

UPS® Canada

Terms and Conditions of Service



Effective December 31, 2012



WE ♥ LOGISTICS™

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

1. Services

UPS, through its affiliates, is engaged in the transportation of small Packages (including envelopes) in these services:

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

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

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

2. Terms Used

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

If no Declared Value is entered, UPS's maximum liability for the Package or Shipment is \$100. For a Declared Value above \$100, an additional charge applies, as listed in the UPS Rates in effect at the time of shipping. See Section 21 for details.

- **International** refers to all worldwide destinations, including the United States, unless otherwise stated.
- **On-call customers** are customers that have shipping patterns that are irregular and/or infrequent, and that request a pickup only when needed.
- **Package** refers to any container and its contents, and includes an Express Envelope, as well as any article that may be handled without packaging if the handling thereof can be accomplished in a reasonably safe and practicable manner.
- **Prepaid** is when the Shipper pays all shipping and Accessorial charges.
- **Receiver or Consignee** refers to the person to whom a Shipment is being sent.
- **Shipment** refers to one or more Packages, or one or more pallets in a UPS Worldwide Express Freight service, shipped under a single Source Document or UPS Automated Shipping System entry to one receiver.
- **Shipper** refers to the party contracting with UPS for services.
- **Smart Label** as defined for this document and described in the UPS Guide to Labelling includes, but is not limited to, MAXICODE, postal code bar code, current UPS Routing Code, appropriate UPS service level icon and UPS 1Z Tracking Number bar code.
- **Source Document** means a shipping document provided by UPS for the purpose of tendering a Shipment to UPS for transportation.
- **Timely upload of Package Level Detail (PLD)** refers to the electronic transmission of all applicable PLD information at the time Packages are tendered to UPS. PLD includes, but is not limited to, Consignee's full name, complete delivery address and Package weight.

– **Transportation charges** refer to shipping or freight charges assessed for the air and surface movement of a Shipment, not including any other fees or charges such as Declared Value, additional service fees, or customs duties and taxes.

- The **UPS Account Number** is used to bill Shipments sent within Canada or internationally, international inbound services, as well as customs brokerage services for goods arriving in Canada.
- **UPS Automated Shipping System** means WorldShip®, UPS Connect®, UPS CampusShip®, UPS Internet Shipping, UPS Developer Kit, or an approved UPS Ready® solution that meets UPS requirements at the time of shipment. The terms "UPS Automated Shipping System" and "Source Document," individually or collectively, are sometimes referred to by the term "UPS Shipping System."

3. Commodities Handled and Restrictions upon Service

UPS offers transportation of general commodities subject to the following restrictions:

3.1 Maximum Weight and Size

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

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

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

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

3.2 Maximum Declared Value

Subject to the limitations set out below, the maximum Declared Value for Carriage that a Shipper may make is:

- \$50,000 for a single Package
- \$50,000 for a C.O.D. Package
- \$50,000 for a UPS Express C.O.D.® Shipment
- \$5,000 for a Package shipped using the Internet by a Shipper using a UPS Internet Shipping Account and paying by credit card
- \$999 for a Domestic Returns Package sent via UPS Print Return Label, UPS Print and Mail Return Label, UPS Electronic Return Label, or 1 UPS Pickup Attempt Return Label
- \$999 for an international Returns Package sent via UPS Print Return Label, UPS Print and Mail Return Label, Electronic Return Label, 1 UPS Pickup Attempt or 3 UPS Pickup Attempt Return Services (including via UPS Returns® on the Web) unless a UPS high-value summary report is obtained by the Shipper or person tendering the Package and signed by the driver upon tender of the Package
- \$999 for an international UPS Import Control® Package unless a UPS high-value summary report is obtained by the Shipper or person tendering the Package and signed by the driver upon tender of the Package
- \$999 for a Package dropped off at a Third Party Retailer if such a Package was previously manifested using a Source Document or UPS Automated Shipping System prior to drop-off at the Third Party Retailer
- \$500 for a Package shipped via a UPS Drop Box
- \$500 for a Package containing jewellery
- \$100 for a Package containing cheques, phone cards, lottery tickets, gift cards or other items of a similar nature. In no event shall UPS be liable for the face value of these items.
- \$100,000 per pallet for UPS Worldwide Express Freight™ Shipments.

If no Declared Value for Carriage amount is entered by the customer for a Package or Shipment, then UPS's maximum liability for that Package or Shipment is \$100. See Section 21 for details.

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

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

3.3 Prohibited Articles

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

Articles Prohibited by UPS for Shipping within Canada and Internationally

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

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

Additional Articles Prohibited by UPS for Shipping Internationally

- Animal products, non-domesticated
- Firearms
- Gem stones

- Industrial diamonds
- Ivory
- Unset precious stones
- Personal Effects and Unaccompanied Baggage shipped to any other country except the United States. See Section 3.5 for details.
- Other prohibited items that vary by country. For further information, call 1-800-Pick-UPS®.

