



Red light or green light... it's up to you!

CONTRACTS, BILLS OF LADING, SHIPPING DOCUMENTS... WHAT SHOULD THESE DOCUMENTS CONTAIN?

In the **Regulation respecting the requirements for bills of lading**¹, the government has set out the requirements applicable to a bill of lading involving an operator or any person covered by the Act respecting owners and operators of heavy vehicles². This regulation, which came into force on November 18, 1999, replaces sections 19 to 27 and 30, as well as Schedule II of the Regulation respecting truck transportation³. The new regulation now takes owners, operators, and transport service intermediaries into account. The primary purpose of a bill of lading is to evidence the existence of a contract for the paid transport of goods between a carrier and a consignor.

More recently, on February 22, 2001, the **Regulation on the requirements applicable to shipping documents, leasing contracts, and service contracts**⁴ came into force. This regulation now requires the various parties involved in the carrying of goods to provide certain information that will allow peace officers to easily identify the role and responsibility of each party in order to hold to account those who fail to abide by their obligations.

Who is concerned by these documents? What information is required? Where should the information be kept? By whom and for how long? Here are some answers:

BILL OF LADING		
MINIMUM INFORMATION REQUIRED	WHO IS CONCERNED	LOCATION AND DURATION OF RETENTION
All the items identified in schedules 1 and 2 constitute the minimum information that bills of lading must contain.	Unless exempted ⁵ , all operators of heavy vehicles, or their agents, who undertake to transport goods in exchange for compensation on behalf of a consignor	Heavy vehicle operators must retain for two years copies of all bills of lading, and abridged versions ⁶ thereof, in respect of transport contracts to which they are party. <i>The waybill for the goods transported cannot substitute for a bill of lading.</i>

¹ The Regulation respecting the requirements for bills of lading was enacted by Order in Council No. 1198-99 of October 20, 1999.

² The Act respecting owners and operators of heavy vehicles was enacted by Order in Council No. 985-98 of July 21, 1998.

³ The Regulation respecting truck transportation was enacted by Order in Council No. 47-88 of January 13, 1988.

⁴ The Regulation on the requirements applicable to shipping documents, leasing contracts, and service contracts was enacted by Order in Council No. 61-2001 of January 24, 2001.

⁵ Exemptions are stipulated in section 2(1) of the Regulation respecting the requirements for bills of lading.

⁶ Conditions governing the use of the abridged form are stipulated in section 10 of the Regulation respecting the requirements for bills of lading.

SHIPPING DOCUMENT		
MINIMUM INFORMATION REQUIRED	WHO IS CONCERNED	LOCATION AND DURATION OF RETENTION
Description of goods Reference number for each component of the shipping document Date the goods were received, their originating point, and destination Name of consignor and any other party entrusting the goods to the operator Name of recipient or consignee Carrier's name and RIN ⁷ Identification and signature of all persons entering information in the document Name and RIN of the transport services intermediary, if any A statement in respect of connecting carriers, if any	Any heavy vehicle operator transporting goods for compensation from the time the goods are received to the moment they are delivered, <i>except the transport of bulk materials, sand, earth, gravel, snow and ice, as well as the transport of goods by a bus and the transport of municipal waste</i>	The shipping document must be kept inside the heavy vehicle carrying the goods. The operator must also keep a copy of this document for a minimum period of two years.

NOTE: It is important to note that you can use either document (bill of lading or shipping document) or any other document so long as it contains the information required to identify the parties involved in the shipping contract. For example, if you are using the bill of lading instead of the shipping document, you should remember to add, to the minimum information required, the operator's name and RIN, the name and RIN of the transport service intermediary, if any, and a statement in respect of connecting carriers, if any.

The Regulation on the requirements applicable to shipping documents, leasing contracts, and service contracts requires that a contract be concluded between the parties in all cases where the person acting as the operator of a heavy vehicle or fleet of heavy vehicles is not the owner thereof. This can be a leasing contract, a service contract, or any other type of contract such as loan for use or swap agreements.

HEAVY VEHICLE LEASING CONTRACTS TRANSPORT OF GOODS		
MINIMUM INFORMATION REQUIRED	WHO IS CONCERNED	LOCATION AND DURATION OF RETENTION
The lessee's acceptance to assume the role of operator and liability in respect of the driver Lessee's name, RIN, and address Lessor's name, RIN, and address Make, model, year of manufacture, and license number of leased vehicle Lease period Date of conclusion of contract, if different from date of signature The signatures of both parties or their agents	Any owner or operator who is party to a contract to lease a truck, a trailer, or semitrailer	A copy of the leasing contract must be kept inside the heavy vehicle carrying the goods. The operator must also keep a copy of the contract for a minimum period of two years.

