

Standard Contract Terms and Conditions for Warehouse Services

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ACCEPTANCE – Sec. 1

a) Agreement to Standard Contract Terms and Conditions for Warehouse Services

The Warehouseman's Standard Contract Terms and Conditions for Warehouse Services shall govern the dealings between Warehouseman and Depositor for all warehousing and storage services. The Terms and Conditions may be amended by Warehouseman from time to time, without notice. The Terms and Conditions does not cover or apply to any rights, obligations, terms or conditions of the freight forwarding, customs brokerage or other services that Warehouseman 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.

b) Ownership of Goods Depositor warrants that it is the lawful owner and/or has lawful possession of the Goods tendered for storage. Depositor warrants that it has sole legal rights to store Goods tendered, to release Goods, and to instruct Warehouseman regarding delivery or disposition of the Goods. Depositor agrees to notify all parties acquiring any interest in the Goods of the terms and conditions of the Warehouse Receipt and further agrees to indemnify and hold Warehouseman harmless from any claim by third parties relating to the ownership, storage, handling or delivery of Goods, or from any other services provided by under the Warehouse Receipt. 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.

c) This contract and rate quotation including accessorial charges endorsed on or attached hereto must be accepted within 30 days from the proposal date in writing. In the absence of written acceptance, the act of tendering goods for storage or other services described herein by a.hartrodt Solutions Hong Kong Limited, in the following referred to as warehouseman, within 30 days from the proposal date shall constitute such acceptance by the contract party or the depositor, in the following referred to as the depositor.

d) In the event that goods tendered for storage or other services do not conform to the description contained herein, or any booking form or pre-advance, 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, warehouseman may refuse to accept such goods. If warehouseman accepts such goods, depositor agrees to rates and charges as may be assigned and invoiced by warehouseman and to all terms of this contract.

e) If not agreed otherwise, this contract may be cancelled by either party upon 30 days written notice and is cancelled if no storage or other services are performed under this contract for a period of 180 days.

f) Errors and omissions expected (E. & O. E.) in any rate quotation. Therefore, we reserve the right to amend our quotation at any time within the stated validity.

DEFINITION – Sec. 2

Warehouseman	a.hartrodt Solutions Hong Kong Ltd., its servants, agents, employees and successors.
Company	Warehouseman and Company both refer to a.hartrodt Solutions Hong Kong Ltd.
Depositor	the owner of the Stored Goods or his agent and shall include the holder of a negotiable receipt, any party with a security interest in the Stored Goods and the party delivering the Stored Goods to the Warehouseman.
Customer	Depositor and Customer both refer to the owner of the Stored Goods.
Stored Goods	Goods delivered to the Warehouseman for storage.
Warehouse Receipt	Receiving Report issued by Warehouseman
Warehousing Charge	all charges payable hereunder to the Warehouseman in accordance with the terms herein contained
Delivery:	delivery up to the warehouse door only.
Terms and Conditions	Standard Contract Terms and Conditions for Warehouse Services and Terms and Conditions refer to the same
Service Agreement	(a) these Terms & Conditions (b) any customer credit application with the Company (c) any fee quotation estimate or agreement.

SHIPPING – Sec. 3

a) Depositor agrees not to ship goods to warehouseman as the named consignee. If, in violation of this agreement, goods are shipped to warehouseman as named consignee, depositor agrees to notify carrier in writing prior to such shipment, with copy of such notice to the warehouseman, that warehouseman named as consignee is a warehouseman and has no beneficial title or interest in such property and depositor further agrees to indemnify and hold harmless warehouseman from any and all claims for unpaid transportation charges, including undercharges, demurrage, detention or charges of any nature, in connection with goods so shipped. Depositor further agrees that, if it fails to notify carrier as required by the preceding sentence, warehouseman shall have the right to refuse such goods and shall not be liable or responsible for any loss, injury or damage of any nature to, or related to, such goods.

b) The Warehouseman is entitled and hereby authorized by the depositor to employ the service of any licensed carrier for the purposes of shipping the Stored Goods. Upon delivery of the Stored Goods to the door of the warehouse in which same are stored for collection by such carrier the Warehouseman's liability in respect of the Stored Goods ceases and is at an end unless otherwise agreed to in writing and signed by the Warehouseman.

c) When goods are ordered out warehouseman must not appear as the named shipper, warehouseman can only act on behalf of the depositor. If, in violation of this agreement, depositor agrees to indemnify and hold harmless warehouseman from any and all claims for unpaid transportation charges, including undercharges, demurrage, detention or charges of any nature, in connection with goods so shipped. A service fee may be charged for any outlay costs.

