

# STANDARD TRADING CONDITIONS

of The Canadian  
International Freight  
Forwarders Association, Inc.



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Adopted September \*\* 2023

**STANDARD TRADING CONDITIONS (“CONDITIONS”)  
of The Canadian International Freight Forwarders  
Association, Inc. Association des Transitaires internationaux  
Canadiens, Inc.  
Adopted \*\*\***

**PART A: DEFINITIONS AND TERMS AND CONDITIONS THAT APPLY TO ALL BUSINESS  
DONE OR SERVICES PROVIDED BY COMPANY**

**1. Definitions**

“**Agency Agreement and Power of Attorney**” means the Agency Agreement and Power of Attorney granted by Customer to Company when Company is providing customs services.

“**BL**” means a Bill of Lading or Waybill or Express Bill or other similar carriage document covering the carriage of Goods, and includes a Multimodal Transport Bill of Lading, a Straight Bill of Lading, a Straight Bill of Lading – Short Form, an Express Bill and a Shipper – Provided Short Form Bill of Lading, or similar document of carriage and whether it be in hard copy or transmitted electronically.

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

“**Carrier**” means a party, who whether on its own behalf or through its subcontractor is the actual carrier responsible for the carriage of the Goods.

“**Company**” means the Freight Forwarder, Load Broker, Customs Broker, Carrier, or Warehouseman who undertakes any business or provides advice, information or services to the Customer.

“**Conditions**” means these standard trading conditions.

“**Customer**” means any party at whose request or on whose behalf Company undertakes any business or provides advice, information or services.

“**Customs Broker**” means situations where Company provides services as outlined in Part C.

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

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

“**Depositor**” means the Owner of the Goods or the party for whose account the Goods are stored with the Company in a warehouse or other storage facility.

“**Disbursement(s)**” means any payment made by Company, on behalf of the Customer, for or in relation to any product or service rendered in connection with the facilitation of the import and export of Goods, including, but not limited to, Customs Duties, taxes, freight, storage, penalties, interest and fines and any other payments, including payments for Goods on COD shipments made by Company on behalf of the Customer.

“**Freight Forwarder**” means where Company arranges for the carriage, transportation, storage, packing or handling of Goods or any other services in relation thereto, and without limiting the generality of the foregoing, any other actions or services contemplated in Part D.

“**Good(s)**” means the cargo or item of tangible personal property of the Customer or Owner for which the services are provided hereunder and shall include any packing containers or equipment.

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

**"Load Broker"** means the Company when acting as an intermediary in arranging the carriage of Goods by road.

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

**"Part"** means the Part (A to E) of these terms and conditions.

**"Party(ies)"** includes persons, parties, corporations, firms and associations.

**"Receipt"** means a non-negotiable warehouse receipt issued in paper or electronically which acknowledges in writing warehouse's receipt for storage of Depositor's Goods.

**"Related Party(ies)"** means the Company, any subsidiary of the Company or its parent, or any Party associated with or related to Company.

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

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

**"Warehouser"** means the Company when acting as a storer of Goods.

## **2. Role of the Company**

The Company offers its services on the basis of these conditions that apply to all activities of the Company in arranging transportation or providing related services, such as, but not limited to, carriage of Goods, customs brokerage, load brokerage, freight forwarding and warehousing and any other kind of logistics services and advice. The Company may provide its services as either principal or agent. The Company acts as agent of the Customer, except

(a) where it issues a transport document or electronic record in its name evidencing its obligation for the delivery of goods, or

(b) to the extent it physically handles goods by its own employees and equipment in the course of performing any service in which cases it acts as principal,

but whether acting as principal or as agent these conditions govern the rights and liabilities of the Customer and the Company.

When determining any rights or liabilities of the Company under these conditions, the word "Customer" shall include the party giving instructions, the shipper, the consignee, the Receipt holder, the Depositor and the Owner of the goods. Notwithstanding the foregoing, advice is for the Customer only and is not to be furnished to any other party without the Company's prior written consent. Gratuitous advice and information that is not related to instructions accepted by the Company is provided without liability of any kind, including for negligence.

## **3. Claims Against Others**

These Conditions also apply whenever any claim is made against any employee, agent or independent contractor engaged by the Company to perform any transport or related service for the Customer's Goods, whether such claims are founded in contract or in tort, and the aggregate liability of the Company and all such persons shall not exceed the limitations of liability in these Conditions. For purposes of this clause the Company acts as agent for all such persons who may ratify such agency at any subsequent time.