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

- Alcohol (See Section 3.7)
- Antiques
- Artwork
- Biological Substances Category B
- Ceramics
- China
- Collector's items
- Confectionery products, such as potato chips, in any form; chocolate in any form; pastries and baked goods in any form
- Dangerous Goods (See Section 3.6)
- Diagnostic specimens
- Dry Ice (Except when shipped via UPS Standard® service)
- Firearms (Prohibited internationally – See also Section 3.8)
- Furs (International approval only required)
- Gem stones (Prohibited internationally)
- Glass, crystal
- Industrial diamonds (Prohibited internationally)
- Jewellery Packages in excess of \$500
- Liquids
- Live animals, birds and insects
- Live plants and cut flowers
- Perishables
- Personal Effects (See Section 3.5)

- Pottery
- Precious metals (Any article containing more than 50% by weight of a precious metal)
- Seeds (International approval only required)
- Televisions
- Tobacco (See Section 3.7)
- Unset precious stones (Prohibited internationally)
- Watches containing more than 50% of a precious metal or any precious gem stone

Additionally, the following articles are not accepted for UPS Worldwide Express Freight™ Shipments:

- Any item of extraordinary value
- Cosmetics
- Drugs (prescription and non-prescription)
- Electronic data
- Fish meal
- Gambling devices
- Hazardous waste
- “In Bond” Shipments
- Neon signs
- Personal effects (wearing apparel, cosmetics, toiletries, furniture, kitchenware, linens, etc. – used, not for resale)
- Pornography as defined by community or country standards
- Self-propelled surface vehicles
- Shipments consigned “To Order of” or “To Order Notify”
- Shipments of an inherent nature for which transportation could not be furnished without sustaining loss or damage (used plasma TVs, artwork, original paintings, drawings, watercolors and sculptures)
- Gold or other precious metals including gold or silver coins, gems, bullion

Except in the case where the article is prohibited for shipping (as noted), the articles listed in this Section 3.4 require

Pre-approval to be shipped with UPS. Pre-approval is defined as UPS’s written consent, as evidenced by an agreement setting out the Pre-approval article(s) to be transported, which is signed by authorized representatives of UPS and the Shipper.

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

In the event that any Pre-approval article enters the UPS system without having obtained UPS’s Pre-approval, this does not constitute a waiver on the part of UPS and UPS shall have no liability whatsoever for delay, loss, theft or damage to any such article, even if the Shipper has entered a Declared Value on the shipping document. Also refer to Section 22, Limitation of Liability.

3.5 Personal Effects and Unaccompanied Baggage

These are Shipments containing used items intended for personal use rather than items being shipped for distribution, business maintenance or wholesale/retail sale. Examples of such items include (without limitation) used clothing, previously purchased goods, personal grooming items, a suitcase contained within a carton or box, etc.

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

3.6 Dangerous Goods

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

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

3.7 Alcoholic Beverages and Tobacco

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

3.8 Firearms

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

3.9 Prohibited by Law

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

4. Right of Inspection

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

5. Shipping Charge Corrections; Audit

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

Audits may occur at various transportation points before delivery; therefore, reweighing adjustment charges may not be reflected on the same invoice as the original transportation charges.

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

6. Refusal of Service

UPS reserves the right to refuse to provide service, among other reasons, for any Package which by reason of the dangerous or other character of its contents may, in the sole judgment of UPS, soil, taint, or otherwise damage other Packages or UPS's equipment, or which is improperly or insecurely packed or wrapped or labelled, as determined by UPS in its sole judgment.

Before accepting any Package for service, UPS reserves the right to require sufficient verification, as determined by

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

7. Proper Packaging and Labelling Packaging

- It is the responsibility of the Shipper to ensure that proper packaging is used and that contents of Packages are adequately and securely packed, wrapped, and cushioned for transportation.
- Packages must be so packed or wrapped as to meet UPS's published standards related thereto set forth in the UPS Rate and Service Guide, or on ups.com[®], and as to pass tests set forth in International Safe Transit Association ("ISTA") Procedure 3A, Procedure for Testing Packaged Products, published by ISTA. In addition, any tested product must be free from damage and the packaging must afford reasonable protection as determined by UPS in its sole judgment.
- UPS will not be liable for delay, damage to or loss of goods caused or contributed to by defects or inadequacy of the packaging used by the Shipper, or for damage to or loss of the packaging used by the Shipper.
- The use of UPS-provided packaging is not a guarantee that an item is sufficiently packaged for transportation.
- UPS does not provide special handling for Packages bearing "Fragile," Package orientation markings (e.g., "UP" arrows or "This End Up" marking), or any other similar markings.

- Packages containing goods of high value or high risk, including without limitation jewellery, pharmaceuticals, computers, hand-held electronic devices, mobile telephones, and electronic components of these, must not have labels, customized shipping labels (including as created in a UPS Automated Shipping System), markings, logos, or other written notice of contents contained within the Package.
- When shipping media of any type containing sensitive personal information (such as personal financial or health information), it is recommended that the Shipper retain a copy of the data and secure the data on the media through encryption or other technological means. UPS is not liable or responsible for loss of, damage to, or irretrievability of data stored on media of any type, or for loss of information, including without limitation personal, health or financial information. For the shipment of electronic media, or for breakable items, see the packaging guidelines located at ups.com. The guidelines advise against the use of Express Envelopes, Express Paks, or Express Pad Paks to ship sensitive personal information or breakable items.
- UPS Worldwide Express Freight[™] Shipments must be palletized, stackable, able to be lifted by forklift, and shrink-wrapped or banded to a skid. Shipper must ensure that pallets and packaging comply with all applicable laws and regulations of the origin and destination country.

