



STANDARD TERMS & CONDITIONS

Freight Forwarding Services

All Customers are encouraged to be aware of our Trading Terms & conditions under which we define our role, our responsibilities to you our Customer, and the limitations of our liabilities. We also detail your responsibilities so that you can be clear about your role in ensuring that together, we have a mutually beneficial business relationship.

1. CrossBorder Solutions Role as Freight Forwarder

- a. CrossBorder Solutions Inc. (hereinafter known as "The Company") acts solely as agents, on behalf of it's Customers in contracting the services of third parties for transportation and customs brokerage needs. The contracts are based on the terms & conditions of the third party providers and as such, the Customer establishes a direct contract with the third parties and the rights, responsibilities and liabilities that this entails. Third parties can include but are not limited to: ocean, air, rail and road carriers, customs brokers, other freight forwarding agencies, storage, terminal and warehouse facilities. The Company will on demand by the Customer, provide evidence of any contracts made on their behalf.
- b. Outside of instruction related to the services being purchased by the Customer, the Company also provides free advice and information. This is given without liability and is not to be shared with any other person or agency without the Company's written permission.

2. CrossBorder Solutions Responsibilities as Freight Forwarder

- a. The Company warrants that it will select agents and carry out its services with reasonable care and within a reasonable time after receipt. It will also make every reasonable attempt to carry out specific Customer requests and instructions, subject to the limitations of these Terms & Conditions.
- b. If at any stage in any transaction, the Company should reasonably consider, due to unforeseen events or circumstances, that there is good reason to depart from the Customer's instructions, the Company shall be allowed to do so and shall not incur any additional liability as consequence.
- c. If after a contract or agreement has been made, events or circumstances come to the Company's attention that in their opinion make it completely or partly impossible to fulfill their duties, the Company shall take all reasonable steps to inform the Customer of the events and seek further instruction as to how to proceed. If contact is not made within a reasonable period relative to the severity of the event, the Company shall be allowed to take such action as they deem necessary to best mitigate the situation for all concerned and shall not incur any additional liability as consequence.

3. General Responsibilities of The Customer

- a. The Customer shall be deemed to be competent and to have reasonable knowledge of areas and issues affecting the conduct of their business including terms of sale and purchase and all other matters relating thereto.
- b. The Customer shall give sufficient and executable instructions within a reasonable time to allow for services to be carried out as requested and to help prevent potential penalty fees such as demurrage, detention, fines or other.
- c. The Customer warrants that it is either the Owner or the authorized agent of the Owner and also that it is accepting these Conditions not only for itself but also as agent for and on behalf of the Owner.
- d. All goods tendered for shipping will be properly and appropriately packed, stowed, unitized, and well marked for shipping by the Customer in a manner suitable for the shipping method chosen and to safeguard the contents from the risks associated with the transportation mode(s) to be used. The Customer also warrants that the materials used in the packaging conform to any current, governmental regulations in place in the potential jurisdictions through which the cargo may travel from origin to final destination.



General Responsibilities of The Customer- contd.

- e. The Customer is required to accurately declare the final gross weight and volume of all items in a consignment tendered for shipping. All consequences owing to misdeclarations will be borne by the Customer.
- f. When goods are accepted and the Customer requests the collection of freight, duties or other expenses from the consignee or any other person, the Customer shall remain responsible for these amounts if not paid immediately when due.

4. Dangerous or Hazardous Goods

- a. The Company will not accept or deal with hazardous or dangerous goods, goods that could harbour or encourage insects/pests or goods which could taint other goods UNLESS it has first received written detailed instructions and descriptions of the products AND then accepts them in writing.
- b. If such Goods are accepted by the Company for transport arrangements, but thereafter, in the opinion of the Company, constitute a risk to other goods, property, life or health, the Company shall, where reasonably practicable, contact the Customer in order to require them to remove or otherwise deal with the goods, but reserves the right, in any event, to do so at the expense of the Customer and without incurring any liability whatsoever.
- c. The Customer warrants that all cargo deemed to be Hazardous or Dangerous Cargo (as defined by the Federal Government agencies of Canada and the United States of America, dependent upon the shipping point of origin) will be packaged and marked in accordance with the applicable laws of the country where the cargo originates.