#### **4. Role as Agent**

When acting as an agent, the Company acts solely on behalf of the Customer in engaging the services of third parties on the usual terms and conditions on which the third parties offer such services for the carriage, storage, packing or handling of any goods, or for any other service in relation to them, thereby establishing a direct contract between the Customer and the provider of such services capable of being enforced by the Customer as principal, whether or not the Customer is identified in the contract. The Company shall on demand by the Customer provide evidence of any contracts made on its behalf.

#### **5. Role as Principal**

Where requested by the Customer the Company may

- (a) issue a transport document or electronic record by which it as principal undertakes carriage of particular goods; or
- (b) guarantee in writing proper performance of the terms of any contract between the Customer and a third party whose services the Company has engaged on behalf of the Customer.

Where it issues a transport document or electronic record, or provides a guarantee, the rights and obligations of the Company will be governed by the special conditions therein in addition to these Conditions, and in any event the Company is liable only to the same extent as the third party who performs the carriage or guaranteed service, as may be limited by the conditions on which that party customarily offers its services. In the event of any inconsistency with these provisions, the special conditions prevail.

#### **6. Services Requiring Special Arrangements**

The Customer must give instructions in writing to the Company a reasonable time before the tender of Goods for storage or transport where it requests the Company to:

- (a) arrange for the departure or arrival of Goods before specific dates;
- (b) arrange for Goods to be carried, stored or handled separately from other goods;
- (c) arrange for the transport of Goods that may taint or affect other goods, or may harbour or encourage vermin or pests;
- (d) make a declaration of value or special interest in delivery to any carrier or terminal;
- (e) direct carriers or delivery agents to hold Goods until payment of any amount or until surrender of a document;
- (f) arrange for the transport of goods of unusual high value, luxury goods, currency, negotiable Instruments or securities of any kind, precious metals or stones; antiques or art; human remains, livestock or plants, or any other comparable cargos.

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

#### **7. The Company's General Responsibilities**

The Company shall exercise reasonable care in the discharge of its obligations including the selection and instruction of third parties that provide any services engaged on behalf of the Customer.

- (a) The Company shall arrange transport and any related services within a reasonable time after receiving the Customer's instructions.

(b) If it has reasonable grounds for departing from any of the Customer's instructions, the Company can do so without prior authorization from the Customer, but must act with due regard to the interests of the Customer, and, as soon as possible, inform the Customer of its actions and any additional charges resulting therefrom.

## **8. Customer's General Responsibilities**

- (a) The Customer shall be deemed to be competent and to have reasonable knowledge of matters affecting the conduct of its business, including terms of purchase and sale, the need for insurance and the extent of coverage available for the type of goods being tendered for shipment, the need to preserve and retain documentation, the need for care to avoid transmitting viruses by electronic communications, the need for confidential handling of information relating to high value goods, the necessary document and permits required to import or export goods, and all other matters relating thereto.
- (b) The Customer warrants that all information in whatever form relating to the general and dangerous character of the goods, their description, bar-coding, marks, number, weight, volume and quantity of the goods, as furnished by the Customer or on its behalf, was accurate and complete at the time the goods were taken in charge by the Company or any third party whose services it has engaged. The Customer further undertakes to provide independent confirmation of such particulars on the request of the Company.

## **9. Customer's Responsibility for Packaged and Containerized Goods**

(a) Except where the Company has accepted instructions in respect of the preparation, packing, stowage, labeling or marking of the Goods the Customer warrants that all Goods have been properly and sufficiently prepared, packed, stowed, labeled and/or marked, and that the preparation, packing, stowage, labeling and marking are appropriate to any operations or transactions affecting the goods and the characteristics of the goods. Without limiting the foregoing the Customer is responsible for timely communication of and warrants the accuracy of the verified gross mass (VGM) of the package(s) and or the Transport Unit and the identity of the duly authorized person so verifying. The Customer shall maintain documentation evidencing measurement of VGM as required by law.

(b) Unless the Company has accepted instructions to arrange for or to perform the loading of a Transport Unit by its employees, the Customer warrants that:

- (i) the transport unit has been properly and competently loaded;
- (ii) the Goods are suitable for carriage in or on the Transport Unit; and
- (iii) the Transport Unit is in a suitable condition to carry the Goods loaded therein (save to such extent as the Company has approved the suitability of the Transport Unit).

## **10. Quotations and Invoicing**

(a) The Company does not assume a role as principal by providing a fixed price quotation, or by rendering an invoice where the difference between the amounts payable to third parties retained to carry out the Customer's instructions and the fixed price represents the Company's gross profit for its services. A Customer agrees that the Company is an agent as provided in this Part where the Customer

- (i) accepts a fixed price quotation, or
- (ii) does not within thirty days after receipt of the invoice object to the Company charging a fixed price for its services.

