

MARITIME TRANSPORT CONDITIONS

1. DEFINITIONS - The term "common carrier" means and designates the ship and any substitute ship, whether or not of the same class and tonnage as the ship designated on this bill of lading, where such designation exists, and the owner, charterer and ship's master; "shipper" means the person so designated on this bill of lading and includes any person on behalf of whom the goods are being shipped; the term "consignee" includes the holder of the duly endorsed bill of lading and the person receiving the goods or who is the owner of the goods; the terms "freight" and "goods" include all effects or goods of any type that may be loaded onto the ship, including any vehicle.

2. LOADING ABOVE DECK - The goods covered by this bill of lading may be secured above or below deck at the discretion of the common carrier; when loaded above deck, they are deemed under this provision to be declared as loaded above deck, even if no specific endorsement to this effect appears on the front of this bill of lading. In respect of goods loaded above deck or declared as loaded above deck on the front of this bill of lading, the common carrier assumes no liability for loss, damage or delay occurring at any time and resulting from any cause whatsoever, including negligence or poor operating condition of the ship at time of sailing or at any time thereafter.

3. PERISHABLE GOODS - Delivery must be taken of dairy products, fruit, eggs, fish, poultry, meat, skins and other perishable goods upon arrival, failing which the common carrier is entitled to unload them and ask port authorities to accept or take receipt of them in whole or in part, for warehousing or liquidation on the value thereof. Unless specifically stipulated on this bill of lading, the common carrier shall have no obligation to carry the goods in refrigerated, chilled, heated or ventilated compartments, and the perishable goods will be carried at their owner's risk. In all cases, eggs are carried at their owner's risk and the common carrier assumes no liability for breakage due to any cause.

4. WAR CLAUSE - The ship is at liberty to comply with any order or directive in respect of sailing, landing, course, ports of call, stops, destination, delivery or any order or directive, issued by the government of the country whose flag the ship is flying or any department of that same government or any person who, under the provisions of the risk of war insurance contract covering the ship, has the authority to issue such orders or directives and anything done or not done as a result of compliance with these orders or directives shall not be deemed an exception, and the delivery made in compliance with these orders or directives shall constitute performance of the shipping and freight contract stipulated on the bill of lading and payment shall be required therefor.

5. LIVESTOCK - (a) In respect of livestock, the common carrier shall not be liable for any losses or injuries due to force majeure, navigation perils or incidents, or steam, boilers, machinery, pumps or trunking of any type (including the consequences of their defective or damaged condition) or to collision, stranding, listing, capsizing, submersion or shipwreck, in ports, rivers or at sea, whether these events result or do not result from any cause whatsoever; or to water seepage into the ship resulting or not resulting from any of the aforementioned causes; or to any act or omission, negligence, fault or judgment error by the pilot, master, seamen, engineers or other persons in the employ of the ship's owners or stevedores, occurring before or after sailing of the ship, or to unseaworthiness or unfitness of the ship or any other part of its apparel or equipment existing at the start of, or during, the voyage, provided however that the carrier has exercised due diligence to make the ship seaworthy before and at the start of the voyage; or to any delay; or to detention of the ship resulting from any cause whatsoever at the loading or unloading port or at any time during the voyage; or to ineffectiveness or inadequacy of the apparel or ventilation or to the fact that the livestock is carried in an inappropriate or unsuitable space or location; (b) the ship shall not be required to have aboard or to provide or supply water or forage under any circumstances, even in the event of delay or detention of the ship resulting from any cause whatsoever, at the loading or unloading port or at any time during the voyage.

6. VALUES - The common carrier's liability for damage to or loss of the following goods may not be increased unless, at time of delivery or carriage, their nature and true value have been declared to the common carrier or its agent, by the owner or shipper, and entered on the bill of lading, and unless a higher freight rate has been collected, subject to the other provisions of this contract: gold, silver, diamonds, watches, jewellery or precious stones, silverware, glassware, perfume, porcelain, antique watches, objets de vertu, effects, tickets, coinage, bonds, securities or papers, postage stamps, maps, scriptures, contracts, paintings, artworks, engravings, statues, mosaics, furs, silks, lace, cashmere, expensive machinery, or other items of high value that are by no means considered regular goods.

7. PACKAGING - The common carrier is not liable for loss of or damage to goods resulting from inadequate packaging, whether such inadequacy is apparent or not at time of loading. This provision shall not be affected by an exception entered on the bill of lading, or by any endorsement thereon stipulating that goods have been received apparently in good order and condition.

