

## ACE GLOBAL WAREHOUSING GENERAL TERMS AND CONDITIONS (2017)

**1. General:** These Conditions are applicable to every Agreement entered into between ACE GLOBAL (hereinafter referred to as « ACE GLOBAL ») the owner of the stored goods and the financier of the said goods with whom ACE GLOBAL has agreed to control the goods/products, such as traders (hereinafter referred to as the « CUSTOMER ») and financial institution. The Warehousing General Terms and Conditions and Inspections General Terms and Conditions are entirely part of the Agreement that they supersede in case of contradiction and are accepted by all parties when entering into the Agreement. For the avoidance of doubt, where the operations entailed under the main Agreement are those of Secured Distribution as opposed to a Field Warehousing or Collateral Management, ACE GLOBAL shall issue a Goods Receipt Note and not a Warehouse Receipt/Tank Farm Receipt, and accordingly the reference to Warehouse Receipt hereunder shall be to a Goods Receipt Note / Tank Farm Receipt, notwithstanding the terminology.

**2. Transfer of ownership of goods/products by CUSTOMER:** THE CUSTOMER warrants that he is either directly or subject to a security interest, the owner of any goods/products delivered to ACE GLOBAL. He shall indemnify ACE GLOBAL against all claims arising from title to the goods/products. ACE GLOBAL recognises as the party entitled to the goods/products received into custody, only the person whose name is recorded on a Warehouse/Tank Farm Receipt /Goods Receipt Note.

**3. Description of Goods/Products:** Tendering of goods/products and instructions regarding storage, custody and handling must be effected, accompanied by a written statement of the description of the goods/products, the declared value (for which ACE GLOBAL accepts no responsibility), the number of packages or units, the gross weight and all particulars which are of such a nature which would enable ACE GLOBAL to decide on what basis to accept the goods/products under the terms hereof.

**4. Procedure:** ACE GLOBAL has absolute discretion as to the means and procedure to be followed in the handling, custody and release of goods/products. If, in the opinion of ACE GLOBAL, it is at any stage necessary or desirable in THE CUSTOMER'S interest to deviate from express instructions of the CUSTOMER, ACE GLOBAL is at liberty to do so, at CUSTOMER'S expenses.

**5. Weight or measurement:** ACE GLOBAL is only liable for ascertaining weight or measurements if the goods/products have been weighed or measured by ACE GLOBAL on reliable means of weighing unless THE CUSTOMER would instruct differently accepting then an error margin taken by ACE Global.

**6. Inspection of goods/products:** If THE CUSTOMER instructs ACE GLOBAL to conduct any qualitative, quantitative or other inspection with respect to the goods/products; such inspection is conducted subject to the ACE GLOBAL Inspection General Terms and Conditions.

**7. Examination of packages:** Packages may be opened for examination of the contents; to follow adequate standards for checking goods/product compliance especially if it suspects that the contents have been wrongly described or may damage other goods. If the examination reveals that the contents differ from those stated or that there is reasonable likelihood of damage to other goods, the costs of the more in depth examination are for THE CUSTOMER'S account.

**8. Description on Warehouse Receipt:** THE CUSTOMER warrants the accuracy of the description and/or specifications of the goods/products as stated on the face of any Warehouse/Tank Farm receipt/ Goods Receipt Note, delivery order and/or telex/fax/email order for release, if any, and ACE GLOBAL does not, by the issuance of any such document, agree that such description is correct, or admit the existence, good order and condition of the goods/products described, or of the contents of any package or other shipping unit, except as may be otherwise provided by applicable statute or specifically admitted in writing by ACE GLOBAL. ACE GLOBAL may rely upon such particulars as the contents, measurement, nature, quality, quantities, weight, number, serial numbers, marks, value of the goods/products, etc. being unknown to it, even if the goods/products have been counted, weighed or measured in the presence of any of ACE GLOBAL'S employees or agents and even if the latter could have known the nature or qualities or other particulars thereof.

**9. Liability of CUSTOMER:** THE CUSTOMER is liable to ACE GLOBAL and/or to any third party for any injury, loss or damage arising from incorrect, misleading and/or incomplete description, indication or information, including inaccuracies or omissions in the leading marks, numbers, quantity, weight, gauge, measurement, contents, nature, quality or value of the goods/products, as well as for damage arising from defects in the goods/products and/or packing which have not been earlier notified to ACE GLOBAL. THE CUSTOMER shall indemnify ACE GLOBAL against third party claims in respect of any injury, loss or damage caused as aforesaid and THE CUSTOMER shall bear all charges, costs, fees and disbursements incurred by ACE GLOBAL in respect of all legal proceedings or intended legal proceedings affected by or against ACE GLOBAL in relation to such damage.