(b) Quotations are given on the basis of immediate acceptance and are subject to withdrawal or revision. Unless otherwise provided in the quotation the Company may, after acceptance, revise quotations or charges upon notice in the event of changes beyond the Company's control, including changes in exchange rates, rates of freight, carrier surcharges, or any charges applicable to the Goods.

**11. Charges Collect Shipments**

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

**12. Changed Circumstances / Failure to Take Delivery**

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

- (a) store the Goods at the sole risk and expense of the Customer, or
- (b) sell the Goods immediately and without further notice, and hold any net proceeds for the account of the Customer or
- (c) authorize any third party to abandon carriage and make the Goods or any part of them available to the Customer at a place that is reasonable in the circumstances.

**13. Dangerous Goods**

(a) The Customer undertakes not to tender for transportation any goods that are of a dangerous, inflammable, radioactive, hazardous or damaging nature without giving full particulars of the goods to the Company. The Customer undertakes to mark the goods and the outside of any packages or container in which they may be placed to comply with any laws or regulations that may be applicable during the carriage. In the case of goods where the place of receipt is a point within Canada, the Customer further warrants that the goods, the packaging and marking thereof comply in all respects with the provisions of any legislation or regulations governing the transportation of dangerous goods.

(b) If it fails to comply with the requirements of sub-clause (a), the Customer shall indemnify the Company against all loss, damage or expense arising out of the Goods being tendered for transportation or handled or carried by or on behalf of third parties retained by the Company.

(c) Goods which in the opinion of the Company or the person who has custody or possession thereof are or may become dangerous and present a hazard may at any time or place be unloaded, destroyed or rendered harmless without liability on the part of the Company.

**14. Insurance**

(a) The Customer must give the Company instructions in writing to arrange insurance on its Goods a reasonable time before the tender of Goods for storage or transport. The Company may decline the instructions. The Company may carry out these instructions by declaring the value of the Goods under an open marine cargo policy taken out by the Company, and, upon request, provide a certificate or declaration of insurance, or other evidence of insurance. The coverage on Goods so declared is subject to the terms and conditions of the policy. The Company is not 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 is different from the Company's charges to the Customer.

(b) If coverage under its open marine cargo policy is not satisfactory, the Company will recommend an insurance broker to arrange insurance appropriate to the Customer's needs. After making this recommendation, the Company has no further duty regarding insurance, and no liability for loss of or damage to the Goods during transport or storage that could have been covered by insurance on the Goods, whether such loss or damage has been caused or contributed to by its negligence or breach of these conditions, or otherwise.

**15. Notification of Claims**

The Customer on its own behalf and on behalf of the Owner of the Goods shall notify the Company in writing, in addition to any requirements under Parts B to E, of any claim

- (a) in case of loss and/or damage to goods within 7 days of the completion of transit,
- (b) in case of delay in delivery or non-delivery within 45 days of the date when the goods should have been delivered,
- (c) in any other case within 45 days of the event giving rise to the claim.

If a claim was not discoverable by the exercise of reasonable care within the applicable time period, the Customer must give notice forthwith after receiving information as to events that may give rise to a claim. Failing notice as required by this clause, the claim is barred and no action can be brought against the Company to enforce the claim.

#### **16. Limitation of Liability**

Subject to the specific provisions of Parts B to E, compensation for any claim for which the Company is liable shall not in any event exceed:

- a) 2 SDR (SDR = IMF Special Drawing Right) per kilo of the gross weight of the Goods that are the subject of the claim;
- (b) 666.67 SDR per enumerated package of Goods that are the subject of the claim; or
- (c) 75,000 SDR per transaction;

whichever is less, provided however that where a higher limitation of liability is mandatorily applicable by law then that higher limitation of liability shall apply.

Without prejudice to any other conditions herein or other defences available to the Company, in no circumstances whatsoever shall the Company be liable to the Customer or Owner, shipper or consignee or their assignees, for special, consequential or indirect loss, including losses arising from delay or loss of market.

Upon the Customer's written request, the Company may accept liability in excess of these limits in writing, provided the Customer pays the Company's additional charges for such increased liability.

#### **17. Loss of Use, Loss of Profits, Loss of Goodwill, Punitive Damages, Exemplary Damages**

In no circumstances whatsoever shall the Company be liable to the Customer or Owner, shipper or consignee, or their assignees, for damages for loss of use, loss of profits, loss of contract, loss of goodwill or reputation, loss of revenue, punitive damages, or exemplary damages.

