TO PUROLATOR

Bills of Lading

All Bills of Lading generated by Automated Shipping Systems are deemed to incorporate these Terms and Conditions. If a Bill of Lading other than a Purolator Bill of Lading is accepted by Purolator, these Terms and Conditions will be deemed to be incorporated into such Bill of Lading and will be deemed to supersede and replace any terms and conditions appearing on such Bill of Lading.

In the event of any conflict or inconsistency between these Terms and Conditions and the terms and conditions set out on a Bill of Lading, these Terms and Conditions will govern to the extent of such conflict or inconsistency.

Customer Representations and Warranties

The Customer represents and warrants that (i) the Shipment will be accurately described on the face of the Bill of Lading and any accompanying documentation; and (ii) where the Customer generates a Bill of Lading for the Shipment using an Automated Shipping System, unless the Customer voids the Shipment/Bill of Lading, the Customer will tender the Shipment described on such Bill of Lading to Purolator. The Customer agrees that where it has generated a Bill of Lading for a Shipment using an Automated Shipping System and such information has been submitted to Purolator, Purolator will charge the Customer, and the Customer will pay, for the Shipment described on such Bill of Lading.

The Customer further represents and warrants that the Shipment:

- (i) Will be acceptable for carriage;
- (ii) Will not consist of "Prohibited" articles (see "- Prohibited Articles");
- (iii) Will comply with Purolator's shipping restrictions (see "- Shipping Restrictions"); and
- (iv) Will be properly marked, addressed and packaged to ensure safe transportation in accordance with Purolator's ordinary care in handling and in accordance with all applicable laws including, without limitation, those laws governing the carriage of dangerous goods (see "Purolator Specialized Services – Dangerous Goods / Hazardous Materials).

Unless otherwise indicated, in respect of any Shipment, the Shipper's (consignor's) name and address is the sender's name and address indicated on the Bill of Lading, and the latter constitutes the place of execution and the place of departure; the Consignee's name and address is the recipient's name and address indicated on the Bill of Lading, and the latter constitutes the place of destination; and the date indicated on the Bill of Lading is the date of execution of the Bill of Lading.

Customs Clearance

Where a Customer has a pre-existing relationship with a customs broker, such Customer may designate that customs broker as the Customer's preferred customs broker and (with the exception of PuroPost Customers) Purolator shall to use such customs broker to provide customs clearance services for such Customer. Where no customs broker designation has been made by the Customer, the Customer acknowledges and agrees that, by tendering a Shipment to Purolator, such Customer appoints Purolator's designated customs broker to provide customs clearance services, if any, to the extent allowed by law. The foregoing appointment is irrevocable once the Shipment is accepted by Purolator. The Customer acknowledges that Purolator may designate, in its sole discretion, any customs broker to provide customs clearance services.

Reweighing, Cubing and Low-Density Shipments

Purolator may reweigh and / or cube any Shipment and recalculate the Shipment charges in its sole discretion, notwithstanding that a weight has been declared on the Bill of Lading.

Purolator reserves the right to apply a dimensional weight to a Shipment, notwithstanding that a weight has been declared on the Bill of Lading. Where a Customer has entered into a Services Agreement with Purolator, the cube factor that will be applied to calculate the Shipment charges may be determined in accordance with the cube factor contained in that agreement. Where a Customer has not entered into a Services Agreement with Purolator or such agreement is silent on cubing, a cube factor will be applied, as follows:

- 15 pounds per cubic foot (6.804 kilograms per 0.0283 cubic meters) for PuroExpress Shipments that travel via Purolator's air network (whether in whole or in part); or
- 10 pounds per cubic foot (4.562 kilograms per 0.0283 cubic meters) for PuroParcel Shipments and PuroExpress Shipments that do not travel via Purolator's air network (whether in whole or in part).

The Customer's invoice will indicate if the air cube is applied. Purolator will multiply the applicable cube factor by the cubed (dimensional) weight of each Piece in a Shipment, calculated as follows:

* Dimensional weight = <u>length X width X height</u> 1,728 ** Metric equivalent = <u>length X width X height</u> 28,316

* Dimensional weight is calculated in inches

** Metric equivalent is calculated using centimeters

Any Freight Shipment that occupies a length of 10 feet (approximately 3 meters) or more of trailer space will be ascribed a weight of 1,000 pounds per linear foot. If a Freight Shipment cannot be stacked (or has a height of 6 feet or more), or cannot be placed alongside another Freight Shipment in the trailer, it will be ascribed a height of 8 feet (approximately 2 meters).

Right of Inspection

Purolator reserves the right to open and inspect any Shipment tendered to it for carriage, at any time, without notice. Governmental authorities may also open and inspect any Shipment, at any time, without notice.

Right to Refuse Shipments

Purolator reserves the right to refuse any Shipment, in its sole discretion, including any Shipment that may soil, taint, or otherwise damage other merchandise or equipment, or which is economically or operationally impractical to transport, or which is improperly prepared, packed or wrapped for transport (see "Shipment Acceptance Policy").

Right to Pursue Consequential Damage Claims

Purolator retains the right to request reimbursement by the Shipper for any costs related to the cleanup of, or damage to, its property caused by contents spilling from or dropping out of a Shipment.

