



ACEGLOBAL
ACE GLOBAL DEPOSITORY

SECURED DISTRIBUTION

The grid contains the following images:

- Top Left:** A diagram titled "The Purchase Specification" showing a central "Purchase Specification" box with arrows pointing to five surrounding boxes: "Specifying the required product/service", "Specifying the quantity", "Specifying the delivery requirements", "Specifying supplier service/responsiveness", and "Other information needed by the supplier".
- Top Middle:** A photograph of a globe of the Earth inside a wooden crate.
- Top Right:** A diagram titled "Approaches to using specifications" showing a central "Need for Differentiation" box with four arrows pointing outwards to boxes labeled "Technical specification", "Performance specification", "Brand name", and "Standard".
- Middle Left:** A hand-drawn flowchart with a hand pointing to a box.
- Middle Middle:** A close-up photograph of a human eye with a blue iris.
- Middle Right:** A photograph of three business professionals in a meeting, looking at a computer screen.
- Bottom Left:** A 3D technical drawing of a bearing with dimensions 40, 60, and 40.
- Bottom Middle:** A photograph of a rolled-up technical drawing or blueprint.
- Bottom Right:** A photograph of a mechanical component (possibly a motor or actuator) on a technical drawing.

EUROPE | MENA | EURASIA | WEST AFRICA | EAST AFRICA | SOUTHERN AFRICA | SOUTH ASIA | FAR EAST | LATAM

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SECURED DISTRIBUTION

Introduction

Secured Distribution is a specialized type of field warehousing developed to service the needs of suppliers of commodities who wish to retain ownership of the inventory they supply, or to have a possessory lien on the goods till such time that the payments are received in full against such inventory, and to regulate the delivery of the inventory to the Buyer. This service can also be used for Banks and in such cases where the Bank requests for Secured Distribution Services, the references to the Supplier are interchanged with the reference to Bank within the relevant Secured Distribution Agreement. The discussion below will be relevant to Supplier, Bank and the Customer depending on the transaction structure and the needs expressed by the party engaging the services of ACE GLOBAL.

ACE GLOBAL's Secured Distribution services allow a party to maintain or increase shipments to customers who require deferred sale or deferred payment terms and to control the financial risk involved in such transactions. Obviously, the ultimate goal of both the Supplier of the goods and the eventual Customer is the same, which is to increase sales.

For the Supplier, this goal of increased sales is often blocked by concern for the financial security of the sale. This concern is an important factor because it is often the underfinanced Customer who has the greatest ability to sell the Supplier's inventory.

This typical conflict - between the goal of increased sales on one hand and a reasonable expectation of receiving payment on the other - often makes adversaries out of the Supplier's marketing and credit departments. ACE GLOBAL's Secured Distribution services can therefore help alleviate this conflict by enhancing the financial security of the deferred sale or deferred payment arrangement. With ACE GLOBAL's

Secured Distribution services, the Supplier can maintain control over both the inventory he ships to the Customer and the accounts receivable generated by the sale of this inventory.

To put a Secured Distribution plan in effect, ACE GLOBAL enters into a Secured Distribution Agreement with the Supplier and the Customer. This service typically replicates a Field Warehousing and Storage Arrangement however with a focus on the issuance of Goods Receipt Notes rather than Warehouse Receipts. For a Customer this service essentially comes into demand where the Customer does not require Bank financing or where the transaction forms part of a bigger transaction which is being ring fenced by the Bank. This service has been developed by ACE GLOBAL as a niche service and the Agreement is adjusted accordingly based on the operational requirements on ground.

A. Advantages to the Supplier

Clearly, placing large inventories at the Customer's premises under ACE GLOBAL's supervision allows the Supplier to increase sales without concern for the financial risk that would normally accompany such an action. The kind of aggressive assistance plan offered by Secured Distribution can also have other important advantages for the Supplier. With ACE GLOBAL's help, the Supplier and the Customer are in a position to increase the availability of a given product and can therefore compete more favorably in the market, achieving a greater market share than would otherwise have been possible. In addition, placing inventory at the Customer's premises can save the Supplier warehousing and handling costs, transportation costs, and in some instances property tax expense.

The Supplier's production department can benefit by being able to plan more effectively under a system that places inventory at the point of sale in advance of selling seasons and avoiding such problems as adverse weather or anticipated labor

problems. Of course, the Supplier also benefits from the Customer loyalty promoted by the kind of assistance plan offered by ACE GLOBAL.

B. Advantages to the Customer

For the Customer, ACE GLOBAL's services provide an attractive alternative to the often crippling costs of today's conventional financing. For any Customer with a major investment in inventory, assistance from Suppliers in solving this financing problem can mean the difference between the success or failure of his business. For the under-capitalized Customer who may not easily qualify for sufficient financing through conventional sources, this assistance may be essential. Through the increased availability of inventory created by Secured Distribution services, the customer can experience a dramatic increase in sales. The Customer can also improve service to his Customers because of his ability to deliver goods promptly. Finally, the inventory support provided by the Supplier can result in a stronger balance sheet for the Customer.

C. Secured Distribution Services are tailored to the needs of clients

All of these benefits to the Supplier and the Customer can be realized through the use of ACE GLOBAL's Secured Distribution Services which are customized per transaction. Under Secured Distribution, ACE GLOBAL's role is to take control or possession of the inventories that the Supplier delivers to the Customer's premises. By doing so, ACE GLOBAL can protect the Supplier's financial interests in the transaction. Upon receipt of such shipments, ACE GLOBAL issues either Inventory Certificates or Goods Receipt Notes to the Supplier, and proceeds to release the inventory to the Customer in accordance with instructions issued by the Supplier.

D. How does Secured Distribution work?

The principal ingredient of Secured Distribution is a field warehouse service managed by ACE GLOBAL at the Customer's premises. This permits ACE GLOBAL to receive the manufacturer's products into its possessions and hold them until they can be delivered to the Customers in accordance with the terms of written instructions given to ACE GLOBAL by the Supplier. The following steps are required to be taken by ACE GLOBAL in order to secure the operations:

- Leasing suitable storage areas from the Customer.
- Placing locks on all entrances to the leased premises.
- Placing signs over the entrances stating that the goods are ACE GLOBAL's custody.

Once the warehouse has been properly inspected, ACE GLOBAL is in a position to receive the Supplier's products, issue Goods Receipt Notes for the products, deliver them to the Customer as instructed and report all deliveries on Delivery Order forms as developed by ACE GLOBAL.

There are three general options available when implementing the plan are as follows:

1. Supplier Retains Title to Goods Shipped:

Under this option of Secured Distribution, ACE GLOBAL first step is to establish a Field Warehouse at the Customer's premises. The Supplier would then transfer his goods from his own warehouse to the Customer's warehouse by shipping the goods to himself c/o ACE GLOBAL at the Customer's address. Upon receiving the goods, ACE GLOBAL issues its Goods Receipt Notes in the name of the Supplier and becomes responsible directly to the Supplier for the proper handling and disposition of the goods. The Supplier, the Customer and ACE GLOBAL enter into a Secured Distribution Agreement which contains the obligations of the various parties.

Under this option, the Supplier retains title to the inventory until sold pursuant to the terms of the Agreement, and, until that time, carries the inventory on his own books, while the Customer shows nothing on his books pertaining to the inventory.

This option offers the greatest degree of security to the Supplier in the event the Customer becomes bankrupt.

2. Customer Pledges Inventory as Security for Accounts Payable to Supplier:

Under this option, the Supplier sells the goods to the Customer and takes ACE GLOBAL's Goods Receipt Notes on the inventory as security. Once again, ACE GLOBAL would establish a Field Warehouse on the Customer's premises. Under this option, as opposed to option one, the asset on the Supplier's books is an account receivable (secured by a security interest in the goods), and the Customer carries it as inventory and an account payable. In all options under Secured Distribution, written agreements are entered into by the parties involved and ACE GLOBAL is always the party responsible for carrying out the Supplier's instructions regarding release of inventory to the Customer.

3. Supplier Sells Inventory to Customer and ACE GLOBAL Controls Inventory:

Under this option, a field warehouse is not set up. In this case, the inventory is on the Customer's premises, and his premises can now include display floors and other areas that were not acceptable under field warehousing. ACE GLOBAL's concern, under this option, is the issuance of Inventory Certificates to the Supplier when his inventory is shipped to the Customer and the institution of Certified Inventory Control systems. Certified Inventory Control serves to control and account for the Supplier's inventory while it is on the Customer's premises, but ACE GLOBAL's Inventory Certificates do not perfect the Supplier's security interest in the inventory. Under this option as under the others, the Supplier may wish to further protect his interest through ACE GLOBAL's Certified Accounts Receivable Services.

E. Which Option Should Be Selected?

The particular Secured Distribution service adopted in each instance depends upon the Supplier's assessment of the Customer's financial strength and therefore the risk involved in a deferred payment plan. In addition, the Supplier may choose among the three options based upon the way in which he wishes to account for any inventory shipped under the ACE GLOBAL plan. He may wish to treat such shipments as sales secured by inventory, or merely as an inventory transfer with the sale taking place pursuant to the terms of the Agreement. In any case, ACE GLOBAL Secured Distribution services provide the necessary safeguards.

F. When should a party use ACE GLOBAL Secured Distribution Services?

If you are a Bank you should call us when you want to ring fence a transaction which forms part of a larger transaction and Secured Distribution Services are required in this regard. If you're a Supplier, you should call us whenever a Customer relationship is in jeopardy because you have exhausted your normal credit limits to a promising Customer. If you're a Customer, you should call us when expanding your inventory through conventional financing methods proves too costly.

G. As a Supplier, what will I gain by using ACE GLOBAL's services?

The Supplier can increase his sales and decrease the financial risks of sales arranged on a deferred payment basis.

H. What will a Customer gain by using ACE GLOBAL's Secured Distribution Services?

A Customer can increase his inventory with minimal expense and with increased inventory, he can increase his sales and provide better service.

I. What are the issues to consider when deciding between service options?

Each of the options offers protection to the Supplier. But particular options should be chosen depending upon the Supplier's assessment of a particular Customer's financial strength.

J. How do Secured Distribution Services protect the Supplier if the Customer goes into bankruptcy?

This varies, according to the particular option that has been selected.

Under Option 1, in which the Supplier retains title to the inventory, the Supplier has the greatest protection. Any undelivered inventory, stored under an ACE GLOBAL Secured Distribution arrangement and bailed into the custody of ACE GLOBAL, remains separate from the bankrupt's estate and ACE GLOBAL should be able to redeliver that Inventory to the Supplier.

Under Option 2, in which the Supplier sells the inventory to the Customer and uses ACE GLOBAL's field warehousing service, the inventory becomes "cash collateral". ACE GLOBAL, under this option, would refuse any demand for a turnover of the warehoused goods until a court order is obtained, giving the Supplier an opportunity to negotiate for acceptable alternative collateral.

Under Option 3, in which the Supplier sells the inventory to the Customer and uses ACE GLOBAL's Certified Inventory Control Services, ACE GLOBAL will be obliged to relinquish its controls upon bankruptcy of the Customer. The bankruptcy laws in various jurisdictions do provide, however, that the Supplier must be provided with substitute collateral of equivalent value if the trustee chooses to use, sell, or lease the Supplier's inventory if the Supplier has a perfected security interest in the inventory.

Obviously, any discussion of the priority of security interests and what happens in bankruptcy in a brochure such as this, is bound to be general in nature and therefore incomplete. Each specific application of ACE GLOBAL's Secured Distribution services must be reviewed and approved by the client Supplier or Bank or Buyer's legal counsel.

K. How do the provisions of the Uniform Commercial Code affect Secured Distribution?

The Uniform Commercial Code provides the means for a Supplier to acquire and perfect a security interest in the Customer's assets (in this instance inventory and accounts receivable) to assure eventual payment of the amount owed. Since each Supplier/Customer relationship can differ, the Supplier should consult with counsel to be sure the proper steps are being taken to perfect his security interest under the local laws.

Under Secured Distribution option one, the Supplier retains title to the inventory, and if he treats the shipment to ACE GLOBAL's field warehouse as an internal inventory transfer and follows the provisions of ACE GLOBAL's Secured Distribution Agreement, the bankruptcy court should have no jurisdiction over the inventory in ACE GLOBAL's possession.

Under options two and three, the inventory belongs to the Customer, so appropriate steps must be taken to acquire and perfect a security interest in the goods, and, if desired, in the Customers receivables.

L. How is a field warehouse under secured distribution set up?

ACE GLOBAL installs its field warehouse pursuant to the Secured Distribution plan on the Customers premises by:

- a. leasing suitable storage areas from the Customer;
- b. placing lock on all entrances to the leased premises;

- c. placing signs over the entrances stating that the goods are in ACE GLOBAL's custody;
- d. arranging for certain of the Customers employees who are already controlling stocks to represent ACE GLOBAL if required;
- e. instructing those employees (bonded by ACE GLOBAL) in the proper handling of the Supplier's goods.

M. How does merchandise move from ACE GLOBAL's Field Warehouse or control to the Customer?

Under option one, this is described in the appropriate Secured Distribution Agreement. Under options two and three, the Supplier sets a limit on the value of goods. ACE GLOBAL will be permitted to deliver to the Customer before ACE GLOBAL either reports and collects for such deliveries or merely reports so the Supplier can handle his own collections. Usually ACE GLOBAL is required to report or report and collect on a periodic basis such as weekly unless the credit limit is reached before the period expires. These delivery procedures and reporting provisions are included in written instructions from the Supplier to ACE GLOBAL. These instructions can be cancelled by the Supplier at any time should the financial condition of Customer deteriorate and tighter control of the exposure is indicated.

N. What are the costs involved?

It is impossible to quote exact charges, since the charges vary with the location of the user of the services, the value of the collateral controlled, its turnover, etc. The use of ACE GLOBAL's services is practical only if the Supplier and/or Customer profit from the service by taking cash discounts, by purchasing more economically, by increasing sales, by freight savings, by more efficient production, etc.

O. Who pays for ACE GLOBAL's services?

Frequently, Suppliers agree to absorb some or all of the costs, especially if there are manufacturing, shipping, or other advantages to be realized by the Supplier.

ACE GLOBAL has been providing Secured Distribution services with success to its clients all over the world. Our liability is protected by extensive legal liability and fidelity insurance arrangements with a cover of up to USD 50 million on a per event, per occurrence basis.

We look forward to serving your interests with innovative responses to the questions regarding collateral control problems at any proposed location throughout the world with the assistance of our international affiliates, associates and authorized agents worldwide.

GENERAL TEMPLATES CURRENTLY IN USE

- 1) Secured Distribution : Acting for Bank
- 2) Secured Distribution: Acting for Supplier
- 3) Secured Distribution: Acting for Buyer

NOTE:

Where there are special aspects to be considered such as liquid products, commingling risk, third party storage premises, then we use specialized templates which are designed for such. These are available upon request.

Set out on the following pages are the three general templates currently in use for information and reference.

Our templates are revised periodically and are required to be updated in light of recent developments.

SECURED DISTRIBUTION AGREEMENT

(ACTING FOR BANK)

THIS AGREEMENT is made this ____ day of _____ 2013;

BETWEEN:

1. _____
(Address to be inserted)
(City & Country)
Tel: _____ + _____
Fax: + _____

E-mail: _____

(Hereinafter referred to as the “**BANK**”)

OF THE FIRST PART

2. _____
(Address to be inserted)
(City & Country)
Tel: _____ + _____
Fax: + _____

E-mail: _____

(Hereinafter referred to as the “**DEPOSITOR**”)

OF THE SECOND PART

3. ACE GLOBAL (____) LIMITED
(Address to be inserted)
(City & Country)
Tel: _____ + _____
Fax: + _____

E-mail: ace.____@ace-group.net

(Hereinafter referred to as the “**ACE OR ACE GLOBAL**”)

OF THE THIRD PART

ANNEX I	ACE GLOBAL WAREHOUSING GENERAL TERMS AND CONDITIONS
ANNEX IBIS	ACE GLOBAL INSPECTION GENERAL TERMS AND CONDITIONS
ANNEX II	SERVICES TO BE PROVIDED BY ACE GLOBAL
ANNEX III	FEES AND CHARGES PAYABLE TO ACE GLOBAL
ANNEX IV	LIST OF APPROVED STORAGE FACILITIES
ANNEX V	LETTER OF INDEMNITY
ANNEX VI	GOOD RECEIPT NOTE SPECIMEN
ANNEX VII	LEASE / SUB LEASE /LICENCE AND ACCESS AGREEMENT / LANDLORD WAIVER AGREEMENT
ANNEX VIII	SCHEDULE OF APPROVED PRODUCTS

1. PRELIMINARY

- A. The Bank is the owner of _____ herein generally referred to as “Goods”, and the holder of the security interest in the Goods constituting the collateral, which the Depositor is desirous of pledging to the Bank.
- B. The Bank does not have the requisite infrastructure or skills to monitor and manage the risks associated with the storage of the Goods hence it has been agreed between the Depositor and the Bank that the Goods shall be delivered and stored with the Depositor or a third party contracted by the Depositor, who has facilities equipped for purposes of storing such Goods. The Depositor desires in order to furnish security for the payment of the Goods or any part thereof, that the Bank shall have a security interest in the said Goods.
- C. In respect of such Goods, the Bank has requested and the Depositor has agreed that ACE GLOBAL shall be engaged to provide Secured Distribution Services as described in Annex II hereto attached, for the account of the Bank, and ACE GLOBAL has agreed to do so upon the terms and subject to the conditions mentioned hereinafter.
- D. This Agreement is subject to ACE GLOBAL’s General Terms and Conditions attached hereto as Annex I and Annex I BIS.
- E. To the extent that there is a conflict between the provisions of this Agreement and any provision of Annex I, or any other annex or schedule hereto, the provisions of this Agreement shall prevail, notwithstanding any provision contained in such annex or schedule, to the effect that any term of such annex or schedule is intended to take precedence.

2. INTERPRETATION

The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof. Unless a contrary intention clearly appears.

2.1. Words importing:

- 2.1.1. Any one gender include the other genders;
- 2.1.2. The singular include the plural and vice versa; and
- 2.1.3. Natural persons include created entities (corporate or unincorporated) and the state and vice versa;

2.2. The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:

2.2.1. **“ACE”** or **“ACE GLOBAL”** shall mean _____

2.2.2. **“AGREEMENT”** shall mean this Agreement as set out herein together with all annexes hereto;

- 2.2.3. **“BAILMENT”** shall mean the transfer of the possession of goods by the Depositor as the owner and bailor of the Goods to ACE GLOBAL as the bailee which shall thereafter maintain notorious, continuous and exclusive possession of all the Goods, for and on behalf of the Bank for particular purposes conducting Secured Distribution Services hereunder.
- 2.2.4. **“DEPOSITOR”** shall mean _____, a company existing and organized under the laws of _____, with registration number _____;
- 2.2.5. **“CLASS AND GRADE”** shall mean the class and grade of the Goods as determined in terms of the Class and Grading Rules;
- 2.2.6. **“CLASS AND GRADING RULES”** shall mean the rules in terms of which any Goods is classified and graded which shall be rules generally applicable in the industry internationally in respect of the Goods concerned;
- 2.2.7. **“CONSIGNMENT”** shall mean a quantity of any Goods which shall be in multiples of not less than _____;
- 2.2.8. **“DISPATCH/ED”** shall mean in respect of each Consignment delivered hereunder the duly completed process by ACE GLOBAL of withdrawing the Goods from a Storage Facility;
- 2.2.9. **“EFFECTIVE DATE”** shall mean the date upon which all of the conditions precedent set out in clause 4 have been fulfilled or waived as the case may be;
- 2.2.10. **“FIELD WAREHOUSING”** shall refer to a scheme which began as a device to enable the owner of a stock of shifting Goods to pledge it as collateral for a loan and if properly conducted, it creates a valid Bailment and a resulting security interest in the inventory/ Goods deposited in favour of the Goods Receipt Note holder and provides effective third party control and enables close regulation of the amount of the Goods which are to be made available for subsequent use or sale. In order for a field warehouse and the lien created thereby to be recognized as valid, the possession of the collateral controller (ACE GLOBAL) must be "open, exclusive, notorious and unequivocal";
- 2.2.11. **“GOODS RECEIPT NOTES”** shall mean those receipts issued in physical (paper/ certificate) form by ACE GLOBAL in favour of the Bank and evidencing the receipt by ACE GLOBAL of certain Goods into a designated Storage Facility and which shall be similar substantially to the format set out in Annex “VI”;
- 2.2.12. **“FULL OUTTURN GUARANTEE” OR “FOG”** shall mean the insurance coverage extended to differences and shortages in weights and/or in quantities of any Goods under specific terms and conditions;
- 2.2.13. **“FULL OUTTURN QUALITY OR FOQ”** shall mean the insurance coverage extended to defects and differences in quality parameters and/or specifications in any Goods under specific terms and conditions;
- 2.2.14. **“GOODS AND/OR PRODUCTS”** shall mean (full description of type of commodity) as more particularly described in Annex VIII hereto, which are or shall be deposited upon execution hereof in the Storage Facilities and which the Depositor has pledged in favour of the Bank;
- 2.2.15. **“GROSS WEIGHT”** shall mean the gross weight of a Consignment received at Intake in (metric tons or in any other applicable weighing standard);
- 2.2.16. **“IN SITU”** shall mean stocks which were not constituted under supervision of ACE GLOBAL and therefore already existing in the approved Storage Facility at the time ACE GLOBAL deploys its staff to commence the provisions of this Agreement;
- 2.2.17. **“INTAKE”** shall mean the duly completed process of the ACE GLOBAL accepting a Consignment, at the designated Storage Facilities;
- 2.2.18. **“NET WEIGHT”** shall mean the weight (in metric tons or in any other applicable weighing standard) of a Consignment determined in terms of the Class and Grading Rules;
- 2.2.19. **“NORMAL BUSINESS HOURS”** shall mean ___am to ___pm, from Monday to Friday, save for public holidays;

- 2.2.20. **"LIBOR"** shall mean the arithmetic mean of the respective offered rates for 30 day dollar deposits as they appear on the Reuter's Screen designated as "LIBOR" (or such other page as may replace such page on such service, or on another service designated by the British Banks' Association for the purpose of displaying the rates at which dollar deposits are offered by leading Banks in the London interbank market) at or about 11.00 am (London time) daily;
- 2.2.21. **"MISAPPROPRIATION"** shall mean unauthorised, fraudulent or dishonest appropriation or use, or unexpected or unforeseen or unexplained loss of the Goods under Secured Distribution /or monitoring and/or storage supervision by ACE GLOBAL and shall, inter alia, include the risk association with fraud, defalcation, misapplication, embezzlement, fraudulent transfer of ownership from the insured interest and dispossession thereof, except that which solely results from a governmental intervention.
- 2.2.22. **"SECURED DISTRIBUTION SERVICES"** shall mean the Services as set out in Annex II hereto.
- 2.2.23 **"SHORTAGE AND/OR DEFECT"** shall mean any Goods weight discrepancy and/or any defects or differences in the quality and/or specifications of the Goods which occurs between Intake and Dispatch, measured during the term of this Agreement;
- 2.2.24. **"STORAGE FACILITIES"** shall mean the designated Storage Facilities more fully set out in the schedule annexed hereto as Annex "IV";
- 2.2.25. **"BANK"** shall mean _____.
- 2.3. Any reference to any legislation or regulation is to that legislation or regulation as at the date of signature hereof and as amended from time to time;
- 2.4. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement;
- 2.5. When any number of days is prescribed in this Agreement in respect of payments, same shall be reckoned inclusively of the first and exclusively of the last day;
- 2.6. Where figures are referred to in numerals and in words; if there is any conflict between the two, the words shall prevail;
- 2.7. Expressions defined in this Agreement shall bear the same meanings in schedules or annexes to this Agreement which do not themselves contain their own definitions to the extent that there is a conflict between the provisions of this Agreement and any provision of an annex or schedule hereto the provisions of the Agreement shall prevail;
- 2.8. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause; and
- 2.9. The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement unless expressly provided that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination.

