

# UPS® WORLDWIDE ECONOMY TERMS AND CONDITIONS (CA)

Effective: July 18, 2019

## UPS® Worldwide Economy Service Description

UPS Worldwide Economy service transports low-weight, low-value international shipments from Canada to select destination countries with final delivery through the i-parcel, LLC (“UPS i-parcel”) network.

### Contract Only

UPS provides UPS Worldwide Economy service on a contract-only basis. All shippers must enter into an approved contract for UPS Worldwide Economy service.

### DDP and DDU Options

DDP and DDU options are available for UPS Worldwide Economy service. Shippers may use only the option(s) set forth in their contract for UPS Worldwide Economy service. Different rates and charges apply depending on the option used.

UPS Worldwide Economy packages shipped using the DDP Option will be delivered through the UPS i-parcel network, including contracted service providers. Duties, taxes, and customs clearance fees applicable to such packages must be paid by the shipper, in addition to the rates and other charges applicable to UPS Worldwide Economy service.

UPS Worldwide Economy packages shipped using the DDU Option will be delivered through the UPS i-parcel network, including contracted service providers. Duties, taxes, and customs clearance fees applicable to such packages are collected from the consignee upon delivery.

### Master Container; Final Delivery

Shippers must load each individual UPS Worldwide Economy package (“Package”) into a box, pallet, or gaylord containing only UPS Worldwide Economy packages (“Master Container”) for shipment to a designated UPS Worldwide Economy export site. Packages are shipped via third party carrier from the export site to the destination country for final delivery through the UPS i-parcel network. All Packages are delivered with no signature required.

### Geographic Scope

For the DDP and DDU Options, UPS Worldwide Economy is available for packages picked up in Canada for delivery to the destination countries set forth in the DDP and DDU rates in effect at the time of shipping.

Origins and destinations for UPS Worldwide Economy are subject to change at any time and without notice.

### Shipping on UPS.com, UPS Shipping API, UPS Ready® Solution, UPS Host System

UPS Worldwide Economy service is available only for packages processed through Shipping on UPS.com, UPS Shipping API, an approved UPS Ready Solution, or an approved host system that meets UPS’s requirements at the time of shipment.

### Permissible Size and Weight of Packages

Packages tendered for UPS Worldwide Economy service are subject to minimum and maximum size and weight restrictions.

For Packages shipped using the DDP Option (“DDP Packages”), the following size and weight restrictions apply: (i) the maximum length (longest side of the package) is 48 inches / 122 centimetres; (ii) the maximum size is 130 inches / 330 centimetres in length plus girth [(2 x width) + (2 x height)] combined; and (iii) the maximum weight is 66 pounds / 30 kilograms. Packages that exceed these weight and size restrictions are not accepted for transportation. If found in the UPS system, such packages will be billed at the applicable rate for a 66 pound / 30 kilogram package and are subject to additional charges, or will be returned to shipper at the shipper’s expense, in UPS’s sole and unlimited discretion.

For Packages shipped using the DDU Option (“DDU Packages”), the following weight and size restrictions are not accepted for transportation: (i) maximum length (longest side of the package) is 46 inches / 116 centimetres; (ii) maximum size is 108 inches / 274 centimetres in length plus girth [(2 x width) + (2 x height)] combined; (iii) maximum weight is 66 pounds / 30 kilograms. If found in the UPS system, such packages are subject to additional charges or may be returned to shipper at the shipper’s expense, in UPS’s sole and unlimited discretion.

Packages also must comply with any size, weight, and content limitations set forth in: (i) the UPS i-parcel Logistics Terms and Conditions in effect at the time of shipping, available at <http://www.i-parcel.com>. Packages not conforming to these size and weight limits are subject to additional charges or may be returned to shipper at the shipper’s expense. UPS Worldwide Economy packages also must meet the requirements for permissible commodities set forth in the UPS Canada Terms and Conditions of Service, available at [ups.com](http://ups.com).

## **Rates**

Customer’s UPS domestic service rates apply to the transportation of Master Containers from the pickup location to the designated UPS Worldwide Economy export site. Customer will be charged the rate applicable to the service level chosen by Customer in effect at the time of shipping.

Customer may arrange for Less-Than-Truckload transportation of Master Containers to the UPS Worldwide Economy export site, but such arrangement must be approved by UPS in advance and Customer’s rates for UPS Worldwide Economy service may differ as a result.