Labelling

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

8. Rates

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

8.1 Multiple-Piece Shipments

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

8.2 UPS-Supplied Express Packaging

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

UPS-supplied Express packaging is to be used for Shipments sent via UPS Express® services, including UPS Worldwide Express Plus®, UPS Express Early A.M.®, UPS Worldwide Express®, UPS Express, UPS Worldwide Express Saver®, and UPS Express Saver®. For domestic Shipments only, UPS Express® packaging may also be used for UPS Expedited® shipping. Shipments sent in UPS Express packaging but utilizing non-qualifying service levels will be subject to an Additional Handling Fee.

The Billable Weight of domestic and international Shipments using UPS-supplied Express packaging is the greater of the Actual Weight and the Dimensional Weight of the Package. See Section 8.4 for details.

8.3 Rounding Measurements

Package weights must be rounded up to the next whole pound or kilogram. Package dimensions must be rounded off to the closest whole inch or centimetre.

8.4 Billable Weight for UPS Shipments

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

- Actual Weight refers to the weight of a Package as measured on a scale.
- Dimensional Weight is calculated to reflect the size and space (the volume) a Package occupies. To determine the Dimensional Weight of a Package use one of the following calculations as applicable for the Shipment.

In pounds, for Canada origin Shipments other than UPS Standard® Shipments, multiply the *length x width x height* of a Package in inches and divide by 139.

In kilograms, for Canada origin Shipments other than UPS Standard Shipments, multiply the *length x width x height* of a Package in centimetres and divide by 5,000.

In pounds, for Canada origin UPS Standard Shipments, multiply the *length x width x height* of a Package in inches and divide by 166.

In kilograms, for Canada origin UPS Standard Shipments, multiply the *length x width x height* of a Package in centimetres and divide by 6,000.

In pounds, for all Canada import Shipments, multiply the *length x width x height* of a Package in inches and divide by 139.

In kilograms, for all Canada import Shipments, multiply the *length x width x height* of a Package in centimetres and divide by 5,000.

See Section 8.3 for rules on rounding measurements.

8.5 Minimum Rates for Heavy Shipments

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

- The result of the above calculation, or
- The minimum rate shown in the rate chart, or

- A minimum charge calculated on each Package being billed at 10 pounds or 5 kilograms

9. Additional Services

9.1 Declared Value

Except for articles listed in Section 3.3 (Prohibited Articles) and Section 3.4 (Articles Requiring Pre-approval for Shipping within Canada, Internationally or Both), each Package or Shipment is automatically protected against loss or damage up to \$100.

If the Shipper wishes to declare a value of more than \$100 for the Shipment, an additional charge, set forth in the UPS Rates in effect at the time of shipping, will be assessed for each \$100 of the Declared Value. Also see Section 3.2 (Maximum Declared Value) and Section 21 (Responsibility for Loss or Damage) for additional information on limits and restrictions.

9.2 Saturday Delivery

The Shipper may request optional Saturday Delivery for Shipments to certain destinations in Canada, the U.S., Germany and the United Kingdom by selecting Saturday Delivery on the appropriate Source Document and by attaching a Saturday Delivery routing label (provided by UPS) on each Package.

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

For delivery within Canada, Saturday Delivery is only available to certain destinations with UPS Worldwide Express Plus, UPS Express Early A.M., UPS Express and UPS Express Saver services.

For delivery to the U.S., Saturday Delivery is only available to certain destinations with UPS Express Early A.M. and UPS Express service.

For delivery to Germany and the United Kingdom, Saturday Delivery is only available to specific destinations with UPS Worldwide Express Plus and UPS Worldwide Express service.

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

9.3 Delivery Confirmation Services

Delivery Confirmation

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

Delivery Confirmation Signature Required

A Shipper may request that UPS obtain the recipient's signature and include it on the Delivery Confirmation response. In such case, an additional fee, set forth in the UPS Rates applicable to an international Shipment or domestic Package in effect at the time of shipping, will be assessed. The Shipper must use a UPS Automated Shipping System to initiate a request for this service. UPS may obtain, at its discretion, a signature or other electronic acknowledgement of receipt from the receiver when this option is selected.

Delivery Confirmation Adult Signature Required

A Shipper may request that UPS obtain the signature of a recipient who is at least 19 years of age within Canada and 21 years of age for international Shipments and include it in the Delivery Confirmation response. An additional fee, set forth in the UPS Rates applicable to an international Shipment or domestic Package in effect at the time of shipping, will be assessed. UPS, in its sole discretion, will determine if delivery can be completed when such a request is made, and may

request photo identification indicating the recipient's age before completing delivery. The Shipper must use a UPS Automated Shipping System to initiate a request for this service.

A Shipper may elect to direct the Delivery Confirmation response to an address other than the return address specified on the shipping label. In such case, the response will be mailed individually, and an additional fee, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, will be assessed.