TENDER FOR STORAGE & EXPLOSIVES, ETC. – Sec. 4

a) All goods for storage shall be delivered at the warehouse properly marked and packaged for 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 services desired.

- b) For all Goods tendered for storage, Depositor shall supply such information and documents as are necessary to comply with all laws, rules and regulations. For all Goods, Depositor shall provide to Warehouseman 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 Warehouseman, Depositor shall indemnify Warehouseman for all consequences of such failure.
- c) Customer warrants its compliance with all applicable laws, rules, and regulations including but not limited to customs laws, import and export laws.
- d) No explosive or dangerous articles of any kind shall be deposited without the previous written consent of the warehouseman and any such articles may upon being discovered be destroyed or sold or otherwise disposed of as the warehouseman shall think fit and the balance of any monies, if any, realised by any such sale after paying the cost thereof and incidental thereto shall be credited to the depositor's account.

PAYMENT OF CHARGES – Sec. 5

- a) All warehousing charges are payable monthly in the manners as specified in above rate quotation, and all additional charges if any are payable with the next instalment of warehousing charges to become due after the same are incurred.
- b) The warehouseman may refuse to deliver up to any person the articles deposited or any of them unless all warehousing charges hereunder accrued due and all other sums if any owed by the depositor to the warehouseman shall have been previously paid and settled and a delivery order in writing (specifying or identifying the goods to be delivered up and the person to whom they are to be delivered up) signed by the depositor shall have been given to the warehouseman.
- c) Any errors and omissions in our invoicing must be reported within (1) one month, otherwise we may refuse to reissue any invoices for any claims brought forward.
- d) All invoices not paid within the agreed credit terms are subject to late payment fee.

TERMINATION OF STORAGE, REMOVAL OF GOODS – Sec. 6

- a) The warehouseman may, upon written notice to the depositor of record and any other person known by the warehouseman to claim an interest in the goods, require the removal of any goods by the end of the next succeeding storage month. Such notice shall be given to the last known place of business or abode of the person to be notified. If goods are not removed before the end of the next succeeding storage month, the warehouseman may sell them in accordance with applicable law.
- b) If warehouseman in good faith believes that the goods are about to deteriorate or decline in value to less than the amount of warehouseman's lien before the end of the next succeeding storage month, the warehouseman may specify in the notification any reasonable shorter time for removal of the goods and in case the goods are not removed, may sell them at public sale held one week after a single advertisement.

HANDLING – Sec. 7

- a) Warehousing charges do not include the cost of packing any articles or the carriage thereof to or from the warehouse.
- b) The handling charge covers the ordinary labour involved in receiving goods at warehouse door, placing goods in storage, and returning goods to warehouse door.
- c) Unless otherwise agreed, labour for unloading and loading goods will be subject to a charge. Additional expenses incurred by the warehouseman in receiving and handling damaged goods, and additional expense in unloading from or loading into cars or other vehicles not at warehouse door may be charged additional to handling.
- d) The warehouseman shall not be liable for demurrage or detention, delays in unloading inbound cars, trailers or other containers, or delays in obtaining and loading cars, trailers or other containers for outbound shipment unless warehouseman has failed to exercise reasonable care.
- e) The Warehouseman retains the right to handle, store and place the Depositor's goods or any part thereof at such place or places (which place or places is/are in the possession and/or control of the Warehouseman) for storage and/or continuation of storage of the Depositor's goods as the Warehouseman shall think fit and necessary and under such circumstance the Warehouseman will make such arrangement and/or service for such purpose and the Depositor is absolutely not entitled to raise any objection and/or claim and/or demand against the Warehouseman for any damage or compensation.

