

GENERAL TERMS AND CONDITIONS GOVERNING HANDLING AND STORAGE

The within non-negotiable warehouse Receipt is given by Schenker, Inc. (hereinafter called the "Warehouse") and accepted by the depositor of the property named on the face hereof (the "Depositor") subject to the following Terms and Conditions. The property covered may be delivered to the Depositor without surrender of this receipt.

1. DEFINITIONS

The word "Carrier" as herein and hereinafter used means the railroad, barge line, or motor-truck agent delivering property to or receiving property from the Warehouse. The word "Package" as herein and hereinafter used means the unit or units of property for which a separate account is to be kept by the Warehouse.

2. WAREHOUSE'S LIEN

WAREHOUSE CLAIMS A LIEN ON THE GOODS COVERED BY THIS RECEIPT, AND A LIEN ON ALL GOODS HERETOFORE, CONCURRENTLY, OR HEREAFTER RECEIVED BY WAREHOUSE FOR THE ACCOUNT OF THE DEPOSITOR OR OF ANY OTHER PERSONS AND ORGANIZATION HAVING AN INTEREST IN THE GOODS COVERED BY THIS RECEIPT, FOR ALL CHARGES FOR STORAGE OR TRANSPORTATION (INCLUDING DEMURRAGE AND TERMINAL CHARGES), INSURANCE, LABOR OR OTHER CHARGES PRESENT OR FUTURE IN RELATION TO THE PROPERTY COVERED BY THIS RECEIPT, AND FOR EXPENSES NECESSARY FOR THE PRESERVATION OF SUCH PROPERTY OR REASONABLY INCURRED IN THEIR SALE. WAREHOUSE ALSO RESERVES A SECURITY INTEREST IN ALL GOODS ABOVE NOTED (I) FOR ALL CHARGES ENUMERATED IN THE PRECEDING PARAGRAPH WHICH HAVE BEEN INCURRED SINCE THE ORIGINAL DATE OF ARRIVAL OF SAID GOODS AS INDICATED HEREON, TO THE EXTENT THAT SAID CHARGES ARE NOT SECURED BY A VALID LIEN, AND (II) FOR ADVANCES MADE, INTEREST THEREON AND LIABILITIES INCURRED AS INDICATED HEREON. WHEN ANY AMOUNTS, FOR WHICH THE WAREHOUSE HAS RESERVED A SECURITY INTEREST, HAVE REMAINED DUE AND UNPAID FOR 90 DAYS, THE DEPOSITOR SHALL BE DEEMED TO BE IN DEFAULT SO AS TO AUTHORIZE THE WAREHOUSE TO DISPOSE OF THE PROPERTY, AT ITS OPTION, IN THE ENFORCEMENT OF THE SAID SECURITY INTEREST. ALL PROPERTY SUBJECT TO THE LIEN OR TO THE SECURITY INTEREST, BOTH HEREIN FURTHER DESCRIBED, AND ALL PROPERTY, THE REMOVAL OF WHICH HAS BEEN REQUIRED AS HEREAFTER PROVIDED, MAY BE DISPOSED OF IN ANY MANNER AND BY ANY PROCEDURE THEN AUTHORIZED BY THE LAWS OF THE STATE IN WHICH THE PROPERTY IS STORED BY THE WAREHOUSE.

3. TENDER FOR STORAGE AND HANDLING

Each shipment of Depositor's property to the Warehouse constitutes a separate tender and the Warehouse may reject subsequent tenders of property whether identical or not. The Warehouse may also reject any tender of property which does not conform to all terms (including quantity and description) of the quotation issued by the Warehouse. All property shall be delivered to the Warehouse properly marked and packed for handling and storage. Unless arranged for in advance by the Depositor, the property may be placed in general storage at the Warehouse's discretion without regard for temperature or humidity conditions and without responsibility for freezable property. The Depositor shall furnish prior to delivery to the Warehouse a manifest showing marks, brands, or sizes of the Packages to be kept and accounted for separately and the class of storage desired. Delivery of any or all of a Package of property shall be made without subsequent sorting except by special arrangement subject to a charge. Unless the Depositor shall otherwise specify in advance of receipt by the Warehouse, the property may be stored in bulk or assorted Packages at the discretion of the Warehouse. The contents of the containers or the property referred to on the face of this receipt were not inspected by the Warehouse for condition, form, color, nor for concealed loss, damage or leakage. The Warehouse undertakes to handle, store, and deliver property only in the Packages in which it was originally received. When deterioration or failure of containers or packages requires, the Warehouse at its discretion may repackage or re-cooper the contents and a charge for labor and material used shall be made. The Warehouse accepts no responsibility for such repair or replacement.

4. RATES

Rates for handling and storage are quoted subject to change at anytime by written notice from Warehouse to the Depositor. Such changes are to be effective at the end of the month next succeeding the month in which notice is mailed by the Warehouse.

5. HANDLING

(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 Warehouse 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 Warehouse may make an additional charge for each order or each item of an order.
(e) The Warehouse shall not be liable for demurrage or detention, delays in unloading inbound cars, trailers or other containers, or delays in obtaining and loading cars, trailers or other containers for outbound shipment unless Warehouse has failed to exercise reasonable care.

