

***Priority*[™] Worldwide Terms and Conditions**

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Priority™ Worldwide

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PRIORITY™ WORLDWIDE TERMS AND CONDITIONS

The General Terms and Conditions located elsewhere in the current *Parcel Services Customer Guide* do not apply to the *Priority™ Worldwide* service. These *Priority™ Worldwide* Terms and Conditions are not subject to, and do not incorporate by reference, any other terms or conditions except as specified herein. Please note that all amendments to these *Priority™ Worldwide* Terms and Conditions will be posted on www.canadapost.ca.

The pages in the current *Parcel Services Customer Guide* and the *Canada Postal Guide* related to the *Priority™ Worldwide* service explain certain conditions, restrictions and requirements under which the service will be rendered. The following pages include those terms and conditions by reference and contain further general and specific conditions (the "*Priority™ Worldwide* Terms and Conditions") (such pages in the current *Parcel Services Customer Guide* and the *Canada Postal Guide*, these *Priority™ Worldwide* Terms and Conditions, and the Applicable Published *Priority™ Worldwide* Prices collectively, the "*Priority™ Worldwide* Service Guide"). The *Priority™ Worldwide* Service Guide is applicable to the transportation of any package, document, envelope, container or other item by *Priority™ Worldwide* service. The *Priority™ Worldwide* Service Guide is published electronically at www.canadapost.ca. The downloadable version (pdf) of the *Priority™ Worldwide* Service Guide (or applicable component(s) thereof) at www.canadapost.ca, as amended, is controlling.

If there is a conflict between these *Priority™ Worldwide* Terms and Conditions and the terms and conditions on any *Priority™ Worldwide* Air Waybill, shipping label or other transit documentation, or any other component of the *Priority™ Worldwide* Service Guide, the *Priority™ Worldwide* Terms and Conditions in the *Priority™ Worldwide* Service Guide, as amended, modified, changed or supplemented, will control to the extent they are not in conflict with the rules relating to liability for international carriage established by the Warsaw Convention, or other applicable treaties or any applicable tariff.

Any failure by us to enforce or apply a term, condition or provision of the *Priority™ Worldwide* Service Guide does not constitute a waiver of that term, condition or provision and does not otherwise impair our right to enforce or apply such term, condition or provision.

The *Priority™ Worldwide* Service Guide and any subsequent modifications, amendments or supplements supersedes all previous *Priority™ Worldwide* Service Guides, amendments, supplements, and other prior statements concerning the rates and conditions of the *Priority™ Worldwide* service.

We reserve the right to unilaterally modify, amend, change or supplement the *Priority™ Worldwide* Service Guide, including, but not limited to, the rates, services, features of service, and these *Priority™ Worldwide* Terms and Conditions, in respect of all customers or any particular customer without notice. Only the Legal Department of Federal Express Canada Ltd. and those persons expressly authorized by Canada Post Corporation respectively may authorize a supplement to, modification, change or amendment of the *Priority™ Worldwide* Service Guide. No other agent or employee of Federal Express Canada Ltd. or Canada Post Corporation, nor any other person or party, is authorized to do so.

Rates and service quotations by our employees and agents are based upon information you provide, but final rates and service may vary based upon the shipment actually tendered and the application of these *Priority™ Worldwide* Terms and Conditions. Except as otherwise provided above, any conflict or inconsistency between the *Priority™ Worldwide* Service Guide and other written or oral statements concerning the rates, features of service, and *Priority™ Worldwide* Terms and Conditions applicable to the *Priority™ Worldwide* service will be controlled by the *Priority™ Worldwide* Service Guide, as modified, amended or supplemented.

All amounts are in Canadian dollars, unless otherwise indicated.

WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED.

1 DEFINITIONS

“Applicable Published Priority™ Worldwide Prices” means the prices for Priority™ Worldwide services, including any applicable fees, charges or surcharges, and less any applicable discounts, set by us and in effect at the time of shipment, as published and/or made available by Canada Post for general application to customers, as amended from time to time.

“Customs” includes all governmental agencies involved in the import or export of goods.

“Day” and **“days”** mean calendar day and days, unless expressly noted otherwise.

“In good credit standing” means: (1) that payment on the Canada Post account is current; (2) the account is not in “cash only” status; and (3) for commercial or business accounts, the balance does not exceed the credit limit established by us.

“Package” means any container or envelope that is accepted by us for delivery by Priority™ Worldwide service.

“Priority™ Worldwide Air Waybill” means the Priority™ Worldwide air waybill used for Priority™ Worldwide shipments.

“Priority™ Worldwide Service Guide” means the Priority™ Worldwide Service Guide, as modified, amended or supplemented by us from time to time.

“Recipient” and **“consignee”** mean the person and/or company to whom a Priority™ Worldwide shipment is being sent.

“Residence” and **“Residential”** includes, but is not limited to, a home or a business operating out of a home, where the entrance to the Residence is not open to the public.

“Shipment” means one package moving on one Priority™ Worldwide Air Waybill.

“Shipper” and **“sender”** mean the person and/or company sending a Priority™ Worldwide shipment.

“Transportation charges” means rates and other amounts assessed for the air and surface movement of a shipment, not including any other fees or charges which may be assessed under this Priority™ Worldwide Service Guide, such as declared value charges, customs duties and taxes, however levied or applied.

“We”, **“our”** and **“us”** refer to Federal Express Canada Ltd. (“FedEx”), its principals, subsidiaries, branches and affiliates and their respective employees, agents (including but not limited to Canada Post Corporation (“Canada Post”) and independent contractors.

“You” and **“your”** include the shipper/sender, recipient/consignee, and importer of record and their respective employees, principals, agents and independent contractors.

2 ACCOUNT NUMBERS – SEE “METHOD OF PAYMENT”

3 ADDRESS CORRECTION

If a recipient’s address on a Priority™ Worldwide Air Waybill is found to be incomplete or incorrect, we will attempt to find the correct address and try to complete the delivery but we assume no responsibility for our inability to complete delivery under such circumstances.

Use of post office box numbers, incorrect postal/zip codes and former street addresses for recipients who have relocated, are examples of errors requiring address corrections. If the correct address cannot be determined and if the recipient cannot be reached, we may attempt to contact the sender for address clarification or instructions to return the shipment at the sender’s expense, and the sender will be responsible for all transportation charges and any applicable fees. We will not be liable or responsible for failure to meet the delivery commitment of any shipment with an incorrect or incomplete address (See “Undeliverable Packages”).

4 BILLING – SEE ALSO “METHOD OF PAYMENT”

- a) Charges requiring conversion to a currency other than Canadian dollars will be calculated daily using the median bid price obtained from OANDA, an Internet exchange-rate service. The median bid price is the average price at which buyers offer to buy currencies from sellers during the given period. You can access these currency conversion rates at OANDA.com.

The currencies of participating European Union countries will have stationary conversion rates to the EURO. There is an additional exchange fee of 1.75% for conversion from CAD to USD, 2.3% for USD to CAD and 2% for CAD to all non-Canadian and non-US currencies. There is no exchange fee between currencies related to the EURO. Charges in currencies other than Canadian dollars that are not freely convertible will be converted to Canadian dollars and billed to the payor's account either at the free market rate or at the official rate at which FedEx was permitted to purchase Canadian dollars in the relevant currency, at FedEx's sole option.

The rate corresponding to the ship date will be used for conversions to non-hyper inflationary currencies. However, FedEx reserves the right to use the exchange rate at invoice date, as opposed to shipment date, in countries where the currency is volatile.

