

# VAN KAM FREIGHTWAYS LTD.

## TERMS & CONDITIONS

Effective: September 1, 2011

Bill of Lading Change In Terms:	\$2.60 per change, minimum \$19.90 per request A change in the terms of the Bill of Lading authorizing a change Regarding payment of freight charges (i.e. from prepaid to collect) will be subject to the above charge.
Bond Charges:	a) Bond Handling Charge: \$2.86 per cwt. Minimum \$57.20 Use of compound \$104.00 per day. This charge applies when we are asked to move shipments to an inland sufferance warehouse for clearance.  b) Bond Administration Charge: \$2.86 cwt. Minimum \$57.20 Maximum \$93.60 This charge covers the cost of preparing and/or handling bond papers.  c) Bond Remanifesting Charge: \$57.20 per shipment The above charge applies when we are asked to remanifest a shipment from one transportation mode to another, for example from ocean or air to road transportation.
Border Charges:	When this service is provided directly by Van Kam Freightways Ltd. Northbound: \$22.70 per shipment (U.S. funds) Southbound: \$20.65 per shipment (U.S. funds)
Carry in delivery or Pickup:	\$3.58 per cwt. Minimum \$42.05 This charge will apply if inside pickup or delivery is requested from/to floors other than ground floor and/or the pickup or delivery is sixty feet from the delivery vehicle. This charge is applicable to all deliveries to job/construction sites, shopping malls, private storage facilities, and trade shows.
Cash Collect Pickup / Deliveries:	\$6.05 per shipment This charge is applicable when the shipper or consignee does not have credit established with Van Kam Freightways Ltd. and we are required to collect charges at time of pickup or delivery.
C.O.D. Charges:	6% of C.O.D. value \$30.65 Minimum charge This fee is payable by the consignee. The C.O.D. fee applies when our driver is asked to pick up cash or a certified cheque, payable to Van Kam Freightways, from consignee before the freight may be delivered.
Copies of Documents:	\$2.60 per document, minimum \$19.90 per request This fee is payable when requested by the customer. i.e: ( bills of lading or proofs of delivery)
Cube (Density):	All rates are subject to a minimum density of 10 lbs per cubic foot 10 pcf = length (in) x width (in) x height (in) / 1728 x 10, if this is more than the actual weight of the shipment then the cubed weight would apply to calculate the freight charges. If the bill of lading states "do not stack" or it is impractical to load other freight on top of the shipment, the height of 8 feet will apply.
Dangerous Goods:	Subject to a per shipment charge of \$17.60

