

Jetco's Standard Terms and Conditions of Service.

1. Definitions:

1.1. "Jetco" shall refer to Jetco Warehouse, LLC.

1.2. "Customer" shall refer to Customer, Customer's employees and contractors, Customer's invitees, and their agents.

1.3. "Warehouse" shall refer to any warehouse or storage facility owned, leased by or operated by Jetco where Customer's goods are stored pursuant to an agreement between Customer and Jetco.

2. Application: These terms shall apply to all of Customer's goods tendered to Jetco and stored at Jetco's Warehouses. These Terms can only be superseded upon written authorization by the President of Jetco.

3. Shipment of Goods to Warehouse.

3.1. Customer shall identify Customer as the named consignee on all goods shipped to the Warehouse. Customer shall not ship goods to or from the Warehouse naming Jetco as the consignee on a bill of lading or other shipment document. Customer agrees to notify motor carriers that Jetco is providing warehousing services and notify motor carriers of the actual consignee.

3.2. If goods which name Jetco as consignee are inadvertently shipped and accepted, Customer shall immediately notify Jetco and the motor carrier in writing that Jetco is the "in care of party" only and has no beneficial title or interest in Customer's goods.

3.3. CUSTOMER SHALL INDEMNIFY AND HOLD HARMLESS JETCO FROM ANY AND ALL CLAIMS FOR UNPAID TRANSPORTATION CHARGES RELATED TO CUSTOMER'S GOODS, OF ANY KIND WHATSOEVER AND TO WHOMEVER OWED, INCLUDING DETENTION, DEMURRAGE, AND ALL OTHER CHARGES, WITHOUT REGARD TO WHETHER JETCO WAS NAMED CONSIGNEE OR WHETHER JETCO KNEW OR SHOULD HAVE KNOWN IT WAS THE NAMED CONSIGNEE ON A BILL OF LADING OR OTHER SHIPPING DOCUMENT.

4. Tender of Goods for Storage.

4.1. Customer shall deliver all goods for storage at the Warehouse properly marked and packaged for handling.

4.2. Customer 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. Otherwise the goods may be stored in bulk or assorted lots in general storage at the discretion of Jetco and charges for such storage will be made at the applicable storage rate.

4.3. Receipt and delivery of all or any unit of a lot shall be made without subsequent sorting except as agreed by Jetco and subject to a charge.

4.4. Jetco shall store and deliver goods only in the packages in which they are originally received unless otherwise agreed to in writing.

4.5. Jetco shall not be responsible for segregating goods by production code date unless specifically agreed to in writing.

4.6. Copper shall not be stored on Jetco's premises without Jetco's express written consent.

5. Storage Charges.

5.1. Jetco shall invoice Customer according to the Rate Confirmation or as otherwise quoted by Jetco or agreed in writing. Additionally, any rates, which may be verbally agreed upon, shall be deemed confirmed in writing where Jetco has billed the rate and Customer has paid it. All written confirmations of rates, including confirmations by billing and payment, shall be incorporated herein by this reference.

5.2. Customer shall pay Jetco storage charges and the charges for any additional services within 30 days of the invoice date without deduction or setoff.

5.3. Dunnage, bracing, packing materials or other special supplies may be provided by Jetco for Customer at a charge in addition to Jetco's cost.

5.4. Storage charges include the ordinary labor involved in receiving goods at the door of the Warehouse. Any additional labor requested will be charged by Jetco to Customer.

5.5. Storage charges do not include bonded storage. An additional charge may apply if Jetco agrees to store any goods in bond. If a warehouse receipt covers goods in U.S. Customs bond, such receipt shall be void upon the termination of the storage period fixed by law.

5.6. Customer may not offset claims for loss or damage to goods against amount owed to Jetco unless otherwise agreed to in writing.

5.7. Jetco reserves the right to adjust rates for warehousing, storage and affiliated services in its discretion, with 30 days' advance written notice.

5.8. Should Customer stop doing business or reduce its business with Jetco below levels agreed upon between the parties, Customer shall be liable for all unrecoverable contractually obligated charges for the agreed upon term.

5.9. Jetco may submit invoices through its affiliate and such administrative functions shall not alter Jetco's role beyond storage of goods, make Jetco liable for its affiliates' conduct, make Jetco's affiliates liable for Jetco's conduct, or establish any kind of joint liability between Jetco and its affiliates.

