

2017 UPS® CANADA TERMS AND CONDITIONS OF SERVICE

Effective April 3, 2017 (unless otherwise noted)



All dollar amounts shown in this document are in Canadian dollars unless otherwise indicated.

1. Services

UPS, through its affiliates, is engaged in the transportation of small Packages (including envelopes) in these services (the "Services" or each a "Service"):

- UPS Express® Early
- UPS Worldwide Express Plus™
- UPS Worldwide Express™
- UPS Express
- UPS Worldwide Express Freight®
- UPS Worldwide Express Saver®
- UPS Express Saver®
- UPS Worldwide Expedited™
- UPS Expedited®
- UPS 3 Day Select®
- UPS Standard®

UPS is also engaged in the transportation of Packages via UPS Express Critical®.

All Packages covered under a single Source Document shall be considered a single Shipment.

2. Terms Used

- Accessorial is an additional UPS service feature, which may have an additional charge associated with it.
- Business day means Monday through Friday except statutory holidays.
- C.O.D. for all purposes means Collect on Delivery.
- Daily pickup customers are customers that have shipping patterns that are regular and frequent and have a scheduled, regular pickup arrangement with UPS.
- Declared Value for Customs is the value of the contents declared by the Shipper on international Shipments for the assessment of customs, duties and taxes by the destination country.
- Declared Value for Carriage refers to the amount for which the Shipper wishes to obtain additional protection

- against loss or damage during shipping. If no Declared Value is entered, UPS's maximum liability for the Package, pallet or Shipment is \$100. See Section 22 for details. For a Declared Value above \$100, an additional charge applies, as listed in the UPS Rates in effect at the time of shipping.
- Delivery shall be deemed to include, but not be limited to any of the following: (1) Delivery to the Consignee or the Consignee's actual or apparent agent or representative, or pursuant to the Consignee's instructions, (2) Delivery to the address or location specified in the UPS Shipping System or to any person present at such address, (3) Delivery to an alternate address or location, including to a UPS Access Point® location, (4) Delivery in accordance with trade custom or usage, (5) Delivery pursuant to UPS's Driver Release procedures, or (6) Delivery otherwise permitted under the Terms.
- International refers to all worldwide destinations, including the United States, unless otherwise stated.
- On-call customers are customers that have shipping patterns that are irregular and/or infrequent, and that request a pickup only when needed.
- Package refers to any container and its contents, and includes an Express Envelope, as well as any article that may be handled without packaging if the handling thereof can be accomplished in a reasonably safe and practicable manner.
- Package Level Detail (PLD) Upload refers to the transmission to UPS of Package manifest information including, without limitation, by any UPS Automated Shipping System. PLD includes, but is not limited to, Service and Accessorials, Consignee's full name, complete delivery address and Shipment dimensions and weight. Timely upload of PLD is the electronic transmission of PLD information to UPS at or before the time Shipments are tendered to UPS.
- **Prepaid** is when the Shipper pays all shipping and Accessorial charges.
- Receiver or Consignee refers to the person to whom a Shipment is being sent.

- Shipment refers to one or more Packages, or one or more pallets in UPS Worldwide Express Freight service, shipped under a single Source Document or UPS Automated Shipping System entry to one Receiver.
- Shipper refers to the party holding the UPS account used to process and tender a Shipment to UPS or, if no account was used for the Shipment, then the party that contracted with UPS for the Shipment. The term Shipper does not include, for example, a party to whom a Shipment was billed Third Party or collect, a party who drops off a UPS Returns® Services package, or a party that uses another party's account for a Shipment.
- Source Document means a shipping document provided by UPS for the purpose of tendering a Shipment to UPS for transportation.
- Third Party means any party that is not the Shipper or Receiver/Consignee.
- Third-Party Retailer means locations of The UPS Store® centres and UPS Authorized Shipping Outlet locations. UPS may designate certain Third-Party Retailers as UPS Access Point locations, as that term is defined below, but all terms and conditions applicable to Third-Party Retailers set forth herein shall continue to apply, regardless of such designation.
- Transportation charges refer to shipping or freight charges assessed for the air and surface movement of a Shipment, not including any other fees or charges such as Declared Value, additional service fees, or customs duties and taxes.
- UPS Access Point location means an independently owned and operated business or location designated as a UPS Access Point location by UPS where a Consignee or other recipient may, where available, receive a Package Delivery. Where available, Packages processed for shipping prior to tender using a UPS Shipping System may be tendered to a UPS Access Point location. Hours of operation and availability of staffing vary by location.
- The **UPS Account Number** is used to bill Shipments sent within Canada or

internationally, international inbound services, as well as customs brokerage services for goods arriving in Canada.

- UPS Automated Shipping System means WorldShip® technology, UPS Connect® technology, UPS CampusShip™ technology, UPS Internet Shipping, UPS marketplace shipping, UPS Developer Kit, iShip® technology, UPS Host Access, UPS Mobile™ shipping apps, or an approved UPS Ready® solution that meets UPS requirements at the time of Shipment. The terms "UPS Automated Shipping System," "Source Document," and "PLD Upload," individually or collectively, are sometimes referred to by the term "UPS Shipping System".
- UPS Customer Centre means a UPS facility where Shippers may tender Packages to UPS for transportation, and a Consignee or other recipient may receive a Package Delivery.
- UPS Smart Label® tag as defined for this document and described in the UPS Guide to Labelling includes, but is not limited to, the MAXICODE, postal code bar code, current UPS Routing Code, appropriate UPS service-level icon and UPS 1Z Tracking Number bar code.
- UPS Worldwide Express Freight® Centre means a UPS facility where Shippers may tender UPS Worldwide Express Freight pallets to UPS for transportation and a Consignee or other recipient may receive pallets.

3. Commodities Handled and Restrictions upon Service

UPS offers transportation of general commodities, as usually defined, subject to the following restrictions:

The Shipper agrees to indemnify, defend, and hold harmless UPS and its affiliated companies, their officers, directors, employees, agents from all claims, demands, expenses, liabilities, causes of action, enforcement procedures, and suits of any kind or nature brought arising from or relating to a Shipment in violation of applicable law or regulation or of these Terms.

3.1 Maximum Weight and Size

UPS, in its sole and absolute discretion, may not accept or may refuse to provide service with respect to any Package:

- Weighing more than 150 pounds or 68 kilograms, or
- Exceeding 108 inches or 270 centimetres in length, or
- Exceeding a total of 165 inches or 419 centimetres in length and girth combined

Length is the longest side of the Package or object. Girth is the distance all the way around the Package or object at its widest point perpendicular to the length. Irregularly shaped Packages or objects are to be treated as if they were in a rectangular box for the purpose of measuring.

Additional charges, including an Over Maximum Limits charge, set forth in the UPS Rates in effect at the time of shipping, may apply to any such Package tendered for transportation.

UPS, in its sole and absolute discretion, may not accept or may refuse to provide service with respect to any UPS Worldwide Express Freight pallet that exceeds maximum size or weight restrictions, which vary by origin and destination, as set forth at ups.com/palletmaximums. If found in the UPS system, they are subject to an Oversize Pallet Handling Surcharge as set forth in the UPS Rates in effect at the time of shipping.

3.2 Maximum Declared Value for Carriage

The maximum Declared Value is \$50,000 per Package and \$100,000 per pallet for Worldwide Express Freight except for the following for which the maximum Declared Value may not exceed:

- \$999 for a Package unless a UPS highvalue summary report is obtained by the Shipper or person tendering the Package and signed by the UPS driver upon tender of the Package
- \$999 for a Domestic Returns Package sent via UPS Print Return Label, UPS Print and Mail Return Label, UPS Electronic Return Label, or 1 UPS Pickup Attempt Return Label

- \$999 for an international Returns Package or pallet sent via UPS Print Return Label, UPS Print and Mail Return Label, Electronic Return Label, 1 UPS Pickup Attempt or 3 UPS Pickup Attempt return services unless a UPS high-value summary report is obtained by the Shipper or person tendering the Package or pallet and signed by the UPS driver upon tender of the Package or pallet
- \$999 for an international UPS Import Control® Package or pallet unless a UPS high-value summary report is obtained by the Shipper or person tendering the Package or pallet and signed by the UPS driver upon tender of the Package or pallet
- \$999 for a Package dropped off at a UPS Access Point® location or Third-Party Retailer if such a Package was processed for shipment using a Source Document or UPS Automated Shipping System prior to drop-off at the UPS Access Point location or Third-Party Retailer
- \$5,000 for a Package shipped to a UPS Access Point location
- \$500 for a Package shipped via a UPS Drop Box
- \$500 for a Package or pallet containing jewellery or \$2,500 for a Package or pallet containing jewellery for Shipments tendered to eligible destinations set forth at ups.com/jewelry
- \$100 for a Package or pallet containing cheques, phone cards, lottery tickets, gift cards or other items of a similar nature. In no event shall UPS be liable for the face value of these items

If no Declared Value for Carriage amount is entered by the customer for a Package, pallet or Shipment, then UPS's maximum liability for that Package, pallet or Shipment is \$100. See Section 22 for details.

Any effort by the Shipper to declare a value in excess of the maximum amounts stated above shall be null and void. The acceptance for carriage by UPS of any Package, pallet or Shipment bearing a Declared Value in excess of the maximum amounts does not constitute a waiver of this provision.

Any Declared Value must be declared in Canadian currency. For international Shipments, the Declared Value for Carriage cannot exceed the Declared Value for Customs.

3.3 Prohibited Articles

The following articles are prohibited by UPS. In the event that any such prohibited article enters the UPS system, this does not constitute a waiver on the part of UPS, and UPS shall have no liability whatsoever for delay, loss or damage to any such article, even if the Shipper has entered a Declared Value on the shipping document.

Articles Prohibited by UPS for Shipping within Canada and Internationally

Shippers are prohibited from shipping articles of unusual value via UPS. Articles of unusual value shall be deemed to include, but are not limited to:

- Currency, negotiable instruments (except cheques and money orders)
- Human remains in any form
- Any Package having a value of more than \$50,000
- Any UPS Worldwide Express Freight® pallet with a value of more than \$100,000
- Any Shipment that, in UPS's judgment, could cause damage or delay to equipment, personnel, or other Shipments

Additional Articles Prohibited by UPS for Shipping Internationally

- Firearms
- Fireworks
- Hazardous waste
- Industrial diamonds
- Ivory
- Postage stamps
- Unset precious stones
- Marijuana, including marijuana intended for medical use
- Personal Effects and Unaccompanied Baggage shipped to any other country except the United States. See Section 3.5 for details.

