



Austin Warehouse & Distribution, Inc. Transportation, Warehouse & Storage Terms & Conditions

Terms and Conditions for Transportation, Warehousing & Storage Services

1. Agreement to Terms and Conditions. It is agreed that Company's Terms and Conditions shall govern the dealings between Company and Customer for all transportation, warehousing and storage services. It is furthermore agreed that Company's Terms and Conditions are electronically published at <http://awdservice.com>, and may be amended by Company from time to time, without notice. In the event of any conflict between these Terms and Conditions as printed herein and the electronically published Terms and Conditions, the electronically published version shall control. It is expressly understood that only a Bill of Lading or Warehouse Receipt does not cover or apply to any rights, obligations, terms or conditions of the transportation, warehousing, handling or other services that Company has provided or may provide to the Customer; and that those separate services shall be governed by their respective Terms and Conditions which are provided separately and are posted on the above referenced website.

2. Definitions. As used herein:

a. "Company" means Austin Warehouse and Distribution, Inc. providing the transportation, handling or warehousing services hereunder including its officers, directors, employees and agents of the Company while acting within the scope and course of their employment;

b. "Customer" means the person, company, firm or other entity for whom the Goods are stored and to whom receives the benefit of transportation, storage, handling, warehousing or other services, whether or not maintaining an ownership interest in the goods; and

c. "Goods" means the property tendered to Company by Customer for which Company has agreed to transport, handle, forward or store pursuant to these Terms & Conditions.

3. Ownership of Goods. Customer warrants that it is the lawful owner and/or has lawful possession of the Goods tendered for storage. Customer warrants that it has sole legal rights to store Goods tendered, to release Goods, and to instruct Company regarding delivery or disposition of the Goods. Customer agrees to notify all parties acquiring any interest in the Goods of the terms and conditions of these Terms & Conditions and further agrees to indemnify and hold Company harmless from any claim by third parties relating to the ownership, transportation, storage, handling or delivery of Goods, or from any other services provided by Company. Such indemnification shall include any legal fees or costs incurred from any claim by a third party, regardless of whether or not litigation is actually filed.

4. Storage.

a. Pursuant to these Terms & Conditions, Company agrees to transport, forward, receive, store, and release the Goods in accordance with Customer's reasonable instructions.

b. If Company determines that the original palletization of Goods must be broken down for storage purposes, Company shall be authorized to break down the pallets without further notice required to Customer.

c. Storage Location. Company will store the Goods at its discretion at any one or more buildings at Company's warehouse. The identification of any specific location with the Company's warehouse complex does not guarantee that Goods shall be stored therein.

d. Company may provide additional services to Customer as requested and as agreed. Additional handling charges will apply whenever Goods are pulled for distribution or release, whenever physical inventories are requested by Customer, and whenever additional services are requested that are not explicitly included in the charges originally quoted to Customer. Such additional charges will be provided to Customer and will be invoiced to Customer in addition to any other charges due.

5. Termination of Storage. Company reserves the right to terminate storage and to require the removal of the Goods, or any portion thereof, by giving Customer thirty (30) days advance written notice. Customer shall be responsible for payment of all charges attributable to said Goods within the stated period and for removing the Goods from the warehouse upon payment of all charges. If the Goods are not so removed, Company may exercise its rights under applicable law, including any possessory lien, and make seek all legal remedies, which are not limited to selling the Goods.

6. Customer's Warranties & Tender for Storage.

a. Customer warrants that the Goods are properly marked, packaged, labeled and classified for handling and are fit for any handling, storage and any transportation or forwarding as may be required. Company will not accept Goods that are not properly packaged or which, in the reasonable opinion of Company, are not suitable for movement or storage within the warehouse. Company is not liable for inadvertently accepting goods that are not properly packed for movement or storage.

b. Customer shall furnish at or prior to delivery, a manifest showing marks, brands or sizes to be accounted for separately and the class of storage desired, if applicable.

c. Company's receipt and delivery of a LOT (or partial LOT) shall be made without subsequent sorting except by special arrangement and subject to a charge.

