

L.A. Packing, Crating and Transport, Inc.  
TERMS AND CONDITIONS

**1. DEFINITIONS AND ABBREVIATIONS:**

- A. "LAP" or "LAPCAT" means L.A. Packing, Crating and Transport, Inc., its employees, agents and representatives.
- B. "Person" or "Party" means a person, business entity, organization, their employees, successors, agents and assigns.
- C. "Bailee" means a Person that by a warehouse receipt, bill of lading, or other document acknowledges possession of Property and contracts to deliver it.
- D. "Consignee" means a Person who is named in a bill of lading to which or to whose order the bill of lading promises delivery.
- E. "Consignor" means a Person from whom the Property has been received from LAP for shipment. Consignor may also be referred to as a "Shipper."
- F. "Exclusions" are conditions and occurrences, as set forth below, that relieve LAP from all liability or responsibility for loss and damage related to Property identified in Paragraph 9 of these Terms and Conditions.
- G. "Shipper," "Client" and/or "Customer" means the Person that retains LAP to collect and deliver Property and to perform transportation related services, installation, storage, packaging and/or any other Services, as defined below in Paragraph 2 of these Terms and Conditions, who then becomes liable to remit LAP for charges incurred.
- H. "COD" means an agreement to pay LAP check or cash for services performed at time of delivery or completion of job.
- I. "COPU" means an agreement to pay LAP check or cash for services performed at time of pick-up.
- J. "PBS" means packed by shipper, condition of contents unknown.
- K. "Reasonable" means the standard of conduct of a reasonably prudent person under similar circumstances.
- L. "Delivery" means delivery taking place inside or outside consignee's location or structure at or near a common point of entry and within a reasonably accessible area.
- M. "Property" means all Property or items in whole or in part, that are tendered to LAP for transport, storage and/or logistics related services, including but not limited to packing, crating, installation and/or other related services.
- N. "Package" is one unit(s) of Property.
- O. "Warehouse" means any LAP warehouse.
- P. "NVD" means no value declared where the Shipper consigns Property for carriage by LAP and does not declare a value on that Property; thus releasing the carrier to its minimum level of liability as set forth in Paragraph 3 of these Terms and Conditions.
- Q. "PBS" means packed by shipper and that the condition of the contents are unknown by LAP.
- R. "Action" includes litigation or arbitration proceedings.

**2. SERVICES:**

Customer and LAP understand and acknowledge that LAP's relationship with Customer is that of an independent contractor retained to perform the following Services: moving, transporting and carriage of Property; warehousing/storage of Property; packing and crating; couriers; security arrangements; rigging; photography; fine art installation; hoisting and crane service; permanent placement of exterior sculpture and large-scale sculpture maintenance; construction and repair of crates and travel cases, including museum specification crates, single-shipment crates, multi-use travel cases and travel frames; cursory condition reports; museum standard condition reports with digital imagery; cataloguing and inventory; collection maintenance; technical solutions for multi-media exhibitions; design and construction of custom vitrines, pedestals and brackets; exhibition design; and other services as may be specified in the Services Agreement. LAP undertakes to handle Property using its customary methods and equipment, which are subject to change at its discretion. The handling charge covers the ordinary labor. Additional expenses incurred by LAP shall be charged to the Customer. Property handled other than during regular business hours shall be subject to an additional charge. Labor and materials used in performing Services are chargeable to the Customer. LAP shall perform the Services in accordance with these Terms and Conditions, as requested by the Customer, at such times and places as agreed between the Parties (hereinafter referred to as "Services").

**3. LIMIT OF LIABILITY:**

**THE CUSTOMER AGREES THAT LAP'S MAXIMUM LIABILITY TO THE CUSTOMER, ITS OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES OR CONTRACTORS FOR DAMAGES, FOR ANY CAUSE OF ACTION WHATSOEVER, INCLUDING BUT NOT LIMITED TO NEGLIGENCE AND REGARDLESS OF THE NATURE OF THE ACTION, SHALL BE \$0.60 (SIXTY CENTS) PER POUND OF PROPERTY INVOLVED, BUT IT CANNOT EXCEED THE VALUE OF THE ACTUAL LOSS.**

