**HOT FREIGHT INTERNATIONAL INC. Mississauga, ON**

***Standard Contract Terms & Conditions for General Mechandise Warehouses***

**Definitions – Section 1**

In these Terms and Conditions, the word “warehouseman” means the issuer of this non-

negotiable receipt, his employees

, servants, successors and assigns, and the words “owner,”

“storer” or “depositor” means the party for whose account the goods are stored.

**Contract – Section 2**

Subject always to legislation in force governing warehouse receipts in the province where

the goods covered by this Receipt are stored, this Receipt including the Terms and

Conditions herinafter set out, when delivered

or mailed to the owner or depositor of the

goods at his address last known to the warehouseman, shall constitute the contract between

the owner or depositor and the warehouseman;

provided that the owner or depositor may

within twenty days after such delivery or mailing, notify the warehouseman in writing that

he does not accept the contract

and forewith thereafter shall pay the warehouseman’s lien

for charges and remove the goods. If such not

ice is not given then this Receipt constitutes the contract. This contract may be cancelled by either party upon 30 days written notice and is cancelled if no storage or other services are performed under this contract for a period of 180 days.

**Tender for Storage – Section 3**

All goods for storage shall be delivered at the warehouse properly marked and packaged for

handling. The storer shall furnish at or prior to such delivery, a manifest showing marks,

brands, or sizes to be kept and accounted for separately, and the class of storage and other services desired.

**Warehouseman’s Lien – Section 4**

All advances and charges are due and payable prior to delivery or transfer of the stored

goods. The warehouseman shall have a lien upon,

right of retention and security interest in all goods of storer at any time heretofore and hereafter deposited by storer in any

warehouse owned or operated by the warehouse

man. Such lien, right of retention and

security interest shall be for all charges, advances and expenses in relation to such goods of

storer, whether or not heretofore released

from the warehouse. In the event of nonpayment of any such amounts, the warehouse

man has the right, after reasonable notice, to sell or otherwise dispose of the goods in any manner he may reasonably think fit to

satisfy his lien.

**Basis of Charges – Section 5**

Any charge made with respect to the goods covered by this receipt shall conform to the

warehouseman’s quotation and/or tariff in effect

at the time the service is performed.

**Minimum Charges – Section 6**

(a) A minimum handling charge per lot and a minimum storage charge per lot per

month will be made. When a warehouse receipt covers more than one lot or when a

lot is in assortment, a minimum charge per mark, brand, or variety will be made.

(b)

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.

**Access and Inspection – Section 7**

The storer may, subject to the warehouseman’s security and insurance regulations and other

reasonable limitations, have access to the goods

at any reasonable time, provided the storer or his authorized representative is accompanied by an employee of the warheouseman,

whose time shall be an additional charge to the storer.

**Removal of Goods – Section 8**

No explosive or other dangerous article that

may, in the opinion of the warehouseman,

create a condition hazardous to any personnel or goods in the warehouse shall be delivered

to the warehouse and any such article may,

upon being discovered, be destroyed, dumped,

sold or otherwise disposed of as the warehouseman reasonably sees fit, the whole at the

risk and expense of the owner and/or depositor.

The warehouseman shall have the right to

require the removal from its premises of any other goods of any kind or description, at any

time, without stated reasons, upon written notice

of not less than thirty (30) days from the

end of the current storage month.

**Liability of Warehouseman – Section 9**

(a)

The responsibility of the warehouseman is the reasonable care and diligence required

by the laws of the province

where the goods are stored.

(b)

The quality, condition, contents and value of goods stored are not known to the

warehouseman except as declared by the

storer and described on the face of the Receipt.

(c)

Goods covered by this Receipt are

not insured by the warehouseman.

