

#### GENERAL SERVICE TERMS AND CONDITIONS APPLICABLE TO ALL SERVICES OFFERED BY TOTAL TRANSPORTATION SOLUTIONS INC.

- 1. Subject to any signed agreement between Total Transportation Solutions Inc. and/or "Total Fine Arts, a Division of Total Transportation Solutions Inc." (hereafter collectively "TTSI") and its direct customer and/or-shipper, owner, consignee or any person or entity claiming legal or beneficial interest in goods ("Customer") these Service Terms & Conditions govern all services offered by TTSI. A copy of these Terms and Conditions may be made available upon request and on the TTSI website: www.total-transportation.com
- 2. These Terms and Conditions also apply whenever any claim is made against any TTSI employee, agent or independent contractor engaged-to perform Services, whether such claims are founded in contract or in tort, and the aggregate liability of TTSI and all such persons shall not exceed the limitations of liability in these Terms and Conditions. For purposes of this paragraph TTSI acts as agent for all such persons who may ratify such agency at any subsequent time.
- 3. These Terms and Conditions constitute the entire agreement between TTSI and Customer. No other representation, warranty, collateral agreement or condition, customer tariff or purchase order term or condition, written or oral, which has been made or given, except as referred to in this document shall be binding on TTSI unless otherwise agreed to by TTSI and shipper, in writing.
- 4. In the event of a conflict between these Terms and Conditions and any applicable law(s) (including, without limitation, any terms of carriage deemed applicable in accordance with the laws in effect at a point of shipment origin) these Terms & Conditions will govern to the extent of any such inconsistency to the extent permitted by law.
- 5. TTSI will assume responsibility for loss or damage to cargo that is to be carried by truck from a pick-up origin point to a destination point ("TTSI Carrier Service"): i) only where it issues a bill of lading or a similar transportation document to a Customer or its representative, and ii) strictly and only in accordance with any express conditions therein and with these Terms and Conditions. In the event of a conflict any inconsistency between said express conditions and these Terms and Conditions the former shall govern to the extent of any such inconsistency.
- 6. TTSI will assume responsibility for loss or damage to goods stored by it not being the subject of a TTSI Carrier Service ("TTSI Storage Service"): i) only where it issues a receipt of goods for storage (whether electronically or otherwise) to a Customer or its representative, and ii) strictly and only in accordance with any express conditions therein and with these Terms and Conditions. In the event of a conflict any inconsistency between said express conditions and these Terms and Conditions the former shall govern to the extent of any such inconsistency.
- 7. TTSI may involve or engage the services of third party contractors in the provision of some or all of the services offered for a Customer. Such arrangements with third party contractors will be in accordance with and subject to the usual terms and conditions by which those third parties offer their services. TTSI shall: i) exercise reasonable care in the discharge of its obligations including the selection and instruction of third parties that provide services engaged on behalf of the Customer, ii) arrange transport and any related services within a reasonable time after receiving the Customer's instructions, and iii) act with due regard to the interests of the Customer if there be reasonable grounds for departing from any of the Customer's instructions, advising Customer of its actions and any additional resulting charges as soon as possible.
- 8. In no event shall TTSI be liable to Customer for consequential, special or indirect losses or damages, whether for delay or otherwise, or for damages of an incidental, exemplary or punitive nature including but not limited to loss of use, market, goodwill or profits which arise from the performance or non-performance of any services contemplated herein.
- 9. If the performance of any services be prevented or delayed by reason of any Act of God, strike, threat of imminent strike, walkout, labor disruptions, fire, pandemic, war, insurrection or mob violence, acts of terrorism, requirement or regulation of government, unavoidable casualty, collision or upset or other reason, whether similar to the foregoing, being beyond the exercise of reasonable control such failure to perform shall be deemed to have not been a breach of TTSI's obligations. In such event the performance of any of TTSI's obligations shall be suspended during such period of disability, and it shall use reasonable diligence to remove such causes of disability as may occur from time to time.
- 10. Customer warrants that it tenders transit-worthy cargo and goods for any intended carriage or storage, has notified TTSI in writing of applicable laws, regulations and instructions governing the goods, and that the tender is in full compliance with declaration, marking, and all requirements of applicable U.S. and Canadian Customs Services, the U.S. Food and Drug Administration and Health Canada, and any other statutes, rules, and regulations of any Federal, state, provincial, and/or local authorities applicable to Customer's cargo and goods, including without limitation the offering for transport of Hazardous and/or Dangerous Goods. Customer warrants to provide timely and accurate information as may be required for the effective and proper provision of Services by TTSI. Without being in limitation to the foregoing, no explosive or dangerous article that may, in TTSI's opinion create a condition hazardous to any personnel or goods in a warehouse shall be delivered to TTSI and any such article may, upon being discovered, be destroyed, dumped, sold or otherwise disposed of as TTSI reasonably deems fit, the whole being at Customer's risk and expense. TTSI shall have the right to require the removal from its premises of any other goods of any kind and description, at any time, without stated reasons, upon written notice of not less than 30 days from the end of the current storage month.
- 11. Customer shall be deemed to be competent and to have reasonable knowledge of matters affecting the conduct of its business, including terms of purchase and sale, the need for insurance and the extent of coverage available for the type of goods being tendered for shipment, the need to preserve and retain documentation, the need for care to avoid transmitting viruses by electronic communications, the need for confidential handling of information relating to high value goods, and all other matters relating thereto. The Customer warrants that all information in whatever form relating to the general and dangerous character of the goods, their description, bar-coding, marks, number, weight, volume and quantity of the goods, as furnished by the Customer or on its behalf, is accurate and complete at the time the Goods were taken in charge by the Company or any third party whose services it has engaged. The Customer further undertakes to provide independent confirmation of such particulars on the request of TTSI.
- 12. Absent a special arrangement in writing with TTSI for the latter to arrange insurance coverage on goods or cargo being the subject of services herein, Customer shall be responsible to place insurance over its cargo or goods. TTSI shall have no obligation to place any insurance over and in respect of cargo or goods of Customer.



