

WESTERN OVERSEAS CORPORATION WAREHOUSE RECEIPT TERMS AND CONDITIONS

ACCEPTANCE – Sec. 1

- a) The Western Overseas Corporation Agreement and these Warehouse Receipt Terms and Conditions state the contractual terms and conditions under which Western Overseas Corporation shall provide Depositor storage and related services (collectively, the "Warehouse Services"). In the absence of written acceptance, the act of tendering goods described herein for storage or other services by Western Overseas Corporation within 30 days from a proposal date shall constitute acceptance by Depositor. Depositor has had the opportunity to review and inspect Depositor's warehouse facility (the "Facility"). "Yard Storage" means the placement of containers or trailers, with or without tractors, empty or loaded, secured or unsecured, in the yard of the warehouse for the benefit of the depositor and/or the depositor's goods.
- b) In the event that goods tendered for Warehouse Services do not conform to the description contained herein, or conforming goods are tendered after 30 days from the proposal date without prior written acceptance by Depositor as provided in paragraph (a) of this section, Western Overseas Corporation may refuse to accept such goods. If Western Overseas Corporation accepts such goods, then Depositor agrees to rates and charges as may be assigned and invoiced by Western Overseas Corporation and to these Warehouse Receipt Terms and Conditions.
- c) Any goods accepted by Western Overseas Corporation shall constitute goods under these Warehouse Receipt Terms and Conditions.
- d) These Warehouse Receipt Terms and Conditions may be canceled by either party upon 30 days written notice and shall be canceled if no storage or other Warehouse Services are performed for a period of 180 days.

SHIPMENTS TO AND FROM WESTERN OVERSEAS CORPORATION – Sec. 2

Depositor agrees that all goods shipped to Western Overseas Corporation shall identify Depositor on the bill of lading or other contract of carriage as the named consignee, in care of Western Overseas Corporation, and shall not identify Western Overseas Corporation as the consignee. If, in violation of this Contract, goods are shipped to Western Overseas Corporation as named consignee on the bill of lading or other contract of carriage, then Depositor agrees to immediately notify carrier in writing, with copy of such notice to Western Overseas Corporation, that Western Overseas Corporation named as consignee is the "in care of party" only and has no beneficial title or interest in the goods. Western Overseas Corporation shall have the right to refuse such goods and shall not be liable for any loss, misconsignment, or damage of any nature to, or related to, such goods. Whether Western Overseas Corporation accepts or refuses goods shipped in violation of this section 2, Depositor agrees to indemnify and hold Western Overseas Corporation harmless from all claims for transportation, storage, handling and other charges relating to such goods, including undercharges, rail demurrage, truck/intermodal detention, and other charges of any nature whatsoever.

TENDER OF GOODS – Sec. 3

All goods shall be delivered at the Facility properly marked and packaged for storage and handling. The Depositor 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 and other Warehouse Services desired.

STORAGE PERIOD AND CHARGES – Sec. 4

- a) Unless otherwise agreed in writing, all charges for storage are per package or other agreed unit per month.
- b) The storage month begins on the date that Western Overseas Corporation accepts care, custody, and control of the goods, regardless of unloading date or date of issue of a 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 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 first day of storage for the initial month and thereafter on the first day of the calendar month.
- d) When mutually agreed in writing by Western Overseas Corporation and the Depositor, a storage month shall extend from a date in one calendar month to, but not including, the same date of the next and all succeeding months. All storage charges are due and payable on the first day of the storage month.

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

- a) Instructions to transfer goods on the books of the Western Overseas Corporation are not effective until delivered to and accepted by Western Overseas Corporation, 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) Depositor understands and agrees that Western Overseas Corporation shall have the right to move, at its expense, 14 days after notice is sent by certified mail or overnight delivery to the Depositor, any goods in storage from the Facility in which they may be stored to any other of Western Overseas Corporation's facilities. Western Overseas Corporation will store the goods at, and may without notice move the goods within and between, any one or more of the warehouse buildings that comprise the Facility identified on the front of this Contract.
- c) Western Overseas Corporation may, upon written notice of not less than 30 days to the Depositor and any other person known by the Western Overseas Corporation to claim an interest in the goods, require the removal of any goods. 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, the Western Overseas Corporation may sell them in accordance with applicable law.
- d) If Western Overseas Corporation in good faith believes that the goods are about to deteriorate or decline in value to less than the amount of Western Overseas Corporation's lien before the end of the 30-day notice period referred to in section 5(c), then Western Overseas Corporation may specify in the notification any reasonable shorter time for removal of the goods and if the goods are not removed, then Western Overseas Corporation 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 Western Overseas Corporation had no notice at the time of deposit the goods are a hazard to other property or to the Facility or to persons, then Western Overseas Corporation 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 Western Overseas Corporation after a reasonable effort is unable to sell the goods, then 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, Western Overseas Corporation may remove the goods from the Facility and shall incur no liability by reason of such removal.