#### **18. Indemnity**

The Customer shall indemnify the Company against all duties, taxes, payments, fines, expenses, losses, claims and liabilities, including without limitation any storage, demurrage, port, or terminal charges and any liability to indemnify any other person against claims made against such other person by the Customer or by the Owner, shipper or consignee

- (a) for which the Company may be held responsible unless caused or contributed to by any negligence or breach of duty of the Company, or
- (b) in excess of the liability of the Company in accordance with these Conditions,

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

## **19. Set Off and Counterclaim**

The Customer shall pay to the Company in cash, or as otherwise agreed, all sums immediately when due without reduction or deferment on account of any claim, counterclaim or set off.

## **20. Right of Detention and Lien**

All Goods (and documents relating to Goods) shall be subject to a particular and general lien and right of detention for monies owing either in respect of such Goods, or for any particular or general balance or other monies owed, whether then due or not, by the Customer, sender, shipper, consignee or Owner of the Goods to the Company. If these monies remain unpaid for 10 days (or the minimum days set out in mandatory legislation in place) after the Company sends notice of the exercise of its rights to these persons by any means of communication reasonable in the circumstances, the Goods may be sold by private contract or otherwise at the sole discretion of the Company, and the net proceeds applied on account of the monies owing. The Company shall not be liable for any deficiencies or reduction in value received on the sale of the Goods nor, shall the Customer be relieved from the liability merely because the Goods have been sold.

## **21. Force Majeure**

The Company shall be relieved of any and all liability for any loss or damage if, and to the extent that, such loss or damage is the result of an event or circumstance (a "force majeure" event) that prevents the Company from performing one or more of its contractual obligations to the extent that the Company is affected by an impediment which is beyond its reasonable control, such impediment could not reasonably have been foreseen and could not reasonably be avoided or overcome by the Company acting in a commercially reasonable manner. The following events shall be presumed to be a "force majeure" event: a) war (whether declared or not), hostilities, invasion, acts of foreign enemies, extensive military mobilization; b) civil war, riot, rebellion and revolution, military or usurped power, insurrection, acts of terrorism, sabotage or piracy; c) currency and trade restriction, blockade, embargo, sanction; d) act of government authority whether lawful or unlawful, compliance with any law or governmental order, expropriation, seizure of works, requisition, nationalization; e) plague, epidemic, pandemic, natural disaster, extreme natural event, extreme weather event, nuclear, chemical or biological contamination; f) explosion, fire, destruction of equipment, prolonged breakdown of transport, telecommunication, information system or energy; g) general labour disturbance such as boycott, strike and lock-out, go-slow, occupation of factories and premises; or any other event or circumstance beyond the Company's control. In such circumstances the Company is entitled to modify its services, procedures, rates, prices, and surcharges as in the Company's reasonable discretion are considered necessary, and the Company is entitled to full remuneration and indemnity for any charges so incurred or applied.

## **22. Time Bar**

The Company shall, unless otherwise expressly agreed, be discharged of all liability under these conditions unless suit is brought within 9 months from

- (a) the date of delivery of the Goods for claims to damage to Goods, or
- (b) the date when the Goods should have been delivered for claims for delay in delivery or loss of Goods, or
- (c) the date the advice or services were provided.

With respect to loss or damage other than loss of or damage to the goods, the 9 months period shall be counted from the time when the act or omission of the Company giving rise to the claim occurred.

## **23. Customary Remuneration Received from Third Parties**

The Company shall be entitled to be paid and retain all brokerages paid by carriers, commissions, documentation allowances, profits on foreign exchange and other remunerations paid by third



parties as is customary in the trade.

### **23. Applicable Law and Arbitration**

These Conditions shall be governed by the laws of Canada and of the province within Canada in which the Company has its principal place of business.

The Parties hereto agree that all disputes, disagreements or differences between them relating to their business relationship with each other, including any dispute, disagreement or difference relating to the validity, enforceability or applicability of this agreement to arbitrate, shall be submitted to final and binding arbitration. The arbitration shall be commenced by one (or more) Party (or Parties) delivering to the other Party (or Parties) a Notice to Arbitrate which shall set out a brief description of the dispute, disagreement or difference to be arbitrated and a summary of the relief claimed.

The arbitration shall be conducted under the applicable arbitration laws of the province within Canada in which the Company has its principal place of business. The arbitration shall be conducted in the city in which the Company has its principal place of business, in the English language or if in Quebec, in the French or English language and with interpreters if required.

The arbitration shall be conducted by a single arbitrator who shall be agreed upon by all Parties to the arbitration within seven (7) days. In the event the parties cannot agree on an arbitrator, the arbitrator shall be appointed by an Appointing Authority. The Appointing Authority shall be the ADR Institute of Canada.

The arbitration rules and procedures shall be as agreed between the Parties. In the event that the Parties fail to reach agreement as to the rules and procedures to be followed in the arbitration within thirty days of the appointment of the arbitrator, any Party may apply to the arbitrator for a determination of the rules and procedures to be applied in the arbitration.