6. STORAGE PERIOD AND CHARGES

(a) All charges for storage are per package or other agreed unit per month.
(b) Storage charges become applicable upon the date that Warehouse 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 thereafter in advance on the first day of each calendar month.
(d) When mutually agreed by the Warehouse 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.

7. TRANSFER, TERMINATION OF STORAGE, REMOVAL OF GOODS

(a) Instructions to transfer goods on the books of the Warehouse are not effective until delivered to and accepted by Warehouse, and all charges up to the time transfer is made are chargeable to the Depositor. 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 Warehouse reserves the right to move, at its expense, 14 days after notice is sent by certified or registered mail to the Depositor any goods in storage from the facility in which they may be stored to any other of his facilities; but if such Depositor takes delivery of his goods in lieu of transfer, no storage charge shall be made for the current storage month. The Warehouse may, without notice, move goods within the facility in which they are stored.
(c) The Warehouse may, upon written notice to the Depositor and any other person known by the Warehouse 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 Warehouse may sell them in accordance with applicable law.
(d) If the Warehouse in good faith believes that the goods are about to deteriorate or decline in value to less than the amount of Warehouse's lien before the end of the next succeeding storage month, the Warehouse 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 Warehouse had no notice at the time of deposit, the goods are a hazard to other property or to the facility or to persons, the Warehouse may sell the goods at public or private sale without advertisement on reasonable notification to all persons known to claim an interest in the goods. If the Warehouse 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 Warehouse may remove the goods from the facility and shall incur no liability by reason of such removal.

8. DELIVERY REQUIREMENTS

(a) No goods shall be delivered or transferred except upon receipt by the Warehouse of complete written instructions properly signed by the Depositor, provided, however, that goods may be delivered upon instructions by telephone in accordance with a prior written authorization, but the Warehouse shall not be responsible for loss or error occasioned thereby.
(b) When goods are ordered out a reasonable time shall be given the Warehouse to carry out instructions, and if it is unable because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots and civil commotion, or any reason beyond the Warehouse's reasonable control, or because of loss or destruction of goods for which Warehouse is not liable, or because of any other excuse provided by law, the Warehouse 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.

9. SHIPPING

Depositor agrees not to ship goods to Warehouse as the named consignee. If, in violation of this agreement, goods are shipped to Warehouse warehouseman as named consignee, Depositor agrees to notify carrier in writing prior to such shipment, with copy of such notice to the Warehouse warehouseman, that Warehouse 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 Warehouse from any and all claims for unpaid transportation charges, including undercharges, 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 preceding sentence, Warehouse 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.

10. EXTRA SERVICES

(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 weights, 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 Warehouse'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 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.

11. MINIMUM CHARGES

(a) A minimum handling charge per Package and a minimum storage charge per Package per month will be made. When a warehouse receipt covers more than one Package or when a Package 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.

12. LIABILITY AND LIMITATION OF DAMAGES

(A) THE WAREHOUSE 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 WAREHOUSE TO EXERCISE SUCH CARE IN REGARD TO SUCH GOODS AS A REASONABLY CAREFUL MAN WOULD EXERCISE UNDER LIKE CIRCUMSTANCES AND THE WAREHOUSE IS NOT LIABLE FOR ANY LOSS OR INJURY: (i) WHICH COULD NOT HAVE BEEN AVOIDED BY THE EXERCISE OF SUCH CARE IN THE HANDLING, STORAGE, PACKING, UNPACKING, SHIPPING AND RECEIVING OF THE GOODS, AND WHILE THE GOODS ARE AWAITING SUCH OPERATIONS; or (ii) WHICH ARISES FROM NATURAL DECAY, LEAKAGE, RODENTS, INFESTATIONS, FIRE, FLOOD, STRIKES, LOCKOUTS, BOYCOTTS, OTHER LABOR DISTURBANCE, WEATHER, PROVIDENTIAL CAUSES, AND THE ACT OF ANY GOVERNMENTAL AGENCY OR PUBLIC ENEMY. WAREHOUSE SHALL HAVE NO LIABILITY FOR ANY ACTION, OR INACTION OF CARRIERS, INCLUDING ANY CARRIER'S FAILURE TO COMPLY WITH APPLICABLE LAWS OR REGULATIONS.
(B) GOODS ARE NOT INSURED BY WAREHOUSE AGAINST LOSS OR INJURY HOWEVER CAUSED.
(C) LIABILITY OF WAREHOUSE FOR LOSS OR DAMAGE TO THE GOODS STORED OR HANDLED, HOWEVER CAUSED, SHALL BE LIMITED TO THE ACTUAL DAMAGE OR LOSS TO SUCH GOODS, PROVIDED, THAT IN NO EVENT SHALL SUCH LIABILITY EXCEED \$50 PER PACKAGE OF SUCH GOODS DESCRIBED ON THE FACE OF THIS RECEIPT. PROVIDED, HOWEVER, THAT SUCH LIABILITY MAY UPON WRITTEN REQUEST OF DEPOSITOR BE INCREASED AT THE TIME THAT THE GOODS ARE RECEIVED AT THE WAREHOUSE OR WITHIN A REASONABLE TIME AFTER RECEIPT OF THE WAREHOUSE RECEIPT ON PART OR ALL OF THE GOODS HEREUNDER IN WHICH EVENT ADDITIONAL MONTHLY CHARGE WILL BE MADE BASED UPON SUCH INCREASED LIABILITY.
(D) THE LIMITATION OF PARAGRAPHS 12(A) AND (C) SHALL NOT APPLY TO CLAIMS FOR LOSS OR DAMAGES ARISING OUT OF CONVERSION OF DEPOSITOR'S GOODS TO WAREHOUSE'S OWN USE.