9.4 Duty and Tax Forwarding Surcharge

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

9.5 Address Correction

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

9.6 Additional Handling

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

- Any article that is encased in an outside shipping container made of metal or wood
- Any cylindrical item, such as a barrel, drum, pail, or tire, that is not fully encased in a corrugated cardboard shipping container
- Any Package with the longest side exceeding 60 inches or 152 centimetres or its second-longest side exceeding 30 inches or 76 centimetres

- Any Package with an actual weight greater than 70 pounds or 32 kilograms
- Each Package in a Shipment (excluding UPS Worldwide Express Freight™ Shipments) where the average weight per Package is greater than 70 pounds or 32 kilograms and the weight for each Package is not specified on the Source Document or the UPS Automated Shipping System used
- UPS also reserves the right to assess the Additional Handling Fee for any Package that, in UPS's sole discretion, requires special handling
- An Additional Handling Fee will not be charged in combination with a Large Package Surcharge

9.7 Daily Pickup Service

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

9.8 UPS On-Call Pickup® Service

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

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

9.9 UPS Paperless® Invoice Service

A Shipper must register with UPS in advance of shipping to use UPS Paperless Invoice service, where such services are available. By using UPS Paperless Invoice service, the Shipper authorizes UPS to use the Shipper's letterhead and electronic signature to prepare true, correct, and

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

9.10 UPS Carbon Neutral

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

9.11 UPS Import Control®

UPS Import Control service allows a Shipper to process an import Shipment,

including Commercial Invoice, and create a Print Import Label, Electronic Import Label, and Print and Mail Import Label to provide to the sender of the Shipment. A Shipper may also request 1 UPS Pickup Attempt or 3 UPS Pickup Attempts to request that UPS make pickup attempts to retrieve an import Shipment from a sender's address. UPS Import Control is available only in countries where UPS pickup services are available. An additional charge for each UPS Import Control Package, as set forth in the UPS Rates in effect at the time the charge, is applied.

UPS Import Control is available only for Shipments processed through WorldShip®, UPS CampusShip®, UPS Internet Shipping, UPS Developer Kit, or an approved UPS Ready® solution.

UPS Import Control is not available for Hazardous Material or Dangerous Goods Shipments requiring shipping papers, Shipments of firearms, Shipments requiring Delivery Confirmation Adult Signature Required service, or UPS Worldwide Express Freight™ Shipments. C.O.D. service is not available for UPS Import Control Shipments.

The maximum actual or Declared Value for each UPS Import Control Package is \$50,000, provided that for any UPS Import Control Package with an actual or Declared Value in excess of \$999, the Shipper ensures that a UPS high-value summary report is generated and signed by the UPS driver upon tender of the Package to UPS. If no high-value summary report is obtained and signed, the maximum actual or Declared Value of each such Package is limited to \$999.

10. Additional Charges

10.1 Missing or Invalid UPS Account Number Charge

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

10.2 Extended Area Surcharge

An additional charge, set forth in the UPS Rates applicable to the Shipment in effect

at the time of shipping, may be applied to Shipments picked up from or destined to certain extended areas. UPS's Extended Area Delivery Surcharge listings may be viewed at ups.com® or obtained by calling 1-800-Pick-UPS®.

10.3 Refusal of Freight Collect and Third Party Charges

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

10.4 Re-Rating Charge

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

10.5 Tracking/Refund Request Charge

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

- This charge will not be assessed for the first fifty (50) Package-tracking requests per calendar week or for a quantity of Package-tracking requests equal to or less than twenty percent (20%) of the Shipper's Package volume for that week, whichever is greater.
- This charge will not be assessed for a quantity of Package-tracing requests equal to or less than two percent (2%) of the Shipper's Package volume for that week.
- UPS also reserves the right to assess the Shipper a charge, as set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, for guaranteed service refund requests when the subject Shipment was delivered in accordance with the UPS Service Guarantee set out in the applicable UPS Terms and Conditions in effect at the time of shipping.

10.6 Minimum Rate/Weight Charge

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

10.7 Manual Recording Fee

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

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

10.8 Residential Delivery Surcharge

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

10.9 Large Package Surcharge

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

An Additional Handling Fee will not be assessed when a Large Package

Surcharge is applied, or to UPS Worldwide Express Freight™ Shipments.

10.10 Oversize Pallet Handling Surcharge

UPS Worldwide Express Freight Shipments are subject to maximum size and weight limits that vary by origin and destination. UPS Worldwide Express Freight Shipments that exceed such maximums are subject to an Oversize Pallet Handling Surcharge. Applicable size and weight limits are described at ups.com®.

11. C.O.D. Service

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

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

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

11.1 Regular C.O.D.

Provides return of the Consignee's payment to the Shipper, typically within ten (10) business days after delivery of the Shipment. UPS will collect payment in the form of cheque, bank draft, certified cheque, or money order made payable to the Shipper (not UPS). UPS will not accept a post-dated cheque in payment of a Regular C.O.D. Package. If the Shipper requires payment to be made using secured funds, this request must be indicated in the UPS Automated Shipping System; UPS then reserves the right to accept a bank draft, certified cheque, money order, or other similar instrument issued by or on behalf of the Consignee.

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

Note: Regular C.O.D. service to the United States is only available through a UPS Automated Shipping System.

11.2 UPS Express C.O.D.

Provides return of the Consignee's payment to the Shipper, typically on the next business day after delivery of the Shipment. UPS will collect payment in the form of cheque, bank draft, certified cheque, or money order made payable

to the Shipper (not UPS). Payments will not be accepted in the form of cash, or cheques made out to UPS.

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

UPS Express C.O.D. is only available when using a UPS Automated Shipping System.