HANDLING – Sec. 6

- a) The handling charge covers the ordinary labor involved in receiving goods at warehouse door, placing goods in storage, and returning goods to warehouse door. Handling charges are due and payable on receipt of goods.
- b) Unless otherwise agreed in writing, labor for unloading and loading goods will be subject to a charge. Additional expenses incurred by the Western Overseas Corporation 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 Western Overseas Corporation may make an additional charge for each order or each item of an order.
- e) The Western Overseas Corporation 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 Western Overseas Corporation has failed to exercise reasonable care.

DELIVERY REQUIREMENTS – Sec. 7

- a) No goods shall be delivered or transferred except upon receipt by Western Overseas Corporation of Depositor's complete written instructions. Written instructions shall include, but are not limited to, fax, EDI, e-mail, or similar communication, provided that Western Overseas Corporation shall have no liability when relying on the information contained in the communication as received. Goods may be delivered upon instruction by telephone in accordance with Depositor's prior written authorization, but Western Overseas Corporation shall not be responsible for loss or error occasioned thereby.
- b) When goods are ordered out, a reasonable time shall be given Western Overseas Corporation to carry out instructions, and if it is unable to do so because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots or civil commotions, or any reason beyond Western Overseas Corporation's control, or because of loss of or damage to goods for which Western Overseas Corporation is not liable, or because of any other excuse provided by law, then Western Overseas Corporation shall not be liable for failure to carry out such instructions and goods remaining in storage will continue to be subject to regular storage charges.

EXTRA SERVICES (SPECIAL SERVICES) – Sec. 8

- a) Western Overseas Corporation labor required for services other than ordinary handling and storage will be charged to the Depositor.
- b) Special services requested by Depositor including, without limitation, 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 Western Overseas Corporation'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, overnight delivery, or telephone may 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 First-Class Mail.

BONDED STORAGE – Sec. 9

- a) A charge in addition to regular rates will apply to goods in bond.
- b) Where a warehouse receipt covers goods in U.S. Customs bond, Western Overseas Corporation shall have no liability for goods seized or removed by U.S. Customs.

MINIMUM CHARGES – Sec. 10

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

LIABILITY AND LIMITATION OF DAMAGES – Sec. 11

- a) Western Overseas Corporation shall not be liable for any loss of or damage to goods tendered, stored, or handled however caused, or for any liability as to any of the Warehouse Services however caused, unless such loss, damage, or liability resulted from the failure by Western Overseas Corporation to exercise such care as a reasonably careful person would exercise under like circumstances and Western Overseas Corporation is not liable for damages that could not have been avoided by the exercise of such care.
- b) Goods are not insured by Western Overseas Corporation against loss or damage, however caused.
- c) The Depositor understands and agrees that Western Overseas Corporation's liability for loss of or damage to goods tendered, stored, or handled however caused, or for any liability as to any of the Warehouse Services however caused, shall be limited to \$.50 per pound. The Depositor understands and agrees that it has the opportunity to increase Western Overseas Corporation's limited liability by requesting such an increase as to all or part of the goods at the time of their tender to Western Overseas Corporation for Warehouse Services, in which event an additional monthly charge will be applied based upon such increased valuation.
- d) Where loss or damage occurs to tendered, stored, or handled goods for which Western Overseas Corporation is not liable, the Depositor shall be responsible for the cost of removing and disposing of such goods and the cost of any environmental cleanup and site remediation resulting from the loss or damage to the goods.

TIME PERIODS FOR NOTICE OF CLAIM AND FILING OF SUIT; TIME-BARS – Sec. 12

- a) Claims by the Depositor and all other persons must be made in writing to Western Overseas Corporation no later than the earlier of (i) 60 days after delivery of the goods by Western Overseas Corporation or (ii) 60 days after Depositor is notified by the Western Overseas Corporation that loss or damage to part or all of the goods has occurred. The failure to file a timely notice of claim under the preceding sentence shall result in the claim's being time-barred and Western Overseas Corporation's discharge from any liability. Western Overseas Corporation shall not pay any time-barred claims. A timely notice of claim is a condition precedent to the right to institute a timely lawsuit against Western Overseas Corporation, as set forth below in sub-paragraph b).
- b) Any lawsuits for claims shall be filed in court against Western Overseas Corporation no later than the earlier of (i) nine months after date of delivery by Western Overseas Corporation or (ii) nine months after Depositor is notified that loss or damage to part or all of the goods has occurred. Assuming a timely notice of claim, the failure to file a timely lawsuit under the preceding sentence shall result in the claim's being time-barred and Western Overseas Corporation's discharge from any liability. Western Overseas Corporation shall not pay any time-barred claims.
- c) When goods have not been delivered, notice may be given of known loss of or damage to the goods by mailing of a letter via certified mail or overnight delivery 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 Western Overseas Corporation.