UPS Worldwide Economy rates for transportation of DDP Packages and DDU Packages from the UPS Worldwide Economy export site to the end consignee are listed at <https://www.ups.com/ca/en/services/international-shipping/worldwide-economy.page> and may change from time to time and without notice.

## **Additional Charges**

For Master Containers transported by UPS, the fuel surcharge applicable to UPS domestic services, as set forth in the UPS Canada Terms and Conditions of Service, applies to the transportation of each such Master Container from the pickup location to the UPS Worldwide Economy export site. The fuel surcharge in effect at the time of shipping is described at [ups.com](http://ups.com).

An additional fuel surcharge applies to the transportation of DDP Packages from the UPS Worldwide Economy export site to the end consignee. The DDP fuel surcharge in effect at the time of shipping is described at <https://www.ups.com/ca/en/services/international-shipping/worldwide-economy.page>.

Packages that exceed maximum weight or size limitations, as set forth herein, are subject to an additional surcharge. The amount of the surcharge in effect at the time of shipping is set forth at <https://www.ups.com/ca/en/services/international-shipping/worldwide-economy.page>.

All duties, clearance fees, taxes, and any other fees for delivery of each DDP Package must be paid by the shipper. All duties, clearance fees, taxes, and any other fees for delivery of each DDU Package are collected from the consignee upon delivery.

An administrative fee equal to ten percent (10%) of the total of duties and taxes charged applies to each DDP Package for which Customer uses UPS i-parcel's Landed Cost Calculator API or e-commerce platform plugin.

Additional charges as referenced within the *UPS Canada Rate and Service Guide* and UPS Canada Terms and Conditions of Service also apply to UPS Worldwide Economy service.

## **UPS Worldwide Economy Service Terms**

UPS provides UPS Worldwide Economy service to you ("Customer") subject to the following terms and conditions ("UPS Worldwide Economy Service Terms"):

### **1. Applicable Terms.**

UPS Worldwide Economy service is provided pursuant to (i) the Service Description set forth above and these UPS Worldwide Economy Service Terms, in effect at the time of shipping; (ii) the terms set forth in the *UPS Canada Rate and Service Guide*, and the UPS Canada Terms and Conditions of Service ("UPS Terms") in effect at the time of shipping, as modified by these UPS Worldwide Economy Service Terms; and (iii) the carrier agreement between UPS and Customer ("Agreement"). The *UPS Canada Rate and Service Guide* and the UPS Terms (each available at [ups.com](http://ups.com)), the UPS Worldwide Economy Service Description and these UPS Worldwide Economy Service Terms are subject to change without prior notice. In the case of a conflict between these UPS Worldwide Economy Service Terms and any other terms in the UPS Terms, *UPS Canada Rate and Service Guide*, or the Agreement, these UPS Worldwide Economy Service Terms shall prevail. The UPS Terms, *UPS Canada Rate and Service Guide*, and the Agreement are expressly incorporated herein by this reference.

### **2. Geographic Scope.**

UPS Worldwide Economy service is provided to and from the origins and destinations as set forth above in the UPS Worldwide Economy Service Description, in effect at the time of shipping. UPS reserves the right to add or eliminate permitted origins and destinations without prior notice.

### **3. Customs Clearance Services for DDP Packages.**

For the DDP Option, Customer agrees to the customs clearance services terms set forth in the UPS i-parcel Logistics Terms and Conditions in effect at the time of shipping, available at <http://www.i-parcel.com/en/terms-and-conditions>.

DDP Packages will be delivered on a Fully Landed Cost basis. "Fully Landed Costs" include transportation to any destination country available for the DDP Option and any duties, clearance fees, taxes, and all other fees needed to effect delivery. If Customer uses UPS i-parcel's Landed Cost Calculator API or e-commerce platform plugin, costs for the disbursement of duties, clearance fees, taxes, and any other fees for delivery are estimated upon tender and the estimated amount of such costs shall be charged to Customer. All such charges are final, regardless of the actual amount of disbursements made upon import. An additional administrative fee equal to ten percent (10%) of the total of duties and taxes charged applies to each such DDP Package.

UPS reserves the right to charge additional duties and taxes to Customer if (i) Customer does not use UPS i-parcel's Landed Cost Calculator API or e-commerce platform plugin, (ii) the Harmonized Tariff Schedule ("HTS") code Customer provides to UPS is deemed incorrect by the licensed transportation partner chosen by UPS i-parcel to act as Customer's customs broker, and (iii) the correct HTS code, as determined by such customs broker in its sole and unlimited discretion, requires higher duties and taxes than the HTS code provided to UPS by Customer.