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

11.3 For All C.O.D. Shipments

- All cheques (including bank drafts and certified cheques) and money orders tendered in payment of C.O.D. Shipments will be accepted by UPS at the Shipper's risk, including, but not limited to, risk of non-payment, insufficient funds and forgery, and UPS shall not be liable upon any such instrument.
- It is the Shipper's responsibility to notify the Consignee prior to shipping that the Shipment requires payment upon delivery, and what form(s) of payment will be acceptable (see above).
- An additional C.O.D. fee, set forth in the UPS Rates applicable to the Shipment in effect at the time of shipping, is applicable for each Package (Regular C.O.D.) and each Shipment (UPS Express C.O.D.) when the UPS C.O.D. service is selected.
- If the Consignee refuses to provide the required payment, UPS will return the Shipment to the Shipper.
- The C.O.D. amount to be collected shall be limited to the actual value of the contents of the Package (Regular C.O.D.) or the Shipment (UPS Express C.O.D.), plus shipping charges.
- UPS's liability in the event of loss, theft, damage, or delay for the remittance of C.O.D. payment collected on behalf of the Shipper, regardless of the manner in which that loss, theft, damage or delay occurs, or for failure to collect payment at the time of delivery, or if the payment collected is incorrect, is limited to a refund of the C.O.D. fee paid for the service.

- The entry of a C.O.D. amount is not a declaration of value. If the Shipper wants to protect against failure to deliver, damage, loss or theft regarding the C.O.D. Package for an amount greater than \$100, the greater value must be indicated in the Declared Value area of the shipping document and the Declared Value charges paid.
- C.O.D. Packages with an amount to be collected in excess of \$500 will not be accepted for transportation via UPS Drop Boxes.
- Payment for any C.O.D. Package of \$10,000 or more must be collected in a single cheque or monetary instrument such as a cheque, certified cheque, money order, or bank draft.
- C.O.D. service is not available for UPS Worldwide Express Freight™ Service.

11.4 C.O.D. Procedures

C.O.D. services are only available through a UPS Automated Shipping System. Different procedures apply to the preparation and recording of C.O.D. Packages for Regular C.O.D. service and C.O.D. Shipments for UPS Express C.O.D.® service:

- *Regular C.O.D.* Shippers must apply to each C.O.D. Package a UPS Automated Shipping System-generated C.O.D. address label with a C.O.D. bar code and the amount to be collected for each individual Package.
- *UPS Express C.O.D.* Shippers must apply to the lead Package of each UPS Express C.O.D. Shipment a UPS Automated Shipping System-generated C.O.D. address label with a UPS Express C.O.D. bar code and a UPS Express C.O.D. Envelope with a Consignee receipt indicating the amount to be collected for each Shipment. Each child Package in the Shipment must carry a UPS Express C.O.D. control sticker.

12. UPS Returns® Services

- UPS offers the following UPS Returns services: Print Return Label, Electronic Return Label, Print and Mail Return Label, Returns on the Web Return Label, and Authorized Return Service (ARS). UPS offers the following UPS

Returns® Plus services: 1 UPS Pickup Attempt and 3 UPS Pickup Attempts. UPS Returns, UPS Returns® on the Web, UPS Returns Plus and UPS Returns® Exchange are collectively referred to as "UPS Returns services." ARS and UPS Returns on the Web are not available for international Shipments. UPS Returns services Shipments returned from an address will be assessed charges as set forth in the UPS Rates in effect at the time the charges are applied. A returned Shipment will be charged the rate calculated from the pickup location to the destination via the service selected.

- UPS Returns services Packages (excluding ARS and Returns on the Web) can be returned from addresses outside Canada, where these services are available, by UPS Worldwide Express Plus®, UPS Worldwide Express NA1®, UPS Worldwide Express®, UPS Worldwide Express Saver®, UPS Worldwide Expedited®, and UPS Standard®. An additional Accessorial charge, as set forth in the effective UPS Rates, for each such UPS Returns services Package will be assessed when the service is requested.
- UPS Returns services Packages can be returned from addresses within Canada, where these services are available, via UPS Express Early A.M.®, UPS Express®, UPS Express Saver®, UPS Expedited®, and UPS Standard. An additional Accessorial charge, as set forth in the effective UPS Rates, for each such UPS Returns services Shipment will be assessed when the service is requested.
- Packages containing certain items are prohibited from being shipped and are not accepted by UPS when tendered for transportation via UPS Returns services, including, but not limited to, hazardous materials and Dangerous Goods Packages requiring shipping papers, Packages containing firearms, and Packages requiring Delivery Confirmation Adult Signature Required service. C.O.D. (Collect On Delivery) service is not available for UPS Returns services Packages.
- UPS Returns services Packages must meet UPS's packaging guidelines.

12.1 UPS Returns

a) Authorized Return Service (ARS)

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

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

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

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

12.2 UPS Returns Plus

a) 1 UPS Pickup Attempt

A Shipper can request that UPS make one pickup attempt to retrieve a Package from an address in Canada and internationally with 1 UPS Pickup Attempt service, where this service is available.

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

b) 3 UPS Pickup Attempts

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

An additional charge for each 3 UPS Pickup Attempts service international Package or domestic Shipment will be assessed when 3 UPS Pickup Attempts service is requested. The applicable charges will be those set forth in the UPS Rates in effect at the time the charge is applied.

