



Transportation / Drive-A-Way / Tow-A-Way Terms & Conditions and Schedule of Standard Charges

Terms & Conditions and Schedule of Standard Charges may also be viewed on our web site at www.drive-star.com, once on the Home Page simply click on the tab referred to as "T & C".

1. Application and Formation of Contract.

a. These Terms & Conditions and the attached Schedule of Standard Charges (together, the "Terms and Conditions") apply to all transportation services (the "Services") provided by Drive Star Shuttle Systems Ltd. ("CARRIER") to the body corporation, firm or person by which Services are ordered ("SHIPPER").

b. Performance of any work by CARRIER for SHIPPER shall constitute acceptance by SHIPPER of these Terms & Conditions. CARRIER objects to any terms proposed in SHIPPER's acknowledgment or other form of acceptance of CARRIER's offer to perform services which add to, vary from, or conflict with these Terms & Conditions. Any such terms proposed by SHIPPER shall be void and these Terms & Conditions constitute the complete and exclusive statement of the terms and conditions between CARRIER and SHIPPER, and no other tariff provisions shall apply to the Services.

c. These Terms & Conditions may be modified only by a written instrument executed by authorized representatives of both parties. If CARRIER's offer to perform service has been issued in response to SHIPPER'S offer and if any of the Terms & Conditions herein add to, vary from or conflict with any terms of SHIPPER's offer, then the acceptance by SHIPPER of CARRIER's tender to perform services shall constitute an acceptance of SHIPPER's offer subject solely to the express Terms & Conditions set forth herein, and any additional, different or conflicting terms in SHIPPER's offer are rejected by CARRIER, so that these Terms & Conditions constitute the entire Agreement between SHIPPER and CARRIER with respect to the subject matter hereof and the subject matter of SHIPPER's offer.

d. No prior or subsequent purchase order or other form of written document or communication from the SHIPPER, and no prior or subsequent acceptance or acknowledgement of these Terms and Conditions, shall be effective to the extent any such prior or subsequent purchase order, other form of written document or communication or acceptance or acknowledgement varies these Terms and Conditions or proposes additional or different terms of any nature whatsoever. CARRIER's obligations hereunder and otherwise to the SHIPPER are hereby expressly conditioned upon the SHIPPER's consent to all of the terms, covenants and conditions contained in these Terms and Conditions.

2. Payment.

a. Payment on approved accounts is due on delivery of the Vehicle to SHIPPER. Payment for pre-paid accounts is due by wire transfer or credit card prior to vehicle pick up. All wire fees or credit card charges will be invoiced in addition to CARRIER's quoted rates and standard charges.

b. Interest will be charged on overdue accounts at 18% per annum, compounded monthly at 1.5%. SHIPPER is responsible for all costs and expenses, including without limitation, actual legal fees, incurred by CARRIER or its agent(s) relating to the collection of delinquent accounts.

c. SHIPPER acknowledges its responsibility to pay CARRIER for services rendered at the rates quoted prior to shipment, contractually or as set out below and incorporated by reference on the date of delivery of the Vehicle (defined below) by CARRIER to the SHIPPER.

d. All amounts payable by SHIPPER to CARRIER do not include any value-added, sales, use, or similar taxes, duties, or charges (collectively "Sales Taxes") and all Sales Taxes are the responsibility and for the account of SHIPPER. If CARRIER is required by law or by administration thereof to collect any applicable Sales Taxes from SHIPPER, then SHIPPER shall pay such Sales Taxes to CARRIER concurrent with the payment of the consideration on which the Sales Taxes are calculated.