The Parties shall be entitled pre-hearing disclosure. The Parties shall be entitled to obtain relevant documentary evidence which will assist it in making out its own case and which may assist the arbitrator in determining the facts upon which the arbitrator should render its decision.

The Parties agree that where they have used electronic communications to transact in whole or in part any business such communications will be given legal effect in accordance with the provisions (so far as they may be applicable) of the Uniform Electronic Commerce Act as approved by the Uniform Law Conference of Canada.

### **24. Termination of Services**

Without in any way negating or diminishing Company lien and other rights under these Conditions Company shall have the right to immediately terminate without notice any and all services it is providing to the Customer in the event of any of the following occurring:

- (a) The Customer failing to pay any invoice received from Company within 14 days of receipt of such invoice by the Customer, and whether such invoice is transmitted to the Customer in hard copy or electronically;
- (b) Insolvency of the Customer;
- (c) Initiation of any proceedings in bankruptcy by or against the Customer, whether such proceedings be under the *Bankruptcy and Insolvency Act* of Canada or similar legislation of any other jurisdiction;
- (d) Initiation of any proceedings by or against the Customer under the *Companies' Creditors Arrangement Act* of Canada, similar legislation of other jurisdictions, or legislation of other jurisdictions whereby the Customer is doing or would do some form of business re-organization, including but not limited to situations where the Customer is insolvent; or
- (e) Any assignment by the Customer for the benefit of creditors.

### **25. Validity of Conditions**

These Standard Trading Conditions shall only be authorized to be used if one of the Parties is a member in good standing of The Canadian International Freight Forwarders Association, Inc. Anyone who is not a member in good standing using these Standard Trading Conditions shall be in breach of the copyright of The Canadian International Freight Forwarders Association, Inc.

## **26. Severability**

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

## **PART B - ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN COMPANY ACTS AS A CARRIER**

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

## **27. Carriage by Road**

The carriage of Goods by road shall be in accordance with the Uniform Conditions of Carriage – General Freight – Schedule 1 as set out in provincial legislation where the Company has its head office or as set out in Ontario Regulation 643/05 where there is no such equivalent legislation. Where there is any conflict between those uniform conditions and these Conditions, these Conditions shall prevail.

If the Carmack Amendment (“Carmack”) to the Interstate Commerce Act, 49 U.S.C. sections 14706 and/or 11706, is compulsorily applicable to any stage of the transportation in connection with domestic and/or international shipments, the Parties enter into this agreement pursuant to 49 U.S.C. §14101(b)(1) and expressly waive, to the extent permitted by law, all rights and remedies under Title 49 U.S.C., Subtitle IV, Part B to the extent that they conflict with these Conditions.

## **27. Carriage by Land, Rail, Air**

The Company shall be entitled to the terms and conditions of any BL it issues where such terms are more favourable to it than these Conditions.

## **28. Limitation of Liability**

(a) Carriage by Road: In addition to the limitation of liability set out in Part A the Company shall be entitled to limit its liability to \$4.41 per kilogram of the goods lost or damaged if this amount is less than the amounts set out in Part A.

(b) Carriage by Air: In addition to the limitation of liability set out in Part A the Company shall be entitled to limit its liability for domestic carriage to the tariff of the actual carrier of the Goods, even where the Company issues a BL. In addition to the limitation of liability set out in Part A the Company shall be entitled to limit its liability for international carriage to latest Convention to which Canada has incorporated into its aviation legislation.

(c) Carriage by Rail: In addition to the limitation of liability set out in Part A the Company shall be entitled to limit its liability to the tariff of CN Rail, CP Rail or other rail carrier that actually carries the Goods, even where the Company issues a BL.

## **PART C - ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN COMPANY ACTS AS A CUSTOMS BROKER**

## **29. Agency Agreement and Power of Attorney**

Company shall only provide services as a customs broker if the Customer has signed an Agency Agreement and Power of Attorney authorizing the Company to act on its behalf in dealings with Canada Customs. These Standard Trading Conditions shall apply even where such an Agreement

or Power has not been signed.

### **30. Advancement of Funds**

(a) Upon request by Company, the Customer shall provide to Company, prior to the release of a shipment of the Goods imported by the Customer, sufficient funds to enable Company to pay on behalf of the Customer all Disbursements that are estimated by Company to be payable on such shipment.

(b) If, at any time, Company or Canada Customs determines that additional funds are required with respect to Goods imported by the Customer, the Customer shall upon demand advance such additional funds to Company or pay same to Canada Customs.

