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Standard Terms and Conditions of Service and Accessorial Charges

Acceptance of Terms and Conditions

Commencement of services by Truck Freight International Ltd. ("TFI") shall be deemed to constitute binding acceptance and understanding of the terms and conditions of service set out in TFI's Bill of Lading and herein.

Rates

Linehaul charges are subject to TFI's surcharge formula. Fuel surcharge will apply on any fuel consuming activity (including linehaul, heating/cooling, offline miles, etc.) and will be calculated based on the pickup date. If applicable, carbon and sales tax will be added as an additional charge to rates. Rates are subject to any and all applicable taxes, surcharges, tariffs, and environmental fees, all of which are the responsibility of the customer. Rates are subject to change if shipment is held en route as per the request of the Consignor and/or Consignee. Rates quoted are based on single driver service. Rates are based on live load/unload. Except where otherwise agreed, rates include one pickup and one unload only. Unless indicated otherwise, rates are calculated based on truck and trailer efficiencies. In the event consignor or consignee requests the use of alternative equipment due to payload weight, loading and unloading issue, etc., TFI reserves the right to include additional charges or recalculate the negotiated rate only on the affected loads. Rates are based on the most practical routing from origin to destination at the time of the quote. Events beyond TFI's control such as spring weight restrictions, flooding, construction, road closures, etc., that require rerouting may be subject to additional charges. Unless stated otherwise, all rates will expire thirty (30) days following the effective date of agreement and will be subject to review at that time. Mileage calculations are per PC*Miler's most current version and practical route.

Payment

All payments are required to be paid in accordance with the terms set out in the applicable credit agreement between TFI and customer. In the event no credit agreement is in place between TFI and customer, payment is required to be made by customer upon issuance of invoice by TFI. Late payments may be subject to interest at a rate of 2.00% per month, compounded monthly not in advance (26.82% per annum). Consignors or Consignees without approved credit may be required to prepay. Payments On Delivery ("PODs") are not accepted unless previously agreed to by TFI. If a POD is agreed to in advance in writing, the POD must be made via cash, certified cheque, money order, or by credit card. Credit card payments are subject to a 2.5% fee. Personal cheques are not accepted for prepayment of PODs. Customer agrees to indemnify and hold TFI harmless for any penalties or other charges assessed against TFI for customs contraventions made by or on behalf of Consignor and/or Consignee.

Conditions of Carriage

For shipments originating in Manitoba, the contract of carriage of the goods by TFI is subject to the Uniform Conditions of Carriage – General Freight. For shipments originating in Alberta, the contract of carriage of the goods by TFI is deemed to contain and be subject to the Conditions of Carriage set out in the Bill of Lading and Conditions Carriage Regulation. For shipments originating in Saskatchewan, the contract of carriage of the goods by TFI is deemed to contain and be subject to the Uniform Conditions of Carriage for General Merchandise Transport set out in the Motor Carrier Conditions of Carriage Regulations.

Accessorial Charges

TFI reserves the right to change or adjust any accessorial charge noted below due to unforeseen circumstances or market fluctuations. Applicable rates and effective dates are set out below. All shipments are subject to the terms set out in the applicable TFI Bill of Lading and the terms set out herein. The charges set out below will be automatically assessed and will be applied according to the terms of the Bill of Lading unless otherwise specified.

Limitation of Liability

All shipments governed by this Agreement shall be subject to a release value of \$2 CAD per pound, with a maximum value of \$90,000 CAD per trailer and/or container used. If the value of any shipment tendered to TFI is to exceed \$90,000 CAD, Customer must notify TFI separately from the bill of lading and prior to shipment release. Failure by the Customer to do so shall limit TFI's liability or any single shipment to \$2 CAD per pound with maximum liability of \$90,000 CAD.

Accessorial Description	Accessorial Charge
Toll Charges	Tolls will be included in the linehaul rate charged by TFI.
Tractor/Driver Detention (after 1.5 hours)	\$150 CAD per hour – applicable in 15-minute increments. Maximum of \$1,500 CAD per day.
Storage Charges Trailer Only	When TFI's equipment is used for the purpose of storage at the request of the Consignor and/or Consignee, TFI will apply a charge after trailer is placed in a storage situation and continue until goods are unloaded and made available for pick-up and/or delivery upon request by Consignor and/or Consignee. TFI will charge trailer storage at the rate of \$1,100 CAD per day.
Layover Power Unit with trailer	Unless already addressed by detention and/or storage charges, any load that requires the unit to layover will be charged by TFI as follows: After the initial free time and maximum hourly detention charge has been assessed, the driver will take a 10-hour rest break. If the driver is held for an entire 24-hour period, the Consignor and Consignee are responsible to pay TFI an additional \$150 CAD.
Scale Fees	When a load is required to be weighed and a scale fee applied, TFI will charge the actual scale fee (as per receipt of scale ticket) plus a \$25 CAD charge.

Off Route Kilometres	Off route kilometres will be charged by TFI at \$2 CAD per kilometre or at the rate per kilometre of original lane (whichever is greater) plus fuel surcharge.
Diversion	New destination linehaul charge and the Off Route Kilometres fee will be charged by TFI to any load that is diverted to an alternate destination while in transit.
Reconsignment	\$100 CAD per load minimum and the Off Route Kilometres fee will be charged by TFI to any load that is re-consigned after loading. Reconsignment applies when the load has reached its destination, and the new destination is greater than 20 kilometres from the original destination. Time consumed while waiting for disposition will be considered part of the unloading time and detention charges as described above will apply.
Return to Origin	Anytime a shipment is returned to origin, TFI will apply a charge of \$2 CAD per kilometre to return the product to origin. If a replacement load is not provided, the original linehaul charge will be applied. If a replacement load is provided for the same origin and destination on the same day, TFI will be paid \$2 CAD for all kilometres on the returned load and the linehaul rate on the replacement load. Fuel will be charged on all loaded kilometres.
Additional Stop Charges	1 st stop - \$80 CAD (all additional stops at \$100 CAD per stop).
Truck Ordered Not Used	TFI will charge \$250 CAD plus mileage per load. Charge does not apply if TFI is notified of the cancellation at least 4 days prior to shipment or if TFI is provided an alternate load (same day and same location as the cancelled load).