- b) We reserve the right to audit *Priority™ Worldwide Air Waybills* and shipments to verify package or shipment weight. If the weight entered is incorrect, we may make appropriate adjustments to the invoice at any time.
- c) Default Billing: Senders are solely responsible for accurately completing all sections of the *Priority™ Worldwide Air Waybill*. If you fail to provide or correctly enter this information, you will be billed and agree to pay based on either the dimensional weight at the time of billing or a standard default weight-per-package estimate, both of which will be determined (and periodically adjusted) by us at our sole discretion.

5 BUSINESS DAYS/CARRIER HOLIDAYS

“**Business day**” means a day other than Saturday, Sunday, a statutory holiday and any day normally observed as a holiday in Canada or in the country of destination or transit. The business week may differ in some international or provincial locations due to local customs. Holidays in international locations and provincial locations will also affect our delivery schedules. Deliveries normally made on the day of a holiday observance will be rescheduled for delivery on the next business day.

6 CARRIAGE UNDER WARSAW CONVENTION

As used in this *Priority™ Worldwide Service Guide*, “**Warsaw Convention**” or “**Convention**” means the Convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw, October 12, 1929 or that Convention as amended, whichever is applicable to the carriage or “carrier”, including the air carrier issuing the *Priority™ Worldwide Air Waybill* and all air carriers that carry the goods or perform any other service related to the carriage. When the carriage involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention may be applicable. The Convention governs, and in most cases limits, our liability for loss of, damage to or delay of cargo, unless you declare a higher value for carriage (subject to the maximum amounts specified below) and pay the required fee as described below. The interpretation of the Warsaw Convention's liability limits may vary depending on the destination country. If the Warsaw Convention, as amended by Montreal Protocol No. 4, applies to your shipment, our liability is limited to 17 Special Drawing Rights (SDRs) per kilo (“**Convention liability limit**”), unless you declare a higher value for

carriage (subject to the maximum amounts specified below) and pay the required fee. To the extent not in conflict with the rules relating to liability for international carriage as established by the Convention, carriage and other services performed by us are subject to the provisions of this *Priority™ Worldwide Service Guide* and applicable tariffs as amended from time to time, which are incorporated in this *Priority™ Worldwide Service Guide* by reference. We assume no obligation to carry goods by any specified aircraft or other mode of transport or over any particular route or to make connections at any point according to any schedules. You agree we may, without notice, substitute an alternate carrier or aircraft, deviate from the route or routes, or cause goods to be transported by motor vehicle or other mode of transport. You agree that there are no stopping places which are agreed upon at the time of tender of the shipment, and we reserve the right to route the shipment in any way we deem appropriate.

7 CARTAGE AGENTS/PICKUP AND DELIVERY SERVICE TO AND FROM POINTS OUTSIDE *PRIORITY™ WORLDWIDE DIRECT SERVICE AREA*

- a) Shipments accepted for carriage to points outside the *Priority™ Worldwide* direct service area may be tendered to cartage agents for delivery to their ultimate destination.

An additional charge will be applied for all such shipments to Alaska and Hawaii and this charge will be reflected on the invoice you receive from us. Please see the Applicable Published *Priority™ Worldwide Prices* or call Canada Post at 1.888.550.6333 for details.

- b) When you elect to use a cartage agent to pick up a shipment for delivery to a Canada Post retail location, you are responsible for paying all charges assessed by the cartage agent. The invoice you receive from us will reflect only our charges.
- c) Complaints and claims arising from service rendered by cartage agents you select when you elect to use a cartage agent should be directed to the cartage agent.

8 CARTAGE AGENTS/PICKUP AND DELIVERY SERVICE TO POINTS WITHIN *PRIORITY™ WORLDWIDE DIRECT SERVICE AREA*

Subject to the paragraph below on "Pickup and Delivery Service", pickup and delivery service is provided by us within specified service areas at no additional charge. However, should you choose to use the services of a cartage agent to pick up a shipment instead of using us directly, you are responsible for paying all charges assessed by the cartage agent. The invoice you receive from us will reflect only our charges.

9 CLAIMS, LEGAL ACTION AND ARBITRATION

- a) ALL CLAIMS MUST BE MADE IN WRITING AND WITHIN STRICT TIME LIMITS.
- b) Written notice of a claim due to damage or delay must be received by us from you within twenty-one (21) days after we accept the shipment for carriage. See the "*Priority™ Worldwide Money-Back Guarantee*" for the time periods and additional details applicable to a request for a refund or credit of transportation charges related to a service failure.
- c) Written notice of a claim due to loss, shortage, mis-delivery, non-delivery, misinformation or failure to provide information must be received by us within nine (9) months after we accept the shipment for carriage.

- d) You may call Canada Post at 1.888.550.6333 to report your claim, but you must still give us written notice of your claim within the time limits referenced above. If telephoning, you should ask for a FedEx “control” number and retain this for future reference. Please refer to this FedEx “control” number when submitting your claim in writing.
- e) Within nine (9) months after the package was tendered to us for shipment, we must have received all relevant documentation regarding your claim. Such documentation may include original purchase invoices, estimates or invoices for repair, expense statements, appraisals, copies of *Priority™ Worldwide* Air Waybills or other records. Photographs recorded by third parties may not be considered in the evaluation of any claim. All of these documents must be verifiable to our satisfaction.
- f) We are not obligated to act on any claim until all transportation charges have been paid. The claim amount may not be deducted from those charges or from any outstanding balance owed to us.
- g) Except as provided in paragraph (h) below, receipt of the shipment by the recipient without written notice of damage on the delivery receipt is prima facie evidence that the shipment was delivered in good condition.
- h) In the case of a claim for concealed damage which is not discovered at the time of delivery, you must notify us in writing as promptly as possible after the discovery of the damage, and in any event not later than twenty-one (21) days after the date of delivery. If more than twenty-one (21) days elapse between the date of delivery of the shipment to the recipient and our receipt of such notice, you must show good cause, verifiable to our satisfaction, why the damage was not discovered earlier and timely notification not given.
- i) As a condition of considering any claim for damage, you must make the shipment and the original shipping cartons and packing available for our inspection at our option at the delivery location and you must retain all such materials until the claim is concluded.
- j) Only one claim can be filed in connection with a shipment. Acceptance of payment of a claim shall extinguish any right to recover in connection with that shipment.

k) Written claims must be submitted to:

FEDERAL EXPRESS CANADA LTD.
P.O. BOX 4626 TORONTO STN A
TORONTO ON M5W 5B4

- l) FAILURE TO COMPLY WITH ANY OF THE ABOVE CONDITIONS, INCLUDING THE TIME LIMITS, WILL RESULT IN THE DENIAL OF YOUR CLAIM, AND WE WILL HAVE NO LIABILITY OR OBLIGATION TO PAY YOUR CLAIM. THE FILING OF A LAWSUIT DOES NOT CONSTITUTE COMPLIANCE WITH THE ABOVE NOTICE PROVISIONS.
- m) Any claim for damages or other relief arising out of or relating in any way to the *Priority™ Worldwide* Service Guide, or the services we provided to you, or offered to provide, or the consideration that you paid or agreed to pay to us for such services, or the interpretation or application of these *Priority™ Worldwide* Terms and Conditions, containing a request for monetary or injunctive relief that, if allowed or granted, would have a reasonable value in excess of \$1,000,000 inclusive of all claims asserted by you in conjunction with others or on behalf of others, shall be resolved by arbitration pursuant to the Ontario Arbitration Act, 1991. The arbitrator shall be responsible for determining whether a claim meets the requirements for resolution by arbitration under this provision. We agree to pay all filing and other administrative fees necessary to initiate any such arbitration, subject to the right of the arbitrator to reallocate and assess such fees against other parties to the arbitration in accordance with the arbitration rules applicable to the proceedings.
- n) You will have no right to commence any legal action or arbitration proceedings against us for damages unless you have fully complied with all applicable notice periods in these *Priority™ Worldwide* Terms and Conditions including, but not limited to, the periods for providing notice under the “Claims, Legal Action and Arbitration” and “*Priority™ Worldwide* Money-Back Guarantee” sections.