DELIVERY REQUIREMENTS – Sec. 8

- a) No goods shall be delivered or transferred except upon receipt by the warehouseman of complete written instructions. Written instructions shall include, but are not limited to, FAX, EDI, TWX or similar communication, provided warehouseman has no liability when relying on the information contained in the communication as received.
- b) When goods are ordered out a reasonable time shall be given the warehouseman to carry out instructions, and if he is unable because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots and civil commotions, or any reason beyond the warehouseman's control, or because of loss or destruction of goods for which warehouseman is not liable, or because of any other excuse provided by law, the warehouseman shall not be liable for any 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. 9

- a) Warehouse labour required for services other than ordinary handling and storage will be charged to the depositor.
- b) Special services requested by depositor including but not limited to compiling of special stock statements; reporting marked weights, serial numbers or other data from packages; physical check of goods 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 the warehouseman'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, teletype, telegram, or telephone will 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 postal service in Hong Kong.

LIABILITY AND LIMITATION OF DAMAGES – Sec. 10

- a) PROPERTY DEPOSITED WITH THE WAREHOUSEMAN MAY BE INSURED THROUGH THE WAREHOUSEMAN AT THE REQUEST AND COST AND IN THE NAME OF THE OWNER AGAINST DESTRUCTION OR DAMAGE BY FIRE AND OTHER RISKS BUT THE WAREHOUSEMAN UNDERTAKES NO LIABILITY FOR ANY DESTRUCTION DAMAGE OR LOSS HOWEVER CAUSED UNLESS DUE TO THE NEGLIGENCE OR WILFUL DEFAULT OF THE WAREHOUSEMAN OR ITS EMPLOYEE OR AGENT.
- b) WHERE LOSS OR INJURY OCCURS TO STORED GOODS, FOR WHICH THE WAREHOUSEMAN IS NOT LIABLE, THE DEPOSITOR 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.
- c) In no event shall Warehouseman be liable for any loss or damage caused by:
 - I. natural disasters, breakage, rats, vermin strikes, labour disputes, weather, mechanical or equipment failures, acts or omissions of customs, 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; sprinkler leakage; floods; wind; storm; or other causes beyond its control;
 - II. fragile articles injured or broken, unless packed by Warehouseman'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 Warehouseman to exercise such ordinary care required by law; and
 - IV. concealed damage, or for losses incurred due to the concealed damage of the Goods.
 - V. The quality, condition, contents and value of the Stored Goods are not known to the Warehouseman except as declared and described by the Depositor in writing and delivered to and acknowledged by the Warehouseman.
 - VI. The Warehouseman is not in any case or under any circumstances whether negligent or not, responsible for any loss or damage to Stored Goods unless and until notice in writing of such loss or damage, together with full and detailed particulars thereof, is given to the Warehouseman within 48 hours after the Depositor becomes aware of such loss or damage or takes delivery of the Stored Goods or any portion thereof, whichever event may first happen, or in the event of notice being given by the Warehouseman within 48 hours after the period stipulated in such notice.
- d) THE DEPOSITOR DECLARES THAT DAMAGES ARE LIMITED TO THE TERMS AND CONDITIONS AS SPECIFIED IN THE WAREHOUSEMAN'S STANDARD INSURANCE POLICY FOR THE WAREHOUSE PREMISES.

NOTICE OF CLAIM AND FILING OF SUIT – Sec. 11

- a) Claims by the depositor and all other persons must be presented in writing to the warehouseman within a reasonable time, and in no event longer than either 60 days after delivery of the goods by the warehouseman or 60 days after depositor of record is notified by the warehouseman that loss or injury to part or all of the goods has occurred, whichever time is shorter.
- b) No action may be maintained by the depositor or others against the warehouseman for loss or injury to the goods stored unless timely written claim has been given as provided in paragraph (a) of this section and unless such action is commenced either within nine months after date of delivery by warehouseman or within nine months after depositor of record is notified that loss or injury to part or all of the goods has occurred, whichever time is shorter.
- c) When goods have not been delivered, notice may be given of known loss or injury to the goods by mailing of a registered or certified letter to the depositor of record. Time limitations for presentation of claim in writing and maintaining of action after notice begin on the date of mailing of such notice by warehouseman.