d. Hazardous Materials. Unless otherwise made known to Company in writing and accepted by Company, Customer warrants that the Goods are not considered hazardous materials and/or dangerous goods at the time the Goods are tendered to Company. If hazardous materials and/or dangerous goods are tendered for storage and accepted by the Company, proper notice shall be provided to Company. Customer warrants that the Goods shall be limited to the permissible materials and quantities in the then current regulations, and agrees to properly classify the Goods, to accurately describe the Goods, and to provide Company with all necessary or useful information for the safe storage and handling of the Goods including but not limited to, whenever applicable, Material Safety Data Sheets and/or Product Safety Data Sheets. If Customer breaches any of the foregoing warranties related to tender of hazardous materials or dangerous goods, or otherwise delivers any such unfit Goods to Company, Company shall be entitled to exercise all available remedies including the immediate destruction or removal of the Goods from the warehouse without notice to Customer. In the event of the foregoing breach of Customer warranties, Customer shall be liable for all expenses, costs, losses, damages, fines, penalties or other expenses of any sort incurred by Company in connection with the removal, or destruction, or handling of the Goods and shall indemnify Company against all amounts, liabilities, claims, or damages arising in connection with the Goods.

e. For all Goods tendered for storage, Customer shall supply such information and documents as are necessary to comply with all laws, rules and regulations. For all Goods, Customer shall provide to Company all documents or information necessary or useful for the safe and proper warehousing, handling, storage, and transportation (if any) of the Goods. If all such information and documents are not

fully, accurately and timely provided to Company, Customer shall indemnify Company for all consequences of such failure.

f. Customer warrants its compliance with all applicable laws, rules, and regulations including but not limited to customs laws, import and export laws, as well as with the U.S. Foreign Corrupt Practices Act and similar laws related to anti-corruption and anti-bribery.

7. Payment Terms & Collection Expenses. Transportation, warehousing and storage accounts are due and payable monthly, in advance. Company will issue the monthly statement, in advance to Customer and Customer shall pay Company within 15 days of the invoice date unless otherwise agreed by the Parties in writing. All invoices not paid within 15 days of invoice date will be subject to a late fee of 1.5% per month, or the maximum rate then allowable pursuant to applicable law. If it becomes necessary for Company to utilize a collection agency and/or an attorney to collect any unpaid amount owed or to assist in effectuating the lien provisions herein, Customer shall be obligated to pay the collection agency fees and/or attorney fees, and expenses including court costs incurred, regardless of whether litigation is actually filed.

8. Lien Rights. Company shall have a lien on the Goods tendered by Customer and upon any and all property belonging to Customer in Company's possession, custody or control for all charges, advances or amounts of any kind due to Company under this Warehouse Receipt or under any prior or subsequent invoices issued to Customer by Company (including charges for storage, handling, transportation, demurrage, terminal charges, insurance, labor, and any other charges incurred). Company shall have a lien on the Goods and may refuse to surrender possession of the Goods until all charges or debts are paid in full. If such amounts remain unpaid for 30 days after Company's demand for payment, Company may sell the Goods at public auction or private sale or in any other manner reasonable and shall apply the proceeds of such sale to the amounts owed. Customer remains responsible for any deficiency outstanding to Company.

Customer grants the right for Company to collect any charges due and owing for transportation, forwarding, storage, handling or other services from the consignee, consignor, any party receiving the benefit of the transportation service and any party with an interest in the goods.

9. Liability.

a. Company shall not be liable for any loss or destruction of or damage to the Goods, however caused, unless such loss, damage or destruction resulted from Company's negligence or failure to exercise such care in regard to the Goods as a reasonably careful person would exercise under like circumstances. Company is not liable for damages which could not have been avoided by the exercise of such care.

b. In no event shall Company be liable for any loss or damage caused by:

i. acts of God; public authorities acting with actual or apparent authority; strikes; labor disputes; weather; mechanical or equipment failures; cyber attacks; civil commotions; hazards incident to a state of war; acts of terrorism; acts or omissions of customs or quarantine officials; acts of carriers related to security; the nature of the freight or any defects thereof; inherent vice of the goods; perishable qualities of the merchandise; fires; frost or change of weather; sprinkler leakage; floods; wind; storm; moths; public enemies; or other causes beyond its control;

ii. fragile articles injured or broken, unless packed by Company's employees and unpacked by them at the time of delivery;

iii. pilferage or theft, unless such loss or damage is caused by the failure of Company to exercise such ordinary care; and

iv. concealed damage, or for losses incurred due to the concealed damage of the Goods.

c. Monetary Maximum Liability: In the event of loss or damage to the Goods for which Company is legally liable, Company's liability shall be limited to actual value of the Goods, subject to a maximum of USD \$.50 per pound of goods stored, unless Customer declared a higher value for the goods, and paid a commensurate fee for the services related to those high value goods.