- o) Any right to claim damages against us shall be extinguished unless an action or arbitration proceeding is commenced within two (2) years from the date of delivery of the shipment or from the date on which the shipment should have been delivered. No action or arbitration proceeding for any damages or other relief may be commenced against us thereafter.
- p) You agree that you will not sue us as a class plaintiff or class representative, join a class as a member, or participate as an adverse party in any way in a class action lawsuit or class proceeding of any nature against us. For greater certainty, you agree to waive any right you may have to commence or participate in any class action against us and, where applicable, you also agree to opt out of any class proceeding against us. However, nothing in this paragraph limits your right to bring a lawsuit as an individual plaintiff or commence an arbitration proceeding against us as otherwise permitted by these *Priority™ Worldwide* Terms and Conditions.
- q) To the extent any court finds that provincial rather than federal law applies to any provision of these *Priority™ Worldwide* Terms and Conditions, the controlling law is the substantive law of the province in which you tendered your shipment to us.
- r) The performance of any services does not make us an agent of the shipper or any third party for any purpose.
- s) You agree to waive any claim against us for punitive, special, exemplary or aggravated damages.
- t) You agree to waive any right to have any claim against us tried before a jury.

10 COLLECT ON DELIVERY (C.O.D.) SERVICE

We do not offer C.O.D. service as a feature of *Priority™ Worldwide* service.

11 CREDIT TERMS – SEE “METHOD OF PAYMENT”

12 CUSTOMS CLEARANCE

- a) All shipments which cross international borders must be cleared through customs in the destination country prior to delivery to the recipient. Clearance requires the presentation of the shipment and accompanying paperwork to customs inspectors in the destination country. The duties of these customs officials may include verifying the value and description of the contents (which may include opening the package) and properly completing the required documentation.

All non-document shipments sent to international destinations must have a description and commercial transaction value for customs even if the shipment is not for resale.

- b) Wherever local law allows, we will submit your shipments to customs and other appropriate regulatory agencies for clearance, and may advance duties and taxes on behalf of the payor provided appropriate credit arrangements have been made in advance (See “Duties and Taxes”). Wherever permissible by local law, *Priority™ Worldwide* services include customs clearance of your shipments. NOTWITHSTANDING ANY OTHER PROVISION IN THESE *Priority™ Worldwide* TERMS AND CONDITIONS, WITH RESPECT TO ANY ACTIVITIES UNDERTAKEN BY US IN RELATION TO COMMODITIES BEING EXPORTED FROM CANADA, WE WILL NOT BE LIABLE FOR ANY CANADIAN ADMINISTRATIVE MONETARY PENALTY SYSTEM PENALTIES (“AMPS PENALTIES”) LEVIED AGAINST US AND/OR YOU, EVEN ARISING FROM OUR NEGLIGENCE, AND YOU AGREE TO INDEMNIFY US AGAINST ANY SUCH AMPS PENALTIES. If local law requires that the shipments be cleared through customs by the recipient, customs paperwork will be delivered to the recipient. In these cases, delivery of paperwork constitutes shipment delivery.

- c) When shipments are held by customs authorities or other agencies for incorrect or missing documentation, we may attempt first to notify the recipient. If local customs law requires the information to be submitted by the recipient and the recipient fails or is unable to do so within a reasonable time, as we may determine, the shipment will be considered “undeliverable” (See “Undeliverable Packages”). If the recipient fails or is unable to supply the information and if local customs law allows the sender to submit that information, we may attempt to notify the sender. If the sender also fails to supply the information requested within a reasonable time, as we may determine, the shipment will be considered “undeliverable” (See “Undeliverable Packages”). We assume no responsibility for our inability to complete a delivery due to incorrect or missing documentation, whether or not we attempt to notify the recipient or sender. We assume no responsibility for our inability to notify the recipient or sender.
- d) Shipments other than Personal, Inter-office, and Business (PIB) documents (excluding negotiable stocks, bonds, cash letters and other negotiable instruments equivalent to cash which are not acceptable; see “Restrictions”) may require additional time for delivery due to customs clearance procedures. Shipments requiring documentation in addition to the *Priority*™ Worldwide Air Waybill (i.e., a Commercial Invoice) may require additional transit time.
- e) PROPER COMPLETION OF NECESSARY DOCUMENTATION AND ACCURATE COMMODITY DESCRIPTIONS AND VALUATIONS ARE YOUR RESPONSIBILITY.
- f) U.S. Customs regulations require the IRS Employer Identification Number (EIN) or, if an individual, the Social Security Number (SSN), of the U.S. recipient for certain packages being shipped into the U.S. U.S. Customs regulations apply to import shipments with a declared value for customs of U.S. \$2,000* or more, for shipments containing plastics, toys, games, or sporting equipment valued at U.S. \$250* or more, and for the following commodities valued at U.S. \$5* or more: textile or textile products, clothing, leather or leather products, footwear and headwear, all FDA regulated commodities, or other goods that are restricted or controlled requiring a formal entry by the U.S. Customs service. Shipments which are so restricted or controlled or contain commodities that require a B13A Declaration may NOT be shipped by *Priority*™ Worldwide service.

All packages scheduled for delivery which do not have the EIN number will be detained until that information can be obtained.

*This limit is subject to change.

- g) You are responsible for, and warrant your compliance with, all applicable international treaties, laws, government regulations, orders or requirements including, but not limited to, customs and import laws and regulations of any country to, from, through or over which your shipment may be carried. You agree to furnish such information and complete such documents as are necessary to comply with such treaties, laws, regulations, orders or requirements.

We assume no liability to you or any other person due to your failure to comply with this provision.

13 DANGEROUS GOODS

All IATA classes of Dangerous Goods may NOT be shipped by *Priority*™ Worldwide service.

NOTE: We are required by law to report undeclared shipments of Dangerous Goods to the appropriate regulatory or government authorities.

