

This Agreement, the UPS Service Guide in effect at the time of shipment, the UPS Canada Terms and Conditions of Service in effect at time of shipping and, the UPS waybill or shipping documents contain the basic terms under which United Parcel Service Canada Ltd ("UPS") will provide pickup and delivery service.

THE INCENTIVE PROGRAM DOES NOT APPLY TO all UPS services including OCEAN FREIGHT. For a list of all the services included in this promotion see Addendum A, Incentive List and Accessorial Incentives found in this document.

### **General Terms and Conditions**

**Account Numbers:** Only shipments shipped under the account number(s) registered under this Small Business Promotion are eligible to participate in these designated incentives, and may not be transferred to any other party. Only shipments will be used to determine whether the Company has reached the requirements set out in this Agreement. If a shipment's UPS waybill does not indicate one of the registered account numbers from this Small Business Promotion, UPS cannot apply the incentive in billing the Company. Account numbers may be added or deleted only by mutual written agreement by both UPS and the Company. Adjustments to this agreement require mutual agreement and five-business days advance notice to become effective. Under no condition shall the Company resell UPS services.

**Billing:** The Company agrees to supply electronic package level shipping detail to UPS in a form acceptable to UPS (Compliant UPS automated shipper systems, UPS Connect™, UPS Worldship®, UPS Internet shipping, UPS Campus Ship™, Vendor Manifest). All invoices shall be deemed to be accepted as issued, unless requests for invoice adjustments due to an overcharge or requests for refunds due to a duplicate payment are received within ninety (90) days from the invoice date by calling 1-800-PICK-UPS®.

**Guaranteed Service Refunds:** UPS Guaranteed Service Refund is limited to reimbursing the Company for freight charges only on shipments which UPS fails to complete delivery or attempt delivery within the time commitment. This refund is subject to conditions outlined in the UPS Terms and Conditions of Service at time of shipping.

**Payment Terms:** The Company agrees to pay for all shipments in full within the time period required by UPS.

**Confidentiality:** The Company agrees that the rates, incentives, and terms of this Agreement are only applicable to the Company and its subsidiaries - Eligible Accounts and Incentive Levels, as end users and may not be used for resale to any other party without prior written Agreement between UPS and the Company. The Company understands that breach of this clause of this Agreement between UPS and the Company may result in immediate cancellation of this Agreement. The Company agrees to maintain the confidentiality of this program, both its existence and the conditions, unless disclosure is required by law. The Company agrees not to post or otherwise publicly display or disclose the confidential incentives covered by this Agreement.

**Incentive Program:** Incentives are based on the published rates in the current UPS Rate Guide. The details covered by this Agreement are included in Addendum A. This Agreement replaces all previous agreements between the account and UPS. Enrollment in previous UPS programs and offers including UPS Small Business programs and offers does not automatically enroll you in this offer.

**Implementation:** UPS will provide the incentive program as set forth in this Agreement and the attached addenda. These incentives will commence January 14, 2017 and remain in effect until December 1, 2046. At the end of this period, this contract will automatically be renewed from month-to-month on the same terms & conditions, unless UPS provides the Company with 30 days' notice of termination. Notwithstanding, UPS and the Company agree that either party may terminate this Agreement upon 30 calendar days prior written notice. This contract is subject to periodic review and potential change based on characteristics, activity, compliance, and fuel surcharges.

**Resellers:** The Company agrees that this Agreement, including without limitation the incentives, is not available to businesses or companies that are in the business of reselling UPS's services ("Resellers"). The Company agrees that UPS may void this Agreement or reverse any guaranteed services refunds or incentives it has provided to the Company if it, acting reasonably, determines that the Company is a Reseller.

