



**INTERFOR CORPORATION, INTERFOR U.S. INC. AND INTERFOR SALES & MARKETING LTD.  
TERMS AND CONDITIONS FOR THE TRANSPORTATION OF LUMBER AND RESIDUAL PRODUCTS**

**1. ENTIRE AGREEMENT.** These Terms and Conditions For The Transportation of Lumber and Residual Products ("**Terms and Conditions**", available for download at [www.interfor.com/terms-conditions](http://www.interfor.com/terms-conditions)) are incorporated into and form an integral part of each Delivery Slip ("**Delivery Slip**") issued by Interfor U.S. Inc., Interfor Sales & Marketing Ltd., Interfor Japan Ltd. or Interfor Corporation (each such shipper, consignor or consignee, as the case may be, is referred to in these Terms and Conditions as "**Interfor**") and accepted by carrier ("**Carrier**") providing for the transportation of lumber or sawmill residual products ("**Products**") from the "Branch/Location" noted on the Delivery Slip to the "Ship To" address noted on the Delivery Slip (the "**Services**"); provided that for any Delivery Slip marked "Customer Pickup" Interfor shall have no liability for, and no consignor/shipper or consignee relationship to, the shipment and no liability to Carrier whatsoever for payment or otherwise. The Delivery Slip and the version of these Terms and Conditions in effect on the date of the Delivery Slip (together, the "**Agreement**"), constitute the entire agreement between Interfor and Carrier regarding the Services, and supersede all previous agreements, delivery slips, bills of lading, representations or understandings, whether oral or written, express or implied, statutory or otherwise, between Carrier and Interfor with respect to the Services described in the Delivery Slip. These Terms and Conditions may be amended by Interfor at any time and from time to time, but a Delivery Slip may not be amended except by written document signed by Carrier and Interfor.

**2. WAIVER AND EXCLUSION.** Where Carrier's quotation, bill of lading, or other correspondence contains terms or conditions contrary to or in addition to the terms and conditions of the Agreement, those contrary or additional terms or conditions are hereby refused and rejected by Interfor without any requirement for further notice of the refusal and rejection, and Carrier's issuance of its own bill of lading, its pickup or delivery of the Products, and Interfor's payment for the Services shall not constitute a waiver by Interfor of any of the terms and conditions contained in the Agreement or an assent by Interfor to any other terms or conditions. To the fullest extent permitted by law, all applicable statutes, duties and obligations that are capable of being waived are hereby expressly waived by each of Interfor and the Carrier to the extent they are in conflict with the terms of this Agreement. No rule, tariff, classification, or condition not expressly set forth in this Agreement or otherwise agreed to in writing by the parties shall modify or supersede the terms of this Agreement. THE PARTIES EXPRESSLY WAIVE ANY AND ALL RIGHTS AND REMEDIES UNDER THE ICC TERMINATION ACT FOR THE SERVICES PROVIDED HEREUNDER PURSUANT TO 49 U.S.C. § 14101(B)(1). THIS WAIVER CONTROLS OVER ANY CONTRARY PROVISIONS IN THIS AGREEMENT, SCHEDULE(S) AND/OR IN ANY BILL OF LADING.

**3. SERVICE STANDARDS.** The Carrier shall pick up and deliver the Products as and when directed in the Delivery Slip without any undue delay and within the pick-up and delivery times specified by Interfor. The Carrier will perform the Services in a timely, competent, workmanlike and professional manner and in accordance with the highest professional standards in the applicable area or areas of expertise required to perform such Services. The Carrier represents and warrants that it has, and will maintain, and that each employee, subcontractor and agent of the Carrier performing the Services will have, all the skills, qualifications, licenses, permits, certifications, and other authorizations necessary to perform the Services in all jurisdictions in which such Services may be performed from time to time.