(c) If after payment of Disbursements by Company concerning the Goods imported by the Customer, any balance of funds remains outstanding to the credit of the Customer, Company shall return to the Customer, unless instructed by the Customer to the contrary, any remaining balance of funds.

(d) If the Customer fails to advance funds to Company upon request by Company as mentioned above, Company shall have no obligation with respect to Company's services concerning the Goods for which funds have been requested by Company and not advanced by the Customer.

### **31. Duties and Responsibilities of the Customer**

(a) The Customer shall:

(i) provide to Company all information necessary for Company to provide the services including all information required to complete Canada Customs documentation and/or data requirements;

(ii) promptly review all documentation and/or data and notify Company of any inaccuracies, errors or omissions found therein and advise Company promptly and within the time periods set out in Clause 33 hereof;

(iii) reimburse, indemnify and save harmless Company with respect to any of the matters set out in Sub-Clause (c) hereof;

(iv) indemnify and save harmless Company 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 Company by the Customer or its agents and relied upon by Company.

(b) The Customer warrants that it is the importer, exporter, or Owner of the Goods for which it has retained Company; that it has full power and authority to retain, appoint as attorney and instruct Company; and that all information provided to Company shall be complete, true and accurate and acknowledges that Company shall be relying on such information to provide the services set out herein;

(c) The Customer shall be solely liable and responsible for:

(i) the accuracy and completeness of all information provided by the Customer to Company;

(ii) any and all Disbursements made by Company on behalf of the Customer;

(iii) any Customs Duties, fines, penalties, interest or other levies imposed by Canada Customs, other Canadian government departments, or the government or governmental agencies or representatives of any other country or jurisdiction, with respect to the Goods imported or to be imported into Canada, or exported or to be exported from Canada, by the Customer;

- (iv) any loss or damage incurred or sustained by Company in relation to the provision of services to the Customer herein;
- (v) return freight and any other charges on Goods if they are refused export or import by any government or governmental authority.

### **32. The Responsibility and Limits of Liability of Company as Customs Broker**

- (a) Subject to the limitations stated in Parts A of these Conditions, Company shall act with reasonable care in providing services to the Customer as Customs Broker.
- (b) All information pertaining to the Customer shall be kept confidential by Company and shall only be released to Canada Customs or third parties as required by law, subject to Instructions from the Customer to Company to release the information.
- (c) Company shall take all reasonable steps to provide services in accordance with the Instructions from the Customer, provided however, that should Company reasonably consider that it is in the interest of the Customer to depart from the Customer's Instructions, Company shall have the authority to do so and shall be indemnified and saved harmless by the Customer for so doing.
- (d) Company shall provide to the Customer in respect of each transaction or summary accounting made on the Customer's behalf a copy of the accounting documents and/or data pertaining thereto.
- (e) Company shall promptly account to the Customer for funds received to the extent that these funds are:
  - (i) for the credit of the Customer from the Receiver General for Canada, or
  - (ii) from the Customer by way of advances provided hereof in excess of the Disbursements payable in respect to the Customer's business with Canada Customs or other Government Departments.
- (f) Company shall not be liable for any failure to provide services where such failure is a result of the operation of the applicable laws of Canada or any other country, any change in the policies of Canada Customs, or any cause beyond the reasonable control of Company.

### **33. Errors and Omissions**

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

### **34. Termination**

In the event that the Agency Agreement and Power of Attorney is terminated and there are any outstanding matters pertaining to the Customer for which Company has been engaged by the Customer and for which Company remains liable or in some way responsible, the Agency Agreement and Power of Attorney shall continue in force with respect to such matters until such matters are concluded and the Customer has paid to Company sufficient funds to satisfy all outstanding payment liabilities of Company to Canada Customs and others (including all fees, Customs Duties, and Disbursements).

## **PART D - ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN COMPANY ACTS AS A FREIGHT FORWARDER OR LOAD BROKER**

### **35. Express Authorization of Company As Agent For The Customer**

(a) Company shall be entitled, and the Customer hereby expressly authorizes Company, to enter into contracts on behalf of the Customer, including without limiting the generality of the foregoing, with any Related Party:

(i) for the carriage or transportation of Goods by any route or means;

(ii) for the storage, packing, trans-shipment, loading, unloading or handling of the Goods by any Party or at any place, and for any length of time,

(iii) for the carriage, transportation or storage of Goods in or on Transport Units or with other Goods of whatever nature.

(b) For greater certainty, in relation to any contracts entered into with Carriers in its role as Freight Forwarder, it is agreed that Company does enter such contracts, and shall be deemed to have entered such contracts, as agent for the Customer.

