

GAC Energy and Marine Services, LLC

Standard Terms and Conditions of Service

These Standard Terms and Conditions of Service constitute a legally binding contract between GAC Energy and Marine Services, LLC and the “Customer.” In the event GAC Energy and Marine Services, LLC renders services and issues a document containing terms and conditions governing such services, the terms and conditions set forth in such other document(s) shall govern those services to the extent inconsistent with the terms and conditions set forth herein.

These Standard Terms and Conditions of Service are subject to change by GAC Energy and Marine Services, LLC from time to time upon posting on GAC Energy and Marine Services, LLC’s website. The most current and controlling version of the Standard Terms and Conditions of Service are published at www.gac.com.

In tendering a shipment to GAC Energy and Marine Services, LLC or engaging the services of GAC Energy and Marine Services, LLC in any other fashion, the “Customer” agrees that these Standard Terms and Conditions of Service apply to that shipment or those services and supersede any alleged or asserted oral agreement, promise, representation, or understanding between the “Parties.”

1. Definitions

- a. “GAC” shall mean GAC Energy and Marine Services, LLC, its subsidiaries, related companies, agents, subcontractors, and/or representatives.
- b. “Customer” shall mean the person or company for which GAC is rendering service, as well as its principals, agents, and/or representatives, including but not limited to, shippers, importers, exporters, carriers, warehousemen, buyers and/or sellers, shipper’s agents, insurers and underwriters, break-bulk agents, consignees, manufacturers, distributors, senders, consignors, transferors, transferees of the shipment, etc. It is the responsibility of the Customer to provide notice and copy(s) of these Standard Terms and Conditions of Service to all such agents or representatives.
- c. “Parties” shall mean GAC and Customer, as defined herein.
- d. “Goods” means the merchandise, cargo, or freight tendered by the Customer for storage, transportation, fulfillment services, handling or other services provided by GAC. Such Goods tendered for storage are normally identified on the face of the Warehouse Receipt.
- e. “Warehouse” means any warehouse facility of GAC whether owned, rented, or otherwise made available to GAC, including but not limited to any yard area.

2. Acceptance

- a. The incorporation of these Standard Terms and Conditions of Service into any agreement between Customer and GAC, or the act of tendering Goods described herein for storage or other services by GAC, shall constitute acceptance by Customer of the terms and conditions set forth herein.
- b. GAC may refuse to accept any Goods tendered for storage. If GAC accepts such Goods, the Customer agrees to rates and charges as may be assigned and invoiced by GAC and to all terms of these Standard Terms and Conditions of Service.



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- c. Subject to these Standard Terms and Conditions of Service, the Customer appoints and grants GAC a non-exclusive license to provide the act of tendering Goods described herein for storage, fulfillment, or other services by GAC. Such license is granted immediately upon tendering Goods to GAC.

3. GAC as Agent and Property Broker

- a. GAC acts as the “agent” of the Customer for the purpose of performing duties in connection with the entry and release of Goods, post entry services, the filing of export and security documentation on behalf of the Customer and other dealings with government agencies, or for arranging for transportation services, or other logistics services in any capacity other than as a carrier.
- b. Unless otherwise stated explicitly in writing by GAC, all ground transportation arranged by GAC is undertaken in GAC’s roll as property broker. GAC will arrange for the transportation of property in exchange for payment by using a motor carrier authorized by the FMCSA. GAC does not assume responsibility for the property and will not take legal possession of it.

4. Shipping

- a. Customer shall not identify GAC as the consignee for any Goods under any bill of lading, waybill, air waybill, or other contract of carriage. If, in violation of these Standard Terms and Conditions of Service, Goods are shipped to GAC as named consignee, Customer agrees to notify the carrier in writing prior to the shipment, with copy to GAC, that GAC named as consignee has no beneficial title or interest in such Goods. Furthermore, GAC shall have the right to refuse such Goods and will not be held liable for any loss, mis-consignment, injury, or damage of any nature to, or related to, such Goods. Whether GAC accepts or refuses Goods shipped in violation of this provision, Customer agrees to indemnify and hold GAC harmless for all claims for unpaid transportation charges, including undercharges, demurrage, detention, or charges of any nature, in connection with these Goods.