13. LIABILITY FOR CONSEQUENTIAL DAMAGES

NOTWITHSTANDING ANY OTHER TERM OR PROVISION OF THIS AGREEMENT, WAREHOUSE WILL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, OR INDIRECT DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS OR LOST BUSINESS OPPORTUNITIES, FOR ANY CAUSE OF ACTION, WHETHER IN CONTRACT OR TORT, AND WHETHER OR NOT THE WAREHOUSE WAS AWARE OR SHOULD HAVE BEEN AWARE OF THE POSSIBILITY OF SUCH DAMAGES

14. LIABILITY FOR MISSHIPMENT

If Warehouse negligently mis-ship goods, the Warehouse shall pay the reasonable transportation charges incurred to return the mis-shipped goods to the warehouse. If the consignee fails to return the goods, warehouseman's maximum liability shall be for the lost or damaged goods as specified in Section 12 above, and Warehouse shall have no liability for damages due to the consignee's acceptance or use of the goods whether such goods be those of the Depositor or another.

15. MYSTERIOUS DISAPPEARANCE

Warehouse shall not be liable for loss of goods due to inventory shortage or unexplained or mysterious disappearance of goods unless Depositor establishes such loss occurred because of warehouseman's failure to exercise the care required of Warehouse under Section 12 above. Any presumption of conversion imposed by law shall not apply to such loss and a claim by Depositor of conversion must be established by affirmative evidence that the Warehouse converted the goods to the warehouseman's own use.

16. RIGHT TO STORE GOODS

Depositor represents and warrants that Depositor is lawfully possessed of the goods and has the right and authority to store them with warehouseman. Depositor agrees to indemnify and hold harmless the Warehouse from all loss, cost and expense (including reasonable attorneys' fees) which Warehouse pays or incurs as a result of any dispute or litigation, whether instituted by Warehouse or others, respecting Depositor's right, title or interest in the goods. Such amounts shall be charges in relation to the goods and subject to the lien described in Section 2 above.

17. NOTICE OF CLAIM AND FILING OF SUIT

(a) Claims by the Depositor and all other persons must be presented in writing to the Warehouse within a reasonable time, and in no event longer than either 60 days after delivery of the goods by the Warehouse or 60 days after Depositor or the last known holder of a negotiable warehouse receipt is notified by the Warehouse 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 Warehouse 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 Warehouse or within nine months after Depositor is notified that loss or injury to part or all of the 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. Time limitations for presentation of claim in writing and maintaining of action after notice begin on the date of mailing of such notice by Warehouse.

18. THIRD PARTY BENEFICIARY INDEMNITY

Except as expressly provided herein, no person other than Depositor and the Warehouse shall have any right or privilege hereunder, and Depositor shall indemnify and hold Warehouse harmless for claims against Warehouse brought by third party privies of Depositor against Warehouse whenever such claims, arising out of loss or damage to Depositor's property stored hereunder exceed the limits provided in paragraph 11 hereof.

19. NOTICE

Whenever, by the provisions of the laws or regulations of jurisdiction, or by the terms of this instrument, the Warehouse is required or authorized to notify any person of any fact or agent, past or future, it is agreed that such notification shall be reasonable and sufficient if sent in writing by ordinary mail to such person at his last known address, which in the case of the Depositor shall be address written on the face of this warehouse receipt issued to such Depositor.

20. ACCURATE INFORMATION

Depositor will provide Warehouse with information concerning the stored goods which is accurate, complete and sufficient to allow Warehouse to comply with all laws and regulations concerning the storage, handling and transporting of the stored goods. Depositor will indemnify and hold Warehouse harmless from all loss, cost, penalty and expense (including reasonable attorneys' fees) which Warehouse pays or incurs as a result of Depositor failing to fully discharge this obligation.

21. SEVERABILITY and WAIVER

(a) If any provision of this receipt or any application thereof, should be construed or held to be void, invalid or unenforceable, by order, decree or judgment of a court of competent jurisdiction, the remaining provisions of this receipt shall not be affected thereby but shall remain in full force and effect.
(b) Warehouseman's failure to require strict compliance with any provision of the Warehouse Receipt shall not constitute a waiver or estoppels to later demand strict compliance with that or any other provision(s) of this Warehouse Receipt.
(c) The provisions of this Warehouse Receipt shall be binding upon the Depositor's heirs, executors, successors and assigns; contain the sole agreement governing goods stored with the warehouseman; and, cannot be modified except by a writing signed by warehouseman.