Right to Use Agents and Subcontractors

Purolator reserves the right to use its parent, affiliates, agents and subcontractors in the performance of its services. Any exercise of this right will in no way affect Purolator's maximum liability described in these Terms and Conditions (see "Liability of Purolator – Maximum Liability"). For Courier Shipments, where agents or subcontractors are used, more restrictive size and weight limitations than those set out herein may apply (see "Shipment Acceptance Policy").

Right to Use Alternate Modes of Carriage

Purolator reserves the right to use an alternate mode of carriage for the Customer's selected service and the Customer acknowledges that charges based on such mode will be levied and such Customer shall pay same. In the event a Customer fails to indicate a mode of carriage on a manual Bill of Lading, Purolator reserves the right to transport the Shipment by the most efficient mode of carriage available, in Purolator's sole discretion, and the Customer acknowledges that charges based on such mode will be levied and such Customer shall pay same. Any exercise by Purolator of such right to use alternate modes of carriage will in no way affect Purolator's maximum liability described in these Terms and Conditions (see "Liability of Purolator – Maximum Liability").

Proper Labeling

Each Shipment or Package must display a Purolator or Purolator approved Bar Coded Parcel Identification Number (PIN) and a properly secured and completed address label, as follows:

- (i) The address label must display the Shipper's and Consignee's full addresses including zip code or postal code and phone number with area code (post office box addresses are not permitted). In addition to the above information, the address label must contain the following:
 - Customer account number (if applicable)
 - Service option selected
 - Service Identified (if applicable)
 - Billing instructions (if applicable)
 - Number of Pieces in the Shipment
 - Weight of each Piece in the Shipment
 - Declared value (for Purolator liability purposes) –optional
 - Date
 - Signature (if applicable)
- (ii) The address label must be securely fastened to the top of each Shipment or Package. String or wire tags are not acceptable. Improper labeling may result in the Shipment being delayed or lost. It is strongly recommended that a duplicate address label be attached to an inner flap of each Shipment or Package;
- (iii) Address labels must be flat with all Purolator bar codes visible. Labels should not be wrinkled, creased, folded or placed on the Shipment in a manner that may make them difficult to scan and or read (e.g., on box corners or uneven surfaces or seams);
- (iv) Where a Customer is reusing a box or packaging, all previous delivery address labels and markings must be covered or removed.
- (v) A Shipment consisting of more than one Piece must have each Item individually numbered. For example, if a Shipment consists of three Pieces, the Pieces should be marked "1 of 3", "2 of 3" and "3 of 3". This numbering of Pieces is in addition to the requirement that each Piece in the Shipment displays a PIN and full delivery address.
- (vi) According to the Shipper's discretion, for courier or fright Shipments, orientation "up" arrows may be located on either both sides or ends of Shipments containing liquids or fragile items. In addition, Shipments containing liquids may be labeled "LIQUID". Shipments containing glass or ceramic products may be labeled "GLASS". However, note that Purolator does not guarantee special care to courier or freight Shipments that contain content markings.
- (vii) Purolator Express (U.S. Origin) and Purolator Expedited (U.S. Origin) Pieces weighing in excess of 70 pounds must be labeled as "HeavyWeight"; and
- (viii) Maximum of 4 Packages per Shipment when using a manual Bill of Lading.

Use of Personal Information

Purolator's Privacy Statement, as published on www.purolator.com, governs all personal information (i.e., information about an identifiable individual) that Purolator receives from a Customer to effect the delivery of a Shipment.

Customer's Own Automated Shipping Systems, Labels, Bar Codes and Bills of Lading

Purolator requires that Customers use a Purolator Bill of Lading to eliminate billing, tracking and service failures. Customers may request, and Purolator may agree, in its sole discretion, to allow a Customer to use its own (or a third party provider's) labels, bar codes, and Bills of Lading generated in a form, and on automated shipping systems, approved in advance by Purolator pursuant to the applicable Purolator certification program.

Any Customer using its own (or a third party provider's) Automated Shipping System, labels, bar codes and Bill of Lading agrees:

- (i) To comply with the obligations set out in the Purolator certification program, including but not limited to the design and specification requirements and updates;
- (ii) That it has been granted a non-exclusive, non-transferable, royalty free license to use the intellectual property provided by Purolator in such Automated Shipping System, labels, bar codes and Bills of Lading. The Customer will not, under any circumstances, sublicense, sell, loan, lease, assign, convey, encumber or otherwise transfer the intellectual property provided by Purolator. Purolator reserves the right to revoke such license immediately upon notice to the Customer;
- (iii) To seek Purolator's prior approval pursuant to the applicable Purolator certification program for any proposed changes to such Automated Shipping System, labels, bar codes and Bills of Lading;
- (iv) That, if the Customer does not comply with the requirements set out in Purolator's certification program and these Terms and Conditions, Purolator may, in its sole discretion, cease providing services and / or revoke certification;
- (v) That Purolator is not liable for any loss or damage incurred or suffered by a Customer as a result of the use of such Automated Shipping System, labels, bar codes and Bills of Lading, including incorrect rate quotes, where such Automated Shipping System, labels, bar codes and Bills of Lading do not comply with the Purolator certification program and these Terms and Conditions; and
- (vi) To release and discharge Purolator from, and indemnify Purolator against, all claims, actions, demands, costs, losses or damages arising or resulting from such Customer's failure to comply with the requirements set out in the certification program and these Terms and Conditions.

The Customer agrees that all Shipments tendered to Purolator bearing the Customer's own (or a third party provider's) label, bar code and Bill of Lading are governed by: (i) these Terms and Conditions (as may be amended by Purolator from time to time); and (ii) applicable law.