3. **Storage.** SHIPPER authorizes CARRIER to retain possession of the Vehicle(s) identified in the attached Order Confirmation ("Vehicle") and to charge storage at the rate of \$50.00 per day per Vehicle in the event that: (i) the SHIPPER does not retrieve the Vehicle at the specified delivery destination on the specified date and time; and/or (ii) the SHIPPER fails to remit payment to CARRIER in accordance with the terms of payment specified above. The SHIPPER authorizes CARRIER to sell the Vehicle to recover the outstanding invoice owing by the SHIPPER to CARRIER plus interest, storage and any and all legal costs incurred by CARRIER to complete the sale of the Vehicle.
4. **Lien.** In the event that CARRIER releases the Vehicle to the SHIPPER or its agents without first receiving payment of outstanding invoice owing by the SHIPPER to CARRIER plus any accrued interest, legal and/or the storage charges outlined above, the SHIPPER authorizes CARRIER to register a repair and storage lien pursuant to the provisions of the Repair and Storage Liens Act R.S.O. 1990 Chap. R. 25 as amended ("RSLA") and/or the equivalent legislation in the jurisdiction to which the Vehicle is delivered and authorizes CARRIER to repossess and sell the Vehicle to recover amount of the outstanding invoice owing by the SHIPPER or its agents to CARRIER for the repair and storage of the Vehicle in accordance with the rates set out herein and incorporated by reference (the Schedule of Standard Charges) plus any and all costs associated with the repossession, preservation (including storage at the rate of \$50.00 per day) and subsequent sale of the Vehicle.
5. **Security Interest.** The SHIPPER grants CARRIER a security interest in the Vehicle within the meaning of the Personal Property Security Act R.S.O. 1990 Chap P. 10 as Amended ("PPSA") as security for payment of the outstanding invoice, plus any accrued interest, legal and/or storage charges. If the SHIPPER fails to remit payment of the outstanding invoice, plus any accrued interest, legal and/or the storage charges outlined above, CARRIER will have the option to declare the SHIPPER in default and take possession of the Vehicle to sell same in accordance with the provisions of Part V of the PPSA.
6. **Quotes.** It is expressly understood and agreed by the SHIPPER that all quotes provided by the CARRIER are **Spot** quotes which expire within 24 hours of issuance. CARRIER reserves its right to change any quote without prior advance notice.

7. **Limitations of Liability.**

a. CARRIER disclaims liability and responsibility and shall deny coverage for all claims related to "Diminished Value" or Contingent Liability/Loss of Use. SHIPPER acknowledges and assumes responsibility for diminished value and Contingent Liability/Loss of Use coverage in the event of an accident. CARRIER disclaims liability and responsibility and shall deny coverage for the loss or partial loss of a vehicle or cargo where mechanical failure of the Vehicle or a defect in the cargo contributed to the loss.

b. SHIPPER acknowledges and assumes responsibility for damage to the vehicle and cargo unless the damage was a direct result of negligence on behalf of the CARRIER. CARRIER disclaims liability and responsibility when it did not contribute to the loss nor was the CARRIER negligent.

c. CARRIER disclaims any and all liability for mechanical failure. Partial failure or complete failure or loss of any of the following components, including but not limited to, engine, transmission, clutch, bearings, drive line, U-Joints, rear ends, axles, oil pans, brakes, hubs, axles, etc. will not be the responsibility of CARRIER unless such failure was a direct result of negligence caused solely by CARRIER and as determined by a 3rd party industry recognized expert as appointed by the CARRIER.

d. CARRIER disclaims any liability and responsibility for damage or claims pertaining to road hazard (i.e.: tire or other repairs necessary for delivery. Road hazard damage is damage caused by road debris including, but not limited to glass, windshield, stone chips, tires, salt, sand damage, etc.)

e. CARRIER disclaims any liability and responsibility for damages or claims resulting from or related to "Acts of God" or stemming from "Natural Causes" including but not limited to wind storms, dust storms, hail storms, falling and flying debris, tornado damage, hurricane damage, flood damage, rain damage and alike.

f. CARRIER disclaims any liability and responsibility for damages arising out of collisions or impacts with birds or animals.

g. Loose articles shipped with units (i.e. tires, air fairings, etc...) that need to be secured or fastened to a Vehicle or load will not be the responsibility of CARRIER. CARRIER will not accept responsibility for the loss, damage or theft of any articles lost or stolen. CARRIER will not accept responsibility for theft or vandalism to or for those items

shipped on or in a vehicle that cannot be locked including but not limited to the vehicle itself or the items whether in the cab, tool boxes, cabinets or compartments.

h. CARRIER shall not be held liable or responsible for delays, losses or damages incurred by the SHIPPER in connection with its obligations herein. In no event shall CARRIER be liable for incidental, consequential or special damages, whether in the nature of lost profits or otherwise, by reason of any failure by CARRIER to perform its obligations herein. CARRIER will use its "Commercially Reasonable Efforts" to meet the SHIPPER's expectations and delivery schedules however NO discount will be offered or provided should the scheduled delivery be missed.