8. FREIGHT CHARGES AND PRIVILEGE - All freight charges to the unloading port stipulated on this bill of lading and all fees shall be deemed fully earned once the goods are loaded aboard the ship, whether or not the freight charges are declared or deemed to have been paid in advance or are payable at destination, and the common carrier shall be entitled to the full rate and to all fees paid or deemed to be paid in advance or payable at destination and the common carrier shall be entitled to payment for carriage to the destination, or beyond the unloading point, common damages and salvage fees incurred to determine the weight or any other accurate information where the shipper has not provided these correctly, and for discharge of all other obligations to the common carrier in respect of these goods. The common carrier is entitled to collect the freight charges at the full rate and all fees, or to retain them if they have already been paid, without deduction or reimbursement under any circumstances, whether the goods are damaged or not and whether the ship or freight are lost or not. All unpaid fees must be paid in full and without compensation, counterclaim or deduction,

in the currency of Canada or in the currency of the unloading port, at the common carrier's discretion. For payment of freight charges and fees, etc., the common carrier shall hold privilege over the goods or a right of retention or lien. It may exercise this privilege by public or private sale after mailing a notice to the consignee, and if the proceeds from that sale do not cover the amount due, the common carrier may claim the difference from the shipper, owner and consignee. The shipper and the consignee are jointly and severally liable to the common carrier for payment of all fees and for discharging their respective obligations under this bill of lading.

9. **LOADING, STOWAGE AND UNLOADING** - Loading and unloading may commence without prior notice. The shipper must present the goods as soon as the ship is ready for loading and as quickly as the ship may receive them, even after normal working hours if the common carrier requires, notwithstanding any usual port practices. Failing this, the common carrier shall be relieved of any obligation to load the goods and the ship may sail without notice, and the freight charges for the goods not carried shall have to be paid.

10. **DELIVERY AND RELEASE** - The consignee must take delivery of the goods as soon as the ship is ready to unload and, if the carrier requires, even after normal working hours, notwithstanding any usual port practices. Failing this, the common carrier shall have the option of storing the goods at the consignee's expense and risk in any fitting location in the destination port or elsewhere and of proceeding with the judicial or private sale of the said goods if they are not claimed within a reasonable time, without prior notice by the common carrier. The common carrier's agents may require presentation of the duly endorsed bill of lading in exchange for the delivery order, but if the goods must be released to a designated consignee, the delivery may be made without production of the bill of lading, and this delivery shall effectively release the common carrier. Where it is customary to unload goods into vessels not owned by the common carrier, in locations without a dock or unloading facilities, or where the ship does not usually call, the unloading performed in this manner shall be deemed to constitute delivery to the consignee. Storage, including any delivery error by the warehouse custodian, shall always be fully at the consignee's expense and risk, and any damage or loss shall be presumed to have occurred after unloading.

11. **DRAYAGE AND CARTAGE** - The ship's agents may, at their option and rate, take on drayage of the freight at the consignee's risk and expense, with the consignee responsible for paying all costs, tonnage and shed storage fees included, as well as all unloading fees.

12. **COMPLETION OF CARRIAGE** - Goods destined for a port, harbor, dock or place other than that stipulated on the unloading manifest shall be forwarded there at their owner's expense and risk.

13. **REGULATIONS AND DOCUMENTS** - The shipper, consignee or holder of the bill of lading shall comply with and produce, as applicable, the port, customs and consular authorities' regulations, special indications, packaging, licenses, and certificates from health authorities or other certificates or documents for export, import or shipping of the goods. Any negligence in this regard, by error or otherwise, shall make the shipper, owner, consignee and holder of this bill of lading liable for the consequences, including any resulting delay of the ship and the freight; and they shall save harmless and covenant to compensate the common carrier for all damages, liability and prejudice, including fines, it might incur by accepting the goods where they do not comply with these regulations or where these certificates or documents have not been produced, as applicable.

14. **QUARANTINE** - Quarantine fees for goods must be paid by the owner, shipper, consignee or holder of the bill of lading, as required by the common carrier.

15. **FREEDOM** - Aside from the freedoms stipulated on the front of the bill of lading, the common carrier may also ship the goods by other means, move them, unload them in whole or in part at any port or location, or onto the ice or into lighters or other vessels, and reload, place and carry above deck goods initially stowed below deck and vice versa; and the ship may sail with or without pilots, tugboats or rescue ships or vessels in all situations, and may be towed. The ship also has the right to navigate under sail, steam or other motive force, or by any other means, and to engage in salvage or rescue operations; the common carrier is also free at all times and in all places before or after time of sailing or after arrival at its destination, to set the compasses and/or ground or dock the ship, place it in dry dock or slip dock, on ways, tracks, inclined planes or pontoons, for any purpose, and with all or part of its freight aboard. The exercise of all rights stipulated on this bill of lading shall not be deemed an exception. To load and unload the goods, the common carrier may move them in small craft, lighters, carts or other means, at the owner's risk and expense.

16. **DIVERSION** - Ships are free to carry passengers and/or goods from one or more ports and/or places in Canada (including the St. Lawrence River, waterways, the Maritime Provinces, Labrador, Newfoundland, etc.) to one or more of these same ports and/or places, by various routes; and it is understood and agreed by the shipper and other parties with an interest in the goods that, given the nature of the common carrier's business, it is not always practical in navigation between these ports and/or places to follow a normal or usual course, to call at ports and/or places that might be considered usual stops, or to do so in geographic sequence or any other specified order. It is also agreed that in preparation for boarding or landing passengers, and/or loading and/or unloading goods, and/or provisioning and/or performing repairs and/or supplying, the ship and any ship in which the goods have been loaded or transhipped is free to proceed to and remain in any port or place within the designated limits, even outside or beyond the usual route or course announced; and that each and every port or loading or boarding location, stopover, supply point, landing or boarding place is included in the itinerary of the current voyage, or in a prior or subsequent voyage.