5. Limitation of Actions

- a. Unless subject to a specific statute or international convention, all claims against GAC for a potential or actual loss, must be made in writing and received by GAC within 30 days of the event giving rise to claim; the failure to give GAC timely notice shall be a complete defense to any suit or action commenced by Customer.
- b. All suits against GAC must be filed and properly served on GAC in accordance with the terms and conditions of the carrier’s bill of lading or transport document. If no time limit is provided in those documents or no such document has been issued, suits must be filed within 1 year from the date of the loss or damage. For claims arising out of the preparation and/or submission of an import entry(s), suit must be brought within 30 days from the date of liquidation of the entry(s). For any and all other claims of any other type, suit must be brought within 1 year from the date of the loss or damage.
- c. Any claims against GAC arising from GAC’s administrative services, including any billing disputes, must be filed and properly served upon GAC within 6 months from the date of any billing disputed. It is GAC’s goal to promptly resolve any disputes with its customers, and prompt notification is necessary to facilitate a resolution of any such dispute.



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6. No Liability for the Selection or Services of Third Parties and/or Routes

GAC is authorized to select and engage carriers, truckmen, lightermen, forwarders, customs brokers, agents warehousemen and others, as required, to transport shipment, and/or deal with and deliver the Goods, all of whom shall be considered the agents of the Customer, and the Goods may be entrusted to such agencies subject to all conditions as to limitations of liability for loss, damage, expense, or delay and to all rules, regulations, requirements, and conditions, whether printed, written, or stamped, appearing in bills of lading, receipts, or tariffs issued by such carriers, truckmen, lightermen, forwarders, customs brokers, agents, warehousemen, and others. Unless services are performed by persons or firms engaged pursuant to express written instructions from the Customer, GAC shall use reasonable care in its selection of third parties, or in selecting the means and procedure to be followed in the handling, transportation, clearance, and delivery of the shipment; advice by GAC that a particular person or firm has been selected to render services with respect to the Goods, shall not be construed to mean that GAC warrants or represents that such person or firm will render such services nor does GAC assume responsibility or liability for any action(s) and/or inaction(s) of such third parties and/or its agents, and shall not be liable for any damage, expense, delay, or loss of any kind, which occurs while a shipment is in the custody or control of a third party or the agent of a third party; all claims in connection with the act of a third party shall be brought solely against such party and/or its agents; in connection with any such claim, GAC shall reasonably cooperate with the Customer, which shall be liable for any charges or costs incurred by GAC.

7. Quotations Not Binding

Quotations as to fees, rates of duty, freight charges, insurance premiums, or other charges given by GAC to the Customer are for informational purposes only and are subject to change without notice; no quotation shall be binding upon GAC unless GAC, in writing, specifically agrees to undertake the handling or transportation of the shipment at a specific rate and payment arrangements are agreed to between GAC and the Customer. All quotations are subject to change or cancellation by GAC at any time if GAC discovers that the shipment violates any court order, contractual obligations, government agency regulations, or law.

8. Duty to Furnish Information; Reliance on Information Furnished

- a. Customer acknowledges that it has a duty to timely furnish to GAC any and all necessary and/or relevant information needed by GAC so that GAC can accurately complete any quoted services or offer transportation guidance to Customer. Customer further acknowledges that it is required to review all documents and declarations prepared and/or filed with U.S. Customs & Border Protection, other Government Agency and/or third parties, and will immediately advise GAC of any errors, discrepancies, incorrect statements, or omissions on any declaration or other submission filed on Customer's behalf. Customer shall provide GAC with information concerning the Goods which is accurate, complete, and sufficient to allow GAC to comply with all laws and regulations concerning the storage, handling, and transporting of the Goods. Customer will indemnify and hold GAC harmless from all loss, cost, penalty, fine, and expense, including reasonable attorney's fees, that GAC pays or incurs as a result of Customer failing to fully discharge this obligation.



