

STANDARD CONTRACT TERMS AND CONDITIONS FOR MERCHANDISE WAREHOUSEMEN

ACCEPTANCE - Sec. 1

- (a) This contract and rate quotation including accessorial charges endorsed on or attached hereto must be accepted within 30 days from the proposal date by signature of depositor on the reverse side of the contract. In the absence of written acceptance, storage or other services by warehouseman within 30 days from the proposal date shall constitute such acceptance by depositor.
- (b) In the event that goods tendered for storage or other services do not conform to the description contained herein, or conforming goods are tendered after 30 days from the proposal date without prior written acceptance by depositor as provided in paragraph (a) of this section, warehouseman accepts such goods, depositor agrees to rates and charges as may be assigned and invoiced by warehouseman and to all terms of this contract.
- (c) This contract may be cancelled by either party upon 30 days written notice and is cancelled if no storage or other services are performed under this contract for a period of 180 days.

SHIPPING - Sec. 2

Depositor agrees not to ship goods to warehouseman as the named consignee. If, in violation of this agreement, goods are shipped to warehouseman as named consignee, depositor agrees to notify carrier in writing prior to such shipment, with copy of such notice to the warehouseman, that warehouseman named as consignee is a warehouseman and has no beneficial title or interest in such property, and depositor further agrees to indemnify and hold harmless warehouseman from any and all claims for unpaid transportation charges, including under charges, demurrage, detention or charges of any nature, in connection with goods so shipped. Depositor further agrees that, if it fails to notify carrier as required by the next preceding sentence, warehouseman shall have the right to refuse such goods and shall not be liable or responsible for any loss, injury or damage of any nature to, or related to such goods. Depositor agrees that all promises contained in this section will be binding on depositor's heirs, successors and assigns.

TENDER FOR STORAGE - Sec. 3

All goods for storage shall be delivered at the warehouse properly marked and packaged for handling. The depositor shall furnish all or prior to such delivery, a manifest showing marks, brands, or sizes to be kept and accounted for separately, and the class of storage and other services desired.

STORAGE PERIOD AND CHARGES - Sec. 4

- (a) All charges for storage are per package or other agreed unit per month.
- (b) Storage charges become applicable upon the date that warehouseman accepts care, custody and control of the goods, regardless of unloading date or date of issue of warehouse receipt.
- (c) Except as provided in paragraph (d) of this section, a full month's storage charge will apply on all goods received between the first and the 15th, inclusive, of a calendar month: one-half month's storage charge will apply on all goods received between the 16th and last day, inclusive, of a calendar month, and a full month's storage charge will apply to all goods in storage on the first day of the next and succeeding calendar months. All storage charges are due and payable on the first day of storage for the initial month and hereafter on the first day of the calendar month.
- (d) When mutually agreed by the warehouseman and the depositor, a storage month shall extend from a date in one calendar month to, but not including, the same date of the next and all succeeding months. All storage charges are due and payable on the first day of the storage month.

TRANSFER, TERMINATION OF STORAGE, REMOVAL OF GOODS - Sec. 5

- (a) Instructions to transfer goods on the books of the warehouseman are not effective until delivered to and accepted by warehouseman, and all charges up to the time transfer is made are chargeable to the depositor of record. If a transfer involves rehandling the goods, such will be subject to a charge. When goods in storage are transferred from one party to another through issuance of a new warehouse receipt, a new storage date is established on the date of transfer.
- (b) The warehouseman reserves the right to move, at his expense, 14 days after notice is sent by certified or registered mail to the depositor of record or to the last known holder of the negotiable warehouse receipt, any goods in storage from the warehouse in which they may be stored to any other of his warehouses, but if such depositor or holder takes delivery of his goods in lieu of transfer, no storage shall be made for the current storage month. The warehouseman may, without notice, move goods within the warehouse in which they are stored.
- (c) The warehouseman may, upon written notice to the depositor of record and any other person known by the warehouseman to claim an interest in the goods, require the removal of any goods by the end of the next succeeding storage month. Such notice shall be given to the last known place of business or abode of the person to be notified, if goods are not removed before the end of the next succeeding storage month, the warehouseman may sell them in accordance with applicable law.
- (d) If warehouseman in good faith believes that the goods are about to deteriorate or decline in value to less than the amount of warehouseman's lien before the end of the next succeeding storage month, the warehouseman may specify in the notification any reasonable shorter time for removal of the goods and in case the goods are not

removed, may sell them at public sale held one week after a single advertisement or posting as provided by law.

- (e) If as a result of a quality or condition of the goods of which the warehouseman had no notice at the time of deposit the goods are a hazard to other property or to the warehouse or to persons, the warehouseman may sell the goods at public or private sale without advertisement on a reasonable notification to all persons known to claim an interest in the goods. If the warehouseman after a reasonable effort is unable to sell the goods he may dispose of them in any lawful manner and shall incur no liability by reason of such disposition. Pending such disposition, sale or return of the goods, the warehouseman may remove the goods from the warehouse and shall incur no liability by reason of such removal.