3. RECORDAL

- 3.1. The Bank will from time to time supply the Consignment of Goods to the Depositor, which will then be stored within the designated Storage Facilities equipped for the purpose of storing such Goods;
- 3.2. The Bank does not have the requisite infrastructure or skills to monitor and manage the risks associated with the storage of the Goods;
- 3.3. The Bank and the Depositor have jointly requested ACE GLOBAL to monitor the Goods and collaterally manage them during storage at the designated Storage Facilities. ACE GLOBAL shall also provide inspection services of the Goods for the account of the Bank according to the terms and subject to the conditions hereinafter described and the ACE GLOBAL General Terms and Conditions attached hereto as Annex I and Annex I BIS.

4. CONDITIONS PRECEDENT

This Agreement is subject in its entirety to the following conditions precedent namely:

- 4.1. The execution of a letter of Indemnity duly signed by the Depositor , a form of which is attached as Annex V.
- 4.2. The execution of a Lease Agreement or Sub Lease or Licence and Access Agreement, whichever is applicable depending on the underlying ownership and leasing arrangement pertaining to the Storage Facilities, between ACE GLOBAL and the Depositor or ACE GLOBAL, the Depositor and the Storer as owner of the approved Storage Facility, forms of which are attached as Annex VII hereto, or any other appropriate agreement providing ACE GLOBAL with the necessary custody, control and supervision as required for the Secured Distribution operations. ACE GLOBAL shall not be liable if access to the Storage Facility is stopped or obstructed in any way by the landlord or the relevant Port authority and ACE GLOBAL shall inform the Bank accordingly

5. DURATION AND TERMINATION

- 5.1. This Agreement is entered into for a term of ____ years/months commencing on the date of execution hereof and ending on the Expiry Date of _____ (the “**EXPIRY DATE**”). However, this Agreement shall only come into force as and when all the conditions precedent set forth in section 4 herein have been fulfilled (“the ‘**EFFECTIVE DATE**’”).
- 5.2. On the Expiry Date, the Parties hereto shall be entitled to extend the duration hereof. The extension of the duration of this Agreement shall be subject to one (1) month notice thereof being given and to the Parties' unanimous Agreement thereto.
- 5.3. ACE GLOBAL may terminate this Agreement by thirty (30) days written notice to the Depositor and the Bank if: (i) the Bank has given the final release order for the Goods to ACE GLOBAL and/or therefore ACE GLOBAL states that there are no remaining goods under its custody; (ii) the Bank and/or the Depositor have not signified to ACE GLOBAL the extension of this Agreement according to Article 5.2; (iii) a case of Force Majeure listed in Article 13 occurs during the execution of this Agreement; (iv) a case where ACE GLOBAL’s fee hereunder, in whole or in part, remains due and owing and unpaid for a period of two (2) consecutive months despite ACE GLOBAL having served notice in respect thereof to the Bank and the Depositor .
- 5.4. This Agreement may be terminated by either party by giving thirty (30) days’ written notice to the other party, except that the Depositor shall not be entitled to terminate this Agreement until all its obligations to the Bank have been fulfilled.

6. APPOINTMENT

- 6.1. The Bank and the Depositor hereby appoint ACE GLOBAL who, under and pursuant to this Secured Distribution Agreement, accepts to conduct Secured Distribution Services at the Depositor’s designated Storage Facility.
- 6.2. ACE GLOBAL shall provide the services stipulated in Annex II. Any services required other than those specified in this Agreement shall be requested in writing, negotiated and confirmed by ACE GLOBAL in writing;
- 6.3. It is agreed that ACE GLOBAL is appointed as an independent contractor to the Bank and the Depositor on the terms and conditions contained herein and any services provided hereunder are exclusively for its benefit and the Depositor has no right to complain whatsoever about the provision of such services or the manner in which ACE GLOBAL provides them nor to raise any cause of action in regard thereto unless the Bank in its sole discretion accepts such a complaint / cause of action as being valid and legitimate and the Bank directly raises the concern with ACE GLOBAL and initiates any action on the basis thereof. The Depositor does not have any direct rights of recourse against ACE GLOBAL nor shall any cause of action accrue against ACE GLOBAL without the Bank having agreed that such a cause of action has arisen and that such cause of action can be legally and factually justified. This Agreement

does not create and/or constitute, nor shall it be construed as creating an agency relationship, a partnership or a master/servant relationship between the Parties;

- 6.4. ACE GLOBAL shall not be able to bind the Bank and the Depositor in any way whatsoever to any agreement between ACE GLOBAL and any other person, save with the prior written consent of the Bank and the Depositor .

7. ACE GLOBAL'S OBLIGATIONS

In carrying out its duties ACE GLOBAL shall exercise all reasonable care and skill expected from a professional body providing inspection, monitoring and Secured Distribution services pursuant to this Secured Distribution arrangement as described in Annex II hereto, acting in the same field of business, and shall act faithfully on behalf of the Bank and the Depositor, in particular ACE GLOBAL shall:

- 7.1. Conduct both an external and internal inspection of the Storage Facilities and issue a statement in respect thereof stating whether or not the Storage Facilities is approved by ACE GLOBAL for the storage of the Goods;
- 7.2. Not grant access to the Storage Facilities or the designated part thereof which is under its custody and control, to any persons unless so authorised in writing by the Bank, save for authorised personnel, contractors or agents of ACE GLOBAL and of the Depositor who shall have unrestricted access to the Goods but who shall be under the supervision of ACE GLOBAL and which supervision where required shall be provided by ACE GLOBAL for and on behalf of the Bank;
- 7.3. Supervise the Intake of Consignments into storage and the discharge of Consignments from the Storage Facility;
- 7.4. Ensure that ACE GLOBAL only accepts into storage such Consignments of Goods delivered to the designated Storage Facilities which meet the specifications as provided by the Bank;
- 7.5. Unless otherwise agreed between the Parties, all deposits of the Goods shall be made during Normal Business Hours. ACE GLOBAL may refuse to accept any deposit which occurs outside such Normal Business Hours or be entitled to a surcharge for all deposit activities performed outside Normal Business Hours;
- 7.6. Not allow release of any Goods unless it has received written instructions from the Bank stating the person to whom to release the Goods and the receipt and/or issuance of documents against which the Goods shall be released;
- 7.7. Not be responsible for the weight, quantity and quality of the Goods when the Goods are In Situ, and ACE GLOBAL shall only issue a good receipt note at Intake. It shall be the obligation of the Bank to accept or reject the Goods;
- 7.8. Act on the Bank's instructions punctually, but in any event not later than twenty four (24) hours after receipt by it of such instructions provided that for any action which reasonably requires more than 24 hours to complete, ACE GLOBAL shall be required to have commenced such action within 24 hours and to complete the same without delay;
- 7.9. Immediately inform the Bank and the Depositor, in writing as well as verbally, of any damage to or any apparent deterioration of the Goods while they are in storage at the designated Storage Facility;
- 7.10. In respect of released Goods, upon a Release Order given by the Bank, remaining uncollected by the beneficiary in a reasonable time frame not exceeding six (6) days per release order, and therefore warehoused in the Storage Facilities, ACE GLOBAL shall not be liable for any loss and/or damages occurred after the above mentioned time frame. ACE GLOBAL shall at the same time, be entitled to charge a fee for all the services rendered after the Final Release sent by the Bank;
- 7.11. Provide all services as described per Annex II, and therefore maintain continuous and exclusive possession of all the Goods in so far as legally permissible and reasonably practicable, held in the Storage Facilities and covered by ACE GLOBAL's Goods Receipt Note.

8. RISK AND LIMITATION OF LIABILITY

- 8.1. ACE GLOBAL shall not be liable if the Shortage or quantity of Goods lost or damaged or improperly released does not exceed ___ per cent (___%) of the quantity/weight of Goods covered by Goods Receipt Notes/invoice documents at the time of discovery by the Bank and/or the Depositor of such Shortage or other loss or damage, unless such loss is occasioned as a direct result of the wilful or grossly negligent acts or omissions of ACE GLOBAL or its staff.
- 8.2. In those circumstances where ACE GLOBAL was not present at the Intake of the Goods, but able to verify the quantity of the Goods in storage (“In-Situ”) with the storer, ACE GLOBAL shall not be liable for Shortages and/or Defects in respect of such Goods which is accepted in accordance with industry standards and in light of the best possible estimation under the prevailing field storage conditions and, for avoidance of doubt, the margin taken by ACE GLOBAL will be ___% (___per cent) minimum, and even in such event that it does exceed the said percentage, ACE GLOBAL shall not be liable unless Shortage/ Defect / loss as alleged in respect of the Goods is occasioned as a direct result of the wilful or grossly negligent act or omission of ACE GLOBAL or its staff.
- 8.3. In case of In Situ quality checks the sampling being only superficial the quality results can only have an indicative and relative result and ACE GLOBAL will not be liable for any quality deviation;
- 8.4. ACE GLOBAL shall at all times be entitled to dispute the existence or extent of any Shortage and/or Defect or any loss or damage or any amount claimed thereof and shall give sufficient notice to the Bank in writing stating the basis of its dispute.
- 8.5. In case of storage exceeding the industry standard and/or reasonable time frame pertaining to a given Goods, ACE GLOBAL shall not be held responsible of any quality deterioration unless proper periodic quality checks have been done in agreement with the contract terms by ACE GLOBAL and the alleged quality deterioration has not occurred as a direct result of a wilful or grossly negligent act or omission of ACE GLOBAL staff.
- 8.6. The Bank and the Depositor agree that ACE GLOBAL shall not be liable for any depreciation of the Goods resulting either from packaging or prolonged storage.
- 8.7. ACE GLOBAL shall not be liable for any damages arising or resulting directly from the natural qualities of the Goods (including any inherent vice) or any defect in packaging.

9. OBLIGATIONS OF THE DEPOSITOR

- 9.1 The Depositor acknowledges that the Bank has requested ACE GLOBAL to establish a Field Warehousing and Storage Arrangement under and pursuant this Secured Distribution Agreement, and to take into storage into one or multiple facilities constituting the Storage Facilities under this Agreement for the purposes of securing title to the Goods in favour of the Bank. The Depositor hereby confirms that all Goods covered by Good Receipt Note issued by ACE GLOBAL are, upon the issuance of such Good Receipt Note, pledged to the Bank, and that such Goods may not be released from the Storage Facilities unless and until such release is authorized by the Bank under written instructions given to ACE GLOBAL.
- 9.2 The Depositor undertakes to take delivery of the Goods within six (6) days of [delivery order/agreed delivery date], failing which the Depositor shall be responsible for any loss or damage occurred to the Goods or any quality deterioration or depreciation of the Goods resulting from such delay in taking delivery. All fees incurred after the 6 days’ period are for Depositor’s account.
- 9.3 The Depositor shall provide around the clock security for all the Storage Facilities by a reputable security company at its own expense;
- 9.4 The Depositor shall allow ACE GLOBAL to place the ACE GLOBAL name, logos or banners on the warehouse or take any other such measures as ACE GLOBAL may in its sole opinion deem useful or necessary in order to place third parties on notice as to its control over the Storage Facilities.
- 9.5 Only where necessary and required in the sole discretion of ACE GLOBAL, the Depositor agrees to assign to ACE GLOBAL’s employment such employees as are requested and required by ACE GLOBAL to operate the Storage Facilities and that all such employees are to comply with instructions only from ACE GLOBAL with regard to the receipt, storage and release of said Goods in compliance with Annex II;

- 9.6 The Depositor shall be responsible for taking all such measures and paying all associated costs necessary and appropriate under local law so as to ensure that ACE GLOBAL right of access to and control over the Goods/Storage facilities cannot be contested by third parties;
- 9.7 The Depositor agrees to designate one or more warehouses, which shall be placed at the disposition of ACE GLOBAL for the duration of this Agreement for the purpose of performing its obligations. The Depositor shall ensure that ACE GLOBAL is provided with complete and uninterrupted access to, and control over, the Storage Facilities);
- 9.8 The Depositor shall provide ACE GLOBAL with full access to all inventory related records for purposes of verifying all inventory activity for inventory covered by ACE GLOBAL related documents.
- 9.9 The Depositor waives any right to assert a lien, right of retention or right of attachment and sale, which it may have on or in respect of the Goods stored in the Storage Facilities owned or leased by it.
- 9.10 The Depositor shall indemnify the Bank and ACE GLOBAL and keep them fully indemnified against any loss (physical loss and/or indirect loss), claim, demands, actions, proceedings, expenses (including any reasonable legal costs) and all other liabilities incurred or sustained by the Bank/ ACE GLOBAL arising out of or in connection with this Agreement.

10. OBLIGATIONS OF THE BANK

The Bank shall:

- 10.1. Furnish ACE GLOBAL with information on the location of the Storage Facilities and contact details of such facilities;
- 10.2. Represent and warrant that all the Goods deposited pursuant to the terms of this Agreement, are its exclusive property and are free of any pledge, claim or demand, except such pledge, claim or demand as established and being maintained in the interests of the Bank hereunder;
- 10.3. Guarantee the good condition of the Goods to be deposited into the Storage Facility and, if such Goods are in package form, the good condition of such packaging;
- 10.4. Explicitly inform ACE GLOBAL in the event that any of the deposited Goods may present a specific danger e.g. goods of an inflammatory nature, corrosive nature or explosive nature;
- 10.5. Upon receipt of a written request, furnish ACE GLOBAL with such further information regarding the Goods as ACE GLOBAL may reasonably require in order for it to properly perform its obligations hereunder;
- 10.6. Provide ACE GLOBAL and the Depositor with written notice as to the identities of those persons authorised to enter the Storage Facilities, particularly those persons charged by the Bank with the duty to survey and control the Goods and shall further provide ACE GLOBAL and the Depositor with written notice as to any changes thereto;
- 10.7. Provide ACE GLOBAL with clear written instructions as to the release of the Goods during normal business hours. Any instruction received after __pm (Country time) shall be deemed to have been received on the following business day;
- 10.8. Be solely and unequivocally liable for the payment of ACE GLOBAL's fees as set out in this Agreement.
- 10.9. In the event that Goods are delivered to ACE GLOBAL by third parties on behalf of the Bank, the Bank shall provide ACE GLOBAL with written confirmation from such third parties that they have no legal or moral or any other right to the Goods and may do so in the form and format as agreed between the Parties.
- 10.10. The Bank must explicitly inform ACE GLOBAL and the Depositor in the event that any of the deposited Goods may present a specific danger e.g. goods of an inflammatory nature, corrosive nature or explosive nature.
- 10.11. The Bank guarantees the good condition of the Goods deposited into the Storage Facilities and, if such Goods are in package form, the good condition of such packaging.

11. FEES AND PAYMENTS

- 11.1. In consideration of services provided by ACE GLOBAL herein, the Bank hereby irrevocably agrees to pay fees and charges on behalf of the Depositor stipulated in Annex III attached hereto. The fees shall be effective from the first day ACE GLOBAL deploys its staff to commence provision of services related to this Agreement.
- 11.2. All fees shall be charged monthly by ACE GLOBAL to the Bank and payment shall be effected by the most appropriate means [wire transfer/cheque/Banks draft] upon presentation of invoice by direct transfer to the following account:

Account Holder: _____
Bank: _____
Account Number: _____
Branch : _____

It is hereby understood and agreed that payments not made within five (5) working days as per Annex III of date of presentation of the ACE GLOBAL invoice shall be subject to a late penalty charge of eight (8) per cent per month on the amount due. In case of non-payment within the 5 days, the Bank is jointly and severally responsible for the payment of all outstanding invoices. In case these amounts still remain outstanding, ACE GLOBAL shall be entitled to immediately exercise all rights and actions accruing to it under the applicable law in order to recover amounts due to it under this Agreement and shall not be obliged to issue any further Goods Receipts Notes till full and final settlement of the ACE GLOBAL invoices.

- 11.3. In case of any possible transfer of the Goods during the storage period, duly authorised by the Bank, ACE GLOBAL shall charge a fee per metric ton as deemed appropriate by ACE GLOBAL and notified to the Bank and the Depositor for the Goods exiting/entering the Storage Facilities, as well as for the monitoring services of the Goods.
- 11.4. In cases of urgency or in the absence of instructions, ACE GLOBAL shall be authorised to take all measures reasonably practicable and legally permissible and which it deems necessary and appropriate for the preservation of the Goods or in order to reduce the damage. All losses, damages, costs and expenses associated with such operations shall be charged to, and are payable by the Bank.
- 11.5. All fees and charges payable to ACE GLOBAL shall be net of any and all taxes and other mandatory payments, including VAT, charged, paid or which may be imposed in the future in relation to services described herein and the Bank agrees that it shall be responsible for the payment of all such taxes on behalf of the Depositor .

12. INSURANCE

- 12.1. The Depositor shall at its own cost and expense obtain with an approved insurance company, Insurance for the Goods during storage in the Premises as well as for the goods-in-transit. The insurance shall be in accordance with the Institute Cargo Clauses (All Risks) and in respect of standard risks under fire and burglary policies, riots and/or strikes and/or civil commotion and/or terrorism and/or malicious damage, and all other related risks for the duration of this Agreement including Misappropriation and/or spontaneous combustion.
- 12.2. ACE GLOBAL shall at its own cost ensure that it has Insurance in respect to Professional Indemnity/Fidelity and liability and shall upon request by the Bank or the Depositor , deliver documentary proof of its existence.
- 12.3. Upon request of the Depositor and/or the Bank, ACE GLOBAL may arrange with an international insurance company approved, in writing, by the Bank to cover the Goods against all risks, including notably fire, theft, water-damage, flood, misappropriation and demolition from receipt thereof and the Bank and its Affiliates shall have the benefit of a "Loss Payee" endorsement under the insurance policy subscribed.

The coverage could be taken upon request for either one or several of the following segments of operations:

- pre-shipment including storage and transit
- marine coverage (vessel overage premium to be considered when applicable)
- post shipment including storage and transit
- FOG and FOQ

If the Bank takes out insurance on behalf of the Depositor, the Depositor shall reimburse the Bank the full cost of the insurance and the Bank will be at liberty to reimburse itself the full cost of the insurance from the Depositor's account held with the Bank. The insurance premiums relating to such insurance policy shall be submitted to the Bank who will approve them and will accordingly accept to bear the costs of same on its behalf and/or on behalf of the Depositor.

12.4 Where no insurance has been procured whatsoever in the terms and on the conditions set out in this Agreement, this Agreement shall be null and void and be of no legal effect and the Bank shall bear the risk of loss or damage in the event that the insurance coverage provided by the Depositor is not adequate.

13. FORCE MAJEURE

13.1 Each party shall be relieved of liability for a partial or complete failure to perform its obligations under this Agreement, to the extent that and for so long as such failure is due to Force Majeure arising after the execution of this Agreement. "Force Majeure" shall mean extraordinary events or circumstances external to the party seeking to rely on them and which such party could neither foresee nor prevent by reasonable means "extraordinary events or circumstances" shall include, but not be limited to, strikes, floods, fire, earthquakes and other natural calamities, wars, military activities, civil unrest, local or foreign governmental intervention, and other circumstance beyond that party's reasonable control.

13.2 Immediately upon the occurrence of an event of Force Majeure, the party claiming inability to perform by reason thereof shall notify the other party in writing of these circumstances. Such notification shall include information on the nature of the circumstances and why they excuse performance under this Agreement and, if possible, an assessment of their influence on the party's future ability to perform its obligations under this Agreement.