The Customer's own (or third party provider's) electronic Bills of Lading must be successfully transmitted to Purolator no later than the day following pickup of the Shipment by Purolator. Where the electronic Bill of Lading is not received in time, Purolator may, in its sole discretion, cease providing services or elect to use alternate methods of billing for the Shipment and apply any applicable administrative charges incurred to alternate the billing method.

HeavyWeight

Purolator may accept Pieces that weigh more than 70 pounds (approximately 32 kilograms) to travel as Courier Shipments, provided that "heavy weight" service has been pre-arranged by contacting Purolator. Heavy weight Shipments may also be subject to Special Handling charges (see "Purolator Specialized Services – Special Handling"). Heavy weight Shipments are not eligible for Purolator's service guarantees. It is the Shipper's responsibility to advise the Consignee that a Heavy weight Shipment will require assistance at the receiving end to effect delivery.

At Shipper's Risk

Certain articles are not well suited for Purolator's distribution and sorting system and are therefore subject to a high risk of damage. For this reason, the following articles are only accepted for carriage at the Shipper's risk (i.e., Purolator will not assume liability of any kind for these articles and will not accept any claims for loss, damage or delay in the shipment of these articles):

- (i) Glass, china, crystal, pottery, ceramics and other similarly fragile articles.
- (ii) Collectors' items.
- (iii) Liquids.
- (iv) Precious metals.

- (v) Articles requiring temperature-controlled services (i.e., a specific temperature is maintained during carriage).
- (vi) Perishable items, and foods and beverages requiring refrigeration or other environmental control.
- (vii) Unpackaged articles (see "Shipment Acceptance Policy Unpackaged Articles").
- (viii) Privately packaged Items (e.g., not in manufacturer's original packaging).
- (ix) Articles not packaged in accordance with Purolator's shipment acceptance policy (see "Shipment Acceptance Policy").
- Pieces in a Shipment not properly labeled in accordance with Purolator's labeling requirements (see "Tendering Shipments to Purolator – Proper Labeling").
- (xi) Artwork.
- (xii) Antiques.
- (xiii) Jewelry, other than costume or novelty jewelry.
- (xiv) Seeds.
- (xv) Household goods and personal effects.
- (xvi) Articles designated as "Prohibited" in these Terms and Conditions but which have been tendered to Purolator and accepted for carriage (see "– Prohibited Articles").
- (xvii) Small arms ammunition defined in 49 C.F.R. § 173.59 imported into Canada that are not otherwise prohibited by law or government entity shall only be accepted from licensed importers, manufacturers, dealers collectors, and government agencies.
- (xviii) Fragile articles including but not limited to electronic and electrical devices such as televisions and test equipment. (This includes Shipments bearing "Fragile" or similar type of package handling markings.)

Any "At Shipper's Risk" Shipments accepted by Purolator travel on a "no-value" basis (i.e., the Customer cannot increase Purolator's liability by declaring a value for such Shipment on the face of the Bill of Lading or, in the case of Shipments prepared using an Automated Shipping System, in the designated user entry field).

Prohibited Articles

Purolator will not transport any article that (i) it is prohibited by law from transporting, or (ii) is inadequately or improperly prepared for transport.

Purolator will <u>not</u> accept the following articles for carriage, unless the Customer has received prior written approval from Purolator as evidenced by a duly executed Services Agreement or other written record setting out the pre-approved article(s) to be transported:

- (i) Human remains in any form.
- (ii) Animals, birds or insects.
- (iii) Live plants and cut flowers.
- (iv) Currency (including cash or coins) or other securities negotiable without endorsement such as bearer bonds, gift certificates, etc.
- (v) Fish, seafood, or meat (fresh or frozen).
- (vi) Tobacco or alcohol, inter-provincial / state (i.e., across provincial / state boundaries).
- (vii) Firearms or weapons of any kind.
- (viii) Dangerous goods that are classified as "acceptable only with prior approval by Purolator" or "not acceptable" (see "Purolator Specialized Services – Dangerous Goods / Hazardous Materials").
- (ix) Drugs prohibited by law.
- (x) Animal products (non-domesticated).
- (xi) Gem stones, industrial diamonds and unset precious stones.
- (xii) Ivory. (Exemptions, if any, subject to CITES, U.S. Endangered Species Act, Fish & Wildlife & Customs Regulations.)
- (xiii) Personal effects and unaccompanied baggage shipped to any country.
- (xiv) Any Shipment that, in Purolator's judgment, could cause loss, damage or delay to equipment, personnel, or other Shipments.
- (xv) Biological Substances Categories A & B (as defined, respectively, in ICAO & 49 CFR 173.99)
- (xvi) Diagnostic specimens.
- (xvii) Dry Ice (except when shipped via PuroParcel).

Other prohibited articles may vary by country. Please contact Purolator for details.

Customer cannot declare a value for any of the above articles. Any Shipment containing articles requiring Purolator's preapproval will travel at the Shipper's risk, including without limitation for loss, damage, delay, mis-delivery or failure to deliver such Shipment. Please contact Purolator for details. In the event that Purolator unknowingly transports a Prohibited" article, Purolator will assume no liability whatsoever in respect of the loss, damage, delay, mis-delivery or failure to deliver such Shipment.

