

General Policies

The following policies are intended as a guide for both residential and commercial customers. Your Bill of Lading is a legal contract of carriage and is subject to The Carriage of Goods by Water Act and Rules contained in paragraph 5 of Article IV of the Rules. Where there is any disagreement between the policies contained in this document and the Bill of Lading, the Bill of Lading or the laws which govern the Bill of Lading will apply.

It is the policy of Nunatsiavut Marine Inc. (“NMI”) to give priority to groceries and other critical supplies consigned to residents who live in the ports along the North Coast of Labrador Ferry Service. The shipment of contractor owned materials and equipment is dependent upon available space. Amendments have been made to this document to include specific policies pertaining to the shipment of construction materials and equipment.

1. Payment Policies

a) Accepted Payment Methods

NMI accepts most major payment methods for shipping freight. These methods include Cash, Debit, Visa, MasterCard, and Amex. Personal cheques are not accepted. Customers who have credit accounts set up with the Department of Transportation and Works may charge the cost of shipment to their respective accounts. Customers must have their verified account number available at the time of payment, or another payment option will be required. NMI reserves the right to refuse any account number that we cannot verify using our internal records. Customers who wish to set up a charge account should contact the Department of Transportation and Works, Financial Operations Division.

b) Pre-paid Shipments Only

All goods accepted for shipment must be pre-paid in advance of shipment. NMI is not obligated to store, warehouse or otherwise protect, prepare for shipment, or ship any goods where shipping fees have not been paid. Payment is required at the time freight is brought to any of our shipping facilities. Freight left at our facilities without payment and/or without a signed Bill of Lading (“BOL”), becomes the sole responsibility of the individual dropping off the freight. NMI will not be liable for any loss or damage, nor will we ship freight left in this manner.

2. Hours of Operation

a) Happy Valley-Goose Bay

During our normal operating season freight office hours are Monday to Friday, 8:00am to 5:00pm, and 9:00am to 1:00pm on Saturday. The freight office is closed on Sundays.

b) All Other Ports

Please contact the wharfinger in your port to arrange shipment of freight. Wharfingers are generally available during regular business hours for receiving freight for shipment.

3. Shipment Methods and Time Frames

a) Mode of Transport

NMI has the right to select the mode of transportation based on the size and nature of the cargo, available space, and routing requirements. We may choose to load cargo into marine shipping containers, or load it on a vessel as break bulk, or palletized freight. NMI may choose to transfer freight to another vessel or alternate mode of carriage as required to ensure prompt delivery to the final destination. Sometimes it is necessary to break up large shipments into multiple containers, which may not be delivered at the same time.

b) Delivery Schedule

Acceptance of a customer's freight does not ensure shipment on the next available vessel. We recommend that customers drop off freight at their earliest convenience at any time during regular business hours. Waiting until the arrival of a vessel is strongly discouraged as there is usually a full vessel load dispatched for shipment prior to a vessel's arrival, and this will take priority over freight that is arriving subsequently.

Receiving, Packaging, and Labeling Policies

1. Receiving Goods for Shipment

(a) Commercial Shippers

All commercial shippers are responsible for moving their cargo to the tailgate of the truck/trailer for unloading. The cargo must be packaged in such a way that it can be picked up safely by the forklift operator from outside of the truck/trailer. NMI employees are not permitted to board your vehicle or trailer.

(b) Delivery and Transportation

It is the shipper's/consignee's responsibility to arrange and pay any applicable costs for the transportation of cargo to/from our facilities. NMI does not provide transportation or delivery services beyond our facilities.

(c) Receiving

It is the shipper's responsibility to ensure that cargo is prepared for shipment prior to arrival at our facilities (see section 3, Labeling and Proper Packaging). An NMI employee can assist with unloading heavier pieces of cargo from your vehicle or trailer, if it can be safely handled using a forklift. It is the shipper's responsibility to unload loose items/packages from their vehicle or trailer.

2. Restrictions on Dangerous Goods

(a) Transportation of Dangerous Goods

All dangerous goods being dropped off for shipment must be accompanied by official dangerous goods documents. Dangerous goods will not be accepted without the proper paperwork, as required under the Transportation of Dangerous Goods Act. It is the shipper's sole responsibility to provide the dangerous goods papers to NMI. We will not provide dangerous goods papers to the shipper under any circumstances. Dangerous goods are restricted on passenger vessels and can sometimes be prohibited. Please contact the freight office prior to dropping off any dangerous goods to avoid any misunderstanding.