12.3 UPS Returns® Exchange

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

12.4 UPS Returns® on the Web

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

13. Special Handling of Undeliverable Domestic Packages

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

If the returned Package is refused by the Shipper, or the Package cannot otherwise be returned to the Shipper, UPS will retain the Package for a period of time determined at its sole discretion, but no

less than thirty (30) days, and UPS reserves the right to dispose of the Package thereafter. See Section 28 of this document for further details.

14. Special Handling of Undeliverable International Packages

International Packages refused by the Consignee, or that cannot be delivered for any other reason, will be held, and the Shipper will be contacted for further instructions. The Shipper will be responsible for payment of all applicable charges, including, but not limited to, forwarding, disposal, or return transportation charges, duty, tax, fuel surcharge, and an undeliverable international Shipment return surcharge set forth in the UPS Rates in effect at the time of the charge. The UPS Service Guarantee does not apply to undeliverable Packages returned to the Shipper. If the returned Package is refused by the Shipper, or the Package cannot otherwise be returned to the Shipper, UPS will retain the Package for a period of time determined at its sole discretion, but no less than thirty (30) days, and UPS reserves the right to dispose of the Package thereafter. See Section 28 of this document for further details.

15. Provisions for Customs Clearance of International Shipments

15.1 Export Documentation

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

15.2 Agent for Customs Clearance

When a Shipment is imported into or exported from Canada, UPS may act as the agent for customs clearance, where allowed by law. In effect, UPS is specified as the nominal Consignee for the purpose

of designating a customs broker to perform customs clearance. Local authorities may require documentation confirming that UPS has been designated as the nominal Consignee.

For importing into Canada:

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

For exporting from Canada to the U.S.:

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

For exporting from Canada to other countries:

- Customs clearance services vary by country.

Call 1-800-Pick-UPS® for details.

15.3 No-Charge Routine Customs Clearance

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

15.4 Charges for Customs Clearance

When importing an international Shipment, UPS may assess the following charges:

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

- Drawbacks
- Entries involving more than five (5) classification lines
- Import permits
- Live entries
- Marking attendance
- Refunds or duty drawbacks

- f) Any customs penalties, storage charges, or other expenses incurred as a result of an action by customs or failure by the Shipper or Consignee to provide proper documentation or to obtain a required licence or permit. If the Consignee does not pay these additional expenses, the Shipper is liable for payment.
- g) Import C.O.D. Fee for collection of charges for customs clearance upon delivery, if necessary (see Section 15.5 for a list of circumstances that require an Import C.O.D. Fee).
- h) Online Payment Fee for collection of charges for customs clearance through the Pay Import Fees feature on ups.com®.

15.5 Import C.O.D. Fee

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

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

15.6 Customs Brokerage Guarantee

If a UPS Standard service Shipment from the U.S. is not delivered on time in Canada (except for the Limits and Restrictions for the UPS Service Guarantee outlined in Section 20), and UPS was designated as the customs broker for that Shipment,

the UPS Customs Brokerage Guarantee applies. Under the UPS Customs Brokerage Guarantee, UPS will, at UPS's option, either credit or refund the customs brokerage Entry Preparation Fee for such Shipment or Package, to the payer only, upon request. Contact UPS for specific delivery times between the origin and destination.

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

15.7 UPS Customs Brokerage Billing Options

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

16. Billing Options

16.1 Billing Options for Domestic Shipments

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

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

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

The Shipper is responsible for shipping charges refused by a receiver or third party in addition to the charge referred to in Section 10.3.

16.2 Billing Options for International Shipments

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

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

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

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

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

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

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

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

17. Three Delivery Attempts

If UPS is unable to complete the delivery of a Shipment, a notice will be left at the Consignee's address stating that a delivery has been attempted. On the second business day and, if necessary, on the third business day, UPS may attempt to deliver the Shipment without additional charge. For UPS Worldwide Express Freight™ Shipments, only one delivery attempt will be made; subsequent delivery attempts are subject to additional charges which will be charged to the Consignee.

18. Driver Release/ Indirect Delivery

Driver Release is a UPS residential delivery service in which, at the discretion of the UPS service provider, a Package may be left at a private residence without obtaining a signature. Driver Release is only available in select areas.

If a signature is required on a Package, or the UPS service provider is otherwise unable to Driver Release a Package, it may be delivered to a neighbouring address or a UPS approved customer pickup location. The service provider will obtain a signature from the neighbour or customer pickup location when completing an indirect delivery.

19. Proof of Delivery

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

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

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

20. UPS Service Guarantee

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

- UPS's guaranteed delivery schedule must state that the destination point qualifies for the service commitment from the origin point.
- The Shipment must be properly documented on a Source Document and each Package in the Shipment must bear the appropriate UPS tracking label.
- Each Package in the Shipment must be properly labelled, including From/To address details with the Consignee's correct name, deliverable address, postal or Zip code, and telephone number. UPS cannot deliver to a P.O. Box.
- UPS reserves the right to refuse to honour a request for a credit or refund of shipping charges for a Package when the Package does not have affixed to it a Smart Label and/or when UPS does not receive Package Level Detail (PLD) information at the time the Package is tendered to UPS or when the delivery address on any address label or combined label affixed to the Package does not match the delivery address on the UPS Smart Label, bar code, or PLD for the Package.
- For Saturday Delivery, a Saturday Delivery routing label must be attached to each Package in the Shipment.
- For international Shipments, all applicable documentation required by the origin and/or destination country must be complete and included with the Shipment.
- The Shipment must be tendered to UPS during UPS's published business hours.
- UPS must be notified of a service failure in writing or by telephone within fifteen (15) calendar days from the date of scheduled delivery and be advised of the Consignee's name and address, date of Shipment, Package weight, and the UPS Tracking Number.