6. Transfer. Instructions to transfer goods on the books of Jetco are not effective until delivered to and received by Jetco, and all charges up to the time transfer is made are chargeable to the Customer of record. If a transfer involves re-handling the goods, such re-handling will be subject to charges at Jetco's standard rates.

7. Termination of Storage. Jetco may at any time require the removal of any goods by the end of the next succeeding calendar month by providing written notice to Customer. If goods are not removed before the end of the next succeeding calendar month, Jetco may dispose of the goods in accordance with applicable law.

8. Handling of Goods.

8.1. Jetco shall provide the ordinary labor involved in receiving goods at the door of the Warehouse, placing goods in storage, and returning goods to the warehouse door for delivery. Customer shall pay Jetco for services requested other than ordinary handling and storage.

8.2. Customer shall pay Jetco for Jetco's additional expenses in receiving and returning damage goods and loading or unloading goods at a place other than the warehouse door.

8.3. Jetco shall not be required to store goods in a humidity-controlled or temperature-controlled environment.

8.4. Customer may be charged an Escort Fee if Customer's access to Jetco's premises requires that Jetco personnel escort Customer.

8.5. IF JETCO ALLOWS CUSTOMER OR CUSTOMER'S CONTRACTOR TO USE ANY OF JETCO'S EQUIPMENT FOR ANY REASON, CUSTOMER ACKNOWLEDGES THAT CUSTOMER ACCEPTS ALL RISK AND RESPONSIBILITY OF DAMAGE TO PROPERTY AND INJURY TO PERSONS ARISING FROM SUCH USE. CUSTOMER SHALL ENSURE THAT ANY PERSON USING JETCO'S EQUIPMENT SHALL BE QUALIFIED AND CERTIFIED, AS APPLICABLE, TO OPERATE THE EQUIPMENT IN THE CONDITIONS PRESENTED. CUSTOMER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS JETCO FROM ANY CLAIM ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE ARISING FROM CUSTOMER OR ITS CONTRACTOR'S USE OF JETCO'S EQUIPMENT, EVEN IF SUCH CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSES IS CAUSED IN WHOLE OR IN PART BY A PRE-EXISTING DEFECT.

8.6. Jetco shall not be liable for damages to Customer's and Customer's contractors' loading, unloading, packaging and related equipment and materials or damages to person or property arising from use of such equipment and materials, except to the extent of Jetco's proportionate fault. CUSTOMER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS JETCO FROM ANY CLAIM ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE ARISING FROM SUCH EQUIPMENT OR MATERIALS OR THE USE THEREOF, EXCEPT TO THE EXTENT OF JETCO'S PROPORTIONATE FAULT.

9. Release

9.1. No goods shall be released or transferred except upon receipt by Jetco of complete written instructions. However, when no negotiable receipt is outstanding, goods may be released upon instruction by telephone, but Jetco shall not be responsible for loss or error occasioned thereby.

9.2. Customer shall afford Jetco a reasonable time to release goods and shall afford Jetco at least 10 business days after receipt of a delivery order to locate any misplaced goods. If Jetco has exercised reasonable care and is unable, due to causes beyond its control, to release goods before expiration of the current storage period, the goods will be subject to storage charges for each succeeding storage period. If Jetco is unable to release goods because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots and civil commotions, other force majeure causes, or any reason beyond Jetco's control, or because of loss or destruction of goods for which Jetco is not liable, or because of any other excuse provided by law, Jetco shall not be liable for failure to release the goods and the goods remaining in storage will continue to be subject to regular storage charges.

9.3. All instructions and requests for release or transfer of title are received subject to satisfaction of all charges, liens and security interests of Jetco with respect to the goods whether for accrued charges, advances, or otherwise.

9.4. Jetco may require, as a condition precedent to release, a statement from Customer holding Jetco harmless from claims of others asserting a superior right to Customer to possession of the goods. Nothing herein shall prevent Jetco from exercising any other remedy available to it under the law to resolve conflicting claims to possession of the goods. All costs, including attorney's fees, incurred by Jetco relating to Jetco's activities referred to in this subsection may be charged to Customer and shall be subject to Jetco's lien described herein.