**LAP SHALL NOT BE LIABLE FOR ANY CLAIM IN EXCESS OF \$0.60 (SIXTY CENTS) PER POUND, PER PACKAGE, REGARDLESS OF THE CAUSE OF THE LOSS UNLESS THE CUSTOMER DECLARES A HIGHER VALUE, PAYS AN ADDITIONAL CHARGE, AND DOCUMENTS ITS ACTUAL LOSS IN ACCORDANCE WITH THE CLAIM FILING RULES SET FORTH HEREIN.**

Should any claim in an amount in excess of the foregoing limits of liability be asserted against LAP by a third party for loss to Property handled by LAP, the Customer agrees to indemnify and hold LAP harmless as against any such claim. This provision shall be in force irrespective of any cause of such loss, including negligence. LAP shall not be liable for loss due to lack of detailed and specific Customer instructions for any Services related to the Property. These Terms and Conditions extend to items damaged inside or outside the Customer's or Consignee's premises or place of business.

To the extent that the Carmack Amendment 49 USC § 14706 is applicable to the Services, LAP herein incorporates by reference all benefits, defenses and exemptions of the aforementioned statute to the full extent they may be applicable, including, but not **limited to LAP's \$0.60 (sixty cents) per pound limitation of liability** and the two year limitation of time to commence an action. This also includes that claims for loss, damage or delay must be filed in writing with LAP within nine (9) months after the delivery and receipt of the Services, except that claims for failure to make delivery must be filed in writing within nine (9) months after a reasonable time for delivery has elapsed.

To the extent that the Convention on the Contract for International Carriage of Property by Road ("CMR"), May 19, 1956, 399 U.N.T.S. 189 is applicable to the Shipment, LAP herein incorporates by reference all benefits, defenses and exemptions of the aforementioned statute to the full extent they may be applicable.

To the extent that the Carriage of Property by Sea Act ("C.O.G.S.A.") or the Harter Act, 46 U.S.C. § 30701 are applicable to the Shipment, LAP herein incorporates by reference all benefits, defenses and exemptions of the aforementioned statutes to the full extent they may be applicable, **including, but not limited to the \$500 per package limitation of liability and the one year limitation of time to commence an action.**

LAP will not substantiate the values of Property in transit; nor will LAP provide proof of origin or verify that such Property conform to any description of such Property. Customers may not overvalue Property in transition in excess of their actual values. The responsibility for providing documented proof of actual value in any claim shall rest solely with the Customer.

Consolidated or multiple items of Property shipped for which the Customer assigns only one total declared value for all items shall be considered by LAP as one item. Loss to any individual item will not be considered separately. LAP reserves the right to decline a Customer's offered declaration of higher value on a bill of lading. LAP is not liable for loss or damage for Property when Customer directs LAP to pick up and load, or deliver and unload at locations where the Customer or its agent is not present.

**4. CUSTOMER OBLIGATIONS:**

Customer agrees and acknowledges that they have read and understood these Terms and Conditions and that all terms are binding on Customer upon signing.

If LAP receives Property, PBS, Customer warrants that Property has been packed, packaged, protected and labeled to ensure safe handling. Customer warrants Consignee information and handling instructions are accurate in order to prevent delay or errant dispatch. Customer agrees to notify Consignee of impending arrival of Property and to arrange delivery. Customer agrees to deliver to LAP a copy of any insurance policy covering Property it places into storage, at the time of contracting.

**5. INSURANCE:**

A. Customer may provide its own transit, installation or storage insurance on its Property. LAP does not automatically provide insurance to the Customer for the Services that it performs with regard to Property. At the request of the Customer, LAP can arrange for the procurement of insurance on behalf of the Customer for a fee that is based on the value of Property and is added to the cost of LAP's Services. If the Customer chooses to purchase such insurance and declares a value for Property, said value must be provided to LAP and documented on the proposal and estimate of charges and may only be entered by LAP. Declared values may not be altered once Property has been received for Services by LAP without LAP's written consent to such alteration. The Customer's instructions for insurance must be received by LAP in sufficient time prior to Services to allow any such request to be processed by the insurance company or underwriter.

LAP does not warrant that such insurance as may be requested by Customer, can or will be placed. Any insurance placed shall be governed by the terms and conditions, rules and procedures set forth in the certificates or policies issued, and will be effective only when accepted by such insurance companies or underwriters.

**6. INSPECTION**

LAP reserves the right to inspect all Property to be shipped. LAP employees shall be at liberty to perform additional wrapping and packing where deemed necessary. In the event that such services were not originally requested, additional charges incurred for packing will be the responsibility of Customer.