- Customs clearance must be performed by UPS or its designee.
- For UPS Worldwide Express Freight™ Shipments, the guarantee shall apply to a Shipment in excess of 2,000 kilograms or 4,400 pounds only if the Shipper obtained confirmation of eligibility for the UPS Service Guarantee, prior to tender of the Shipment to UPS for service.

Limits and Restrictions

- The UPS Service Guarantee does not apply to Shipments that are delayed due to causes beyond UPS's control, including, but not limited to, the following: the unavailability or refusal of a person to accept delivery of the Shipment; delays caused by the Consignee; acts of God; public authorities acting with actual or apparent authority on the premises; acts or omissions of customs or similar authorities; riots; circumstances arising before, during, or after a strike or other labour disputes; civil commotions; disruptions in the air or ground transportation network (such as weather phenomena); and natural disasters.
- The UPS Service Guarantee does not apply to Shipments which include a Package or Packages subject to Additional Handling (Section 9.6) the Large Package Surcharge (Section 10.9) or the Oversize Pallet Handling Surcharge (Section 10.10).
- The UPS Service Guarantee does not apply to any Package exceeding Maximum Weight and Size Limits (Section 3.1) or containing articles listed as a Prohibited Article (Sections 3.3 and 3.4) or any Dangerous Goods Shipment (Section 3.6).
- The UPS Service Guarantee does not apply to a UPS Import Control® Shipment if the Commercial Invoice Removal service option has been selected for the Shipment.
- The UPS Service Guarantee does not apply to UPS Expedited® or UPS Standard® Shipments within Canada that are picked up or scheduled to be delivered during the fourteen (14) calendar days before December 25.
- The UPS Service Guarantee does not apply to UPS Standard Shipments to and from the United States that are picked up or scheduled to be delivered during the fourteen (14) calendar days before December 25.
- The UPS Service Guarantee for international and domestic UPS Worldwide Express Plus®, UPS Express Early A.M.®, UPS Worldwide Express®, UPS Express® and UPS Express Saver® Shipments scheduled for delivery within Canada on or during the thirteen (13) calendar days before December 31 will be extended by 90 minutes.
- UPS reserves the right to waive the UPS Service Guarantee on Shipments scheduled for delivery the business day following a national or provincial holiday when that holiday is not observed in the U.S. or other parts of Canada.
- The money-back guarantee does not apply to any company or service provider that is engaged in the re-selling of any UPS service.
- UPS reserves the right to refuse any request for a credit or refund when such request is either (a) made by or (b) based on information obtained by a party other than the payer of the shipping charges.
- UPS may cancel or suspend the UPS Service Guarantee as to any or all services, and for any period of time, as determined by UPS in its sole discretion, and without prior notice.
- The UPS Package tracking system accessed via ups.com® (the "Tracking System") and tracking information obtained through the UPS website (the "Information") are the private property of UPS. UPS authorizes the use of the Tracking System solely to track Shipments tendered by or for a customer to UPS for delivery and for no other purpose. Without limitation, customers are not authorized to make the Information available on any website or otherwise reproduce, distribute, copy, store, use or sell the Information for commercial gain without the express written consent of UPS.

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

21. Responsibility for Loss or Damage

Except for articles listed in Section 3.3 (Prohibited Articles) and Section 3.4 (Articles Requiring Pre-approval for Shipping within Canada, Internationally or Both), UPS automatically protects against loss or damage of a Package, Shipment or pallet in a UPS Worldwide Express Freight™ Shipment up to a value of \$100. If the Shipper wishes to declare a value greater than \$100 for a Package, Shipment or pallet, the greater Declared Value must be entered on the UPS shipping documentation, and an additional charge will be applied.

- \$100 of protection automatically applies to the value of the **Shipment** or pallet in a UPS Worldwide Express Freight Shipment, when using the following Source Documents: Canadian Services Waybill, Worldwide Services Waybill, UPS Connect® NX domestic Shipments, UPS Connect® export Shipments, WorldShip®, UPS Internet Shipping or UPS CampusShip®.
- \$100 protection automatically applies to the value of each Package when using the following Source Documents: Shipping Record Book, UPS Connect CX and EX domestic Shipments.
- Unless a greater value is declared in writing in the Declared Value space provided on the Source Document provided to UPS, the Shipper declares the released value to be no greater than \$100 per Package or Shipment or to each pallet in a UPS Worldwide Express Freight Shipment, which is a reasonable value under the circumstances surrounding the transportation.
- See Section 3.2 in this document for the maximum Declared Values that can be made.
- The rules relating to liability established by the Convention for the Unification of Certain Rules Relating to International

Carriage by Air signed at Warsaw, Poland, on October 12, 1929, and any amendments thereto, may apply to the carriage of international Shipments.

- In connection with a damaged Shipment, the Shipper must retain the original packaging until an inspection can be completed by UPS or its agent.

22. Limitations and Exclusions of Liability

UPS shall not be liable for any special, indirect, incidental, consequential, or punitive damages (collectively, the “Consequential Damages”) including, but not limited to, loss of profit or revenue incurred by the Shipper (or any other person or company) as a result of UPS’s (or UPS’s agent’s or independent contractor’s) acts or omissions, including but not limited to, gross negligence, negligence causing damage, failure to deliver, loss or theft of or damage to the Shipment, or late or delayed Shipment.