# Service Terms and Conditions.

- 13. Subject only to the specific application of paragraphs 20 and/or 22 below ("TTSI CARRIER SERVICES") and paragraph 33(ii) below ("TTSI STORAGE SERVICES") any liability of TTSI for loss or damage to cargo or goods will in any event be limited to the lesser of regardless of whether the loss or damage results from negligence of TTSI: i) Customer's actual manufacturing cost or acquisition cost to replace the lost or damaged property at its pre-loss condition less salvage value, or ii) CDN \$100,000.
- 14. Notwithstanding paragraph 13 above, and the TTSI Carrier Service and TTSI Storage Service Limitations of Liability at paragraphs 20, 22 and 33(ii) below Customer may opt to purchase an increased level of liability from TTSI for: i) services other than TTSI Carrier Services or TTSI Storage Services, so as to render paragraph 13 inapplicable, ii) TTSI Carrier Services, so as to render paragraph(s) 20 and/or 22 below inapplicable, and/or iii) TTSI Storage Services, so as to render paragraph 33(ii) below inapplicable upon satisfaction of the following requirements as applicable: a) Prior to booking a service with TTSI of the than a TTSI Carrier Service or a TTSI Storage Service, Customer shall i) provide a written request to TTSI, ii) secure the written agreement by an authorized representative of TTSI and iii) agree to pay any applicable charges to TTSI, ii) secure the written agreement by an authorized representative of TTSI and iii) agree to TTSI.
- 15. The Customer shall indemnify TTSI, it's officers, directors, employees, agents and contractors for and in respect of all duties, taxes, payments, fines, expenses, losses, claims and liabilities, including without limitation any storage, demurrage, port or terminal charges and any liability to indemnify any other person against claims made against such other person by Customer: i) for which TTSI may be held responsible unless caused or contributed to by any negligence or breach of duty by TTSI, or ii) in excess of the liability of TTSI in accordance with these Terms and Conditions resulting from or connected with the actions of TTSI related to any service to which these Terms and Conditions apply.
- 16. Terms of payment: Customer agrees to be unconditionally liable for all charges, fees and costs any authorized person incurs on the Customer's account net 30 days from date of TTSI's invoice, without offset for any disputes or claims, including freight claims, overcharges, duplicate payments and or disputed invoices. Late charges of 2% compounded monthly shall commence on the 45<sup>th</sup> day after the date of TTSI's invoice, until paid.
- 17. It shall be the responsibility of the Customer to show the greater of correct actual shipping weight on the bill of lading or cubic conversion weight at a ratio of 112.1 kg/M3 (7 pounds per cubic foot). Where the actual or cubic conversion weight calculated does not agree with the weight shown on the Bill of Lading, the weight shown there on, and subsequent charges, are subject to correction by TTSI.
- 18. All goods (and documents relating to goods) shall be subject to a particular and general lien and right of detention for monies owing either in respect of such goods, or for any particular or general balance or other monies owed, whether then due or not, by the Customer or any third party to TTSI. If these monies remain unpaid for 10 days after TTSI sends notice of the exercise of its rights to these persons by any means of communication reasonable in the circumstances, the goods may be sold by private contract or otherwise at the sole discretion of TTSI, and the net proceeds applied on account of the monies owing. TTSI will not be liable for any deficiencies or reduction in value received on the sale of the goods, nor will the Customer be relieved from the liability merely because the goods have been sold.
- 19. These Conditions shall be governed by the laws of the province of Ontario, Canada. Customer irrevocably attorns to the exclusive jurisdiction of the Courts of Ontario in respect of any dispute or claim arising in connection with services performed or that ought to have been performed by TTSI. The Parties agree that where they have used electronic communications to transact in whole or in part any business such communications will be given legal effect in accordance with the provisions (so far as they may be applicable) of the Uniform Electronic Commerce Act as approved by the Uniform Law Conference of Canada.