**10. Refusal of goods/products by ACE GLOBAL:** ACE GLOBAL is entitled to refuse to receive the goods/products without stating any reasons. During such time as ACE GLOBAL holds the goods/products, the terms of the Agreement shall apply in full unless terminated or varied by parties. If THE CUSTOMER is in breach of any term of the Agreement, it is expressly understood that ACE GLOBAL has the right to claim for reasonable compensation of such losses as are allowed by the applicable law.

**11. Delivery of goods/products :** Delivery to and receipt by ACE GLOBAL is effected by the goods/products being handed over by THE CUSTOMER and taken over by ACE GLOBAL at the place of storage.

**12. Condition of goods/products:** THE CUSTOMER warrants the good condition of the goods/products and, if packed, that they are suitably and properly packed when delivered to ACE GLOBAL. If the goods/products sent to ACE GLOBAL are in a damaged or defective condition which is outwardly visible at the time of delivery, ACE GLOBAL is entitled, but not obliged unless specified in contract, to protect the CUSTOMER'S interest against the carrier or others, at the CUSTOMER'S risk and expense, and to preserve or collect the evidence regarding the condition of the goods/products. ACE GLOBAL shall notify as soon as practicable THE CUSTOMER, and the CUSTOMER shall provide ACE GLOBAL with written clear instructions detailing the requested actions to be eventually taken by ACE GLOBAL, but failure to do so shall not impose any liability on ACE GLOBAL.

**13. Failure to collect goods/products:** ACE GLOBAL reserves the right to claim all costs and expenses of whatsoever nature wasted in full or in part consequent on THE CUSTOMER failing to tender or collect goods/products at the time agreed for doing so.

**14. Storage Place:** ACE GLOBAL may not transfer the goods/products to another storage place. If a transfer must be done in the interest of the goods/products or through circumstances beyond ACE GLOBAL's control, ACE GLOBAL shall notify the CUSTOMER and THE CUSTOMER shall provide ACE GLOBAL with written clear instructions. If ACE GLOBAL is requested to transfer the goods/products to another storage, the cost of this transfer and the risk of transport are for THE CUSTOMER'S account. Failure to notify THE CUSTOMER does not give the latter any right of claim against ACE GLOBAL.

**15. Limitation of responsibility of ACE GLOBAL:** All goods/products are stored and handled at THE CUSTOMER'S risk. ACE GLOBAL is not liable for any loss, damage, destruction, deterioration or deficiency of the goods/products except as may be caused by a deliberate act on the part of any of ACE GLOBAL's own employees, and for no other neglect or default or other matter or thing whatsoever or however arising. In any event, ACE GLOBAL shall not be liable for any such loss howsoever caused or arising:

- (a) Through theft, burglary or from any form of wrongful acquisition or detention;
- (b) In respect of goods/products which have been stored in the open or which ACE GLOBAL customarily stores in the open;
- (c) occurring before receipt and, regardless of the origin of the goods/products, due to the natural qualities of the goods/products, changes in quality or character, inherent vice, decay, drying out, powdering, heat, heating, melting, staining, sweating, fermenting, freezing, rusting, mildew, mould, dampness, dust, oil, discoloration, evaporation, small or taint from or contact with other goods/products or fuel, putrefaction, water of any kind, rain or spray, effects of climate, drainage, leakage, wastage, loss of weight, breakage, spitting, bending, chaffing, shrinkage, hook holes, rats, mice, insects and other vermin, explosion of any of the goods/products whether received with or without disclosure of its nature, insufficiency, soiling, injury to, distortion, pressing or busting of packages, adherence or coverings, failure to protect the goods or inaccuracy, obliteration or errors in or insufficiency or absence of marks, numbers, address or description of the goods/products;
- (d) caused directly or indirectly by existing or threatened war, declared or undeclared hostilities, warlike operations, civil war or civil commotions, revolution or the operation of international law, governmental measure, requisitioning, strikes, lockout, sabotage, power breakdown, rebellion, looting or force majeure;
- (e) caused directly or indirectly by fire, smoke, explosion, water used for extinguishing fires, burst water piping, flood, tempest, earthquake of any other extraneous calamity or Acts of God;
- (f) arising out of any bulking, sampling, picking, washing, cleaning, grading, sorting, re-packing or re-bagging operation carried out by ACE GLOBAL;
- (g) caused or contributed to by a breach of any of THE CUSTOMER'S warranties or by any circumstances by virtue of which ACE GLOBAL is relieved of its contractual obligations as provided herein; and
- (h) Occurring after the goods/products have been taken back or removed by THE CUSTOMER or someone authorised by him.
- (i) In respect of contraband or illegal goods/products;
- (j) In respect of released goods/products remaining uncollected by the beneficiary within 24 hours after receipt of the release instructions and therefore warehoused in the storage premises.
- (k) In respect of goods/products put under comingling scenario in agreement with the CUSTOMER and where storer/CUSTOMER takes the liberty to deliberately go below the pledge limit despite the control and the warnings made by ACE Global

Notwithstanding anything to the contrary the liability of ACE GLOBAL in respect of any loss of the goods/products shall in any case be limited to a sum not exceeding the cargo marine insurance value of each package/gross weight. ACE GLOBAL is not liable for any loss of profit or for any consequential loss including any indirect losses whatsoever sustained by THE CUSTOMER.