- Shark fins
- Shipments prohibited by law
- Other prohibited items that vary by country. For further information, call 1-800-PICK-UPS®.

3.4 Articles Requiring Pre-approval for Shipping within Canada, Internationally or Both

- Alcohol (See Section 3.7)
- Animal products, non-domesticated (International approval only required)
- Antiques
- Artwork
- Biological Substances Category B and exempt human or animal specimens
- Ceramics
- China
- Collector's items
- Confectionery products, such as potato chips in any form; chocolate in any form; pastries and baked goods in any form
- Dangerous Goods (See Section 3.6)
- Dry Ice (Except when shipped via UPS Standard® service)
- Electronic cigarettes
- Firearms (Prohibited internationally -See also Section 3.8)
- Furs (International approval only required)
- Glass, crystal
- Industrial diamonds (Prohibited internationally)
- Jewellery Packages in excess of \$2,500 in value to eligible destinations set forth at ups.com/jewelry and \$500 to all other destinations
- Liauids
- Live animals, birds and insects
- Live plants and cut flowers
- Marijuana for medical purposes, as defined by Canada Marihuana for Medical Purposes Regulations (Prohibited internationally)
- Perishables

- Personal Effects (See Section 3.5)
- Pottery
- Precious metals (Any article containing more than 50% by weight of a precious metal)
- Replica or inert explosives or weapons that bear an appearance to actual explosives or weapons
- Seeds (International approval only required)
- Televisions
- Tobacco (See Section 3.7)
- Unset precious stones (Prohibited internationally)
- Watches containing more than 50% of a precious metal or any precious gem stone

Except in the case where the article is prohibited for shipping (as noted), the articles listed in this Section 3.4 require Pre-approval to be shipped with UPS. Pre-approval is defined as UPS's written consent, as evidenced by an agreement setting out the Pre-approval article(s) to be transported, which is signed by authorized representatives of UPS and the Shipper.

Declared Value service is not available in respect of the Shipment of any Preapproval articles. Shipments containing Pre-approval articles are transported at the Shipper's risk, including without limitation for delay, loss, theft or damage. For more information, call 1-800-PICK-UPS.

In the event that any Pre-approval article enters the UPS system without having obtained UPS's Pre-approval, this does not constitute a waiver on the part of UPS and UPS shall have no liability whatsoever for delay, loss, theft or damage to any such article, even if the Shipper has entered a Declared Value on the shipping document. Also refer to Section 23, Limitations and Exclusions of Liability.

3.5 Personal Effects and Unaccompanied Baggage

These are Shipments containing used items intended for personal use rather than items being shipped for distribution, business maintenance or wholesale/ retail sale. Examples of such items

include (without limitation) used clothing, previously purchased goods, personal grooming items, a suitcase contained within a carton or box, etc.

- These items may only be shipped within Canada and to the U.S., and only on a Pre-approval basis.
- Specific export documentation is required for shipping Personal Effects and Unaccompanied Baggage to the U.S., including:
 - U.S. Customs form 3299
 - Proof of Status, such as a copy of a passport, visa, or birth certificate.
- Shipments of Personal Effects and Unaccompanied Baggage to some destinations other than Canada and the U.S. may be accepted at The UPS Store® locations.

3.6 Dangerous Goods

Goods that meet the definition of Limited Quantities and Consumer Commodities under the Transportation of Dangerous Goods Regulations (TDGR) may be shipped within Canada using UPS Standard® service only. Limited Quantity and Consumer Commodity Shipments are prohibited from origins and to destinations not accessible by ground transportation even when such Shipments are prepared using UPS Standard service. Dangerous Goods that do not meet the TDGR definition of Limited Quantity or Consumer Commodity or that require transportation by a mode other than ground are accepted for transportation only as a pre-arranged, separately contracted service. Call 1-800-509-0953 for details.

Dangerous Goods that are regulated by the International Civil Aviation Organization (ICAO) as published in the International Air Transport Association (IATA) Dangerous Goods Regulations and the Canadian Transportation of Dangerous Goods Act and Regulations are accepted for transportation only as a pre-arranged, separately contracted service. Restrictions apply on commodities carried, quantities and available transportation services. Call 1-800-509-0953 for details.

3.7 Alcoholic Beverages and Tobacco

UPS transports Packages and pallets containing alcoholic beverages or tobacco only where permitted by provincial or country law and under certain conditions. Contact 1-800-PICK-UPS® for details.

3.8 Firearms

Shipments containing firearms will be accepted for transportation only within Canada and only under certain conditions. Contact 1-800-PICK-UPS for details.

3.9 Prohibited by Law

No service shall be rendered by UPS in the transportation of any Shipment that is prohibited by law or regulation of any federal, state, provincial, or local government in the origin country or destination country.

4. Right of Inspection

UPS reserves the right to open and inspect any Package or pallet tendered to it for transportation, but is not obligated to do so.

5. Shipping Charge Corrections; Audit

UPS reserves the right to bill for Charges based upon the characteristics of, and services requested for, Packages and pallets actually tendered to UPS. UPS also reserves the right to audit any Package, pallet or invoice to verify service selection, Package and pallet dimensions, or Shipment weight, and applicability of any Charges. As part of that audit, UPS may weigh and measure any Package or pallet tendered to UPS using any method UPS deems appropriate, including but not limited to multidimensional measuring devices among other measurement devices. UPS may, in its sole discretion, increase or adjust Charges based on the results of such audit. UPS reserves the right in its sole and unlimited discretion to bill for charges based on shipping characteristics provided by the Shipper, regardless of whether UPS has audited the shipping characteristics. In the event that a Package's or pallet's dimensions are altered during transit, UPS reserves the right to bill for Charges based on the altered dimensions.

Audits may occur at various transportation points before Delivery; therefore, Shipping Charge Corrections may not be reflected on the same invoice as the original transportation charges.

UPS reserves the right to administer an Additional Handling Fee (see Section 9.6), as set forth in the UPS Rates at the time of shipping, if the Shipper's originally declared Shipment weight is less than the Shipment weight determined by UPS auditors.

6. Refusal of Service

UPS reserves the right to refuse to provide service for any or no reason, including, but not limited to, for any Shipment which by reason of the dangerous or other character of its contents may, in the sole judgment of UPS, soil, taint, or otherwise damage other Shipments or UPS's equipment or which is improperly or insecurely packed or wrapped or labelled, as determined by UPS in its sole judgment.

Before accepting any Shipment for service, UPS reserves the right to require sufficient verification, as determined by UPS in its sole discretion, of the Shipper's name and address, or any other information necessary to accept the Shipment for service. UPS reserves the right to refuse to provide service for any Shipment to or from any location, or to provide alternative service arrangements, or to intercept, hold or return any Shipment when, among other reasons, UPS, in its sole discretion, determines that it is unsafe or economically or operationally impracticable to provide service, that its services are being used in violation of federal, provincial, or local law, or for fraudulent purposes, or when the account of the person or entity responsible for payment is not in good standing.

7. Proper Packaging and Labelling **Packaging**

- It is the responsibility of the Shipper to ensure that proper packaging is used and that contents of Shipments are adequately and securely packed, wrapped, and cushioned for transportation.

- Shipments must be so packed or wrapped as to meet UPS's published standards related thereto set forth in the UPS Rate and Service Guide, or on ups.com, and as to pass tests set forth in International Safe Transit Association (ISTA) Procedure 3A, Procedure for Testing Packaged Products, published by ISTA. In addition, any tested product must be free from damage and the packaging must afford reasonable protection as determined by UPS in its sole judgment.
- UPS will not be liable for delay, damage to or loss of goods caused or contributed to by defects or inadequacy of the packaging used by the Shipper or for damage to or loss of the packaging used by the Shipper.
- The use of UPS-provided packaging is not a guarantee that an item is sufficiently packaged for transportation.
- UPS does not provide special handling for Shipments bearing "Fragile," Package orientation markings (e.g., "UP" arrows or "This End Up" marking), or any other similar markings.
- Shipments containing goods of high value or high risk, including without limitation jewellery, pharmaceuticals, computers, hand-held electronic devices, mobile telephones, and electronic components of these, must not have labels, customized shipping labels (including as created in a UPS Automated Shipping System), markings, logos, or other written notice of contents contained within the Shipment.
- When shipping media of any type containing sensitive personal information (such as personal financial or health information), it is recommended that the Shipper retain a copy of the data and secure the data on the media through encryption or other technological means. UPS is not liable or responsible for loss of, damage to, or irretrievability of data stored on media of any type, or for loss of information, including without limitation personal, health or financial information. For the shipment of electronic media, or for breakable items, see the packaging guidelines located at ups.com. The guidelines advise against the use of Express Envelopes, Express Paks, or

- Express Pad Paks to ship sensitive personal information or breakable items.
- UPS Worldwide Express Freight® Shipments must be palletized, stackable, able to be lifted by forklift, and shrink-wrapped or banded to a skid. The Shipper must ensure that pallets and packaging comply with all applicable laws and regulations of the origin and destination country.

Labelling

- Every Package and pallet tendered to UPS must contain complete From and To details including postal code or Zip code, contact names, telephone numbers and a UPS Tracking Number.
- UPS cannot deliver to a P.O. Box number. Packages and pallets require a street address including apartment/ suite/unit number and the Receiver's telephone number.
- A Rural Route number is acceptable if the Receiver's full name and telephone number are clearly marked on all Packages and pallets.

8. Rates

Except as otherwise stated in the UPS Terms and Conditions, charges set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping will be assessed.

8.1 Multiple-Piece Shipments

All Packages and pallets covered under a single Source Document are considered a Shipment for the purpose of calculating shipping charges.

8.2 UPS-Supplied Express Packaging

When using UPS-supplied Express packaging (UPS Express Envelopes, UPS Express Paks, UPS Express Boxes, and UPS Express Tubes), each one is considered a single-piece Shipment and may not be combined with other Packages for multiple-piece pricing.

UPS-supplied Express packaging is to be used for Shipments sent via UPS Express® services, including UPS Worldwide Express Plus™, UPS Worldwide Express™, UPS Express, UPS Worldwide Express Saver®, and UPS Express Saver®. For

domestic Shipments only, UPS Express packaging may also be used for UPS Expedited® shipping. Shipments sent in UPS Express packaging but utilizing nonqualifying service levels will be subject to an Additional Handling Fee.

The Billable Weight of domestic and international Shipments using UPSsupplied Express packaging is the greater of the Actual Weight and the Dimensional Weight of the Package. See Section 8.6 for details.