5. Invoicing and Quotations

- a. Quotations given are estimates only unless stated otherwise therein and thus subject to fluctuations in third party charges owing to fuel, currency, security or other surcharges. Quotes or invoices stating the rates as firm, do not denote that the Company is acting as principal.
- b. Quotations are given on the basis of immediate acceptance and are subject to withdrawal or revision. Unless otherwise agreed in writing, the Company may, after acceptance of the quote, revise quotes or charges upon notice, in the event of changes beyond the Company's control, such as, but not limited to: variance in the shipments declared weight and volume from given quotes, freight rates, various carrier surcharges, foreign exchange rates, fees of regulating bodies etc.
- c. The Customer shall pay to the Company in cash, or as otherwise agreed in writing, all costs when due, immediately and without reduction or deferment on account of any claim, counterclaim or set off.
- d. Monies owing to the Company that are overdue beyond 30 days of the invoice date or past dates mutually agreed to in any written service agreement between the Company and Customer, are subject to interest charges at twice the amount set by the Bank of Canada, Prime Business Rate "prime rate".
- e. The Company shall be entitled to be paid, and retain, all brokerages, commissions, allowances and other remunerations customarily retained by or paid to freight forwarders.

6. Insurance Coverage

- a. Rates and services, unless otherwise specified, do not cover transit insurance for cargo. No insurance will be effected by the Company unless a specific written request is made in reasonable time prior to the shipment being transported. All insurance arranged by the Company on behalf of the Customer is subject to the terms & conditions of the policies, insurers and underwriters. The Company will make these terms available to the Customer at any time, upon request.
- b. The Company will not be liable if the Customer for any reason whatsoever fails to recover a loss in whole or in part from the insurer under the policy, even though the premium charged by the insurer may differ from the Company's charges to the Customer.
- c. Should the Customer decline All Risk Cargo insurance coverage whether through the Company or elsewhere, The Company has no liability for loss of or damage to the goods during transport or storage that could have been covered by insurance, whether or not the Company caused or contributed to it by its negligence, breach of these conditions or otherwise.



7. Notification of Claim for Loss or Damage

- a. The Customer or Owner must notify the Company of a claim in writing within the following time lines:
 - I. For loss and/or damage, within 7 days of the date of delivery or completion of transit
 - II. For delay or non-delivery, within 30 days of the estimated date of delivery
 - III. For any other instance, within 45 days of the event which may give rise to a claim
- b. If notice is not received within the required time frame, the claim will be deemed to be waived and thus void and the Company absolved of all liability, unless the Customer can reasonably justify the reporting delay.
- c. Giving Notice of claim to the Company does not constitute Notice of Claim for All Risk Cargo insurance if the Customer has arranged for this type of insurance either with the Company or an outside Third Party. The Customer is advised to consult the terms & conditions required under these policies, if in existence, in order to seek restitution therein.
- d. Customers are reminded that evidence in the form of a signed delivery receipt indicating external damages noted upon delivery, will be required in order to consider any claim.

8. Liability and Limitation

- a. The Customer shall indemnify the Company against all duties, taxes, payments, fines, expenses, losses, damages and liability in excess of the liability of the Company in accordance with the Terms & Conditions, suffered or incurred by the Company in the performance of its obligations under any contract to which the Terms & Conditions apply.
- b. The Customer shall indemnify the Company in respect of any claims of a general average nature.
- c. The Company's maximum liability shall not in any event exceed 2 SDR (Special Drawing Rights) per kilogram of the gross weight of the specific goods being claimed for to a maximum of 75,000 SDR's per claim.

Without prejudice to any other conditions contained herein, the Company will not be held liable for:

- Loss or damage for any cause, event or labour disruption, whether legal or not, where the Company or its agents in spite of using reasonable diligence could not avoid.
- Indirect or consequential loss or damage to include, but not limited to: loss of market, loss of profit, revenue, interest, loss of good will, business interruption, work stoppage or other.
- Loss of, damage to or consequential or indirect loss caused by delay or deviation in connection with the transportation of goods.

The Customer shall indemnify the Company, its servants, sub-contractors and agents, from any liability in connection with any services which are the subject of these Terms & conditions in excess of the liability of the Company in accordance with these Terms & Conditions, against the following:

- a. all claims, costs and demands suffered or incurred by the Company in the performance of its obligations regardless whether such claims arise from or in connection with breach of contract, negligence or breach of duty
- b. all duties, taxes, payments, fines, expenses, losses, damages (including physical damage) and liabilities arising out of the Company acting in accordance with the Customer's instructions or arising from any breach by the Customer of any warranty contained in these conditions or from the negligence of the Customer.

Upon express written instruction by the Customer, the Company may accept liability in excess of these limits providing the Customer pays the additional related costs to the Company for accepting the increased liability.