In all other circumstances, Purolator's maximum liability will be as described in these Terms and Conditions (see "Liability of Purolator – Maximum Liability").

PuroPost[®] Shipments

Reweighing, Cubing and Low-Density Shipments

For any PuroPost Shipment, charges for low density shipments will be calculated at a minimum density rate per cubic foot for each Piece in a shipment. The formula to be used in calculating the dimensional or cubed weight of each Piece in the Shipment is as follows:

Dimensional / Cubed Weight = <u>length X width X height</u> (in inches) 139

Notwithstanding the foregoing, Purolator agrees to waive all dimensional or cubing adjustments for any Pieces in a Shipment with a dimensional volume of 5,184 cubic inches (3 cubic feet) or less.

Purolator reserves the right to re-weigh shipments, notwithstanding that a weight has been declared on the shipping document, and to bill Customer based upon the weight determined by such re-weigh process.

Proper Labeling

Each PuroPost Piece must display an approved PuroPost address label with and an approved PuroPost PIN number:

- (i) The address label must display the Shipper's and Consignee's full addresses including zip code or postal code and phone number with area code (Shipper only). In addition to the above information, the address label must contain the following:
 - Customer account number (if applicable)
 - Weight of each Piece
 - Method of Payment
- (ii) The address label must be securely fastened to the top of each Piece. String or wire tags are not acceptable. Improper labeling may result in the Shipment being delayed or lost. It is strongly recommended that a duplicate address label be attached to an inner flap of each Shipment or Package.
- (iii) Address labels must be flat with all PuroPost bar codes visible. Labels should not be wrinkled, creased, folded or placed on the Shipment in a manner that may make them difficult to scan and or read (e.g., on box corners or uneven surfaces or seams).

Prohibited Articles

In addition to the prohibited articles mentioned above, Purolator will not transport any article as part of a PuroPost Shipment that includes any of the following, unless the Customer has received prior written approval from Purolator as evidenced by a duly executed Services Agreement or other written record setting out the pre-approved article(s) to be transported:

- Certain pharmaceuticals.
- Certain categories of batteries.
- Radiological devices.

For details on which types of the above categories are prohibited, please contact your Client Relations Representative.

SHIPMENT ACCEPTANCE POLICY

The contents of a Shipment must be held firmly in place by the interior (internal) packaging system. Interior packaging must surround the article and prevent movement within the carton to protect carton contents from normal external forces, including pressure exerted by stacking other Shipments on top of it. Sufficient internal packaging is especially important for lightweight and / or fragile Shipments (see "Packaging Guidelines" in the Purolator Service Guide).

Shipments not packaged in accordance with Purolator's shipment acceptance policy will travel at the Shipper's risk (see "Tendering Shipments to Purolator – At Shipper's Risk").

Packaging Requirements

Shipments must be properly packaged to ensure safe transportation in accordance with Purolator's ordinary care in handling of Courier Shipments. Plastic casing, aluminum casing or other types of external casing or packaging, the exterior of which may be damaged while traveling via Purolator's courier distribution system, should be protected by outer packaging.

Defect-Free Carton

A defect-free carton maintains the original rigidity of its corrugated sidewalls. The carton's corner seals and flaps must remain intact. Carton defects include punctures, tears, rips or corner damage, each of which reduces the carton's structural integrity.

Defect-Free Carton Closure

Masking or cellophane tapes do not supply the strength necessary to secure Shipments traveling through Purolator's distribution and sorting system. The minimum acceptable tape is 2" (approximately 5 centimeters) wide for pressuresensitive plastic tape. Water-activated or reinforced paper tape is not recommended. The use of string, rope, plastic straps or elastic bands on the outside of a Shipment is prohibited, as is the use of gift wrap or brown postal paper on the exterior of any Shipment.

Strength of Carton

The strength of the corrugated carton is a critical factor in a Shipment's ability to withstand the normal rigors of parcel handling and carriage. The carton's class stamp, printed on the bottom of the carton, designates the maximum allowable content weight and is shown as the last number at the bottom of the stamp. The weight of packaging and contents must not exceed 50% of this value.

Cans and Pails

Lid clips or lock rings must be used on all sizes of paint cans. Locking lids must be used on all sizes of pails.

Pallets and Stretch Wrap

Any bulk Courier Shipments (including Shipments traveling to Canada from the U.S. or the rest of the world that will become individual Shipments upon induction at a Canadian Induction Facility) may be required to be secured to one or more pallets with stretch wrap.

Interior Packaging

The contents of a Shipment must be held firmly in place by the interior (internal) packaging system. Interior packaging must surround the product and prevent movement within the carton to protect carton contents from normal external forces such as the pressure exerted by the stacking of other Shipments on top of it. Sufficient internal packaging is especially important for light, fragile Shipments.

Size Limitations

The following size limitations apply to Canada Origin Courier, Purolator Express (U.S. Origin) and Purolator Expedited (U.S. Origin) products.

Shipments travelling via Purolator's air network:

Max. length: 96 inches (244 centimeters) Max. size: 144 inches (366 centimeters) Shipments not travelling via Purolator's air network: Max. length: 120 inches (305 centimeters) Max. size: 216 inches (549 centimeters)

Max. size is calculated as follows: length + (2 X height) + (2 X width)

Please note for all origins / destinations: Special Handling may apply (see "Special Handling"). Where agents or subcontractors are used, more restrictive size and weight limitations than those set out above may apply. Please call your Client Relations Representative for details.