⁷ The operator or owner's Register Identification Number (RIN) is the ID number on the register kept by the Commission des transports du Québec.

HEAVY VEHICLE LEASING CONTRACTS TRANSPORT OF PERSONS		
MINIMUM INFORMATION REQUIRED	WHO IS CONCERNED	LOCATION AND DURATION OF RETENTION
Lessee's name, RIN, and address Lessor's name, RIN, and address Bus category and license number In the case of a leasing contract that includes driver services, a provision to the effect that the lessor remains the operator of the bus or minibus and assumes liability in respect of the driver In the case of a leasing contract without driver services, a provision to the effect that the lessee becomes the operator of the bus or minibus and assumes full liability resulting from the operation of the leased vehicle The lease period Date of conclusion of the contract, if different from the date of signature The signatures of both parties or their agents	Any owner or operator who is party to a contract to lease a bus or minibus	A copy of the leasing contract must be kept inside the bus or minibus. The operator must also keep a copy of the contract for a minimum period of two years.

NOTE: Unlike a truck leasing contract, the contract to lease a bus or minibus with the services of a driver allows the bus or minibus owner to remain the operator of the vehicle even if it is leased to another party.

SERVICE CONTRATS CONTRACT TO TOW A TRAILER OR SEMITRAILER		
MINIMUM INFORMATION REQUIRED	WHO IS CONCERNED	LOCATION AND DURATION OF RETENTION
Name, RIN, and address of the owner of the trailer or semitrailer Name, RIN, and address of the operator towing the trailer or semitrailer Identification of the person acting as the operator of the group of heavy vehicles Acceptance of the role of operator and an undertaking to assume control of the vehicle and liability in respect of its operation Life of contract Date of conclusion of contract, if different from date of signature The signatures of both parties or their agents	Any owner or operator who is party to a contract to tow a trailer or semitrailer	A copy of the service contract must be kept inside the heavy vehicle towing the trailer or semitrailer. The operator must also keep a copy of the contract for a minimum period of two years.

NOTE: This type of contract is used by a consignor who is also the owner of the trailer or semitrailer. It is usually a short term contract entered into as the need arises.

SERVICE CONTRATS
SERVICE CONTRACT BETWEEN TWO OPERATORS

MINIMUM INFORMATION REQUIRED	WHO IS CONCERNED	LOCATION AND DURATION OF RETENTION
Name, RIN, and address of the operator contracting the other (the first party) Name, RIN, and address of the operator acting on behalf of the first party A statement to the effect that the second party is acting as an agent of the first party Date of conclusion of contract, if different from the date of signature Identification of the party who retains possession, control, and exclusive use of all the vehicles and who assumes liability in respect thereof The signatures of both operators or their agents	Any operator who has a contract to transport goods and wants to subcontract the actual transport to another operator	A copy of the service contract must be kept inside the heavy vehicle transporting the goods. The operator must also keep a copy of the contract for a minimum period of two years.

The regulation also prescribes certain requirements in respect of other contracts such as vehicle loan for use and swap agreements. Whenever a contract transfers possession of a heavy vehicle from one party to another by providing that

- > the motorized vehicle shall be identified in the name of the party taking possession thereof;
- > the party taking control of the vehicle shall control the organization and execution of the transport of goods using the vehicle;
- > the heavy vehicle shall be integrated into the fleet of vehicles belonging to the party taking possession thereof for the purposes of liability insurance coverage;
- > the owner of the heavy vehicle and the owner's employees are obliged to follow the directions of the other party and are prevented from controlling the operation of the vehicle for the duration of the contract; or
- > the party taking control of the vehicle shall control the driver's working conditions, including pay;

then the minimum information outlined in the table below is required.

OTHER CONTRACTS

MINIMUM INFORMATION REQUIRED	WHO IS CONCERNED	LOCATION AND DURATION OF RETENTION
The lessee's name, RIN, and address The lessor's name, RIN, and address Make, model, year of manufacture, and license number of the leased vehicle The lessee's acceptance of the role of operator and undertaking to assume liability in respect of the driver Lease period Date of conclusion of contract, if different from date of signature The signatures of both parties or their agents	Any owner or operator who is party to a contract to lease a truck, trailer, or semitrailer	A copy of the contract must be kept inside the heavy vehicle transporting the goods. The operator must also keep a copy of the contract for a minimum period of two years.

SCHEDULE 1

MODEL BILL OF LADING

BILL OF LADING NOT NEGOTIABLE B/L No.