(b) Explosives Not Accepted for Shipment

Dynamite and other explosives require special treatment for the purposes of marine transportation, and strict regulations are enforced by Transport Canada and the Department of Natural Resources. Due to the complexities involved in transporting explosives, dynamite and other materials used as explosives will not be accepted for shipment.

3. Labeling and Proper Packaging

(a) Labels

It is the shipper's responsibility to ensure that their freight is labeled properly. The label should be large enough to be easily found on the package and should be weather proof. NMI recommends using multiple labels on larger items. Labels should include information such as the consignee name, address, and phone number. We are not responsible for damage or loss of any item that is improperly labeled and may refuse to accept such items for shipment.

(b) Packaging

All items must be appropriately packaged for marine shipment. It is recommended that items be containerized in a rigid container or box, and well-padded to prevent damage from impact and movement. We also recommend that containers should

be weather resistant where possible. We may refuse to accept any item for shipment that is deemed to be inadequately packaged for marine transport.

4. Palletized Freight

(a) Size Restrictions

A standard pallet is considered to be 4' x 4' or 4' x 2'. The height restriction for a 4' x 2' pallet is 4'. Any pallet outside of these standard dimensions may require special handling and/or crating. Palletized freight that is higher than 6 feet will not be accepted for shipment where the pallet is a standard 4' x 4' hardwood or composite material pallet.

(b) Wrapping and Stability

All palletized freight must be appropriately wrapped and/or strapped in a manner which is consistent with safe marine transportation. We may refuse palletized freight that we deem to be inadequately strapped/wrapped, or unstable. NMI is able to offer wrapping at a cost of \$18.00/pallet.

(c) Mixed Pallets

Pallets containing items for multiple consignees are shipped at the shipper's own risk. NMI will not be responsible for any damage or loss to items shipped on a pallet containing items belonging to multiple consignees.

5. Temperature Controlled Cargo

(a) Acceptance of Temperature Controlled Cargo

NMI accepts perishable items and other temperature-controlled cargo by appointment only. Customers should call in advance to obtain drop off dates and times for such items.

(b) Frozen and Chilled

NMI accepts both frozen and chilled products for shipment. It is important to note that frozen and chilled products should be labelled accordingly ("FROZEN" or "CHILL") and should not be mixed together. Damages or loss resulting from incorrect temperatures will not be eligible for damage claims where the item is incorrectly labeled or mixed with items requiring different temperature levels.

(c) Wait Times

It is the shipper's responsibility to ensure that items requiring temperature control are protected against thawing until such a time as we are able to receive the product. Extended wait times are expected on days when receiving refrigerated cargo. Any thawing will be noted on the BOL and will void any subsequent damage claim for the item.

6. Break Bulk

(a) Snowmobiles/ATVs

All uncrated snowmobiles/ATVs are considered unprotected and will be shipped at owner's own risk, due to risk of damage while loading.

(b) Boats

All boats, except canoes/kayaks, must be shipped on a boat trailer. We may refuse to accept any boat for shipment that is not on a trailer. Due to safety issues and the risk of damage, under no circumstances will a boat be lifted from the water using the ship's crane.

(c) Vehicles

All vehicles will be inspected (interior and exterior) prior to shipping. Any damages/flaws will be noted on the BOL and the customer is required to sign the completed BOL prior to shipment. The interior of the vehicle should be protected using a waterproof disposable material, such as plastic wrap. Vessel crew and freight handlers often wear soiled clothes on the job and it is the customer's responsibility to ensure the vehicle is adequately protected. Damages resulting from inadequate protection of the interior of a vehicle are not the responsibility of NMI.

(d) Non-operational Vehicles and Roll-on/Roll-off Equipment

Passenger vehicles and equipment that are considered to be non-operational and require towing will not be accepted for shipment in Goose Bay. NMI will accept non-operational vehicles destined for Goose Bay in other coastal ports and will ship such items at the owner's risk. Customers may be required to sign a waiver prior to shipment of such items. Any third party towing or lifting services required are the sole responsibility of the owner.

7. Unprotected Freight and Damage Due to Frost

(a) Unprotected freight

NMI will not be responsible for any damage sustained to any item that is deemed to be insufficiently packaged or otherwise unprotected. Any such item that is accepted for shipment is done so at the shipper's/owner's own risk of damage. Damage claims will not be accepted for such items.

(b) Temperature damage

Any damage to items, other than temperature-controlled freight, as a direct result of freezing due to cold temperatures is beyond the control of NMI. It is important for customers to ensure that temperature sensitive freight is shipped early enough in the season to avoid cold temperatures.