(d)

Without limiting the generality of the foregoing, it is specifically declared that:

i)

All goods are stored at the owner’s risk of loss, damage or delay in the

delivery caused by or through inaccuracies, obliteration or absence of

marks, numbers, address or description, act of God, irresistible force,

enemies of the Queen, civil or military authorities, insurrection, riot,

strikes, picketing or any other labour trouble, water, steam, sprinkler leakage, floods, rain, wind, storm,

fire, frost, vermin, heating or

corruption, deterioration, drainage, dampness, rust, decay, collapse of the

building, inevitable accident, depreciation or perishing by elapse of the

time, changes in temperature, contact with or 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 the company or failure to detect any of the foregoing. All

storage and other applicable charges must be paid on goods stored for

an additional time, or lost or

damaged by any of the above causes.

ii)

The legal liability of the warehouseman shall be strictly 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, in cases

where the warehouseman’s charges are calculated

for other than actual storage, maximum $50.00 per unit) unless the

owner specifically request a higher limit in writing and declares an excess

value, in which case the warehouseman

may, at his option, accept liability

and assess an additional charge to the monthly storage or other

applicable rate.

(e)

Where loss or injury occurs to stored goods, for which the warehouseman is not

liable, the storer 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.

(f)

The warehouseman shall not, in any event, be liable for any claim of any type whatsoever with respect to the stored goods unless such claim is presented in writing

within a reasonable time, not exceeding 30 days after the storer learns of, or, in the exercise of reasonable care, should have learned of the loss, damage or destruction of

said goods.

**General – Section 10**

(a)

All incoming shipments should be consigned to the storer, c/o the warehouseman, freight prepaid. The warehouseman reserves

the right to refuse acceptance of any

goods improperly consigned or shipped freight collect and shall not be liable or

responsible for any loss, injury or damage of

any nature to or related to, such goods.

(b)

If a checker is not furnished by the

storer or transportation company, the

warehouseman’s load or unload count shall be conclusively deemed to be correct.

(c)

It is the storer’s responsibility to provide the warehouseman in advance with the

detailed, written information and instructions on any of its products that may be

considered hazardous, whether or not they are regulated under the Transportation of

Dangerous Goods Act or other applicable

legislation, and the storer assumes all

liability for costs incurred and/or damages resulting from his failure to do so.

(d)

The warehouseman shall have no responsibility for errors resulting from the

corruption of electronically transmitted data, or from verbal or telephoned shipping

instructions, unless written confirmation of such instructions

is received not less than

twenty four hours prior to the shipment of the goods.

(e)

When errors in shipment occur, any liability of the warehouseman shall be strictly

limited to the transportation costs involved

to rectify any such error, and shall not,

under any circumstances, include liability for damages due to the acceptance or use of

said goods.

(f)

The warehouseman shall not be responsible for delays in loading nor unloading

railway cars, trailers or other containers, nor for demurrage charges or other time

penalties arising from any delay which cannot reasonably be avoided by the company

in the normal course of its business.

(g)

A charge, in addition to regular rates, will be made for merchandise in bond pursuant

to the Customs and Sufferance regulations of the Government of Canada.

(h)

Warehouseman shall not be liable for loss of goods due to inventory shortage or

unexplained or mysterious disappearance of

goods unless storer establishes such loss

occurred because of warehouseman’s failure to exercise the care required of

warehouseman under Section 9 above.

(i)

Storer represents and warrants that depositor is lawfully possessed of the goods and

has the right and authority to store them with the warehouseman.

Storer agrees to

indemnify and hold harmless the warehouseman from all loss, cost and expense

(including reasonable attorneys’ fees) which warehouseman pays or incurs as a result of any dispute or litigation, whether instituted by warehouseman or others, respecting

storer’s right, title or interest in the goods. Such amounts shall be charges in relation

to the goods and subject to warehouseman’s lien.

(j)

Warehouseman shall not be liable for any loss of profit or special, indirect, or

consequential damages of any kind.

(k)

If any provision of this receipt, or any application thereof, should be construed or

held to be void, invalid or

unenforceable, by order, decree or judgment of a court of

competent jurisdiction the remaining provisions of this receipt shall not be affected

thereby but shall remain in full force and

effect. Warehouseman’s failure to require

strict compliance with any provision of the receipt shall

not constitute a waiver or

estoppel to later demand strict compliance with that or any other provisions of this

warehouse receipt. The provisions of this warehouse receipt shall be binding upon

the storer’s heirs, executors, and, cannot bemodified except by a writing signed by

warehouseman.