14 DECLARED VALUE AND LIMITS OF LIABILITY (NOT INSURANCE COVERAGE)

- a) “Declared value for carriage” is required by us to help determine transport liability limits, while “declared value for customs” is required by customs officials for possible assessment of duties and taxes. The declared value for carriage of any shipment (subject to the maximum amounts specified below) represents our maximum liability in connection with a shipment, including, but not limited to, any loss, damage, delay, misdelivery, non-delivery, misinformation, any failure to provide information, or misdelivery of information relating to the shipment. It is the shipper’s responsibility to prove actual damages. Exposure to, and risk of, any loss in excess of the declared value for carriage (or in excess of the maximum amounts specified below) is assumed by the shipper. You may transfer this risk to an insurance carrier of your choice through the purchase of an insurance policy. Contact an insurance agent or broker if you desire insurance coverage. WE DO NOT PROVIDE INSURANCE COVERAGE OF ANY KIND.
- b) The declared value for carriage amount cannot exceed the declared value for customs amount.
- c) The declared value for customs amount must agree with the value shown on the Commercial Invoice.
- d) Road Transport Notice. Shipments transported solely by road to or from a country which is a party to the Convention on the Contract for the International Carriage of Goods by Road, and applicable amendments (“CMR”), are subject to the provisions of the CMR, notwithstanding any other terms and conditions of this *Priority™ Worldwide Service Guide* to the contrary. For these shipments transported solely by road, if a conflict arises between the provisions of the CMR and the *Priority™ Worldwide Terms and Conditions*, the provisions of the CMR shall prevail. Any carriage of your shipment by road may also be subject to other international treaties, laws, government regulations, orders or requirements which may govern and serve to limit our liability for loss, damage, delay, mis-delivery, non-delivery, misinformation, any failure to provide information, or mis-delivery of information relating to the shipment.
- e) Limitation of Liability. If not governed by the Warsaw Convention (See “Carriage Under Warsaw Convention”), the CMR, or international treaties, laws, government regulations, orders, or requirements as noted above, our maximum liability for loss, damage, delay, mis-delivery, non-delivery, misinformation, any failure to provide information, or mis-delivery of information relating to the shipment, even if caused by our negligence or gross negligence, is limited to \$100 unless you declare a higher value for carriage (subject to the maximum amounts specified below) on the *Priority™ Worldwide Air Waybill* and a charge is paid therefor or as provided in paragraph (f) below.
- f) If you declare a higher value for carriage, an additional charge will be assessed for each \$100 (or fraction thereof) by which the declared value for carriage exceeds \$100 or the Convention liability limit, whichever is applicable, up to the maximum amounts specified below. Subject to the application of the Convention, whether you declare a higher value for carriage and pay the additional charge or not, our maximum liability for loss, damage, delay, mis-delivery, non-delivery, misinformation, any failure to provide information, or mis-delivery of information relating to the shipment will be the lesser of the shipment’s repair costs, its depreciated value or its replacement costs or your declared value for carriage (up to the maximum amounts specified below).
- g) Declared Value for Customs and Carriage Limits. All shipments containing items of extraordinary value are limited to a maximum declared value for carriage of \$500 or the Convention liability limit, whichever is applicable (See paragraph “j” below). The maximum declared value we allow for customs and carriage per air waybill for each *Priority™ Worldwide Envelope* and *Priority™ Worldwide Pak* shipment is the greater of \$100 and the Convention liability limit. Goods with a value (actual or declared) exceeding \$100 should not be shipped in a *Priority™ Worldwide Envelope* or *Priority™ Worldwide Pak*. The maximum declared value for carriage for other shipments will differ from country to country and may depend on the contents of the shipment. In the absence of any destination country specific provisions or laws, the maximum declared value for carriage for all other shipments is \$1,000. The maximum declared value for customs for all other shipments is \$1,999. Goods with a value (actual or declared) exceeding \$1,999 should not be shipped by *Priority™ Worldwide* service.

- h) Liabilities Not Assumed. In any event, we will not be liable for any damages, whether direct, incidental, special or consequential (including but not limited to loss of income or profits), in excess of the declared value for carriage (subject to the maximum amounts specified herein), or \$100, or the Convention liability limit, whichever is applicable, subject to paragraph (f) above, whether or not we knew or should have known that such damages might be incurred. We will not be liable for your acts or omissions, including but not limited to incorrect declaration of the shipment, improper or insufficient packing, securing, marking or addressing of the shipment, or for the acts or omissions of the recipient or anyone else with an interest in the shipment. Also, we will not be liable if you or the recipient violate any of the *Priority™* Worldwide Terms and Conditions or any other provision of the *Priority™* Worldwide Service Guide. We will not be liable for loss, damage, delay, mis-delivery, non-delivery, misinformation, any failure to provide information, or mis-delivery of information relating to shipments of cash, currency or other prohibited items (See “Restrictions”). See “Liabilities Not Assumed” below for a more detailed description. We will not be liable for loss, damage, delay, mis-delivery, non-delivery, misinformation, any failure to provide information, or mis-delivery of information relating to the shipment caused by events we cannot control. You should contact an insurance agent or broker if insurance coverage is desired. WE DO NOT PROVIDE INSURANCE COVERAGE OF ANY KIND.
- i) No Warranties. We make no warranties, express or implied.
- j) The following items of extraordinary value are limited to a maximum declared value for carriage of the greater of \$500 and the Convention liability limit. Please note that some of the following items may be totally prohibited for import into certain countries or may be subject to the lower declared value limitations provided above. The following list is subject to revision without notice:
- Artwork, including any work created or developed by the application of skill, taste or creative talent, for sale, display or collection. This includes, but is not limited to, items (and their parts) such as paintings, drawings, vases, tapestries, limited-edition prints, fine art, statuary, sculpture, collectors’ items, customized or personalized musical instruments.
 - Film, photographic images, including photographic negatives, photographic chromes, photographic slides.
 - Any commodity that by its inherent nature is particularly susceptible to damage, or the market value of which is particularly variable or difficult to ascertain.
 - Antiques, or any commodity that exhibits the style or fashion of a past era and whose history, age or rarity contributes to its value. These items include, but are not limited to, furniture, tableware, and glassware.
 - Glassware, including, but not limited to, signs, mirrors, ceramics, porcelains, china, crystal, glass, framed glass, plasma screens and any other commodity with similarly fragile qualities.
 - Plasma screens.
 - Jewellery, including, but not limited to, costume jewellery, watches and their parts, mount gems or stones (precious or semi-precious, cut or uncut), industrial diamonds and jewellery made of precious metal.
 - Precious metals, including, but not limited to, gold and silver bullion or dust, precipitates or platinum (except as an integral part of electronic machinery).
 - Collectors items such as sports cards, souvenirs and memorabilia. (Coins and stamps may not be shipped).
 - Guitars and other musical instruments that are more than 20 years old.
- k) Any effort to declare a value in excess of the maximum amounts allowed in this *Priority™* Worldwide Service Guide is null and void and the acceptance for carriage of any shipment bearing a declared value in excess of the maximum amounts allowed does not constitute a waiver of any provision of this *Priority™* Worldwide Service Guide as to such shipment.

- l) Regardless of the declared value of a package, our liability for loss, damage, delay, mis-delivery, nondelivery, mis-information, any failure to provide information, or misdelivery of information, will not exceed its repair cost, its depreciated value or its replacement cost, whichever is less.
- m) The shipper is responsible for accurately completing the *Priority*™ Worldwide Air Waybill and other shipping documents, including completion of the declared value section. We cannot honour requests to change the declared value information on the *Priority*™ Worldwide Air Waybill after the shipment has been tendered for carriage.

15 DIMENSIONAL WEIGHT (VOLUMETRIC WEIGHT)

We may, at any time during the carriage of the shipment, assess additional transportation charges based on the IATA volumetric standard. Dimensional weight pricing is applicable on a per shipment basis. Under the current IATA standard (which is subject to change without notice), dimensional weight is calculated by multiplying length x height x width of a package and dividing by 166 (if multiplied in inches) or by 6,000 (if multiplied in centimetres). If the result exceeds the actual weight, charges may be assessed based on the dimensional weight.

16 DROP OFFS

Shipments may only be dropped off at any Canada Post retail location offering full Canada Post services. Shipments may NOT be dropped off at any FedEx office, FedEx Kinko's™ Office and Print Centre, FedEx World Service Center®, FedEx Authorized ShipCentre® or FedEx Express® Drop Box.

17 DUTIES AND TAXES

- a) For international shipments, duties and all applicable taxes may be assessed on the contents of packages. Such charges will be billed automatically to the recipient. SHIPPER IS ULTIMATELY RESPONSIBLE FOR THE PAYMENT OF ALL APPLICABLE DUTIES AND TAXES IF PAYMENT IS NOT RECEIVED.
- b) Invoices for duties and taxes and the advancement fee are payable upon receipt.
- c) Wherever local law allows, we will submit your shipments to customs and other appropriate regulatory agencies for clearance, and may advance duties and taxes on behalf of the recipient provided we have the appropriate authorization and credit arrangements have been made in advance.
- d) In the event we advance duties and taxes on any given shipment on behalf of the recipient, the recipient will be assessed an advancement fee.
- e) We will require recipient importers to pay customs duties and taxes at or prior to delivery of the shipment.
- f) All requests for adjustments for overcharges for duties and taxes must be submitted in writing. Each written request must specify the *Priority*™ Worldwide Air Waybill number, reason for dispute, and be supported by all necessary customs documentation.