**4. RATES.** Interfor shall communicate the rate applicable to the Services along with any applicable fuel surcharge adjustments ("**Rate**") to Carrier by email, text message, or other electronic means. Rates are exclusive of all applicable sales, use or excise taxes and shall be in the lawful currency of Canada where Services are performed in whole or in part in Canada or in the lawful currency of the United States where the Services are performed wholly in the United States. Carrier's pickup of the Products at the "Branch/Location" noted in the Delivery Slip or its signature on the Delivery Slip indicates Carrier's acceptance of the communicated Rate.

**5. PAYMENT.** Carrier shall invoice Interfor for the Services after completion thereof at the Rates communicated to and accepted by Carrier. Taxes, if any, shall be stated separately on any invoice. Carrier's invoice shall set forth in reasonable detail the Services and shall be accompanied by proof of delivery in the form of a fully signed Delivery Slip. Interfor shall pay the Carrier within thirty (30) days of receipt of Carrier's conforming invoice and proof of delivery. The Carrier may authorize Interfor to directly deposit payment to the Carrier's account through execution of Interfor's Electronic Funds Transfer Authorization form. Interfor shall have the right to deduct from or set off against any amount payable by Interfor under this Agreement, any amount owed by the Carrier to Interfor for any reason whatsoever, and to withhold from any payment to the Carrier any amount reasonably disputed by Interfor.

**6. TAXES.** Interfor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind, imposed by any federal, state or local governmental entity ("**Government Authority**") on any amounts payable by Interfor hereunder; provided, that, in no event shall Interfor pay or be responsible for any taxes imposed on, or regarding, the Carrier's income, revenues, gross receipts, personnel or real or personal property or other assets. Carrier shall not collect or remit, and Interfor shall not be liable for, any taxes in respect of which Interfor has provided Carrier with a tax exemption certificate. If Interfor is required by the law of any jurisdiction to withhold any taxes, duties, fees, levies or charges ("**Withholding Taxes**") from any fees, expenses or other charges paid to Carrier, Interfor will be entitled to deduct the amount of such Withholding Taxes from the amount of such fees, expenses or other charges. If Carrier is either exempt from withholding or entitled to a reduced rate of

withholding pursuant to a tax treaty or other applicable law, and provides documentation satisfactory to Interfor of such exemption from, or reduced rate of, withholding, Interfor will be entitled to withhold such Withholding Taxes from which Carrier is not exempt.

**7. LOADING AND SAFETY.** Carrier shall have sole responsibility for the safety of its directors, officers, employees, contractors, subcontractors or agents (collectively, "**Representatives**") while on any Interfor site. Carrier shall adhere to all existing and future Interfor policies, rules and procedures relating to site security, fire and safety, and site orientation. Carrier shall be solely responsible for the safety of the Products during carriage regardless of who shall load the vehicle, and shall ensure that the Products have been properly loaded and are appropriately and safely secured prior to departing the location of origin. Carrier shall strictly comply with all specific "Restrictions" of loading and transport listed on the Delivery Slip, including, but not limited to, any requirement to tarp the Products or to arrange a delivery appointment at the delivery location. Where tarping is required, it must be completed at the Branch/Location or as soon as possible after leaving the Branch/Location.

**8. INDEMNITY.** The Carrier shall indemnify and save harmless Interfor, its directors, officers, employees, servants and agents from and against any and all losses, claims, demands, damages, actions, causes of action, costs and expenses (including attorney's fees, fines, penalties, judgments, settlements, interest and related expenses of any kind) (collectively, "**Losses**") Interfor may sustain or incur at any time, either before or after the expiration or termination of this Agreement, arising directly or indirectly by reason of (a) any breach of the Agreement by the Carrier or its Representatives; (b) any act or omission by the Carrier or its Representatives in connection with the performance of the Services, (c) any bodily injury to or death of any person, or damage to real or personal property, caused by the negligent or more culpable acts or omissions of the Carrier or its Representatives; (d) any claim that Interfor is required to pay taxes or employee benefits on behalf or in respect of any Representatives; or (e) any assessment made under Section 51 of the Workers' Compensation Act (British Columbia) relating to the Services; in each case, to the extent that such Losses do not arise solely from the negligence of Interfor.

