

ALLIED TRUCKING

a Division of Allied Maritime Services Inc.
a Montship Inc. company

Standard Trading Conditions

It is the intent of the parties that Broker provides the transportation services described in this agreement to Shipper/Freight Forwarder as a Broker that is duly authorized to perform such services for compensation. In consideration of the promises hereinafter contained, the parties do hereby mutually agree as follows to-wit:

- 1. Applicability.** These Terms & Conditions and agreed upon pricing documents apply to all broker services (the "Services") provided by Allied Maritime Services Inc., dba Allied Trucking, (hereafter "Broker") to Shipper/Freight Forwarder. These Terms & Conditions shall constitute the entire Agreement between the parties and no other tariff provisions shall apply to the Services provided by Broker to Shipper/Freight Forwarder under these Terms & Conditions. Performance of any work by Broker for Shipper/Freight Forwarder shall constitute acceptance by Shipper/Freight Forwarder of these Terms & Conditions. These Terms & Conditions may be modified only by a written instrument executed by authorized representatives of both parties. The acceptance by Shipper/Freight Forwarder of Broker's tender to perform services shall constitute an acceptance of Shipper/Freight Forwarder's offer subject solely to the express Terms & Conditions set forth herein. These Terms & Conditions and agreed upon pricing documents constitutes the entire Agreement between Shipper/Freight Forwarder and Broker with respect to the subject matter hereof.
- 2. Transportation.** Broker is a licensed property broker that arranges the transportation of commodities, including commodities which are either regulated or exempt from regulation. Shipper/Freight Forwarder shall tender or cause to be tendered a series of shipments during the term of this Agreement and Broker will arrange for transportation of these goods only with properly licensed carriers. In no event will Shipper/Freight Forwarder knowingly request Broker to, and Broker will not knowingly, provide services or act in any manner which would cause broker to break any laws or conflict with any regulations of the appropriate local, provincial/state or federal agencies.
- 3. Broker's Obligations.** (a) Prompt Service. Broker shall promptly and efficiently retain and contract with Carriers as necessary to meet Shipper/Freight Forwarder's transportation needs. (b) Delay; Accidents. Broker shall notify Shipper/Freight Forwarder of any accidents, spills, theft, hijacking or other events which impair the safe and prompt delivery of Shipper/Freight Forwarder's goods in its control. (c) Delivery Receipt. Broker shall obtain an acknowledgement of delivery for all shipments by notation on the bill of lading. At the request of Shipper/Freight Forwarder, Broker agrees to provide copies of same to Shipper/Freight Forwarder in sufficient detail to substantiate billing for the services provided.
- 4. Minimum Shipment.** If applicable, during the term of this Agreement, the Shipper/Freight Forwarder will tender or cause to be tendered to Broker a series of shipments on a continuing basis.
- 5. Rates.** Shipper/Freight Forwarder will compensate Broker for all services performed hereunder at rates agreed to by the parties. Broker will receive a request to perform special services, limited duration services, and/or single shipment service. Rates may be negotiated verbally but will always be confirmed in writing, by email.
- 6. Payments.** Broker is responsible for all payments to carriers for all services rendered by the carriers. Shipper's/Freight Forwarder's payments will always be made directly to the Broker. Payments from the Shipper/Freight Forwarder to the Broker will be made within agreed upon terms from the freight invoice date (delivery date). Freight invoices from the Broker, must be accompanied by a copy of a receipt specified in this Agreement. Shipper/Freight Forwarder retains the right to pay the Broker based on the Shipper's/Freight Forwarder's records without the submission of the receipt or document specified in this Agreement. Freight bills that the Shipper/Freight Forwarder of its selected payment service considers to be incorrect are to be forwarded to the Broker within 30 days of the original freight bill for resolution. Payments that the Broker considers to be incorrect are to be documented and forwarded to the Shipper/Freight Forwarder within 30 days of the original freight bill for resolution. Except as may be later disclosed in a records review or audit, each party shall have one year from the date of shipment to file a claim with the other party for overcharges or undercharges relating to such shipment. Except as otherwise provided in these Terms & Conditions, each party must bring a civil action to recover damages or amounts claimed under these Terms & Conditions within two (2) years from the date of shipment. Any matters not filed within the above limitations period shall be barred.
- 7. Form of Receipt.** Broker agrees to provide Shipper/Freight Forwarder with adequate proof of acceptance and delivery of loads tendered to Broker by Shipper/Freight Forwarder, its vendors, or its consignees. Adequate proof will be in the form of a signed bill of lading, delivery receipt, shipping instructions, or other document acceptable to Shipper/Freight Forwarder.
- 8. Compliance.** Broker, at Broker's own expense, will at all

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times during the performance of this Agreement, maintain in full force and effect any and all licenses, permits, certificates, surety bonds and insurance which are, or may be required by any and all governmental regulatory bodies having jurisdiction over the services herein contemplated.