18 EXPORT CONTROL LAWS

You are responsible for, and warrant your compliance with, all applicable laws, rules and regulations, including, but not limited to, the export laws and government regulations of any country to, from, through or over which your shipment may be carried. You agree to furnish such information and complete and attach to the *Priority™ Worldwide Air Waybill* such documents as are necessary to comply with such laws, rules and regulations. We will not carry shipments that violate any Canadian export laws. We assume no liability to you or any other person for any loss or expense — including, but not limited to, fines and penalties — if you fail to comply with any export laws, rules or regulations.

19 FUEL SURCHARGES

We reserve the right to assess fuel and other surcharges on shipments without notice. The duration and amount of any surcharge will be determined at our sole discretion. By tendering your shipment to us, you agree to pay all applicable surcharges, as determined by us.

20 INSPECTION OF SHIPMENTS

Without notice, we may, at our sole discretion, open and inspect any shipment and its contents at any time. Customs authorities, or other governmental authorities, may also open and inspect any shipment and its contents at any time.

21 LIABILITIES NOT ASSUMED

WE WILL NOT BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL, IN EXCESS OF THE DECLARED VALUE OF A SHIPMENT OR THE CONVENTION LIABILITY LIMIT, WHETHER OR NOT WE KNEW OR SHOULD HAVE KNOWN THAT SUCH DAMAGES MIGHT BE INCURRED, INCLUDING, BUT NOT LIMITED TO, LOSS OF INCOME OR PROFITS.

We will not be liable or responsible for loss, damage or delay caused by events we cannot control.

We will not be liable for, nor shall any adjustment, refund or credit of any kind be made as a result of, any loss, damage, delay, mis-delivery, non-delivery, misinformation or any failure to provide information except as may result from our sole negligence. We will not be liable for, nor will any adjustment, refund or credit of any kind be given as a result of, any loss, damage, delay, mis-delivery, non-delivery, misinformation or failure to provide information caused by or resulting in whole or in part from:

- a) The act, default or omission of any person or entity, other than us, including those of any local, provincial or federal government agencies.
- b) The nature of the shipment or any defect, characteristic or inherent vice thereof.
- c) Your violation of any of the *Priority™ Worldwide Terms and Conditions* or any other provision of the *Priority™ Worldwide Service Guide*, the *Priority™ Worldwide Air Waybill*, and any applicable tariff, including, but not limited to, improper or insufficient packing, securing, marking or addressing, or failure to observe any of the rules relating to shipments not acceptable for transportation or shipments acceptable only under certain conditions.
- d) Your violation of any applicable international treaty, law, government regulation, order or requirement.

- e) “ Acts of God” , perils of the air, public enemies, criminal acts of any person(s) or entities, including, but not limited to, acts of terrorism, public authorities acting with actual or apparent authority, acts or omissions of customs or quarantine officials, riots, strikes or anticipated strikes (of any entity, including, but not limited to, other carriers, vendors or suppliers), other local disputes, civil commotion, hazards incident to a state of war, weather conditions (as determined solely by us), natural disasters (earthquakes, floods and hurricanes are examples of natural disasters), national or local disruptions in air or ground transportation networks (as determined solely by us), conditions that present a danger to our personnel, or disruption or failure of communication and information systems (including, but not limited to, our systems). In such circumstances, we will make reasonable efforts to transport and deliver packages to their destination as quickly as practicable under the circumstances; and we are under no duty to advise you of the potential or actual existence of any one or more of these circumstances.
- f) Amendments, modifications and supplements of our service schedule in the event of any of the matters referred to in paragraph (e) above. In such circumstances, we will make reasonable efforts to transport and deliver packages to their destination as quickly as practicable under the circumstances; and we are under no duty to advise you of the potential or actual existence of any one or more of these circumstances.
- g) Our compliance with verbal or written delivery instructions from the sender, recipient or persons claiming to represent the shipper or recipient.
- h) Loss of, or damage to, articles packed and sealed in packages by the sender, provided the seal is unbroken at the time of delivery and the package retains its basic integrity and recipient did not make note of the damage on the delivery record at the time of delivery.
- i) Delays caused by customs clearance procedures or those of other regulatory agencies, including delays caused by incorrect, incomplete, inaccurate or missing customs documentation, or by our adherence to our policies regarding the payment of duties and taxes.
- j) Our inability to provide a copy of the delivery record, or a copy of the *Priority™* Worldwide Air Waybill or a copy of the signature on delivery.
- k) Erasure of data from or the loss or irretrievability of data stored on magnetic tapes, files or other storage media, or erasure of photographic images or soundtracks from exposed film.
- l) OUR FAILURE TO COMPLY WITH ANY “ PACKAGING ORIENTATION” GRAPHICS (E.G., “ UP” ARROWS, “ THIS END UP” MARKINGS), “ FRAGILE” LABELS OR ANY SENDER INSTRUCTIONS/LABELS ON A SHIPMENT.
- m) Concealed or other damage to fluorescent tubes, neon lighting, neon signs, X-ray tubes, laser tubes and light bulbs. Due to the extremely fragile nature of these items, we discourage the shipment of these items.
- n) The shipment of perishables.
- o) Loss of currency, including but not limited to bank drafts, included in a shipment with or without our knowledge.
- p) Shipments released without obtaining a signature if the recipient has provided authorization to FedEx by signing a Release Delivery Authorization and Indemnification Agreement.
- q) Our failure or inability to attempt to contact the sender or recipient concerning incomplete or inaccurate address, incorrect, incomplete, inaccurate or missing documentation, or payment of duties and taxes necessary to release a shipment.
- r) Our failure to notify you of any damage to, or loss, delay, shortage, mis-delivery or non-delivery of your shipment.
- s) Any damage to briefcases, luggage, garment bags, aluminum cases, plastic cases, computer cartons or similar types of items whose outer finish might be damaged by adhesive labels, soiling, marking, or other types of surface damage that is normal with ordinary care in handling unless placed in a protective container for shipment.

- t) Your failure to provide a method of payment acceptable to us. You, the shipper, will always be primarily responsible for all charges, including, but not limited to, transportation charges, and all duties, customs assessments, governmental penalties and fines, taxes and our legal fees and costs, related to your shipment. Further, and without limiting the generality of the foregoing, you shall indemnify us and hold us harmless against all liabilities, losses, claims, damages, costs and expenses of any nature whatsoever, incurred as a consequence of your non-observance of any applicable international treaties, laws, government regulations, orders or requirements which you are required to observe relating to your shipment.
- u) If a shipment is refused by the recipient, leaks or is damaged, the shipment will be returned to the sender if possible. If the sender refuses to accept the returned shipment or it cannot be returned for any reason, the sender is responsible for and will reimburse us for all costs and fees of any type connected with the disposal of the shipment, and all costs and fees of any type connected with the clean up of any spill or leakage.
- v) Our acceptance of a shipment to a destination city not served in a country to which *Priority™ Worldwide* service is provided. We may attempt to complete the delivery. However, in such circumstances, we will not be liable and we will not provide any proof of delivery. The delivery commitment listed for such country will not apply and the applicable rate will be the highest for that country. Such shipments will not be eligible for the *Priority™ Worldwide Money-Back Guarantee*.
- w) Loss or damage to any package for which we have no record of tender to us.
- x) The shipment of scale models (including but not limited to, architectural models, doll houses, etc.).
- y) The shipper's failure to provide accurate delivery address information.
- z) The shipment of computers or any components thereof or any type of electronic equipment when shipped in any packaging other than the manufacturer's original packaging, which is undamaged and has retained a good, rigid condition. See the "Packaging and Marking" section for additional requirements.
- aa) Any shipment containing a prohibited item. (See "Restrictions").
- ab) Damages indicated by any shockwatch, tiltmetres or temperature instruments.