(c) In any situation where Company contracts with any Party, including any Related Party, the terms and conditions of contract of such other Party, including any Related Party, shall be the terms and conditions of the contract between the Customer and such other Party, including a Related Party, whether contained on the back of a BL or otherwise.

(d) Where there is a choice of rates according to the extent or degree of the liability assumed by Carriers, Company, or others, no declaration of value where optional can be made nor will be made by Company except under Special Arrangements.

(e) Company shall have no liability to the Customer by reason of having entered into any contract on behalf of the Customer whereby the extent or degree of the liability assumed by a Carrier or other Party, including a Related Party, is in any respect excluded or limited, except where such contract is entered into contrary to written specific Instructions given by the Customer that were accepted by Company in writing.

## **PART E - ADDITIONAL TERMS AND CONDITIONS THAT APPLY WHEN COMPANY ACTS AS A WAREHOUSER**

### **35. Company's Contract as Warehouser**

Company only acts as a Warehouser when it receives Goods into its possession for purposes of storage in a facility actually owned or controlled by Company itself or in any other situation where Company itself issues a Receipt (including electronically). Company acting as Warehouser includes any situation where Company is involved in any way with arranging the movement of Goods to, within, between, or from warehouse facilities that it owns or controls. Company does not act as a Warehouser in any other circumstances. For greater clarity, Company does not act as Warehouser when third Parties, including Related Parties, receive Goods into their possession except in those situations where Company itself has issued the Receipt. Company assumes and shall have absolutely no responsibility or liability for the actions or inactions of third Parties, including Related Parties.

### **36. Basis of Charges as Warehouser**

(a) The class of storage in which the Goods covered by a Receipt are to be stored, the amount or amounts due thereon for disbursements or services by Company prior to issue of a Receipt, and the rate per month per unit to be charged for storage of such Goods, may be set out on the face of the Receipt issued by Company.

(b) A fraction of a month shall be reckoned as a full storage month. Provided that if reasonable notice has been given before the expiry of the storage month that Goods are to be delivered out of the warehouse at or before expiry of the current storage month, then if any delay in so delivering such Goods extends beyond the expiry of the last day of the current storage month (the "expiry date") and such delay is not due to the Customer, Owner, Depositor or holder of the Receipt or the agent of any of them, Company shall limit the storage charges for the period beyond the expiry date to one thirtieth

of the monthly charge for each day that the Goods remain in the warehouse beyond the expiry date.

(c) Charges for services required by the Customer, Owner, holder of the Receipt or Depositor, charges necessitated by the nature of the Goods and that are incurred after issue of the Receipt, and handling charges upon delivery of the Goods out of storage, will be charged by Company in addition to the monthly storage charges.

(d) Charges incurred preliminary to issue of the Receipt as set out on the face the Receipt, are due upon issue of the Receipt. Charges incurred subsequently will be billed monthly and due forthwith, save for charges incurred in the thirty days immediately preceding delivery of any Goods out of storage which are due at or before delivery of the Goods.

(e) Any charge made with respect to the Goods covered by the Receipt shall conform to Company's tariff in effect at the time the service is performed. This tariff may be reviewed at the office of the Company during regular office hours or requested by email. Quotations for services not included in such tariff will be given on request. No increase in regularly recurring charges will be made on Goods in storage until thirty days after a notice of such increase charge has been mailed to the Customer, Owner, Depositor or the last known holder of the Receipt, unless otherwise agreed to by the holder of the Receipt.

### **37. Delivery and Transfer Requirements**

(a) Unless Company in its absolute discretion agrees otherwise, no Goods covered by the Receipt shall be delivered or transferred except upon surrender of the Receipt to Company, where such Receipt is a paper document signed by Company. For electronic Receipts only the person to whom the Receipt was issued and named on the receipt, shall be entitled to the Goods or direct delivery of the Goods. In the event that the Receipt is lost or destroyed, unless in the absolute discretion of Company, Company decides otherwise, Goods covered by the Receipt shall not be delivered or transferred until Company is furnished with a bond of indemnity acceptable to Company or an order of a court having jurisdiction over the Goods.

(b) Unless all unpaid charges incurred with respect to the Goods to be delivered or transferred are paid in full, Company may refuse transfer or delivery of the Goods.

### **38. Removal of Goods**

(a) Company may, upon written notice to holder of the Receipt, require the removal of the Goods by the end of the next succeeding storage month. Such notice may be given by delivery addressed to the last known place of business of the holder of the Receipt, the last used email of the holder of the Receipt or if there is no known last place of business, the residence of the holder of the Receipt.