Unpackaged Goods

Unpackaged goods (i.e., goods that are not protected by a rigid shipping container such as a corrugated box, plastic tote, or wooden crate, etc.) are subject to Special Handling charges and are only accepted for shipping once Purolator is satisfied that they do not pose any hazard to Purolator staff, equipment and / or other Shipments.

Freight Shipments

All Pieces in a Freight Shipment must be tendered to Purolator secured to one or more pallets with stretch wrap. Pallets must be free of damage or defect. Articles secured to a pallet should not hang over the edge of the pallet and there should be no space between articles on a pallet.

Freight Shipments containing Pieces which, due to their bulk, length, width or height, cannot be safely stowed within a trailer, container or on a pallet, will not be accepted by Purolator for carriage.

Size Limitations

Courier Shipments

Shipments to Canada

The following size limitations apply to all Courier Shipments traveling to Canada:

- PuroExpress Shipments travelling via Purolator's air network (whether in whole or in part): Maximum length: 96" (244 centimeters) Maximum size*: 144" (366 centimeters) Maximum weight per Piece: 150 pounds (approximately 68 kilograms) Maximum weight per Shipment: Unlimited
- PuroGround Shipments and Purolator Express Shipments not travelling via Purolator's air network: Maximum length: 120" (305 centimeters) Maximum size*: 216" (549 centimeters) Maximum weight per Piece: 150 pounds (approximately 68 kilograms) Maximum weight per Shipment: Unlimited

Shipments from Canada

The following size limitations apply to all Courier Shipments traveling from Canada:

Maximum length: 108" (274 centimeters) Maximum size*: 165" (419 centimeters) Maximum weight per Item: 150 pounds (68 kilograms) Maximum weight per Shipment: Unlimited

For all origins and destinations, Special Handling charges may apply (see "Purolator Specialized Services – Special Handling"). For Courier Shipments, where agents or subcontractors are used, more restrictive size and weight limitations than those set out above may apply. Please contact Purolator for details.

Freight Shipments

The maximum weight per pallet in a Freight Shipment is 4,500 pounds (approximately 2,041 kilograms). The maximum height applicable per Piece in a Shipment is 8 feet (approximately 2 meters). If a Freight Shipment cannot be stacked (or has a height of 6 feet or more) or cannot be placed alongside another Freight Shipment in the trailer, it will be ascribed a height or width of 8 feet (approximately 2 meters). Please contact Purolator for details regarding maximum lengths and widths per Piece in a Shipment.

Any Freight Shipment that occupies a length of 10 feet (approximately 3 meters) or more of trailer space will be ascribed a weight of 1,000 pounds per linear foot. Subject to availability and Purolator pre-approval, Shipments exceeding Purolator

Freight's size and weight limitations may travel through Purolator's freight distribution system for an additional charge. Please contact Purolator for details.

Unpackaged Articles

Unpackaged articles (i.e., articles that are not protected by a rigid shipping container such as a corrugated box, plastic tote or wooden crate) are subject to Special Handling charges and are only accepted for carriage once Purolator is satisfied that such articles do not pose any hazard to Purolator staff, equipment and other Shipments.

PuroPost[®] Shipments

The following size limitations apply to all PuroPost Shipments traveling to Canada:

- Maximum length on one dimension: 78.7" (2 meters)
- Maximum length plus girth: 118.1" (3 meters)
- Minimum length: 3.94" (100 millimeters)
- Minimum width: 2.75" (70 millimeters)
- Minimum height: 0.04" (1 millimeters)
- Minimum dimensions for a mailing tube: L 3.94" X W 0.9" X H 0.9" (100 millimeters X 23 millimeters X 23 millimeters)

The following weight limitations apply to all PuroPost Shipments traveling to Canada:

- Maximum weight per Piece: 66 pounds (30 kilograms)
- Maximum weight per Shipment: Unlimited

For all origins and destinations, Special Handling charges may apply (see "Purolator Specialized Services – Special Handling"). Please contact Purolator for details.

DELIVERY OF SHIPMENTS

Delivery

Purolator will deliver the Shipment to the delivery address (or applicable shipping agent locations, where shipping agents are used) indicated on the Bill of Lading. Purolator is not required to deliver the Shipment to any particular person, whether or not specifically identified on the Bill of Lading. The Consignee of any Shipment is deemed to appoint the individual who signs for the Consignee's Shipment on delivery as the Consignee's agent to accept delivery on the Consignee's behalf. Purolator reserves the right to withhold delivery of a Shipment and / or return the Shipment to the Shipper (at the Shipper's expense) if a proof of delivery signature cannot be obtained from an individual that appears to Purolator's driver to be over the age of majority. If Purolator is unable to complete delivery of a Courier or a PuroPost Shipment (after at least one attempt), a notice of delivery will be left at the delivery address setting out instructions for the Consignee to pick up the Shipment. In the case of a Freight Shipment, if Purolator is unable to complete delivery on the first attempt, the Shipment will be returned to the applicable Purolator facility and Purolator will contact the Shipper for further instructions. If Freight Shipment is returned to the Shipper, such return will be at the Shipper's expense.