10. Jetco's Limited Liability.

10.1. JETCO SHALL NOT BE LIABLE FOR ANY LOSS OR INJURY TO GOODS STORED HOWEVER CAUSED UNLESS SUCH LOSS OR INJURY RESULTED FROM THE FAILURE BY JETCO TO EXERCISE SUCH CARE IN REGARD TO THEM AS A REASONABLY CAREFUL WAREHOUSE WOULD EXERCISE UNDER LIKE CIRCUMSTANCES AND JETCO IS NOT LIABLE FOR DAMAGES WHICH COULD NOT HAVE BEEN AVOIDED BY THE EXERCISE OF SUCH CARE. JETCO AND CUSTOMER AGREE THAT JETCO'S DUTY OF CARE DOES NOT EXTEND TO PROVIDING A SPRINKLER SYSTEM AT THE WAREHOUSE OR ANY PORTION THEREOF.

10.2. JETCO SHALL NOT BE LIABLE IN CONTRACT, TORT, OR OTHERWISE FOR INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES IN CONNECTION WITH ITS PERFORMANCE UNDER THESE TERMS, INCLUDING WITHOUT LIMITATION, LOST PROFITS AND LOST OPPORTUNITY, EVEN IF SUCH DAMAGES WERE REASONABLY FORESEEABLE AND EVEN IF JETCO WAS NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF SUCH CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSES IS CAUSED IN WHOLE OR IN PART BY A PRE-EXISTING DEFECT, THE NEGLIGENCE (WHETHER SOLE, JOINT OR CONCURRENT), GROSS NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL FAULT OF JETCO (OR ANY SUCH INDEMNITEE).

10.3. IN THE EVENT OF LOSS, DAMAGE OR DESTRUCTION TO GOODS FOR WHICH JETCO IS LEGALLY LIABLE, CUSTOMER AGREES THAT JETCO'S MAXIMUM LIABILITY SHALL BE \$2.50 PER POUND FOR THE ACTUAL WEIGHT OF THE DAMAGED OR LOST PORTION OF THE GOODS, SUBJECT TO A MAXIMUM LIABILITY OF \$100,000.00. CUSTOMER MAY, HOWEVER, REQUEST AN INCREASE TO THE MAXIMUM LIABILITY OF JETCO BY: A.) SUBMITTING A WRITTEN REQUEST FOR A HIGHER MAXIMUM LIABILITY BEFORE THE GOODS ARE TENDERED TO JETCO, B.) PAYING AN ADDITIONAL CHARGE BASED ON THE INCREASED MAXIMUM LIABILITY, AND C.) OBTAINING WRITTEN CONFIRMATION OF THE HIGHER MAXIMUM LIABILITY FROM THE PRESIDENT OF JETCO. THIS MAXIMUM LIABILITY APPLIES TO THE AGGREGATE OF ALL OF CUSTOMER'S GOODS STORED BY JETCO AT ANY GIVEN TIME. IN THE EVENT JETCO'S MAXIMUM LIABILITY IS INCREASED ABOVE \$100,000.00, UNDER NO CIRCUMSTANCES SHALL JETCO'S LIABILITY EXCEED THE AMOUNT AVAILABLE TO COVER THE LOSS OR DAMAGE UNDER JETCO'S WAREHOUSE LEGAL INSURANCE POLICY AND IS SUBJECT TO THE CONDITIONS, THEN EXISTING COVERAGE LIMITS, AND AMOUNT REMAINING UNDER THE POLICY FOR COVERAGE.

10.4. JETCO'S MAXIMUM LIABILITY REFERRED TO ABOVE SHALL BE CUSTOMER'S EXCLUSIVE REMEDY AGAINST JETCO OR ANY OF ITS AFFILIATES, EMPLOYEES, OFFICERS, AGENTS, REPRESENTATIVES AND INSURERS FOR ANY CLAIM OR CAUSE OF ACTION WHATSOEVER RELATING TO LOSS, DAMAGE AND/OR DESTRUCTION OF GOODS AND SHALL APPLY TO ALL CLAIMS INCLUDING INVENTORY SHORTAGE AND MYSTERIOUS DISAPPEARANCE CLAIMS UNLESS CUSTOMER PROVES BY AFFIRMATIVE EVIDENCE THAT JETCO CONVERTED THE GOODS TO ITS OWN USE. CUSTOMER WAIVES ANY RIGHTS TO RELY UPON ANY PRESUMPTION OF CONVERSION IMPOSED BY LAW.