8. Shipper's Insurance.

a. SHIPPER shall at all times keep the Vehicle insured against each risk to which such Vehicle may from time to time be subject, including, without limitation, collision, fire, theft, vandalism and other risks covered by insurance.

b. SHIPPER shall also maintain and keep in full force and effect at all times comprehensive public liability insurance protecting and indemnifying SHIPPER, CARRIER and any and all independent contractors or subcontractors of CARRIER who may operate the Vehicle against any and all third party claims for personal injury or property damage or for loss of life. All such insurance shall be provided in such amounts, in such form, on such terms and by such companies and against such risks as shall be satisfactory to CARRIER.

c. Without limiting the generality of the foregoing, each liability insurance policy shall name CARRIER and any such independent contractor or subcontractor as additional insured's, as their interests may appear, and shall provide that such policy may not be cancelled or modified without at least thirty (30) days prior written notice to CARRIER. SHIPPER shall provide to CARRIER evidence satisfactory to CARRIER of the existence of each policy of insurance required pursuant to the terms hereof.

9. Carrier's Insurance and Claims of Shipper.

a. Unless stated otherwise, a quote, signed order, and our Bill of Lading provide the SHIPPER with physical insurance up to a maximum of \$300,000.00 (CAD). CARRIER assumes no liability beyond this limit unless a higher value is declared on the bill of lading and an additional premium is paid to the CARRIER prior to the commencement of work.

b. In accordance with USC § 14706 (Liability of Carriers under Receipts and Bills of Lading); the Motor Carrier Transport Act (Canada – SOR/2005-404) as well as Ontario Regulation 643/05 and its Schedule 1, respectively, **all freight charges must be paid in full**, before any claim may be disposed.

c. SHIPPER acknowledges and agrees that all claims must be filed in accordance with CARRIER's claims Policies and Procedures.

d. CARRIER disclaims liability and responsibility and shall deny coverage for any claim unless the damage is evidenced and noted on the CARRIER's **Inspection Sheet & Bill of Lading** at time of delivery.

10. **Non-Applicability of Tariffs.** Irrespective of any provisions in bills of lading, tariffs, service guides or similar publications, CARRIER's liability for loss, damage or delay shall be determined solely by these Terms & Conditions. Any attempts to enhance or limit CARRIER's liability by tariff or other provisions incorporated by reference shall be deemed null and void.

11. Equipment.

a. The vehicle being transported must, as and when required by applicable transportation or other regulatory authority requirements, contain a fully functioning fire extinguisher, first aid kit, flares or triangles and tire chains during winter months. In the event CARRIER incurs fines due to the lack of necessary safety equipment, fines will be billed to the SHIPPER along with the cost of purchasing the items required plus applicable surcharges as outlined in the Schedule of Standard Charges.

b. The vehicle being transported must have fully functioning wipers, headlights, marker lights, turn signals, brake & tail lights, mud flaps and minimum tire skid depth of 3/32. Any costs incurred in repairing or installing any of the above noted items in order to prepare the vehicle for transport will be the responsibility of the SHIPPER. All repairs or alterations made on behalf of and connected with these items on behalf of the SHIPPER will carry the applicable surcharge.