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- b. In preparing and submitting customs entries, export declarations, applications, security filings, documentation, and/or other required data, GAC relies on the correctness of all documentation and information, whether in written or electronic format, furnished by Customer; Customer shall use reasonable care to ensure the correctness of all such information and shall indemnify and hold GAC harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer's failure to disclose information or any incorrect, incomplete or false statement by the Customer or its agent, representative, or contractor upon which GAC reasonably relied. The Customer agrees that the Customer has an affirmative non-delegable duty to disclose any and all information required to import, export, or enter the Goods.
- c. Customer acknowledges that it is required to provide verified weights obtained on calibrated, certified equipment of all cargo that is to be tendered to steamship lines and represents that GAC is entitled to rely on the accuracy of such weights and to counter-sign or endorse it as agent of Customer in order to provide the certified weight to the steamship lines. The Customer agrees that it shall indemnify and hold GAC harmless from any and all claims, losses, penalties or other costs resulting from any incorrect or questionable statements of the weight provided by the Customer or its agent or contractor on which GAC relies.
- d. Any and all fines or penalties levied against GAC due to misdeclarations on manifest information provided to carriers, U.S. Customs, or any other government authority, due to Customer's submission of inaccurate or incomplete information to GAC, will be the responsibility of Customer regardless of the original source of such misdeclaration or whether the misdeclaration was intentional or unintentional.

9. Pre-packaged Cargo

To the extent that Customer is providing packaged, marked, and/or addressed cargo, Customer warrants that each package and/or shipment is properly marked and addressed, packaged properly and adequately to protect the contents in the normal course of transportation, and except as noted in writing to GAC, is in good order and condition. Customer shall hold GAC harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer's failure to properly package, mark and/or address cargo or to notify GAC of any preexisting damage or impairment of the property.

10. Declaring Higher Valuation

Inasmuch as truckers, carriers, warehousemen, and other third parties to whom Goods are entrusted usually limit their liability for loss or damage unless a higher value is declared and a charge based on such higher value is agreed to by said third party, GAC must receive specific written instructions from the Customer to pay such higher charge based on valuation and the third party must accept such higher declared value; otherwise, the valuation place by the Customer on the Goods shall be considered solely for export or customs purposes and the Goods will be delivered / tendered to the third party subject to the terms of the third party's limitations of liability and/or these Standard Terms and Conditions of Service.



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11. Insurance

- a. GAC will make reasonable efforts to effect marine, theft, and other insurance upon the Goods only after specific written instructions have been received by GAC in sufficient time prior to the shipment from the point of origin, and at the same time states specifically the kind and amount of insurance to be placed. GAC does not undertake or warrant that such insurance can or will be placed. Unless the Customer has its own open marine policy and instructs GAC to effect insurance under such policy, insurance is to be affected with one or more insurance companies or other underwriters to be selected by GAC. Any insurance placed shall be governed by the certificate or policy issued and will only be effective when accepted by such insurance companies or other underwriters. Should an insurer dispute its liability for any reason, the insured shall have recourse against the insurer only and GAC shall not be under any responsibility of liability in relation thereto, notwithstanding that the premium upon the policy may not be at the same rates as that charged or paid to GAC by the Customer, or that the shipment was insured under a policy in the name of GAC. Insurance premiums and the charge of GAC for arranging the same shall be at the Customer's expense. Unless specifically agreed in writing, GAC assumes no responsibility to effect insurance on any export or import shipment which it does not handle.
- b. THE GOODS TENDERED TO GAC FOR STORAGE HAVE NOT BEEN INSURED BY GAC FOR THE BENEFIT OF THE CUSTOMER AGAINST FIRE OR ANY OTHER CASUALTY. PROCUREMENT OF SUCH INSURANCE IS THE SOLE RESPONSIBILITY OF THE CUSTOMER, AT THE CUSTOMER'S SOLE DISCRETION AND EXPENSE.
- c. GOODS TENDERED TO GAC FOR STORAGE ARE NOT INSURED BY GAC AND THE STORAGE RATES DO NOT INCLUDE INSURANCE ON THE GOODS UNLESS GAC HAS AGREED, IN WRITING, TO OBTAIN SUCH INSURANCE FOR THE BENEFIT OF CUSTOMER.