10.5. WHERE LOSS OR INJURY OCCURS TO STORED GOODS, FOR WHICH JETCO IS NOT LIABLE, CUSTOMER 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.

11. Indemnification by Customer. CUSTOMER SHALL INDEMNIFY, DEFEND, AND HOLD JETCO, JETCO'S AFFILIATES, LIENHOLDER, AND THEIR RESPECTIVE AGENTS ("JETCO GROUP") HARMLESS FROM: ANY HARM TO OR DEATH OF ANY PERSON; ANY DAMAGE TO OR LOSS OF PROPERTY; ANY ENVIRONMENTAL DAMAGE INCLUDING SPILLS AND POLLUTION; AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY'S FEES AND OTHER FEES AND COURT AND OTHER COSTS ARISING FROM CUSTOMER'S ACTS OR OMISSIONS RELATED TO THESE TERMS, EXCEPT TO THE EXTENT OF JETCO GROUP'S PROPORTIONATE FAULT. THE INDEMNITY CONTAINED IN THIS PARAGRAPH: (A) IS INDEPENDENT OF CUSTOMER'S INSURANCE OBLIGATIONS UNDER THESE TERMS AND CONDITIONS; AND (B) WILL SURVIVE THE END OF THE TERM.

12. Insurance.

12.1. Customer shall maintain the following insurance policies, at Customer's sole cost and expense, with at least the coverages described below:

12.1.1. Comprehensive General Liability Insurance, including contractual liability coverage, and bodily injury and property damage coverage, with limits of no less than \$2,000,000.00 per occurrence, or the amount required by law, whichever is higher;

12.1.2. Worker's Compensation Insurance or Occupational Disease Insurance, and Employer's Liability Insurance with limits of no less than \$1,000,000.00, or the amount required by law, whichever is higher, for accidents or occupational disease covering all work related to Customer's business; and

12.1.3. Commercial Auto Liability Insurance, with a combined single limit of no less than \$1,000,000.00 to injuries to any person or for damages to property in any one occurrence.

12.2. Customer shall furnish to Jetco Certificates of Insurance, signed by its insurance carriers, evidencing the insurance required by this Lease. Each certificate must provide:

12.2.1. Inclusion of Jetco as additional insured in Customer's General Liability, and all other applicable third party liability insurance;

12.2.2. Waiver of subrogation in favor of Jetco in Customer's Workers' Compensation, Employers' Liability, General Liability;

12.2.3. The policies and insurance coverage referenced above shall be primary to any other coverage in favor of Jetco;

12.2.4. The policies and insurance certificates shall provide coverage in those territories as may be applicable to the location where the services will be performed; and

12.2.5. 30 days' prior written notice will be given to Jetco in the event of cancellation, suspension, or material change in the policy to which it relates.

12.3. The insurance requirements contained herein shall in no way limit Customer's liability or responsibility under these Terms & Conditions nor shall they be construed to be the ultimate types and amounts of insurance Customer should maintain to adequately insure itself.

13. Jetco's Lien and Security Interest. To secure Customer's performance under this Lease, Customer grants to Jetco a lien and security interest against all of Customer's non-exempt personal property that is in or on the Warehouse. This is a security agreement for the purposes of the Uniform Commercial Code and Jetco may file a financing statement to perfect Jetco's security interest under the Uniform Commercial Code. In addition to the charges described herein, Customer shall be liable for any and all expenses Jetco incurs to sell or dispose of the goods, including, but not limited to, attorney fees, transportation costs, administrative costs, and expenses necessary for the preservation of the goods.

14. Jetco's Access Requirements. Customer shall comply with, execute and cause each of Customer's employees, contractors, and invitees to comply with and execute the Jetco Access Requirements and furnish the executed the Jetco Access Requirements to Jetco before Customer's employees, contractors, or invitees access the premises. Customer understands and agrees that no employee, contractor, or invitee of Customer will be allowed to access the property until and unless the Jetco Access Requirements have been executed and it is a condition precedent to the access of the premises that Customer's employees, contractors, and invitees execute the Jetco Access Requirements.