13.3 The party affected by Force Majeure will use its best efforts to eliminate the events or circumstances giving rise to Force Majeure and to continue to perform the obligations under this Agreement whose performance was affected by Force Majeure.

14. WAIVER OF LIEN

In light of and subject to the Bank's unequivocal commitment to ACE GLOBAL hereunder to settle ACE GLOBAL's fee under this Agreement, ACE GLOBAL hereby waives in favour of the Bank any lien, right of retention or right of attachment and sale, which it may have on or over the Goods for unpaid fees. Such waiver shall at all times be subject to the successful implementation by the Depositor /Bank's obligations hereunder as regards the payment of ACE GLOBAL's fees.

15. ARBITRATION & GOVERNING LAW

15.1 This Agreement shall be governed by and construed in accordance with the laws of [England].

15.2 In the case of any dispute or differences arising out of or in connection with this Agreement or its construction, operation, termination or cancellation, the parties shall meet and attempt to settle such disputes or differences by means of negotiations between them.

15.3 If the parties cannot settle any such dispute or differences by negotiations within twenty-one (21) days after first commencing negotiations, then, unless ACE GLOBAL has previously notified the parties in

writing that it wishes any dispute or difference to be settled by a court of law, such dispute or differences shall be settled by arbitration. Notwithstanding the above a Party hereto is entitled to seek preliminary injunctive relief or interim or conservatory measures from any court of competent jurisdiction pending the final decision or award of the arbitrator and provided also that the parties expressly reserve the right to appeal the final decision as provided by applicable law.

- 15.4 The arbitration shall be in accordance with the ICC Rules of Arbitration as in effect on the date of this Agreement, except that in the event of any conflict between those Rules and arbitration provision of this Agreement, the provisions of this Agreement shall govern.
- 15.5 The number of arbitrators shall be three. Each party to the arbitration proceeding shall appoint one arbitrator. If within fifteen (15) days after receipt of the claimant's notifications of the appointment of an arbitrator the respondent has not notified the claimant in writing of the name of the arbitrator it appoints, the second arbitrator shall be appointed in accordance with the following procedure:
- 15.5.1 If within fifteen (15) days after receipt of the request from the claimant the respondent has not, by telegram or telex, notified the claimant of the name of the second arbitrator, the second arbitrator shall be appointed by the ICC Court.
- 15.5.2 The two arbitrators thus appointed shall choose the third arbitrator who will act as the presiding arbitrator of the tribunal. If within thirty (30) days after the appointment of the second arbitrator, the two arbitrators have not agreed upon the choice of the presiding arbitrator, and then at the request of either party to the arbitration proceedings the presiding arbitrator shall be appointed by the ICC Court.
- 15.6 The arbitration, including the making of the award, shall take place in _____ ("Place of Arbitration"), and the arbitrators shall resolve any such dispute or differences referred to them in accordance with the substantive laws of [England]. All submissions and awards in relation to arbitration hereunder shall be made in English and all arbitration proceedings shall be conducted in English.

16. DOMICILIUM CITANDI ET EXECUTANDI

- 16.1 The parties choose as their domicilia citandi et executandi for all purposes under this Agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature, the following addresses:

DEPOSITOR :

Telephone: _____ Facsimile: _____
Email: _____ Attention: _____

BANK:

Telephone: _____ - Facsimile: _____
Email: _____ - Attention: _____

ACE GLOBAL

Telephone: _____ - Facsimile: _____
Email: _____ - Attention: _____

- 16.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing but is shall be competent to give notice by facsimile provided that the issuing Party has obtained a report showing that the fax has been properly sent, or by a scanned document sent by email.
- 16.3 Either Party may by notice to the other Party change the physical address chosen as its domicilium citandi et executandi to another physical address where postal delivery occurs or its postal address or its facsimile number, provided that the change shall become effective on the 10th (tenth) business day from the deemed receipt of the notice by the other Parties.

17. GENERAL

- 17.1 The Bank shall not be entitled to assign, transfer or dispose of any of its rights or obligations under this Agreement to any party (except to (i) an Affiliate without the prior approval of ACE GLOBAL, such approval to not be unreasonably withheld or delayed. ACE GLOBAL will be deemed to have given its consent ten (10) days after the Bank has requested it, unless consent is expressly refused by ACE GLOBAL within that time. The Depositor shall not be entitled to assign, transfer or dispose of any of their rights or obligations in terms of this Agreement to another person. ACE GLOBAL shall be entitled to sub-contract its obligations in terms of this Agreement to its authorised affiliate or designated agent. Any such sub-contracting shall in no way absolve ACE GLOBAL from any of its obligations or detract from any of its rights under this Agreement.
- 17.2 No relaxation or indulgence which any Party may show to the others shall in any way prejudice any of that Party's rights hereunder or be construed as a waiver or novation of any of its rights against the other parties.
- 17.3 Each provision of this Agreement is distinct and severable, the one from the other, and if at any time any provision is or becomes or is found to be illegal, invalid, defective or unenforceable for any reason by any competent court, the remaining provisions shall be of full force and effect.
- 17.4 Prior drafts of the Agreement shall not be admissible in any proceedings as evidence of any matter relating to any negotiations preceding the signature hereof.
- 17.5 This Agreement may be executed in any number of counterparts and all such counterparts taken together per facsimile or in original shall be deemed to constitute one and the same agreement.
- 17.6 This Agreement constitutes the whole agreement between the parties relating to the subject matter hereof.
- 17.7 To the extent permissible by law no Party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein, whether it induced the contract and/or whether it was negligent or not.
- 17.8 The Parties agree, in the circumstances known to them at the date of entering into this Agreement, that these terms and conditions are reasonable.
- 17.9 All Goods Receipt Notes issued by ACE GLOBAL shall constitute annexes to this Agreement such that all terms and conditions found herein shall apply thereto and form an integral part of the Agreement.
- 17.10 In the event that ACE GLOBAL is requested to arrange the transport of the Goods, ACE GLOBAL's responsibility shall be strictly limited to the selection of the carrier who will thereafter act for the account and risk of the Depositor.
- 17.11 The Bank and the Depositor agree that ACE GLOBAL shall not be liable for any depreciation of the Goods resulting either from packaging or prolonged storage.
- 17.12 ACE GLOBAL shall not be liable for any damages arising or resulting directly from the natural qualities of the Goods (including any inherent vice) or any defect in packaging.
- 17.13 With the consent of all parties, any Goods stored hereunder may not be commingled but maybe warehoused as one general lot of fungible goods with other goods provided the latter are covered by this Agreement. In such a case, the Bank shall be entitled to such portion of such general lot as the amount of the commodity represented by the goods receipt note.
- 17.14 It is recorded that ACE GLOBAL shall perform its obligations in terms of this Agreement and to the extent that there is no conflict between the Agreement and the ACE GLOBAL standard terms and conditions set out in Annex I, in accordance with the ACE GLOBAL standard terms and conditions as set out in Annex I.
- 17.15 This Agreement may be terminated by either party by giving thirty (30) days' written notice to the other party.
- 17.16 In the event of any Party failing to comply with any of the provisions of this Agreement (hereinafter referred to as the "DEFAULTING PARTY"), the other Party(ies), (hereunder referred to as the "AGGRIEVED PARTY(IES)") shall give the Defaulting Party written notice of the breach complained of. Should the Defaulting Party fail to remedy the breach complained of within ten (10) working days after

having received such notice, the Aggrieved Party(ies) shall have the right, but not the obligation, to elect to either cancel this Agreement, or to claim specific performance under this Agreement, which election shall not prejudice the Aggrieved Party(ies) nor shall it be deemed to be a waiver by the Aggrieved Party(ies), of its (their) rights to claim damages from the Defaulting Party.

17.17 ACE GLOBAL shall not itself or through any other person offer, promise or give any bribe of any kind (including without limitation any facilitation payment), in relation to this Agreement or any obligation under it, whether that bribe is of a financial nature or otherwise, and shall not procure or encourage another person to do so. ACE GLOBAL shall immediately inform the Bank of any breach of this condition.

17.18 Notwithstanding any of the foregoing, ACE GLOBAL and the Bank may immediately terminate this Agreement by written notice to the other Parties:

- (i) if any Party materially breaches any term of this Agreement;
- (ii) if any Party is the subject of any Insolvency Proceedings in relation to all or any part of their revenue or assets;
- (iii) if it is or is likely to become unlawful for any Party to perform their respective obligations under this Agreement;

“Insolvency Proceedings” means, in relation to any person, any corporate action, legal proceedings or other step which is not dismissed, discharged, stayed or restrained in each case within a reasonable period of time by the Depositor , in relation to:

- (i) suspension of payments, moratorium of indebtedness, bankruptcy, winding up, dissolution, administration and reorganisation (other than a solvent liquidation or reorganisation) or composition or arrangement with creditors;
- (ii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrator or similar officer in respect of such person or any of such person's assets; or
- (iii) any analogous procedure or step in any jurisdiction;

“Authority” means any government, quasi-government, administrative, regulatory or supervisory body or authority, court or tribunal.

17.19 ACE GLOBAL shall not itself or through any other person offer, promise or give any bribe of any kind (including without limitation any facilitation payment), in relation to this Agreement or any obligation under it, whether that bribe is of a financial nature or otherwise, and shall not procure or encourage another person to do so.

17.20 This Agreement and all documents related thereto, including its annexes, may be signed in counterparts.

18. CONFIDENTIALITY

Each of the parties agree to treat all information, data and documentation relating to ACE GLOBAL or its affiliates as confidential and undertake not to utilize, exploit, or in any other manner whatsoever use the confidential information of the other party for any purpose whatsoever, save for the purpose for which such information is made available, without prior written consent of the owner of such confidential information. Furthermore, the parties agree to protect the confidential information disclosed pursuant to the provisions of this Agreement using the same standard of care applied by each of the parties to protect its own proprietary, secret or confidential information. The above applies both during and after termination of this Agreement.

Signed at _____ this _____ day of _____ 2013

AS WITNESS

1. _____

For: **BANK**

Who warrants that he is duly authorised hereto

Signed at _____ this _____ day of _____ 2013

AS WITNESS

2. _____

For: **DEPOSITOR**

Who warrants that he is duly authorised hereto

Signed at _____ this _____ day of _____ 2013

AS WITNESS

3. _____

For: **ACE GLOBAL**

Who warrants that he is duly authorised hereto

**ACE GLOBAL GENERAL TERMS AND CONDITIONS
(As revised 02/2012)**

1. General: These Conditions are applicable to the legal relationship between ACE GLOBAL (hereinafter referred to as the « Company ») which term includes its successors and assigns and each person or persons (whose liability shall be joint and several) with whom the Company has agreed to store or deliver goods, or for whom the Company holds in custody goods, and also includes the heirs, representatives, successors and assigns of such person (hereinafter referred to individually or collectively as the « Customer »). The Customer shall not refer to any regulations or stipulations in so far as they are at variance with these conditions. For the avoidance of doubt, where the operations entailed under the main Agreement are those of Secured Distribution as opposed to a Field Warehousing and Storage Agreement, the Company shall issue a Goods Receipt Note and not a Warehouse Receipt, and accordingly the reference to Warehouse Receipt hereunder shall be to a Goods Receipt Note notwithstanding the terminology and the standard applicable shall be that of a Goods Receipt Note and not a Warehouse Receipt and there shall be no expectation of the issuance of a Warehouse Receipt.

2. Binding Character: These Conditions are applicable to any business undertaken, including any advice, information or service provided, whether gratuitously or not, by the Company and each such condition is deemed to be incorporated in and to be a condition of any agreement between the Company and the Customer. Whether or not the Customer expressly acknowledges receipt of these Conditions, he shall be bound thereby so long as the Company can show that Article 37 has been complied with. The Company deals only with goods subject to these Conditions. The use of the Customer's own forms is no derogation from nor addition to these Conditions.

3. Compulsory Legislation: If any legislation or regulation is compulsorily applicable to any business undertaken by the Company, these Conditions shall as regards such business be read as subject to such legislation or regulation, and nothing in these Conditions shall be construed as a surrender by the Company of any of its rights or immunities or as an increase of any of its responsibilities or liabilities under such legislation or regulation. If any part of these Conditions is repugnant to such legislation or regulation to any extent such part shall as regards such business be void to that extent but no further.

4. Ownership of Goods by Customer: The Customer warrants that he is either the owner or the duly authorised agent of the owner of any goods delivered to the Company and he shall indemnify the Company against all claims arising from title to the goods being paramount or co-equal to that of the Customer. The Customer further warrants that he is authorised to accept and hereby accepts these Conditions not only for himself but also as agent for and on behalf of all other persons who are or may hereafter become interested in or entitled to possession of the goods. The Company recognises as the Customer, and accordingly as the party entitled to the goods received into custody, only the person who has tendered goods to the Warehouse for storage and, where applicable, whose name is recorded on a Warehouse Receipt. The Company does not recognise any transfer of the ownership or right to possession of the goods to the Warehouse for storage and, where applicable, whose name is recorded on a Warehouse Receipt. The Company does not recognise any transfer of the ownership or right to possession of the goods stored with the Company by the Customer to a third party unless all unpaid accounts as defined in Article 33 have been paid and such transfer is only binding on the Company if the Company has recognised in writing the third party becoming entitled to the goods as the new Customer. If goods or part thereof are transferred the warehousing agreement with the original Customer for these goods, or for part of the goods transferred, is deemed to have terminated at the time of the recognition of the transfer and a new warehousing agreement with the third party is deemed to have been concluded as from that time on the same terms and Conditions.

5. Applicable Law and Disputes : These Conditions shall be interpreted in accordance and subject to the provision as contained in the Secured Distribution Agreement entered into between the Parties.

6. Writing: All agreements, tenders or instructions, whether regarding storage, custody, handling and delivery of goods or otherwise, shall be promptly recorded in writing. Oral or telephonic communications or arrangements are binding on the Company only if immediately followed up by a written confirmation.

7. Description of Goods: Tendering of goods and instructions regarding storage, custody and handling must be effected, or supplied, accompanied by a written statement of the description of the goods, the declared value (for which the Company accepts no responsibility), the number of packages or units (hereinafter together referred to as « packages »), the gross weight and all particulars which are of such a nature which would enable the Company to decide whether or not to accept the goods under the terms hereof. The gross weight of each package exceeding 1,000 kilos must be stated separately.

8. Delegation: Any instructions or business accepted by the Company may in its absolute discretion be fulfilled by the Company itself by its own employees performing part or all of the services, or by the Company employing, instructing or entrusting the goods to others on such conditions as are agreed upon with such others.

9. Procedure :The Company has absolute discretion as to the means and procedure to be followed in the handling, storage, custody, delivery and transportation of goods. If, in the opinion of the Company, it is at any stage necessary or desirable in the Customer's interest to depart from express instructions of the Customer, the Company is at liberty to do so.

10. Weight or Measurement: The Company is not obliged to weigh or measure the goods in storage if the Customer gives no instruction to that effect. The Company may effect weighing and measuring in order to check the specifications received. If, in that case, the Company ascertains that weight or measurement differs from those stated, the cost of weighing and/or measuring involved is for account of the Customer. However the company is only liable for ascertaining weight or measurements if the goods have been weighed or measured by the company on the customers instructions and without prejudice to the provisions of Art 22 in respect of the company's liability.

11. Inspection of Goods: If the Customer instructs the Company to conduct any qualitative, quantitative or other inspection with respect to the goods, such inspection is conducted subject to the ACE GLOBAL Inspection General Terms and Conditions.

12. Examination of Packages: Packages may be opened for examination of the contents at the Customer's request only, but the Company is at all times entitled, but not obliged, to do so, 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 examination are for the Customer's account.

13. Description on Warehouse Receipt: The Customer warrants the accuracy of the description and/or specifications of the goods and the particulars concerning the packages as stated on the face of any Warehouse receipt, delivery order and/or telex/fax/email order for release, if any, and the Company 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 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 the Company. The Company may rely upon such particulars as the contents, measurement, nature, quality, quantities, weight, number, serial numbers, marks, value of the goods, etc. being unknown to it, even if the goods have been counted, weighed or measured in the presence of any of the Company's employees or agents and even if the latter could have known the nature or qualities or other particulars thereof.

14. Liability of Customer: The Customer is liable to the Company 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, as well as for damage arising from defects in the goods and/or packing which have not been earlier notified to the Company. The Customer shall indemnify the Company 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 the Company in respect of all legal proceedings or intended legal proceedings effected by or against the Company in relation to such damage.

15. Refusal of Goods by Company: The Company is entitled to refuse to agree to store or to continue to store goods without stating any reasons. During such time as the Company stores goods, the terms of this agreement shall apply in full unless terminated or varied by both parties. If the Customer terminates this agreement unilaterally or is in breach of any term hereof, it is expressly understood that the Company has the right to claim for reasonable compensation of such losses as are allowed by the applicable law.

16. Delivery of Goods :Delivery to and receipt by the Company is effected by the goods being handed over by the Customer and taken over by the Company at the place of storage.

17. Condition of Goods: The Customer warrants the good condition of the goods and, if packed, that they are suitably and properly packed when delivered to the Company. If the goods sent to the Company are in a damaged or defective condition which is outwardly visible at the time of delivery, the Company is entitled, but not obliged, 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 always without liability to the Customer in respect thereof. The Company shall immediately notify the Customer of the action taken, but failure to do so shall not impose any liability on the Company.

18. Execution of Orders: The Company shall endeavor to act upon an order for storage or delivery of goods not later than the next working day after the receipt of the appropriate order plus receipt of any necessary documentation in order to implement that order. Instructions and documents received after 15:00 hours local time shall be deemed to have been received on the next working day.

19. Speed of Execution: The Company shall use its best endeavors to comply with any reasonable orders of the Customer to expedite any business hereunder but shall be under no liability to the customer for any failure for whatever reason to comply with such orders.

20. Failure to Collect Goods: The Company 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 at the time agreed for doing so.

21. Working Time: Goods are to be delivered to and collected from the place of storage between 9:00 and 17:00 hours local time Monday to Friday, excluding public holidays. If the Company, at its discretion, agrees to perform such services outside these hours, then the Customer shall pay all overtime and related charges thereby incurred by the Company.

22. Storage Place: The Company may at any time transfer the goods to another storage place. The cost of this transfer and the risk of transport is for the Company's account unless in the opinion of the Company the transfer must be effected in the interest of the goods or through circumstances beyond the Company's control. If the goods are transferred to another storage place, the Company shall notify the Customer, but failure to notify does not give the latter any right of claim against the Company.

23. Responsibility of the Company: All goods are stored and handled at the Customer's risk. The Company is not liable for any loss, damage, destruction, deterioration or deficiency of the goods (hereinafter collectively referred to as « loss ») except as may be caused by a deliberate act on the part of any of the Company's own employees, and for no other neglect or default or other matter or thing whatsoever or however arising. In any event, the Company 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 which have been stored in the open or which the Company customarily stores in the open;
- (c) occurring before receipt and, regardless of the origin of the goods, due to the natural qualities of the goods, 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 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 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;
- (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 the Company;
- (g) caused or contributed to by a breach of any of the Customer's warranties or by any circumstances by virtue of which the Company is relieved of its contractual obligations as provided herein; and
- (h) occurring after the goods have been taken back or removed by the Customer or someone authorised by him.
- (i) In respect of contraband or illegal goods;
- (j) In respect of release goods remaining uncollected by the beneficiary in a reasonable time frame not exceeding ten (10) days and therefore warehoused in the storage premises.

24. Limitation of Responsibility: Notwithstanding anything to the contrary the liability of the Company in respect of any loss of the goods shall in any case be limited to a sum not exceeding the insurance value of each package given pursuant to Article 7 hereof. The Company is not liable for any loss of profit or for any consequential loss including any indirect losses whatsoever sustained by the Customer. In case of damage to one or more of several items belonging together any depreciation of the other parts or the undamaged items shall not be taken into account.

25. Dangerous Goods: The Customer shall notify the Company before delivery of any goods of an explosive, flammable, corrosive, noxious or dangerous nature or any goods likely to cause damage or detriment to the Warehouse or to other goods, or which are classified as dangerous or hazardous goods 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 the Company against any and all fines, penalties or damages suffered or incurred by the Company by reason of the Customer's failure to so declare and mark the nature of such goods. 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 to the Company or causes the Company to handle or deal with any such goods otherwise than under special arrangements, the Customer shall be liable for all loss caused by or to or in connection with the goods however arising and shall indemnify the Company against all penalties, claims, damages, costs (including all legal costs) and expenses whatsoever arising in connection therewith, and the goods may be destroyed or otherwise dealt with at the Customer's risk and expense at the sole discretion of the Company 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 themselves or to other goods, to the Warehouse or equipment or harm or injury to persons. If such goods are accepted under such special arrangements they may nevertheless be so destroyed or otherwise dealt with on account of risk to other goods, property, life or health. The expression « goods likely to cause damage » includes goods likely to harbour or encourage vermin or other pests. The Company shall immediately notify the Customer of the measures taken, but failure to notify the Customer shall not give the latter any right of claim against the Company. Without prejudice to the above provisions, the Customer shall indemnify the Company from and against any claims of third parties on account of damage caused by the Customer's goods to goods of third parties.

26. Admission to the Place of Storage: The Company shall admit the Customer and persons authorised by him in writing to the place of storage of the goods, subject to compliance with all formalities prescribed by the Company or the relevant authorities. For those to whom admission is granted by the Company, the following conditions are applicable:

- All persons visiting the place of storage, also the personnel of vessels and vehicles reporting to the Company, shall enter and remain at their own risk and shall observe all regulations for safety or otherwise imposed by the Company;
- Admission is granted only during ordinary working hours and shall always be attended by an employee of the Company;
- The cost of attendance during the visit shall be paid to the Company by the Customer immediately; and
- The Customer shall be liable for any damage caused directly or indirectly by the said persons.