12. Disclaimers; Limitations of Liability

- a. Except as specifically set forth herein, GAC makes no express or implied warranties in connection with its services.
- b. In connection with all services performed by GAC, Customer may obtain additional liability coverage, up to the actual or declared value of the shipment or transaction, by requesting such coverage and agreeing to make payment therefor, which request must be confirmed in writing by GAC prior to rendering services for the covered transaction(s).
- c. In the absence of additional coverage under (b) above, GAC shall only be liable for any loss, damage, expense, or delay to the Goods resulting from the negligence or other fault of GAC, and such liability shall be limited to an amount equal to the lesser of fifty dollars (\$50.00) per entry or shipment or the fee(s) charged for the services, whichever is less. For GAC liability related to Goods held in storage by GAC, see Section 12(f)(iii), below.
- d. In no event shall GAC be liable or responsible for consequential, indirect, incidental, statutory, special, or punitive damages, even if it has been put on notice of the possibility of such damages, or for the acts of third parties.
- e. Unless the service to be performed by GAC on behalf of the Customer is delayed by reason of negligence or other fault of GAC, GAC shall not be responsible for any loss, damage, or expense incurred by the Customer because of such delay. In the event GAC is at fault, its liability is limited in accordance with the provisions herein. Due to the inherent nature of the transportation business, GAC does not guarantee pick up, transportation, or delivery by a stipulated time.
- f. Liability and limitation of damages with respect to Goods tendered to GAC for storage are as follows:



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- i. GAC SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE TO GOODS TENDERED, STORED, OR HANDLED BY GAC, HOWEVER CAUSED, UNLESS SUCH LOSS OR DAMAGE RESULTED FROM THE FAILURE OF GAC TO EXERCISE REASONABLE CARE. GAC IS NOT LIABLE FOR DAMAGES THAT COULD NOT HAVE BEEN AVOIDED BY THE EXERCISE OF REASONABLE CARE.
- ii. GOODS ARE NOT INSURED BY GAC AGAINST LOSS OR DAMAGE, HOWEVER CAUSED (See Section 11, above).
- iii. THE CUSTOMER DECLARES THAT AGGREGATE DAMAGES ARE LIMITED TO \$0.50 PER POUND NOT TO EXCEED \$50,000 FOR ALL SERVICES PROVIDED OR ARRANGED, PROVIDED, HOWEVER, THAT SUCH LIABILITY MAY AT THE TIME OF ACCEPTANCE OF THIS CONTRACT BE INCREASED UPON CUSTOMER'S WRITTEN REQUEST (AND GAC'S ACCEPTANCE) ON PART OR ALL OF THE GOODS HEREUNDER IN WHICH EVENT AN ADDITIONAL MONTHLY CHARGE WILL BE MADE BASED UPON SUCH INCREASED VALUATION.
- iv. GAC IS NOT LIABLE FOR ANY NON-VISIBLE OR CONCEALED DAMAGES. FURTHER, ANY DAMAGES REPORTED AT THE POINT OF CARGO RECEIPT AT THE GAC WAREHOUSE ARE EXCLUDED FROM ANY GAC LIABILITIES.
- v. WHERE LOSS OR DAMAGE OCCURS TO TENDERED, STORED, OR HANDLED GOODS, FOR WHICH GAC IS NOT LIABLE, THE CUSTOMER SHALL BE RESPONSIBLE FOR THE COST OF REMOVING AND DISPOSING OF SUCH GOODS AND THE COST OF ANY ENVIRONMENTAL CLEAN-UP AND SITE REMEDIATION RESULTING FROM THE LOSS OR INJURY TO THE GOODS.
- vi. GAC SHALL NOT BE LIABLE FOR LOST PROFITS, SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR INDIRECT DAMAGES OF ANY KIND, EVEN IF GAC WAS OR SHOULD HAVE BEEN AWARE OF OR ADVISED ON THE POSSIBILITY OF SUCH DAMAGES.
- vii. CUSTOMER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS GAC FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES, JUDGMENTS, AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, TO THE EXTENT CAUSED BY CUSTOMER'S NEGLIGENCE.
- viii. ALL RISK OF LOSS AND DAMAGE TO GOODS FROM ANY CAUSE PRIOR TO RECEIPT BY GAC INTO, AND FROM AND AFTER THE REMOVAL BY COMMON CARRIER FROM, THE INVENTORY AT THE GAC WAREHOUSE SHALL BE BORNE ENTIRELY BY THE CUSTOMER.