CUSTOMER'S FAILURE TO REQUIRE AND CAUSE EACH OF CUSTOMER'S EMPLOYEES, CONTRACTORS, OR INVITEES THAT ENTER JETCO'S PROPERTY TO EXECUTE THE JETCO ACCESS REQUIREMENTS SHALL NOT CONSTITUTE A WAIVER BY JETCO GROUP OF THE RIGHTS AND REMEDIES CONTAINED IN THESE TERMS AND CONDITIONS AND THE JETCO ACCESS REQUIREMENTS. CUSTOMER SHALL DEFEND AND INDEMNIFY JETCO GROUP FOR ANY CLAIMS OR DAMAGES INCURRED BY JETCO GROUP THAT JETCO GROUP WOULD NOT HAVE OTHERWISE INCURRED HAD CUSTOMER FULFILLED THE TERMS IN THIS SECTION.

The indemnity obligations under these Terms are effective to the maximum extent permitted by law. If a law is applied in a jurisdiction which prohibits or limits Customer's ability to indemnify Jetco, then Customer's liability and indemnification obligation shall exist to the fullest extent allowed by the law of the relevant jurisdiction.

15. Notice of Claims.

15.1. It is a condition precedent to recovery on any claim against Jetco that Customer shall present all claims for loss or damage to goods to Jetco in writing within 91 days after delivery or the expected delivery date of the goods underlying the claims. Customer agrees that any claims for which notice is not provided to Jetco within 91 days are waived.

15.2. Customer may only maintain an action by Customer or others against Jetco for loss or damage to goods if said action is commenced within 2 years after delivery or the expected delivery date of the goods underlying the action.

15.3. As a condition precedent to making any claim and/or filing any suit, Customer shall provide Jetco a reasonable opportunity to inspect the goods which form the basis of Customer's claim and/or suit.

16. Customer's Representations.

16.1. Customer represents and warrants that Customer has lawful possession of the goods and has the right and authority to tender those goods to Jetco. Customer agrees to indemnify and hold harmless Jetco from all loss, cost and expense (including reasonable attorneys' fees) which Jetco pays or incurs as a result of any dispute or litigation, whether instituted by Jetco or others, respecting Customer's right, title or interest in the goods. Such amounts shall be charges in relation to the goods and subject to Jetco's lien.

16.2. Customer represents and warrants that the information concerning the goods it provides Jetco will be accurate, complete and sufficient to comply with all laws and regulations concerning the storage, handling, and transporting of the goods, and Customer shall indemnify and hold Jetco harmless from all loss, cost, penalty and expense (including reasonable attorneys' fees) which Jetco pays or incurs as a result of Customer's failure to comply with this provision.

17. Warehouse Receipt. Any warehouse receipt issued by Jetco in connection with these Terms will be non-negotiable and will describe the goods as described by Customer. A warehouse receipt, if issued by Jetco, may be issued in either physical or electronic form at Jetco's option.

18. Force Majeure. Jetco shall not be liable for failure to perform any of its obligations which are prevented by, or any damage to Customer's goods caused by, fire, flood, hurricane, storm, weather-related incidents, or other natural disaster; war, embargo, riot, civil disobedience, or the intervention of any government authority, or any other cause outside of the reasonable control of Jetco.

19. Governing Law; Venue. These Terms shall be subject to and governed by the laws of the State of Texas, without regard to choice-of-law principles and irrespective of the fact that one or more of the parties may be or may become a resident of a different state. The parties agree that any and all disputes under these Terms shall be filed in the appropriate county, state and federal courts located within Harris County, Texas.

20. Abandoned Property. Jetco may retain, destroy, or dispose of any property left on the Premises after termination of these Terms by providing 60 days' written notice to Customer by certified mail at Customer's last known address.

21. Non-Waiver. The failure or refusal of either party to insist upon the strict performance of any provision of these Terms, or to exercise any right in any one or more instances or circumstances shall not be construed as a waiver or relinquishment of such provision or right, nor shall such failure or refusal be deemed a customary practice contrary to such provision or right.

22. Severability. If any provision in these Terms is held to be unenforceable the parties intend and request that the provision be reformed and replaced with a provision as close as the parties' original intent as permitted by law, and that as much of these Terms remain in effect as permitted by law.