If Customer does not provide an HTS code at the time of shipping, UPS i-parcel reserves the right to determine the HTS code for the package based on the information provided by Customer, including but not limited to item description and country code. UPS and UPS i-parcel take no responsibility for any inaccurate HTS code. If the information provided by Customer is not sufficient or UPS i-parcel is unable to determine the HTS code for a package, UPS reserves the right to return such package to Customer at Customer's expense.

For shipments of merchandise exported from Canada, Customer shall be responsible for compliance with all Canada Automated Export Declaration (CAED) or B13A, Export Declaration filings requirements. Customer authorizes UPS i-parcel to file CAED or B13A on Customer's behalf, based on information from Customer. Customer shall be responsible for compliance with applicable export control and international trade laws and conventions and permit or licensing requirements which includes, but is not necessarily limited to, merchandise defined as "Restricted" or "Special" under the *Customs Act* (Canada).

Customer shall be responsible to ensure that the consignee or the party receiving the shipment is not a Restricted Entity. A "Restricted Entity" is any company, country, or individual on any list or program maintained by any governmental agency of Canada or the United States restricting the export of any items to or financial transactions with specific individuals, companies, or other entities, which, includes, but is not limited to, the Office of Foreign Assets Control ("OFAC") list of Specially Designated Nationals and Blocked Persons and the Denied Persons List or the Entity List maintained by the Bureau of Industry and Security of the U.S. Department of Commerce. Customer shall not tender for UPS Worldwide Economy service any shipment to a party that is a Restricted Entity.

#### **4. Package Screening.**

Customer consents to the screening of its packages.

#### **5. Size and Weight Limits; Packaging.**

Packages tendered for UPS Worldwide Economy service are subject to the weight and size limitations set forth above in the UPS Worldwide Economy Service Description, in effect at the time of shipping. Packages not conforming to these size and weight limits are subject to additional charges or may be returned to Customer at Customer's expense.

#### **6. Restrictions; UPS Permitted Commodities.**

Customer shall comply with the UPS i-parcel Logistics Terms and Conditions in effect at the time of shipping and all applicable UPS i-parcel requirements, including restrictions on commodities and packaging.

Customers are prohibited from shipping DDU Packages with a value greater than \$400 USD. Customers are prohibited from shipping DDP Packages with a value greater than \$2,000 CAD. If found in the UPS system, UPS reserves the right to return such packages to Customer at Customer's expense. Customer shall also ensure that Packages do not contain any item that UPS prohibits or states that it does not accept, as set forth in the UPS Terms in effect at the time of shipping.

Customer shall not tender, and UPS will not accept for UPS Worldwide Economy service, Packages containing lithium batteries, hazardous materials (defined as those materials regulated under Title 49 of the U.S. Code of Federal Regulations or USPS Publication 52), dangerous goods (defined as those materials subject to the Dangerous Goods Regulations by Air prepared by the International Air Transport Association ("IATA") or the International Civil Aviation Organization ("ICAO"), the European Agreement concerning the International Carriage of Dangerous Goods by Road ("ADR"), or the International Maritime Dangerous Goods Code ("IMDG")), or the Canadian Transportation of Dangerous Goods (TDG) Regulations, or other items subject to regulation under Title 49 of the U.S. Code of Federal Regulations (including Limited Quantity (ORM-D)).

DDP Packages that UPS will not accept for UPS Worldwide Economy service include, but are not limited to, packages containing:

- merchandise for commercial, government, or military use, resale, or bulk orders (e.g., business-to-business or “B2B” shipments);
- merchandise without a commercial transaction (e.g., consumer-to-consumer shipments)
- items that do not meet intellectual property rights, trademark, or copyright regulations in the destination country;
- aerosols, items containing gas under pressure, flammables such as inks, paints, and alcohol-based perfumes, or any other items classified as dangerous goods or not permitted for transport on passenger aircraft;
- tobacco and related products, including but not limited to “Tobacco Products” as defined at [www.ups.com/tobacco](http://www.ups.com/tobacco) at the time of shipping;
- consumables (e.g., food, liquids, cosmetics, etc.), either packaged separately or in kits, except as otherwise set forth in the Agreement;
- batteries, either inside a device or packaged separately, except as otherwise set forth in the Agreement
- animals (whether or not live, dried, frozen, or otherwise prepared), any edible animal products, or any by-products of animals listed in the Appendices to the Convention on International Trade in Endangered Species (CITES) at the time of shipping (<https://cites.org/eng/app/appendices.php>), except as otherwise set forth in the Agreement;
- vegetation (whether or not live, preserved, prepared, or by-products) and natural or biological samples (e.g., dirt, rocks, plants, etc.), except as otherwise set forth in the Agreement;
- weapons or weapon accessories (e.g., knives, guns, gun scopes, gun optics, or gun cases), or thermal imaging merchandise, except as otherwise set forth in the Agreement;
- refurbished or used merchandise, except as otherwise set forth in the Agreement.