1. Consignor or agent (name & address)		2. Consignor's acct no.	3. Date	4. Consignor's ref. no.
7. Consignee (name & address)		5. Name of carrier		6. Carrier's ref. no.
9. Notify party – Customs broker*		8. Received at the point of origin on the date specified, from the consignor mentioned herein, the property herein described, in apparent good order, except as noted (contents and conditions of contents of package unknown) marked, consigned and destined as indicated below, which the carrier agrees to carry and to deliver to the consignee at the said destinations, if on its own authorized route or otherwise to cause to be carried by another carrier on the route to said destination, subject to the rates and classification in effect on the date of shipment. It is mutually agreed, as to each carrier of all or any of the goods over all or any portion of the route to destination, and as to each party of any time interested in all or any of the goods, that every service to be performed hereunder shall be subject to all the conditions not prohibited by law, whether printed or written, including conditions on back hereof, which are hereby agreed by the consignor and accept for himself and his assigns.		
10. Point of origin				
11. Destination and				
12. VALEUR DÉCLARÉE / DECLARED VALUATION Maximum liability of 4,41\$ per kilogram, depending on the total weight of the shipment, unless the shipper has declared a higher value on the front of the bill of lading (Conditions 9 and 10 on back).				
13. Marks & numbers*	14. Total no. of packages*	15. General description of shipment*	16. Vehicle no.*	17. Total weight & cubage*
18. Number and type of packages				19. Particulars of goods, marks and exceptions
20. Weight				21. Rate
22. Amount				23. FREIGHT CHARGES
				Collect <input type="checkbox"/>
				Prepaid <input type="checkbox"/>
				Freight charges will be collect unless marked prepaid
				24. If at consignor's risk, write or stamp here
				25. C.O.D. SHIPMENT
				Collection charges
				Collect <input type="checkbox"/>
				Prepaid <input type="checkbox"/>
				Amount
				C. \$
26. Spécial agreement between consignor & carrier, advise here				Collection charges
				O. \$
27. NOTICE OF CLAIM				TOTAL D. \$
a) No carrier is liable for loss, damage or delay to any goods carried under the Bill of Lading unless notice thereof setting out particulars of the origin, destination and date of shipment of the goods and the estimated amount claimed in respect of such loss, damage or delay is given in writing to the originating carrier or the delivering carrier, within sixty (60) days after the delivery of the goods or, in the case of failure to make delivery, within nine (9) months from the date of shipment.				28. Inbound* \$
b) The final statement of the claim must be filed within nine (9) months from the date of shipment together with a copy of the paid freight bill.				29. Beyond* \$
30. N.B. NOTE CAREFULLY CONDITIONS ON BACK HEREOF WHICH ARE HEREBY ACCEPTED				31. Others (specify)*
				\$
				\$
				\$
32. Consignor	33. Carrier	34. Consignee	35. Total charges*	
Date*	Date*	Date*	\$	
Per	Per	Per		

* Optional information

SCHEDULE 2

MINIMUM PROVISIONS

I. CONDITIONS OF CARRIAGE

1. **Liability of Carrier**
The carrier of the goods described in the bill of lading is liable for any loss of or damage to goods accepted by the carrier or the carrier's agent except as hereinafter provided.
2. **Liability of Originating and Delivering Carriers**
Where a shipment is accepted for carriage by more than one carrier, the carrier who issues the bill of lading (hereinafter called the originating carrier) and the carrier who assumes responsibility for delivery to the consignee (hereinafter called the delivering carrier), in addition to any other responsibility hereunder, are liable for any loss of or damage to the goods while they are in the custody of any other carrier to whom the goods are delivered and from which liability the other carrier is not relieved.
3. **Recovery from Connecting Carriers**
The originating carrier or the delivering carrier, as the case may be, is entitled to recover from any other carrier to whom the goods are delivered the amount that the originating carrier or delivering carrier, as the case may be, is required to pay for the loss of or damage to goods while they are in the custody of such other carrier; if the goods were interlined between carriers, any concealed damage settlement shall be prorated on the basis of revenue received.
4. **Remedy by Consignor or Consignee**
Nothing in Article 2 or 3 deprives a consignor or consignee of any rights the consignor or consignee may have against any carrier.
5. **Exemptions from Liability**
The carrier shall not be liable for loss, damage, or delay to any of the goods described in the bill of lading caused by an act of God; the Queen's or public enemies; riots; strikes; an inherent defect or vice in the goods; an act or default of the consignor, owner, or consignee; authority of the law; quarantine; or difference in weights of grain, seed, or other commodities caused by a natural phenomenon.
6. **Delay**
No carrier is bound to carry goods by any particular vehicle or in time for any particular market, or otherwise than with normal due dispatch, unless by agreement that is specifically endorsed on the bill of lading and signed by the parties.
7. **Routing by Carrier**
If the carrier is physically constrained to forward the goods by a conveyance that is not a vehicle licensed to transport goods for compensation, the liability of the carrier is the same as though the entire carriage were by such a vehicle.
8. **Stoppage in Transit**
If the goods are stopped and held in transit at the request of a party entitled to so request, the goods are held at the risk of that party.
9. **Valuation**
Subject to Article 10, the amount of any loss or damage for which the carrier is liable, whether or not the loss or damage results from negligence, shall be
 - a) the value of the goods at the place and time of shipment, including the freight and other charges, if paid, or
 - b) the value of the goods declared by the consignor on the face of the bill of lading or that was mutually agreed to, if less than the amount in 9(a).