12. **Size and Weight.** SHIPPER warrants that the size and or weight of the Vehicle or equipment specified herein comply with applicable transportation or other regulatory authority requirements. In the event the Vehicle or equipment is delayed and or re-routed as a result of inaccurate size or weight information, the SHIPPER will be liable for any and all costs incurred.
13. **Shipping Times.** The SHIPPER acknowledges that CARRIER calculates transit times at 400 miles per day. The SHIPPER further acknowledges that transit times are traffic and weather dependent and may change at any time.
14. **Scheduling of Vehicle Pick-Up.** The SHIPPER acknowledges that CARRIER schedules all vehicle pick-ups from the date and time of vehicle **readiness**. For scheduling purposes, the clock begins at the moment we receive formal written confirmation that a vehicle is complete and ready for pick up. The CARRIER does not consider or include prior advance notice in its calculations when arriving at pick up dates. Detainage charges may result if CARRIER is required to wait for a vehicles completion.
15. **Other Charges.**
- a. Enforcement Actions – During the course of transporting any Vehicle, should CARRIER become subject to an enforcement action, resulting from the failure of any such Vehicle to pass an M.O.T (or (D.O.T.) inspection, which results in CARRIER being required to make a court appearance, SHIPPER acknowledges and agrees that SHIPPER will be responsible for all travel expenses, mileage charges and a \$800.00 per diem labour charge. This fee is calculated for each day the CARRIER's employee or agent is in court or while traveling to and from court proceedings.
- b. Regulatory Proceedings – Should a CARRIER employee, agent, independent contractor, or subcontractor be required to appear before a regulatory agency with regards to a compliance failure on the part of the SHIPPER or the SHIPPER's vehicle or to attend a court of law to give testimony on SHIPPER's behalf, SHIPPER acknowledges and agrees that SHIPPER will be responsible for all reasonable travel expenses, mileage charges and a \$800.00 per diem labour charge for each day the CARRIER's employee, agent, etc. is appearing in court or before a regulatory agency, or while traveling to and from regulatory agency or court proceedings.
- c. Fuel Surcharges – **All freight invoices are subject to a fuel surcharge.** Furthermore, each SHIPPER with a Vehicle on a deck load or for those SHIPPERS's who ship trailers each will be charged an equal share of the overall fuel surcharge on the combined load amount. The fuel surcharge is calculated as a percentage of the overall load freight charge and then divided equally by the number of trucks or trailers on the load. (I.e. the more Vehicles on the load, the more fuel surcharge the individual SHIPPER will pay). Such percentage is subject to change on a week to week basis.
- d. Vehicle Breakdown Charges – All costs related to Vehicle breakdowns while the Vehicle is in transit, parked or staged at any of the CARRIER's terminals will be the sole responsibility of the SHIPPER. Breakdown charges include, but are not limited to: lodging, transportation, roadside repairs, thawing, boosting, towing, driver extraction fees, meals, expired permits, missed flights, etc. SHIPPER shall reimburse CARRIER for all breakdown related charges incurred and/or paid for by CARRIER on SHIPPER's behalf, and CARRIER will charge SHIPPER a 15% surcharge on all such breakdown related charges.
- e. Detainage Charges – CARRIER reserves the right to charge for detainage time & expenses due to mechanical breakdowns, lay-overs, waiting and delay's in accordance with the Schedule of Standard Charges.
- f. Authorization for Repairs/Breakdown/Towing – In the interest of saving time and money, acceptance of CARRIER's quote and/or contract is the SHIPPER's pre-authorization to CARRIER to incur up to a maximum of \$ 1000.00 in additional repairs/towing plus related breakdown charges deemed necessary by CARRIER to complete delivery. CARRIER will furnish any and all applicable receipts on completion. The SHIPPER hereby authorizes all necessary repairs and acknowledges this indebtedness for purposes of the Mechanic's Lien Act and/or the RSLA and/or the Consumer Protection Act and/or possessory lien statutes of the prevailing jurisdiction.
- g. Cancellation of Orders – In the event a SHIPPER retracts/withdraws an order from CARRIER, or in the event CARRIER shall cancel an order by reason of any breach by SHIPPER of its obligations hereunder or otherwise (which CARRIER hereby expressly reserves the right to do), the SHIPPER accepts and acknowledges that the SHIPPER will be completely responsible for all charges and costs incurred up to the point of order cancellation. If CARRIER has incurred costs in connection with the initial order, CARRIER has the right to charge said costs to the SHIPPER plus the applicable surcharge. CARRIER may also charge the SHIPPER for the local or regional pick up of any and all units plus any fuel purchased.

h. Tire Chains – Tire chains are the responsibility of SHIPPER and must be provided for those vehicles and equipment moving into, out of, or through areas where the law requires the use of tire chains during the winter season. In the event CARRIER is required to purchase tire chains on behalf of SHIPPER, shipper will be charged a \$ 350.00 surcharge for the purchase, and such cost will be added to SHIPPER's invoice.