22 METHOD OF PAYMENT

Payment options, invoices and statements of account, managing your Canada Post account, and late payment fees are specified in section 7.1 of the current *Parcel Services Customer Guide*. Not all methods of payment are accepted at all Canada Post retail locations.

23 *PRIORITY™ WORLDWIDE MONEY-BACK GUARANTEE**

We offer the following *Priority™ Worldwide Money-Back Guarantee*, subject to the terms and conditions set out in this *Priority™ Worldwide Service Guide*. This *Priority™ Worldwide Guarantee* can be suspended, modified or revoked at our sole discretion without prior notice, at any time, and from time to time, in respect of all customers or any particular customer.

For U.S.- and Canada-based payors, we will, at our option and upon request, either refund or credit to the applicable invoice only your transportation charges, if we deliver your *Priority™ Worldwide* shipment more than 60 seconds after the applicable delivery commitment time ("service failure"). This *Priority™ Worldwide Money-Back Guarantee* is your exclusive remedy in the event of a service failure for the recovery of all or any portion of our charges for a *Priority™ Worldwide* shipment. If the *Priority™ Worldwide Money-Back Guarantee* is suspended, there is no remedy or recovery of charges for a service failure. There are no delivery commitments for *Priority™ Worldwide* shipments on which the *Priority™ Worldwide Money-Back Guarantee* is suspended.

Limitations: The following limitations apply to the *Priority™* Worldwide Money-Back Guarantee:

1. Credits for transportation charges will be applied to the payor's account only, and refunds will be made payable to the payor only.
2. Only one refund or credit is permitted per package.
3. A credit or refund under the *Priority™* Worldwide Money-Back Guarantee will be applied only against charges for the shipment giving rise to the credit.
4. An exact delivery commitment time can be obtained only by contacting Canada Post at 1.888.550.6333 or by consulting the Canada Postal Guide at www.canadapost.ca, and supplying us with the following:
 - Date of the shipment
 - Exact destination (by zip code for U.S. destinations and by city/postal code for other destinations)

NOTE: The delivery commitment time referenced in the Canada Postal Guide shall be the governing delivery commitment time. Any transit time published elsewhere or quoted by a Canada Post representative is only an estimate and is not a stated delivery commitment time. All delivery commitment times shall be deemed to be quoted in business days.

5. The *Priority™* Worldwide Money-Back Guarantee applies only to transportation charges paid by U.S.- and Canadian-based payors and does not apply to duties, taxes or any other charges.
6. Where customs or other regulatory clearances are delayed, our delivery commitment time may be modified by adding one business day for each day (or portion thereof) that such clearances are delayed.

Exceptions: We will not be obligated to credit or refund your transportation charges if:

1. We provide you with: (i) proof of timely delivery, consisting of the date and time of delivery and, where applicable, the name of the person who signed for the shipment, or (ii) service exception information reflecting that the failure to timely deliver resulted from circumstances described under "Liabilities Not Assumed".
2. The service failure resulted, in whole or in part, from any of the circumstances described under the "Liabilities Not Assumed" section.
3. Payment is not made in accordance with the terms set out in this *Priority™* Worldwide Service Guide and the package was held until alternate payment arrangements were secured.
4. The shipment was undeliverable or returned.
5. The shipment was delayed due to an incorrect or incomplete address, incorrect or incomplete *Priority™* Worldwide Air Waybill, incorrect, incomplete, inaccurate or missing documentation, or the unavailability or refusal of an appropriate or eligible person to accept delivery or sign for the package.
6. The delay in delivery was caused by adherence to our policies regarding the payment of duties and taxes prior to customs clearance or at delivery.
7. Complete recipient information was not provided at the time of tender to us. Complete recipient information must be provided on the *Priority™* Worldwide Air Waybill.
8. We have been authorized to deliver a package without obtaining a signature, but we do not deliver such package without obtaining a signature.

24 REFUND OR CREDIT REQUESTS

To qualify for a refund or credit due to a service failure, you must notify us of the service failure and request a refund or credit of your transportation charges in compliance with the conditions listed below. If you do not comply with these conditions, you are not entitled to receive a refund or credit and cannot recover compensation for a service failure in any lawsuit.

1. No written requests for refunds or credits will be accepted. To request a refund or credit, call Canada Post at 1.888.550.6333.

2. Notification of a service failure must include the Canada Post account number, if any, the *Priority*™ Worldwide Air Waybill or *Priority*™ Worldwide tracking number, the date of shipment and complete recipient information.
3. For shipments that we do not invoice (paid by cash, cheque, money order, or credit card), we must receive your request for refund or credit (by telephone only) for service failure within 15 calendar days from the date of the shipment.
4. For invoiced shipments, we must receive your request for refund or credit (by telephone only) for service failure within 15 calendar days from the original invoice date.
5. A partial payment against an invoice is not considered a request for invoice adjustment or notice of a refund request. A notification of the reason for an unpaid charge with your payment is not considered a request for an invoice adjustment or notice of a refund request if the reason relates to a service failure.

Holidays in international locations will affect our transit times. Deliveries normally scheduled to be made on the day of holiday observance will be rescheduled for delivery on the next business day. The delivery commitment for application of the *Priority*™ Worldwide Money-Back Guarantee will be extended for a period equal to the length of the holiday. There are no delivery commitments for shipments on which the *Priority*™ Worldwide Money-Back Guarantee is suspended.

*Offer void where prohibited.

25 PACKAGE-STATUS TRACKING SERVICE

Tracking of packages is available upon your request. Contact Canada Post at 1.888.550.6333 or at www.canadapost.ca. To track your package, you must have the following information when you contact us:

- a) *Priority*™ Worldwide Air Waybill number
- b) Date of shipment
- c) Recipient's name and address
- d) Weight of shipment
- e) Contents and value of shipment
- f) Your name and phone number, so we can call you back with the information you need

26 PACKAGING AND MARKING

- a) *Priority*™ Worldwide packaging restrictions:

Priority™ Worldwide Envelope:
Maximum weight: 500g

Priority™ Worldwide Pak:
Maximum weight: 1.5kg

Other *Priority*™ Worldwide packaging:
Minimum size: 300mm x 220mm x 2mm
Maximum weight: 30kg
Maximum length: 2m
Maximum length plus girth: 3m

- b) All packages must be prepared and packed by the sender for safe transportation assuming ordinary care in handling. Any articles susceptible to damage as a result of any conditions which may be encountered in air transportation, such as changes in temperature or atmospheric pressure, must be adequately protected by the sender. Each shipment must be legibly and durably marked with the name, address and postal/zip code of the sender and recipient. Address labels should be placed on two sides of each package in the shipment. An additional label should be enclosed inside each box. The *Priority™* Worldwide Envelope and *Priority™* Worldwide Pak are designed to contain documents or flat, non-fragile material only and should not be used for other goods which may be susceptible to damage.
- c) Corrugated boxes in good rigid condition large enough to allow cushioning of contents on the top, bottom and sides should be used. Briefcases, luggage, garment bags, aluminum cases, plastic cases, computer cartons or similar types of items whose outer finish might be damaged by adhesives, labels, soiling, markings or other types of surface damage that are normal with ordinary care in handling should be placed in a protective container for shipment.
- d) It is the shipper's sole responsibility to complete the *Priority™* Worldwide Air Waybill, or verify that it has been completed correctly.