**7. GOVERNMENT ACTIONS:**

In the event that any governmental agency makes a claim or institutes legal action against LAP for duties, fines, penalties, liquidated damages or other money due arising from a shipment or Property of the Customer, Customer agrees to indemnify, and hold harmless LAP for any amount LAP may be required to pay including attorney fees. The confiscation or detention of the Property by any governmental authority shall not affect or diminish the liability of the Customer to LAP to pay all charges or other money due promptly on demand.

**8. CLAIMS, TIME LIMITS AND PROCEDURES:**

A. Customer must notify LAP in writing of any damages within twenty-four (24) hours after discovery of damages to the Property, but in no event more than three (3) days following the date of delivery of the Property by LAP (whichever is sooner). Claims for loss, damage or delay must be filed in writing with LAP within nine months after the tender, delivery or receipt of Property (whichever is sooner), except that claims for failure to make delivery must be filed in writing within nine months after a reasonable time for delivery has elapsed.

B. Customer and/or Consignee must hold any packaging, crates, frames and/or containers and their contents in the same condition they were in when damage was discovered.

C. No claims for loss or damage shall be entertained until all of LAP's charges have been paid in full. The amount of the claim may not be deducted from the total due and payable charges. Time limitations for presentation of a claim in writing and maintaining of action after notice begin on the date of mailing of such notice to LAP.

D. **FOR ALL SERVICES EXCEPT CARRIAGE BY ROAD:** No action may be commenced by Customer or others against LAP unless notice has been given and a written claim has been filed and such action is commenced within 1 year after date of Services are performed by LAP.

E. **FOR PROPERTY CARRIED BY ROAD ONLY:** Suits or arbitrations for loss, damage, injury or delay must be commenced against LAP no later than two years from the day when delivery was made.

F. When notice is not given, claims are not filed, or suits or arbitrations are not commenced pursuant to these terms and conditions, all claims shall be deemed waived and barred.

**9. EXCLUSIONS:**

LAP is not responsible or otherwise liable, directly or indirectly, for loss or damage to the Property involving: improperly or inadequately packing or mislabeling by Customer, its agents or employees, or by a third party directed by LAP; internal damage or concealed breakage; breakage of mirrors, marble, stone, metal, glass, ceramic, works in plaster; uncured (not thoroughly dry) paintings; inherent vice; defect; weakness; wear, tear, gradual deterioration; moths, insects, rodents, vermin; pre-existing conditions; the fabrication, repairing, refinishing, renovating, framing, reframing, restoring or retouching process; internal mechanics or instrumentation; waxen, resinous, or viscous surface area be they wet, semi-dry, or hardened state; damaged or excessively worn items, such as antiques in disrepair; uncured or unset varnish applied to furniture; damage or depreciation arising from variation of atmospheric temperature or level of humidity; mysterious disappearance; fire; lightning; earthquake; windstorm; hail; explosion; floods; mudslides; collapse; water damage; burglary, theft, vandalism, malicious mischief; rust, oxidation, mold; directional orientation to which the Customer does not affix descriptive arrows in advance; extreme weather, changes in temperature or humidity; acts of God; breakdown or mechanical defect of vehicles or equipment; faulty or impassable highways; civil disobedience, riots, strikes or lockouts; illegal or unlawful actions; loss or damage related to war, invasion, acts of foreign enemies or customs officials, hostilities, rebellion, revolution, insurrection, military or usurped power of confiscation or nationalization requisition or destruction under the order of any government, public or local authority; ionizing radiations, contamination by radioactivity from any nuclear fuel or waste, radioactive, toxic explosive or other hazardous properties of any nuclear component; any weapon of war, biological or chemical weapons; terrorism; willful misconduct of the Customer; damage caused by spoilage, contamination, deterioration, freezing, electrical and/or mechanical failure; damage to refrigerated and/or temperature controlled Property, damage caused by mechanical or electronic derangement on clocks, scientific instruments, computers, hi-fi equipment; decrease in market value, leakage, loss in weight or volume; and items folded, rolled or unwrapped, regardless of whether such loss or damage may have been caused or contributed to by the negligence of LAP, its agents or employees. Regarding damage to any item that is part of a pair or set, LAP shall only be liable for the separate value of the damaged item without respect to any special value claimed for such item as a part of a pair or set.