13. Advancing Money

All charges must be paid by Customer in advance unless GAC agrees in writing to extend credit to Customer; the granting of credit to Customer in connection with a particular transaction shall not be considered a waiver of this provision by GAC. GAC shall be under no obligation to advance freight charges, customs duties, or taxes on any shipment, nor shall advance by GAC be construed as a waiver of this provision.

14. Indemnification / Hold Harmless

- a. The Customer agrees to indemnify, defend, and hold GAC harmless from any claims and/or liability, fines, penalties and/or attorneys' fees arising from the importation or exportation of Customer's merchandise, and/or any conduct of the Customer, including but not limited to the inaccuracy of entry, export or security data supplied by Customer, which violates any Federal, State and/or other laws, and further agrees to indemnify and hold GAC harmless against any and all liability, loss, damages, costs, claims, penalties, fines and/or expenses, including but not limited to reasonable attorneys' fees, which GAC may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any



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claim, suit or proceeding is brought against GAC, it shall give notice in writing to the Customer by email or mail at its address on file with GAC. The confiscation or detention of the Goods by any governmental authority shall not affect or diminish the liability of the Customer to GAC to pay all charges or other money due promptly on demand.

- b. Customer further agrees to indemnify, defend, and hold harmless GAC against any and all claim, losses, damages, costs, or expenses asserted against GAC, its employees, agents or any other person for any injury (including sickness, disease or death) or claim or injury to property arising out of or in connection with the performance of these Standard Terms and Conditions of Service.

15. C.O.D. or Cash Collect Shipments

GAC shall use reasonable care regarding written instructions relating to “Cash/Collect on Delivery (C.O.D.)” shipments, bank drafts, cashier’s and/or certified checks, letter(s) of credit and other similar payment documents and/or instructions regarding collection of monies but shall not have liability if the bank, correspondent, carrier, agent, or consignee refuses to pay for the shipment or for any act, omission, default, suspension, insolvency or want of care, negligence, or fault of such bank, correspondent, carrier, agent, or consignee, nor for any delay in remittance lost in exchange, or loss during transmission, or while in the course of collection.

16. Costs of Collection

In any dispute involving monies owed to GAC, GAC shall be entitled to all costs of collection, including reasonable attorneys’ fees and interest at 1.5% per month or the highest rate allowed by law, whichever is less unless a lower amount is agreed to by GAC. Customer is liable to GAC for any damages and costs incurred by GAC arising from checks or drafts given to GAC, GAC’s representatives or affiliates, for which either GAC or GAC’s representative or affiliate is unable to collect funds.

17. Compensation of GAC

The compensation of GAC for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by GAC to transport and deal with the Goods and such compensation shall be exclusive of any brokerage, commissions, dividends, or other revenue received by GAC from carriers, insurers and others in connection with the shipment. On ocean exports, upon request, GAC shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges.

18. General Lien and Right to Sell Customer’s Property

- a. GAC shall have a continuing lien on any and all property and documents relating to Customer and coming into GAC’s actual or constructive possession, custody or control or enroute, which lien shall survive delivery, for all charges, expenses or advances owed to GAC with regard to the shipment or warehousing on which the lien is claimed, a prior shipment(s) or warehousing, and/or both. GAC also claims a lien under maritime law, if applicable, the bill of lading, if issued, and any applicable GAC terms and conditions of service. GAC reserves the right to exercise its lien rights under the terms of any applicable law and/or agreement between the Customer and GAC. Customs duties, transportation charges, and related payments advanced by GAC shall be deemed paid in trust on behalf of the



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Customer and treated as pass through payments made on behalf of the Customer for which GAC is acting as a mere conduit.