8.3 UPS Envelope Rates

UPS Envelope Rates are available only for UPS Express Envelope Shipments with an actual weight not exceeding limits specified in the UPS Rate and Service Guide in effect at the time of shipping; and additionally for international Shipments, only containing documents of no commercial value (which may include electronic media in some countries). All UPS Express Envelope Shipments exceeding the weight limit or international UPS Express Envelope Shipments containing other items will be assessed the corresponding rate for the applicable weight (except as expressly set forth in Section 8.4 UPS Pak Rates).

8.4 UPS Pak Rates

UPS Pak Rates are available only for UPS Worldwide Express Plus, UPS Worldwide Express, UPS Worldwide Express Saver, UPS Express Early, UPS Express, UPS Express Saver and domestic UPS Expedited Shipments in UPS Express Envelopes with an actual weight exceeding the allowed weight for UPS Envelope Rates up to the maximum allowed weight for UPS Pak Rates; and for UPS Express Pak Shipments with an actual weight not exceeding the limits specified in the UPS Rate and Service Guide in effect at the time of shipping. UPS Express Pak Shipments with a weight exceeding the UPS Express Pak weight limit will be assessed the corresponding applicable UPS Rates for the Shipment.

8.5 Rounding Measurements

Shipment, Package and pallet weights must be rounded up to the next whole pound or kilogram. Package and pallet

dimensions must be rounded off to the closest whole inch or centimetre.

8.6 Billable Weight for UPS Shipments

Transportation charges are based on the greater of the Actual Weight or the Dimensional (volumetric) Weight of each Package or pallet in a Shipment.

- Actual Weight refers to the weight of a Package or pallet in pounds or kilograms as measured on a scale.
- Dimensional Weight is calculated to reflect the size and space (the volume) a Package or pallet occupies. Effective May 1, 2017, to determine the Dimensional Weight of a Package or pallet, use one of the following calculations as applicable for the Shipment.

In pounds, multiply the *length x width x* height of a Package or pallet in inches and divide by 139.

In kilograms, multiply the *length x width* x height of a Package or pallet in centimetres and divide by 5,000.

See Section 8.5 for rules on rounding measurements.

8.7 Minimum Rates for Heavy Shipments other than UPS Worldwide **Express Freight Shipments**

To determine the rate for a multiplepiece Shipment with a Billable Weight of more than 150 pounds or 68 kilograms, multiply the total Billable Weight (rounded up to the next whole pound or kilogram) by the appropriate price per pound or kilogram shown on the rate chart for the service level selected. The amount billed will be the greater amount of the following:

- The result of the above calculation, or
- The minimum rate shown in the rate chart, or
- A minimum charge calculated on each Package being billed at 10 pounds or 5 kilograms

9. Additional Services 9.1 Declared Value

Except for articles listed in Section 3.3 (Prohibited Articles) and Section 3.4

(Articles Requiring Pre-approval for Shipping within Canada, Internationally or Both), each Package, pallet or Shipment is automatically protected against loss or damage up to \$100.

If the Shipper wishes to declare a value of more than \$100 for the Package, pallet or Shipment, an additional charge, set forth in the UPS Rates in effect at the time of shipping, will be assessed for each \$100 of the Declared Value. Also see Section 3.2 (Maximum Declared Value for Carriage) and Section 22 (Responsibility for Loss or Damage) for additional information on limits and restrictions.

9.2 Saturday Delivery

The Shipper may request optional Saturday Delivery for Shipments to certain Canadian and international destinations by selecting Saturday Delivery in the UPS Shipping System and by attaching a Saturday Delivery routing label (provided by UPS) on each Package or pallet.

Saturday Delivery is only available to select destinations and for select services, which can be verified at ups.com or by calling 1-800-PICK-UPS® for details.

An additional fee, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will be assessed for Saturday Delivery service.

9.3 Delivery Confirmation Services

Delivery Confirmation

At the time a Shipper tenders a domestic Package to UPS, the Shipper may request Delivery Confirmation Service by indicating Delivery Confirmation in a UPS Automated Shipping System. Each Delivery Confirmation response will include the date of Delivery and either the name of the recipient or the disposition of the domestic Package, or, in the event of a return-to-sender, the response will indicate the reason for the return and the date processed. An additional fee, set forth in the UPS Rates applicable to an international Shipment or domestic Package in effect at the time of shipping, will be assessed for each such response. All responses will be consolidated and provided to the Shipper in printed format. Delivery Confirmation Signature Required

A Shipper may request that UPS obtain the recipient's signature on Delivery. An additional fee, set forth in the UPS Rates applicable to an international Shipment or domestic Package in effect at the time of shipping, will be assessed. The Shipper must use a UPS Automated Shipping System to initiate a request for this service. UPS may obtain, at its sole and unlimited discretion, a signature, other electronic acknowledgement of receipt or authorization to release without signature upon Delivery pursuant to the UPS My Choice® service from the Receiver when this option is selected.

Delivery Confirmation Adult Signature Required

A Shipper may request that UPS obtain the signature of a recipient who is at least 19 years of age within Canada and 21 years of age for international Shipments upon delivery. An additional fee, set forth in the UPS Rates applicable to an international Shipment or domestic Package in effect at the time of shipping, will be assessed. UPS, in its sole and unlimited discretion, will determine if Delivery can be completed when such a request is made, and may request photo identification indicating the recipient's age before completing Delivery. The Shipper must use a UPS Automated Shipping System to initiate a request for this service.

9.4 Duty and Tax Forwarding Surcharge

Except for Shipments to the U.S. or Mexico, an additional Duty and Tax Forwarding Surcharge set forth in the UPS Rates in effect at time of shipping will apply if the Shipper selects a billing option in which duties and taxes are to be paid outside of the destination country of the Shipment. See Section 16 for available billing options.

9.5 Address Correction

If UPS is unable to deliver any Package or pallet because of an incomplete or incorrect address, UPS will make a reasonable effort, to be determined in its sole discretion, to secure the correct address. If the correct address is secured, the Shipper will be notified of the correction on their delivery service bill. An additional fee, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will be assessed for each Package or pallet within the Shipment for this service.

9.6 Additional Handling

Where applicable, an Additional Handling Fee, set forth in the UPS Rates in effect at the time of shipping, will be added to the shipping charge for the following:

- Any article that is encased in an outside shipping container made of metal or wood
- Any cylindrical item, such as a barrel, drum, pail, or tire, that is not fully encased in a corrugated cardboard shipping container
- Any Package with the longest side exceeding 48 inches or 122 centimetres or its second-longest side exceeding 30 inches or 76 centimetres
- Any Package with an actual weight greater than 70 pounds or 32 kilograms
- Each Package in a Shipment (excluding UPS Worldwide Express Freight® Shipments) where the average weight per Package is greater than 70 pounds or 32 kilograms and the weight for each Package is not specified on the Source Document or the UPS Automated Shipping System used
- UPS also reserves the right to assess the Additional Handling Fee for any Package that, in UPS's sole discretion, requires special handling
- An Additional Handling Fee will not be charged in combination with a Large Package Surcharge

9.7 Daily Pickup Service

A weekly service fee, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will be assessed to customers who receive daily or other scheduled pickup services from UPS. Daily Pickup Service is not available for UPS Worldwide Express Freight service.

9.8 UPS On-Call Pickup® Service

When UPS On-Call Pickup Service is requested by the Shipper, UPS will arrange a Shipment pickup at the requested location.

An additional fee, set forth in the UPS Rates applicable to the pickup in effect at the time of the pickup request, will be assessed on some UPS On-Call Pickups. See the current UPS Rate and Service Guide for applicable charges by pickup request type. On-Call Pickup Service must be requested for each UPS Worldwide Express Freight Shipment pickup or dropoff (for door-to-door and non door-to-door services) and may not be combined with a Package pickup. No additional charge for On-Call Pickup Service applies to UPS Worldwide Express Freight service.

9.9 UPS Paperless® Invoice Service

A Shipper must register with UPS in advance of shipping to use UPS Paperless Invoice service, where such services are available. By using UPS Paperless Invoice service, the Shipper authorizes UPS to use the Shipper's letterhead and electronic signature to prepare true, correct, and paperless commercial invoices that reflect, in all material respects, the Shipper's sale transactions of merchandise to its buyers (i.e., the "Sold To" Parties) and that are necessary to expedite in accordance with the law the export and customs clearance of international Shipments. The Shipper shall provide to UPS in advance all required information including, but not limited to, the true and accurate price at which the merchandise was sold to the "Sold To" Party, any required additions to customs value (e.g., dutiable commissions, royalty/ licence fees, assists, packing costs and proceeds of subsequent sales), the currency of the sale, country of origin, terms of sale, the quantities, ultimate Consignee, and a complete commercial description of the merchandise. By using the service, the Shipper represents and certifies that any paperless commercial invoice that UPS prepares is true and accurate, which means that it is, in all material respects, an electronic copy of the same commercial invoice provided to the buyer. The Shipper shall have an affirmative, non-delegable duty to disclose to UPS any and all required commercial invoice information and to ensure its accuracy and completeness. The Shipper must provide timely PLD Upload to use UPS Paperless Invoice service.

9.10 UPS Carbon Neutral

A Shipper may request that UPS offset the climate impact of a Package via UPS carbon neutral service by selecting UPS carbon neutral at the time a Package is tendered to UPS. By selecting UPS carbon neutral, UPS will purchase and retire in the appropriate registry a sufficient number of voluntary or regulatory carbon credits as determined by UPS in its sole discretion to offset calculated carbon dioxide emissions. UPS carbon neutral is available for Packages shipped using a UPS Automated Shipping System. An additional charge for each Package or pallet, as set forth in the UPS Rates in effect at the time of the charge, will be applied.

9.11 UPS Import Control®

UPS Import Control service allows a Shipper to process an import Shipment, including a commercial invoice. Where available, a Shipper may use UPS Import Control service to create a Print Import Label, Electronic Import Label, and Print and Mail Import Label to provide to the sender or party tendering the Shipment to UPS, or a Shipper may request 1 UPS Pickup Attempt or 3 UPS Pickup Attempts to request that UPS make pickup attempts to retrieve import Shipments from a sender's address. 3 UPS Pickup Attempts is not available for UPS Worldwide Express Freight®. UPS Import Control® is available only in countries where UPS pickup services are available. An additional charge will be assessed for each UPS Import Control Package or pallet, as set forth in the UPS Rates in effect at the time the charge is applied.