LAP shall not be liable for physical damage to Property after delivery or installation, or after departing an installation site. The following shall not be transported or stored by LAP under any circumstance: contraband; illegal items; firearms; ammunition; explosives; chemicals; noxious Property; livestock; plants; biological; or, other hazardous Property. The act of consigning these items to LAP shall entitle LAP to recover all costs for fines, penalties, legal fees, damage to LAP equipment and/or costs associated with personal injury and/or compensation to LAP. The Customer agrees to indemnify LAP against all loss or damage to property or persons caused by said dangerous Property. LAP is at liberty to dispose of any items associated with said dangerous Property and all disposal charges shall be billed to the Customer.

In addition to the foregoing, unless part of a work of bona fide art, the following types of Property will not be transported or stored by LAP under any circumstance: gold, silver, platinum or precious stones or imitations thereof, in a manufactured or unmanufactured state; electronic components, chips, micro circuits silicon and other related devices.

**10. CONSEQUENTIAL DAMAGES:**

LAP shall not be liable for any consequential or special damages, including, but not limited to, loss caused by delay, loss of revenue, income, profit, market value, utility, profit and/or emotional distress, whether or not LAP had knowledge that such damages might be incurred. LAP shall not be liable to Customer for any punitive or exemplary damages, regardless of the cause of any loss.

**11. INDEMNITY AND HOLD HARMLESS:**

In addition to those indemnification and hold harmless obligations contained elsewhere in these Terms and Conditions, it is agreed that the Customer shall defend, indemnify and hold LAP ("indemnitee") harmless from and against any and all claims, liabilities, damages, losses and judgments, including costs and expenses incident thereto, which may be suffered by or accrue against, be charged to or recoverable from LAP by reason of injury to or death of any person or by reason of injury to or destruction of any property, from any cause including but not limited to the fault, breach of warranty or negligence of LAP or its contractors or subcontractors and/or from the fault, breach of warranty or negligence of the Customer or its contractors or subcontractors, in connection with any matter dealt with in these Terms and Conditions.

**12. SERVICES BY THIRD PARTIES AND SUBCONTRACTING:**

The Customer acknowledges and agrees that LAP may subcontract the performance of Services to third parties ("Subcontractors"). LAP shall not be liable or responsible for any negligence, malpractice, fault, errors or omissions in the performance of Services by any Subcontractor. When Subcontractor physically handles Property, they do so subject to the limitations of liability contained herein these Terms and Conditions. In the event that property cannot be delivered as directed by Shipper, LAP is authorized to engage other carriers at LAP's discretion. Shipments that involve other carriers remain subject to these Terms and Conditions. As regards the use of Subcontractors the following is understood and agreed:

In the event that Property cannot be delivered as directed by Customer, LAP is authorized to engage other carriers at LAP's discretion, after reasonable attempts to verbally contact Customer. If another carrier is engaged to effect delivery, all obligations of LAP terminate at the time of the other carrier's receipt and signature.

Unless express instructions in writing are received from the Customer, to the contrary, LAP has complete freedom to choose the means, route and procedure to be employed in the provision of Services as regards all Property.

**13. LIENS:**

- A. **Warehouseman Lien:** LAP has a lien in accordance with the provisions of Section 7-209 of the U.C.C. and Division 7, Chapter 2, Section 7209 of the California Commercial Code [Cal U Com Code § 7209] and shall have a duty of care as prescribed by Section 7-204 of the U.C.C. and Chapter 2 of the California Commercial Code. LAP's lien shall be on all Property at the Warehouse for charges, charges past due or due in the future, and for all expenses reasonably incurred for the protection of monies due LAP. This lien is superior to all other liens and security interests and is effective as of the date that the Property is tendered to the Warehouse. LAP claims a lien on the Property tendered to it and a lien on all Property heretofore, concurrently, or hereafter received by LAP for the account of the Customer or any other persons or organization having an interest in the Property, for all charges for storage or transportation (including demurrage and terminal charges), insurance, labor or other charges, present or future, in relation to the Property, and for expenses necessary for the preservation of such Property or those reasonably incurred in its sale. LAP reserves a security interest in all Property for all charges for Services which have been incurred since the original date of arrival of said Property. When any amounts, for which LAP has reserved a security interest, have remained due and unpaid for 90 days, the Customer shall be deemed to be in default so as to authorize LAP to dispose of the Property, at its option, in the enforcement of the said security interest. All Property subject to this lien or to the security interest may be disposed of in any manner authorized by the laws of the State of California.
- B. **Services Lien:** LAP has a lien on any and all Property of the Customer in its possession, custody or control or en route for all charges, expenses or advances incurred by LAP in connection with any services (except warehousing pursuant to A above). When any amounts, for which LAP has reserved a security interest, have remained due and unpaid for 90 days, the Customer shall be deemed to be in default so as to authorize LAP to dispose of the Property, at its option, in the enforcement of the said security interest. All Property subject to this lien or to the security interest may be disposed of in any manner authorized by the laws of the State of California.