9. **Indemnification.** Broker will defend, indemnify and hold harmless Shipper/Freight Forwarder from and against all claims, lawsuits, demands, liability, costs, caused by, arising out of or connected with any injury to or death of persons, or damage to property, including cargo, which arise from the use of carriers not meeting the requirements specified in this agreement. Broker will defend, indemnify and hold harmless Shipper/Freight Forwarder from and against all claims, lawsuits, demands, liability, costs, and expenses caused by, arising out of or connected with broker's failure to adhere to applicable federal and state laws and regulations governing the services from a Broker. The Broker however shall not be responsible for any damages caused by the negligence of Shipper/Freight Forwarder or its agents.
10. **Insurance.** Without regard to such lesser limits as may be required by law, Broker will ensure that each carrier has the following minimum insurance coverages: a) Cargo Liability - \$300,000; b) Comprehensive General Liability - \$2,000,000; c) Automobile and Motor Truck Liability (including non-owned auto) - \$2,000,000. The shipper shall always disclose the value and nature of the shipment.
11. **Contractor Status.** Broker functions as an independent entity, and not as a Carrier, in selling, negotiating, providing or arranging for transportation by motor carrier and other modes for compensation. Broker shall perform its services as an independent contractor and not as an employee or agent of Shipper/Freight Forwarder. Broker shall have exclusive control and direction of the personnel operating its business while engaged in providing services hereunder. Broker assumes full responsibility for the acts and omissions of such persons.
12. **Force Majeure.** If either party is prevented from performing any of its obligations hereunder by reason of fire, flood, windstorm, other act of God, labor dispute, act of government, the failure of the other party, or any other unforeseen cause beyond the control of such party (any such events being hereafter referred to as Events of Force Majeure), it shall be excused from performing the obligation it is so prevented from performing during the pendency of such Event of Force Majeure. Occurrence of any Event of Force Majeure shall not extend the term of this Agreement. Each party agrees to give the other party immediate oral notice of an Event of Force Majeure, stating its course and probable duration, followed by written notice as soon as practical. Such party shall notify the other party immediately upon termination of such cause.
13. **Notice.** All notices under this Agreement shall be in writing and shall be properly given and delivered in person or sent by electronic mail, first class mail, facsimile, or overnight delivery service, postage prepaid, addressed as provided for by the parties in the signed Agreement.
14. **Disclosure.** Broker and Shipper/Freight Forwarder shall not make any disclosure of the material terms of this Agreement to any third party except to the extent that, such disclosure is required by law. Either party may make any such disclosure to its auditors. Shipper/Freight Forwarder shall have the right to disclose any such terms, conditions, or information to the consignors or consignees of the individual shipments moving between Shipper/Freight Forwarder and the applicable vendor or consignee.
15. **Term.** This agreement shall become effective on the date first written above, shall remain in full effect for one (1) year from its effective date, and shall be automatically renewed from year to year thereafter; provided either party may terminate this Agreement at any time upon written notice to the other party given 30 days in advance, provided further, however, that if either party ceases or desists from the transportation service provided by reason of bankruptcy, going out of business, any provision of law, order of any court, commission, or other public authority, this Agreement will automatically terminate as of the date of cessation.
16. **No Assignment.** There shall be no assignment or transfer, in whole or in part, of any right, duty, responsibility, or obligation contained in this Agreement, including the right to receive payments, unless such assignment or transfer is agreed to by both parties in writing.
17. **Entire Agreement.** This Agreement, including Appendices, constitutes the entire Agreement between the parties with respect to the subject matter hereof and merges and replaces all prior negotiations, discussions, representation, warranties, promises, and agreements of the parties with respect to such subject matter. No modification of this Agreement shall be valid unless in writing and executed by both parties hereto. No breach of any provision of this Agreement shall be deemed waived unless specifically waived in writing by the non-breaching party. The waiver of any breach of any term or condition hereof shall not be deemed a waiver of any prior or subsequent breach, whether of like or of different nature.
18. **Additional Transportation.** Shipper/Freight Forwarder does not limit its right to procure additional transportation

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- services from other brokers or other carriers as needed.
19. **Carriers.** Broker will utilize the services of properly licensed carriers. Broker will be under contract with such carriers.
 20. **Bill of Lading Document and Shipping Instructions.** Bill of Lading documents that apply to shipments tendered to broker will serve as shipping instructions from Shipper/Freight Forwarder to Broker. Bill of Lading documents (designated as shipping instructions) will contain the following legend: "NOTE: Shipping instructions only - not valid as a contract of carriage." The exclusion of this legend does not eliminate the designation of the bill of lading document as shipping instructions.
 21. **Claims.** The parties agree that in the event Shipper/Freight Forwarder determines it has a claim for cargo loss or damage against any carrier transporting a load tendered to it by Broker, the claim notice must be presented to the Broker as soon as Shipper/Freight Forwarder learns of the loss and/or damages. (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 15 days of the date when the goods should have been delivered, (c) in any other case within 30 days of the event giving rise to the claim. If a claim was not discoverable by the exercise of reasonable care within the applicable 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.
 22. **Liability.** (a) Broker Liability is Limited. Broker shall not be liable, under any circumstances, to Shipper/Freight Forwarder for the loss or damage to the goods. Liability, if any, for such losses and damages to Shipper/Freight Forwarder shall be borne solely by the Carriers. Broker shall, without assuming any liability for loss or damage Claims, assist Shipper/Freight Forwarder in its pursuit of Shipper/Freight Forwarder Claims against liable Carriers. (c) Shipper Liability. Shipper/Freight Forwarder shall be directly liable to Broker and its Carriers for costs and accessorial charges incurred by either as the result of an order being canceled by Shipper/Freight Forwarder or as required to perform pick-up or delivery of Shipper/Freight Forwarder orders.
 23. **Limitation of Liability.** Compensation for any claim for which the Broker is liable shall not in any event exceed: (a) CA\$4.41 per kilo (or CA\$2.00 per lb) of the net weight of the goods that are the subject of the claim. Without prejudice to any other conditions herein or other defenses available to the Broker, in no circumstances whatsoever shall the Broker be liable to the Shipper/Freight Forwarder or owner for consequential or indirect loss, including losses arising from delay or loss of market.
 24. **Reports.** Shipper/Freight Forwarder maintains the right to request information from Broker which indicates confirmation of deliveries and pick-ups for each shipment. Shipper/Freight Forwarder also maintains the right to request information indicating the scheduled delivery and pick-up times, actual delivery and pick-up times, and explanations for deviations between the two.
 25. **Choice of Law.** This agreement shall be governed by and construed in accordance with the laws of the province of Quebec, Canada.