Driver Release for Shipments to Canada

At the discretion of Purolator's authorized agent, a Shipment (with the exception of PuroPost Shipment) destined for delivery to Canada may be left at a private residence without obtaining a signature. If a signature is required for a Shipment or, if Purolator's agent is otherwise unable to "release" a Shipment, it may be delivered to a neighboring address and Purolator's agent will obtain a signature from the neighbor when completing an indirect delivery. The Shipper and the Consignee release and indemnify Purolator, on a joint and several basis, from and against any claims or liabilities resulting from an authorized agent driver's release of such Shipment.

Undeliverable Shipments

For Shipments that cannot be delivered for any reason, including, without limitation, errors or omissions on the Bill of Lading, refusal by the Consignee or failure of the Consignee to pick up a Shipment being held for pickup, Purolator may return such Shipment(s) to the Shipper at the Shipper's expense. The Shipper will be invoiced for the original delivery charge, as well as the return delivery.

For Shipments that cannot be delivered or returned for any reason, title to the Shipment(s) will pass to Purolator and such Shipment(s) may be disposed of in Purolator's sole discretion and at any location:

- (i) In the case of Shipments consisting of general articles, where such articles have been in Purolator's possession for 120 days or more.
- (ii) In the case of Shipments consisting of perishable articles, where such articles have been in Purolator's possession for 30 days or more.

The Shipper shall pay any costs incurred and indemnify Purolator for any damages in respect of the foregoing. For greater certainty, Purolator's maximum liability in respect of any Shipments disposed of will be the maximum liability stated in these Terms and Conditions under "Liability of Purolator – Maximum Liability".

Routing

By tendering a Shipment to Purolator, Shipper agrees that transit times shall be determined by Purolator and are subject to modification due to Force Majeure or any other event beyond Purolator's control that may require rerouting or alternate mode of transport.

PuroPost® Shipments

If Purolator is unable to complete delivery of a PuroPost Shipment (after one attempt), a Delivery Notice card will be left at the delivery address setting out instructions for the Consignee to pick up the Shipment at the nearest Canada Post retail postal outlet.

If after five calendar days, the Shipment has still not been picked up at the Canada Post retail postal outlet, a Final Notice card will be sent to the addressee. The Shipment will be held for pick up for a maximum period of fifteen calendar days, after which time, it will be returned to sender at the Shipper's expense.

BILLING, PAYMENT AND LIABILITY INFORMATION

Payment

Non-account Customers are required to pay for Purolator services at the time such services are requested or, if Purolator invoices the Customer, in accordance with the terms of the applicable invoice. Account Customers are required to pay for Purolator services within 14 calendar days from the date of invoice or in accordance with their Services Agreement. In the event the Customer fails to pay an invoice in full when due, interest may be charged at the rate of 1.5% per month (with an effective rate of 19.6% per annum), on all outstanding amounts. This is in addition to any other legal rights and remedies available to Purolator.

Shipper Payment Guarantee

When

- (i) The Receiver, on a collect Shipment (see "Collect"), or
- (ii) A third party, on a third party Shipment (see "Third Party") refuses to pay Purolator, Purolator's designated customs broker or the Shipper's own customs broker, as applicable or
- (iii) where neither the Shipper nor Receiver has a pre-existing Purolator account,

then the Shipper shall pay Purolator (or Purolator's designated customs broker or the Shipper's own customs broker, where and as applicable) the Service Rate and all Additional Charges (including, without limitation, all Taxes and Customs Clearance Charges).

Where a Shipment is undeliverable (including where the Consignee is unable to accept delivery of the Shipment for any reason), the Shipper shall pay all charges incurred in the delivery attempt and the return of such Shipment to the Shipper (including, without limitation, all Taxes and Customs Clearance Charges).

Invoice Discrepancies

Customers should call the number on their invoice to report discrepancies. Invoice / billing discrepancies must be brought to Purolator's attention within 90 days of the date of the invoice, after which time such invoice will be deemed accepted by the Customer. Customers are responsible for all reasonable costs incurred by Purolator in connection with investigating any invoice

discrepancy. For purposes of this paragraph, pursuant to §49 U.S.C. 14101(b), Customer expressly waives Customer's rights under §49 U.S.C. 13710 (3) (B).

For the avoidance of doubt, invoice discrepancies shall not relieve Customer from its obligation to pay any non-disputed monetary amounts which are otherwise due.

LEGAL NOTICE

All Shipments tendered to Purolator are subject to the terms and conditions contained herein.

Customers are solely responsible for ensuring their shipments comply with applicable transportation, export or import laws and must provide Purolator with all verification, authorization, documentation and any other supporting information which may be required to ensure compliance with laws of the origin and destination country. The Shipper understands that civil and criminal penalties including seizure and forfeiture may be imposed for failing to provide Purolator with any required verification, statement, authorization, permit, license, or other supporting documentation which may be required and / or for providing incomplete, inaccurate, false or fraudulent statements, which results in delivery of property by trick or false pretenses whereby a fine, penalty or other liability and / or expense is incurred by or levied against Purolator.

Customers have a duty to and are solely responsible for maintaining all records as required under transportation, export, customs or other applicable laws of the origin and destination countries. Purolator disclaims any responsibility to act as Customer's depository, record keeper or record keeping agent.

Purolator reserves the right, in its sole discretion, to inspect any package tendered to it for transportation. Shipments that are prohibited by applicable law or regulation of any federal, state, provincial or government in the origin or destination country will not be transported by Purolator. Purolator reserves the right to discontinue or terminate service immediately with respect to the transportation of any shipment which does not comply with any U.S. or other government law or any provision of these Terms and Conditions.