LIABILITY FOR CONSEQUENTIAL DAMAGES – Sec. 13

Western Overseas Corporation shall not be liable for any loss of profit or special, indirect, or consequential damages of any kind.

LIABILITY FOR MISSHIPMENT – Sec. 14

If Western Overseas Corporation negligently misships goods, then Western Overseas Corporation shall pay the reasonable transportation charges to return the misshipped goods to the Facility. If the consignee fails to return the goods, then Western Overseas Corporation's maximum liability shall be for the lost or damaged goods as specified in section 11 above, and Western Overseas Corporation 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.

MYSTERIOUS DISAPPEARANCE – Sec. 15

Western Overseas Corporation shall be liable for loss of goods due to inventory shortage or unexplained or mysterious disappearance of goods only if Depositor establishes such loss occurred because of Western Overseas Corporation's failure to exercise the care required of Western Overseas Corporation under section 11 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 Western Overseas Corporation converted the goods to Western Overseas Corporation's own use.

RIGHT TO STORE GOODS – Sec. 16

Depositor represents and warrants that Depositor is lawfully possessed of the goods and has the right and authority to store them with Western Overseas Corporation. Depositor agrees to indemnify and hold Western Overseas Corporation harmless from all loss, cost, and expense including, without limitation, reasonable attorneys' fees, which Western Overseas Corporation pays or incurs as a result of any dispute or litigation, whether instituted by Western Overseas Corporation 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 Western Overseas Corporation's lien.

ACCURATE INFORMATION – Sec. 17

Depositor will provide Western Overseas Corporation with information concerning the goods that is accurate, complete, and sufficient to allow Western Overseas Corporation to comply with all laws and regulations concerning the storage, handling, and transporting of the goods. Depositor shall indemnify and hold Western Overseas Corporation harmless from all loss, cost, penalty, and expense, including, without limitation, reasonable attorneys' fees, which Western Overseas Corporation pays or incurs as a result of Depositor's failing to fully discharge that obligation.

SEVERABILITY AND WAIVER – Sec. 18

- a) If any provision of these Warehouse Receipt Terms and Conditions should be construed or held to be void, invalid, or unenforceable by order, decree, or judgment of a court of competent jurisdiction, then the remaining provisions shall be unaffected thereby and shall remain in full force and effect.
- b) Western Overseas Corporation's failure to require strict compliance with any provision of these Warehouse Receipt Terms and Conditions shall not constitute a waiver or estoppel to later demand strict compliance with that or any other provisions.
- c) These Warehouse Receipt Terms and Conditions shall be binding upon the heirs, executors, successors, and assigns of both Depositor and Western Overseas Corporation. Subject to a Warehouse Successors Agreement between the parties, these Warehouse Receipt Terms and Conditions contain the sole agreement governing goods tendered to the Western Overseas Corporation and they cannot be modified except by a writing signed by the chief executive officers of Columbia and Depositor.

LIEN – Sec. 19

Western Overseas Corporation shall have a general warehouse lien for all lawful charges for storage and preservation of the goods; also for all lawful claims for money advanced, interest, insurance, transportation, labor, weighing, cooperating, and other charges and expenses in relation to such goods, and for the balance on any other accounts that may be due. Western Overseas Corporation further claims a general warehouse lien for all such charges, advances, and expenses with respect to any other goods stored by the Depositor in any other facility owned or operated by Western Overseas Corporation. In order to protect its lien, Western Overseas Corporation reserves the right to require advance payment of all charges prior to shipment of goods.

DOCUMENTS OF TITLE - Sec. 20

Documents of title, including warehouse receipts, may be issued either in physical or electronic form at the option of the parties.

YARD STORAGE – Sec. 21

The liability of the warehouse for any Yard Storage of containers or trailers, whether loaded or empty, secured or unsecured, shall be subject to these Terms and Conditions.

MANDATORY LAW, VENUE, AND JURISDICTION – Sec. 22

- a) MANDATORY CHOICE OF LAW. All claims or disputes arising out of or in any way connected to the Depositor's goods, the Warehouse Services, or these Warehouse Receipt Terms and Conditions shall be determined under the laws of the State of California, without regard to its conflict of laws rules.
- b) MANDATORY VENUE. The exclusive and mandatory venue for any of the aforementioned claims or disputes shall be the federal or state courts in Los Angeles County, California, to the exclusion of all other courts.
- c) MANDATORY CONSENT AND WAIVER. Western Overseas Corporation and the Depositor agree to irrevocably submit to the personal jurisdiction of the above courts and thereby waive any jurisdictional, venue, or inconvenient forum objections to those courts.