**14. WAREHOUSE TRANSFER, TERMINATION OF STORAGE AND REMOVAL**

Instructions to transfer Property in the Warehouse are not effective until delivered to and accepted by LAP. All charges up to the time transfer is made are chargeable to the Customer. LAP reserves the right to move, at its expense, any Property in storage from the facility in which they may be stored to any other of its facilities. LAP may, without notice, move property within the facility in which they are stored. LAP may, upon 30 days written notice to the Customer and any other person known by LAP to claim an interest in the Property, require the removal of any Property by the end of the 30 day notice period. Such notice shall be given to the last known place of business or abode of the person to be notified. If Property is not removed before the end of the 30 day notice period, LAP may be disposed of in any manner authorized by the laws of the State of California. LAP retains the right to deliver Property to a warehouse selected by LAP at the destination city or at an intermediate point, which shall be for the sole account of Customer.

**15. STORAGE PERIOD, CHARGES AND RATES:**

All charges for storage are per Package or other agreed unit per month. Storage charges become applicable upon the date that LAP accepts care, custody and control of the Property, regardless of unloading date or date of issue of warehouse receipt. A full month's storage charge will apply on all Property received between the first and the 15th, inclusive, of a calendar month; one-half month's storage charge will apply on all Property received between the 16th and last day, inclusive, of a calendar month, and a full month's storage charge will apply to all Property 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 in advance on the first day of each calendar month. When mutually agreed by LAP 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. Rates are subject to change and effective at the end of the month next succeeding the month in which notice is mailed by LAP.

Estimates and quotations are issued on the basis of immediate acceptance. LAP maintains the right to withdraw or revise any estimate, whether issued verbally or in writing. If Customer orders any changes in regards to the Services any charges shall be subject to immediate revision.

Payment terms are net on receipt of invoice unless otherwise stated. Invoices past due more than 30 (thirty) days are subject to 1.5% per month service charge. LAP reserves the right to assess fees to the Customer for collection procedures on delinquent accounts including, but not limited to, costs for administration, communication, legal procedures and interest on unpaid amounts.

**16. TENDER FOR STORAGE AND HANDLING:**

Unless arranged for in advance by the Customer, the Property may be placed in general storage at LAP's discretion without regard for temperature or humidity conditions and without responsibility for freezable Property. Unless the Customer shall otherwise specify in advance of receipt by LAP, the Property may be stored in bulk or assorted Packages at the discretion of LAP. Unless otherwise specified in writing, LAP undertakes to handle Property using its customary methods and equipment. Unless otherwise agreed, labor and materials used for unloading and loading Property will be subject to a charge. Property handled other than during regular business hours shall be subject to an additional charge. When Property is ordered out in quantities less than in which received, LAP may make an additional charge for each order or each item of an order. Customer agrees and acknowledges that Property placed into storage with LAP may be held at any Warehouse. LAP is permitted to move said Property from and between any Warehouse, as may, in LAP's sole discretion, be required.

**17. DELIVERY REQUIREMENTS:**

No Property shall be delivered or transferred except upon receipt by LAP of complete written instructions properly signed by the Customer, provided, however, that Property may be delivered upon instructions by telephone in accordance with a prior written authorization, but LAP shall not be responsible for loss or error occasioned thereby. When Property is requested out of the Warehouse a reasonable time shall be given LAP to carry out instructions, and if it is unable because of acts of God (including but not limited to earthquakes, fires, floods etc.), war, public enemies, seizure under legal process, or any reason beyond LAP's reasonable control, LAP shall not be liable for failure to carry out such instructions and Property remaining in storage will continue to be subject to regular storage charges.