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

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

UPS’s liability for loss or damage to a Package containing documents, film,

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

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

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

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

UPS’s liability in respect of the provision of Customs Clearance into Canada shall be governed by the Standard Trading Conditions of the Canadian Society of Customs Brokers (a copy of which can be found at ups-scs.com or by clicking on this link: [Canada_GAA_STC](#)) as well as the terms of any GAA executed by the Importer. UPS shall not be liable for any error in judgment or for anything which it may do or refrain from doing or for any resulting or consequential damage or loss caused by the negligence of any customs broker or by an act of God or other act or cause beyond the reasonable control of UPS where designated as Customs Broker. UPS shall not be liable for any failure to provide

the Customs Clearance Services, which is a result of the operation of the applicable laws of Canada or any other country or a change in the policies of Canada Border Services Agency or any other government authority.

UPS shall not be liable or responsible for loss or damage due to acts of God, natural disasters, war risks, acts of terrorism, nuclear damage, acts of public authorities acting with actual or apparent authority, acts or omissions of customs or similar authorities, authority of law, the application of security regulations imposed by the government or otherwise applicable to the Shipment, riots, strikes or other labour disputes, civil unrest, disruptions in national or local air or ground transportation networks (including, but not limited to, UPS's transportation network), disruption or failure of communication and information systems, or adverse weather conditions.

23. Claims Procedure

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

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

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

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

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

Claims must be filed within the following time periods:

For UPS Service Guarantee claims:

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

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

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

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

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

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

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

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

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

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

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

24. Interruption of Service

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

25. Delay

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

26. Sales Tax

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

27. Payment for Services

27.1 Payment Options

UPS offers the following payment options:

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

27.2 Late Payment Charge

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

27.3 Estimated Charges

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

27.4 Invoice Adjustments

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

28. Packages Which Have Been Refused or Are Unidentifiable

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

and the sole recourse of the Shipper and/or Consignee shall be in accordance with and subject to Sections 21, 22 and 23 of this document.

29. Right of Disposal of Damaged Packages

UPS reserves the right to dispose of the damaged contents of a Package, or a damaged Package and its entire contents if, at UPS's sole discretion, the contents or packaging may cause harm to any UPS employee, the public, or damage to other Packages, UPS equipment or facilities, without prior notification to the Shipper.

30. Service

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

31. Fuel Surcharge

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

32. Security Surcharge

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

33. Currency Conversion Rate

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

34. UPS Customer Centre

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

35. Names, Trademarks and Registered Trademarks of UPS

ups.com®, 1-800-Pick-UPS®, UPS Connect®, WorldShip®, UPS On-Call Pickup®, UPS Express Critical®, UPS Express Early A.M.®, UPS Express®, UPS Worldwide Express®, UPS Worldwide Express Plus®, UPS Worldwide Express NA1®, UPS Worldwide Express Saver®, UPS Express Saver®, UPS 3 Day Select®, UPS Expedited®, UPS Worldwide Expedited®, UPS Standard®, UPS Returns®, UPS Returns® Plus, UPS Returns® Exchange, UPS Signature Tracking®, UPS Express C.O.D.®, UPS Developer Kit, UPS Ready®, UPS OnLine®, UPS CampusShip®, UPS World Ease®, Quantum View® Manage, Quantum View® Manage for Importers, Quantum View® Data, Quantum View Notify®, UPS Trade Direct®, UPS Supply Chain Solutions®, UPS Capital®, The UPS Store®, UPS Authorized Shipping Outlet, Full Visibility Tracking, UPS TradeAbility®, UPS Billing Data, What Can Brown Do For You?®, UPS carbon neutral, UPS Import Control®, UPS Paperless® Invoice and UPS Worldwide Express Freight™

36. Data Protection

The Shipper agrees that UPS and other companies in the UPS group of companies worldwide, including companies in countries that may not have the same level of data protection as the country where the Shipment is tendered for service, may use any data provided by the Shipper to UPS for the purposes set forth in and subject to the UPS Privacy Notice published on UPS's website at <http://www.ups.com/content/ca/en/resources/ship/terms/privacy.html>, which is incorporated here by this reference. The Shipper has certain rights under the law (exercisable by contacting UPS) to have access to, rectify, object to the use for direct marketing of, or delete personal data held by UPS about it.

37. Incorporation of Terms; Waiver; Future Changes

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

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

The effective Rate and Service Guide, and any modifications or amendments of them, are hereby incorporated by reference in these Terms. In the event of a conflict or inconsistency between the Terms and the effective Rate and Service Guide, the Terms shall control. The Terms and the UPS Source Document for each Shipment together comprise the com-

plete and exclusive agreement of the parties, except as modified by any existing or future written agreement between the parties, and may not be contradicted or modified by any oral agreement.

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

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

ups.com[®]
1-800-Pick-UPS[®]



ups.com

For online shipping, tracking and other information

1-800-Pick-UPS

For personal service in English or French

ups-scs.ca

For information on UPS Supply Chain Solutions[®]

1-800-714-8779

For UPS Express Critical[®] service

UPS Canada

1022 Champlain Ave.
Burlington, Ontario, L7L 0C2