Delivery by Appointment:	<p>Per shipment charge of \$30.15  This charge applies when a shipment requires:</p> <ul style="list-style-type: none"> <li>a) A specific appointed time of delivery or;</li> <li>b) Delivery during a specified range of time that does not allow the delivery to occur with regular operating procedures.</li> </ul> <p>The bill of lading or any shipping document must have a notation requesting the prearranged time of a delivery or specified range of time. Van Kam Freightways will do the delivery on a best efforts basis and will not be liable for any consequential damages, costs, and/or fines as a result of shipment delay.</p>												
Detention without Power:	<p>Dry van \$79.60 per day, per trailer  The above rate will be given a free period of 24 hours after the trailer has been dropped. Saturdays, Sundays and Holidays will not be used in the computation of free time, but will be included in the assessment of charges.</p> <p>Reefer trailer \$156.85 per day, per trailer  When delivery cannot be effected through no fault of the carrier on the day of arrival, detention charges will be assessed with no free time allowance.</p>												
Detention with Power:	<table border="0"> <thead> <tr> <th style="text-align: left;"><u>Billed Weight in Pounds</u></th> <th style="text-align: left;"><u>Free Time</u></th> </tr> </thead> <tbody> <tr> <td>Up to 2000</td> <td>.25 hrs.</td> </tr> <tr> <td>2001 - 9,999</td> <td>.50 hrs.</td> </tr> <tr> <td>10,000 to 19,999</td> <td>1.00 hrs.</td> </tr> <tr> <td>20,000 to 29,999</td> <td>1.50 hrs.</td> </tr> <tr> <td>30,000 and over</td> <td>2.00 hrs.</td> </tr> </tbody> </table> <p>\$23.85 per ¼ hour or part thereof  The detention with power rate above applies when the driver is detained at the pick up or delivery point for more than the allowable pickup or delivery time as stated above.</p>	<u>Billed Weight in Pounds</u>	<u>Free Time</u>	Up to 2000	.25 hrs.	2001 - 9,999	.50 hrs.	10,000 to 19,999	1.00 hrs.	20,000 to 29,999	1.50 hrs.	30,000 and over	2.00 hrs.
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Expedited Service: (Load & Go)	<p>Truckload rate + 25%, Minimum 40,000 lbs. or Published Truckload rate. All same day service will be rated at full truckload. The 25% premium will be waived if advance notice (prior working day) is provided and still allows for efficient dispatch.</p>												
Flat Deck:	<p>For pickup or delivery a charge of \$30.10 per shipment plus \$1.78 per mile in excess of 40 miles will apply.  This charge applies in addition to the prescribed freight charges for deliveries or pickups within the terminal service area.</p> <p>Freight, which must, because of its size or shape be transported on flat-deck equipment, and which weighs less than 4,000 lbs. When freight as described above, is transported from all points named in this tariff such freight will be charged for at the applicable tariff rate, subject to a minimum weight of 4,000 lbs.</p>												
Hydraulic Tailgate:	<p>\$2.73 per cwt., Minimum charge \$42.05, Maximum charge \$90.35  Charge applies if the shipper or the consignee does not have proper shipping/receiving docks to ensure safe handling of the freight or the shipper or consignee states that the use of a hydraulic tailgate is a requirement.</p>												
Labour Charges:	<p>Extra man \$60.25 per hour, Minimum charge \$60.25  The above represents the cost of a driver's helper only. This charge would be applied if the driver requires a helper to load or unload the freight.</p>												

Linear Foot Rule:	1000 lbs. per linear foot for shipments occupying 10 feet or more of trailer. When the freight occupies 10 feet of trailer space or more (or is packaged in such a way that other freight cannot be stored on top or on either side of it), the chargeable weight will be calculated at 1000 lbs. per linear foot of space used. (i.e. 25 feet of trailer space used = 25,000 lbs.) See also, Cube (Density).
Local Cartage:	Any vehicle up to 10,000 lbs. capacity \$84.10 per hour, Minimum charge \$84.10. Any vehicle over 10,000 lbs. capacity \$96.10 per hour, Minimum charge \$96.10. The above represents the cost of a driver, tractor and trailer or straight truck. It is applied to the total time spent performing the work required, including any time spent on initial placement of equipment and return to domicile terminal on completion. The above also applies when vehicle is furnished but not used.
Notification Prior to Delivery:	Per shipment charge of \$6.05 This charge applies when the bill of lading or any shipping order is tendered bearing any request that the carrier notify the consignee prior to delivery by any means whatsoever. This charge also applies for consignee requests. Any notifications resulting in a "Delivery by Appointment" will be subject only to charges specified as per "Delivery by Appointment".
Off Hour Pickup / Delivery:	\$150.00 per shipment This charge applies in addition to the prescribed freight charges for pickups / deliveries that fall within the time period of 6:00 pm to 6:00 am, for shipments under 24,000 lbs. This service requires arrangements made 24 hours in advance. Any detention time will be charged in addition as per "Detention with Power". "Delivery by Appointment" charge does not apply when this service is provided.
Packaging:	Minimum packaging required as per NMFC 100 Series. Inadequate packaging will be shipped at "Owners Risk".
Personal Effects:	Current full tariff rates are to be used to calculate cost. Freight charges must be paid in advance. We will not insure this freight. Please note on all documents that freight will be <u>"Shipped at Owners Risk"</u> .
Pickup Cheque Charge:	\$18.20 per cheque This charge will apply when picking up an uncertified cheque made payable to the shipper and the carrier is not liable in the event that the cheque is N.S.F. (see also, C.O.D.).
Private Residence / Rural Route:	\$6.83 cwt., Minimum charge \$67.65 Charge is applied when we pickup or deliver at a property that is a private residence or on a rural route when the property operates as a business or not.
Protective Service (Heat):	a) The carrier will not be obligated to supply protective service beyond the supply of van type equipment, unless specific arrangements are made in advance of the shipment and request is endorsed on the bill of lading by the shipper.  b) When the bill of lading is not endorsed as per paragraph (a) the carrier will not be responsible for damage or deterioration.  c) 15% of freight charges, Minimum charge \$14.70 Heat charges are only applied when the customer requires that we "protect from freezing". For the purposes of this document, freezing occurs at 0 degrees C (32 degrees F). Applicable October 1 through March 31 inclusive.
Protective Service (Reefer):	15% of freight charges, Minimum charge \$14.70 When a specific temperature is requested, shipper must specify whether in Celcius or Fahrenheit.
Reconsignment:	\$43.20 per request This charge is applied when, prior to the delivery, the consignee address on the original shipper's bill of lading is requested to be changed to another local address and a new bill of lading may be required for the shipper in order to direct the shipment properly. The party responsible for the change is responsible for the charges, and should be made aware of the additional charges before final delivery is made.

