

**MIDWAY OCEAN AGENCIES, INC.**  
**WAREHOUSE RECEIPT TERMS & CONDITIONS**

No. \_\_\_\_\_ Newark, NJ

Dated \_\_\_\_\_

**Received** by Midway Ocean Agencies, Inc ("Midway" or "the Warehouseman"), with charges for the account of: \_\_\_\_\_ (the "Owner") for storage on the terms and conditions herein set forth, the goods to be stored in the warehouse located at \_\_\_\_\_, the following described goods (or packages containing goods):

\_\_\_\_\_  
\_\_\_\_\_

The goods herein described will be delivered on demand to the Owner paying the charges herein mentioned. Goods covered by this receipt may be kept separate from goods covered by other receipts.

The rate of storage charges shall be \$ \_\_\_\_\_ per month. Three months' storage will be charged for any fraction of the first three months. Any fraction of subsequent months will be considered one full month's storage.

Notice is hereby given that liabilities have been incurred upon the said goods in the amount of \$ \_\_\_\_\_ for which the Warehouseman claims a lien. This is the presently known amount which may increase if costs of preserving the goods and/or collecting the lien increase. All like liens arising against these or other goods of the Owner's may be charged against these or other of the Owner's goods whenever deposited whether or not these goods or the other goods have been delivered.

Any claim against the warehouseman for loss or damage must be made within seven days after the delivery of said goods as herein provided.

**VALUE OF GOODS STORED**

The Owner agrees that the value in case of loss or damage, whether arising out of the storage, transportation, packing, unpacking or the handling of the goods and the liability of the company for any cause for which it may be liable for each or any piece or package and the contents thereof does not exceed and is limited to fifty cents (\$0.50) per 100 lbs.

**DECLARATION OF ADDITIONAL VALUE**

The Owner declares that the value in case of loss or damage (whether arising out of the storage, transportation, packing, unpacking or handling of the goods) for which it requests that the warehouseman arrange additional insurance, if possible, is the sum of \$ \_\_\_\_\_.

**CHARGES TO BE PAID BEFORE DELIVERY**

All charges made by the warehouseman for storage of the goods as herein provided must be paid before the delivery or transfer of such goods.

**TERMS AND CONDITIONS.**

**OUR WAREHOUSE TERMS AND CONDITIONS ARE FULLY INCORPORATED INTO THIS WAREHOUSE RECEIPT. A COPY OF OUR WAREHOUSE TERMS AND CONDITIONS IS PRINTED ON THE REVERSE SIDE OF THIS RECEIPT AND IS AVAILABLE ON MIDWAY'S WEBSITE AT \_\_\_\_\_. BY SIGNING THIS WAREHOUSE RECEIPT, YOU ACKNOWLEDGE THAT YOU HAVE REVIEWED CAREFULLY OR HAVE HAD SUFFICIENT OPPORTUNITY TO REVIEW CAREFULLY THE SAID TERMS AND CONDITIONS. YOU EXPRESSLY WAIVE ANY CLAIM OR DEFENSE THAT THE SAID TERMS AND CONDITIONS IS NOT A VALID PART OF A CONTRACT BETWEEN YOU AND MIDWAY.**

**ALL CONDITIONS STATED IN RECEIPT**

No agreement has been made between the parties hereto or any conditions provided for except as stated in this receipt and no person is authorized to make any other agreements or conditions on behalf of the warehouseman.

Signature \_\_\_\_\_

Date \_\_\_\_\_

**SECTION 1 DEFINITIONS.**

As used in this Warehouse Receipt ("RECEIPT") or Contract and Rate Quotation ("RATE QUOTATION") the following terms have the following meanings:

(a) CONTRACT. COMPANY'S RECEIPT or RATE QUOTATION containing these Contract Terms and Conditions.

(b) STORER. The person, firm, corporation or other entity for whom the GOODS described herein are stored and to whom this CONTRACT is issued and anyone else claiming an interest in the GOODS.

(c) COMPANY. Midway USA, Inc. It shall also include officers, directors, employees and agents of COMPANY while acting within the scope and course of their employment.