LIABILITY FOR CONSEQUENTIAL DAMAGES – Sec. 12

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

INSURANCE – Sec. 13

- a) Warehouseman does not insure the Goods while in storage and the storage rates or charges do not include any insurance premium. The Goods will therefore not be insured for any loss or damage, and the limitation of Liability set forth in paragraph LIABILITY AND LIMITATION OF DAMAGES – Sec. 9 shall apply in all circumstances unless the Depositor has requested in writing that Warehouseman obtain insurance for the Depositor's benefit, and the Depositor has paid the required premium to Warehouseman for such additional insurance.
- b) Except as provided above, Warehouseman will not obtain insurance on the Goods for Depositor's benefit while the Goods are being stored at Warehouseman's facility.

LIABILITY FOR MISSHIPMENT – Sec. 14

If warehouseman negligently misships goods, the warehouseman shall pay the reasonable transportation charges incurred to return the misshipped goods to the warehouse. If the consignee fails to return the goods, warehouseman's maximum liability shall be for the lost or damaged goods as specified in Sections 9 and 11 above, and warehouseman 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

Warehouseman shall not be liable for loss of goods due to inventory shortage or unexplained or mysterious disappearance of goods unless depositor establishes such loss occurred because of warehouseman's failure to exercise the care required of warehouseman under Sections 9 and 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 warehouseman converted the goods to the warehouseman's own use.

RIGHT TO STORE GOODS – Sec. 16

Depositor represents and warrants that depositor is lawfully possessed of the goods and has the full right and authority to store them with warehouseman. Depositor agrees to indemnify and hold harmless the warehouseman from all loss, cost and expense (including reasonable attorneys' fees) which warehouseman pays or incurs as a result of any dispute or litigation, whether instituted by warehouseman 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 warehouseman's lien.

ACCURATE INFORMATION – Sec. 17

Depositor will provide warehouseman with information concerning the stored goods which is accurate, complete and sufficient to allow warehouseman to comply with all laws and regulations concerning the storage, handling and transporting of the stored goods. Depositor will indemnify and hold warehouseman harmless from all loss, cost, penalty and expense (including reasonable attorneys' fees) which warehouseman pays or incurs as a result of depositor failing to fully discharge this obligation.

LIEN – Sec. 18

Warehouseman shall have a lien against the goods and on the proceeds thereof for all charges for storage, handling, transportation (including demurrage and terminal charges), insurance, labour and other charges present or future with respect to the goods, advances or loans by warehouseman in relation to the goods and for expenses necessary for preservation of the goods or reasonably incurred in their sale pursuant to law. Warehouseman further claims a lien on the goods for all such charges, advances and expenses in respect to any other property stored by Depositor in any warehouse owned or operated by warehouseman or its subsidiaries wherever located and whenever deposited and without regard to whether or not said other property is still in storage.

INDEMNITY – Sec. 19

Without prejudice to any of the foregoing conditions the depositor shall indemnify and save harmless the Warehouseman from and against all cost, losses, demands, liabilities, responsibilities and causes of action arising out of or in connection with either directly or indirectly the Stored Goods, any other goods of the depositor or instructions of the depositor.

GOVERNING LAW – Sec. 20

This agreement shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China.

ENFORCEMENT OF THIS AGREEMENT – Sec. 21

Any actions to enforce the provisions of this agreement shall be commenced only in a court of competent jurisdiction located in the Hong Kong Special Administrative Region of the People's Republic of China.

ENTIRE AGREEMENT – Sec. 22

This agreement shall constitute the entire agreement between Warehouseman and Depositor relating to the goods and supersedes all existing agreements between them whether written or oral and shall not be changed, amended or modified except by written agreement signed by representatives of Warehouseman and Depositor.