

STANDARD CONTRACT TERMS AND CONDITIONS FOR MERCHANDISE WAREHOUSEMEN

- 1. TENDER FOR STORAGE** All goods for storage shall be delivered at the warehouse properly marked and packed for handling. The storer shall furnish at or prior to such delivery, a manifest showing marks, brands or sizes to be kept and accounted for separately, and the class of storage desired.
- 2. STORAGE PERIOD AND CHARGES** (a) All goods are stored on a month to month basis. 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 calendar months, except as provided in paragraph 2(b). (b) When mutually agreed by the warehouseman and the depositor, a full month's storage charge will apply on all goods received between the first and 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 store on the first day of the next and succeeding calendar months. (c) All charges for storage are per package or other agreed unit per month. Except as provided in paragraph 2(b) a month's storage charge shall apply to goods stored for any fraction of a month. All charges for storage are due on the first day of the storage month.
- 3. TRANSFER, TERMINATION OF STORAGE, REMOVAL** (a) Instructions to transfer goods on the books of the warehouseman are not effective until delivered to and accepted by him, and all charges up to the time transfer is made are chargeable to the storer of record. If a transfer involves re-handling the goods, it will be subject to a charge. When goods in storage are transferred from one party of 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 own expense of transfer, and upon notice sent by certified or registered mail to the storer 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 storer or holder takes delivery of his goods in lieu of transfer, no storage charge 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 storer of record and to 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 by delivery in person or by certified or registered letter addressed to the last known place of business or abode of the person to be notified. (d) If warehouseman in good faith believe 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 sell them in accordance with applicable law. (e) In the event goods may be about to deteriorate or may constitute a hazard to other property or to the warehouse or persons, the goods may be removed or disposed of by the warehouseman as provided by law.
- 4. HANDLING** The handling charge covers the ordinary labor involved in receiving goods at warehouse door, placing goods in storage and returning of goods to the warehouse door. The handling charge, unless otherwise specified, includes the unloading of regular box cars. Handling charges will be billed with the storage for the first month. (b) Labor for unloading goods from other than regular box cars will be charged the storer. (c) Any additional expenses incurred by the warehouseman in unloading damaged goods will be charged to the storer. (d) Labor and materials used in loading rail cars or other vehicles are chargeable to the storer. (e) The warehouseman, unless he has failed to exercise due care and diligence, shall not be responsible for demurrage, nor for delays in unloading inbound cars, nor for delays in obtaining cars for outbound shipments. (f) 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.
- 5. DELIVERY REQUIREMENTS** (a) No goods shall be delivered or transferred except upon receipt by the warehouseman of complete instructions properly signed by the storer. However, when no negotiable receipt is outstanding goods may be delivered upon instructions by telephone in accordance with a prior written agreement, but the warehouseman shall not be held 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 giving of a bond with sufficient sureties to be approved by the court. (c) When goods are ordered out a reasonable time shall be given the warehouseman to carry out instructions, and if he is unable because of fire, acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots and civil commotions or causes beyond his control to effect delivery before expired storage dates, the goods will continue to be subject to regular storage charges.
- 6. EXTRA SERVICES (Special Services)** (a) Warehouse labor required for services other than ordinary handling and storage will be charged to the storer. (b) Clerical labor for compiling of special stock statements, for reporting marked weights, serial numbers or other data from packages in storer, or for the physical check of goods in store, or for handling transit billing, or other similar services, will be charged to the storer. (c) Dunnage, bracing, packing materials, or other special supplies, may be provided for the storer at a charge in addition to the warehouseman's cost. (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 storer at cost if they concern more than the normal inventory reporting or it, at the request of the storer, communications are made by other than regular United States mail.
- 7. MINIMUM CHARGES** (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.
- 8. LIABILITY** (a) The warehouseman assumes no liability for any loss or injury to the goods stored which could not have been avoided by the exercise of reasonable care required by law of a reasonably careful man. Goods are stored at depositor's risk of loss or damage by acts of God, seizure or other acts of civil or military authority, insurrection, riot, strike, or enemies of the government, for loss or damage resulting from inadequate packaging or wear and tear, or from any cause not originating in the warehouse, or from any cause beyond the warehouseman's control. Warehouseman shall not be responsible for loss or damage resulting from sprinkler leakage, fire, insect or rodent infestation, or any other cause, unless such damage results from his failure to exercise the degree of care required by law. (b) Goods which are subject to damage through temperature or humidity changes or other causes incident to general storage will be received in general storage only at depositor's risk for such damage as might result from general storage conditions. (c) Goods are not insured by the warehouseman for the benefit at the depositor against any other loss or injury. (d) Depositor shall cause warehouseman to be named as an additional insured under any policy insuring goods in storage.
- 9. LIMITATION OF DAMAGES AND CLAIMS** (a) The depositor declares that damages are limited to 2 times the base storage rate provided, however, that such liability may on written request of the depositor within a reasonable time after receipt of warehouse receipt be increased on part or all of the goods hereunder, in which event a monthly charge of 2/10 of one per cent per month on the excess valuation will be made in addition to the regular monthly storage charge. (b) Claims by the depositor must be presented in writing within a reasonable time, and in no event longer than 60 days after delivery of the goods. No action may be maintained by the depositor against the warehouseman for loss of damage to goods covered hereunder unless commenced within nine months next after date of delivery by the warehouseman.
- 10. MUTUAL SUBROGATION** Depositor and warehouseman each hereby waive any and all rights of recovery against the other for loss or damage to such waiving party's property or the property of others under its control to the extent that such loss or damage is insured against under any insurance policy in force at the time of such loss and damage.
- 11. LAW OF APPLICATION** This agreement governed by California law and any dispute will be resulted in the City of Industry, California.
- 12. DISAGREEMENT CONSTITUTE** Any changes of this agreement between depositor and warehouseman must be in writing signed by both parties.