27. Charges: The Customer shall pay for storage of the goods at the rate(s) current at the time the goods are delivered to the Company. The Company reserves the right to increase or vary its charges from time to time on giving not less than 30 days' notice in writing to the Customer pursuant to Article 37. The Company may at its absolute discretion decline to carry out any of the said services but permit the Customer to do so subject to such conditions as the Company shall impose from time to time and, without prejudice to the generality of the foregoing, to the payment of such charges as the Company may impose.

28. Insurance :The Company shall not be obliged to effect any insurance against any risk whatsoever in respect of the goods but if so requested by the Customer to insure the goods, the Company may at its discretion obtain and propose terms of insurance for agreement by the Customer but always at current market values, and if so accepted by the Customer, all premiums and other charges shall be paid promptly on rendering of appropriate invoice. Any such insurance shall automatically terminate upon delivery of the goods to the Customer. In the case of part-delivery of goods, the Customer shall advise in writing of the current market value of the part not so delivered to him and the Company shall use its best endeavors thereafter to persuade the underwriters to reduce or vary the premium accordingly.

29. Collection of Insurance Claims: The Company is hereby authorised to collect any insurance claims as agent for the Customer without any responsibility for the failure of insurer to pay in full or in part any such claim. All such claims, when received, may be retained in full or in part to offset all or any unpaid accounts as defined in Article 33. All services of whatsoever nature rendered by the Company in connection with any claim of insurance, whether that insurance is effected through the Company or otherwise, may be charged by the Company.

30. Destruction of Goods: Any goods destroyed by fire or otherwise shall be deemed to have been delivered to the Customer at the date thereof and all charges then due by way of storage or insurance shall be paid to the Company up to and including this date.

31. Removal of Goods: Upon payment of all unpaid accounts, the Customer may request re-delivery of the goods. All charges for storage or insurance, unless otherwise agreed, shall be calculated on the minimum basis of a full calendar month irrespective of the fact that the Customer may properly require delivery to him of all or part of the goods during the course of a month. Subject to Article 32, if a fixed period of storage has been agreed upon, the Company cannot require the removal of the goods by the Customer before the expiration of such period. If no such period has been agreed upon, or if the agreed upon period of storage has expired, the Company may require the removal of the goods on one month's notice.

32. Urgent Reason to Remove: The Company has the right at any time to require the removal of goods before the expiration of the storage period without adhering to any period of notice if it considers that there is an urgent reason to do so. An urgent reason is deemed to exist, inter alia, if the Customer fails to comply with one or more provisions of these Conditions, if it appears that owing to the presence of the goods loss and/or damage to other goods, to the storage place or to equipment, or harm to persons is feared, and furthermore if the goods are perishable or liable to inherent changes which in the Company's opinion warrant the assumption of a decrease in value and the Customer has neglected to give instructions for preventing or coping with this. The Customer remains liable for payment of the Warehouse rent up to and including the date of taking back or removing the goods.

33. Payment of Unpaid Accounts: All amounts due to the Company by the Customer on any account whatsoever, such as Warehouse rent, insurance premium and costs, rent, disbursements, remuneration for storage and delivery, outlays and charges for work done, the costs of clearance work and the like during or after a fire or otherwise, extraordinary expenses, extra wages, etc. (hereinafter referred to as « unpaid accounts ») are payable forthwith. All payments shall be made without any set-off or rebate and are deemed in the first place to have been made on account of non-preferential debts, regardless of whether any other instructions have been given at the time of payment. If the Customer does not pay an unpaid account immediately upon notification thereof the Company is entitled to charge interest at the rate of eight per cent (8%) per annum calculated on a daily basis from the due date to and including the date of receipt of payment by the Company. Without prejudice to the above, the Customer shall pay the Warehouse rent and, if the goods have been insured through the Company, the insurance premium and costs on a monthly basis in advance or as otherwise agreed upon. The Company may at any time require prepayment of any of its expenses.

34. Lien: The Company has a general as well as particular lien on all goods and documents relating to goods in its custody, possession or control for unpaid accounts. The lien also extends to the right to the amounts of insurance claims collected on behalf of the Customer by the Company. As far as necessary the right is deemed to have been transferred to the Company for further security.

35. Sale of Goods :The Company is entitled to sell the goods or any part thereof and documents relating to goods if the Customer fails to:

- remove the goods when requested by the Company to do so; or
- pay an unpaid account, without prejudice to the Company's right to make use of its lien.

The Company may sell the goods with a week's notice to the Customer pursuant to Article 37 by private contract or by public auction and for that purpose may open or break open (without being liable for any damage caused thereby) any packets, bales, sacks, cases or other packages. The Company shall exercise this power of sale in such manner as it thinks fit and in all respects as though it were the sole and unencumbered owner of goods. The proceeds of sale shall be utilised firstly, in defraying the expenses incurred by the Company; secondly, in paying the unpaid accounts due to the Company or defraying any rent or other charges due hereunder; and thirdly, by being held in trust for the Customer.

36. Issue of Warehouse Receipt: If so requested by the Customer, the Company may in its discretion agree to issue a Warehouse Receipt in respect of the goods 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 nor shall it be used by the Customer as collateral security in any respect. The Company, in its discretion, may decline to re-deliver the goods in the absence of the production of the Warehouse Receipt. If the Warehouse Receipt is lost or destroyed, the Company may in its discretion agree to issue a replacement receipt, provided always that the Customer indemnifies the Company in a manner satisfactory to the Company against all claims, damages or costs that may arise in accordance therewith.

37. Notices: All notices required to be given as stated above are deemed to have been validly served if left at the Customer's principal place of business or if sent to the Customer's address by ordinary pre-paid post, telex, fax or email.

38. Prescription :Any claim against the Company on account of any loss as defined in Article 24 or for any damage to the goods howsoever caused or any claim in respect of any alleged failure by the Company to comply with its obligations hereunder shall be deemed to have been waived and be absolutely time-barred unless such claim has been commenced by the Customer within six (6) days of the facts giving rise to the basis for such claim coming to the actual or imputed knowledge of the Customer or within six (6) days of the goods being delivered by the Company to or to the use of the Customer, whichever date shall first expire.

ACE GLOBAL INSPECTION GENERAL TERMS AND CONDITIONS**(As revised - 2012)**

1. **Definitions:** In these conditions, the "Company" means ACE GLOBAL or any of its associated companies and affiliated firms, and the "Principal" means the Company, firm or individual (or, as the case may be, any two or more companies, firms or individuals) from whom the instructions to act have originated and to whom the Company supplies services.

2. **General:** The Company is a business enterprise engaged in the trade of inspection and monitoring. As such, it:

- (a) carries out inspections, verifications, examinations, tests, samplings, measurements and similar operations whether directly or through its designated agents and authorised affiliates;
- (b) issues reports and certificates relating to the aforesaid operations; and
- (c) renders advisory services in connection with such matters.

Unless otherwise specifically agreed in writing, the Company undertakes services in accordance with these general conditions and accordingly all offers or tenders of service are made subject to the same, which prevail over any conditions, which the Principal may seek to impose. All resulting contracts, agreements or other arrangements will in all respects be governed by these conditions. No variation of or addition to these terms and conditions shall be valid unless made in writing and signed by a duly authorised employee of the Company.

3. **Enquiries and Orders:** All enquiries for the supply of services must be accompanied with sufficient information specifications and instructions to enable the Company to assess an accurate rate for the job. For any agreement or contract to be concluded, a written acceptance from the Company is required. The Principal agrees that it will:

- (a) ensure that all instructions to the Company are given in due time to enable the required services to be performed effectively;
- (b) procure all necessary access for the Company's representatives to Products, premises, installations and transport;
- (c) supply, if required, any special instrument necessary for the performance of the required services;
- (d) ensure that all necessary measures are taken for safety and security of working conditions, sites and installations during the performance of services and will not rely, in this respect, on the Company's advice whether required or not;
- (e) take all necessary steps to eliminate or remedy any obstruction to or interruptions in the performance of the required services;
- (f) fully exercise all its rights and discharge all its liabilities under the contract of sale whether or not a report or certificate has been issued by the Company failing which the Company shall be under no obligation to the Principal; and
- (g) deliver all Products, samples or materials which the Company is asked to process or test safely packed with appropriate warning labels to the agreed place of processing or testing by the Principal at its own risk and expense accompanied by appropriate delivery and transportation, and documentation containing a description of the contents of the consignment.

The Company reserves the right to refuse to accept and/or inspect or test any Products, samples or materials and providing notice thereof to the Principal and to terminate the contract at any time in case of breach of the above-mentioned requirements. It reserves furthermore the right to claim for indemnity against the Principal arising as a result of the Principal breaching the above mentioned requirements.

4. **Performance:** The Company will provide services in accordance with:

- (a) the Principal's specific instructions as confirmed by the Company;
- (b) terms of the Company's Standard Order Form and/or Standard Specification Sheet if used;
- (c) any relevant trade custom, usage or practice; and
- (d) such methods as the Company shall consider suitable on technical and/or financial grounds.

The Company acts only for the Principal from whom the instructions to act have originated. No other party is entitled to give instructions, particularly on the scope of inspection or delivery of report or certificate, unless so authorised by the Principal. Subject to the Principal's instructions, the Company will issue reports and certificates of inspection which reflect statements of opinions, valid at the time and place of intervention or provision of service pursuant to instructions received, made with due care within the limitation of instructions received, but the Company is under no obligation to refer to or report upon any facts or circumstances which are outside the specific instructions received.

The Company will be deemed irrevocably authorised to deliver at its discretion the report or the certificate to a third party if, following instructions by the Principal, a promise in this sense had been given to a third party or such a promise implicitly follows from circumstances, trade custom, usage or practice. Documents reflecting engagements contracted between the Principal and third parties, such as copies of contracts of sale, letters of credit, bills of lading, etc., are (if received by the Company) considered to be for information only without extending or restricting the Company's mission and obligations. The Company is implicitly authorized to produce any and all relevant documentation and communications between Parties pursuant to a lawful order by the Court of competent jurisdiction.

The Company shall be entitled to provide services through representatives, agents, subcontractors or affiliated companies whenever it shall consider suitable, subject to prior notice to the Principal. In the event of the Company being prevented by reason of any cause whatsoever outside the Company's control from performing or completing any service for which an order has been given or an agreement made, the Principal will pay to the Company the amount of all abortive expenditure actually made or incurred and a proportion of the agreed fee or commission equal to the proportion (if any) of the service actually carried out.

5. **Warranties:** The Company undertakes to exercise due care and skill in the performance of its services and accepts responsibility only in cases of willful misconduct or gross negligence proven by the Principal. Any claim in responsibility against the Company shall be forfeited at the end of one year after the date of the final report or certificates of inspection issued by the Company. The liability of the Company to the Principal in respect of any claims for loss, damage or expense of whatsoever nature and howsoever arising shall in no circumstances exceed a total aggregate sum equal to ten times the amount of the fee or commission payable, which amount shall be limited to a maximum of USD 25,000, in respect of the specific service required under the particular contract which gives rise to such claims. Where the fee or commission payable relates to a number of services and a claim arises in respect of one of those services the fee or commission shall be apportioned for the purpose of this paragraph by reference to the estimated time involved in the performance of each service. The Principal shall guarantee, hold harmless and indemnify the Company and its servants, agents or subcontractors against all claims made by any third party for loss, damage or expense of whatsoever nature and howsoever arising relating to the performance, purported performance or non-performance or any services to the extent that the aggregate of any such claims relating to any one service exceed the limit above mentioned.

6. **Payment:** Full payment must be effected within seven (7) working days from receipt of invoice, either electronically or in hard copy, unless the Company has agreed in writing with another term of payment. In the event that payment is not made by the due date, interest of eight (8) per cent will be charged on the outstanding amount of the invoice from the date of its issuance till the date of settlement.

7. **Applicable Law and Disputes:** These Conditions shall be interpreted in accordance and subject to the provision as contained in the Secured Distribution entered into between the Parties.

ANNEX III

SCHEDULE OF FEES

1. **ACE GLOBAL SECURED DISTRIBUTION FEES**

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per month of part thereof.

2. **ACE GLOBAL INSPECTION FEES**

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per _____.

3. **ACE GLOBAL PHYSICAL MONITORING FEES**

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per _____.

4. **ACE GLOBAL QUALITY ANALYSIS FEES**

ACE GLOBAL shall be entitled to charge all laboratory costs for analysis at cost plus 10%.

5. **ACE GLOBAL RISK PREMIUM CHARGES**

ACE GLOBAL shall be entitled to charge a Risk Premium equivalent to ___ of the insured value of the stocks.

6. **ACE GLOBAL INSURANCE CHARGES**

ACE GLOBAL shall be entitled to an Insurance Charge equivalent to ___% of the value of the All Risks Insurance Premium over the stocks.

7. **ACE GLOBAL DISCHARGE FEE**

In case of any possible transfer of the Goods during the storage period, ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per metric ton for the Goods exiting/entering the Storage Facilities, as well as for the monitoring services of the Goods.

8. **CHARGES FOR REVALIDATION OF GOODS RECEIPT NOTE UPON EXPIRY AS INDICATED WITHIN THE RECEIPT.**

All fees and charges payable to ACE GLOBAL shall be net of any and all taxes and other mandatory payments

ANNEX IV

LIST OF APPROVED STORAGE FACILITIES

ACE GLOBAL DOCUMENTS REQUIRED:

LEASE AGREEMENT /SUB LEASE AGREEMENT / LETTER OF INDEMNITY / LANDLORD WAIVER AND CONSENT
SITE PHOTOGRAPHS OF THE WAREHOUSE
WAREHOUSE INSPECTION REPORT

NOTE: ACE GLOBAL WILL NOT BE REQUIRED TO COMMENCE OR CONTINUE OPERATIONS OF SECURED DISTRIBUTION AT ANY OF THE ABOVE STATED STORAGE FACILITIES UNTIL AND UNLESS ALL DOCUMENTATION WITH REGARD TO THE LEASE / SUB LEASE INCLUDING THE LETTER OF INDEMNITY AND THE LANDLORD WAIVER AND CONSENT AGREEMENT HAVE BEEN DULY SIGNED AND EXECUTED OR HAVE BEEN OBTAINED BY ACE GLOBAL .
IF ANY OF THESE DOCUMENTS HAVE NOT BEEN EXECUTED / OBTAINED BEFORE ACE GLOBAL IS REQUIRED TO TAKE POSSESSION OF THE GOODS OR COMMENCE OPERATIONS ON SITE, AND IN THE EVENT THAT THE BANK REQUIRES ACE GLOBAL TO COMMENCE OPERATIONS IN THE ABSENCE OF ANY SUCH DOCUMENT, THE BANK SHALL DO SO AT ITS SOLE RISK AND LIABILITY AND WITHOUT RECOURSE TO ACE GLOBAL.

ANNEX V

**FORM OF LETTER OF INDEMNITY
TO BE PRINTED ON DEPOSITOR 'S LETTERHEAD**

Date: _____
Attention: **ACE GLOBAL (____) LIMITED**
Address: _____

Dear Sirs,

We refer to the Secured Distribution Agreement (including the exhibits attached thereto, the « Agreement » dated _____, 20____, among _____ (“ACE GLOBAL”), _____ the Bank (the “Bank”) and _____ Depositor (“the Depositor ”) whereby ACE GLOBAL agreed to provide Secured Distribution services for the Bank in consideration of the payments provided in the Agreement.

We hereby undertake to:

1. Be fully liable or responsible for the consequences of any negligent act(s) and/or fraudulent act(s) resulting from our own negligence and/or our own fraud, or as the case may be, from the negligence and/or the fraud of our employees, servants, agents or sub-contractors or third party operators, and also for the consequences of our inability to maintain proper licenses, authorisations and approvals in respect of the premises which have been rented to ACE GLOBAL for the purposes of effectively implementing the Secured Distribution Services under and pursuant to the Secured Distribution Agreement;
2. Indemnify and hold harmless ACE GLOBAL and any of his affiliate from every liability, claim, action, cause of action judgment, loss, expense, or cost whatsoever (including but not limited to reasonable attorneys fees and court costs) arising from or in any way related to or resulting from our so doing and/or our employees, servants, agents or sub-contractors' or third party operators' own doing or own omission and against all unexpected shortages, losses, damages, costs and expenses incurred or sustained or arising out of or in connection with unauthorized movement, discharge or removal of Goods stored in the Storage Facilities.
3. Testify, declare, depose or certify to the truth, or cause to testify, declare, depose or certify to the truth of any or all of the negligent act(s) and/or fraudulent act(s) before any competent tribunal, officer, or person and that we will cooperate fully in the prosecution of the person or persons who participate in the said negligent act(s) or omission(s) and/or fraudulent act(s) or omission(s);

This letter of indemnity shall be effective upon our acceptance hereof and shall continue in effect until termination of the Secured Distribution Agreement dated _____, 20____.

IN WITNESS WHEREOF, the undersigned has executed this Indemnity Letter this ____ day of _____, 2013.

Name & Title:

NON-NEGOTIABLE GOOD RECEIPT NOTE N°

.../.../...-.../.../..

Issued at	ACE GLOBAL Reference
Received from	Transaction N°
For account of	Date
Received at	Country

This is to certify that ACE GLOBAL_____--(ACE GLOBAL) has received the following goods for storage, in apparent good order and condition (except as noted) subject to the Secured Distribution Agreement between *THE BANK, ACE GLOBAL* and DEPOSITOR and ACE GLOBAL General Terms and Conditions (revised 02/12, copy of which is available upon request.)

DESCRIPTION OF GOODS	VALIDITY OF RECEIPT
size ...X....X...X	
Number of units:	
Total weight as per labels/packing list:	

INDICATIVE VALUE:

Insurance: All risk insurance including misappropriation supplied by.....policy number.....	DATE RECEIVED:
--	-----------------------

TOTAL QUANTITY: with a declared NET WEIGHT (NW)of:.....

Property (not) insured by ACE GLOBAL

THIS RECEIPT IS A NOT A DOCUMENT OF TITLE AND IS NOT NEGOTIABLE AND IS NOT TRANSFERABLE.

We warrant that to the best to our knowledge the Bank (s) of the goods is (are) the lawful owner(s) of said merchandise or commodities; and that the same are not subject to any assignment, trust obligation, collateral or chattel mortgage, lien or any other burden or charge legal or equitable.

Depositor / Bank

Subject to storage, handling and other charges in accordance with agreement with the "Depositor ", the provisions of which will be disclosed to the "Bank" hereof upon request to ACE GLOBAL. ACE GLOBAL is only responsible for the above set quality specifications at time, place and date of intervention only.

ACE GLOBAL certifies that it has no financial interest in the goods covered by this receipt except a lien in accordance with the Secured Distribution Agreement above mentioned. Delivery or part thereof of the goods shall be made by ACE GLOBAL in accordance with the Secured Distribution Agreement.

ACE GLOBAL Operations Manager

Authorised Signature

ACE GLOBAL Country Manager

Authorised Signature

RECORD OF RELEASES AND BALANCE ON HAND

ITEM 1					ITEM 2					ITEM 3				
Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance
		Delivered	Balance				Delivered	Balance				Delivered	Balance	
ITEM 4					ITEM 5					ITEM 6				
Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance
		Delivered	Balance				Delivered	Balance				Delivered	Balance	

ACE GLOBAL has no responsibility over the indicated value appearing in this document ACE GLOBAL shall not be liable for loss, damage or delay caused by Acts of God, civil or military authority, insurrection, riot, strikes, labour disputes, fire, sprinkler leakage, flood, wind, storm, vermin, change of temperature, variations in weights, or for loss in weight by reason of defective or insufficient containers, unless such loss, damage or delay is caused by the failure of ACE GLOBAL to exercise the ordinary care and diligence required by law. The receipt, storage and delivery of merchandise is subject to all rules and regulations promulgated by Governmental Agency or instrumentality. ACE GLOBAL has no financial interest in the merchandise covered by this Goods Receipt Note (except ACE GLOBAL's lien) and ACE GLOBAL is NOT INTERESTED DIRECTLY OR INDIRECTLY in the finances or management of the Bank for whose benefit this receipt is issued. The location of merchandise as shown on this Receipt Note is not given for insurance purposes and ACE GLOBAL disclaims all liability for error or insufficiency in the description of the location shown if such location is so used. ACE GLOBAL is not responsible for shrinkage in weights or evaporation, excess of storage period affecting the quality and/or the expiring date, or for loss or damage caused by fire (from any cause), decay, taint, rot or other inherent qualities of the merchandise; or by earthquakes, explosions, riots, strikes, accidental or providential causes or other causes beyond ACE GLOBAL's control; or by breakage, leakage, improper packing, pilferage, theft, ratage, vermin, or water (from sprinklers or otherwise); or by destruction of, or interference with the refrigerating or cooling apparatus, connection, or supply pipe, or interruption of the refrigerating process; or by any variance in temperatures; or for any loss or damage of whatsoever nature and howsoever caused, unless such loss is caused by failure to exercise the ordinary degree of care required of ACE GLOBAL by law.

ANNEX VII

LEASE AGREEMENT FORM

BETWEEN

This Lease Agreement is made and entered into by and between *Warehouse Owner* hereinafter called the "Landlord", whose address is *full Address*.

AND

ACE GLOBAL (_____) Ltd, hereinafter called the "Tenant", whose address is *Full Address*

THE PARTIES AGREE AS FOLLOWS:

1 LEASE

- 1.1 The Landlord hereby leases to the Tenant who accepts the following property: A Storage Facility of ____ square meters situated at *full physical address* (hereinafter called the "Warehouse").
- 1.2 The lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Landlord, the Tenant, and the specified Bank and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.
- 1.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1.