(d) WAREHOUSE. COMPANY'S warehouse complex identified on the front side of this CONTRACT.

(e) GOODS. The personal property and/or any portion thereof described herein which COMPANY has agreed to receive, handle and/or store pursuant to this CONTRACT.

(f) LOT. Unit or units of GOODS which are separately identified by the COMPANY.

(g) ADVANCE. All sums due or claimed to be due to COMPANY from STORER or others relating to the GOODS regardless of the source, whether liquidated or not, including but not limited to loans, disbursements, charges made for or on account of STORER or GOODS, necessary for preservation of GOODS or reasonably incurred in their sale pursuant to law.

## **SECTION 2 TENDER FOR STORAGE.**

(a) All GOODS for storage shall be delivered at the WAREHOUSE properly marked and packed for handling.

(b) STORER shall furnish, at or prior to delivery, a manifest showing marks, brands or sizes to be kept and accounted for separately and the class of storage desired. Otherwise the GOODS may be stored in bulk or assorted lots in freezer, cooler or general storage at the discretion of COMPANY and at the applicable storage rate.

(c) STORER will provide COMPANY with accurate and complete information concerning the GOODS sufficient to allow COMPANY to comply with all laws and regulations concerning the storage, handling and transportation of the GOODS and will indemnify and hold COMPANY harmless from all loss, cost, penalty and expense (including reasonable attorneys' fees) as a result of STORER'S failure to do so.

(d) Receipt and delivery of the GOODS shall be made without subsequent sorting except by special arrangement which may be subject to a charge.

(e) Unless otherwise agreed to in writing, COMPANY shall store and deliver GOODS only in the packages in which they are originally received and shall not segregate GOODS by production code date.

(f) Unless STORER shall have given, at or prior to delivery of the GOODS, written instructions to the contrary, COMPANY, in its discretion, may commingle and store in bulk different lots of fungible GOODS, whether or not owned by the same STORER.

(g) STORER agrees that all GOODS shipped to COMPANY shall identify STORER on the bill of lading or other contract of carriage as the consignee, in care of COMPANY, and shall not identify COMPANY as the consignee. If, contrary to this requirement, GOODS are shipped to COMPANY as consignee, STORER shall indemnify and hold COMPANY harmless from all claims for transportation, storage, handling and other charges relating to such GOODS.

## **SECTION 3 TERMINATION OF STORAGE.**

(a) COMPANY may, upon written notice, require the removal of the GOODS, or any portion thereof, from the WAREHOUSE within a stated period, not less than 30 days after such notification. If said GOODS are not so removed, COMPANY may sell them as provided by law and shall be entitled to exercise any other rights it has under the law with respect to said GOODS.

(b) If, in the opinion of COMPANY, GOODS may be about to deteriorate or decline in value to less than the amount of COMPANY'S lien, or may constitute a hazard to other property or to the WAREHOUSE or persons, the GOODS may be removed or disposed of by COMPANY as permitted by law. All charges related thereto shall be paid by STORER.

## **SECTION 4 STORAGE LOCATION.**

(a) The GOODS shall be stored, at COMPANY'S discretion, at any one or more buildings at the WAREHOUSE. The identification of any specific location within the WAREHOUSE does not guarantee that the GOODS shall be stored there. (b) Unless otherwise agreed in writing, COMPANY may, at any time, at its expense, and without notice to STORER, remove any GOODS from any room or area of the WAREHOUSE to any other room or area thereof.

(c) Upon ten days written notice to STORER, COMPANY may, at its expense, remove the GOODS to any other warehouse operated by COMPANY.

## **SECTION 5 STORAGE CHARGES.**

(a) Storage charges commence upon the date that COMPANY accepts care, custody and control of the GOODS, regardless of unloading date or date RECEIPT is issued. Unless COMPANY specifies otherwise, storage charges shall be computed separately for each lot on one of the following bases:

(b) If storage rates are quoted on a "SPLIT MONTH BASIS" the storage month shall be a calendar month. A full month's storage charge will apply to all GOODS received between the 1st 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. A full month's storage charge shall apply on the 1st day of the next calendar month and each month thereafter on all GOODS then remaining in storage. If storage rates are quoted on an "ANNIVERSARY BASIS" the storage month shall extend from date of receipt in one calendar month to, but not including, the same date of the next month. If there is no corresponding date in the next month, the storage month shall end on the last day of said next month. A full month's storage charge shall apply on receipt of GOODS and an additional monthly storage charge shall apply on each successive storage month on all GOODS then remaining in storage.