- b. In order to protect its lien, GAC reserves the right to require advance payment of all charges prior to shipment of Goods.
- c. Customer agrees to execute any and all documents reasonably requested by GAC for the perfection of such security interest lien and will not grant any lien to any third party on any Goods without the prior written consent of GAC, which will not be unreasonably withheld.
- d. GAC shall provide written notice to Customer of its intent to exercise such lien, the exact amount of monies due and owing, as well as any on-going storage or other charges; Customer shall notify all parties having an interest in its shipment(s) of GAC's rights and/or the exercise of such lien.
- e. Unless, within thirty days of receiving notice of lien, Customer posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due, in favor of GAC, guaranteeing payment of the monies owed, plus all storage charges accrued or to be accrued, GAC shall have the right to sell such shipment(s) at public or private sale or auction and any net proceeds remaining thereafter shall be refunded to Customer.

19. No Duty to Maintain Records for Customer

Customer acknowledges that pursuant to Sections 508 and 509 of the Tariff Act, as amended, (19 USC §1508 and 1509) it has the duty and is solely liable for maintaining all records required under the Customs and/or other laws and regulations of the United States; unless otherwise agreed to in writing, GAC shall only keep such records that it is required to maintain by statute(s) and/or regulation(s), but not as a "recordkeeper" or "recordkeeping agent" for Customer.

20. Obtaining Binding Rulings, Filing Protests, etc.

Unless requested by Customer in writing and agreed to by GAC in writing, GAC shall be under no obligation to undertake any pre- or post- Customs release action, including, but not limited to, obtaining binding rulings, advising of liquidations, filing of petition(s) and/or protests, etc.

21. No Duty to Provide Licensing Authority

GAC shall not be responsible for determining licensing authority or obtaining any license or other authority pertaining to the export from or import into the United States.

22. Preparation and Issuance of Bills of Lading and Air Waybills

Where GAC prepares and/or issues a bill of lading or air waybill, GAC shall be under no obligation to specify thereon the number of pieces, packages and/or cartons, etc., unless specifically requested to do so in writing by Customer or its agent and Customer agrees to pay for same. GAC shall rely upon and use the cargo weight supplied by Customer.

23. No Responsibility for Governmental Requirements

It is the responsibility of the Customer to know and comply with the requirements of the U.S. Customs and Border Protection and all other government agencies, including adhering to any and all regulations and directives of Federal, state and/or local agencies pertaining to the Goods and/or shipment or transportation. GAC shall not be responsible for action taken or fines or penalties



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assessed by any governmental agency against the shipment because of the failure of the Customer to comply with the law or the requirements or regulations of any governmental agency.

24. Tender of Goods for Storage

- a. All Goods for storage shall be delivered at the Warehouse properly marked and packaged for storage and handling. Customer shall furnish at least 5 days prior to delivery, a manifest showing all marks and brands of inventory to be kept and accounted for at the Warehouse. Customer recognizes that failure to schedule a delivery appointment with the Warehouse at least 24 hours in advance may result in delays in the unloading and receipt of products tendered for storage.
- b. Customer agrees that GAC may open and inspect any Goods tendered to the Warehouse.

25. Storage Period and Charges

- a. Unless otherwise agreed to in writing, all storage charges are billed per package, per month, or as otherwise agreed upon in writing.
- b. Storage charges commence on the date that GAC accepts care, custody, and control of the Goods at its Warehouse, regardless of the unloading date or date of issue of a warehouse receipt.
- c. Except as provided in subparagraph (d) of this section, a full month's storage charge will apply on all Goods received between the 1st and the 15th, inclusive, of a calendar month. One-half month's storage charge will apply on all Goods received between the 16th and the 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 last day of storage for the initial month and thereafter on the first day of each recurring month.
- d. When mutually agreed by GAC and the Customer, 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.
- e. All invoiced storage charges issued will be for all service transactions and storage charges of the previous month. Amounts not paid on or before due shall incur interest at the maximum rate permitted by law.