2 THE LANDLORD SHALL:

- 2.1 Be responsible for the maintenance, repair and upkeep of the Warehouse including the exterior of the Warehouse, the roof, the doors, etc., and the interior thereof.
- 2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Warehouse, as at the date of signature thereof.
- 2.3 Forthwith repair any structural defects, which appear in the Warehouse after obtaining the Tenant's written agreement. If the repairs are not done immediately, the Tenant is free to arrange the repairs at the expense of the Landlord and to recover the costs from the Landlord.
- 2.4 Pay all charges for electricity and water supplies to the Warehouse.
- 2.5 Indemnify the Tenant for any costs or expenses incurred in relation to the events referred to in Section 3.3.
- 2.6 Provide the Tenant with proof of adequate insurance coverage of the property.
- 2.7 Ensure that the Tenant is able to conduct its obligations of Field Warehousing and Storage under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Bank and with the consent of the Landlord; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Lease) shall upon the execution hereof be and become a part of this Lease as fully as though set out herein.
- 2.8 Ensure and guarantee that the Storage Facility is placed at the disposition of the Tenant for the duration of this Lease for the purpose of performing its obligations under the Secured Distribution Agreement. The Depositor shall ensure exclusive possession in favour of the Tenant and that the Tenant is provided with complete and uninterrupted access to, and control over, the Storage Facility without any excuse whatsoever.

3 THE TENANT SHALL:

- 3.1 Not cede or assign this lease except to an associated company in the ACE GLOBAL Group of Companies.
- 3.2 Use the Warehouse to store only Goods as described in the Secured Distribution Agreement such (*describe the commodity to be stored*).
- 3.3 Not be responsible for the damage caused to the Warehouse by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Vacate the Warehouse on the termination of this lease.

4 FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes

5 SETTLEMENT OF DISPUTES AND APPLICABLE LAW

- 5.1 All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____ courts.
- 5.2 This Agreement shall be governed by and interpreted in accordance with the Laws of _____.

IN WITNESS WHEREOF the parties have executed this Agreement this *starting date*.

For and on behalf of

WAREHOUSE OWNER

For and on behalf of

ACE GLOBAL (_____) LIMITED

SUB-LEASE AGREEMENT FORM

BETWEEN

This Sub-Lease Agreement is made and entered into by and between _____ hereinafter called the “Lessee”, whose address is _____ (*full Address*).

AND

ACE GLOBAL _____ with address _____-hereinafter called the “Sub Lessee”, whose address is *Full Address*.

THE PARTIES AGREE AS FOLLOWS:

1. LEASE

- 1.1 The Lessee hereby leases to the Sub-Lessee who accepts the following property: A Storage Facility of ____ square metres situated at *full physical address* (hereinafter called the “Warehouse”).
- 1.2 The sub lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Lessee, the Sub Lessee, and the specified Bank and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.
- 1.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1

2. THE LESSEE SHALL:

- 2.1 Be responsible for the maintenance, repair and upkeep of the Warehouse including the exterior of the Warehouse, the roof, the doors, etc., and the interior thereof.
- 2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Warehouse, as at the date of signature thereof.
- 2.3 Forthwith repair any structural defects, which appear in the Warehouse after obtaining the Sub-Lessee’s written Agreement. If the repairs are not done immediately, the Sub-Lessee’s is free to arrange the repairs at the expense of the Lessee and to recover the costs from the Lessee.
- 2.4 Pay all charges for electricity and water supplies to the Warehouse.
- 2.5 Indemnify the Sub-Lessee for any costs or expenses incurred in relation to the events referred to in Section 3.3.
- 2.6 Provide the Sub-Lessee with proof of adequate insurance coverage of the property.
- 2.7 Ensure that the Sub Lessee is able to conduct its obligations of Secured Distribution under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Bank and with the consent of the Lessee; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Sub Lease) shall upon the execution hereof be and become a part of this Sub Lease as fully as though set out herein.
- 2.8 Ensure and guarantee that the Warehouse is placed at the disposition of the Sub Lessee for the duration of this Sub Lease for the purpose of performing the obligations under the Secured Distribution Agreement. The Lessee shall ensure that the Landlord of the Warehouse shall at all times during the duration hereof, ensure exclusive possession in favour of the Sub Lessee and that the Sub Lessee is provided with complete and uninterrupted access to, and control over, the Warehouse without any excuse whatsoever and shall indemnify the Sub Lessee / Bank for any failure thereof.

3. SUB-LESSEE SHALL:

- 3.1 Not cede or assign this lease except to an associated company in the ACE GLOBAL Group of Companies.
- 3.2 Use the Warehouse to store only the Goods as described in the Secured Distribution Agreement.
- 3.3 Not be responsible for the damage caused to the Warehouse by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Vacate the Warehouse on the termination of this sub-lease.

4. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes.

5. SETTLEMENT OF DISPUTES AND APPLICABLE LAW

- 5.1 All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____ courts.
- 5.2 This Agreement shall be governed by and interpreted in accordance with the Laws of _____

IN WITNESS WHEREOF the parties have executed this Agreement this _____[starting date].

For and on behalf of

THE LESSEE

For and on behalf of

THE SUB LESSEE

SUB LEASE AGREEMENT

For Liquid Products

BETWEEN

This Lease Agreement is made and entered into by and between *Tank Farm Owner* hereinafter called the “Lessee”, whose address is *full Address*.

AND

ACE GLOBAL (_____) Ltd, hereinafter called the “Sub-Lessee”, whose address is *Full Address*.

THE PARTIES AGREE AS FOLLOWS:

1 SUB- LEASE

- 1.1 The Lessee hereby sub leases to the Sub Lessee who accepts the following property hereinafter referred to as “Storage Facility” of _____ -- (hereinafter called the “Storage Facility”).
- 1.2 The Sub-Lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Lessee, Sub-Lessee, and the _____ (“Bank”), and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.
- 1.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1.1
- 1.4 The Storage Facilities hereby demised shall include Tanks (as well as fire wall enclosures), vats and any other containers thereon for the storage of liquids in bulk, the care and preservation of the same by the Sub Lessee shall include gauging, pumping and sampling.
- 1.5 For the purpose of gauging, pumping, sampling and inspecting or for the convenient movement of liquid commodities, or for any other purposes contemplated by this lease or the Secured Distribution Agreement shall be permitted easy and convenient passage at any and all times through any part of the abutting premises now or hereafter occupied or controlled by the Sub Lessee, to the end that free from all costs, the Sub Lessee shall have the use of all pipelines, pumps, steam or electric power, heating devices, lights, loading racks, sump holes, valves and fittings, rights of way, franchises, and any other machinery, fixtures, equipment and appliances, and the appurtenances thereto, or privileges, which the Sub Lessee possesses or may hereafter acquire.

2 THE LESSEE:

- 2.1 The Lessee shall:
 - 2.1.1 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Storage Facilities, as at the date of signature thereof.
 - 2.1.2 Indemnify the Sub Lessee for any and all costs or expenses incurred by the Sub Lessee as a result of the breach hereof by the Lessee, including in relation to the events referred to in Section 3.5.
 - 2.1.3 Provide the Sub Lessee with proof of adequate insurance coverage of the property.

- 2.1.4 Ensure that the Sub Lessee is able to conduct its obligations of Secured Distribution under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Bank and with the consent of the Lessee; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Sub-Lease) shall upon the execution hereof be and become a part of this Sub-Lease as fully as though set out herein.
- 2.1.5 Ensure and guarantee that the Storage Facility is placed at the disposition of the Sub Lessee for the duration of this Sub-Lease for the purpose of performing its obligations under the Secured Distribution Agreement. The Lessee shall ensure exclusive possession in favour of the Sub Lessee and that the Lessee is provided with complete and uninterrupted access to, and control over, the Storage Facilities without any excuse whatsoever.
- 2.1.6 Acknowledge and agree that the movement of commodities placed in the Storage Facilities may include the complete delivery of such commodities to or from or on the Storage Facilities in pipelines, tanks, trucks, tank wagons or any other means of transfer the Lessee may elect. The Sub Lessee shall have the right to cut or disconnect or discontinue the use of any and all pipelines connected with any tank, vat or other container located on the Storage Facilities premises herein leased and to install and maintain gate valves or double gate valves, locks and safety devices on said pipelines, tanks, vats or other containers, the cost and expense of such equipment and installation to be paid by the Sub Lessee to the Lessee on demand.

3 THE SUB LESSEE:

- 3.1 The Sub Lessee's agents or employees shall for the purpose of gauging, pumping, sampling, inspecting or the movement of commodities, or for any other purposes contemplated by this lease, be permitted easy and convenient passage at any and all times through any part of the abutting premises that is or may hereafter be occupied and controlled by the lessee;
- 3.2 The Sub lessee shall have for the convenient movement of any commodities, free from all costs, the use of pipelines, pumps, steam or electric power, lights, loading racks, sump holes, valves and fittings, rights of ways, franchise and any other machinery, fixtures, equipment, appliances and appurtenances thereto or privileges that the Lessee now has or may acquire during the term of this sub-lease, it being understood and agreed between the Lessee and the Sub Lessee that at the option of the Sub Lessee the term "movement of commodities" may include the complete delivery of the commodities to or from or on the above described premises in cars, pipelines, tank trucks, tank wagons or any other means of transfer the lessee may elect; and
- 3.3 The Sub Lessee has the right to cut or disconnect any and all pipelines connected with any tank or tanks located on the premises herein lease or may install and keep gate valves or double gate valves and locks and safety devices on said pipelines and tanks, the cost and expense of such equipment and installation to be paid by the Lessee to the Sub Lessee on demand.
- 3.4 The Sub Lessee shall not cede or assign this lease except to a company in the ACE GLOBAL.
- 3.5 The Sub Lessee shall not be responsible for the damage caused to the Storage Facilities by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.6 Vacate the Storage Facility on the termination of this Sub Lease.

4 FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes.

5 SETTLEMENT OF DISPUTES AND APPLICABLE LAW

5.1 All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____ courts.

5.2 This Agreement shall be governed by and interpreted in accordance with the Laws of _____.

IN WITNESS WHEREOF the parties have executed this Agreement this *starting date*.

For and on behalf of

LESSEE / STORAGE FACILITY OWNER

For and on behalf of

SUB LESSEE

TRIPARTITE LICENSE AND ACCESS AGREEMENT

This Tripartite License and Access Agreement (the “**Agreement**”) is made and entered into this ____ day of _____ at _____ (with deemed date of effectiveness from _____ 2013), by and among:

_____ an entity duly registered under the laws of _____ with principal business address at _____ duly represented herein by its authorized representative _____ hereinafter referred to as the **LANDLORD**;

_____ an entity duly registered under the laws of _____ with principal business address at _____ duly represented herein by its authorized representative _____ hereinafter referred to as the “**CLIENT**”;

and

ACE GLOBAL _____, a company duly incorporated under the laws of _____, whose address is _____, duly represented herein by its authorized Manager, _____, hereinafter referred to as the “**LICENSEE**”;

Individually referred in this Agreement as the “Party” and collectively referred to as the “Parties”.

WITNESSETH:

WHEREAS, the Landlord is the owner and operator of the premises located at _____ (the “**Premises**”), with technical description and Title attached as Annex “A” herein;

WHEREAS, THE CLIENT has an existing [Storage and Use Agreement] with the Landlord covering the subject Premises, [attached herein as Annex “B”];

WHEREAS, the Licensee, with the Client and the _____ - Bank (Bank) into a Secured Distribution Agreement dated _____, for the field warehousing and management of certain Goods on said Premises (All such goods and the records relating thereto shall hereinafter be referred to as “Goods”).

Whereas the Landlord has already entered into a Landlord Waiver and Consent Agreement on _____, the terms of which shall be deemed to be incorporated into this Agreement by reference.

NOW THEREFORE, to formalize the grant of access into the Premises by both the Landlord and the CLIENT and in light of and pursuant to the specific provisions of the Storage and Use Agreement between the Landlord and the CLIENT, **THE PARTIES HEREBY AGREE AS FOLLOWS:**

1. GRANT OF ACCESS:

1.1 The Landlord and Client hereby grants to the Licensee, exclusive full, exclusive, unlimited, unequivocal and unrestrictive access, use and control of the property within the Premises described as follows:

_____ (hereinafter called the “**PREMISES**”).

1.2 By virtue of this Agreement, Licensee is hereby given access into the Premises through passage into the Premises effective _____ and until such period of expiry of the Secured Distribution Agreement. In no case shall this Agreement be terminated before obligations under the Secured Distribution Agreement are fully satisfied.

1.3 The consideration of this Agreement shall be USD 1.

2. CLIENT SHALL AT ALL TIMES:

2.1 Be responsible for the maintenance, repair and upkeep of the Premises including the exterior of the Premises, the roof, the doors, etc., and the interior thereof unless so agreed with the Landlord and the Landlord assumes all such responsibilities.

2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Premises, as at the date of signature thereof.

2.3 Forthwith repair any structural defects, which appear in the Premises after obtaining the Licensee’s written consent. If the repairs are not done immediately, the Licensee is hereby authorized to arrange the repairs at the expense of the Client and to recover the costs from the Client.

2.4 Pay all charges for electricity and water supplies to the Premises.

2.5 Indemnify the Licensee for any costs or expenses incurred in relation to the events referred to in Section 3.3.

2.6 Provide the Licensee with proof of adequate insurance coverage of the Premises.

2.7 Ensure that the Licensee is able to conduct its obligations of Secured Distribution under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Bank and with the consent of the Landlord; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Agreement) shall upon the execution hereof be and become a part of this Agreement as fully as though set out herein.

2.8 Ensure and guarantee that the Premises are placed at the disposition of the Licensee for the duration of this Agreement for the purpose of performing its obligations under the Secured Distribution Agreement. The Landlord and the Client shall at all times during the duration hereof, ensure exclusive possession in favour of the Licensee and that the Licensee is provided with complete, exclusive and uninterrupted access to, and control over, the Premises without any excuse whatsoever and shall indemnify the Licensee for any failure thereof.

3. LICENSEE:

- 3.1 Shall not cede or assign the rights under this Agreement unless to an authorized affiliate or associate.
- 3.2 Ensure that the Premises are used to store only Goods as described in the Collateral Management Agreement such as _____
- 3.3 Shall not be responsible for the damage caused to the Premises by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Shall vacate the Premises upon the termination of this Agreement.

4. LANDLORD

- 4.1 The Landlord expressly acknowledges that to induce the Licensee to enter into the said Secured Distribution Agreement with the Client, the Landlord irrevocably agrees and consents to refrain from taking any action to bar, restrain or otherwise prevent the Licensee or its duly authorised agents from entering said premises for the purpose of inspecting or taking possession of its Goods.
- 4.2 The Landlord further irrevocably agrees and consents that the Licensee or its duly authorised agents may occupy said premises for the purpose of maintaining possession of its Goods and preparing for and conducting a sale of same.
- 4.3 The Landlord agrees that if any dues are outstanding against the Client, the Licensee may reimburse the Landlord for any rent and charges not paid PROVIDED, that the rent and charges have remained unpaid for at least thirty (30) days and the Licensee has been informed in advance of the outstanding debt and that the Goods has been delivered in accordance with the instructions appurtenant thereto.
- 4.4 The Landlord expressly acknowledges and accepts that no Goods shall be released from the Premises without the express written authorisation of the Licensee which shall be provided for and on behalf of the Bank.
- 4.5 The Landlord agrees that the terms of this Agreement will apply to any warehouse as situated within the Premises and shall be applicable mutatis mutandis.

5. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except impecuniosities, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavor to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labor difficulties contrary to its wishes.

6 GENERAL PROVISIONS

- 6.1 **Settlement of Disputes.** All disputes in connection with this Agreement or the execution thereof will be settled under relevant applicable local laws of the Country as in force at the time, and shall be subject to the jurisdiction of the relevant local courts.
- 6.2 **Applicable Law.** This Agreement shall be governed by and interpreted in accordance with the Laws of _____.
- 6.3 **No Partnership or Agency Relationship.** None of the Parties shall, by reason of this Agreement owe nor be deemed to owe the other Parties any duty whether of a partnership or other fiduciary nature, other than those set out herein. Nothing in this Agreement shall be deemed to constitute a relationship of principal and agent between the Parties hereto and no Party shall have any authority to bind the other in any way other than the terms of this Agreement.
- 6.4 **Confidentiality.** Each of the Parties hereto and all their respective directors, officers, shareholders and employees shall at all times treat as confidential, and shall not disclose, divulge, copy, duplicate, record or otherwise reproduce, in whole or in part, or otherwise make available to any Person: (a) any information about the transactions contemplated under this Agreement; or (b) any commercial or technical information concerning the business and affairs of a Party, which they may have acquired in the course of its operations or of their dealings with said Party. The foregoing, however, shall not apply to any information which: (i) has become publicly known through no fault of the Party bound and all their directors, officers, shareholders and employees; (ii) was rightfully received from a third party without a breach of any agreement by such third party; (iii) was approved for release by written authorization of the concerned Party; or which is required to be disclosed pursuant to the rule of any applicable stock exchange or regulatory body. The obligation of the Parties under this Section shall survive the termination of this Agreement.
- 6.5 **Indemnification.** Each Party hereby agrees to indemnify and hold the other Party (and any of its Affiliates, successors and assigns) free and harmless from and against any liabilities, obligations, losses, damages, claims, costs, charges and judgments, as well as expenses (including interests, penalties and reasonable attorneys' fees related thereto), which may be sustained, suffered, secured against or incurred by such other Party (and any of its Affiliates, successors and assigns) arising from or by reason of the breach of any of the representations and warranties, covenants or undertakings of the indemnifying Party in this Agreement.
- 6.6 **Severability of Provisions.** If any one or more of the provisions contained in this Agreement or any document executed in connection herewith shall be declared by any court of competent jurisdiction as invalid, illegal or unenforceable under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein or such document executed in connection herewith shall not in any way be affected or impaired.
- 6.7 **Waiver, Cumulative Rights.** No failure or delay on the part of any Party in exercising any right, power or remedy accruing to such Party upon any breach or default under this Agreement shall impair any such right, power or remedy nor shall it be construed as a waiver of any such breach or default thereafter occurring, nor shall a waiver of any single breach be deemed a waiver of any other breach or default theretofore or thereafter occurring, nor shall any single or partial exercise of any such right or power preclude any other or further exercise of any other right or

power hereunder. All rights, powers or remedies, either under this Agreement or by law or otherwise, afforded the Parties shall be cumulative and not alternative and shall be in addition to and not in substitution for and in derogation of the rights, powers and remedies conferred by law or contract. No notice to or demand on any Party in any case shall entitle it to any other or further notice or demand in similar or other circumstances.

- 6.8 **Further Assurances.** The Parties hereby agree to execute, acknowledge and deliver to each other any further writings, documents, contracts, assignments, guarantees, transfers, acknowledgments, instruments, powers of attorney, authorizations, filings, applications, reports, etc. that may be reasonably required to give full force and effect to the provisions of this Agreement, and to take such further actions reasonably required in fulfillment of obligations set forth herein or in furtherance of the intent hereof.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be duly executed by their respective authorized representatives on the date and in the place first above-written.

For and on behalf of
THE LANDLORD

For and on behalf of
CLIENT

For and on behalf of
THE LICENSEE

Signed in the Presence of:

FORM OF LANDLORD'S WAIVER AND CONSENT AGREEMENT

WHEREAS, _____ *Name of the Warehouse Owner* (hereinafter referred to as the "Landlord") is the owner and lessor of the premises located at _____ *full address*, and;

WHEREAS, _____ *Name of the Depositor* (hereinafter referred to as the "Lessee") is the Tenant and Lessee of such premises, and;

WHEREAS, ACE GLOBAL _____ - (hereinafter referred to as "the Sub-Lessee") has entered, with the Lessee, into a Secured Distribution Agreement for the storage of certain Goods on said premises. (All such goods and the records relating thereto shall hereinafter be referred to as "Collateral").

NOW THEREFORE, to induce the Sub-Lessee to enter into said Secured Distribution Agreement with the Lessee, the Landlord hereby irrevocably agrees and consents to refrain from taking any action to bar, restrain or otherwise prevent the Sub-Lessee or its duly authorised agents from entering said premises for the purpose of inspecting or taking possession of its Collateral.

The Landlord further irrevocably agrees and consents that the Sub-Lessee or its duly authorised agents may occupy said premises for the purpose of maintaining possession of its Collateral and preparing for and conducting a sale of same.

IN CONSIDERATION WHEREOF, the Sub-Lessee agrees to reimburse the Landlord for any rent and charges not paid by the Tenant **PROVIDED,** that the rent and charges have remained unpaid for at least thirty (30) days and the Sub-Lessee has been informed in advance of the outstanding debt and that the Collateral has been delivered in accordance with the instructions appurtenant thereto.

This instrument is executed this _____ *date of execution*.

(1) For and on behalf of the Landlord

(2) For and on behalf of the Lessee

(3) For and on behalf of the Sub-Lessee

ANNEX VIII

SCHEDULE OF APPROVED PRODUCTS



SECURED DISTRIBUTION AGREEMENT

(ACTING FOR SUPPLIER)

THIS AGREEMENT is made this ____ day of _____ 2013;

BETWEEN:

4.

(Address to be inserted)

(City & Country)

Tel: _____ +

Fax: + _____

E-mail:

(Hereinafter referred to as the **"SUPPLIER"**)

OF THE FIRST PART

5.