**18. NON-DELIVERY:**

- A. In the event that Property remains unclaimed after ninety (90) days due to abandonment, failure or refusal of delivery by consignee, or due to LAP's inability to arrange for further delivery instructions then said Property will be subject to disposal by LAP for enforcement of warehouse or services lien or lien sale in any manner authorized by the laws of the State of California.
- B. Should Shipper redirect Property outside of LAP's route area in mid-transit, or otherwise render Property not deliverable, LAP shall retain the right to create new Bills of Lading and direct Property via LAP or outside carriers.
- C. Shippers and Consignees agree that LAP shall pick-up and/or deliver during regular business hours or arrange other reasonable times with LAP. LAP shall apply additional charges where Shipper and/or Consignee fail to allow complete delivery by reason of delay, impediment, or omission of information and/or unwillingness to schedule delivery.

**19. MISCELLANEOUS:**

- A. **Choice of Law:** These Terms and Conditions shall be construed and governed according to the laws of the State of California without reference to its choice of laws.
- B. **Arbitration:** LAP and Customer agree that any dispute, controversy or claim arising from or relating to any services performed by LAP shall be submitted to and determined by binding arbitration in Los Angeles, California, conducted by JAMS.
- C. **Waiver of Jury Trials and Counterclaims:** If for any reason, a Court declares the above arbitration clause invalid, the Customer specifically waives his/her right to a jury trial and agrees not to interpose any counterclaim on any action commenced by LAP.
- D. **Ability to Enter Into and Perform:** The Customer represents and warrants to LAP that it is free and unrestricted to enter into an agreement with LAP and that the Customer is not party to any agreement or understanding which shall interfere with or prevent it from entering into these Terms and Conditions.
- E. **Waiver of Subrogation:** Customer agrees to relinquish its rights and those of its insurers to subrogate against LAP for any damages resulting from any transportation, carriage, warehousing or any other Services performed by LAP. Furthermore, in addition to those indemnification and hold harmless obligations contained elsewhere in these Terms and Conditions, the Customer agrees to indemnify and hold harmless LAP from any claim, arbitration or lawsuit alleging a right of subrogation.
- F. **Severability:** In the event any paragraph(s) and/or portion(s) hereof are found to be invalid and/or unenforceable, the remainder hereof shall remain in full force and effect. If LAP pursues collection and/or litigation against Customer and prevails, Customer shall pay LAP's cost of collection and/or litigation, including reasonable attorneys' fees.

## WAREHOUSE RECEIPT TERMS AND CONDITIONS

*This Non-Negotiable Warehouse Receipt is issued by L.A. Packing, Crating and Transport, Inc., together with its affiliates, subsidiaries, divisions and employees, (hereinafter referred to as "LAP", "Warehouse" or "Warehouseman") and accepted by the Consignor of the Property named on the face hereof subject to the following Terms and Conditions. The Property covered may be delivered to the Consignor without surrender of this Receipt.*

**1. DEFINITIONS:** (a) "Property" includes items in whole or in part, in packed or unpacked state, that are tendered to the Warehouse for storage and ancillary services. (b) "Package" is the unit(s) of Property for which a separate account is to be kept by the Warehouse.

**2. WAREHOUSE'S LIEN:** LAP shall have a lien on all of Consignor's Property held at the Warehouse for charges, charges past due or due in the future, and for all expenses reasonably incurred for the protection of monies due LAP. This Lien is superior to all other liens and security interests and is effective as of the date that the Property is tendered to the Warehouse. LAP claims a Lien on the Property covered by this Receipt, and a Lien on all Property heretofore, concurrently, or hereafter received by LAP for the account of the Consignor or any other persons or organization having an interest in the Property, for all charges for storage or transportation (including demurrage and terminal charges), insurance, labor or other charges, present or future, in relation to the Property covered by this Receipt, and for expenses necessary for the preservation of such Property or reasonably incurred in its sale. LAP reserves a Security Interest in all Property (i) for all charges enumerated herein which have been incurred since the original date of arrival of said Property as indicated hereon, to the extent that said charges are not secured by a valid lien, and (ii) for advances made, interest thereon and liabilities incurred as indicated hereon. When any amounts, for which LAP has reserved a Security Interest, have remained due and unpaid for 90 days, the Consignor shall be deemed to be in default so as to authorize LAP to dispose of the Property, at its option, in the enforcement of the said security interest. All Property subject to the lien or to the security interest, both herein further described, and all Property, the removal of which has been required as hereinafter provided, may be disposed of in any manner authorized by the laws of the State of California.