(c) COMPANY'S storage and other charges are set forth in the RATE QUOTATION or other document issued by COMPANY to STORER and/or COMPANY's tariff and may be increased on 30 days notice.

(d) Unless COMPANY specifies otherwise all storage charges are fully earned and are due and payable on the 1st day of storage

for the initial month and thereafter on the 1st day of each storage month.

(e) Rates quoted by weight will, unless otherwise specified, be computed on gross weight and 2,000 pounds constitute a ton.

#### **SECTION 6 HANDLING CHARGES.**

(a) Unless otherwise specified, handling charges cover only the ordinary labor and duties incidental to receiving and delivering unitized GOODS on pallets at the WAREHOUSE dock during COMPANY'S normal business hours but do not include loading and unloading.

(b) Unless otherwise specified, a charge in addition to the regular handling charges will be made for any work performed by COMPANY other than as specified in Section 6(a), at COMPANY'S then current rates which are available upon request.

(c) When GOODS are ordered out in quantities less than in which received, COMPANY may make an additional charge for each order or each item of an order.

(d) Delivery by COMPANY of less than all units of any lot or of less than all the fungible GOODS stored for STORER shall be made without subsequent sorting except by special arrangement which may be subject to an additional charge.

#### **SECTION 7 TRANSFER; DELIVERY.**

(a) Instructions by STORER to transfer GOODS to the account of another are not effective until accepted by COMPANY. Charges will be made for each transfer and for any rehandling deemed by COMPANY to be required thereby. COMPANY reserves the right not to deliver or transfer GOODS except upon receipt of written instructions signed by STORER.

(b) STORER may authorize COMPANY in writing to accept telephone orders for delivery. In such case, (1) COMPANY may require that each telephone order be confirmed by STORER in writing within 24 hours, and/or (2) acceptance by COMPANY of any telephone order shall be at the risk of STORER. COMPANY will not be liable for any loss resulting from delivery made pursuant to telephone order, whether or not so authorized.

(c) COMPANY shall have a reasonable time to make delivery after GOODS are ordered out and shall have a minimum of ten business days after receipt of a delivery order in which to locate any misplaced GOODS.

(d) If COMPANY is unable to effect delivery before expiration of the then current storage period due to any cause beyond its control, the GOODS may, at COMPANY'S discretion, be subject to storage charges for each succeeding storage period.

(e) All instructions and requests for delivery of GOODS and/or transfer of title are received subject to satisfaction of all charges, liens and security interests of COMPANY with respect to the GOODS. Upon termination of the storage relationship for any reason, COMPANY may refuse to deliver the GOODS until it has been fully paid for all charges then due it regardless of the payment terms otherwise applicable to such charges.

(f) COMPANY may require, as a condition to delivery, a statement from STORER holding COMPANY harmless from claims of others asserting rights to the GOODS. COMPANY may also exercise any other remedy available to it under the law to resolve conflicting claims to the GOODS. All costs, charges and expenses, including reasonable attorneys' fees, incurred by COMPANY relating in any way to COMPANY's activities referred to in this Section 7(f) shall be charged to STORER and shall be considered charges with respect to the GOODS and subject to Company's general warehouse lien.

(g) If COMPANY in good faith believes that the goods are about to deteriorate or decline in value in an amount less than the amount of the warehouse's then current and otherwise outstanding storage or other charges before the end of the next succeeding storage month, COMPANY may specify in the notification any reasonable shorter time for the removal of the goods, and failing their removal, COMPANY may sell them at public sale held one week after a single advertisement or posting as provided by law.