(Address to be inserted)

(City & Country)

Tel: _____ +

Fax: + _____

E-mail:

(Hereinafter referred to as the **"BUYER"**)

OF THE SECOND PART

6. ACE GLOBAL (____) LIMITED

(Address to be inserted)

(City & Country)

Tel: _____ + _____

Fax: + _____

E-mail: ace.____@ace-group.net

(Hereinafter referred to as the **"ACE OR ACE GLOBAL"**)

ANNEX I	ACE GLOBAL WAREHOUSING GENERAL TERMS AND CONDITIONS
ANNEX IBIS	ACE GLOBAL INSPECTION GENERAL TERMS AND CONDITIONS
ANNEX II	SERVICES TO BE PROVIDED BY ACE
ANNEX III	FEES AND CHARGES PAYABLE TO ACE
ANNEX IV	LIST OF APPROVED STORAGE FACILITIES
ANNEX V	LETTER OF INDEMNITY
ANNEX VI	GOOD RECEIPT NOTE SPECIMEN
ANNEX VII	LEASE / SUB LEASE /LICENCE AND ACCESS AGREEMENT / LANDLORD WAIVER AGREEMENT
ANNEX VIII	SCHEDULE OF APPROVED PRODUCTS

1. PRELIMINARY

- A. The Supplier is the owner of _____ herein generally referred to as “Goods”, and the holder of the security interest in the Goods constituting the collateral, which the Buyer is desirous of pledging to the Supplier.
- B. The Supplier does not have the requisite infrastructure or skills to monitor and manage the risks associated with the storage of the Goods hence it has been agreed between the Buyer and the Supplier that the Goods shall be delivered and stored with the Buyer or a third party contracted by the Buyer, who has facilities equipped for purposes of storing such Goods. The Buyer desires in order to furnish security for the payment of the Goods or any part thereof, that the Supplier shall have a security interest in the said Goods.
- C. In respect of such Goods, the Supplier has requested and the Buyer has agreed that ACE GLOBAL shall be engaged to provide Secured Distribution Services as described in Annex II hereto attached, for the account of the Supplier, and ACE GLOBAL has agreed to do so upon the terms and subject to the conditions mentioned hereinafter.
- D. This Agreement is subject to ACE GLOBAL’s General Terms and Conditions attached hereto as Annex I and Annex I BIS.
- E. To the extent that there is a conflict between the provisions of this Agreement and any provision of Annex I, or any other annex or schedule hereto, the provisions of this Agreement shall prevail, notwithstanding any provision contained in such annex or schedule, to the effect that any term of such annex or schedule is intended to take precedence.

2. INTERPRETATION

The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof. Unless a contrary intention clearly appears.

2.1. Words importing:

- 2.1.1. Any one gender include the other genders;
- 2.1.2. The singular include the plural and vice versa; and
- 2.1.3. Natural persons include created entities (corporate or unincorporated) and the state and vice versa;

2.2. The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:

- 2.2.1. **“ACE”** or **“ACE GLOBAL”** shall mean _____
- 2.2.2. **“AGREEMENT”** shall mean this Agreement as set out herein together with all annexes hereto;
- 2.2.3. **“BAILMENT”** shall mean the transfer of the possession of goods by the Buyer as the owner and bailor of the Goods to ACE GLOBAL as the bailee which shall thereafter maintain notorious, continuous and exclusive possession of all the Goods, for and on behalf of the Supplier for particular purposes conducting Secured Distribution Services hereunder.

- 2.2.4. **“BUYER”** shall mean _____, a company existing and organized under the laws of _____, with registration number _____;
- 2.2.5. **“CLASS AND GRADE”** shall mean the class and grade of the Goods as determined in terms of the Class and Grading Rules;
- 2.2.6. **“CLASS AND GRADING RULES”** shall mean the rules in terms of which any Goods is classified and graded which shall be rules generally applicable in the industry internationally in respect of the Goods concerned;
- 2.2.7. **“CONSIGNMENT”** shall mean a quantity of any Goods which shall be in multiples of not less than _____;
- 2.2.8. **“DISPATCH/ED”** shall mean in respect of each Consignment delivered hereunder the duly completed process by ACE GLOBAL of withdrawing the Goods from a Storage Facility;
- 2.2.9. **“EFFECTIVE DATE”** shall mean the date upon which all of the conditions precedent set out in clause 4 have been fulfilled or waived as the case may be;
- 2.2.10. **“FIELD WAREHOUSING”** shall refer to a scheme which began as a device to enable the owner of a stock of shifting Goods to pledge it as collateral for a loan and if properly conducted, it creates a valid Bailment and a resulting security interest in the inventory/ Goods deposited in favour of the Goods Receipt Note holder and provides effective third party control and enables close regulation of the amount of the Goods which are to be made available for subsequent use or sale. In order for a field warehouse and the lien created thereby to be recognized as valid, the possession of the collateral controller (ACE GLOBAL) must be "open, exclusive, notorious and unequivocal";
- 2.2.11. **“GOODS RECEIPT NOTES”** shall mean those receipts issued in physical (paper/ certificate) form by ACE GLOBAL in favour of the Supplier and evidencing the receipt by ACE GLOBAL of certain Goods into a designated Storage Facility and which shall be similar substantially to the format set out in Annex “VI”;
- 2.2.12. **“FULL OUTTURN GUARANTEE” OR “FOG”** shall mean the insurance coverage extended to differences and shortages in weights and/or in quantities of any Goods under specific terms and conditions;
- 2.2.13. **“FULL OUTTURN QUALITY OR FOQ”** shall mean the insurance coverage extended to defects and differences in quality parameters and/or specifications in any Goods under specific terms and conditions;
- 2.2.14. **“GOODS AND/OR PRODUCTS”** shall mean (full description of type of commodity) as more particularly described in Annex VIII hereto, which are or shall be deposited upon execution hereof in the Storage Facilities and which the Buyer has pledged in favour of the Supplier;
- 2.2.15. **“GROSS WEIGHT”** shall mean the gross weight of a Consignment received at Intake in (metric tons or in any other applicable weighing standard);
- 2.2.16. **“IN SITU”** shall mean stocks which were not constituted under supervision of ACE GLOBAL and therefore already existing in the approved Storage Facility at the time ACE GLOBAL deploys its staff to commence the provisions of this Agreement;
- 2.2.17. **“INTAKE”** shall mean the duly completed process of the ACE GLOBAL accepting a Consignment, at the designated Storage Facilities;
- 2.2.18. **“NET WEIGHT”** shall mean the weight (in metric tons or in any other applicable weighing standard) of a Consignment determined in terms of the Class and Grading Rules;
- 2.2.19. **“NORMAL BUSINESS HOURS”** shall mean ___am to ___pm, from Monday to Friday, save for public holidays;
- 2.2.20. **“LIBOR”** shall mean the arithmetic mean of the respective offered rates for 30 day dollar deposits as they appear on the Reuter's Screen designated as "LIBOR" (or such other page as may replace such page on such service, or on another service designated by the British Banks' Association for the purpose of displaying the rates at which dollar deposits are offered by leading Banks in the London interbank market) at or about 11.00 am (London time) daily;
- 2.2.21. **“MISAPPROPRIATION”** shall mean unauthorised, fraudulent or dishonest appropriation or use, or unexpected or unforeseen or unexplained loss of the Goods under Secured Distribution /or monitoring and/or storage supervision by ACE GLOBAL and shall, inter alia, include the risk association with fraud, defalcation, misapplication, embezzlement, fraudulent transfer of ownership from the insured interest and dispossession thereof, except that which solely results from a governmental intervention.

- 2.2.22. **“SECURED DISTRIBUTION SERVICES”** shall mean the Services as set out in Annex II hereto.
- 2.2.23 **“SHORTAGE AND/OR DEFECT”** shall mean any Goods weight discrepancy and/or any defects or differences in the quality and/or specifications of the Goods which occurs between Intake and Dispatch, measured during the term of this Agreement;
- 2.2.24. **“STORAGE FACILITIES”** shall mean the designated Storage Facilities more fully set out in the schedule annexed hereto as Annex "IV";
- 2.2.25. **“SUPPLIER”** shall mean _____.
- 2.3. Any reference to any legislation or regulation is to that legislation or regulation as at the date of signature hereof and as amended from time to time;
- 2.4. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement;
- 2.5. When any number of days is prescribed in this Agreement in respect of payments, same shall be reckoned inclusively of the first and exclusively of the last day;
- 2.6. Where figures are referred to in numerals and in words; if there is any conflict between the two, the words shall prevail;
- 2.7. Expressions defined in this Agreement shall bear the same meanings in schedules or annexes to this Agreement which do not themselves contain their own definitions to the extent that there is a conflict between the provisions of this Agreement and any provision of an annex or schedule hereto the provisions of the Agreement shall prevail;
- 2.8. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause; and
- 2.9. The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement unless expressly provided that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination.

3. RECORDAL

- 3.1. The Supplier will from time to time supply the Consignment of Goods to the Buyer, which will then be stored within the designated Storage Facilities equipped for the purpose of storing such Goods;
- 3.2. The Supplier does not have the requisite infrastructure or skills to monitor and manage the risks associated with the storage of the Goods;
- 3.3. The Supplier and the Buyer have jointly requested ACE GLOBAL to monitor the Goods and collaterally manage them during storage at the designated Storage Facilities. ACE GLOBAL shall also provide inspection services of the Goods for the account of the Supplier according to the terms and subject to the conditions hereinafter described and the ACE GLOBAL General Terms and Conditions attached hereto as Annex I and Annex I BIS.

4. CONDITIONS PRECEDENT

This Agreement is subject in its entirety to the following conditions precedent namely:

- 4.1 The execution of a letter of Indemnity duly signed by the Buyer , a form of which is attached as Annex V.
- 4.2 The execution of a Lease Agreement or Sub Lease or Licence and Access Agreement, whichever is applicable depending on the underlying ownership and leasing arrangement pertaining to the Storage Facilities, between ACE GLOBAL and the Buyer or ACE GLOBAL, the Buyer and the Storer as owner of the approved Storage Facility, forms of which are attached as Annex VII hereto, or any other appropriate agreement providing ACE GLOBAL with the necessary custody, control and supervision as required for the Secured Distribution operations. ACE GLOBAL shall not be liable if access to the Storage Facility is stopped or obstructed in any way by the landlord or the relevant Port authority and ACE GLOBAL shall inform the Supplier accordingly
- 4.3 Adequate insurance being obtained by the Depositor on the terms as stated in herein.

5. DURATION AND TERMINATION

- 5.1 This Agreement is entered into for a term of ____ years/months commencing on the date of execution hereof and ending on the Expiry Date of _____ (the “**EXPIRY DATE**”). However, this Agreement shall only come into force as and when all the conditions precedent set forth in section 4 herein have been fulfilled (“the ‘**EFFECTIVE DATE**’”).
- 5.2 On the Expiry Date, the Parties hereto shall be entitled to extend the duration hereof. The extension of the duration of this Agreement shall be subject to one (1) month notice thereof being given and to the Parties' unanimous Agreement thereto.
- 5.3 ACE GLOBAL may terminate this Agreement by thirty (30) days written notice to the Buyer and the Supplier if: (i) the Supplier has given the final release order for the Goods to ACE GLOBAL and/or therefore ACE GLOBAL states that there are no remaining goods under its custody; (ii) the Supplier and/or the Buyer have not signified to ACE GLOBAL the extension of this Agreement according to Article 5.2; (iii) a case of Force Majeure listed in Article 13 occurs during the execution of this Agreement; (iv) a case where ACE GLOBAL's fee hereunder, in whole or in part, remains due and owing and unpaid for a period of two (2) consecutive months despite ACE GLOBAL having served notice in respect thereof to the Supplier and the Buyer .
- 5.4 This Agreement may be terminated by either party by giving thirty (30) days' written notice to the other party, except that the Buyer shall not be entitled to terminate this Agreement until all its obligations to the Supplier have been fulfilled.

6. APPOINTMENT

- 6.1 The Supplier and the Buyer hereby appoint ACE GLOBAL who, under and pursuant to this Secured Distribution Agreement, accepts to conduct Secured Distribution Services at the Buyer's designated Storage Facility.
- 6.2 ACE GLOBAL shall provide the services stipulated in Annex II. Any services required other than those specified in this Agreement shall be requested in writing, negotiated and confirmed by ACE GLOBAL in writing;
- 6.4 It is agreed that ACE GLOBAL is appointed as an independent contractor to the Supplier and the Buyer on the terms and conditions contained herein and any services provided hereunder are exclusively for its benefit and the Buyer has no right to complain whatsoever about the provision of such services or the manner in which ACE GLOBAL provides them nor to raise any cause of action in regard thereto unless the Supplier in its sole discretion accepts such a complaint / cause of action as being valid and legitimate and the Supplier directly raises the concern with ACE GLOBAL and initiates any action on the basis thereof. The Buyer does not have any direct rights of recourse against ACE GLOBAL nor shall any cause of action accrue against ACE GLOBAL without the Supplier having agreed that such a cause of action has arisen and that such cause of action can be legally and factually justified. This Agreement does not create and/or constitute, nor shall it be construed as creating an agency relationship, a partnership or a master/servant relationship between the Parties;
- 6.5 ACE GLOBAL shall not be able to bind the Supplier and the Buyer in any way whatsoever to any agreement between ACE GLOBAL and any other person, save with the prior written consent of the Supplier and the Buyer .

7. ACE GLOBAL'S OBLIGATIONS

- In carrying out its duties ACE GLOBAL shall exercise all reasonable care and skill expected from a professional body providing inspection, monitoring and Secured Distribution services pursuant to this Secured Distribution arrangement as described in Annex II hereto, acting in the same field of business, and shall act faithfully on behalf of the Supplier and the Buyer, in particular ACE GLOBAL shall:
- 7.1. Conduct both an external and internal inspection of the Storage Facilities and issue a statement in respect thereof stating whether or not the Storage Facilities is approved by ACE GLOBAL for the storage of the Goods;
- 7.2. Not grant access to the Storage Facilities or the designated part thereof which is under its custody and control, to any persons unless so authorised in writing by the Supplier, save for authorised personnel, contractors or agents of ACE GLOBAL and of the Buyer who shall have unrestricted access to the Goods but who shall be under the supervision of ACE GLOBAL and which supervision where required shall be provided by ACE GLOBAL for and on behalf of the Supplier;

- 7.3. Supervise the Intake of Consignments into storage and the discharge of Consignments from the Storage Facility;
- 7.4. Ensure that ACE GLOBAL only accepts into storage such Consignments of Goods delivered to the designated Storage Facilities which meet the specifications as provided by the Supplier;
- 7.5. Unless otherwise agreed between the Parties, all deposits of the Goods shall be made during Normal Business Hours. ACE GLOBAL may refuse to accept any deposit which occurs outside such Normal Business Hours or be entitled to a surcharge for all deposit activities performed outside Normal Business Hours;
- 7.6. Not allow release of any Goods unless it has received written instructions from the Supplier stating the person to whom to release the Goods and the receipt and/or issuance of documents against which the Goods shall be released;
- 7.7. Not be responsible for the weight, quantity and quality of the Goods when the Goods are In Situ, and ACE GLOBAL shall only issue a good receipt note at Intake. It shall be the obligation of the Supplier to accept or reject the Goods;
- 7.8. Act on the Supplier's instructions punctually, but in any event not later than twenty four (24) hours after receipt by it of such instructions provided that for any action which reasonably requires more than 24 hours to complete, ACE GLOBAL shall be required to have commenced such action within 24 hours and to complete the same without delay;
- 7.9. Immediately inform the Supplier and the Buyer, in writing as well as verbally, of any damage to or any apparent deterioration of the Goods while they are in storage at the designated Storage Facility;
- 7.10. In respect of released Goods, upon a Release Order given by the Supplier, remaining uncollected by the beneficiary in a reasonable time frame not exceeding six (6) days per release order, and therefore warehoused in the Storage Facilities, ACE GLOBAL shall not be liable for any loss and/or damages occurred after the above mentioned time frame. ACE GLOBAL shall at the same time, be entitled to charge a fee for all the services rendered after the Final Release sent by the Supplier;
- 7.11. Provide all services as described per Annex II, and therefore maintain continuous and exclusive possession of all the Goods in so far as legally permissible and reasonably practicable, held in the Storage Facilities and covered by ACE GLOBAL's Goods Receipt Note.

8. RISK AND LIMITATION OF LIABILITY

- 8.1. ACE GLOBAL shall not be liable if the Shortage or quantity of Goods lost or damaged or improperly released does not exceed ___ per cent (___%) of the quantity/weight of Goods covered by Goods Receipt Notes/invoice documents at the time of discovery by the Supplier and/or the Buyer of such Shortage or other loss or damage, unless such loss is occasioned as a direct result of the wilful or grossly negligent acts or omissions of ACE GLOBAL or its staff.
- 8.2. In those circumstances where ACE GLOBAL was not present at the Intake of the Goods, but able to verify the quantity of the Goods in storage ("In-Situ") with the storer, ACE GLOBAL shall not be liable for Shortages and/or Defects in respect of such Goods which is accepted in accordance with industry standards and in light of the best possible estimation under the prevailing field storage conditions and, for avoidance of doubt, the margin taken by ACE GLOBAL will be %(___per cent) minimum, and even in such event that it does exceed the said percentage, ACE GLOBAL shall not be liable unless Shortage/ Defect / loss as alleged in respect of the Goods is occasioned as a direct result of the wilful or grossly negligent act or omission of ACE GLOBAL or its staff.
- 8.3. In case of In Situ quality checks the sampling being only superficial the quality results can only have an indicative and relative result and ACE GLOBAL will not be liable for any quality deviation;
- 8.4. ACE GLOBAL shall at all times be entitled to dispute the existence or extent of any Shortage and/or Defect or any loss or damage or any amount claimed thereof and shall give sufficient notice to the Supplier in writing stating the basis of its dispute.
- 8.5. In case of storage exceeding the industry standard and/or reasonable time frame pertaining to a given Goods, ACE GLOBAL shall not be held responsible of any quality deterioration unless proper periodic quality checks have been done in agreement with the contract terms by ACE GLOBAL and the alleged quality deterioration has not occurred as a direct result of a wilful or grossly negligent act or omission of ACE GLOBAL staff.
- 8.6. The Supplier and the Buyer agree that ACE GLOBAL shall not be liable for any depreciation of the Goods resulting either from packaging or prolonged storage.
- 8.7. ACE GLOBAL shall not be liable for any damages arising or resulting directly from the natural qualities of the Goods (including any inherent vice) or any defect in packaging.

9. OBLIGATIONS OF THE BUYER

- 9.1 The Buyer acknowledges that the Supplier has requested ACE GLOBAL to establish a Field Warehousing and Storage Arrangement under and pursuant this Secured Distribution Agreement, and to take into storage into one or multiple facilities constituting the Storage Facilities under this Agreement for the purposes of securing title to the Goods in favour of the Supplier. The Buyer hereby confirms that all Goods covered by Good Receipt Note issued by ACE GLOBAL are, upon the issuance of such Good Receipt Note, pledged to the Supplier, and that such Goods may not be released from the Storage Facilities unless and until such release is authorized by the Supplier under written instructions given to ACE GLOBAL.
- 9.2 The Buyer undertakes to take delivery of the Goods within six (6) days of [delivery order/agreed delivery date], failing which the Buyer shall be responsible for any loss or damage occurred to the Goods or any quality deterioration or depreciation of the Goods resulting from such delay in taking delivery. All fees incurred after the 6 days' period are for Buyer's account.
- 9.3 The Buyer shall provide around the clock security for all the Storage Facilities by a reputable security company at its own expense;
- 9.4 The Buyer shall allow ACE GLOBAL to place the ACE GLOBAL name, logos or banners on the warehouse or take any other such measures as ACE GLOBAL may in its sole opinion deem useful or necessary in order to place third parties on notice as to its control over the Storage Facilities.
- 9.5 Only where necessary and required in the sole discretion of ACE GLOBAL, the Buyer agrees to assign to ACE GLOBAL's employment such employees as are requested and required by ACE GLOBAL to operate the Storage Facilities and that all such employees are to comply with instructions only from ACE GLOBAL with regard to the receipt, storage and release of said Goods in compliance with Annex II;
- 9.6 The Buyer shall be responsible for taking all such measures and paying all associated costs necessary and appropriate under local law so as to ensure that ACE GLOBAL' right of access to and control over the Goods/Storage facilities cannot be contested by third parties;
- 9.7 The Buyer agrees to designate one or more warehouses, which shall be placed at the disposition of ACE GLOBAL for the duration of this Agreement for the purpose of performing its obligations. The Buyer shall ensure that ACE GLOBAL is provided with complete and uninterrupted access to, and control over, the Storage Facilities);
- 9.8 The Buyer shall provide ACE GLOBAL with full access to all inventory related records for purposes of verifying all inventory activity for inventory covered by ACE GLOBAL related documents.
- 9.9 The Buyer waives any right to assert a lien, right of retention or right of attachment and sale, which it may have on or in respect of the Goods stored in the Storage Facilities owned or leased by it.
- 9.10 The Buyer shall indemnify the Supplier and ACE GLOBAL and keep them fully indemnified against any loss (physical loss and/or indirect loss), claim, demands, actions, proceedings, expenses (including any reasonable legal costs) and all other liabilities incurred or sustained by the Supplier/ ACE GLOBAL arising out of or in connection with this Agreement.