Purolator reserves the sole right to update, modify, amend and / or change in any manner these terms and conditions at any time, without notice.

DISCLOSURES

Purolator may, from time to time, communicate Shipper and shipment information to its parent, subsidiaries, affiliates, its employees or agents in order to perform its obligations pursuant to the terms and conditions contained herein. Shipper may be required, at Purolator's request, to execute a confidentiality agreement prior to tendering any shipment for delivery.

LIABILITY OF PUROLATOR

Maximum Liability

The amount of any loss or damage for which Purolator may be liable, whether or not the loss or damage results from negligence, gross negligence, or a failure to perform the contract, shall not exceed:

- (i) CAD\$2.00 per pound (\$4.41 per kilogram), computed on the total weight of the Shipment for Express, Courier, PuroExpedite, Less-Than-Truckload, or Truckload Shipments, or
- (ii) The lesser of (a) the wholesale value or (b) the market value of the Shipment, up to a maximum of CAD\$125.00 per PuroPost Shipment or PuroPost Plus Shipment,

unless a value (for Purolator liability purposes) is declared in the appropriate box on the face of the Bill of Lading or — in the case of a shipment prepared via an automated shipping system — in the appropriate user entry field, and the applicable surcharge is paid, in which case Purolator's maximum liability shall be the amount of the declared value.

The maximum value that may be declared (for Purolator liability purposes) in respect of any:

- (i) Express, Courier and PuroExpedite Shipment is CAD\$5,000.00;
- (ii) Less-Than-Truckload Shipment is CAD\$25,000.00;

- (iii) TruckLoad Shipment is CAD\$100,000.00;
- PuroPost or PuroPost Plus Shipment is CAD\$2,500.00; and
- (v) For any Canada Post Parcel Shipment, refer to the parcel services customer guide at the following link for liability limits (<u>www.canadapost.ca/customerguides</u>). The portion of any declared value in excess of the aforementioned thresholds shall be void and of no force or effect. Other limitations on liability may apply if the shipment is governed by the convention (see "Applicable Law").

The customer agrees as a special agreement with respect to all shipments that, regardless of whether or not the convention applies and notwithstanding any disclosure of the nature or value of the goods, the amount of any loss or damage, including, without limitation, loss of earnings or profits, resulting in any manner, whether or not from negligence or gross negligence, from loss of or damage to the goods and / or mis-delivery, failure to deliver or delay in delivery of the goods, for which Purolator may be liable to the customer / shipper, owner, consignee and / or any third party, whether in contract, tort or otherwise, shall in no event exceed the maximum liability of Purolator set out herein.

Under no circumstances shall Purolator be liable for any warranties (express or implied), liquidated, consequential, special, indirect, exemplary or incidental damages, regardless of whether or not Purolator knew or should have known that such damages might have been incurred. Regardless of the weight of the shipment or any declared value entered on the Bill of Lading, Purolator's maximum liability for loss of, or damage to, a shipment shall not exceed the lesser of: (a) Purolator's maximum liability set out in these terms and conditions; (b) the market value of the articles; (c) the original cost of the articles to the claimant; or (d) the cost of repairing the articles.

Delay

Purolator is not responsible for the consequences (direct or indirect) of a failure to deliver a Shipment by a stipulated time. Upon request, Purolator will, at its option, refund or credit a Customer (payer) if a guaranteed Shipment is not delivered in accordance with the applicable service guarantee (see "Service Guarantees").

Force Majeure

Purolator is under no obligation to assume liability for nor refund or credit a Customer (payer) for any transportation charges, or for any loss, damage, delay, non-delivery, mis-delivery or failure to deliver, caused by events beyond Purolator's control, including, but not limited to, any act, default or omission of the Shipper, owner, Consignee or any party having an interest in the Shipment, defects in the Shipment, Shipper's failure to adhere to these Terms and Conditions, inadequate or incorrect packaging or markings or address on the Bill of Lading, Shipments containing prohibited articles as defined above, acts of God, perils of the environment, air, weather conditions, mechanical delays, disruptions in air or ground transportation networks, acts of public enemies, public health crises, quarantine, war, strikes or other labor disruptions (of any entity including vendors, suppliers or customers), terrorism, riots or civil commotion, acts of public authorities (including customs or health officials) with actual or apparent authority, security or customs clearance delays, import / export or other Shipment documentation deficiencies or Shipments requiring extraordinary handling, documentation or routing.

Loss of Personal Information

Purolator's liability for loss of personal information (i.e., information about an identifiable individual) contained in or displayed on any Shipment is limited in accordance with the limitations on Purolator's liability contained in these Terms and Conditions (see "– Maximum Liability").

Indemnification

Customer and / or Shipper shall indemnify, defend and hold harmless Purolator, its parent or affiliated companies and their employees from all enforcement procedures, suits, claims, demands, expenses, liabilities, causes of action of any kind and of any nature brought by an individual, entity or governmental agency, arising from Customer and / or Shipper's noncompliance with these terms and conditions, or any law or regulation applicable to any Shipments tendered by Customer and / or Shipper or on its behalf.

CLAIMS

Refunds for Purolator Service Guarantees

To obtain a refund or credit where applicable in accordance with Purolator's guarantee(s), contact your Client Relations Representative. Purolator must receive requests for refunds in respect of delivery guarantees within 10 calendar days after the

scheduled delivery date in the case of PuroExpress (U.S. Origin) and PuroPost products and within 45 calendar days after acceptance of the Shipment for carriage in the case of all other Purolator products, failing which the guarantee shall be void.