**16. Dangerous goods/products:** THE CUSTOMER shall notify ACE GLOBAL before delivery of any goods/products of an explosive, flammable, corrosive, noxious or dangerous nature or any goods likely to cause damage or detriment to the Warehouse/Tank Farm or to other goods/products, or which are classified as dangerous or hazardous goods/products by law or regulation. The packages containing such goods shall be clearly and indelibly marked to show the hazardous nature of their contents and THE CUSTOMER shall indemnify ACE GLOBAL against any and all fines, penalties or damages suffered or incurred by ACE GLOBAL by reason of THE CUSTOMER'S failure to so declare and mark the nature of such goods/products. The attention of THE CUSTOMER is directed to the laws and regulations imposing criminal or civil penalties for failure to properly declare mark and package such goods. If THE CUSTOMER nevertheless delivers any such goods/products to AEC GLOBAL or causes ACE GLOBAL to handle or deal with any such goods/products otherwise than under special arrangements, THE CUSTOMER shall be liable for all loss caused by or to or in connection with the goods/products however arising and shall indemnify ACE GLOBAL against all penalties, claims, damages, costs (including all legal costs) and expenses whatsoever arising in connection therewith, and the goods/products may be destroyed or otherwise dealt with at THE CUSTOMER'S risk and expense at the sole discretion of ACE GLOBAL or any other person in whose custody they may be at the relevant time if it is feared that failure to take such action might cause loss to the goods/products themselves or to other goods/products, to the Warehouse/Tank Farm or equipment or harm or injury to persons. The expression « goods likely to cause damage » includes goods likely to harbour or encourage vermin or other pests. ACE GLOBAL shall immediately notify THE CUSTOMER, but failure to notify THE CUSTOMER shall not give the latter any right of claim against ACE GLOBAL. Without prejudice to the above provisions, THE CUSTOMER shall indemnify ACE GLOBAL from and against any claims of third parties on account of damage caused by the CUSTOMER'S goods/products to goods/products of third parties.

**17. Admission to the place of storage:** For those to whom admission is granted to the place of storage, the following conditions are applicable:

- (a) The CUSTOMER shall ensure that all persons visiting the place of storage, also the personnel of vessels and vehicles, shall enter and remain at their own risk and shall observe all regulations for safety or otherwise imposed by ACE GLOBAL;
- (b) Admission is granted only during ordinary working hours and shall always be attended by an employee of ACE GLOBAL;
- (c) THE CUSTOMER shall be liable for any damage caused directly or indirectly by the said persons.

**18. Charges:** THE CUSTOMER shall pay for storage of the goods/products.

**19. Insurance:** ACE GLOBAL shall not be obliged to effect any insurance against any risk whatsoever in respect of the goods/products. THE CUSTOMER shall obtain an "all risks" insurance and ensure that the Warehouse/ Tank Farm is well insured, and all premiums and other charges are duly paid on rendering of appropriate invoice.

**20. Destruction of goods/products:** Any goods/products destroyed by fire or otherwise shall be deemed to have been delivered to THE CUSTOMER and all fees due to ACE GLOBAL shall be paid.

**21. Issue of warehouse receipt (WR)/tank farm receipt (TR)/goods receipt note (GRN):** ACE GLOBAL may in its discretion agree to issue a Warehouse Receipt/Tank Farm Receipt/Goods Receipt Note in respect of the goods/products stored hereunder but such receipt is expressly agreed not to be in a negotiable or transferable document of title and in particular does not evidence title or the right to possession to any such goods/products nor shall it be used by THE CUSTOMER as collateral security in any respect. It is understood that these receipts are to be issued for sound goods only and that any damaged goods to be rebagged or repacked would be subject to an additional receipt. Quantities/weight appearing on receipts to be subject to the limit of liability's clause according to Agreement. If the Receipt is lost or destroyed, ACE GLOBAL may in its discretion agree to issue a replacement receipt, provided always that THE CUSTOMER indemnifies ACE GLOBAL in a manner satisfactory and in any case in writing, against all claims, damages or costs that may arise in accordance therewith.