HANDLING - Sec. 6

- (a) The handling charge covers the ordinary labor involved in receiving goods at warehouse door, placing goods in storage, and returning goods to warehouse door. Handling charges are due and payable on receipt of goods.
- (b) Unless otherwise agreed, labor for unloading and loading goods will be subject to a charge. Additional expenses incurred by the warehouseman in receiving and handling damaged goods, and additional expense in unloading from or loading into cars or other vehicles not at warehouse door will be charged to the depositor.
- (c) Labor and materials used in loading rail cars or other vehicles are chargeable to the depositor.
- (d) When goods are ordered out in quantities less than in which received, the warehouseman may make an additional charge for each order or each item of an order.
- (e) The warehouseman shall not be liable for demurrage, delays in unloading inbound cars or delays in obtaining and loading cars for outbound shipment unless warehouseman has failed to exercise reasonable care.

DELIVERY REQUIREMENTS - Sec. 7

- (a) No goods shall be delivered or transferred except upon receipt by the warehouseman of complete instructions properly signed by the depositor. However, when no negotiable receipt is outstanding, goods may be delivered upon instructions by telephone in accordance with a prior written authorization, but the warehouseman shall not be responsible for loss or error occasioned thereby.
- (b) When a negotiable receipt has been issued no goods covered by that receipt shall be delivered, or transferred on the books of the warehouseman, unless the receipt, properly endorsed, is surrendered for cancellation, or for endorsement of partial delivery thereon. If a negotiable receipt is lost or destroyed, delivery of goods may be made only upon order of a court of competent jurisdiction and the posting of security approved by the court as provided by law.
- (c) When goods are ordered out a reasonable time shall be given by the warehouseman to carry out instructions, and if he is unable because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots and civil commotions, or any reason beyond the warehouseman's control, or because of loss or destruction of goods for which warehouseman is not liable, or because of any other excuse provided by law, the warehouseman shall not be liable for failure to carry out such instructions and goods remaining in storage will continue to be subject to regular storage charges.

EXTRA SERVICES (SPECIAL SERVICES) - Sec. 8

- (a) Warehouse labor required for services other than ordinary handling and storage will be charged to the depositor.
- (b) Special services requested by depositor including but not limited to compiling of special stock statements, reporting marked weight, serial numbers or other data from packages, physical check of goods, and handling transit billing will be subject to a charge.
- (c) Dunnage, bracing, packing materials or other special supplies, may be provided for the depositor at a charge in addition to the warehouseman's costs.
- (d) By prior arrangement, goods may be received or delivered during other than usual business hours, subject to a charge.
- (e) Communication expense including postage, teletype, telegram, or telephone, will be charged to the depositor if such concern more than normal inventory reporting or, if, at the request of the depositor, communications are made by other than regular United States Mail.

BONDED STORAGE - Sec. 9

- (a) A charge in addition to regular rates will be made for merchandise in bond.
- (b) Where a warehouse receipt covers goods in US Customs bond, such receipt shall be void upon the termination of the storage period fixed by law.

MINIMUM CHARGES - Sec. 10

- (a) A minimum handling charge per lot and a minimum storage charge per lot per month will be made. When a warehouse receipt covers more than one lot or when a lot is in assortment, a minimum charge per mark, brand, or variety will be made.
- (b) A minimum monthly charge to one account for storage and/or handling will be made. This charge will apply also to each account when one customer has several accounts, each requiring separate records and billing.

LIABILITY AND LIMITATION OF DAMAGES - Sec. 11

- (a) THE WAREHOUSEMAN SHALL NOT BE LIABLE FOR ANY LOSS OR INJURY TO GOODS STORED HOWEVER CAUSED UNLESS SUCH LOSS OR INJURY RESULTED FROM THE FAILURE BY THE WAREHOUSEMAN TO EXERCISE SUCH CARE IN REGARD TO THEM AS A REASONABLY CAREFUL MAN WOULD EXERCISE UNDER LIKE CIRCUMSTANCES AND WAREHOUSEMAN IS NOT LIABLE FOR DAMAGES WHICH COULD NOT HAVE BEEN AVOIDED BY THE EXERCISE OF SUCH CARE.