Redelivery:	<p>\$4.11 per cwt., Minimum charge \$43.20, Maximum charge \$168.25 This charge is applied when we have attempted to deliver freight and one of the following happens:</p> <ul style="list-style-type: none"> <li>a) Consignee requests we deliver at another time.</li> <li>b) No answer at consignee's place of business.</li> <li>c) Consignee or Shipper request we deliver to another address not originally noted on bill of lading.</li> </ul> <p>The party responsible for the change or redelivery is responsible for the charges, and should be made aware of the additional charges before final delivery is made.</p>
Saturday Delivery:	<p>At terminals where Saturday service is available charges will be assessed as follows in addition to applicable freight charges: \$26.05 when delivered within 20 miles of the terminal \$39.30 when delivered between 21 and 41 miles of the terminal \$53.20 when delivered between 41 and 60 miles of the terminal At terminals where Saturday service is unavailable please refer to "Weekend or Holiday Charge".</p>
Sorting / Segregating or Crossdocking:	<p>\$1.70 per cwt., Minimum charge \$21.05 This charge is applied when shipment(s) are tendered and are required to be segregated according to marks, brands, sizes, flavours or other distinguishing characteristics.</p>
Stop Off in Transit:	<p>\$108.00 per stop This charge applies when our customer chooses to pay a truckload rate to the furthest point and an additional charge for <u>stops in the direct line of haul</u>. The largest delivery will be allowed 2 hours for delivery and all subsequent deliveries will be allowed 1 hour each.</p>
Storage Charges:	<p>\$2.33 per cwt. per day, Minimum charge \$18.20 per day, Maximum charge \$84.05 per day This charge applies when a customer asks us to store undelivered freight or freight awaiting transportation. I.e. If we take delivery of a shipment on Tuesday, storage charges would apply beginning on Thursday, if not already delivered. a) Freight awaiting transportation will begin at 7:00 am the day after the freight is received by the carrier. b) Undelivered freight will be allowed 24 hours free time from the notice of arrival. Saturdays, Sundays and Holidays will not be used in the computation of free time, but will be included in the assessment of charges.</p>
Surcharges:	All rates are subject to applicable surcharges.
Taxes:	All rates are subject to applicable taxes.
Valuation:	<p>Liability for damage and loss will be the lesser of the depreciated actual value, \$2.00 per pound or the declared value noted on the bill of lading with a maximum of \$50,000.00 per shipment. Declared value in excess of \$2.00 per pound is subject to a valuation charge of 2%, Minimum charge \$3.05. Van Kam Freightways and its' partners will not be liable for any costs and/or fines as a result of shipment delay.</p>
Vancouver Island	rates and charges are subject to change with any cost increases related to marine transport
Weekend or Holiday Charge:	<p>\$84.10 per hour, Minimum charge \$335.30 This charge applies in addition to the prescribed freight charge whenever we are asked to perform P &amp; D on a weekend or holiday and it is necessary to call a driver in to perform the service.</p>