**9. TITLE AND RISK OF LOSS OF PRODUCTS.** Title in and to the Products will at all times remain with Interfor or the relevant consignee, as the case may be. Risk of loss (including theft) or damage (including destruction) to the Products during carriage (which for greater certainty commences upon completion of loading and ends upon commencement of unloading) shall be the Carrier's. The Carrier shall promptly notify Interfor upon its discovery of any loss or damage to the Products. The determination of whether any damage to the Products that occurs while risk lies with the Carrier results in such Products being a complete loss and substantially worthless to Interfor, whether as a result of any act or failure to act by Carrier, Carrier's failure to comply with this Agreement, or otherwise, shall be determined by Interfor in its sole discretion. The measure of damages for lost or damaged Products shall be the commercial value of the Products as declared on the Delivery Slip; provided, however, that such damage calculation shall not limit Interfor's ability to recover other damages arising directly or indirectly from such lost or damaged Products under Section 8. In addition to (and not in lieu of) any other remedies or rights available to Interfor, Interfor retains the right at its sole discretion to retain the Products in addition to all other remedies. Interfor shall not be obligated to mitigate its damages.

**10. EQUIPMENT AND AUTHORIZATIONS.** The Carrier shall provide, at its sole expense, all labor, and supervision, vehicles, tools, equipment, materials, maintenance and repair necessary or desirable to perform the Services. All vehicles used to perform the Services shall be fully licensed, shall meet or exceed all applicable federal, state, provincial, and local laws, ordinances, rules, standards, specifications and regulations ("**Applicable Laws**") and shall be in a good and safe operating conditions at all times. Interfor shall have the right to inspect or examine the Carrier's vehicles and equipment and to suspend the Services if Interfor reasonably determines that any of the Carrier's vehicles or equipment pose a safety hazard to persons or property.

**11. CUSTOMS.** Carrier shall, where necessary, provide customs clearance services as required by Canadian and United States government border agencies.

**12. INSURANCE.** Carrier shall obtain and maintain in full force and effect Comprehensive General Liability insurance, Motor Carrier Cargo insurance, and Motor Vehicle Liability insurance, in at least the amounts set forth below with reputable insurance companies reasonably approved by Interfor and licensed to do business in British Columbia, Canada and the United States: (i) Comprehensive General Liability: \$2,000,000 inclusive limits, bodily injury and property damage; (ii) Motor Carrier Cargo: \$100,000 limit for each vehicle; (iii) Motor Vehicle Liability: \$2,000,000 inclusive limits, bodily injury and property damage for each vehicle. Interfor shall be named as an additional insured on the Comprehensive General Liability and Motor Carrier Cargo insurance policies and such policies shall waive any right of subrogation of the insurers against Interfor. None of the insurance policies required under this Section 12 shall be canceled or materially altered without thirty (30) days prior written notice to Interfor, and the Carrier shall deliver to Interfor a certificate of insurance or other proof, satisfactory to Interfor, of maintenance of the insurance specified in this Section 12 prior to the commencement of the Services and from time to time upon the request of Interfor. In the event Interfor deems it necessary or appropriate to increase the Carrier's insurance requirements, it may give notice thereof to the Carrier. In such event,

within thirty (30) days of such notice, the Carrier shall obtain such increased coverage and provide evidence thereof to Interfor.

**13. SUBCONTRACTING.** In the event that the Carrier cannot supply its own vehicles and/or equipment, the Carrier will, subject to Interfor's prior written consent (which consent may be given or withheld in Interfor's sole discretion), be responsible for providing the Services through a subcontractor or third party agent, in which case the Carrier shall cause such subcontractor or third party agent to comply with the terms and conditions of this Agreement and the Carrier shall be responsible and liable to Interfor for the performance of the Services by such subcontractor or third party agent and any act or omission of such subcontractor or third party agent.