Liability and Limitation – contd.

These Terms & Conditions also apply whenever any claim is made against any employee, agent or independent contractor engaged by the Company to perform any transport or related service for the Customer, whether such claims are founded in contract or tort. The sum total liability of the Company and the aforementioned parties will not exceed the limits of liability of these terms & conditions.

9. Detention and Lien

The company shall have a particular and general lien and right of detention on all goods or documents relating to goods in its possession for all monies owing at any time from the Customer, owner, shipper or consignee. After giving 21 days written notice to the Customer, the Company shall be entitled to sell or dispose of such goods or documents at the discretion of the Company and the expense of the Customer. Net proceeds will be applied to all monies outstanding and the residual amount credited to the Customer, owner, shipper or consignee. The Company will not be liable for any reduction in value, for whatever reasons, received on the sale of the goods. The Customer will remain liable in spite of the goods having been sold.

10. Jurisdiction and Law

These conditions and any act or contract to which they apply shall be governed by the laws of Canada and where applicable, the Province of Ontario. Any dispute which arises out of these same conditions shall also be subject to the exclusive jurisdiction of only the Ontario and Canadian courts.

11. Time Bar for Legal Suit

Unless otherwise expressly agreed, the Company shall be discharged of all liability under these Terms & Conditions unless suit is brought about within 9 months from the date of delivery of the goods or when the goods should have been delivered.

STANDARD TERMS & CONDITIONS

Canadian Customs Brokerage Services

These are the Standard Trading Conditions which govern the business practices of members of the Canadian Society of Customs Brokers. Both the Client and the Customs Broker agree to be bound by the Agency Agreement and Power of Attorney including the Standard Trading Conditions unless or until one of the parties advises the other in writing to the contrary subject to the provisions of paragraph 8 of the Standard Trading Conditions.

1. Definitions

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

"Client" is any person, firm, association or corporation at whose request or on whose behalf, either directly or indirectly, the Customs Broker undertakes any business or provides advice, information or services. "Customs Broker" is the person, firm or corporation licensed by the Department of National Revenue, or other authorized body, to engage in the business of a Customs Broker.

"Customs Duties" means any duties, taxes and levies on imported goods under the Customs Act, the Customs Tariff, the Excise Act, the Excise Tax Act, the Special Import Measures Act or any other law relating to customs, excluding any penalties, interest or fines imposed under any of the aforesaid acts or any other law relating to customs.



Definitions'-contd.

"Disbursements" means any payment made by the customs broker, on behalf of the client, for any product or service rendered in connection with the facilitation of the import and export of goods but not limited to Customs Duties, taxes, freight, storage, penalties, interest and fines and any other payments, including payments for goods on COD shipments made by the Customs Broker on behalf of the Client.

"Services" shall mean those customs broker services which are agreed to by the Client and the Customs Broker.

2. Fees and Disbursements

- a. The fees for Services shall be in accordance with the fee schedule as agreed upon between the Client and the Customs Broker as amended from time to time.
- b. The Client shall pay to the Customs Broker all fees charged for the Services rendered by the Customs Broker to the Client.
- c. Disbursements incurred by the Customs Broker on behalf of the Client shall be reimbursed to the Customs Broker by the Client.

3. Invoicing and Payment

- a. The Customs Broker shall issue invoices to the Client for all fees and Disbursements pertaining to Services rendered to and on behalf of the Client.
- b. All such invoices shall be payable upon receipt, or as otherwise agreed, by the Client.
- c. Interest on all late payments shall be paid at the rate set by the Customs Broker, as amended from time to time, upon which interest shall be charged commencing 14 days after the invoice date or as otherwise agreed.
- d. In the event of default of payment by the Client, the Customs Broker, in addition to any other legal rights and remedies shall have the right to retain, in its possession, all goods of the Client which are currently in its possession and all goods of the Client which may, in the future, come into its possession. The right of possession shall include the right to sell the goods by public auction in the event that such default shall continue for a period of 45 days.