26. Transfer, Termination of Storage, Removal of Goods

- a. Instructions to transfer Goods to GAC for storage are not effective until delivered to and accepted by GAC, and all charges up to the time transfer is made are chargeable to the Customer. If a transfer involves rehandling of the Goods, such rehandling 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. GAC reserves the right to move, at its own expense, any Goods in storage within a Warehouse to any other Warehouse (as defined in Section 1, above).
- c. GAC may, upon written notice to the Customer and any other person known by GAC to claim an interest in the Goods, require the removal of any Goods from its Warehouse. Such notice shall be given to the last known place of business of the person to be notified. If Goods are not removed before the end of the notice period, which shall be at least 30 days, GAC may sell the Goods.
- d. If Goods are tendered to the Warehouse without identifying documentation such that GAC cannot determine the Customer or the contact information of the Customer, then GAC will consider the Goods abandoned and title to the Goods shall pass immediately to GAC. GAC may then dispose of or sell such



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Goods and retain all proceeds. If Customer later identifies itself to GAC, Customer shall have no claim in connection with the Goods or any proceeds derived from their sale.

- e. If GAC in good faith believes that the Goods in storage are about to deteriorate or decline in value to less than the amount of GAC's then current and otherwise outstanding warehouse or other charges before the end of the next succeeding storage month, GAC may specify in the notification any reasonable shorter time for removal of the Goods and if the Goods are not removed, may sell them at public sale held one week after a single advertisement or posting as provided by law.
- f. If, as a result of a quality or condition of the Goods in storage of which GAC had no notice at the time of deposit or if the Goods have deteriorated, and the Goods are a hazard to other property or to the Warehouse or to any persons in GAC's sole opinion, GAC may sell the Goods at public or private sale without advertisement or reasonable notification to all persons known to claim an interest in the Goods. If GAC after a reasonable effort is unable to sell the Goods, GAC may dispose of the Goods in any lawful manner and shall incur no liability by reason of such disposition. Pending such disposition, sale, or return of the Goods, GAC may remove the Goods from the Warehouse and shall incur no liability by reason of such removal.

27. Handling of Goods Tendered for Storage

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

28. Delivery Requirements for Goods in Storage

- a. No Goods tendered to GAC for storage shall be delivered or transferred except upon receipt by GAC of Customer's complete written instructions. Written instructions shall include, but are not limited to e-mail, or similar written communication, provided GAC has no liability when relying on the information contained in the communication as received. Goods may be delivered upon instruction by telephone, or similar verbal communication, in accordance with Customer's prior written authorization, but GAC 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 GAC, 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 the 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.



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- c. When Goods are ordered out by Customer, a reasonable time shall be given to GAC to carry out delivery instructions, and if it is unable because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots, civil commotion, pandemic, or any reason beyond GAC's control, or because of loss or damage to Goods for which GAC is not liable, or because of any other excuse provided by law, GAC 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.

29. Extra Services / Special Services Relating to Warehousing

- a. Warehouse labor required for services other than ordinary handling and storage will be charged to the Customer.
- b. Special services requested by Customer including, but not limited to, compiling of special stock statements, reporting marked weights, serial numbers or other data from packages, physical checking of Goods, and handling transit billing will be subject to a charge.
- c. Damage, bracing, packing materials or other special supplies may be provided to the Customer at a charge in addition to GAC's cost.
- d. By prior arrangement, Goods may be received or delivered other than during usual business hours, subject to a charge.
- e. Communication expenses, including but not limited to postage or telephone, will be charged to the Customer if such expenses concern more than normal inventory reporting or if, at the request of the Customer, communications are made by other than regular United States mail.

30. Bonded Storage

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

31. Minimum Charges

- a. For Goods tendered for storage, 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. For Goods tendered for storage, 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.