Claims for Loss or Damage to Shipments

Purolator will not process any claim for loss of or damage to any Shipment unless notice thereof setting out the particulars of the origin, destination, parcel identification number (PIN), date of Shipment and the estimated amount claimed in respect of such loss or damage is given to Purolator in writing within the time limits set out below, failing which Purolator will have no liability in respect of the Shipment; however, where the Convention applies, different time limits may be applicable. Purolator may also require supporting documentation in order to assess a claim. Such documentation may include original purchase invoices, appraisals, estimates for repair, or other records. Failure to submit the necessary supporting documentation (in Purolator's sole discretion) may result in the claim being denied. Purolator also reserves the right to refuse a claim if the Customer fails to upgrade to the Upgraded Carrier Compliance Software or the Customer fails to upgrade Customer Developed Shipping Software. In order to process a claim, Purolator must have a record of scanning activity for the Shipment indicating that it has actually been inducted into the Purolator distribution network (whether courier or freight). Purolator will not pay a claim for loss of or damage to any Shipment unless all applicable transportation charges in respect of such Shipment have been paid.

Type of Damage / Loss					
Type of Shipment	Concealed damage	Damage evident upon delivery	Loss / Failure to deliver (within U.S.)	Loss / Failure to deliver (outside U.S.)	
Courier	21 days from delivery	60 days from delivery	9 months from date of shipment	90 days from date of shipment	
PuroPost	21 days from delivery	21 days from delivery	9 months from date of shipment	9 months from date of shipment	
Freight	2 days from delivery	60 days from delivery	9 months from date of shipment	9 months from date of shipment	
International / PuroExpedite	14 days from delivery	14 days from delivery	90 days from date of shipment	90 days from date of shipment	

In cases where the Convention does not apply (to international air shipments), the final statement of claim must be filed within 9 months from the date of shipment, together with a copy of the Bill of Lading.

The right to damages of any kind against Purolator (regardless of whether the Convention applies) will be extinguished unless an action is brought within two years from the date on which the Shipment should have been delivered, or from the date on which carriage stopped.

Excluding refund requests made in respect of Purolator's service guarantees, all claims must be submitted in writing with the Bill of Lading number (parcel identification number) and supporting documentation to:

Purolator Inc. National Claims Department 140 Champlin St. Dieppe, New Brunswick E1A 1N8 Canada Email: <u>claims@purolator.com</u> Facsimile: 1-800-447-6933

In the case of PuroPost to: Purolator International, Inc. PuroPost Claims Coordinator Two Jericho Plaza, Suite 204 Jericho, New York 11753 USA

Please contact Purolator for further information about filing a claim and the supporting documentation required.

Damage Inspections

Purolator retains the right to inspect any Shipment that is the subject of a damage claim. If, at the time the damage claim is submitted, Purolator requests that the Customer retain the Shipment and packaging for inspection, the Customer shall retain the Shipment and packaging for inspection by Purolator for a period of 30 days. Failure to retain the Shipment and packaging for inspection may result in the claim being denied.

Valuation of Claim for Loss or Damage

Regardless of the weight of the Shipment or any declared value entered on the Bill of Lading, Purolator's maximum liability for loss of, or damage to, a Shipment will not exceed the lesser of:

- (i) Purolator's maximum liability set out in these Terms and Conditions;
- (ii) The market value of the article(s);
- (iii) The original cost of the article(s) to the claimant; and
- (iv) The cost of repairing the article(s).

Unclaimed Freight

Purolator reserves the right to sell or destroy unclaimed freight that:

- (i) In the case of general freight, has been in its possession for 120 days or more; or
- (ii) In the case of specialized freight (e.g., perishable or costly to store), has been in its possession for 30 days or more.

Unclaimed freight includes freight that is unmarked or that has been refused by the Shipper and the Consignee. For greater certainty, Purolator's maximum liability in respect of any freight disposed of shall be the maximum liability stated in these Terms and Conditions under "Maximum Liability".

Applicable Law

The contract for the carriage of articles contained in the Bill of Lading shall be deemed to include, and be subject to, any prescribed conditions of carriage required by the law of the jurisdiction where the Shipment originates. The foregoing applies notwithstanding any "Governing Law" provision contained in any Services Agreement.

To the extent that any provision contained, or referred to, in these Terms and Conditions or a Bill of Lading is invalid or unenforceable at law, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision so contained or referred to.

If the carriage involves an ultimate destination or a stop in a country other than the country of departure, the Convention may apply and limit Purolator's liability in respect of loss of, damage to or delay of the Shipment.

CONTACT INFORMATION

If you are an existing customer, contact your Client Relations Representative.

In the United States

Via Phone — General Inquiries	1 888 511-4811
Via Email — Customer Service inquiries	usclientrelations@purolator.com
Via Email — General Service inquiries	wedelivercanada@purolator.com
Web	www.purolatorinternational.com

In Canada and throughout the World

Via Phone — General Inquiries	1 888 SHIP-123 or 1 888 744-7123
Via Phone — Telecommunications Device for the Hearing Impaired	1 800 561-7876
Via Phone — Purolator Freight Inquiries	1 888 302-8819
Via Email — Customer Service inquiries	custserv@purolator.com
Live Chat	www.purolator.com
Twitter	@PurolatorHelp

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