10. **Maximum Liability**
The amount of any damages determined under Article 9 shall not exceed \$4.41 per kilogram computed on the total weight of the shipment, unless the consignor had declared a higher amount on the face of the bill of lading.
11. **Consignor's Risk**
If it is agreed that the goods are carried at the risk of the consignor, such agreement covers only such risks as are necessarily incidental to the carriage and the agreement does not relieve the carrier from liability for any loss or damage, or delay that results from the negligence of the carrier or the carrier's agents or employees; the burden of proving absence of negligence shall be on the carrier.
12. **Notice of Claim**
 - 1^o No carrier is liable for loss, damage, or delay to any goods carried under the bill of lading unless notice thereof setting out particulars of the origin, destination, and date of shipment of the goods and the estimated amount claimed in respect of such loss, damage, or delay is given in writing to the originating carrier or the delivering carrier within sixty days of delivery of the goods or, in the case of failure to make delivery, within nine months of the date of shipment.
 - 2^o The final statement of claim, along with proof of payment of the freight bill, must be filed within nine months of the date of shipment.
13. **Articles of Extraordinary Value**
No carrier is bound to carry any documents, species, or other article of extraordinary value unless by a special agreement to do so. If such goods are carried without a special agreement and the nature of the goods is not disclosed on the bill of lading, the carrier shall not be liable for any loss or damage in excess of the maximum liability stipulated in Article 10.
14. **Freight Charges**
 - 1^o If required by the carrier, the freight and all other lawful charges accruing on the goods shall be paid before delivery and if upon inspection it is ascertained that the goods shipped are not those described in the bill of lading, the freight charges must be paid upon the goods actually shipped with any additional charges lawfully payable thereon.
 - 2^o The shipment will automatically move on a collect basis unless the consignor indicates otherwise in the bill of lading.
15. **Dangerous Goods**
Any person, whether as principal or agent, shipping explosives or other dangerous goods without previous full disclosure to the carrier as required by law or regulation shall indemnify the carrier against all loss, damage, or delay caused by the failure to disclose and such goods may be warehoused at the consignor's risk and expense.
16. **Undelivered Goods**
 - 1^o If, through no fault of the carrier, the goods cannot be delivered, the carrier shall immediately give notice to the consignor and consignee that delivery cannot be made and shall request disposal instructions.
 - 2^o Pending receipt of disposal instructions,
 - a) the goods may be stored in the warehouse of the carrier, subject to a reasonable charge for storage, or
 - b) if the carrier has notified the consignor of this intention, the goods may be removed to and stored in a public or licensed warehouse at the expense of the consignor, without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

17. Return of Goods

If a notice has been given by the carrier pursuant to Article 16(1), and no disposal instructions have been received within ten days of the date of such notice, the carrier may return to the consignor, at the consignor's expense, all undelivered shipments for which such notice has been given.

18. Alterations

Subject to Article 19, any limitation on the carrier's liability on the bill of lading and any alteration, addition, or erasure on the bill of lading shall be signed or initialed by the consignor and the originating carrier or their agents, and unless signed and initialed shall be without effect.

19. Weights

It shall be the responsibility of the consignor to show correct shipping weights for the shipment on the bill of lading and if the actual weight of the shipment does not agree with the weight shown on the bill of lading, the weight shown on the bill of lading may be corrected by the carrier.

20. C.O.D. Shipments

- 1^o A carrier shall not deliver a C.O.D. shipment unless payment is received in full.
- 2^o The charge for collecting and remitting the amount of C.O.D. bills for C.O.D. shipments must be collected from the consignee unless the consignor has instructed otherwise on the bill of lading.
- 3^o The carrier shall remit all C.O.D. money to the consignor, or person designated by the consignor, within fifteen days of collection.
- 4^o The carrier shall keep all C.O.D. money in a trust fund or account separate from the other revenues and funds of the carrier's business.
- 5^o The carrier shall include the charges for collecting and remitting money paid by consignees in the carrier's schedule of rates.

II. OTHER PROVISIONS

21. All other provisions agreed to by the parties shall be set out in the bill of lading.

NEED MORE INFORMATION?

If you need more information about the new regulation, contact us by phone or visit our Website:

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