16. **Routing of Shipment.** CARRIER reserves the right to determine the route each vehicle will take in order to arrive at its destination. CARRIER does not guarantee that all affiliated units will be shipped at the same time or together in the same shipment. CARRIER may from time to time mix and match trucks from various Customers in order to meet operational requirements or achieve an optimum load factor. CARRIER shall not charge the SHIPPER for out of route miles, however, the SHIPPER, acknowledges and agrees that CARRIER, at its sole discretion may ship vehicles out of route to accommodate its operating requirements.

17. **Lead Units and Decked Units.**

a. The SHIPPER acknowledges and agrees that CARRIER may at its sole discretion decide to use a tractor that was quoted as a single or decked unit as a pull tractor for a trailer or set of trailers. In the event this occurs, the rate quoted may be eligible for amendment to the standard delivery charge for decked units provided the quoted rate was based on a single unit move. Any SHIPPER requesting that a unit is not to be used as a lead (power unit) will be charged an additional freight charge of \$ 800.00 per unit. CARRIER retains the right to use a SHIPPER's power unit to pull a trailer rather than deck it and in so doing CARRIER retains the right to drive the unit as many miles as is necessary to affect the delivery of the trailer(s).

b. All decked units (trailing units) will have the battery terminal(s) disconnected and shall have no more than 1/8 tank of fuel in the fuel tanks during transportation and upon delivery.

c. CARRIER shall not reimburse SHIPPER for fuel that was in a vehicles fuel tank upon pick up or delivery. All vehicles will be delivered with 1/8th of a tank or less of fuel regardless of the amount of fuel that was in the tank upon pick up.

18. **No Discount.** CARRIER does not provide a discount or any rate concession when tractors are used in a combination with other SHIPPER's vehicles or when used to reposition trailers.

19. **Indemnification.** The SHIPPER shall indemnify and hold harmless CARRIER against and in respect of (a) any claim, cause or action, liability, damage, deficiency, loss, demand, assessment, action, suit, proceeding or judgment incurred or suffered by CARRIER arising out of, resulting from or in connection with, directly or indirectly, any breach, non-performance or non-fulfillment of any covenant or agreement on the part of the SHIPPER under this Agreement and the Schedule of Standard Charges or these Terms and Conditions; and (b) all costs and expenses, including, without limitation, actual attorneys' fees, incurred or suffered by CARRIER arising out of, resulting from or in connection with, directly or indirectly, any of the matters described in clause (a) of this sentence.

20. **Governing Law.** These Terms and Conditions shall be interpreted according to the laws of the Province of Ontario, Country of Canada, and any dispute arising out of it shall be determined exclusively by the courts in the Province of Ontario, Country of Canada, or alternate prevailing jurisdiction. Furthermore, the provisions of these Terms and Conditions shall have precedence over any federal, or provincial laws dealing with the specific provisions of these Terms and Conditions, including laws imposing statutory conditions of carriage ("Transportation Laws"), and that such Transportation Laws may only apply where they are not inconsistent with the provisions hereof. No party shall challenge any provision of these Terms and Conditions on the ground that any provision hereof violates the waived rights and remedies under Transportation Laws.

21. **Severability.** If any provision of these Terms and Conditions or the application thereof to any person or circumstances is held invalid or unenforceable in any jurisdiction, the remainder of these Terms and Conditions, and the application of such provision to such person or circumstances in any other jurisdiction or to other persons or circumstances in any jurisdiction, shall not be affected thereby, and to this end the provisions of these Terms and Conditions shall be severable.