4. Advancement of Funds

- a. Upon request by the Customs Broker, the Client shall provide to the Customs Broker, prior to the release of a shipment of the goods imported by the client, sufficient funds to enable the Customs Broker to pay on behalf of the Client all Disbursements that are estimated by the Customs Broker to be payable on such shipment.
- b. If, at any time, the Customs Broker or Canada Customs determines that additional funds are required with respect to goods imported by the Client, the Client shall upon demand advance such additional funds to the Customs Broker.
- c. If after payment of Disbursements by the Customs Brokers concerning the goods imported by the Client any balance of funds remains outstanding to the credit of the Client, the Customs Broker shall return to the Client, unless instructed by the Client to the contrary, any remaining balance of funds.
- d. If the Client fails to advance funds to the Customs Broker upon request by the Customs Broker as aforesaid, the Customs Broker shall have no obligation with respect to rendering Services concerning the goods for which advance funds had been requested by the Customs Broker.

5. Duties and Responsibilities of the Client

- a. The Client shall:
 - i. provide to the Customs Broker all information necessary for the Customs Broker to provide the Services set out herein, including all information required to complete Canada Customs documentation and/or data requirements;
 - ii. promptly review all documentation and/or data and notify the Customs Broker of any inaccuracies, errors or omissions found therein and advise the Customs Broker promptly and within the time periods set out in paragraph 7 hereof;
 - iii. reimburse, indemnify and save harmless the Customs Broker with respect to any of the matters set out in subparagraph (c) hereof;



Duties and Responsibilities of the Client - contd

- iv. indemnify and save harmless the Customs Broker against any and all actions, claims, suits or demands of any nature whatsoever arising from third party claims which result from inaccuracies, mistakes or omissions in the information and documentation provided to the Customs Broker by the Client or its agents and relied upon by the Customs Broker.
 - v. Not solicit or hire directly or indirectly any employee of the customs broker during the term of this agreement or after the termination of thereof.
- b. The Client warrants that it is the importer, exporter, or owner of the goods for which it has retained the Customs Broker; that it has full power and authority to retain, appoint as attorney and instruct the Customs Broker; and that all information provided to the Customs Broker shall be complete, true and accurate and acknowledges that the Customs Broker shall be relying on such information to provide the services set out herein;
- c. The Client shall be solely liable for:
- i. any and all Disbursements made by the Customs Broker on behalf of the Client;
 - ii. any Customs Duties, fines, penalties, interest or other levies imposed by Canada Customs or other Government Departments with respect to the goods imported or to be imported into Canada, or exported or to be exported from Canada, by the Client;
 - iii. any loss or damage incurred or sustained by the Customs Broker in relation to the provision of services to the Client herein.

6. Duties and Responsibilities of the Broker

- a. The Customs Broker shall at all times provide Services in a timely and professional manner in accordance with the generally accepted standards of the Canadian customs brokerage industry and in compliance with all applicable laws and regulations of Canada and any Province or Territory thereof.
- b. All information pertaining to the Client shall be kept confidential by the Customs Broker and his sub-agent, if applicable, and shall only be released to Canada Customs as required by law, subject to instructions from the Client to the Customs Broker to release the information to third parties.
- c. The Customs Broker shall take all reasonable steps to provide Services in accordance with the instructions from the Client, provided however, that should the Customs Broker reasonably consider that it is in the interest of the Client to depart from the Client's instructions, the Customs Broker shall have the authority to do so and shall be indemnified and saved harmless by the Client for so doing.
- d. The Customs Broker shall provide to the Client in respect of each transaction or summary accounting made on the Client's behalf a copy of the accounting documents and/or data pertaining thereto.
- e. The Customs Broker shall promptly account to the Client for funds received to the extent that these funds are:
 - i. for the credit of the Client from the Receiver General for Canada, or
 - ii. from the Client by way of advances provided in paragraph 4 hereof in excess of the Disbursements payable in respect to the Client's business with Canada Customs or other Government Departments.
- f. The Customs Broker 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 the Customs Broker or by an act of God or other act or cause beyond the reasonable control of the Customs Broker. The Customs Broker shall not be liable for any failure to provide the Services which is a result of the operation of the applicable laws of Canada or any other country or a change in the policies of Canada Customs.



7. Errors and Omissions

Any errors or omissions on Canada Customs documents and/or data transmissions must be reported in writing to the Customs Broker by the Client as soon possible but in any event within 10 days of receipt of the documents and/or data. The Customs Broker shall not be responsible for any errors or omissions unless the same are reported to the Customs Broker within the said 10-day period.

8. Termination

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

9. Governing Law

These conditions shall be governed by the laws of the Province within Canada, or Territory, within which the Customs Broker has its principal place of business and the Client hereby irrevocably attorns to the Courts of such Province or Territory. The General Agency Agreement and these conditions shall ensure to the benefit of and be binding upon the parties and their respective executors, administrators, successors and assigns.

10. Severability

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