(b) Where Goods are of a perishable nature, may deteriorate greatly in value, may potentially damage other stored property, Company may upon giving the holder of the Receipt written or oral notice, or if the holder of the Receipt is not known, oral or written notice to the Depositor, requiring the holder of the Receipt or the Depositor to satisfy the lien upon the Goods and to remove them from the warehouse; and upon failure of the holder of the Receipt or the Depositor to satisfy Company's Lien and remove the Goods within the time specified in the notice given, Company may sell the Goods at public or private sale without advertising or in such other manner deemed appropriate by Company, apply the proceeds of sale of the Goods to any amount owing to Company by the holder of the Receipt, the Depositor, Customer, or Owner of the Goods, whether for warehousing charges or otherwise, and the holder of the Receipt, Depositor, Customer, or Owner of the Goods, shall be liable to Company for the balance owing to Company after it applies the proceeds to such balance owing.

(c) Where in the opinion of Company the nature or the condition of the Goods stored creates a condition hazardous to the safe keeping and storage of other commodities in the warehouse or to any property or person, Company may immediately remove such stored Goods from the warehouse and shall subsequently give such notice to the holder of the Receipt, or if the holder of the Receipt is not known, the Depositor, of such removal and the location of the Goods. In such case the holder of the Receipt, Depositor, Customer, or Owner, shall in addition to all other amounts owing to Company, be liable for all storage and other charges related to delivery of the Goods to the changed location and

all charges associated with storing the Goods at the changed location; and any and all liability on the part of Company for the safe keeping of such Goods shall cease.

### **39. General**

(a) All incoming shipments should be delivered to Company freight prepaid. Company reserves the right to refuse to accept delivery of Goods that are not delivered freight prepaid or that are shipped freight collect.

(b) If the Depositor or recipient of the Goods or the transportation company that delivers or receives the Goods does not furnish a checker, Company's load or unload count shall be conclusively deemed to be correct.

### **40. Responsibility of Company and Additional Limits on Company's Liability**

(a) The quality, condition, contents and value of Goods stored are not known to Company except as declared and described on the Receipt by the Depositor.

(b) Company shall not be responsible for loss or damage to the Goods covered by this Receipt resulting from any of the following perils no matter how those perils arose but based upon the assumption these perils did not arise due to the breach of duty of Company to exercise reasonable care as warehouseman:

Fire or explosion; flood, wind, storm, earthquake, or other acts of God; war, insurrection, riot, civil or military authority; strikes, picketing, or any other labour trouble; nuclear energy or power; shrinkage in weight, loss in quantity or other change due to the inherent or perishable nature of the commodity; insufficient cooperage, boxing, crating or packaging; wear and tear; any cause not originating in the warehouse; any cause beyond the control of Company; leakage or failure to detect the same; concealed damage; breakage; theft or pilferage; vermin, rodents, insects or other pests; sprinkler leakage or water;

(c) Company is not responsible for delays in loading or unloading railway cars, nor for demurrage charges or other time penalties arising from any delay.

(d) In addition to the limitation of liability set out in Part A the Company shall be entitled to limit its liability to 0.50 per pound multiplied by the number of pound(s) or fraction thereof, of each piece(s) of shipment which may have been lost, damaged or destroyed (but not less than \$50.00 per shipment), if this amount is less than the amounts set out in Part A.

### **41. Special Conditions Relating to Particular Goods**

(a) The Customer undertakes not to tender for storage any Dangerous Goods, including but not limiting the generality of the foregoing, any Goods that are of a dangerous, flammable, radio-active, hazardous or damaging nature, except under Special Arrangements. If any such Goods, including Dangerous Goods are accepted by Company under Special Arrangements, Customer undertakes to mark any such Goods and the outside of any packages or container in which they may be placed, as required by any laws or regulations which may be applicable during the carriage. Customer further warrants that any such Goods, the storage thereof as requested by the Customer, as well as the packaging and marking thereof, comply in all respects with the provisions of the *Transportation of Dangerous Goods Act, 1992* (or any similar or successor legislation) of the Parliament of Canada, similar legislation of any province or other applicable jurisdiction, as well as any regulations passed under such legislation.

(b) Except under Special Arrangements, Company will not accept or deal with bank notes, bonds, negotiable instruments or securities of any kind, bullion, coin, precious stones, jewelry, valuables, antiques, pictures, human remains, livestock, plants, pharmaceutical products, controlled drugs or substances, or illegal Goods. Should any Customer nevertheless deliver any such Goods to Company or cause Company to handle or deal with any such Goods otherwise than under Special Arrangements, Company shall be under no liability whatsoever for or in connection with such Goods howsoever arising.

*“The English version of these Standard Trading Conditions of CIFFA shall be decisive. The Standard Trading Conditions of CIFFA shall be translated and available in French. In the event of a dispute, the English version of the STC’s shall prevail.”*

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