10. OBLIGATIONS OF THE SUPPLIER

The Supplier shall:

- 10.1. Furnish ACE GLOBAL with information on the location of the Storage Facilities and contact details of such facilities;
- 10.2. Represent and warrant that all the Goods deposited pursuant to the terms of this Agreement, are its exclusive property and are free of any pledge, claim or demand, except such pledge, claim or demand as established and being maintained in the interests of the Supplier hereunder;
- 10.3. Guarantee the good condition of the Goods to be deposited into the Storage Facility and, if such Goods are in package form, the good condition of such packaging;
- 10.4. Explicitly inform ACE GLOBAL in the event that any of the deposited Goods may present a specific danger e.g. goods of an inflammatory nature, corrosive nature or explosive nature;
- 10.5. Upon receipt of a written request, furnish ACE GLOBAL with such further information regarding the Goods as ACE GLOBAL may reasonably require in order for it to properly perform its obligations hereunder;
- 10.6. Provide ACE GLOBAL and the Buyer with written notice as to the identities of those persons authorised to enter the Storage Facilities, particularly those persons charged by the Supplier with the duty to survey and control the Goods and shall further provide ACE GLOBAL and the Buyer with written notice as to any changes thereto;

- 10.7. Provide ACE GLOBAL with clear written instructions as to the release of the Goods during normal business hours. Any instruction received after __pm (Country time) shall be deemed to have been received on the following business day;
- 10.8. Be solely and unequivocally liable for the payment of ACE GLOBAL's fees as set out in this Agreement.
- 10.9. In the event that Goods are delivered to ACE GLOBAL by third parties on behalf of the Supplier, the Supplier shall provide ACE GLOBAL with written confirmation from such third parties that they have no legal or moral or any other right to the Goods and may do so in the form and format as agreed between the Parties.
- 10.10. The Supplier must explicitly inform ACE GLOBAL and the Buyer in the event that any of the deposited Goods may present a specific danger e.g. goods of an inflammatory nature, corrosive nature or explosive nature.
- 10.11. The Supplier guarantees the good condition of the Goods deposited into the Storage Facilities and, if such Goods are in package form, the good condition of such packaging.

11. FEES AND PAYMENTS

- 11.1. In consideration of services provided by ACE GLOBAL herein, the Supplier hereby irrevocably agrees to pay fees and charges on behalf of the Buyer stipulated in Annex III attached hereto. The fees shall be effective from the first day ACE GLOBAL deploys its staff to commence provision of services related to this Agreement.
- 11.2. All fees shall be charged monthly by ACE GLOBAL to the Supplier and payment shall be effected by the most appropriate means [wire transfer/cheque/Suppliers draft] upon presentation of invoice by direct transfer to the following account:

Account Holder: _____
 Bank: _____
 Account Number: _____
 Branch : _____

It is hereby understood and agreed that payments not made within five (5) working days as per Annex III of date of presentation of the ACE GLOBAL invoice shall be subject to a late penalty charge of eight (8) per cent per month on the amount due. In case of non-payment within the 5 days, the Supplier is jointly and severally responsible for the payment of all outstanding invoices. In case these amounts still remain outstanding, ACE GLOBAL shall be entitled to immediately exercise all rights and actions accruing to it under the applicable law in order to recover amounts due to it under this Agreement and shall not be obliged to issue any further Goods Receipts Notes till full and final settlement of the ACE GLOBAL invoices.

- 11.3. In case of any possible transfer of the Goods during the storage period, duly authorised by the Supplier, ACE GLOBAL shall charge a fee per metric ton as deemed appropriate by ACE GLOBAL and notified to the Supplier and the Buyer for the Goods exiting/entering the Storage Facilities, as well as for the monitoring services of the Goods.
- 11.4. In cases of urgency or in the absence of instructions, ACE GLOBAL shall be authorised to take all measures reasonably practicable and legally permissible and which it deems necessary and appropriate for the preservation of the Goods or in order to reduce the damage. All losses, damages, costs and expenses associated with such operations shall be charged to, and are payable by the Supplier.
- 11.5. All fees and charges payable to ACE GLOBAL shall be net of any and all taxes and other mandatory payments, including VAT, charged, paid or which may be imposed in the future in relation to services described herein and the Supplier agrees that it shall be responsible for the payment of all such taxes on behalf of the Buyer .

12. INSURANCE

- 12.1 The Buyer shall at its own cost and expense obtain with an approved insurance company, Insurance for the Goods during storage in the Premises as well as for the goods-in-transit. The insurance shall be in accordance with the Institute Cargo Clauses (All Risks) and in respect of standard risks under fire and burglary policies, riots and/or strikes and/or civil commotion and/or terrorism and/or malicious damage, and all other related risks for the duration of this Agreement including Misappropriation and/or spontaneous combustion.
- 12.2 ACE GLOBAL shall at its own cost ensure that it has Insurance in respect to Professional Indemnity/Fidelity and liability and shall upon request by the Supplier or the Buyer , deliver documentary proof of its existence.
- 12.3 Upon request of the Buyer and/or the Supplier, ACE GLOBAL may arrange with an international insurance company approved, in writing, by the Supplier to cover the Goods against all risks, including notably fire, theft, water-damage, flood, misappropriation and demolition from receipt thereof and the Bank and its Affiliates shall have the benefit of a "Loss Payee" endorsement under the insurance policy subscribed.
- 12.4 The coverage could be taken upon request for either one or several of the following segments of operations:
- pre-shipment including storage and transit
 - marine coverage (vessel overage premium to be considered when applicable)
 - post shipment including storage and transit
 - Full Outturn Guarantee (FOG) and Full Outturn Quality (FOQ)
- 12.5 If the Supplier takes out insurance on behalf of the Buyer, the Buyer shall reimburse the Supplier the full cost of the insurance. The insurance premiums relating to such insurance policy shall be submitted to the Supplier who will approve them and will accordingly accept to bear the costs of same on its behalf and/or on behalf of the Buyer where applicable.
- 12.6 Where no insurance has been procured whatsoever in the terms and on the conditions set out in this Agreement, this Agreement shall be null and void and be of no legal effect and the Supplier shall bear the risk of loss or damage in the event that the insurance coverage provided by the Buyer is not adequate.

13. FORCE MAJEURE

- 13.1 Each party shall be relieved of liability for a partial or complete failure to perform its obligations under this Agreement, to the extent that and for so long as such failure is due to Force Majeure arising after the execution of this Agreement. "Force Majeure" shall mean extraordinary events or circumstances external to the party seeking to rely on them and which such party could neither foresee nor prevent by reasonable means "extraordinary events or circumstances" shall include, but not be limited to, strikes, floods, fire, earthquakes and other natural calamities, wars, military activities, civil unrest, local or foreign governmental intervention, and other circumstance beyond that party's reasonable control.
- 13.2 Immediately upon the occurrence of an event of Force Majeure, the party claiming inability to perform by reason thereof shall notify the other party in writing of these circumstances. Such notification shall include information on the nature of the circumstances and why they excuse performance under this Agreement and, if possible, an assessment of their influence on the party's future ability to perform its obligations under this Agreement.
- 13.3 The party affected by Force Majeure will use its best efforts to eliminate the events or circumstances giving rise to Force Majeure and to continue to perform the obligations under this Agreement whose performance was affected by Force Majeure.

14. WAIVER OF LIEN

In light of and subject to the Supplier's unequivocal commitment to ACE GLOBAL hereunder to settle ACE GLOBAL's fee under this Agreement, ACE GLOBAL hereby waives in favour of the Supplier any lien, right of retention or right of attachment and sale, which it may have on or over the Goods for unpaid fees. Such waiver shall at all times be subject to the successful implementation by the Buyer /Supplier's obligations hereunder as regards the payment of ACE GLOBAL's fees.

15. ARBITRATION & GOVERNING LAW

- 15.1 This Agreement shall be governed by and construed in accordance with the laws of [England].
- 15.2 In the case of any dispute or differences arising out of or in connection with this Agreement or its construction, operation, termination or cancellation, the parties shall meet and attempt to settle such disputes or differences by means of negotiations between them.
- 15.3 If the parties cannot settle any such dispute or differences by negotiations within twenty-one (21) days after first commencing negotiations, then, unless ACE GLOBAL has previously notified the parties in writing that it wishes any dispute or difference to be settled by a court of law, such dispute or differences shall be settled by arbitration. Notwithstanding the above a Party hereto is entitled to seek preliminary injunctive relief or interim or conservatory measures from any court of competent jurisdiction pending the final decision or award of the arbitrator and provided also that the parties expressly reserve the right to appeal the final decision as provided by applicable law.
- 15.4 The arbitration shall be in accordance with the ICC Rules of Arbitration as in effect on the date of this Agreement, except that in the event of any conflict between those Rules and arbitration provision of this Agreement, the provisions of this Agreement shall govern.
- 15.5 The number of arbitrators shall be three. Each party to the arbitration proceeding shall appoint one arbitrator. If within fifteen (15) days after receipt of the claimant's notifications of the appointment of an arbitrator the respondent has not notified the claimant in writing of the name of the arbitrator it appoints, the second arbitrator shall be appointed in accordance with the following procedure:
 - 15.5.1 If within fifteen (15) days after receipt of the request from the claimant the respondent has not, by telegram or telex, notified the claimant of the name of the second arbitrator, the second arbitrator shall be appointed by the ICC Court.
 - 15.5.2 The two arbitrators thus appointed shall choose the third arbitrator who will act as the presiding arbitrator of the tribunal. If within thirty (30) days after the appointment of the second arbitrator, the two arbitrators have not agreed upon the choice of the presiding arbitrator, and then at the request of either party to the arbitration proceedings the presiding arbitrator shall be appointed by the ICC Court.
- 15.6 The arbitration, including the making of the award, shall take place in _____ ("Place of Arbitration"), and the arbitrators shall resolve any such dispute or differences referred to them in accordance with the substantive laws of [England]. All submissions and awards in relation to arbitration hereunder shall be made in English and all arbitration proceedings shall be conducted in English.

16. DOMICILIUM CITANDI ET EXECUTANDI

- 16.1 The parties choose as their domicilia citandi et executandi for all purposes under this Agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature, the following addresses:

BUYER :

Telephone: _____ Facsimile: _____
Email: _____ Attention: _____

SUPPLIER:

Telephone: _____ - Facsimile: _____
Email: _____ - Attention: _____

ACE GLOBAL

Telephone: _____ - Facsimile: _____
Email: _____ - Attention: _____

- 16.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing but is shall be competent to give notice by facsimile provided that the issuing Party has obtained a report showing that the fax has been properly sent, or by a scanned document sent by email.

16.3 Either Party may by notice to the other Party change the physical address chosen as its domicilium citandi et executandi to another physical address where postal delivery occurs or its postal address or its facsimile number, provided that the change shall become effective on the 10th (tenth) business day from the deemed receipt of the notice by the other Parties.

17. GENERAL

- 17.1 The Supplier shall not be entitled to assign, transfer or dispose of any of its rights or obligations under this Agreement to any party (except to (i) an Affiliate without the prior approval of ACE GLOBAL, such approval to not be unreasonably withheld or delayed. ACE GLOBAL will be deemed to have given its consent ten (10) days after the Supplier has requested it, unless consent is expressly refused by ACE GLOBAL within that time. The Buyer shall not be entitled to assign, transfer or dispose of any of their rights or obligations in terms of this Agreement to another person. ACE GLOBAL shall be entitled to sub-contract its obligations in terms of this Agreement to its authorised affiliate or designated agent. Any such sub-contracting shall in no way absolve ACE GLOBAL from any of its obligations or detract from any of its rights under this Agreement.
- 17.2 No relaxation or indulgence which any Party may show to the others shall in any way prejudice any of that Party's rights hereunder or be construed as a waiver or novation of any of its rights against the other parties.
- 17.3 Each provision of this Agreement is distinct and severable, the one from the other, and if at any time any provision is or becomes or is found to be illegal, invalid, defective or unenforceable for any reason by any competent court, the remaining provisions shall be of full force and effect.
- 17.4 Prior drafts of the Agreement shall not be admissible in any proceedings as evidence of any matter relating to any negotiations preceding the signature hereof.
- 17.5 This Agreement may be executed in any number of counterparts and all such counterparts taken together per facsimile or in original shall be deemed to constitute one and the same agreement.
- 17.6 This Agreement constitutes the whole agreement between the parties relating to the subject matter hereof.
- 17.7 To the extent permissible by law no Party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein, whether it induced the contract and/or whether it was negligent or not.
- 17.8 The Parties agree, in the circumstances known to them at the date of entering into this Agreement, that these terms and conditions are reasonable.
- 17.9 All Goods Receipt Notes issued by ACE GLOBAL shall constitute annexes to this Agreement such that all terms and conditions found herein shall apply thereto and form an integral part of the Agreement.
- 17.10 In the event that ACE GLOBAL is requested to arrange the transport of the Goods, ACE GLOBAL's responsibility shall be strictly limited to the selection of the carrier who will thereafter act for the account and risk of the Buyer.
- 17.11 The Supplier and the Buyer agree that ACE GLOBAL shall not be liable for any depreciation of the Goods resulting either from packaging or prolonged storage.
- 17.12 ACE GLOBAL shall not be liable for any damages arising or resulting directly from the natural qualities of the Goods (including any inherent vice) or any defect in packaging.
- 17.13 With the consent of all parties, any Goods stored hereunder may not be commingled but maybe warehoused as one general lot of fungible goods with other goods provided the latter are covered by this Agreement. In such a case, the Supplier shall be entitled to such portion of such general lot as the amount of the commodity represented by the goods receipt note.
- 17.14 It is recorded that ACE GLOBAL shall perform its obligations in terms of this Agreement and to the extent that there is no conflict between the Agreement and the ACE GLOBAL standard terms and conditions set out in Annex I, in accordance with the ACE GLOBAL standard terms and conditions as set out in Annex I.
- 17.15 This Agreement may be terminated by either party by giving thirty (30) days' written notice to the other party.
- 17.16 In the event of any Party failing to comply with any of the provisions of this Agreement (hereinafter referred to as the "DEFAULTING PARTY"), the other Party(ies), (hereunder referred to as the "AGGRIEVED PARTY(IES)") shall give the Defaulting Party written notice of the breach complained of. Should the Defaulting Party fail to remedy the breach complained of within ten (10) working days after having received such notice, the Aggrieved Party(ies) shall have the right, but not the obligation, to elect to either cancel this Agreement, or to claim specific performance under this Agreement, which

election shall not prejudice the Aggrieved Party(ies) nor shall it be deemed to be a waiver by the Aggrieved Party(ies), of its (their) rights to claim damages from the Defaulting Party.

- 17.17 ACE GLOBAL shall not itself or through any other person offer, promise or give any bribe of any kind (including without limitation any facilitation payment), in relation to this Agreement or any obligation under it, whether that bribe is of a financial nature or otherwise, and shall not procure or encourage another person to do so. ACE GLOBAL shall immediately inform the Supplier of any breach of this condition.
- 17.18 Notwithstanding any of the foregoing, ACE GLOBAL and the Supplier may immediately terminate this Agreement by written notice to the other Parties:
- (i) if any Party materially breaches any term of this Agreement;
 - (ii) if any Party is the subject of any Insolvency Proceedings in relation to all or any part of their revenue or assets;
 - (iii) if it is or is likely to become unlawful for any Party to perform their respective obligations under this Agreement;

“Insolvency Proceedings” means, in relation to any person, any corporate action, legal proceedings or other step which is not dismissed, discharged, stayed or restrained in each case within a reasonable period of time by the Buyer , in relation to:

- (i) suspension of payments, moratorium of indebtedness, bankruptcy, winding up, dissolution, administration and reorganisation (other than a solvent liquidation or reorganisation) or composition or arrangement with creditors;
- (ii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrator or similar officer in respect of such person or any of such person's assets; or
- (iii) any analogous procedure or step in any jurisdiction;

“Authority” means any government, quasi-government, administrative, regulatory or supervisory body or authority, court or tribunal.

- 17.19 ACE GLOBAL shall not itself or through any other person offer, promise or give any bribe of any kind (including without limitation any facilitation payment), in relation to this Agreement or any obligation under it, whether that bribe is of a financial nature or otherwise, and shall not procure or encourage another person to do so.
- 17.20 This Agreement and all documents related thereto, including its annexes, may be signed in counterparts.

18. CONFIDENTIALITY

Each of the parties agree to treat all information, data and documentation relating to ACE GLOBAL or its affiliates as confidential and undertake not to utilize, exploit, or in any other manner whatsoever use the confidential information of the other party for any purpose whatsoever, save for the purpose for which such information is made available, without prior written consent of the owner of such confidential information. Furthermore, the parties agree to protect the confidential information disclosed pursuant to the provisions of this Agreement using the same standard of care applied by each of the parties to protect its own proprietary, secret or confidential information. The above applies both during and after termination of this Agreement.

Signed at _____ this _____ day of _____ 2013

AS WITNESS

1. _____

For: **SUPPLIER**

Who warrants that he is duly authorised hereto

Signed at _____ this _____ day of _____ 2013

AS WITNESS

2. _____

For: **BUYER**

Who warrants that he is duly authorised hereto

Signed at _____ this _____ day of _____ 2013

AS WITNESS

3. _____

For: **ACE GLOBAL**

Who warrants that he is duly authorised hereto

ANNEX I

ACE GLOBAL GENERAL TERMS AND CONDITIONS

(As revised 02/2012)

1. **General:** These Conditions are applicable to the legal relationship between ACE GLOBAL (hereinafter referred to as the « Company ») which term includes its successors and assigns and each person or persons (whose liability shall be joint and several) with whom the Company has agreed to store or deliver goods, or for whom the Company holds in custody goods, and also includes the heirs, representatives, successors and assigns of such person (hereinafter referred to individually or collectively as the « Customer »). The Customer shall not refer to any regulations or stipulations in so far as they are at variance with these conditions. For the avoidance of doubt, where the operations entailed under the main Agreement are those of Secured Distribution as opposed to a Field Warehousing and Storage Agreement, the Company shall issue a Goods Receipt Note and not a Warehouse Receipt, and accordingly the reference to Warehouse Receipt hereunder shall be to a Goods Receipt Note notwithstanding the terminology and the standard applicable shall be that of a Goods Receipt Note and not a Warehouse Receipt and there shall be no expectation of the issuance of a Warehouse Receipt.
2. **Binding Character:** These Conditions are applicable to any business undertaken, including any advice, information or service provided, whether gratuitously or not, by the Company and each such condition is deemed to be incorporated in and to be a condition of any agreement between the Company and the Customer. Whether or not the Customer expressly acknowledges receipt of these Conditions, he shall be bound thereby so long as the Company can show that Article 37 has been complied with. The Company deals only with goods subject to these Conditions. The use of the Customer's own forms is no derogation from nor addition to these Conditions.
3. **Compulsory Legislation:** If any legislation or regulation is compulsorily applicable to any business undertaken by the Company, these Conditions shall as regards such business be read as subject to such legislation or regulation, and nothing in these Conditions shall be construed as a surrender by the Company of any of its rights or immunities or as an increase of any of its responsibilities or liabilities under such legislation or regulation. If any part of these Conditions is repugnant to such legislation or regulation to any extent such part shall as regards such business be void to that extent but no further.
4. **Ownership of Goods by Customer:** The Customer warrants that he is either the owner or the duly authorised agent of the owner of any goods delivered to the Company and he shall indemnify the Company against all claims arising from title to the goods being paramount or co-equal to that of the Customer. The Customer further warrants that he is authorised to accept and hereby accepts these Conditions not only for himself but also as agent for and on behalf of all other persons who are or may hereafter become interested in or entitled to possession of the goods. The Company recognises as the Customer, and accordingly as the party entitled to the goods received into custody, only the person who has tendered goods to the Warehouse for storage and, where applicable, whose name is recorded on a Warehouse Receipt. The Company does not recognise any transfer of the ownership or right to possession of the goods to the Warehouse for storage and, where applicable, whose name is recorded on a Warehouse Receipt. The Company does not recognise any transfer of the ownership or right to possession of the goods stored with the Company by the Customer to a third party unless all unpaid accounts as defined in Article 33 have been paid and such transfer is only binding on the Company if the Company has recognised in writing the third party becoming entitled to the goods as the new Customer. If goods or part thereof are transferred the warehousing agreement with the original Customer for these goods, or for part of the goods transferred, is deemed to have terminated at the time of the recognition of the transfer and a new warehousing agreement with the third party is deemed to have been concluded as from that time on the same terms and Conditions.
5. **Applicable Law and Disputes :** These Conditions shall be interpreted in accordance and subject to the provision as contained in the Secured Distribution Agreement entered into between the Parties.
6. **Writing:** All agreements, tenders or instructions, whether regarding storage, custody, handling and delivery of goods or otherwise, shall be promptly recorded in writing. Oral or telephonic communications or arrangements are binding on the Company only if immediately followed up by a written confirmation.
7. **Description of Goods:** Tendering of goods and instructions regarding storage, custody and handling must be effected, or supplied, accompanied by a written statement of the description of the goods, the declared value (for which the Company accepts no responsibility), the number of packages or units (hereinafter together referred to as « packages »), the gross weight and all particulars which are of such a nature which would enable the Company to decide whether or not to accept the goods under the terms hereof. The gross weight of each package exceeding 1,000 kilos must be stated separately.
8. **Delegation:** Any instructions or business accepted by the Company may in its absolute discretion be fulfilled by the Company itself by its own employees performing part or all of the services, or by the Company employing, instructing or entrusting the goods to others on such conditions as are agreed upon with such others.
9. **Procedure :** The Company has absolute discretion as to the means and procedure to be followed in the handling, storage, custody, delivery and transportation of goods. If, in the opinion of the Company, it is at any stage necessary or desirable in the Customer's interest to depart from express instructions of the Customer, the Company is at liberty to do so.
10. **Weight or Measurement:** The Company is not obliged to weigh or measure the goods in storage if the Customer gives no instruction to that effect. The Company may effect weighing and measuring in order to check the specifications received. If, in that case, the Company ascertains that weight or measurement differs from those stated, the cost of weighing and/or measuring involved is for account of the Customer. However the company is only liable for ascertaining weight or measurements if the goods have been weighed or measured by the company on the customers instructions and without prejudice to the provisions of Art 22 in respect of the company's liability.
11. **Inspection of Goods:** If the Customer instructs the Company to conduct any qualitative, quantitative or other inspection with respect to the goods, such inspection is conducted subject to the ACE GLOBAL Inspection General Terms and Conditions.

