

NON-NEGOTIABLE WAREHOUSE RECEIPT

TERMS AND CONDITIONS

1. **Rights to Goods.** Customer (identified on the front page) warrants that it is the owner and/or has lawful possession of the goods and has sole legal right to store and thereafter direct the release and/or delivery of such goods. Customer agrees to indemnify and hold harmless (including legal fees and costs) Coastal Transportation, Inc. ("CTI") of and from any claim by others relating to ownership, storage and release of the goods, and/or any other services provided by CTI under this Warehouse Receipt.
2. **Services Provided.** CTI shall receive, store and release the goods in its Cold Storage Facility or its Warehouse Facility (individually a "Facility" and collectively the "Facilities"), as indicated on the front hereof. CTI may provide other services as requested by Customer, at the rates set forth on the Rate Sheet; however, such additional services shall be provided by CTI not as a bailee or warehouseman but solely as agent for Customer.
3. **Rates and Charges.** Unless otherwise specified in writing, CTI's rates for storage, handling and other services shall be those listed in CTI's tariff in effect at the time such charge accrues or the service is performed (the "Rate Sheet"), and which is available at www.coastaltransportation.com/tariff, or upon request. A warehouse handling charge shall be made for placing goods in storage and for removing goods to a platform for delivery. CTI's charges may be invoiced and collected by CTI or its authorized agent. Rates for services provided by third party vendors at CTI's Facilities will be governed by such third party's applicable tariff or rate sheet. Customer as well as the shipper, owner and consignee of the goods, and the goods themselves, shall remain jointly and severally liable for all charges.
4. **Payment.** All charges are net, due and payable without offset or deduction per payment term. Charges due but not paid shall accrue interest at the rate of one and one half percent (1.5%) per month from date due until paid in full. In addition, upon Customer's failure to pay any sum when due, all charges relating to all of Customer's lots stored at any time in the Facilities shall become immediately due and payable. Handling-out charges shall be due and payable at the time the entire lot of goods is removed from storage.
5. **Customer Warranties.** In addition to the warranties set forth in section 1, above, Customer warrants that the information as to count, weight, description and condition of the goods set forth on any delivery documents are accurate and may be relied upon by CTI for all purposes, including without limitation, for purposes of any bill of lading or other shipping document. Customer further warrants that all individual packages, pieces and items are clearly marked and that all goods requiring refrigeration have a core temperature equal to or colder than the temperature at which such goods are to be stored. Customer agrees that goods received by CTI may be stored at the ambient temperature maintained at the Facility identified, unless the Special Instructions box on the front page has been completed to the contrary, and CTI shall not be responsible for loss or damage to goods without Special Instructions stored at the ambient temperature routinely maintained at the Facility. Customer acknowledges that no freezer, chill or other refrigeration services are available at the Warehouse Facility; such refrigeration services shall be available only at the Cold Storage Facility.
6. **Lien and Security Interest.** CTI shall have a warehouseman's lien upon all goods and property deposited with it by Customer and upon the proceeds from the sale thereof for all charges provided herein, including charges for storage, handling, processing, transportation and/or labor and all other charges and expenses relating to all lots of the Customer's goods stored any time in any Facility, and also for all reasonable charges and expenses for notice, advertisement and sale of the goods where default has been made, and for all costs, including legal fees and costs, incurred in enforcing such lien, collecting charges or defending itself in the event CTI is made party to any litigation concerning such goods and/or property. This lien may be enforced by CTI at any time. In addition, Customer grants a security interest to CTI in the goods and all proceeds derived from the goods in a maximum amount of \$1,000,000 for all charges and expenses other than described above (including money advanced and interest), whether incurred before or after delivery, and Customer agrees to execute and deliver all such documents as may be required to perfect such security interest. If goods are transferred in a Facility from the account of one party to another, and should the charges relating to such goods not be paid in full on the date of such transfer, the lien for such charges shall attach to the goods retained in the warehouse by the transferor AND to the goods transferred to the transferee. CTI may require a transferee to acknowledge such lien rights prior to such transfer. In the event a proceeding is brought by one party against the other to enforce any of the provisions herein, the substantially prevailing party shall be entitled to recover its legal fees and costs.
7. **Additions to Storage Lot.** Additional goods hereafter delivered by Customer as part of this lot while this Warehouse Receipt is outstanding shall be deemed to be included herein and shall be subject to the terms and conditions of this Warehouse Receipt.
8. **Corrections.** Unless written notice is given to CTI within ten (10) days after receipt hereof by Customer, this Warehouse Receipt shall be deemed complete and correct.