Shipments containing certain items are prohibited from being shipped and are not accepted by UPS for UPS Import Control service including, but not limited to, hazardous material and Dangerous Goods Shipments requiring shipping papers and Shipments of firearms. Delivery Confirmation Services and C.O.D. service are not available for UPS Import Control Shipments.

The maximum actual or Declared Value for each UPS Import Control Shipment is \$50,000 per Package and \$100,000 per pallet, provided that for any UPS Import

Control Package or pallet with an actual or Declared Value in excess of \$999, the Shipper ensures that a UPS high-value summary report is generated and signed by the UPS driver upon tender of the Package or pallet to UPS. If no high-value summary report is obtained and signed, the maximum actual or Declared Value of each such Package or pallet is limited to \$999.

9.12 UPS Premium Care™

When UPS Premium Care is requested by the Shipper on a Package tendered to UPS, UPS will collect and maintain a record of the signatures of personnel responsible for the control of the Package through the UPS system and of the recipient of the Package. UPS Premium Care is only available through a UPS Automated Shipping System for Shipments within Canada. The Shipper must provide electronic transmission of Package Level Detail for a UPS Premium Care Package at or before it is tendered to a UPS driver (see Timely upload of PLD in Section 2 of this document). Shippers must also provide the UPS driver with two copies of the UPS Premium Care control log generated by the UPS Automated Shipping System.

The Shipper agrees that a UPS Premium Care control log provided by UPS contains personal and confidential information and may only be used for audit purposes or to maintain internal records associated with the UPS Premium Care Shipment. Information contained on a UPS Premium Care control log may not be disclosed to unauthorized third parties or used for any other reasons than those above.

Prepared UPS Premium Care Packages cannot be dropped off at any UPS shipping outlet, UPS Drop Box, UPS Access Point® location or Third-Party retail location. UPS Premium Care is not available to or from international locations and may not be available to or from some remote locations within Canada. Contact your UPS representative for details.

9.13 Delivery Change Requests

After the Receiver has received notice from UPS that Delivery has been attempted, the Receiver may request that UPS hold a Package for pickup at a

UPS Customer Centre, request that UPS return a Package to the Shipper, hold a Package for future Delivery, reroute a Package, direct an eligible Package to a UPS Access Point location, redeliver to the original address a Package that was taken to a UPS Access Point location, or other such Delivery Changes as UPS in its sole and unlimited discretion may offer (each a "Delivery Change"). A UPS InfoNotice® number, UPS tracking number or UPS postcard number is required for a Delivery Change.

An additional charge set forth in the UPS Rates applicable to the Shipment in effect at the time of the request will be assessed to the Consignee for each Package rerouted, directed to a UPS Access Point location, or held for future Delivery by a Delivery Change Request. If any Delivery Change Request requires a Package movement from the original Receiver address beyond the delivery area of the original UPS delivery facility, additional charges will apply and be assessed to the Consignee. Such additional charges will be calculated as a newly initiated Shipment between the original Receiver address and the new rerouted address, and will include (but not be limited to) all applicable surcharges. All original charges will continue to apply as if the Package were delivered to the original Receiver address. For a request to return to Shipper, all applicable charges will apply and be assessed to the Shipper, as set forth in Section 13 or 14 of this document.

For UPS Worldwide Express Freight pallets, after the Receiver has received notice from UPS that Delivery has been attempted, the Receiver may request that UPS hold a pallet at a UPS Worldwide Express Freight Centre, request that UPS return a pallet to the Shipper, hold the pallet for future Delivery, or make a Delivery reattempt. Delivery reattempt charges will apply to subsequent attempts to deliver UPS Worldwide Express Freight Shipments beyond the first Delivery attempt. For requests to return to the Shipper, all applicable charges will apply and be assessed to the Shipper.

UPS will honour a Delivery Change Request in its sole and unlimited discre-

tion where practicable and where the Receiver has guaranteed payment of any applicable charges resulting from the change. By requesting a Delivery Change, the Receiver acknowledges and agrees that the limitations of liability set forth in the Terms in effect at the time of Shipment apply to the Shipment subject to the Delivery Change Request and that the value originally declared by the Shipper, if any, shall continue to apply throughout the course of transportation pursuant to the Delivery Change Request. UPS assumes no liability other than to the Shipper of the Shipment for loss, damage, or delay of any Shipment subject to Delivery Change.

UPS may restrict Delivery Change Requests at the request of the Shipper. Delivery Change Requests for Packages containing firearms are not available. Delivery Change Requests to reroute or direct to a UPS Access Point location Packages requiring an adult signature are not available. Delivery Change Requests to reroute to an address or direct to a UPS Access Point location outside the province or territory of the original delivery address may not be available for Packages containing certain articles including, but not limited to, alcohol or tobacco products. It is the responsibility of the Receiver to ensure that a Delivery Change Request complies with all federal, provincial and local laws and regulations applicable to the Shipment.

9.14 Direct Delivery Only

Where available and subject to a Direct Delivery Only surcharge, UPS may in its sole and unlimited discretion accept a Shipper's request to limit (1) reroutes of Packages to an alternate address by the Consignee (including but not limited to Delivery Change Requests, UPS My Choice® requests, other than requests to hold for will call at a UPS Customer Centre) and (2) Delivery to an alternate address including a UPS Access Point location following a first Delivery attempt at a Residential address.

Direct Delivery Only does not limit UPS's Driver Release procedures, and does not require signature on Delivery or Delivery to the person specified as the Receiver in the UPS Shipping System. The Shipper must provide timely upload of PLD to request Direct Delivery Only.

10. Additional Charges 10.1 Missing or Invalid UPS Account Number Charge

An additional charge, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will be billed to the Shipper when the account number for the bill-to party is missing or invalid, requiring lookup by UPS.

10.2 Extended Area Surcharge

An additional charge, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, may be applied to Shipments picked up from or destined to certain extended areas. UPS's Extended Area Delivery Surcharge listings may be viewed at ups.com or obtained by calling 1-800-PICK-UPS®.

10.3 Refusal of Freight Collect and Third **Party Charges**

If Freight Collect or Third Party charges are refused or not paid by the Consignee or Third Party for a Shipment, the Billing Option Payer Refusal Charge, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will be billed to the Shipper in addition to the original outbound shipping charges.

10.4 Re-Rating Charge

UPS reserves the right to assess an Additional Handling Fee, as set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, on those Shipments that the Shipper does not properly rate and to re-rate Shipments the Shipper fails to rate properly.

10.5 Tracking/Refund Request Charge

UPS reserves the right to assess the Shipper an additional charge for each Package-tracking/tracing request initiated by or requested by the Shipper.

- This charge will not be assessed for the first fifty (50) Package-tracking requests per calendar week or for a quantity of Package-tracking requests equal to or less than twenty percent (20%) of

- the Shipper's Package volume for that week, whichever is greater.
- This charge will not be assessed for a quantity of Package-tracing requests equal to or less than two percent (2%) of the Shipper's Package volume for that week.
- UPS also reserves the right to assess the Shipper a charge, as set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, for guaranteed service refund requests when the subject Shipment was delivered in accordance with the UPS Service Guarantee set out in the applicable UPS Terms and Conditions in effect at the time of shipping.

10.6 Minimum Rate/Weight Charge

UPS reserves the right to assess a minimum rate or weight per Package or per Shipment.

10.7 Manual Recording Fee

UPS reserves the right to assess a manual recording charge, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, on Shippers who prepare Shipments using manual recording methods. Manual recording methods include, but are not limited to, the following:

- Canadian Services Waybill
- Worldwide Services Waybill
- UPS Express C.O.D.® Waybill
- UPS Shipping Record Book
- Printed manifest
- C.O.D. Tag
- Call Tag
- Adult Signature Required Label

10.8 Residential Delivery Surcharge

A Residential Delivery is defined as Delivery to a location that is a home, including a business operating out of a home. If the delivery location could be construed as either residential or commercial, then the Delivery will be considered a Residential Delivery. An additional charge, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will be applied to a Residential Delivery.

A Residential Delivery Surcharge will apply even if the delivery location is later changed by the Shipper or Consignee to a commercial location.

10.9 Large Package Surcharge

A Package is considered a Large Package when its length plus girth [(2 x width) + (2 x height)] combined exceeds 130 inches/330 centimetres. Large Packages are subject to a minimum billable weight of 90 pounds/41 kilograms. An additional charge, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will also be applied to a Large Package.

An Additional Handling Fee will not be assessed when a Large Package Surcharge is applied or to UPS Worldwide Express Freight® Shipments.

10.10 Oversize Pallet Handling Surcharge

UPS Worldwide Express Freight pallets are subject to maximum size and weight restrictions (which vary by origin and destination) as set forth at ups.com/ palletmaximums. Pallets exceeding size or weight restrictions are not accepted for transportation without prior approval by UPS. Pallets that exceed these restrictions are subject to an Oversize Pallet Handling Surcharge.

11. C.O.D. Service

UPS offers two different levels of Collect On Delivery (C.O.D.) service, each with its own policies, procedures, and rates.

Regular C.O.D. service is available within Canada and to the United States.

UPS Express C.O.D.® service is available within Canada.

11.1 Regular C.O.D.

This service provides return of the Consignee's payment to the Shipper, typically within ten (10) business days after Delivery of the Shipment. UPS will collect payment in the form of cheque, bank draft, certified cheque, or money order made payable to the Shipper (not UPS). UPS will not accept a post-dated cheque in payment of a Regular C.O.D. Package. If the Shipper requires payment to be made

using secured funds, this request must be indicated in the UPS Automated Shipping System; UPS then reserves the right to accept a bank draft, certified cheque, money order, or other similar instrument issued by or on behalf of the Consignee.

The amount to be collected for Regular C.O.D. is limited to a maximum value of \$50,000 per Package.

11.2 UPS Express C.O.D.

UPS Express C.O.D. provides return of the Consignee's payment to the Shipper, typically on the next business day after Delivery of the Shipment. UPS will collect payment in the form of cheque, bank draft, certified cheque, or money order made payable to the Shipper (not UPS). Payments will not be accepted in the form of cash or cheque made out to UPS.

The amount to be collected for UPS Express C.O.D. is limited to a maximum value of \$50,000 per Shipment.

Saturday Delivery for the return of a UPS Express C.O.D. Envelope is not available.