**3. LIABILITY AND LIMITATION OF DAMAGES:** (a) LIABILITY OF LAP FOR LOSS OR DAMAGE TO PROPERTY STORED OR HANDLED, HOWEVER CAUSED, SHALL BE LIMITED TO THE ACTUAL DAMAGE OR LOSS TO SUCH PROPERTY, PROVIDED, THAT IN NO EVENT SHALL SUCH LIABILITY EXCEED \$0.60 (SIXTY CENTS) PER POUND AS DESCRIBED ON THE FACE OF THIS RECEIPT AND PROVIDED, HOWEVER, THAT SUCH LIABILITY MAY UPON WRITTEN REQUEST OF THE CONSIGNOR BE INCREASED AT THE TIME THAT THE PROPERTY IS RECEIVED AT THE WAREHOUSE IN WHICH EVENT, INCREASED RATES WILL BE CHARGED BASED UPON SUCH INCREASED LIABILITY. (b) LAP shall not be liable for any loss or injury to Property stored however caused unless such loss or injury resulted from the failure by LAP to exercise such care in regard to such Property as a reasonably careful man would exercise under like circumstances. In addition, LAP is not responsible or otherwise liable, directly or indirectly, for loss or damage to the Property of the Consignor due to Property involving: improperly or inadequately packing or mislabeling by the Consignor, its agents or employees; internal damage or concealed breakage; breakage of mirrors, marble, stone, metal, glass, ceramic, works in plaster, uncurved (not thoroughly dry) paintings, inherent vice, defect or weakness, wear, tear, gradual deterioration, moths, insects, rodents, vermin, pre-existing conditions, the fabrication, repairing, refinishing, renovating, framing, reframing, restoring or retouching process; internal mechanics or instrumentation; waxen, resinous, or viscous surface area, be they in wet, semi-dry, or hardened state; damaged or excessively worn items such as antiques in disrepair, uncurved or unset varnish applied to furniture; damage or depreciation arising from variation of atmospheric temperature or level of humidity; mysterious disappearance, fire, lightning, earthquake, windstorm, hail, explosion, floods, mudslides, collapse, water damage, burglary, theft, vandalism, malicious mischief, rust, oxidation, mold; directional orientation to which the Consignor does not affix descriptive arrows in advance; civil disobedience, riots, strikes or lockouts, illegal or unlawful actions, loss or damage related to war, invasion, acts of foreign enemies or customs officials, hostilities, civil war, rebellion, revolution, insurrection, military or usurped power of confiscation or nationalization, requisition or destruction under the order of any government or public or local authority; ionizing radiations, contamination by radioactivity from any nuclear fuel or waste, radioactive, toxic explosive or other hazardous properties of any nuclear component, any weapon of war employing atomic or nuclear fission and/or fusion, biological or chemical weapons, terrorism; willful misconduct of the Consignor; damage caused by spoilage, contamination, deterioration, freezing, electrical and/or mechanical failure, and or damage to refrigerated and/or temperature controlled Property; damage caused by mechanical or electronic derangement on clocks, scientific instruments, computers, hi-fi equipment; decrease in market value, ordinary leakage or loss in weight or volume; and items folded, rolled or unwrapped, regardless of whether such loss or damage may have been caused or contributed to by the negligence of LAP, its agents or employees. (c) Property is not insured by Warehouse against loss or injury however caused. (d) The limitations of this paragraph shall not apply to claims for loss or damages arising out of conversion of Consignor's Property to Warehouse's own use. Consignor shall indemnify and hold LAP harmless for all claims brought by third parties against LAP arising from loss or damage to Consignor's Property.

**4. TRANSFER, TERMINATION OF STORAGE, REMOVAL OF PROPERTY:** (a) Instructions to transfer Property on the books of the Warehouse are not effective until delivered to and accepted by the Warehouse, and all charges up to the time transfer is made are chargeable to the Consignor. (b) LAP reserves the right to move, at its expense, any Property in storage from the facility in which they may be stored to any other of its facilities. LAP may, without notice, move Property within the facility in which they are stored. (c) LAP may, upon 30 days written notice to the Consignor and any other person known by LAP to claim an interest in the Property, require the removal of any Property by the end of the 30 day notice period. Such notice shall be given to the last known place of business or abode of the person to be notified.