d. In no event shall Company be responsible for loss or damage to documents, stamps, currency, metals, securities, artwork, heirlooms, jewelry or other articles of high and unusual value unless a special agreement in writing is made between Company and Customer with respect to such articles.

e. No Consequential Damages. IN NO EVENT, WHETHER AS A RESULT OF BREACH OF COMPANY'S DUTIES, NEGLIGENCE LIABILITY WITHOUT FAULT OR ANY OTHER LEGAL THEORY OR BASIS, SHALL COMPANY BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, STATUTORY OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS OR LOSS OF MARKET, LOSS OF INCOME, DAMAGES ARISING FROM LOSS, ATTORNEYS FEES OR PUNITIVE DAMAGES, WRONG DELIVERY, OR DAMAGE TO PROPERTY, LOSS OF USE OF GOODS, COST OF SUBSTITUTED GOODS, DELAYED DELIVERY OR FAILURE TO ATTEMPT DELIVERY, WHETHER OR NOT COMPANY HAD KNOWLEDGE THAT SUCH DAMAGES OR LOSSES MIGHT OCCUR.

10. Optional Insurance Offering. Company does not insure the Goods while in storage and the storage rates or charges billed to Customer do not include any insurance on the Goods. The Goods will therefore not be insured for any loss or damage, and the limitation of Liability set forth in paragraph 9 shall apply in all circumstances where Company is legally liable for such loss or damage, unless the Customer has requested in writing that Company obtain insurance for the Customer's benefit, and the Customer has paid the required premium to Company for such additional insurance. Except as provided above, Company will not obtain insurance on the Goods for Customer's benefit while the Goods are being stored at Company's facility.

11. Temperature or Humidity Controlled Storage. Unless specifically agreed to in writing, Company shall not be responsible for storage of the Goods in a temperature or humidity controlled environment. Customer knowingly accepts that the Goods will be warehoused in a non-temperature/humidity controlled environment. Company will not be responsible for any loss or damage to the Goods that result from fluctuations in temperature range or in humidity levels of the warehouse. Company will furthermore not be responsible for losses or damages incurred to Perishable Goods, unless otherwise agreed to in writing prior to tender of the Goods for storage.

12. Inspection & Security. All shipments are subject to inspection by Company; by Company's Carriers for any transportation services provided, if any; and by any duly authorized government or regulatory entities, including but not limited to the U.S. Transportation Security Administration, U.S. Customs and Border Protection, and like entities. Notwithstanding the foregoing right to inspect shipments, Company is not obligated to perform such inspection except as mandated by law. Further, Company reserves the right to unilaterally reject any shipment that it deems unfit for transport, or for storage under this Warehouse Receipt, after inspection.

13. Notice of Claim and Filing of Suit.

a. Company shall not be liable for any claim whatsoever for any loss, damage, or destruction of the Goods unless it is timely filed, in writing, within a maximum of sixty (60) days after Customer knew, or should have known by the exercise of reasonable care, of such loss or damage.

b. Time Bar. Any lawsuit or other claim against Company with respect to the Goods shall be forever waived unless commenced within two (2) years after Customer knew or should have known by the exercise of reasonable care, about such loss or damage.

14. Notices. All written notices herein may be transmitted by any commercially reasonable means of communication providing delivery receipt to the sender, and shall be directed to Company and Customer at the address set forth on the front side of the Warehouse Receipt, unless otherwise instructed by either party in writing.

15. Governing Law and Venue. This Warehouse Receipt shall be governed by the laws of the State of Texas, without reference to its conflict of laws principles. Any action taken by any party under the services contemplated herein shall be filed in Travis County, Texas.

16. Merger; Waiver; Severability, etc. These Terms and Conditions constitute the entire understanding between Customer and Company regarding the services provided. These Terms and Conditions supersede all prior or contemporaneous verbal or written negotiations, statements, representations, or agreements. These Terms and Conditions may not be modified except for a written agreement between Customer and an officer of Company. If any section or portion of these Terms and Conditions is held by any court to be illegal or unenforceable it shall not affect the legality or enforceability of the remaining provisions or terms and conditions herein. Company's failure to insist upon strict compliance with any provision of these Terms and Conditions shall not constitute a waiver or estoppel to later demand strict compliance thereof and shall not constitute a waiver of or estoppel to insist upon strict compliance with all other provisions of these Terms and Conditions.

17. Headings Not Binding. The use of headings in these Terms and Conditions are for ease of reference only. Headings shall have no effect and are not considered to be part of or a term of these Terms and Conditions.