11.3 For All C.O.D. Shipments

- All cheques (including bank drafts and certified cheques) and money orders tendered in payment of C.O.D. Shipments will be accepted by UPS at the Shipper's risk, including, but not limited to, risk of non-payment, insufficient funds and forgery, and UPS shall not be liable upon any such instrument.
- It is the Shipper's responsibility to notify the Consignee prior to shipping that the Shipment requires payment upon Delivery, and what form(s) of payment will be acceptable (see above).
- An additional C.O.D. fee, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, is applicable for each Package (Regular C.O.D.) and each Shipment (UPS Express C.O.D.) when the UPS C.O.D. service is selected.
- If the Consignee refuses to provide the required payment, UPS will return the Shipment to the Shipper.
- The C.O.D. amount to be collected shall be limited to the actual value of the contents of the Package (Regular

- C.O.D.) or the Shipment (UPS Express C.O.D.), plus shipping charges.
- UPS's liability in the event of loss, theft, damage, or delay for the remittance of C.O.D. payment collected on behalf of the Shipper, regardless of the manner in which that loss, theft, damage or delay occurs, or for failure to collect payment at the time of Delivery, or if the payment collected is incorrect, is limited to a refund of the C.O.D. fee paid for the service.
- The entry of a C.O.D. amount is not a declaration of value. If the Shipper wants to protect against failure to deliver, damage, loss or theft regarding the C.O.D. Package for an amount greater than \$100, the greater value must be indicated in the Declared Value area of the shipping document and the Declared Value charges paid.
- C.O.D. Packages with an amount to be collected in excess of \$500 will not be accepted for transportation via UPS Drop Boxes.
- Payment for any C.O.D. Package of \$10,000 or more must be collected in a single cheque, certified cheque, money order, or bank draft.
- C.O.D. service is not available for UPS Worldwide Express Freight® Service.

11.4 C.O.D. Procedures

- C.O.D. services are only available through a UPS Automated Shipping System. Different procedures apply to the preparation and recording of C.O.D. Packages for Regular C.O.D. service and C.O.D. Shipments for UPS Express C.O.D. service:
- Regular C.O.D. Shippers must apply to each C.O.D. Package a UPS Automated Shipping System-generated C.O.D. address label with a C.O.D. bar code and the amount to be collected for each individual Package.
- UPS Express C.O.D. Shippers must apply to the lead Package of each UPS Express C.O.D. Shipment a UPS Automated Shipping System-generated C.O.D. address label with a UPS Express C.O.D. bar code and a UPS Express C.O.D. Envelope with a Consignee receipt

indicating the amount to be collected for each Shipment. Each child Package in the Shipment must carry a UPS Express C.O.D. control sticker.

12. UPS Returns® Services

- UPS offers the following UPS Returns services: Print Return Label, Electronic Return Label, Print and Mail Return Label, Returns on the Web Return Label, and Authorized Return Service (ARS). UPS offers the following UPS Returns Plus services: 1 UPS Pickup Attempt and 3 UPS Pickup Attempts. UPS Returns, UPS Returns on the Web, UPS Returns Plus and UPS Returns Exchange are collectively referred to as "UPS Returns services." 3 UPS Pickup Attempts is not available for UPS Worldwide Express Freight. ARS and UPS Returns on the Web are not available for international Shipments.
- UPS Returns services Shipments (excluding ARS and Returns on the Web) can be returned from addresses outside Canada, where these services are available, by UPS Worldwide Express Freight®, UPS Worldwide Express Plus™, UPS Worldwide Express NA1®, UPS Worldwide Express™, UPS Worldwide Express Saver®, UPS Worldwide Expedited™, and UPS Standard®.
- UPS Returns services Packages can be returned from addresses within Canada, where these services are available, via UPS Express® Early, UPS Express, UPS Express Saver®, UPS Expedited®, and UPS Standard.
- Shipments containing certain items are prohibited from being shipped and are not accepted by UPS for UPS Returns® services including, but not limited to, hazardous materials and Dangerous Goods Shipments requiring shipping papers and Shipments of firearms. Delivery Confirmation services and C.O.D. (Collect On Delivery) service are not available for UPS Returns® services Shipments.
- UPS Returns services Shipments must meet UPS's packaging guidelines.

12.1 UPS Returns

a) Authorized Return Service (ARS)

ARS is a contractual service only that allows the Shipper to order pre-printed labels to send to its customers within Canada. The maximum actual or Declared Value for each ARS Package is \$999. ARS is not available for international Shipments. Upon Delivery of the Shipment, the Shipper is billed the rate based upon the contract. There is no additional Accessorial charge.

b) Print Return Label; Electronic Return Label; Print and Mail Return Label

Shipments can be returned from addresses in Canada and internationally where these services are available.

The maximum actual or Declared Value for each domestic Print Return Label, Electronic Return Label, or Print and Mail Return Label Package is \$999. The maximum actual or Declared Value for each Print Return Label, Electronic Return Label, or Print and Mail Return Label international Shipment is \$50,000 per Package and \$100,000 per pallet provided that for any such Package or pallet with an actual or Declared Value in excess of \$999, the Shipper ensures that a UPS high-value summary report is generated and signed by the UPS driver upon tender of the Package or pallet to UPS. If no high-value summary report is obtained and signed, the maximum actual or Declared Value for each such Package or pallet is limited to \$999. Upon Delivery, a returned Shipment will be charged the transportation rate calculated from the pickup location to the destination for the service level selected. An Accessorial charge for each Print Return Label, Electronic Return Label, and Print and Mail Return Label will be assessed as set forth in the UPS Rates in effect at the time the charge is applied.

12.2 UPS Returns® Plus

a) 1 UPS Pickup Attempt

A Shipper can request that UPS make one pickup attempt to retrieve a Shipment from an address in Canada and internationally with 1 UPS Pickup Attempt service, where this service is available. The maximum actual or Declared Value

for each domestic Print Return Label. Electronic Return Label, or Print and Mail Return Label Package is \$999. The maximum actual or Declared Value for each 1 UPS Pickup Attempt service international Shipment is \$50,000 per Package and \$100,000 per pallet provided that for any such Package or pallet with an actual or Declared Value in excess of \$999, the Shipper ensures that a UPS high-value summary report is generated and signed by the UPS driver upon tender of the Package or pallet to UPS. If no high-value summary report is obtained and signed, the maximum actual or Declared Value for each such Package or pallet is limited to \$999. Upon Delivery, a returned Shipment using 1 UPS Pickup Attempt service will be charged the transportation rate calculated from the pickup location to the destination for the service level selected. An Accessorial charge for each 1 UPS Pickup Attempt label will be assessed as set forth in the UPS Rates in effect at the time the charge is applied.

b) 3 UPS Pickup Attempts

A Shipper can request that UPS make three pickup attempts to retrieve a Shipment from an address in Canada and internationally using 3 UPS Pickup Attempts where this service is available. The maximum actual or Declared Value for each 3 UPS Pickup Attempts service domestic Package is \$50,000. The maximum actual or Declared Value for each 3 UPS Pickup Attempts service international Package is \$50,000 provided that for any such Package with an actual or Declared Value in excess of \$999, the Shipper ensures that a UPS highvalue summary report is generated and signed by the UPS driver upon tender of the Package to UPS. If no high-value summary report is obtained and signed, the maximum actual or Declared Value for each such Package is limited to \$999. Upon Delivery, a returned Shipment using 3 UPS Pickup Attempts service will be charged the transportation rate calculated from the pickup location to the destination for the service level selected.

An Accessorial charge for each 3 UPS Pickup Attempts label will be assessed as set forth in the UPS Rates in effect at the time the charge is applied.

12.3 UPS Returns Exchange

UPS Returns Exchange allows a Shipper to arrange for Delivery of a replacement item with a pre-printed UPS return label and a simultaneous pickup of a return item. UPS Returns Exchange is a contractual service only.

12.4 UPS Returns on the Web

UPS Returns on the Web service is a contractual service only that allows a Shipper's customers to initiate a return through the Shipper's website. Upon Delivery, the Shipper is billed according to the terms in the contract. UPS Returns on the Web is not available for international Shipments. The maximum actual or Declared Value per Package for the UPS Returns on the Web Print Return Label, Print and Mail Return Label, 1 UPS Pickup Attempt, and 3 UPS Pickup Attempts is limited as set forth in Sections 12.1 and 12.2 above.

13. Special Handling of Undeliverable **Domestic Packages**

Domestic Packages refused by the Consignee, or which cannot be delivered, will be returned to the Shipper at the expense of the payer of the original Shipment. A Package returned to the Shipper will be assessed applicable transportation charges from the originally intended delivery address to the return address on the shipping label. Any applicable additional charges including but not limited to the fuel surcharge in effect at the time of the return will also apply. The UPS Service Guarantee does not apply to undeliverable Packages returned to the Shipper.

If the returned Package is refused by the Shipper, or the Package cannot otherwise be returned to the Shipper, UPS will retain the Package for a period of time determined at its sole discretion, but no less than thirty (30) days, and UPS reserves the right to dispose of the Package thereafter. See Section 29 of this document for further details.

14. Special Handling of **Undeliverable International Packages and Pallets**

International Packages and pallets refused by the Consignee, or that cannot be delivered for any other reason, will be held, and the Shipper will be contacted for further instructions. The Shipper will be responsible for payment of all applicable charges, including, but not limited to, forwarding, disposal, or return transportation charges, duty, tax, fuel surcharge, and an undeliverable international Shipment return surcharge set forth in the UPS Rates in effect at the time of the charge. The UPS Service Guarantee does not apply to undeliverable Packages or pallet returned to the Shipper. If the returned Package or pallet is refused by the Shipper, or the Package or pallet cannot otherwise be returned to the Shipper, UPS will retain the Package or pallet for a period of time determined at its sole discretion, but no less than thirty (30) days, and UPS reserves the right to dispose of the Package or pallet thereafter. See Section 29 of this document for further details.

15. Provisions for Customs Clearance of International **Shipments**

15.1 Export Documentation

The Shipper must provide the required export documentation for customs clearance, such as the commercial invoice and a certificate of origin when applicable. By providing this documentation, the Shipper certifies to UPS that all statements and information relating to exportation and importation are true and correct. There are civil and criminal penalties, including the forfeiture and sale of the Shipment, that may be imposed for making false or fraudulent statements.

15.2 Agent for Customs Clearance

When a Shipment is imported into or exported from Canada, UPS may act as the agent for customs clearance, where allowed by law. In effect, UPS is specified as the nominal Consignee for the purpose of designating a customs broker to perform customs clearance. Local authorities may require documentation

confirming that UPS has been designated as the nominal Consignee.