**14. CONFIDENTIALITY.** Neither party, without the consent of the other party, will disclose or communicate to any person other than for the purposes of the Agreement, any information disclosed to it by the party, the terms of the Agreement or any information obtained or produced in relation to the Agreement ("**Confidential Information**"). The foregoing prohibition does not prevent the disclosure of Confidential Information by a party: (a) to its Representatives who require access to the information for the purposes of the Agreement and who are made aware of the confidential nature of the Confidential Information; (b) that is ordered or required by any applicable law, court order or governmental authority; (c) known to it on a non-confidential basis; (d) in the public domain through no fault of it; or (e) lawfully acquired by it from a third party that is not known to be or would not after reasonable inquiry be expected to be known to be under an obligation of confidentiality to the other party. Each party shall use its reasonable efforts to prevent the disclosure of the other party's Confidential Information to any unauthorized person. Each party shall be responsible and liable for any breach by its Representatives of such party's obligations under this section.

**15. FORCE MAJEURE.** If either party is rendered unable, wholly or in part, by a Force Majeure Event to perform or comply with any obligations under this Agreement, such obligations shall be suspended during the continuance of the inability so caused, and such party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during the duration of such Force Majeure Event. "Force Majeure Event" means an event beyond a party's reasonable control, including strikes, lockouts, labour disputes, civil commotion, rebellion, invasion, hostilities, war, sabotage, natural disaster and fire; provided, however, that in the case of Interfor, "Force Majeure Event" shall also include adverse conditions that result in Interfor's closure (temporarily or permanently) or curtailment of operations. A Force Majeure Event preventing the Carrier from performing any of its obligations shall not preclude, or restrict in any way, Interfor's right to make any other arrangement for the delivery of Products as Interfor may deem necessary during such Force Majeure Event.

**16. COMPLIANCE WITH LAW.** Carrier shall comply with all Applicable Laws, including the National Safety Code, the *Commercial Transportation Act* (British Columbia) and regulations thereunder, the Commercial Transport Procedures Manual, the *Federal Highway Safety Act* (United States), the *ICC Termination Act* (United States) to the extent required by law (except that the parties expressly waive any and all rights and remedies under the ICC Termination Act for the Services provided hereunder pursuant to 49 U.S.C. § 14101(b)(1)), and all Applicable Laws affecting or regulating the operation of vehicles and the transportation of items upon the public roadways, whether issued by the British Columbia Ministry of Transportation and Infrastructure, United States Surface Transportation Board, United States Federal Motor Carrier Safety Administration, the United States Department of Transportation, or any similar federal, state, provincial or local body.

**17. TERMINATION.** Interfor may terminate this Agreement immediately upon written notice to Carrier if: (i) the Carrier defaults in the performance of its obligations under this Agreement; or (ii) proceedings are taken to liquidate, dissolve or wind up or appoint a receiver in respect of the Carrier, the Carrier becomes insolvent or is unable to pay its debts as they become due, or any petition is filed with respect to the Carrier under the bankruptcy laws of any jurisdiction. Upon any termination of this Agreement, the Carrier shall, unless otherwise directed by Interfor, continue and complete the delivery of all Products that have already departed the "Branch/Location" noted on the Delivery Slip, such Services to be otherwise governed by the terms of this Agreement.

**18. PAYROLL FUNCTION.** Carrier will observe and comply with all applicable employment, labour and human rights rules, laws, ordinances, codes and regulations. Carrier agrees to remit and will be responsible for all withholding taxes; income taxes; applicable pension plan, social services or similar contributions; employment or unemployment insurance deductions; workers compensation assessments and penalties; taxes and any other deductions required by applicable laws for Carrier and any of Carrier's Representatives. Carrier is solely responsible for and will file all returns required under all applicable laws, including but not limited to any applicable income tax legislation, pension plan, social services or similar legislation and employment or unemployment insurance legislation.

**19. WORKERS' COMPENSATION.** Carrier shall comply with all applicable worker's compensation and occupational health and safety legislation, statutes and regulations, and shall obtain and maintain in full force and effect, without interruption during the term of the Agreement, at its own expense, worker's compensation and occupational health and safety coverage for Carrier and its employees sufficient to provide coverage for every province, state or jurisdiction in which Carrier was hired by Interfor, Carrier hired its employees, and in which Carrier or its employees perform Services for Interfor. Carrier shall provide Interfor with a clearance letter or proof of workers' compensation insurance coverage from the applicable workers' compensation authorities, and shall immediately notify Interfor of any lapse in coverage.