- (b) GOODS ARE NOT INSURED BY WAREHOUSEMAN AGAINST LOSS OR INJURY HOWEVER CAUSED.
- (c) THE DEPOSITOR DECLARES THAT DAMAGES ARE LIMITED TO 125 TIMES THE BASE STORAGE RATE PROVIDED, HOWEVER THAT SUCH LIABILITY MAY AT THE TIME OF ACCEPTANCE OF THIS CONTRACT AS PROVIDED IN SECTION 1 BE INCREASED ON PART OR ALL OF THE GOODS HEREUNDER IN WHICH EVENT A MONTHLY CHARGE OF 1/2 % ON THE EXCESS VALUATION WILL BE MADE IN ADDITION TO THE REGULAR MONTHLY STORAGE CHARGE. THE "BASE STORAGE RATE" SHALL BE DEFINED AS THE RATE PER SQUARE FOOT PER MONTH. IN THE EVENT THE STORAGE IS BASED ON A MEASURE OTHER THAN SQUARE FOOTAGE, (PER CWT, PACKAGE, PALLET, TON CUBE, ETC.) THE LIMIT OF LIABILITY SHALL BE 50 (FIFTY) TIMES THE MONTHLY PER UNIT STORAGE RATE. NOTWITHSTANDING ANYTHING TO THE CONTRARY, ALL SUCH DAMAGE CLAIMS SHALL NOT EXCEED THE STORER'S COST THEREFORE PLUS INCURRED FREIGHT AND WAREHOUSE CHARGES.
- (d) ALL GOODS ARE SECURED, STORED AND SHIPPED AT CUSTOMER'S AND/OR OWNER'S RISK OF LOSS, DAMAGE OR DELAY WHEN CAUSED BY ACTS OF GOD, CIVIL OR MILITARY AUTHORITY, ENEMIES OF THE GOVERNMENT, INSURRECTIONS, RIOTS, STRIKES, CIVIL COMMOTIONS, SEIZURE UNDER LEGAL PROCESS, LABOR DISPUTES, CONCEALED DAMAGE, SHRINKAGE DUE TO THE NATURE OF THE GOODS, REACTION TO TEMPERATURE OR ATMOSPHERE, BURGLARY, THEFT, LOCKOUTS, PICKETING OR INTENTIONAL OR MALICIOUS ACTS OF THIRD PERSONS OR ANY OTHER ORGANIZED OPPOSITION, BY WATER SPRINKLER LEAKAGE, FIRE, FLOOD, WINDSTORM, CYCLONES, ATMOSPHERIC CONDITIONS, MOTHS, VERMIN, INSECTS, CORRUPTIONS, EARTHQUAKES, TIDAL WAVES, TORNADOES OR PREDEPREDATION OR BY ANY OTHER CAUSE BEYOND CONTROL OF THE WAREHOUSEMAN. THE DEPOSITOR SPECIFICALLY AGREES THAT WAREHOUSEMAN SHALL NOT BE LIABLE TO DEPOSITOR FOR ANY LOSS OR DAMAGE CAUSED BY OR DUE TO ANY OF THE OCCURRENCES MENTIONED IN THIS PARAGRAPH.
- (e) THE WAREHOUSEMAN SHALL NOT BE RESPONSIBLE FOR SHRINKAGE OR LOSS IN WEIGHT NOR FOR LOSS OR DAMAGE TO GOODS RESULTING FROM IMPROPER OR INSUFFICIENT PACKING, COOPERAGE, BOXING, CRATING, WEAR AND TEAR OR INHERENT QUALITIES OF THE GOODS. THE WAREHOUSEMAN SHALL NOT BE HELD RESPONSIBLE FOR LOSS OF GOODS BY LEAKAGE OR THROUGH FAILURE TO DETECT SAME OR FOR CONCEALED DAMAGE ALL STORAGE AND HANDLING CHARGES MUST BE PAID ON GOODS LOST OR DAMAGED DUE TO ANY CAUSES SET FORTH IN PARAGRAPHS (d) AND (e) ABOVE OR ANY OTHER CAUSES SET FORTH IN THIS AGREEMENT.
- (f) THE WAREHOUSEMAN SHALL BE ENTITLED TO ALL SALVAGE RIGHTS ARISING FROM SETTLEMENT OR PAYMENT OF LOSS CLAIMS HEREUNDER.

NOTICE OF CLAIM AND FILING OF SUIT - Sec. 12

- (a) Claims by the depositor and all other persons must be presented in writing to the warehouseman within a reasonable time, and in no event longer than either 60 days after delivery of the goods by the warehouseman or 60 days after depositor of record or the last known holder of a negotiable warehouse receipt is notified by the warehouseman that loss or injury to part or all of the goods has occurred, whichever time is shorter.
- (b) No action may be maintained by the depositor or others against the warehouseman for loss or injury to the goods stored unless timely written claim has been given as provided in paragraph (a) of this section and unless such action is commenced either within nine months after date of delivery by warehouseman, or within nine months after depositor of record or the last known holder of a negotiable warehouse receipt is notified that loss or injury to part or all of goods has occurred, whichever time is shorter.
- (c) When goods have not been delivered, notice may be given of known loss or injury to the goods by mailing of a registered or certified letter to the depositor of record or to the last known holder of a negotiable warehouse receipt. Time limitations for presentation of claim in writing and maintaining of action after notice begin on the date of mailing of such notice by warehouseman.

Additional Terms and Conditions Applicable to this Contract and Rate Quotation

Nothing entered hereon shall be construed to extend the warehouseman's liability beyond the standard of care specified in Section 11 above.