27 PERISHABLES

Perishable items may NOT be shipped by *Priority™* Worldwide service.

28 PHARMACEUTICALS

Shipments of pharmaceuticals will only be accepted when tendered in accordance with applicable local, provincial and international laws. The shipper is responsible for compliance with all applicable laws.

29 PICKUP AND DELIVERY SERVICE

- a) Pickup service is provided by Canada Post only in our direct service areas Monday through Friday at no additional charge. If you elect to use a cartage agent to pick up a shipment for delivery to a Canada Post retail location, you are responsible for paying all charges assessed by the cartage agent.
- b) Cartage agents are utilized for deliveries in extended service areas. A surcharge will be applied for deliveries to Hawaii and Alaska. See details in the Applicable Published *Priority™* Worldwide Prices, or call Canada Post at 1.888.550.6333.
- c) All shipments within the *Priority™* Worldwide direct service area are delivered to the recipient's physical address, but not necessarily to the recipient personally. Shipment addresses must always include the complete street address of the recipient, and telephone or fax number. In accordance with recipient's instructions, packages can be left at designated locations without obtaining a signature. Packages cannot be delivered to post office boxes.
- d) Shipments to hotels, government offices or installations, university campuses or other facilities which utilize a mailroom or central receiving area, may be delivered to the central receiving area.
- e) Any person scheduling a pickup other than the sender must have a valid "Bill to" Canada Post account number; otherwise, payment must be collected in advance, billed to a valid sender's Canada Post account number or to a major credit card.
- f) Non-productive pickups may result in cancellation of the pickup service.
- g) Your shipment may be delayed or returned if we determine at any time that it is billed to a Canada Post account number which is not in good credit standing.

- h) If we accept a shipment to a destination city not served in a country to which *Priority™* Worldwide service is provided, we may attempt to complete the delivery. However certain limitations will apply (See “Liabilities Not Assumed”).
- i) Shipments may be released without obtaining a signature if the recipient has provided authorization to FedEx by signing the Release Delivery Authorization and Indemnification Agreement. We also reserve the right to release packages at residential delivery locations without obtaining a signature, provided that none of the restrictions in paragraph (j) below apply.
- j) Some shipments will not be released without a delivery signature even where release is authorized including, but not limited to:
- Damaged shipments.
 - Drugs.
 - Indirect deliveries.
 - Invalid or missing credit card number (requires payment or a valid Canada Post account number at the time of delivery).
 - The delivery location or circumstances are unsuitable for unattended delivery as determined in our sole discretion.
- k) Shipments are delivered to the recipient’s physical address shown on the *Priority™* Worldwide Air Waybill, but not necessarily to the named recipient personally. We do not offer restricted delivery services, and we may make an “indirect” delivery. Indirect delivery is a completed delivery to an address other than the address on the *Priority™* Worldwide Air Waybill. Packages cannot be delivered to post office boxes or post office box postal zip codes. Package addresses must include the complete street address of the recipient.
- l) If a shipment is addressed to a rural route or concession or side road number, because no street address exists, the area code and telephone number of the recipient must be indicated on the shipment or *Priority™* Worldwide Air Waybill. If this information is not provided, an attempt may be made to locate the recipient, but no refund or credit will be available under the *Priority™* Worldwide Money-Back Guarantee. Use of a rural route or concession, or side road number may result in a delivery delay. If the recipient cannot be located after reasonable efforts, the shipment will be treated as undeliverable (See “Undeliverable Packages”).
- m) We may, at our sole discretion, use alternate delivery arrangements. We may also, in our sole discretion, refuse to deliver a package or shipment.

30 PRIVACY

By sending or receiving a shipment, you consent to the collection, use, or disclosure of personal information about you by us for the following purposes:

- To provide timely, reliable and value-added services to customers including shipping, shipment-status tracking, customs brokerage, account management and billing, global logistics, supply chain management, information management and technical support, ecommerce, and related services;
- To establish a customer relationship and to communicate with customers;
- To develop, implement, market, and manage services for customers;
- To assist in law enforcement purposes, to collect unpaid debts, for credit reporting and rating purposes, and to protect our business interests and the business interests of our customers;
- To manage and promote our business activities; and
- To meet requirements imposed by law.

In particular, with respect to a shipment, you consent to the disclosure by us of personal information about you to the shipper and the recipient, as the case may be.

31 PROOF OF DELIVERY — VERBAL

When requested by the sender or recipient, verbal confirmation of delivery (date, time) and name of person who signed for the shipment for most deliveries is available. This information is usually available by 12 a.m. midnight local time in the country of delivery on the day following scheduled delivery to *Priority*™ Worldwide direct service locations or extended service areas. Proof of delivery is not available for document shipments to Tunisia and not available for either document or non-document shipments to Equatorial Guinea.

32 PROOF OF DELIVERY — WRITTEN

When requested within one year of the shipping date, we will, at our option, furnish a photostatic copy of the destination delivery record or electronically captured delivery information for deliveries made within *Priority*™ Worldwide direct serviced areas. We assume no liability for our inability to provide a copy of the delivery record. Proof of delivery is not available for document shipments to Tunisia and not available for either document or non-document shipments to Equatorial Guinea. Signature proof of delivery is not available for certain shipments. Proof of delivery is also available on www.canadapost.ca.

33 QUALIFIED ACCEPTANCE OF SHIPMENTS

We reserve the right to refuse, hold or return a shipment for any reason, including, but not limited to, when in our opinion: (a) the shipment would be likely to cause damage or delay to other shipments, equipment or personnel, (b) the carriage of the shipment may be prohibited by law or may violate any of the *Priority*™ Worldwide Terms and Conditions as amended from time to time, (c) payment is not made in accordance with the terms set out in the *Priority*™ Worldwide Terms and Conditions, (d) acceptance of the shipment or shipments may jeopardize the provision of service to other customers, as solely determined by us, or (e) the shipment is likely to sustain damage or loss in transit because of improper packaging or otherwise. We have no liability whatsoever for refusal or rejection of shipments.

34 RATE QUOTATIONS

Any rate quotation given by us before the shipment has been tendered is an estimate only.

The final rate will depend on several factors, including, but not limited to, the weight, dimensional weight and/or special handling fees at the time of shipping. We are not liable for, nor will any adjustment, refund or credit of any kind be made, as a result of any discrepancy in any rate or service quotation made prior to the shipment and the rates and other charges that we invoice to you.

35 RE-DELIVERY SERVICE

- a) If delivery of a shipment cannot be completed on the initial delivery attempt, we will, at our sole option, either attempt re-delivery and/or hold the shipment at our facility and an attempt may be made to notify the recipient to establish further instructions. Redelivery service will be provided at no additional charge. A notice of attempted delivery will be left at the recipient's address after each attempted delivery.

- b) If after two attempted deliveries and/or two attempts to notify the recipient, or after being held for five business days from the date the shipment is received and has cleared customs in the destination station, the shipment will be considered undeliverable (See “Undeliverable Packages”). For packages destined to a residential address in the U.S., one delivery attempt will be made, then we will, at our sole option, either attempt redelivery or hold the shipment at our facility and contact the recipient or shipper for further instructions. After five business days from the date of the shipment, the shipment will be considered undeliverable (See “Undeliverable Packages”).