SCHEDULE OF STANDARD CHARGES

The following standard conditions and charges are applicable to All Moves

1. Driver wait, layover or downtime will be charged to the shipper at a rate of \$42.00/hour.
2. All fines are the responsibility of the shipper and will be charged back to the shipper with an additional \$ 150.00 handling fee.
3. Fuel surcharges may be applied to any shipment at the time of vehicle shipment.
4. Travel surcharges may be applied to any shipment during holiday or blackout travel periods.
5. Surcharges applicable to breakdowns & related charges, repairs/alterations on order cancellation charges will be charged at a rate of 15% plus any applicable taxes.
6. All breakdowns are subject to a \$ 150.00 handling fee in addition to the 15 % mark up and related breakdown expenses.
7. Payments by wire transfer from non-credit shippers are subject to a \$25.00 processing fee.
8. Payments by credit card are subject to a 3% handling charge.
9. In the interest of saving time and money, acceptance of carrier's quote and/or contract is the shipper's pre-authorization to carrier to incur **up to a maximum of \$ 1000.00 in repairs/towing plus related Breakdown Charges** deemed necessary by carrier to complete delivery. Carrier will furnish all applicable receipts on completion.
10. In the event Breakdown Charges are estimated to be in excess of \$1000.00, Carrier will notify the shipper of the probable cost by issuing an 'Additional Cost Release' ('ACR') to the shipper and obtaining the shipper's approval. The shipper will be asked to return the 'ACR' form as confirmation of prior acceptance of the charges. The shipper will have (2) hours from the time of notification to return the signed ACR as confirmation or question the charges. Failure to acknowledge the Additional Cost Release within (2) hours constitutes acceptance of the charges contained therein and the shipper will be deemed to be financially liable for the additional costs incurred, plus applicable surcharge(s).
11. All quotes are "spot" quotes and may change at any time without prior notice.
12. Carrier shall charge \$ 8.50 per transaction for every fuel purchase done on behalf of a Shipper when the Shipper requests a "Plus Fuel" move. The transaction fee will be charged in addition the cost of the actual fuel purchased.
13. Tire chains are the responsibility of shipper and must be provided for those vehicles and equipment moving into, out of, or through areas where the law requires the use of tire chains during the winter season. In the event carrier is required to purchase tire chains on behalf of shipper, shipper will be charged a \$ 350.00 surcharge for the purchase, and such cost will be added to shipper's invoice.

The following standard conditions and charges are applicable to Decked Trucks and/or Equipment:

14. Air fairing removal will be \$ 125.00 per fairing if fully removed or \$ 50.00 per fairing if cut
15. Air fairing crating and shipping will be \$ 160.00 per fairing
16. Air fairings will not be reinstalled upon delivery
17. Air fairings removed and not shipped with the vehicle are subject to a disposal fee of \$ 50.00 per fairing
18. Rear Quarter fender removal will be \$ 40.00 per set
19. Rear Side Extender removal will be \$ 40.00 per set
20. Stack removal will be \$ 40.00 per set if heated and removed
21. Stack removal will not be extra if stacks are cut
22. Front tire removal will be \$ 50.00 per set
23. Carrier will not be responsible to reinstall or re-torque front steer tires or rear drives.
24. Carrier will charge back to the shipper all repairs and tire switches at cost plus applicable surcharge
25. The shipper is responsible for the cost of providing a suitable means of loading/unloading decked units loaded at third party locations, i.e. not a carrier's terminal. The shipper must either provide a wrecker or crane at no cost to carrier.
26. Any chains, binders, straps or banding devices will be invoiced to the shipper over and above the above noted charges when left with a load.

For each shipment the below noted charges will apply when Drive Star provides the following items:

Binders \$ 45.00 each, Hooks \$ 5.00 each, Straps w/ ratchets \$ 35.00 each, 9" Chains \$ 25.00 each, 12" Chains \$ 35.00 each, 24" Chains \$ 55.00 each, saddles \$ 675.00 each, decking kit \$ 225.00 per unit