17. **FRUSTRATION** - If, due to actual, announced or anticipated events, such as war, hostilities, insurrections, civilian unrest, blockades, prohibitions or other constraints by any government, conditions on the sea or other waterways (snow, ice and/or means of obtaining fuel supplies, or any events (similar to the foregoing or others)) not attributable to it, the common carrier or the master deems it hazardous or impractical to commence or continue the voyage or unloading of the freight, or to proceed to or enter any port, then: (1) where the ship has not sailed, the common carrier may, at its discretion, cancel this contract and thereby release itself from all resulting obligations, except that of returning to the shipper any goods it may have received under this contract; or it may execute the contract and collect the freight charges by shipping the goods by any other means, at its own expense and at the owner's risk; or (2) where the ship has sailed, the common carrier may bring the goods back to the loading port or store them on land or in lighters or other vessels in a location as close as conveniently possible to the loading port, or ship them to the destination, all at the shippers risk and expense; and this manner of disposing of the goods shall constitute both formal delivery and performance of this contract, and shall grant the common carrier the right to collect the freight charges for the goods thus handled and release it from all liability from the moment the goods leave the ship's hoists. In all the aforementioned cases, a postcard addressed to the shipper or consignee shall release the common carrier from the obligation to provide any other notice. Subject to the foregoing, where for any reason whatsoever, the goods or any part thereof are not loaded onto the designated ship or are carried beyond their destination or unloaded in intermediate ports, the common carrier shall incur the sole obligation of carrying them to the destination on other voyages of its ships, without assuming any other liability.

18. **GENERAL AVERAGE** - General averages shall be paid under the York Antwerp Rules, 1994 and any subsequent amendment, and failing any provision in the said Rules, shall be settled based on Canadian maritime law.

19. **AVERAGE BOND** - Where, in the opinion of the common carrier or its agents, the goods might be subject to contribution in general averaging or special fees, their owners, shipper or consignees must grant an Average Bond prior to delivery and make the deposit that the common carrier or its agents may reasonably require to guarantee the general average or special fees contribution.

20. **COLLISION BY CONTRIBUTING FAULT** - If liability for any collision in which the ship is involved during performance of this bill of lading is determined under the laws of the United States of America, the following clause shall apply: If a collision occurs between the common carrier's ship and another ship resulting from the fault of the other ship and an act, negligence or fault by the common carrier's master, seamen, pilot or servants in the navigation or operation of the common carrier's ship, the owners of the goods carried under this bill of lading shall be required to save the common carrier harmless from any liability in respect of the other ship or its owners provided this liability represents a loss or damage suffered, or from any claim by the owners of the said goods, where the owners of the other ship have filed a claim against the common carrier. These provisions shall also apply where the ship owners or any persons having control or direction of any ship(s) or objects other than the ships or objects in collision, are at fault in respect of the collision or the contract.

21. **AD HOC AGENCY** - Each time an employee or agent of the common carrier acts on behalf of the shipper, owner and/or receiver in some manner that falls within their normal responsibilities (or those of their employees or agents), he shall be deemed to act as an agent of the shipper, owner and/or receiver as applicable, and not of the common carrier.

22. **EXONERATION AND PRIVILEGES OF ALL EMPLOYEES AND AGENTS OF THE COMMON CARRIER** - It is hereby expressly agreed that no employee or agent of the common carrier (including any independent contractor in the casual employment of the common carrier) shall be liable under any circumstances, in any capacity that may be held under this bill of lading, in respect of losses, damages or delays of any nature whatsoever, arising or resulting directly or indirectly from any act, negligence or fault on his part in the performance of or relative to his duties and, without variance from the general nature of the foregoing provisions in this clause, each and every exemption, limitation, condition and permission included herein, and any right, exemption from liability, defence and privilege of any nature accruing to the common carrier or to which it is entitled hereunder, shall be acquired so as to give him the full benefit thereof, for all purposes of the aforementioned provisions, and the common carrier shall act or be deemed to act as agent or broker on behalf and for the benefit of all persons who are or might be employees or agents (including the aforementioned independent contractors), and all these persons therefore are or shall be deemed parties to the contract constituted or established by this bill of lading.

23. **WINTER SHIPPING** - If the master deems that ice is making the approach or entrance to the port where the goods must be unloaded dangerous, he may keep them aboard on subsequent voyages without this constituting a variance, until he believes he can safely enter the unloading port.

24. **JURISDICTION AND APPLICABLE LAW** - This shipping contract shall be interpreted and governed by the laws of Canada and Canadian maritime law, and any dispute arising from interpretation or execution of this contract shall be referred to the Federal Court of Canada.