(h) If, as a result of a quality or condition of the goods of which the warehouse had no notice at the time of deposit or because of which the goods have deteriorated and become a hazard to other property or to COMPANY or to any persons, COMPANY, at its sole discretion, 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 COMPANY after a reasonable effort is unable to sell the goods, it 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, COMPANY may remove the goods from the warehouse and it shall incur no liability by reason of such removal.

#### **SECTION 8 OTHER SERVICES AND CHARGES.**

(a) Other services rendered in the interest of STORER or the GOODS are chargeable to STORER. Such services may include, but are not limited to, the following: furnishing of special warehouse space or material, repairing, cooping, sampling, weighing, repiling, inspecting, compiling stock statements, making collections, furnishing revenue stamps, reporting or recording marked weights or numbers, handling railroad expense bills, and handling shipments.

(b) All ADVANCES are due and payable immediately. All charges are due and payable upon the date of invoice. All charges not paid within 30 days from the due date are subject to an interest charge, from the date said charge became due until paid, at the lesser of 1.5% per month or the maximum amount allowed by law.

(c) STORER may, subject to reasonable limitations, inspect the GOODS when accompanied by an employee of COMPANY whose time is chargeable to STORER.

(e) In the event of damage or threatened damage to the GOODS, STORER shall pay all reasonable and necessary costs of protecting and preserving the GOODS and for clean-up and disposal of damaged and destroyed Goods. When such costs are attributable both to GOODS of STORER and property of others, said costs shall be apportioned among STORER and others on a pro rata basis as determined by COMPANY.

(f) COMPANY shall supply dunnage, bracing, and fastenings where it deems it appropriate on outbound shipments and the cost thereof is chargeable to STORER.

- (g) Any costs incurred by COMPANY in unloading railcars or trucks containing damaged GOODS are chargeable to STORER.
- (h) COMPANY shall not be responsible for detention or demurrage charges or delays in loading or unloading unless such detention or demurrage charge or delay was caused solely by COMPANY'S negligence.
- (i) An additional charge will be made for bonded storage if available.
- (j) COMPANY may assess an additional charge when GOODS designated for cooler or freezer storage, are received at temperatures more than five degrees Fahrenheit above the applicable room temperature. COMPANY shall not be responsible for blast freezing GOODS unless STORER specifically requests such services in writing and COMPANY agrees in writing.
- (k) All storage, handling and other services may be subject to minimum charges.
- (l) STORER agrees to pay COMPANY all costs, charges and expenses including reasonable attorney's fees ("EXPENSES") incurred by COMPANY in connection with the storage, handling and/or disposition of the GOODS, including without limitation, such EXPENSES relating to lawsuits (including Bankruptcy proceedings) involving in any way said GOODS and/or STORER's performance under this CONTRACT. All such EXPENSES shall constitute charges with respect to the GOODS and subject to COMPANY'S general warehouse lien.
- (m) STORER shall reimburse COMPANY for the cost of all pallets supplied by COMPANY.
- (n) COMPANY may charge STORER an energy surcharge in the event of an increase in COMPANY'S energy costs by providing STORER with no less than 30 days prior notice.

**SECTION 9 INDEMNIFICATION/HOLD HARMLESS.** The STORER agrees to indemnify, defend, and hold the COMPANY harmless from any claims and/or liability, fines, penalties and/or attorneys' fees arising from the importation or exportation of customers merchandise and/or any conduct of the STORER, including but not limited to the inaccuracy of entry, export or security data supplied by Customer or its agent or representative, which violates any Federal, State and/or other laws, and further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims, penalties, fines and/or expenses, including but not limited to reasonable attorney's fees, which COMPANY may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer by mail at its address on file with the COMPANY.