If Property is not removed before the end of the 30 day notice period, LAP may sell them in accordance with applicable law. (d) If LAP in good faith believes that the Property is about to deteriorate or decline in value to less than the amount of Warehouse's lien before the end of the 30 day notice period, LAP may specify in the notification any reasonable shorter time for removal of the Property and in case the Property is not removed, 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 Property of which LAP had no notice at the time of deposit, the Property is a hazard to other Property or to the facility or to persons, LAP may sell the Property at public or private sale without advertisement on reasonable notification to all persons known to claim an interest in the Property. If LAP after a reasonable effort is unable to sell the Property, 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 Property, LAP may remove the Property from the facility and shall incur no liability by reason of such removal.

**5. STORAGE PERIOD, CHARGES AND RATES:** All charges for storage are per package or other agreed unit per month. Storage charges become applicable upon the date that LAP accepts care, custody and control of the Property, regardless of unloading date or date of issue of Warehouse Receipt. A full month's storage charge will apply on all Property received between the first and the 15th, inclusive, of a calendar month; one-half month's storage charge will apply on all Property received between the 16th and last day, inclusive, of a calendar month, and a full month's storage charge will apply to all Property 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 in advance on the first day of each calendar month. When mutually agreed by LAP and the Consignor, 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. Rates are subject to change and effective at the end of the month next succeeding the month in which notice is mailed by LAP.

**6. TENDER FOR STORAGE AND HANDLING:** Unless arranged for in advance by the Consignor, the Property may be placed in general storage at LAP's discretion without regard for temperature or humidity conditions and without responsibility for freezable Property. Unless the Consignor shall otherwise specify in advance of receipt by the Warehouse, the Property may be stored in bulk or assorted Packages at the discretion of LAP. Unless otherwise specified in writing on the face of this receipt, LAP undertakes to handle Property using its customary methods and equipment. Unless otherwise agreed, labor and materials used for unloading and loading Property will be subject to a charge. Property handled other than during regular business hours shall be subject to an additional charge. When Property is ordered out in quantities less than in which received, LAP may make an additional charge for each order or each item of an order. It is mutually agreed that the Property accepted are subject to LAP's standard Terms and Conditions which are incorporated by reference and available at [www.lapackinginc.com](http://www.lapackinginc.com).

**7. DELIVERY REQUIREMENTS:** (a) No Property shall be delivered or transferred except upon receipt by LAP of complete written instructions properly signed by the Consignor, provided, however, that Property may be delivered upon instructions by telephone in accordance with a prior written authorization, but LAP shall not be responsible for loss or error occasioned thereby. (b) When Property is ordered out a reasonable time shall be given LAP to carry out instructions, and if it is unable because of acts of God (including but not limited to earthquakes, fires, floods etc.), war, public enemies, seizure under legal process, or any reason beyond LAP's reasonable control, LAP shall not be liable for failure to carry out such instructions and Property remaining in storage will continue to be subject to regular storage charges.

**8. NOTICE OF DAMAGES, CLAIM AND COMMENCEMENT OF ACTIONS:** Consignor must notify LAP in writing of all damages within twenty-four (24) hours after discovery of damages to the Property, but in no event more than three (3) days after receipt of the Property. Claims by the Consignor and all other persons must be presented in writing to LAP within 30 days after date of delivery by LAP. No action may be commenced by Bailor or others against LAP unless notice has been given and a written claim has been filed and such action is commenced within 1 year after date of delivery by LAP or within 1 year after Bailor or holder of Warehouse Receipt is notified that loss or damage to part or all of the Property has occurred, whichever time is shorter. When Property have not been delivered, notice may be given of known loss or injury to the Property by mailing of a registered or certified letter to the Consignor.

**9. JURISDICTION AND SEVERABILITY:** This Warehouse Receipt shall be governed by California Law without regard to conflict of law principles. LAP and Consignor agree to the jurisdiction of the United States District Court for the Central District of California and Courts of the State of California and that any action relating to the services performed, shall only be brought in said courts. In the event any Paragraph(s) and/or portions hereof are found to be invalid and/or unenforceable, the remainder hereof shall remain in full force and effect. If LAP pursues collection and/or litigation against Consignor and prevails, Consignor shall pay LAP's cost of collection and/or litigation, including reasonable attorney's fees.