**20. INDEPENDENT PARTIES.** The parties to the Agreement are independent and nothing in the Agreement constitutes Carrier as a partner or agent of Interfor and Carrier has no authority to represent, bind, act for, undertake or create any obligation or responsibility on behalf of, or in the name of, Interfor or represent that it is the agent of Interfor.

**21. WAIVER AND CONSENT.** No consent or waiver by a party, express or implied, to or of any default by the other party of any of its obligations under the Agreement: will be valid unless it is in writing, will be relied on as a consent to or waiver of any other default of the same or any other obligation, will constitute a general waiver, or will eliminate or modify the need for a specific consent or waiver pursuant to this section in any other instance.

**22. CONSTRUCTION.** The Agreement is for the exclusive benefit of Carrier and Interfor and not for the benefit of any third party. The division of the Agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of the Agreement. A reference in these Terms and Conditions to the word "section" refers to a section of these Terms and Conditions unless otherwise indicated.

**23. NO THIRD PARTY BENEFICIARIES.** Nothing in this Agreement will entitle any person other than the parties to any claim, cause of action, remedy or other rights of any kind in respect of the subject-matter hereof.

**24. TIME OF ESSENCE.** Time is of the essence of the Agreement and the performance of Services.

**25. ATTORNEYS FEES.** In the event of any litigation or legal proceedings arising out of or related to this Agreement, the prevailing party shall be entitled to recover all litigation expenses, including attorneys' and experts' fees, that may be incurred at trial, on appeal, on review or in any bankruptcy proceeding.

**26. NOTICES.** Any notice given under or in connection with this Agreement shall be in writing if to Interfor and delivered by email, courier, or registered or certified mail with postage prepaid, to Interfor's address indicated on the first page of the Delivery Slip or to such other address as Interfor may designate by notice in writing. Any notice given to Carrier may be given electronically at the address to which the Rate was sent, unless the Carrier designates an alternate address in writing. Any notice so given will be deemed to have been validly delivered when it is delivered by registered mail or courier to the recipient party's address for notices, or when a fax or email confirmation of delivery is received by the sender, provided that such delivery is made or confirmation of delivery is received before 5:00 p.m. on a business day in the recipient's jurisdiction. Otherwise, such notice, request, demand or direction will be deemed to have been given and received on the next such business day. Any demand or notice actually received by the recipient party shall be deemed to have been validly given hereunder.

**27. GOVERNING LAW.** The Agreement shall be governed by the laws of: (a) the Province of British Columbia if the Branch/Location of pickup is in Canada; (b) the State of Washington if the Branch/Location of pickup is in the States of Washington or Oregon; or (c) the State of Georgia if the Branch/Location of pickup is in any other state within the U.S.A., in any case, without reference to the applicable jurisdiction's conflict of law rules. Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to the Agreement or the transactions contemplated herein ("**Legal Action**"), may only be brought and determined: (i) in the courts of British Columbia sitting in Vancouver, if the Agreement is governed by the laws of the Province of British Columbia; (ii) in a federal or state court in Seattle, if the Agreement is governed by the laws of the State of Washington; or (iii) in a federal or state court in Atlanta, if the Agreement is governed by the laws of the State of Georgia (or any other court hearing appeals from such courts), and each of the parties hereby irrevocably submits to the exclusive jurisdiction of the applicable court. Each party waives its right to require a jury trial and agrees that Legal Actions will be tried by a judge without a jury.

**28. SITUS OF AGREEMENT.** The Agreement shall be deemed to have been made in: (a) the Province of British Columbia if the Branch/Location of pickup is in Canada; (b) the State of Washington if the Branch/Location of pickup is in the States of Washington or Oregon; or (c) the State of Georgia if the Branch/Location of pickup is in any other state within the U.S.A.