36 RESTRICTIONS

- a) Size restrictions vary by country. Consult the International Destination Listing in the Canada Postal Guide available at www.canadapost.ca for further information.
- b) Weight limits vary by country. Consult the International Destination Listing in the Canada Postal Guide available at www.canadapost.ca for further information.
- c) *Priority™ Worldwide Pak* shipments receive the special *Priority™ Worldwide Pak* rate only if their weight is 3.3 lbs. (1.5 kg) or less. If the gross weight of a *Priority™ Worldwide Pak* exceeds 3.3 lbs. (1.5 kg), it will be billed according to its weight at regular *Priority™ Worldwide* rates.
- d) If the gross weight of a *Priority™ Worldwide Envelope*, including packaging, contents and *Priority™ Worldwide Air Waybill*, exceeds 1 lb. (500 g), it will be billed at the regular *Priority™ Worldwide* or *Priority™ Worldwide Pak* rate, as applicable. Contents (documents or non-fragile flat materials only) must fit in the packaging so that it can be sealed normally to prevent damage.
- e) *Priority™ Worldwide Envelope* and *Priority™ Worldwide Pak* shipments must be tendered in the appropriate *Priority™ Worldwide* packaging.
- f) No more than one *Priority™ Worldwide Envelope*, *Priority™ Worldwide Pak* or other *Priority™ Worldwide* package may be shipped on a single *Priority™ Worldwide Air Waybill*.
- g) You are allowed to ship up to ten (10) different commodities on a single *Priority™ Worldwide Air Waybill*.
- h) Blood, urine and other liquid diagnostic specimens may NOT be shipped by *Priority™ Worldwide* service.
- i) Laptop, desktop, notebook, mini-computers or any type of electronic equipment should be shipped in the manufacturer’s original packaging, which is undamaged and has retained a good, rigid condition.
- j) The following items are not acceptable for carriage to any international destinations unless otherwise indicated by us (Additional restrictions may apply depending on destination. Various regulatory clearances in addition to customs clearance may be required for certain commodities and may extend the transit time):
- Foodstuffs and beverages (perishable or non-perishable).
 - Live insects, animals, birds, reptiles and plants, including cut flowers.
 - Dead animals or animals that have been mounted.
 - Live fish/seafood.
 - APO/FPO addresses, with exceptions. Call Canada Post at 1.888.550.6333.
 - C.O.D. shipments.
 - Human corpses, human organs or body parts, cremated or disinterred human remains.
 - Drugs, prescriptions, except to certain countries. Also see item (n) below.
 - Explosives.
 - Firearms, weaponry and parts thereof.

- Money (including coins, cash, currency or paper money). We do not accept shipments of cash under any circumstances. If a shipment of cash is sent, we will deposit the cash in a bank account subject to the following terms: (i) if the cash shipped is under \$100, a cheque for the cash shipped less an administration fee of 25% of the cash shipped will be mailed to the shipper; and (ii) if the cash shipped is over \$100, a cheque for the cash shipped less an administration fee of \$35 will be mailed to the shipper.
 - Collectable coins and stamps.
 - Negotiable stocks, bonds, bank drafts, cash letters, and other negotiable instruments equivalent to cash.
 - Gambling devices.
 - Lottery tickets.
 - Liquor and alcoholic beverages except between licensed distributors (advance arrangements are required).
 - Tobacco, in certain countries only.
 - Pornography.
 - Furs and fur clothing.
 - Hazardous waste, including, but not limited to, used hypodermic needles or syringes, or other medical waste.
 - Personal effects where the importer is claiming duty-free entry.
 - Shipments moving under a carnet (allows temporary import for display, etc. without duties).
 - Drawback claims (request for refund of import duties at time of export).
 - Shipments requiring Temporary Importation Bonds (T.I.B.s — allows temporary import for repairs, etc.).
 - Wet or dry ice.
 - Any shipment which, in our judgment, could cause damage to, or delay of, equipment, personnel or other shipments.
 - Any shipment which may require us to obtain a license or permit for its transportation, importation or exportation.
 - Any item whose carriage is prohibited by any applicable international treaty, law, government regulation, order or requirement of the country of origin or destination, or of any country through which the shipment may transit.
 - Shipments that are wet, leaking or emit a foul odour.
 - Fragile Articles/Orientation. We assume no liability for shipments of fragile articles (including, but not limited to, electronic and electrical devices and scientific testing equipment). We do not provide special handling for packaging bearing "Fragile", "Refrigeration required" or orientation markings. See "Liabilities Not Assumed".
 - Perishables.
- k) Cosmetics of any type are unacceptable for shipment to many countries. Call Canada Post at 1.888.550.6333 for further information.

- l) Non-prescription drugs are unacceptable for shipment to many countries. Because laws and regulations regarding admissibility and clearance procedures vary by destination country, we will assume no responsibility for delivery delays. In the event the shipment does not clear proper regulatory agencies, it will be deemed undeliverable (See “Undeliverable Packages”). If there is any question regarding the admissibility of nonprescription drug shipments, we suggest that the sender contact the recipient to determine entry requirements. Consult the International Destination Listing in the Canada Postal Guide available at www.canadapost.ca for further information.
- m) Shipments with a declared value for customs in excess of that permitted for a specific destination are not acceptable for carriage. The declared value for carriage cannot exceed the declared value for customs as indicated on the *Priority™ Worldwide Air Waybill*.

37 ROUTING AND RE-ROUTING

We will determine the routing of all shipments, including using ground transportation, where appropriate. There are no stopping places which are agreed to at the time of tender of the shipment. We reserve the right to divert any shipment in order to facilitate its delivery (including the use of other carriers).

38 UNDELIVERABLE PACKAGES

- a) If a shipment is undeliverable for any reason, we may attempt to notify the shipper to arrange for the return of the shipment if local customs or other governmental regulations allow. If the shipper cannot be contacted within five (5) business days, we may place the shipment in a general order warehouse or a customs-bonded warehouse or will dispose of the shipment. In any event, if a package cannot be delivered or returned, the package may be transferred or disposed of by us in our discretion and at any location. Shipper, if known, agrees to pay any costs incurred and indemnify us for any damages.
- b) For shipments returned from international points to Canada, return charges and fees will be assessed to the original shipper along with the original charges and fees. Also included will be any other charges incurred by us, including, but not limited to, duties, taxes, cartage and storage fees if applicable.

NOTWITHSTANDING ANY PAYMENT INSTRUCTIONS THAT ARE GIVEN TO US, THE SENDER IS ULTIMATELY LIABLE FOR, WILL BE BILLED FOR, AND AGREES TO PAY, ALL CHARGES, INCLUDING TRANSPORTATION CHARGES, AND ALL DUTIES, CUSTOMS ASSESSMENTS, GOVERNMENT PENALTIES AND FINES, TAXES, FEES, INCLUDING SPECIAL HANDLING FEES, AND OUR LEGAL FEES AND COSTS, REGARDLESS OF ANY PAYMENT INSTRUCTIONS TO THE CONTRARY.

- c) Shipments that cannot be returned due to local regulatory constraints will either be placed in a general order warehouse or a customs-bonded warehouse or disposed of in our sole discretion and at any location. Shipper, if known, agrees to pay any costs incurred by us in such placement or disposal and indemnify us for any damages.

39 WARRANTY DISCLAIMER

We make no warranties, express or implied, and expressly disclaim any and all warranties.

40 MANDATORY LAW

Insofar as any provisions contained or referred to in the *Priority™ Worldwide Service Guide*, the *Priority™ Worldwide Air Waybill* or any applicable tariff, or any modifications, amendments and supplements to such documents, may be contrary to any applicable international treaties, laws, government regulations, orders or requirements, such provisions shall remain in effect as part of our agreement with you to the extent that they are not overridden. The invalidity or unenforceability of any provision shall not affect any other part of the *Priority™ Worldwide Service Guide*, *Priority™ Worldwide Air Waybill*, or any applicable tariff.

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