Exceptions to any of the prohibited items for DDP Packages listed above must be vetted and approved by UPS in writing. Any such exceptions must be set forth in Attachment A-2 to Customer’s contract for UPS Worldwide Economy service prior to shipment.

Customer shall be responsible for any penalties, fines, or other damages that may arise as a result of Customer’s failure to comply with UPS i-parcel, or UPS requirements. Customer acknowledges and agrees that Customer will bear all legal and financial responsibility associated with being exporter of record for any and all export transactions undertaken pursuant to UPS Worldwide Economy service, and that neither UPS nor any UPS affiliate will be responsible for export classification or compliance with export control laws applicable to the exporter of record. Customer warrants that all packages tendered for UPS Worldwide Economy service comply with all applicable export control and international trade laws and conventions and licensing requirements, including Canada export rules and destination country import rules. Customer agrees to indemnify and hold UPS harmless from any liabilities, damages, costs, or expenses arising from or relating to any breach of this warranty.

## **7. Transit Time; Service Guarantee.**

The time and date of delivery for any package tendered for UPS Worldwide Economy service is not guaranteed. The UPS Service Guarantee as set forth in the applicable UPS Terms is not available for packages tendered for UPS Worldwide Economy service. Customer, on behalf of itself and its consignees, waives any right or claim for damages or liabilities of any kind against UPS or any third party carrier arising from or relating to delayed delivery of packages tendered for UPS Worldwide Economy service.

## **8. Mode of Transportation; Delivery.**

UPS may provide UPS Worldwide Economy service via any mode of transportation in its discretion. Customer acknowledges that transportation for Packages, including for shipments to certain countries, may be made in whole or in part by third party carriers in UPS’s sole discretion. Only one delivery attempt shall be made on each package. Packages may be released to the consignee’s address without signature.

## **9. Undeliverable Packages.**

Packages that cannot be delivered will be destroyed, unless agreed to otherwise in writing with the customer.

## **10. Termination of Service.**

UPS shall have the right to terminate UPS Worldwide Economy service to Customer immediately (i) if Customer fails to comply with any of these UPS Worldwide Economy Service Terms or the terms of any Agreement, or (ii) if UPS terminates or suspends the UPS Worldwide Economy service offering in its entirety. Termination shall be effective on notice to Customer.

## **11. Pricing and Currency.**

Customer shall pay the rates and charges applicable to UPS Worldwide Economy service, except as otherwise set forth in the Agreement. The rates and charges for UPS Worldwide Economy service are subject to change and the applicable posted rate at the time of shipping will apply, and rates can change without notice at any time for any reason.

Bill Third Party and Bill Consignee (Collect Billing) options are not available for UPS Worldwide Economy service, unless otherwise specified in the Agreement.

## **12. Processing System; Label; Export Site.**

Customer shall use (and shall ensure all Customer shipping locations use) Shipping on UPS.com, UPS Shipping API, an approved UPS Ready Solution, or an approved host system that meets UPS's requirements at the time of shipment ("UPS Automated Shipping System") to process UPS Worldwide Economy Packages.

Customer shall apply to each individual Package tendered for UPS Worldwide Economy service a special UPS Worldwide Economy label, which is provided through the UPS Automated Shipping System at the time of manifest, and load such Packages into a Master Container. Customer shall ship each Master Container to the designated UPS Worldwide Economy export site set forth in the Agreement. Master Containers that are not shipped to the designated export site are subject to additional charges, in UPS's sole and unlimited discretion, or may be returned to Customer at Customer's expense. Customer shall ensure that packages and their contents are appropriately packaged for safe shipment in accordance with all applicable laws, regulations, and transportation requirements.