### **TTSI CARRIER SERVICES**

#### Goods Carried from a Canadian Origin Point

- 20. Where TTSI offers Carrier Services its liability for cargo loss or damage shall be governed by the prescribed "uniform bill of lading" or similar deemed contract of carriage terms and conditions in effect in the province of origin, or where there be no such legislation, in accordance with applicable common law. In any event of the foregoing, and notwithstanding paragraph 14 above whether or not a value be declared on the bill of lading or transportation document TTSI's liability for loss or damage to cargo (regardless of whether the loss or damage results from the negligence of TTSI) will be limited to the lesser of: i) the Customer's actual manufacturing cost or acquisition cost to replace the lost or damaged property at its pre-loss condition less salvage value, plus freight charges if paid, ii) \$2 per pound based on the weight of the shipment actually lost or damaged or iii) CDN \$100,000.
- 21. Notwithstanding the foregoing TTSI shall not be liable for any claims not presented to it, in writing, within 90 days of the date of loss or incident giving rise to such claim. No suit to recover any claim or demand under these Terms and Conditions may be brought against TTSI unless such suit is filed in a court of competent jurisdiction within 2 years from the date of loss or incident giving rise to such claim.

#### Goods Carried from a United States Origin Point

- 22. Where TTSI offers Carrier Services its liability for cargo loss or damage shall be governed by 49 U.S.C 14706 (the "Carmack Amendment") and 49 C.F.R Part 370. In any event of the foregoing, and notwithstanding paragraph 14 above whether or not a value be declared on the bill of lading or transportation document TTSI's liability for loss or damage to cargo (regardless of whether the loss or damage results from the negligence of TTSI) will be limited to the lesser of: i) the Customer's actual manufacturing cost or acquisition cost to replace the lost or damage property at its pre-loss condition less salvage value. ii) USD \$100,000 per shipment
- 23. Notwithstanding the foregoing, TTSI shall not be liable for any claims not presented to it, in writing, within 9 months of the date of delivery or, in the case of non-delivery, within 9 months of a reasonable time for delivery. No suit to recover any claim or demand under these Terms and Conditions may be brought against TTSI unless such suit is filed in a court of competent jurisdiction within 2 years and 1 day from the date upon which TTSI declines the claim or any portion thereof.