For importing into Canada:

- Importers can designate UPS as their customs broker for imported Shipments by executing a General Agency Agreement (GAA). Where UPS is designated as the Importer's customs broker or otherwise provides customs clearance for a Shipment, such services shall be governed by the Standard Trading Conditions of the Canadian Society of Customs Brokers (a copy of which can be found at ups-scs.com or by clicking on this link: Canada GAA STC) as well as the terms of any GAA executed by the Importer. The terms and conditions set out herein, including the Billing Options in Section 16 below, shall, to the extent not inconsistent, be in addition to the terms and conditions of the Standard Trading Conditions of the Canadian Society of Customs Brokers and any executed GAA.
- Importers wishing to designate a commercial broker other than UPS must communicate this request in writing to UPS prior to the importation of the goods.
- UPS charges fees for customs clearance service of Shipments arriving from the U.S. via UPS Standard® service.
- UPS charges fees for customs clearance of Shipments arriving in Canada via other transportation companies.

For exporting from Canada to the U.S.:

- Customs clearance of UPS Standard Shipments can be performed by UPS Supply Chain Solutions® or by a commercial broker selected by the Importer or Shipper. UPS provides brokerage services through UPS Supply Chain Solutions, designated by UPS to handle routine customs clearance of UPS Worldwide Express Plus[™], UPS Worldwide Express™, UPS Worldwide Express Saver®, UPS Worldwide Expedited™ and UPS 3 Day Select® Shipments at no additional charge.

For exporting from Canada to other countries:

- Customs clearance services vary by country.

Call 1-800-PICK-UPS® for details.

15.3 No-Charge Routine **Customs Clearance**

UPS provides routine customs clearance at no additional charge for Shipments imported into Canada via UPS Worldwide Express Plus, UPS Worldwide Express, **UPS Worldwide Express Saver and UPS** Worldwide Expedited service or exported from Canada via UPS Express® Early, UPS Worldwide Express Plus, UPS Worldwide Express, UPS Worldwide Express Saver, UPS Worldwide Expedited, UPS Express, UPS Express Saver®, UPS Expedited® and UPS 3 Day Select service. This applies to formal entries for Shipments of up to five (5) classification lines. Additional charges apply for complex customs clearance procedures. Other fees and charges may also apply. See Section 15.4 for more details.

15.4 Charges for Customs Clearance

When providing customs clearance for Shipments imported into Canada, UPS may assess additional charges including, but not limited to, the following:

- a) Entry Preparation Fee.
- b) Any duties and taxes remitted by UPS on behalf of the Importer of Record to the Canada Border Services Agency (CBSA).
- c) Bond Fee, the fee in connection with the bond UPS posts in order for the Shipment to be released, which facilitates the payment of duties and taxes.
- d) Freight charges, if the Shipper has indicated that these charges are to be billed to the Importer.
- e) Additional fees for complex customs clearance procedures which include. but are not limited to:
 - Clearance procedures involving a government agency other than the governing customs authority
 - Customs bonds

- Drawbacks
- Entries involving more than five (5) classification lines
- Import permits
- Live entries
- Marking attendance
- Refunds or duty drawbacks
- f) Any customs penalties, storage charges, or other expenses incurred as a result of an action by the customs authority or failure by the Shipper or Consignee to provide proper documentation or to obtain a required licence or permit. If the Consignee does not pay these additional expenses, the Shipper is liable for payment.
- g) Import C.O.D. Fee for collection of charges for customs clearance upon delivery, if necessary (see Section 15.5 for a list of circumstances that require an Import C.O.D. Fee).
- h) Online Payment Fee for collection of charges for customs clearance through the Pay Import Fees feature on ups.com.

15.5 Import C.O.D. Fee

When importing an international Shipment into Canada, there are a few instances where UPS may require C.O.D. payment of charges for customs clearance upon Delivery of the Shipment:

- If the Consignee does not have a UPS Account Number to which import charges can be billed
- If the Consignee has not signed a Power of Attorney giving UPS power of attorney to act as their customs broker, but wants UPS to provide one-time customs clearance
- If the Consignee's UPS account is not in good standing

15.6 Customs Brokerage Guarantee

If a UPS Standard® service Shipment from the U.S. is not delivered on time in Canada (except for the Limits and Restrictions for the UPS Service Guarantee outlined in Section 21), and UPS was designated as the customs broker for that Shipment, the UPS Customs Brokerage Guarantee applies. Under the UPS Customs Brokerage Guarantee, UPS will, at UPS's option, either credit or refund the customs brokerage Entry Preparation Fee for such Shipment or Package, to the payer only, upon request. Contact UPS for specific delivery times between the origin and destination.

The Consignee remains responsible for payment of applicable duties, taxes or any additional brokerage services provided for the Shipment.

15.7 UPS Customs Brokerage **Billing Options**

When a UPS Shipment is imported into Canada or exported from Canada, the Shipper may choose to pay either the duty and tax or duty only by showing instructions on both the export documentation and the Source Document. These options are available only to Shippers with an active UPS account. These services are not available if a customs broker other than UPS Customs Brokerage or UPS Supply Chain Solutions® has been identified as the broker.

16. Billing Options 16.1 Billing Options for **Domestic Shipments**

Unless otherwise indicated in a UPS Automated Shipping System or Source Document, shipping charges will be billed to the Shipper.

UPS also accepts Shipments billed to the Receiver or a Third Party provided the Receiver or Third Party has a valid UPS Account Number and the payer has been notified in advance by the Shipper and has agreed to accept the charges.

The Receiver's or Third Party's UPS Account Number and postal code must be provided to UPS at the time of shipping via the shipping system or on the Source Document used by the Shipper.

The Shipper is responsible for shipping charges refused by a Receiver or Third Party in addition to the charge referred to in Section 10.3.

16.2 Billing Options for International Shipments

The amount billed includes, but is not limited to, shipping charges, duties and taxes and any other customs clearance charges, if applicable.

Unless otherwise indicated in a UPS Automated Shipping System or on the Source Document, shipping charges will be billed to the Shipper and duties and taxes will be billed to the Receiver.

Unless otherwise restricted in the origin or destination country, Shippers may also select the payer of shipping charges as the Receiver or a Third Party and the payer of duties and taxes as the Shipper or a Third Party. The Receiver (for shipping charges) or Third Party (for shipping charges or duties and taxes) must have a valid UPS Account Number and must be notified in advance by the Shipper and agree to accept the charges.

The Receiver's or Third Party's valid UPS Account Number, postal code (if applicable) and country must be provided to UPS at the time of shipping via the shipping system or on the Source Document used by the Shipper. The Shipper is responsible for shipping charges refused by a Receiver or Third Party in addition to the charge referred to in Section 10.3.

In addition to the billing combinations noted above, the following billing option is also available:

Delivered Duty Paid, Value Added Tax (V.A.T.) Unpaid: The Shipper pays all shipping charges and the destination country's duties, if applicable. The Consignee pays the balance, such as the V.A.T. This billing option is only available through a UPS Automated Shipping System.

Except for Shipments to the U.S. or Mexico, an additional Duty and Tax Forwarding Surcharge, set forth in the UPS Rates in effect at the time of shipping, will apply if the Shipper selects a billing option in which duties and taxes are to be paid outside of the destination country of the Shipment.

UPS reserves the right, in its sole discretion, to request advance payment of shipping charges for any Package sent to any international destination.

17. Delivery Attempts

If UPS is unable to complete the Delivery of a Shipment, a notice will be left at the Consignee's address stating that a Delivery has been attempted. On the second business day and, if necessary, on the third business day, UPS may attempt to deliver the Shipment without additional charge. For residential deliveries and where available, UPS may Driver Release or perform an Indirect Delivery of the Shipment (see Section 18 for details). For UPS Worldwide Express Freight® Shipments, only one Delivery attempt will be made; subsequent Delivery attempts are subject to additional charges, which will be charged to the Consignee.

18. Driver Release and Indirect Delivery

Driver Release is a UPS residential delivery service where UPS may, in its sole and unlimited discretion, leave a Shipment at a private residence without obtaining a signature except for Shipments where the Shipper has selected an Additional Service requiring that UPS obtain a signature. Driver Release is only available in select areas.

An Indirect Delivery may occur if a signature is required for a Shipment or the UPS driver is otherwise unable to Driver Release a Shipment. The Shipment may be delivered to a neighbouring address or a UPS Access Point® location for customer pickup.

19. Hold at Location Service for **UPS Worldwide Express Freight**

For UPS Worldwide Express Freight Shipments, the Shipper may request that UPS hold a UPS Worldwide Express Freight Shipment at a UPS Worldwide Express Freight Centre location for pickup by the Consignee. For each such Shipment, the Shipper will complete an address label showing the words "Hold for Pickup," the Consignee's name, telephone number, the name of a contact person, and the full address of the Consignee (designated UPS Worldwide Express Freight Centre address not required). UPS will hold the Shipment at the designated UPS Worldwide Express Freight Centre and will attempt to contact the Consignee at

the telephone number shown on the label. Shipments not picked up within five (5) business days from the date of arrival will be considered undeliverable.

20. Proof of Delivery

Delivery can be verified by accessing the UPS tracking system via ups.com, by using UPS Connect® software, or by calling 1-800-PICK-UPS® from anywhere in Canada. Delivery history is maintained in our electronic files for up to nine (9) months following the Shipment date.

Written Proof of Delivery (P.O.D.)

Upon request, UPS will provide proof of Delivery via facsimile or mail transmission. The request must include a facsimile number, including area code, for an operating facsimile machine, or an address deliverable by Canada Post Corporation for mail. UPS reserves the right to assess the Shipper an additional charge, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, for each successfully transmitted or mailed P.O.D.

21. UPS Service Guarantee

In the event that UPS fails to complete Delivery or attempt Delivery within the time commitment, UPS, at its option, will either credit or refund the transportation charges for each such Package or pallet, to the payer only, upon request, subject to the following conditions:

- UPS's guaranteed delivery schedule must state that the destination point qualifies for the service commitment from the origin point.
- The Shipment must be properly documented on a Source Document and each Package or pallet in the Shipment must bear the appropriate UPS tracking label.
- Each Package or pallet in the Shipment must be properly labelled, including From/To address details with the Consignee's correct name, deliverable address, postal or Zip code, and telephone number. UPS cannot deliver to a P.O. Box.
- UPS reserves the right to refuse to honour a request for a credit or refund of shipping charges for a Package or pallet

when the Package or pallet does not have affixed to it a UPS Smart Label® and/or when UPS does not receive timely Package Level Detail (PLD) Upload information at or before the time the Package or pallet is tendered to UPS or when the delivery address on any address label or combined label affixed to the Package or pallet does not match the delivery address on the UPS Smart Label, bar code, or PLD for the Package or pallet.