32. Liability for Mis-Shipment from GAC Warehouse

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



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33. Mysterious Disappearance

GAC shall not be liable for loss of Goods that had been tendered to GAC for storage due to inventory shortage or unexplained or mysterious disappearance of Goods unless the Customer establishes that such loss occurred because of GAC's failure to exercise reasonable care, in which case, damages are limited as per Section 12, above. Any presumption of conversion imposed by law shall not apply to such loss and a claim by the Customer of conversion must be established by affirmative evidence that GAC converted the Goods to GAC's own use.

34. Right to Store Goods

The Customer represents and warrants that the Customer is lawfully possessed of any Goods it tenders to GAC for storage and has the right and authority to store them with GAC. The Customer agrees to indemnify and hold harmless GAC from all loss, cost, and expense, including reasonable attorney's fees, that GAC pays or incurs as a result of any dispute or litigation, whether instituted by GAC or others, respecting Customer's right, title, or interest in the Goods. Such amounts shall be charges in relation to the Goods and subject to GAC's lien.

35. No Modification or Amendment Unless Written

These Standard Terms and Conditions of Service may only be modified, altered or amended by Customer in writing signed by both Customer and GAC.

36. Use of GAC Logo / Trademark

Customer shall not use GAC's name, logo, trademarks or trade names in publicity releases, promotional material, customer lists, advertising, marketing or business-generating efforts, whether written or oral, without obtaining GAC's prior written consent, which consent shall be given at GAC's sole discretion.

37. Force Majeure

GAC shall not be liable for losses, damages, delays, wrongful or missed deliveries, or partial or full nonperformance, resulting from an occurrence beyond its control, including without limitation, war or terrorist activities; pandemic; riots, rebellion, civil commotion; acts of God; acts of lawful and/or government authorities (including but not limited to embargoes or denial or cancellation of any license or shipment); criminal acts; strikes, lockouts, or other labor disputes; incidents or deteriorations to means of transportation; defects, nature or inherent vice of the Goods; or acts, breaches of contract or omissions by Customer, shipper, consignee, or anyone else who may have an interest in the shipment or Goods.

38. Severability, Waiver, Succession, and Headings

- a. In the event any paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in full force and effect. GAC's decision to waive any provision herein, either by conduct or otherwise, fully or partially, shall not be deemed to be a further or continuing waiver of such provision or to otherwise waive or invalidate any other provision herein.



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- b. GAC's failure to enforce a breach or waiver of any provision or term shall not be deemed to constitute a waiver of any subsequent failure or breach and shall not affect or limit the right of GAC to thereafter enforce such a term or provision. No waiver of any right, power, or privilege shall be binding upon either GAC or Customer unless in writing and signed by or on behalf of the party against which the waiver is asserted.
- c. The provisions of these Standard Terms and Conditions of Service shall be binding upon the Customer's heirs, executors, successors, and assigns. Except as otherwise provided herein, the rights and obligations of Customer are personal and not assignable, either voluntarily or by operation of law, without the prior written consent of GAC, which consent shall not be unreasonable withheld.
- d. The headings set forth in these Standard Terms and Conditions of Service are for convenience only and shall not be considered a part of this Agreement nor affect in any way the meaning of the terms and provisions.

39. Compliance with Laws and Regulations

- a. The Parties shall at all times comply with all applicable federal, state, municipal, and provincial laws, rules, and regulations, including, but not limited to, the federal and state safety regulations. To the extent these Standard Terms and Conditions of Service or any services provided hereunder shall violate such laws, rules, and regulations, these Standard Terms and Conditions of Service and the services provided hereunder shall be modified to comply with such laws, rules, and regulations, and the parties shall not suffer any liability or penalty for compliance with such laws, rules, and regulations.

40. Governing Law; Consent to Jurisdiction and Venue

These Standard Terms and Conditions of Service and the relationship of the parties shall be construed according to the laws of the State of Texas without giving consideration to principles of conflict of law. Customer and GAC:

- a. irrevocably consent to the jurisdiction of the United States District Court and the State courts of Texas.
- b. agree that any action relating to the services performed by GAC, shall only be brought in said courts.
- c. consent to the exercise of in personam jurisdiction by said courts over it, and
- d. further agree that any action to enforce a judgment may be instituted in any jurisdiction.



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