## **13. Tracking with Delivery Confirmation.**

Tracking with delivery confirmation is available for all DDP Package destination countries. Tracking with delivery confirmation is available for select DDU Package destination countries only, as set forth in the DDU rates in effect at the time of shipping.

## **14. Package Segregation.**

For Customers using both the DDP and DDU options, UPS reserves the right to require Customer to segregate its Master Containers by DDP Packages and DDU Packages, or to send all Packages to one UPS Worldwide Economy export site. UPS will provide Customer thirty (30) days' prior written notice of such requirement. If Customer does not follow such requirement, UPS reserves the right to return the Packages to Customer at Customer's expense.

## **15. Liability Limitations.**

UPS's liability for loss or damage to each DDP Package is limited to a value of one hundred dollars (\$100 CAD). UPS's liability for loss or damage to each DDU Package is limited to the amount of the actual fees and expenses charged by UPS for such package, not including postage fees charged to Customer. Customer agrees that the released value of each DDP Package is no greater than \$100 CAD, and the released value of each DDU Package is no greater than the amount of fees and expenses charged by UPS, which is each

a reasonable value under the circumstances surrounding the transportation, and that UPS shall not be liable for more than \$100 CAD for each DDP Package and shall not be liable for more than the amount of fees and expenses charged for each DDU Package. Customer acknowledges that it does not wish to declare an additional value for any package to avoid the limitations of liability set forth herein. If Customer makes a declaration of value in excess of the limits set forth herein, Customer and UPS will consider such declaration to be null and void. If Customer desires cargo insurance, all risk insurance, or another form of insurance, Customer acknowledges that it should purchase such insurance from a third party. Customer, on behalf of itself and its consignees, waives any right or claim for loss or damage to a Package in excess of the limitations of liability set forth herein.

The rules relating to liability established by the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw, Poland, on October 12, 1929, that convention as amended, or the Convention for the Unification of Certain Rules for International Carriage by Air (Montreal, 28 May 1999), shall apply to the international carriage of any Shipment insofar as the same is governed thereby. There are no stopping places which are agreed upon at the time of tender of the Shipment, and UPS reserves the right to route the Shipment in any way UPS deems appropriate.

UPS's maximum liability for loss or damage to each DDP Package shall not exceed the lesser of \$100 CAD or the retail value of the damaged or lost property, as determined by reference to the replacement or reconstitution value of the property at the time and place of shipment.

UPS's maximum liability for loss or damage to each DDU Package shall not exceed the amount of the actual fees and expenses charged by UPS for such package, not including postage fees charged to Customer.

UPS's liability for loss or damage to each Master Container is set forth in the UPS Terms, the UPS Air Freight Terms and Conditions of Contract both available at [ups.com](https://www.ups.com), and the UPS Freight Rules and Charges available at [upsfreight.com](https://www.upsfreight.com), as applicable to the UPS domestic service level chosen by Customer and which are expressly incorporated herein. In the event Customer ships a Master Container to the export site through a carrier other than UPS or otherwise makes its own arrangements for transportation of a Master Container to the export site, UPS shall have no liability whatsoever for such Master Container or any Packages contained therein.

Notwithstanding anything herein to the contrary, UPS shall have no liability for any loss or damage to any goods while in the care, custody, or control of any third party, including but not limited to any postal authority.

Customer agrees that a UPS delivery scan, including a driver release delivery record or a record of delivery to a third party carrier, shall constitute valid and conclusive proof of delivery. Where a delivery scan for a package has been provided as proof of delivery, UPS shall not be liable for, and Customer agrees to hold UPS harmless from, any and all claims arising from delivery of such package, including loss, theft, non-delivery, or delayed delivery.

UPS's exclusions from liability contained in the UPS Terms are expressly incorporated herein, as modified herein. Under no circumstances shall UPS be liable for any special, incidental, or consequential damages, including but not limited to damages arising from loss, misdelivery of, or damage to goods, delayed delivery, or failure to attempt delivery in a timely manner, whether or not UPS had knowledge such damages might be incurred. Under no circumstances shall UPS be liable for any packages after tender to a third party carrier.

## **16. Name Usage Guidelines.**

Customer shall comply with the UPS Worldwide Economy Name Usage Guidelines, available at <https://www.ups.com/ca/en/services/international-shipping/worldwide-economy.page>, when referring to UPS Worldwide Economy service in print or online retail communications.