## Service Terms and Conditions.

#### Storage of Cargo During TTSI Carrier Service

- 24. Customer acknowledges that cargo may be placed into temporary storage by TTSI, being an incidental and necessary aspect of TTSI's Carrier Services and that paragraphs 20 to 23 above accordingly apply to the extent of said temporary storage even though such cargo may not actually be in transit at the time of an incident giving rise to a cargo loss or damage incident. Any other storage will be governed by the terms and conditions concerning "TTSI STORAGE SERVICE" at paragraphs 26 to 33 below.
- 25. All or part of a shipment of Cargo may be placed into Storage-in-Transit for an aggregate period not to exceed 90 days. If it has not been converted to a written arrangement for the Storage of Goods outside of Transit before that time after 90 days the arrangement shall then automatically convert to a storage arrangement governed by paragraphs 26 to 33 below.

#### **TTSI STORAGE SERVICE**

- 26. By storing goods with TTSI that are not the subject of a TTSI Carrier Service Customer agrees to be bound by paragraphs 1 to 19 above as well as the following provisions. Customer accordingly waives any right as may be deemed to apply under applicable law providing a period in which the contract for storage arrangement may be cancelled.
- 27. TTSI shall provide Customer a storage receipt in electronic form or otherwise upon the tender of goods for storage.
- 28. All goods delivered to TTSI for a TTSI Storage Service shall be properly marked and packaged for handling.
- 29. A minimum handling charge per lot and a minimum storage charge per lot will be made. Where a storage receipt covers more than one lot or when a lot is in assortment, a minimum charge per mark, brand, or variety will be made. A minimum monthly charge to one account for storage and/or handling will be made. This charge will apply also to each account when one customer has several accounts, each requiring separate records and billing.
- **30.** The Customer may, subject to TTSI security and insurance regulations and other reasonable limitations have access to the goods at any reasonable time, provided the Customer or its representative is accompanied by an employee of the warehouseman, whose time shall be an additional charge to Customer.
- 31. TTSI's responsibility shall be to provide reasonable care and diligence for goods stored. The quality, condition, contents and value of goods stored are not known to TTSI other than as declared by Customer and shown on the face of the storage receipt and/or as may be readily apparent on a cursory inspection of the goods as tendered by Customer to TTSI. TTSI is not responsible for the concealed damage of goods.
- **32**. Goods covered by a storage receipt are not insured by TTSI other than as may be formally arranged in accordance with these Terms and Conditions.
- **33**. Without limiting the foregoing it is specifically agreed that:

i) All goods are stored at the Customer's risk of loss, damage or delay caused by or through inaccuracies, obliteration or absence of marks, numbers, address or description, water, sprinkler leakage, floods, rain, wind, storm, fire, frost, vermin, heating or corruption, deterioration or perishing by the elapse of the time, changes in temperature, contact with odours from other goods, inherent defects, lack of any special care or precaution, injury to articles insufficiently protected or arising from the nature of the goods, loss in weight, insufficient cooperage, boxing, crating or packing, ordinary wear and tear in handling, leakage concealed damage or any cause beyond the control of TTSI or failure to detect any of the foregoing.

ii) Notwithstanding any other provision in these Terms and Conditions the legal liability of TTSI for a Storage Service shall be limited to the lesser of the monetary amount of the damage incurred or 100 times the monthly storage rate on any one package or stored unit with the contents (or, where storage charges are calculated for other than actual storage, maximum \$50 per unit) unless Customer specifically requests a higher limit in writing and declares an excess value, in which case TTSI may, at its option, accept liability and assess an additional charge to the monthly storage or other applicable rate.

iii) where loss or injury occurs to goods for which TTSI is not responsible the Customer shall be responsible for the cost of removing and disposing of such goods and the cost of any environmental cleanup and site remediation resulting from the loss or injury to the goods.

iv) TTSI shall not be liable, in any event, for any claim of any type with respect to Permanent Stored goods unless such claim is presented in writing, within a reasonable time, not exceeding 30 days after the Customer learns of, or in the exercise of reasonable care, should have learned of the loss, damage or destruction of said goods.

v) TTSI shall not be liable for loss of goods due to inventory shortage or unexplained or mysterious disappearance of goods unless Customer establishes such loss occurred because of TTSI's failure to exercise the care required of it under these Terms and Conditions.