- For Saturday Delivery, a Saturday Delivery routing label must be attached to each Package or pallet in the Shipment.
- For international Shipments, all applicable documentation required by the origin and/or destination country must be complete and included with the Shipment.
- The Shipment must be tendered to UPS during UPS's published business hours.
- UPS must be notified of a service failure in writing or by telephone within fifteen (15) calendar days from the date of scheduled Delivery or by the date by which UPS has amended or corrected the actual Delivery in tracking detail or proof of Delivery, whichever is later, and be advised of the Consignee's name and address, date of Shipment, Package or pallet weight, and the UPS Tracking Number.
- Customs clearance must be performed by UPS or its designee.
- For UPS Worldwide Express Freight Shipments, the guarantee shall apply to a Shipment in excess of 2,000 kilograms or 4,400 pounds only if the Shipper obtained confirmation of eligibility for the UPS Service Guarantee prior to tender of the Shipment to UPS for service.
- UPS may, but is not required, to present the actual time of Delivery in tracking detail or proof of Delivery, and reserves the right to amend any delivery confirmation or the actual time of Delivery within forty-eight (48) hours of the date of Delivery.

Limits and Restrictions

- The UPS Service Guarantee does not apply to Shipments that are delayed due to causes beyond UPS's control, including, but not limited to, the following: the unavailability or refusal of a person to accept Delivery of the Shipment; delays caused by the Consignee; acts of God; public authorities acting with actual or apparent authority on the premises; acts or omissions of customs or similar authorities; riots; circumstances arising before, during, or after a strike or other labour dispute; civil commotions; disruptions in the air or ground transportation network (such as weather phenomena); and natural disasters.
- The UPS Service Guarantee does not apply to Shipments which include a Package or Packages subject to Additional Handling (Section 9.6), the Large Package Surcharge (Section 10.9) or the Oversize Pallet Handling Surcharge (Section 10.10).
- The UPS Service Guarantee does not apply to any Package or pallet exceeding Maximum Weight and Size Limits (Section 3.1) or containing articles listed as a Prohibited Article (Sections 3.3 and 3.4) or any Dangerous Goods Shipment (Section 3.6).
- The UPS Service Guarantee does not apply to a UPS Import Control® Shipment if the Commercial Invoice Removal service option has been selected for the Shipment.
- The UPS Service Guarantee does not apply to Shipments subject to a Delivery Change Request or a UPS My Choice® request.
- The UPS Service Guarantee does not apply to UPS Standard® Shipments within Canada that are picked up or scheduled to be delivered on and between November 27 and December 3, and on and between December 11 and December 24.
- The UPS Service Guarantee does not apply to UPS Standard Shipments to and from the United States that are picked up or scheduled to be delivered on and between November 27 and December 3, and on and between December 18 and December 24.

- UPS reserves the right to waive the **UPS Service Guarantee on Shipments** scheduled for Delivery the business day following a national or provincial holiday when that holiday is not observed in the U.S. or other parts of Canada.
- The money-back guarantee does not apply to any company or service provider that is engaged in the re-selling of any UPS service.
- UPS reserves the right to refuse any request for a credit or refund when such request is either (a) made by or (b) based on information obtained by a party other than the payer of the shipping charges.
- UPS may cancel, suspend or modify the UPS Service Guarantee, or change the guaranteed time in transit, for any or all services, and for any period of time, as determined by UPS in its sole discretion, and without prior notice.
- The UPS Package tracking system accessed via ups.com (the "Tracking System") and tracking information obtained through the UPS website (the "Information") are the private property of UPS. UPS authorizes the use of the Tracking System solely to track Shipments tendered by or for a customer to UPS for Delivery and for no other purpose. Without limitation, customers are not authorized to make the information available on any website or otherwise reproduce, distribute, copy, store, use or sell the Information for commercial gain without the express written consent of UPS.

This is a personal service, thus the right to use the Tracking System or Information is non-assignable. Any access or use that is inconsistent with these terms is unauthorized and strictly prohibited.

22. Responsibility for Loss or Damage

Except for articles listed in Section 3.3 (Prohibited Articles) and Section 3.4 (Articles Requiring Pre-approval for Shipping within Canada, Internationally or Both), UPS automatically protects against loss or damage of a Package, Shipment or pallet in a UPS Worldwide Express Freight[®] Shipment up to a value of \$100.

If the Shipper wishes to declare a value greater than \$100 for a Package, Shipment or pallet, the greater Declared Value must be entered on the UPS shipping documentation, and an additional charge will be applied.

- \$100 of protection automatically applies to the value of the Shipment or pallet in a UPS Worldwide Express Freight Shipment, when using the following Source Documents: Canadian Services Waybill, Worldwide Services Waybill, UPS Connect® NX domestic Shipments, UPS Connect® export Shipments, WorldShip®, UPS Internet Shipping or UPS CampusShip™.
- \$100 protection automatically applies to the value of each Package when using the following Source Documents: Shipping Record Book, UPS Connect CX and EX domestic Shipments.
- Unless a greater value is declared in writing in the Declared Value space provided on the Source Document provided to UPS, the Shipper declares the released value to be no greater than \$100 per Package or Shipment or for each pallet in a UPS Worldwide Express Freight Shipment, which is a reasonable value under the circumstances surrounding the transportation.
- See Section 3.2 in this document for the maximum Declared Values that can be made.
- The rules relating to liability established by the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw, Poland, on October 12, 1929, and any amendments thereto, may apply to the carriage of international Shipments.
- In connection with a damaged Shipment, the Shipper must retain the original packaging until an inspection can be completed by UPS or its agent.

23. Limitations and Exclusions of Liability

UPS shall not be liable for any special, indirect, incidental, consequential, or punitive damages (collectively, the "Consequential Damages") including, but not limited to, loss of profit or revenue

incurred by the Shipper (or any other person or company) as a result of UPS's (or UPS's agent's or independent contractor's) acts or omissions, including but not limited to, gross negligence, negligence causing damage, failure to deliver, loss or theft of or damage to the Shipment, or late or delayed Shipment.

In any such event, UPS's liability shall be limited to a refund of the shipping charges (if the Shipment has been guaranteed by UPS to arrive on time). This limitation of liability applies to all Shipments, notwithstanding that the Shipper has completed the Declared Value section on the Source Document and paid the additional charge. In no event shall UPS be liable for any Consequential Damages even if UPS or its employees are advised in advance of the possibility of such damages.

UPS will not be liable or responsible for the loss or damage to any Package or pallet, the contents of which Shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has the right to refuse. UPS will not pay for a claim for the loss or damage to property unless all applicable transportation charges have been paid. UPS shall not be liable for and reserves the right, in its sole discretion, to deny claims pertaining to a Package or pallet for which there are no UPS records reflecting that the Package or pallet was tendered to UPS by the Shipper or due to improper packaging.

UPS's liability for loss or damage to a Package or pallet containing documents, film, photographs (including negatives), slides, transparencies, videotapes, compact discs, laser discs, computer tapes, and media of similar nature is limited to the replacement cost of the media on which the content is recorded. UPS shall not be liable or responsible for loss or damage to information or data, including without limitation personal, health or financial information.

In the event of loss of or damage to a pair or set of articles, UPS's liability is limited to the value of that part of the pair or set which is lost or damaged, and UPS shall not be liable for the value of the whole pair or set. In the event of loss of or damage to any part of property (including any part of a machine) which, when complete for sale or use, consists of several parts, UPS shall be liable only for the value of the part lost or damaged, not to exceed the Declared Value of the part lost or damaged. In no event shall UPS be liable for the value of the complete item.

In the event of partial loss or damage to a pallet in UPS Worldwide Express Freight® service, UPS shall be liable only for the value of the contents of the pallet lost or damaged, and not the value of the full pallet.

UPS will not be liable or responsible for the loss or damage to perishable commodities or commodities requiring protection from the heat or cold to the extent that the loss or damage results from exposure to heat or cold or the perishable nature of the items.

UPS's liability in respect of the provision of Customs Clearance into Canada shall be governed by the Standard Trading Conditions of the Canadian Society of Customs Brokers (a copy of which can be found at ups-scs.com or by clicking on this link: Canada GAA STC) as well as the terms of any GAA executed by the Importer. UPS shall not be liable for any error in judgment or for anything which it may do or refrain from doing or for any resulting or consequential damage or loss caused by the negligence of any customs broker or by an act of God or other act or cause beyond the reasonable control of UPS where designated as customs broker. UPS shall not be liable for any failure to provide the Customs Clearance Services, which is a result of the operation of the applicable laws of Canada or any other country or a change in the policies of Canada Border Services Agency or any other government authority.

UPS shall not be liable or responsible for loss or damage due to acts of God, natural disasters, war risks, acts of terrorism, nuclear damage, acts of public authorities acting with actual or apparent authority, acts or omissions of customs or similar authorities, authority of law, the application of security regulations imposed by the government or otherwise applicable

to the Shipment, riots, strikes or other labour disputes, civil unrest, disruptions in national or local air or ground transportation networks (including, but not limited to, UPS's transportation network), disruption or failure of communication and information systems, or adverse weather conditions.

24. Claims Procedure

A claim may be filed when UPS does not meet its on-time delivery commitment or for loss of or damage to a Shipment. Tracing or tracking a missing Package or pallet does not mean that a claim has been filed.

Claims must be submitted to UPS by electronic communication on ups.com or in writing to:

UPS Customer Service Centre Claims Department 1 Factory Lane, 2nd Floor Moncton, New Brunswick, E1C 9M3

Once a claim has been filed, a claim reference number will be issued by UPS.

All claim notifications must include Shipment details including address information (From and To), date of Shipment, Package or pallet weight, the UPS Tracking Number, and a statement of what is being claimed.

Claims must be filed within the following time periods:

For UPS Service Guarantee claims:

Claims must be filed within fifteen (15) days from the date of scheduled Delivery.

For damage claims on Shipments sent within Canada, to the U.S. and internationally:

UPS must be notified as soon as possible after discovery of the damage and no later than sixty (60) days after the date of Delivery.

For loss claims on Shipments sent within Canada or to the U.S.:

Claims not made within nine (9) months after Delivery of the Package or pallet or, in the case of non-Delivery, within nine (9) months of the pickup date shall be deemed waived.

For loss claims on Shipments sent to international destinations (other than to the U.S.):

Claims not made within six (6) months after Delivery of the Package or pallet or, in the case of non-Delivery, within six (6) months of the pickup date will be deemed waived.