**SECTION 10 LIABILITY AND LIMITATION OF DAMAGES.**

- (a) COMPANY DOES NOT GUARANTEE TO STORE FROZEN GOODS AT ANY SPECIFIC TEMPERATURE OTHER THAN AT OR BELOW THE FREEZING POINT (32F). IT SHALL NOT BE LIABLE FOR DAMAGES TO FROZEN GOODS AS LONG AS THE TEMPERATURE IS MAINTAINED AT OR BELOW THE FREEZING POINT (32F) DURING STORAGE.
- (b) COMPANY shall not be liable for damages by rust, fire, water, leakage, breakage, vermin, or weather. It shall further not be liable for any fragile articles injured or broken unless packed by its employees and unpacked by them at the time of delivery and shall not be liable otherwise except for its own gross negligence. It shall not be liable for any loss or destruction of or damage to GOODS, however caused, unless such loss, destruction or damage resulted from COMPANY'S failure to exercise such care in regard to the GOODS as a reasonably careful person would exercise under like circumstances. COMPANY shall not be liable for any loss or destruction of or damage to GOODS that could not have been avoided by the exercise of such care.
- (c) IN ANY EVENT, THE WAREHOUSEMAN'S LIABILITY IS LIMITED TO FIFTY CENTS (\$0.50) PER 100 LBS. UNLESS AT THE TIME OF SIGNING THIS STORAGE AGREEMENT OR WITHIN SEVEN DAYS AFTER RECEIPT OF A RECEIPT THE DECLARED VALUE IS INCREASED BY STORER ON PART OR ALL OF THE GOODS, IN WHICH EVENT INCREASED STORAGE RATES WILL BE CHARGED BASED ON SUCH INCREASED VALUATION.
- (d) The COMPANY'S liability referred to in Section 9(c) shall be STORER'S exclusive remedy against COMPANY for any claim or cause of action whatsoever relating to loss, damage and/or destruction of GOODS, and shall apply to all claims including inventory shortage and mysterious disappearance claims unless STORER proves by affirmative evidence that COMPANY converted the GOODS to its own use. STORER waives any rights to rely upon any presumption of conversion imposed by law. In no event shall STORER be entitled to incidental, special, punitive, or consequential damages of any type or description.
- (e) COMPANY and STORER agree that COMPANY'S duty of care referred to in Section 9(b) does not extend to providing a sprinkler system at the WAREHOUSE or any portion thereof. Unless specifically agreed to in writing, COMPANY shall not be required to store GOODS in a humidity-controlled environment or be responsible for tempering GOODS.
- (f) If COMPANY negligently misships GOODS, COMPANY, at its option, shall pay the reasonable transportation charges to return the misshipped GOODS to the WAREHOUSE or the value of the misshipped GOODS based upon Section 9(c). COMPANY shall have no liability whatsoever for any damages due to the consignee's acceptance or use of the GOODS.

**SECTION 11 FORCE MAJEURE.** COMPANY shall not be liable for losses, damages, delays, wrongful or missed deliveries or nonperformance, in whole or in part, of its responsibilities under the Agreement, resulting from circumstances beyond the control of either Company or its sub-contractors, including but not limited to: (i) acts of God, including flood, earthquake, storm, hurricane, power failure or other natural disaster; (ii) war, hijacking, robbery, theft or terrorist activities; (iii) incidents or deteriorations to means of transportation, (iv) embargoes, (v) civil commotions or riots, (vi) defects, nature or inherent vice of the goods; (vii) acts, breaches of contract or omissions by Customer, Shipper, Consignee or anyone else who may have an interest in the shipment, (viii) acts by any government or any agency or subdivision thereof, including denial or cancellation of any import/export or other necessary license; or (ix) strikes, lockouts or other labor conflicts.

**SECTION 12 NOTICE OF CLAIM AND FILING OF SUIT.**

- (a) COMPANY shall not be liable for any claim of any type whatsoever including, without limitation, any claim for loss or



destruction of or damage to GOODS unless such claim is presented, in writing, within a reasonable time, not exceeding the earlier of (1) 60 days after delivery of GOODS by COMPANY or (2) 60 days after STORER learned or, in the exercise of reasonable care, should have learned of such loss or destruction of or damage to the GOODS or the basis for any other claim against COMPANY.

(b) As a condition precedent to filing any lawsuit or other action, STORER shall provide COMPANY with a reasonable opportunity to inspect the GOODS which are the basis of STORER'S claim.