**UPS Contract Carrier Agreement  
Addendum A – Eligible Accounts and Incentive Levels**

<b>Eligible Services*</b>				
<b>Domestic and Export</b>			<b>Import</b>	
<b>Canada</b>	<b>To the United States and Mexico</b>	<b>International Export</b>	<b>From the United States and Mexico</b>	<b>International Import</b>
UPS Express® Early	UPS Express Early	UPS Worldwide Express Plus®	UPS Worldwide Express Plus	UPS Worldwide Express Plus
UPS Express	UPS Express	UPS Worldwide Express®	UPS Worldwide Express	UPS Worldwide Express
UPS Express Saver	UPS Express Saver	UPS Worldwide Express Saver®	UPS Worldwide Express Saver	UPS Worldwide Express Saver
UPS Expedited®	UPS Expedited	UPS Worldwide Expedited®	UPS Worldwide Expedited	UPS Worldwide Expedited
UPS Standard®	UPS 3 Day Select®	UPS Worldwide Express Freight	UPS Worldwide Express Freight	UPS Worldwide Express Freight
	UPS Worldwide Express Freight®		UPS Standard	
	UPS Standard			

**Incentive Levels:**

Each eligible package from an eligible service listed above will receive an incentive per the following schedule:

**Stage 1** is based on the first 8 weeks, based on week ending date that an account is attached to this incentive program. All products listed above as eligible services will be included with the billing options of Bill Shipper, Bill Receiver and Bill Third Party.

**Stage 1 incentive = 40%**

**Stage 2** commences after stage 1 (8 weeks, based on week ending date) and is based on a 52 week rolling average of eligible packages tendered to UPS (once 52 week(s) have been accumulated). The band determination is based on the cumulative weekly base transportation charges per week (excluding accessorial charges and surcharges, unless otherwise specified). The incentives will be administered on a weekly basis. All products listed above as eligible services will be included in determining the appropriate bands of the customer with the billing options of Bill Shipper, Bill Receiver and Bill Third Party.

**Stage 2 incentives**

Incentive	Gross Weekly Revenue Bands (\$)	Gross Annualized Revenue Band (\$)
0.00%	<\$0.01	<\$0.01
20.00%	\$0.01 - \$192.30	\$0.01 - \$9,999.99
25.00%	\$192.31 - \$384.61	\$10,000.00 - \$19,999.99
30.00%	\$384.62 - \$576.91	\$20,000.00 - \$29,999.99
35.00%	>\$576.92	>\$30,000.00

Average weekly base transportation charges per week will be based on the most recent weeks up to 52 week(s) excluding the current billing week. Average weekly base transportation charges per week is defined as the base transportation charges per week from all eligible and committed services for the given time period divided by the number of week(s) in the time period.

**Brokerage Incentives:**

Entry Preparation Fee into Canada	20%
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**Accessorial Incentives:**

Automatic Daily Pickup	100%
Freight Collect / Third Party Surcharge	100%
UPS Access Point® Locations (Ship to a UPS Access Point Locations - Within Canada)	100%
UPS On-Call Pickup® service	100%
Additional Handling Fee	20%
Address Correction	20%
Billing Option Payer Refusal Charge	20%
C.O.D. Services (UPS Express C.O.D.® and UPS Regular C.O.D. to Canada and the U.S.)	20%
Declared Value	20%
Delivery Confirmation Services (Signature Required, Adult Signature Required)	20%
Disbursement Fee	20%
Dry Ice	20%
Duty and Tax Forwarding Options	20%
Extended Area Surcharge (Within Canada, US destinations, International destinations)	20%
Large Package Surcharge	20%
Missing/Invalid Account Number	20%
Over Maximum Limits Fee	20%
Residential Surcharge	20%
Saturday Delivery (Within Canada)	20%
Undeliverable International Shipment Return Surcharge	20%
UPS Dangerous Goods Service	20%
UPS Import Control® Services (Commercial Invoice Removal)	20%
UPS Returns® Services (Electronic Label, Print and Mail Label, 1 UPS Pickup Attempt, 3 UPS Pickup Attempts)	20%
UPS Premium Care	20%

\*Call 1-800-PICK-UPS for more details or to register.