UPS, after receiving a claim for loss or damage to property transported, may pay, decline, or make a firm compromise settlement in writing to the claimant.

In order to settle a claim, UPS requires the following:

- A copy of the original UPS Source Document
- A copy of the original invoice for the goods being claimed to substantiate replacement value (In the event that an invoice does not exist or does not show current replacement value, UPS will require the claimant to establish, to the satisfaction of UPS, the current replacement value of the goods being claimed.)
- An invoice to UPS indicating the replacement cost of the loss or damage being claimed

All correspondence should include the UPS Account Number and the Loss Damage Investigation (LDI) Number issued by UPS.

25. Interruption of Service

Without limiting the generality of the limitations of liability herein, UPS shall not be liable for any interruption of delivery service due to a cause beyond UPS's control, or due to strikes, lockouts, or other labour disputes.

26. Delay

UPS is not financially responsible for the consequences of failure to deliver a Shipment by a stipulated time.

27. Sales Tax

All applicable federal and provincial sales taxes required by law will be charged on all charges and any surcharges.

28. Payment for Services 28.1 Payment Options

UPS offers the following payment options:

- Debit: Electronic Funds Transfer (EFT) Plan: With your prior authorization, UPS electronically seeks payment of your UPS bill directly from your bank account on a weekly basis. Your weekly bill from UPS will be marked "Paid by bank."
- Consolidated Payment Plan: Your company provides UPS with an initial payment equal to four (4) weeks of average billing. This payment remains on account to cover one (1) month's anticipated delivery charges. You receive a UPS bill once a week. Payment for all accumulated charges is due upon receipt of your fourth (4th) bill, or if you exceed your prepayment, before you receive your fourth bill.
- Credit Card: With your prior authorization, UPS seeks payment of your UPS bill directly from your credit card account on a weekly basis. Your weekly bill from UPS will be marked "Paid by credit card."
- Weekly Payment Plan: You receive a bill weekly and payment is due by the date specified on the bill.
- Monthly Payment Plan: You receive a bill monthly and payment is due by the date specified on the bill.

28.2 Late Payment Charge

In the event that an invoice is overdue, UPS will apply a late payment charge in the amount of five percent (5%) on the total balance outstanding of that invoice. This charge will appear on your next UPS bill. This is in addition to any legal rights and remedies available to UPS.

28.3 Estimated Charges

UPS reserves the right to assess the Shipper's shipping and or Accessorial charges based on estimated Package or pallet characteristics on all Shipments tendered to UPS if the Shipments' billing information is unavailable.

28.4 Invoice Adjustments

Shippers requesting an invoice adjustment (e.g., adjustment of charges based on an incorrect rate, billable weight, account number, failure to tender a Package or pallet, shipping charge correction, or type of service, etc.) or a refund due to a duplicate payment must notify UPS of the request within ninety (90) days from the invoice date or any billing dispute is waived. The notification to UPS must include the date of Shipment and UPS Tracking Number for each disputed charge. A partial payment against an invoice is not considered a request for an invoice adjustment.

29. Packages and Pallets Which Have Been Refused or Are Unidentifiable

If for any reason a Package or pallet in the possession or control of UPS cannot be either delivered to the Consignee or returned to the Shipper, including without limitation because the Package or pallet has been refused or abandoned by the Consignee and/or the Shipper or because the Shipper and/or Consignee cannot be ascertained for any reason, UPS will retain the Package or pallet for a minimum period of thirty (30) days or such longer period of time as in its sole discretion it determines ("Holding Period"). At the expiration of the Holding Period, UPS is deemed to have fulfilled all obligations that it may have as a common carrier; the Shipper and Consignee will be deemed to have relinquished any and all proprietary rights to Packages and pallets and/or their contents which remain unidentified and/or undeliverable ("Unclaimed Goods"); and to the fullest extent permitted by law, full and clear title to the Unclaimed Goods will pass to UPS. Following the Holding Period, UPS may dispose of Unclaimed Goods in any manner it elects, including without limitation by sale or consignment to a Third Party, and the sole recourse of the Shipper and/or Consignee shall be in accordance with and subject to Sections 22, 23 and 24 of this document.

30. Right of Disposal of **Damaged Packages and Pallets**

UPS reserves the right to dispose of the damaged contents of a Package or pallet, or a damaged Package or pallet and its entire contents if, at UPS's sole discretion, the contents or packaging may cause harm to any UPS employee, the public, or damage to other Packages, pallets,

UPS equipment or facilities, without prior notification to the Shipper.

31. Service

Some Shipments may be transported and/or handled by a UPS agent and/or independent contractor. Shipments handled by an agent or independent contractor destined to remote delivery areas may be delivered to a centralized delivery location and require the Consignee to pick up the Shipment.

32. Fuel Surcharge

UPS reserves the right to apply a fuel surcharge on Shipments. The surcharge will be applied for such periods as UPS may determine necessary. Current details on the fuel surcharge will be posted on the UPS website at ups.com.

33. Security Surcharge

UPS reserves the right to institute a security surcharge on all Shipments without prior notice. The surcharge will be applied for such periods as UPS may determine necessary.

34. Currency Conversion Rate

Charges to the payer's account in a foreign currency will be converted to the payer's currency using a weekly exchange rate secured through major banks, plus an exchange fee percentage of the amount converted, as set forth in the UPS Rates applicable at the time of shipping.

35. UPS Customer Centre and UPS **Worldwide Express Freight®** Centre

Before accepting a Shipment tendered for transportation or releasing any Shipment at a UPS Customer Centre or a UPS Worldwide Express Freight Centre to a Consignee or other recipient, UPS reserves the right to require sufficient verification, as determined by UPS in its sole discretion, of the Shipper's or recipient's name, address, authorization to ship or receive the Shipment, or any other information UPS deems necessary to accept or release the Shipment in its sole discretion. Persons tendering or picking up Shipments on behalf of a business may be required to show identification issued by the business and a government-issued photo identification. Persons picking up Shipments on behalf of a residential Consignee may be required to provide a letter of authorization and show government-issued photo identification. UPS reserves the right to require payment to be made at UPS Customer Centres and UPS Worldwide Express Freight Centres by payment card only.

36. UPS Access Point® Locations

Packages that may be received for Delivery or tendered for shipment (meaning Packages that have been processed for shipment prior to tender using a UPS Shipping System only) at a UPS Access Point location are subject to restrictions, including, without limitation, in regard to weight, size and actual and Declared Value, as set forth in the UPS Rate and Service Guide found on the ups.com website. Subject to modification by the Shipper, UPS Access Point locations will hold Packages for up to seven (7) calendar days. Refer to tracking detail for Package-specific information, including, but not limited to, the last available pickup date. If the Shipment is not picked up within seven (7) calendar days (or other time selected by the Shipper), it may be returned to the Shipper as undeliverable. See further details in Sections 13 (Special Handling of Undeliverable Domestic Packages) and 14 (Special Handling of Undeliverable International Packages and Pallets). Before accepting a Shipment tendered for transportation or releasing any Shipment at a UPS Access Point location to a Consignee or other recipient, a Shipper, Consignee, or other recipient may be required to produce sufficient verification of the Shipper's or recipient's name, address, authorization to ship or receive the Shipment, and any other information UPS deems necessary to accept or release the Shipment in its sole and unlimited discretion, including, without limitation, provision of government-issued photo identification.

37. Data Protection

The Shipper agrees that UPS and other companies in the UPS group of companies worldwide, including companies in countries that may not have the same

level of data protection as the country where the Shipment is tendered for service, may use any data provided by the Shipper to UPS for the purposes set forth in and subject to the UPS Privacy Notice published on UPS's website at ups.com/content/ca/en/resources/ ship/terms/privacy.html, which is incorporated here by this reference. The Shipper has certain rights under the law (exercisable by contacting UPS) to have access to, rectify, object to the use for direct marketing of, or delete personal data held by UPS about it.

38. Use of Package Level Detail (PLD) **Obtained Email Addresses**

By including the email address of the Consignee or associated addressee in PLD for a Shipment ("PLD Email Address(es)"), the Shipper directs UPS to send notifications related to the deliverv of such Shipment to the Shipment's associated PLD Email Address(es) and acknowledges and agrees that UPS may use such PLD Email Address(es) in accordance with the UPS Privacy Notice in effect at the time of shipping, to the extent permitted by law. The Shipper warrants that (i) informed and specific consent has been secured from the individual associated with each PLD Email Address(es) to receive notifications related to the delivery of such Shipments and for use by UPS of the PLD Email Address in accordance with the UPS Privacy Notice in effect at the time of shipping, to the extent permitted by law and that (ii) the PLD Email Address(es) is accurate and is controlled by the Consignee or associated addressee for the Shipment with which it is associated. The Shipper warrants that the consent referred to in (i) above has been obtained in accordance with all U.S. and international laws applicable to electronic messages sent to the Consignee or associated addressee. The Shipper shall retain evidence of such consent and the form of consent in an auditable form for at least 3 years and shall produce such records to UPS upon request. The Shipper shall defend, indemnify and hold harmless UPS, its parent corporation, and affiliated companies, their officers, directors, employees, agents, and their successors and assigns, from and against any and all

liability, losses, damages, costs and expenses (including reasonable legal fees) of any nature whatsoever incurred or suffered in connection with damages arising out of or resulting from any breach of the warranties in the previous sentence.

39. Incorporation of Terms; Waiver; Future Changes

All Shipments are subject to the terms and conditions contained in the Terms.

UPS may engage subcontractors to perform transportation and incidental services. UPS contracts on its own behalf and on behalf of its servants, agents, and subcontractors, each of whom shall have the benefit of these Terms. No such party has authority to waive or vary these Terms.

The effective Rate and Service Guide, and any modifications or amendments of it, are hereby incorporated by reference in these Terms. In the event of a conflict or inconsistency between the Terms and the effective Rate and Service Guide, the Terms shall control. The Terms and the UPS Source Document for each Shipment together comprise the complete and exclusive agreement of the parties, except as modified by any existing or future written agreement between the parties, and may not be contradicted or modified by any oral agreement.

UPS reserves the right to unilaterally modify or amend any portion of the Rate and Service Guide or the Terms at any time without prior notice.

Any failure to enforce or apply a term or provision of the Rate and Service Guide or the Terms shall not constitute a waiver of that term or provision by UPS and shall not diminish or impair UPS's right to enforce such term or provision in the future. If one or more provisions of the Terms shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not be so affected or impaired.



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