Shipping/Delivery Policies and Procedures

1. Proof of Delivery

Upon delivery of goods to the port of destination, no item is to be taken from the dock without the customer signing the proof of delivery portion of the BOL. Goods taken by the customer prior to signing the appropriate paperwork will void any subsequent damage claim for the item. Any damages or shortages noticed when an item is received should be reported immediately to the wharfinger and noted on the proof of delivery. Damages reported after the customer signs the proof of delivery and removes the item from the dock facility will not be accepted unless the damage is considered to be concealed damage.

2. Goods Not Received

Any claim submitted for goods not received will only be valid if the missing item is explicitly indicated on the BOL. For example, if the missing item is believed to have been on a pallet containing other goods, then that item must be indicated on the BOL. If the BOL only references a pallet of goods and does not explicitly reference the missing item, then we have no proof that the item was ever on the pallet. In such cases, the customer should contact the shipper for any claim of loss.

3. Unclaimed Items

NMI has limited storage space available at its dock facilities and encourages customers to pick up their items as soon as possible. We reserve the right to charge storage fees on any item not picked up by the customer 12 hours after the item has arrived at the destination port. Unclaimed items will be disposed of after a period of 60 days.

4. Damage Claim Process

(a) General Procedures

Damages must be reported in writing immediately to the wharfinger at the destination port, prior to removing the item from the dock facility. Concealed damage must be reported within three (3) days. A damage claim form must be completed and submitted to our office within 90 days of the item arriving at the destination port. Damage claim forms must include a consignee's copy (pink) of the BOL, as well as any supporting documentation such as a purchase receipt or invoice. The item being reported as damaged must be shipped to our Happy Valley - Goose Bay facility for inspection. The item must be labelled with the BOL number and should also include the words "DAMAGE CLAIMS".

(b) Rejected Claims

If the claim is rejected, the item will be shipped back to the consigned port. Customer will be notified in writing of the status and reason why the claim was rejected. Customers have the right to appeal a rejected claim if new or missing information can be provided within the 90 day claim validity period.

(c) Approved Claims

If a damage claim is approved for payment then the customer will be notified in writing or by phone. NMI will, at its sole discretion, either replace the item with the same or an equivalent product at its current fair market value; repair the item to put it back to its pre-damaged condition; or issue a onetime payment to the customer equal to the lesser of the item's current fair market value or the amount being claimed, minus any salvageable value remaining in the product and up to the maximum liability allowed under the Contract of Carriage (bill of lading) and its governing laws. Anytime a payment is issued for the full amount of the claim, the item becomes the legal property of NMI.

Construction Materials and Equipment

This section contains information specific to the shipping/receiving of construction materials and equipment. Effective June 1st, 2016, the movement of construction material and equipment, including sand/stone aggregates, will be subject to the following:

- a) All construction material in excess of 2000lbs and/or having dimensions in excess of that which would allow transport via TEU container will be rated as Heavy Equipment. Sand/stone aggregate will be rated at a minimum of 2200lbs per bag and Heavy Equipment rates will apply.
- b) Sand Bags will not be shipped in NMI owned containers unless they are on a Hardwood Pallet. NMI will not supply pallets for the shipment of contractor construction materials and contractors are responsible to arrange the return shipment of empty pallets if required.
- c) The maximum number of 2200lb capacity sand bags that can be shipped in a TEU container is 8 bags and the total weight, including the container, must not to exceed 10.25 US Long Tonnes. Stacking of sand bags will not be permitted in any container.
- d) NMI will not unload construction materials, including sand/stone aggregate, from other company owned containers in any of our port facilities.

- e) Trailer retention fees, demurrage charges, and storage fees are chargeable to any contractor or business that fails to remove their materials and equipment from any port facility within a reasonable time frame. Customers must be prepared to claim and remove their freight within 12 hrs (exclusive of weekends and holidays) of receiving notice of delivery.
- f) Under no circumstances will NMI displace consumer products and supplies such as groceries, household goods, and other critical supplies for contractor construction materials or equipment. The shipment of contractor items is thereby restricted based on available space.
- g) Dangerous goods will only be accepted if labeled properly and accompanied by the appropriate paperwork, as per Transport Canada regulations. NMI reserves the right to refuse the shipment of dangerous goods at its sole discretion. Materials used as explosives will not be accepted for shipment.
- h) NMI is not responsible to ensure that contractors can meet deadlines or other project timeframe requirements. Furthermore, NMI does not guarantee delivery of contractor construction materials or equipment in any given shipping season.