9. **Termination.** CTI may, upon thirty (30) days written notice to Customer, with or without cause, require the removal of the goods or any portion thereof and payment of all charges hereunder, whether or not there has been default by Customer. If the goods are not removed, CTI may sell the goods and exercise any other rights it may have by law. Without limiting the foregoing, CTI may require the removal of the goods or any portion thereof upon ten (10) days written notice if in its opinion the goods have or may have deteriorated in value to less than the amount of CTI's lien on such goods.
10. **Liability of CTI.** CTI shall be responsible for exercising reasonable care under the circumstances, and shall not be liable for any loss, damage or injury to the goods that could not have been avoided by the exercise of such reasonable care. In the event of loss, damage, shortage, failure to deliver and/or misdelivery involving the goods for which CTI is legally liable, CTI shall be responsible only to the extent of the actual cost to repair, restore and/or replace such goods or fifty cents (50¢) per pound for such goods, whichever is less. If Customer has declared a higher value on the front page, CTI shall be responsible only to the extent of such declared higher value for such goods or the actual cost to repair, restore and/or replace such goods, whichever is less. An excess valuation charge shall be assessed in the event a higher value is declared by Customer. Customer agrees that the foregoing shall be its exclusive remedy against CTI for any claim or cause of action whatsoever relating to the goods or services hereunder. IN NO EVENT SHALL CUSTOMER BE ENTITLED TO RECEIVE ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY TYPE OR NATURE.
11. **Insurance.** The goods are not, and shall not at any time be, insured by CTI. It is agreed that the charges assessed hereunder do not include any insurance coverage.
12. **Access and Delivery.** The goods shall be ready for pick up upon forty-eight (48) hours notice and presentation of a Release Order executed by Customer, provided that all charges have been paid in full. CTI shall not be responsible for any delay in delivery caused by conditions beyond its control. No transfer of this Warehouse Receipt shall be recognized unless all charges are paid, the transfer is entered on CTI books and an additional charge is assessed therefor. An additional charge will also be assessed for any access to or partial delivery of goods. If CTI has been unable to remove/deliver the goods due to causes beyond its control, the goods shall be automatically subject to storage charges for the next succeeding storage period. Customer shall be responsible for all shipping, handling and other charges assessed by carriers and/or third parties in connection with the delivery and/or other shipment of the goods, and Customer agrees to indemnify and hold harmless (including legal fees and costs) CTI of and from any liability, expenses and cost arising out of and/or relating to any claim made by any such carrier and/or third party.
13. **Claims.** Customer shall notify CTI in writing of any loss, damage, shortage, failure to deliver and/or misdelivery of goods within three (3) business days from the date and time when such was initially discovered by Customer. Customer must retain and permit CTI to inspect such goods. All claims must be presented to CTI in writing within thirty (30) days after discovery of such loss, damage, shortage, failure to deliver and/or misdelivery, and any lawsuit must be commenced within nine (9) months following the date claim was made. Failure to comply with any of the foregoing shall preclude Customer from maintaining any claim or suit against CTI.
14. **Law and Forum.** This Warehouse Receipt shall be construed in accordance with and governed by the laws of the State of Washington. Any litigation arising out of this Warehouse Receipt or performance hereunder must be filed in the King County Superior Court or U.S. District Court located in Seattle, Washington, with the substantially prevailing party entitled to recover its reasonable legal fees and costs.
15. **Severability.** CTI's failure to insist upon the strict compliance with any provision hereof shall not constitute a waiver or estoppel of its right to later demand strict compliance. If any provision hereof is found to be invalid, illegal and/or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions hereof shall remain intact.
16. **Counterparts and Facsimile Signatures.** This Warehouse Receipt may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute a single instrument. A facsimile signature to this Warehouse Receipt shall be deemed equivalent to an original signature.
17. **Integration.** The headings used in these terms and conditions are for convenience of reference only, and may not be construed so as to give any substantive meaning. For Goods in storage, this Warehouse Receipt and any applicable tariff provisions, in conjunction with the Rate Sheet and any Release Order issued in connection herewith, constitutes the entire agreement between CTI and Customer, and may not be altered or amended unless through a writing signed by both parties.
18. **Cargo in transit.** Where the terms of this document conflict with a bill of lading covering Goods in transit, the bill of lading shall control. Goods in Carrier's custody will be considered in transit for a period of up to 5 days prior to their departure on Carrier's vessel, or up to 7 days after discharge from Carrier's vessel.



Coastal Transportation

4025-13th AVE. WEST

SEATTLE, WA 98119-1350

(206) 282-9979 (800) 544-2580 FAX: (206) 283-9121

www.coastaltransportation.com