(c) NO LAWSUIT OR OTHER ACTION MAY BE MAINTAINED BY STORER OR OTHERS AGAINST COMPANY UNLESS A TIMELY WRITTEN CLAIM HAS BEEN MADE AS PROVIDED IN SECTION 12(a) AND UNLESS STORER HAS PROVIDED COMPANY WITH A REASONABLE OPPORTUNITY TO INSPECT THE GOODS AS PROVIDED IN SECTION 12(b) AND UNLESS SUCH LAWSUIT OR OTHER ACTION IS COMMENCED WITHIN THE EARLIER OF (1) NINE (9) MONTHS AFTER DELIVERY OF GOODS BY COMPANY OR (2) NINE (9) MONTHS AFTER STORER LEARNED OF OR, IN THE EXERCISE OF REASONABLE CARE, SHOULD HAVE LEARNED OF THE LOSS OR DESTRUCTION OF OR DAMAGE TO THE GOODS OR THE BASIS FOR ANY OTHER CLAIM AGAINST COMPANY.

**SECTION 13 INSURANCE.** The GOODS are not insured by COMPANY and the storage rates do not include insurance on the GOODS.

**SECTION 14 LIEN.** COMPANY shall have a general and continuing warehouse lien against the GOODS and on the proceeds thereof for all charges for storage, handling, transportation (including detention, demurrage and terminal charges), insurance, labor and other charges present or future with respect to the GOODS, advances or loans by COMPANY in relation to the GOODS and for expenses necessary for the preservation of the GOODS or reasonably incurred in their sale pursuant to law. COMPANY further claims a general and continuing warehouse lien on the GOODS for all other such charges, advances and expenses due Company or any related entity from STORER for property stored by STORER in any warehouse owned or operated by COMPANY or any related entity wherever located and whenever deposited and without regard to whether or not said other property is still in storage. COMPANY reserves the right to require advance payment of all charges prior to releasing GOODS regardless of otherwise applicable payment terms.

**SECTION 15. COSTS OF COLLECTION.** In any dispute involving monies owed to COMPANY, COMPANY shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 8 % per annum or the highest rate allowed by law, whichever is less unless a lower amount is agreed to by Company.

**SECTION 16 WAIVER SEVERABILITY.** COMPANY'S failure to insist upon strict compliance with any provision of this CONTRACT shall not constitute a waiver of or estoppel to later demand strict compliance with said provision or to insist upon strict compliance with all other provisions of this CONTRACT. In the event any Section of this CONTRACT or part thereof shall be declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining Sections and parts shall not, in any way, be affected or impaired thereby.

**SECTION 17 AUTHORITY.** STORER represents and warrants that it is either (a) the lawful owner of the GOODS which are not subject to any lien or security interest of others; or (b) the authorized agent of the lawful owner or any holder of a lien or security interest and has full power and authority to enter into the agreements incorporated into this CONTRACT. STORER agrees to notify all parties acquiring any interest in the GOODS of the Terms and Conditions of this CONTRACT and to obtain, as a condition of granting any interest, the agreement of such parties to be bound by such Contract Terms and Conditions.

**SECTION 18 NOTICES.** All written notices required herein may be transmitted by any commercially reasonable means of communication and directed to COMPANY at the address on the front hereof and to STORER at its last known address. STORER is presumed to have knowledge of the contents of all notices transmitted in accordance with this Section 15 within five days of transmittal.

**SECTION 19 ENTIRE AGREEMENT.** This CONTRACT constitutes the entire agreement between COMPANY and STORER relating to the GOODS and supersedes all existing agreements between them whether written or oral and shall not be changed, amended or modified except by written agreement signed by representatives of COMPANY and STORER.

**SECTION 20 GOVERNING LAWS, JURISDICTION AND VENUE.** These terms and conditions of service and the relationship of the parties shall be construed according to the laws of the State of New Jersey without giving consideration to principles of conflict of law. STORER and Company (a) irrevocably agree that courts located in Essex County, New Jersey shall have the exclusive jurisdiction over any action arising out of or in any way relating to the services performed by Company; (b) consent to the exercise of in personam jurisdiction by said courts over them, and (c) further agree that any action to enforce a judgment may be instituted in any jurisdiction.