12. Examination of Packages: Packages may be opened for examination of the contents at the Customer's request only, but the Company is at all times entitled, but not obliged, to do so, 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 examination are for the Customer's account.
13. Description on Warehouse Receipt: The Customer warrants the accuracy of the description and/or specifications of the goods and the particulars concerning the packages as stated on the face of any Warehouse receipt, delivery order and/or telex/fax/email order for release, if any, and the Company 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 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 the Company. The Company may rely upon such particulars as the contents, measurement, nature, quality, quantities, weight, number, serial numbers, marks, value of the goods, etc. being unknown to it, even if the goods have been counted, weighed or measured in the presence of any of the Company's employees or agents and even if the latter could have known the nature or qualities or other particulars thereof.
14. Liability of Customer: The Customer is liable to the Company 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, as well as for damage arising from defects in the goods and/or packing which have not been earlier notified to the Company. The Customer shall indemnify the Company 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 the Company in respect of all legal proceedings or intended legal proceedings effected by or against the Company in relation to such damage.
15. Refusal of Goods by Company: The Company is entitled to refuse to agree to store or to continue to store goods without stating any reasons. During such time as the Company stores goods, the terms of this agreement shall apply in full unless terminated or varied by both parties. If the Customer terminates this agreement unilaterally or is in breach of any term hereof, it is expressly understood that the Company has the right to claim for reasonable compensation of such losses as are allowed by the applicable law.
16. Delivery of Goods :Delivery to and receipt by the Company is effected by the goods being handed over by the Customer and taken over by the Company at the place of storage.
17. Condition of Goods: The Customer warrants the good condition of the goods and, if packed, that they are suitably and properly packed when delivered to the Company. If the goods sent to the Company are in a damaged or defective condition which is outwardly visible at the time of delivery, the Company is entitled, but not obliged, 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 always without liability to the Customer in respect thereof. The Company shall immediately notify the Customer of the action taken, but failure to do so shall not impose any liability on the Company.
18. Execution of Orders: The Company shall endeavor to act upon an order for storage or delivery of goods not later than the next working day after the receipt of the appropriate order plus receipt of any necessary documentation in order to implement that order. Instructions and documents received after 15:00 hours local time shall be deemed to have been received on the next working day.
19. Speed of Execution: The Company shall use its best endeavors to comply with any reasonable orders of the Customer to expedite any business hereunder but shall be under no liability to the customer for any failure for whatever reason to comply with such orders.
20. Failure to Collect Goods: The Company 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 at the time agreed for doing so.
21. Working Time: Goods are to be delivered to and collected from the place of storage between 9:00 and 17:00 hours local time Monday to Friday, excluding public holidays. If the Company, at its discretion, agrees to perform such services outside these hours, then the Customer shall pay all overtime and related charges thereby incurred by the Company.
22. Storage Place: The Company may at any time transfer the goods to another storage place. The cost of this transfer and the risk of transport is for the Company's account unless in the opinion of the Company the transfer must be effected in the interest of the goods or through circumstances beyond the Company's control. If the goods are transferred to another storage place, the Company shall notify the Customer, but failure to notify does not give the latter any right of claim against the Company.
23. Responsibility of the Company: All goods are stored and handled at the Customer's risk. The Company is not liable for any loss, damage, destruction, deterioration or deficiency of the goods (hereinafter collectively referred to as « loss ») except as may be caused by a deliberate act on the part of any of the Company's own employees, and for no other neglect or default or other matter or thing whatsoever or however arising. In any event, the Company 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 which have been stored in the open or which the Company customarily stores in the open;
 - (c) occurring before receipt and, regardless of the origin of the goods, due to the natural qualities of the goods, 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 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 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;
 - (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 the Company;
- (g) caused or contributed to by a breach of any of the Customer's warranties or by any circumstances by virtue of which the Company is relieved of its contractual obligations as provided herein; and
- (h) occurring after the goods have been taken back or removed by the Customer or someone authorised by him.
- (i) In respect of contraband or illegal goods;
- (j) In respect of release goods remaining uncollected by the beneficiary in a reasonable time frame not exceeding ten (10) days and therefore warehoused in the storage premises.

24. **Limitation of Responsibility:** Notwithstanding anything to the contrary the liability of the Company in respect of any loss of the goods shall in any case be limited to a sum not exceeding the insurance value of each package given pursuant to Article 7 hereof. The Company is not liable for any loss of profit or for any consequential loss including any indirect losses whatsoever sustained by the Customer. In case of damage to one or more of several items belonging together any depreciation of the other parts or the undamaged items shall not be taken into account.

25. **Dangerous Goods:** The Customer shall notify the Company before delivery of any goods of an explosive, flammable, corrosive, noxious or dangerous nature or any goods likely to cause damage or detriment to the Warehouse or to other goods, or which are classified as dangerous or hazardous goods 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 the Company against any and all fines, penalties or damages suffered or incurred by the Company by reason of the Customer's failure to so declare and mark the nature of such goods. 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 to the Company or causes the Company to handle or deal with any such goods otherwise than under special arrangements, the Customer shall be liable for all loss caused by or to or in connection with the goods however arising and shall indemnify the Company against all penalties, claims, damages, costs (including all legal costs) and expenses whatsoever arising in connection therewith, and the goods may be destroyed or otherwise dealt with at the Customer's risk and expense at the sole discretion of the Company 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 themselves or to other goods, to the Warehouse or equipment or harm or injury to persons. If such goods are accepted under such special arrangements they may nevertheless be so destroyed or otherwise dealt with on account of risk to other goods, property, life or health. The expression « goods likely to cause damage » includes goods likely to harbour or encourage vermin or other pests. The Company shall immediately notify the Customer of the measures taken, but failure to notify the Customer shall not give the latter any right of claim against the Company. Without prejudice to the above provisions, the Customer shall indemnify the Company from and against any claims of third parties on account of damage caused by the Customer's goods to goods of third parties.

26. **Admission to the Place of Storage:** The Company shall admit the Customer and persons authorised by him in writing to the place of storage of the goods, subject to compliance with all formalities prescribed by the Company or the relevant authorities. For those to whom admission is granted by the Company, the following conditions are applicable:

- (a) All persons visiting the place of storage, also the personnel of vessels and vehicles reporting to the Company, shall enter and remain at their own risk and shall observe all regulations for safety or otherwise imposed by the Company;
- (b) Admission is granted only during ordinary working hours and shall always be attended by an employee of the Company;
- (c) The cost of attendance during the visit shall be paid to the Company by the Customer immediately; and
- (d) The Customer shall be liable for any damage caused directly or indirectly by the said persons.

27. **Charges:** The Customer shall pay for storage of the goods at the rate(s) current at the time the goods are delivered to the Company. The Company reserves the right to increase or vary its charges from time to time on giving not less than 30 days' notice in writing to the Customer pursuant to Article 37. The Company may at its absolute discretion decline to carry out any of the said services but permit the Customer to do so subject to such conditions as the Company shall impose from time to time and, without prejudice to the generality of the foregoing, to the payment of such charges as the Company may impose.

28. **Insurance :** The Company shall not be obliged to effect any insurance against any risk whatsoever in respect of the goods but if so requested by the Customer to insure the goods, the Company may at its discretion obtain and propose terms of insurance for agreement by the Customer but always at current market values, and if so accepted by the Customer, all premiums and other charges shall be paid promptly on rendering of appropriate invoice. Any such insurance shall automatically terminate upon delivery of the goods to the Customer. In the case of part-delivery of goods, the Customer shall advise in writing of the current market value of the part not so delivered to him and the Company shall use its best endeavors thereafter to persuade the underwriters to reduce or vary the premium accordingly.

29. **Collection of Insurance Claims:** The Company is hereby authorised to collect any insurance claims as agent for the Customer without any responsibility for the failure of insurer to pay in full or in part any such claim. All such claims, when received, may be retained in full or in part to offset all or any unpaid accounts as defined in Article 33. All services of whatsoever nature rendered by the Company in connection with any claim of insurance, whether that insurance is effected through the Company or otherwise, may be charged by the Company.

30. **Destruction of Goods:** Any goods destroyed by fire or otherwise shall be deemed to have been delivered to the Customer at the date thereof and all charges then due by way of storage or insurance shall be paid to the Company up to and including this date.

31. **Removal of Goods:** Upon payment of all unpaid accounts, the Customer may request re-delivery of the goods. All charges for storage or insurance, unless otherwise agreed, shall be calculated on the minimum basis of a full calendar month irrespective of the fact that the Customer may properly require delivery to him of all or part of the goods during the course of a month. Subject to Article 32, if a fixed period of storage has been agreed upon, the Company cannot require the removal of the goods by the Customer before the expiration of such

period. If no such period has been agreed upon, or if the agreed upon period of storage has expired, the Company may require the removal of the goods on one month's notice.

32. Urgent Reason to Remove: The Company has the right at any time to require the removal of goods before the expiration of the storage period without adhering to any period of notice if it considers that there is an urgent reason to do so. An urgent reason is deemed to exist, *inter alia*, if the Customer fails to comply with one or more provisions of these Conditions, if it appears that owing to the presence of the goods loss and/or damage to other goods, to the storage place or to equipment, or harm to persons is feared, and furthermore if the goods are perishable or liable to inherent changes which in the Company's opinion warrant the assumption of a decrease in value and the Customer has neglected to give instructions for preventing or coping with this. The Customer remains liable for payment of the Warehouse rent up to and including the date of taking back or removing the goods.

33. Payment of Unpaid Accounts: All amounts due to the Company by the Customer on any account whatsoever, such as Warehouse rent, insurance premium and costs, rent, disbursements, remuneration for storage and delivery, outlays and charges for work done, the costs of clearance work and the like during or after a fire or otherwise, extraordinary expenses, extra wages, etc. (hereinafter referred to as « unpaid accounts ») are payable forthwith. All payments shall be made without any set-off or rebate and are deemed in the first place to have been made on account of non-preferential debts, regardless of whether any other instructions have been given at the time of payment. If the Customer does not pay an unpaid account immediately upon notification thereof the Company is entitled to charge interest at the rate of eight per cent (8%) per annum calculated on a daily basis from the due date to and including the date of receipt of payment by the Company. Without prejudice to the above, the Customer shall pay the Warehouse rent and, if the goods have been insured through the Company, the insurance premium and costs on a monthly basis in advance or as otherwise agreed upon. The Company may at any time require prepayment of any of its expenses.

34. Lien: The Company has a general as well as particular lien on all goods and documents relating to goods in its custody, possession or control for unpaid accounts. The lien also extends to the right to the amounts of insurance claims collected on behalf of the Customer by the Company. As far as necessary the right is deemed to have been transferred to the Company for further security.

35. Sale of Goods :The Company is entitled to sell the goods or any part thereof and documents relating to goods if the Customer fails to:

- (a) remove the goods when requested by the Company to do so; or
- (b) pay an unpaid account, without prejudice to the Company's right to make use of its lien.

The Company may sell the goods with a week's notice to the Customer pursuant to Article 37 by private contract or by public auction and for that purpose may open or break open (without being liable for any damage caused thereby) any packets, bales, sacks, cases or other packages. The Company shall exercise this power of sale in such manner as it thinks fit and in all respects as though it were the sole and unencumbered owner of goods. The proceeds of sale shall be utilised firstly, in defraying the expenses incurred by the Company; secondly, in paying the unpaid accounts due to the Company or defraying any rent or other charges due hereunder; and thirdly, by being held in trust for the Customer.

36. Issue of Warehouse Receipt: If so requested by the Customer, the Company may in its discretion agree to issue a Warehouse Receipt in respect of the goods 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 nor shall it be used by the Customer as collateral security in any respect. The Company, in its discretion, may decline to re-deliver the goods in the absence of the production of the Warehouse Receipt. If the Warehouse Receipt is lost or destroyed, the Company may in its discretion agree to issue a replacement receipt, provided always that the Customer indemnifies the Company in a manner satisfactory to the Company against all claims, damages or costs that may arise in accordance therewith.

37. Notices: All notices required to be given as stated above are deemed to have been validly served if left at the Customer's principal place of business or if sent to the Customer's address by ordinary pre-paid post, telex, fax or email.

38. Prescription :Any claim against the Company on account of any loss as defined in Article 24 or for any damage to the goods howsoever caused or any claim in respect of any alleged failure by the Company to comply with its obligations hereunder shall be deemed to have been waived and be absolutely time-barred unless such claim has been commenced by the Customer within six (6) days of the facts giving rise to the basis for such claim coming to the actual or imputed knowledge of the Customer or within six (6) days of the goods being delivered by the Company to or to the use of the Customer, whichever date shall first expire.

ACE GLOBAL INSPECTION GENERAL TERMS AND CONDITIONS

(As revised - 2012)

1. **Definitions:** In these conditions, the "Company" means ACE GLOBAL or any of its associated companies and affiliated firms, and the "Principal" means the Company, firm or individual (or, as the case may be, any two or more companies, firms or individuals) from whom the instructions to act have originated and to whom the Company supplies services.

2. **General:** The Company is a business enterprise engaged in the trade of inspection and monitoring. As such, it:

(a) carries out inspections, verifications, examinations, tests, samplings, measurements and similar operations whether directly or through its designated agents and authorised affiliates;

(b) issues reports and certificates relating to the aforesaid operations; and

(c) renders advisory services in connection with such matters.

Unless otherwise specifically agreed in writing, the Company undertakes services in accordance with these general conditions and accordingly all offers or tenders of service are made subject to the same, which prevail over any conditions, which the Principal may seek to impose. All resulting contracts, agreements or other arrangements will in all respects be governed by these conditions. No variation of or addition to these terms and conditions shall be valid unless made in writing and signed by a duly authorised employee of the Company.

3. **Enquiries and Orders:** All enquiries for the supply of services must be accompanied with sufficient information specifications and instructions to enable the Company to assess an accurate rate for the job. For any agreement or contract to be concluded, a written acceptance from the Company is required. The Principal agrees that it will:

(a) ensure that all instructions to the Company are given in due time to enable the required services to be performed effectively;

(b) procure all necessary access for the Company's representatives to Products, premises, installations and transport;

(c) supply, if required, any special instrument necessary for the performance of the required services;

(d) ensure that all necessary measures are taken for safety and security of working conditions, sites and installations during the performance of services and will not rely, in this respect, on the Company's advice whether required or not;

(e) take all necessary steps to eliminate or remedy any obstruction to or interruptions in the performance of the required services;

(f) fully exercise all its rights and discharge all its liabilities under the contract of sale whether or not a report or certificate has been issued by the Company failing which the Company shall be under no obligation to the Principal; and

(g) deliver all Products, samples or materials which the Company is asked to process or test safely packed with appropriate warning labels to the agreed place of processing or testing by the Principal at its own risk and expense accompanied by appropriate delivery and transportation, and documentation containing a description of the contents of the consignment.

The Company reserves the right to refuse to accept and/or inspect or test any Products, samples or materials and providing notice thereof to the Principal and to terminate the contract at any time in case of breach of the above-mentioned requirements. It reserves furthermore the right to claim for indemnity against the Principal arising as a result of the Principal breaching the above mentioned requirements.

4. **Performance:** The Company will provide services in accordance with:

(a) the Principal's specific instructions as confirmed by the Company;

(b) terms of the Company's Standard Order Form and/or Standard Specification Sheet if used;

(c) any relevant trade custom, usage or practice; and

(d) such methods as the Company shall consider suitable on technical and/or financial grounds.

The Company acts only for the Principal from whom the instructions to act have originated. No other party is entitled to give instructions, particularly on the scope of inspection or delivery of report or certificate, unless so authorised by the Principal. Subject to the Principal's instructions, the Company will issue reports and certificates of inspection which reflect statements of opinions, valid at the time and place of intervention or provision of service pursuant to instructions received, made with due care within the

limitation of instructions received, but the Company is under no obligation to refer to or report upon any facts or circumstances which are outside the specific instructions received.

The Company will be deemed irrevocably authorised to deliver at its discretion the report or the certificate to a third party if, following instructions by the Principal, a promise in this sense had been given to a third party or such a promise implicitly follows from circumstances, trade custom, usage or practice. Documents reflecting engagements contracted between the Principal and third parties, such as copies of contracts of sale, letters of credit, bills of lading, etc., are (if received by the Company) considered to be for information only without extending or restricting the Company's mission and obligations. The Company is implicitly authorized to produce any and all relevant documentation and communications between Parties pursuant to a lawful order by the Court of competent jurisdiction.

The Company shall be entitled to provide services through representatives, agents, subcontractors or affiliated companies whenever it shall consider suitable, subject to prior notice to the Principal. In the event of the Company being prevented by reason of any cause whatsoever outside the Company's control from performing or completing any service for which an order has been given or an agreement made, the Principal will pay to the Company the amount of all abortive expenditure actually made or incurred and a proportion of the agreed fee or commission equal to the proportion (if any) of the service actually carried out.

5. **Warranties:** The Company undertakes to exercise due care and skill in the performance of its services and accepts responsibility only in cases of willful misconduct or gross negligence proven by the Principal. Any claim in responsibility against the Company shall be forfeited at the end of one year after the date of the final report or certificates of inspection issued by the Company. The liability of the Company to the Principal in respect of any claims for loss, damage or expense of whatsoever nature and howsoever arising shall in no circumstances exceed a total aggregate sum equal to ten times the amount of the fee or commission payable, which amount shall be limited to a maximum of USD 25,000, in respect of the specific service required under the particular contract which gives rise to such claims. Where the fee or commission payable relates to a number of services and a claim arises in respect of one of those services the fee or commission shall be apportioned for the purpose of this paragraph by reference to the estimated time involved in the performance of each service. The Principal shall guarantee, hold harmless and indemnify the Company and its servants, agents or subcontractors against all claims made by any third party for loss, damage or expense of whatsoever nature and howsoever arising relating to the performance, purported performance or non-performance or any services to the extent that the aggregate of any such claims relating to any one service exceed the limit above mentioned.

6. **Payment:** Full payment must be effected within seven (7) working days from receipt of invoice, either electronically or in hard copy, unless the Company has agreed in writing with another term of payment. In the event that payment is not made by the due date, interest of eight (8) per cent will be charged on the outstanding amount of the invoice from the date of its issuance till the date of settlement.

7. **Applicable Law and Disputes:** These Conditions shall be interpreted in accordance and subject to the provision as contained in the Secured Distribution entered into between the Parties.

ANNEX III

SCHEDULE OF FEES

1. ACE GLOBAL SECURED DISTRIBUTION FEES

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per month of part thereof.

2. ACE GLOBAL INSPECTION FEES

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per _____.

3. ACE GLOBAL PHYSICAL MONITORING FEES

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per _____.

4. ACE GLOBAL QUALITY ANALYSIS FEES

ACE GLOBAL shall be entitled to charge all laboratory costs for analysis at cost plus 10%.

5. ACE GLOBAL RISK PREMIUM CHARGES

ACE GLOBAL shall be entitled to charge a Risk Premium equivalent to ___ of the insured value of the stocks.

6. ACE GLOBAL INSURANCE CHARGES

ACE GLOBAL shall be entitled to an Insurance Charge equivalent to ___% of the value of the All Risks Insurance Premium over the stocks.

7. ACE GLOBAL DISCHARGE FEE

In case of any possible transfer of the Goods during the storage period, ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per metric ton for the Goods exiting/entering the Storage Facilities, as well as for the monitoring services of the Goods.

8. CHARGES FOR REVALIDATION OF GOODS RECEIPT NOTE UPON EXPIRY AS INDICATED WITHIN THE RECEIPT.

All fees and charges payable to ACE GLOBAL shall be net of any and all taxes and other mandatory payments

ANNEX IV

LIST OF APPROVED STORAGE FACILITIES

ACE GLOBAL DOCUMENTS REQUIRED:

LEASE AGREEMENT /SUB LEASE AGREEMENT / LETTER OF INDEMNITY / LANDLORD WAIVER AND CONSENT

SITE PHOTOGRAPHS OF THE WAREHOUSE

WAREHOUSE INSPECTION REPORT

NOTE: ACE GLOBAL WILL NOT BE REQUIRED TO COMMENCE OR CONTINUE OPERATIONS OF SECURED DISTRIBUTION AT ANY OF THE ABOVE STATED STORAGE FACILITIES UNTIL AND UNLESS ALL DOCUMENTATION WITH REGARD TO THE LEASE / SUB LEASE INCLUDING THE LETTER OF INDEMNITY AND THE LANDLORD WAIVER AND CONSENT AGREEMENT HAVE BEEN DULY SIGNED AND EXECUTED OR HAVE BEEN OBTAINED BY ACE GLOBAL .

IF ANY OF THESE DOCUMENTS HAVE NOT BEEN EXECUTED / OBTAINED BEFORE ACE GLOBAL IS REQUIRED TO TAKE POSSESSION OF THE GOODS OR COMMENCE OPERATIONS ON SITE, AND IN THE EVENT THAT THE SUPPLIER REQUIRES ACE GLOBAL TO COMMENCE OPERATIONS IN THE ABSENCE OF ANY SUCH DOCUMENT, THE SUPPLIER SHALL DO SO AT ITS SOLE RISK AND LIABILITY AND WITHOUT RECOURSE TO ACE GLOBAL.

ANNEX V

**FORM OF LETTER OF INDEMNITY
TO BE PRINTED ON BUYER 'S LETTERHEAD**

Date: _____
Attention: **ACE GLOBAL (____) LIMITED**
Address: _____

Dear Sirs,

We refer to the Secured Distribution Agreement (including the exhibits attached thereto, the « Agreement » dated _____, 20____, among _____ (“ACE GLOBAL”), _____ the Supplier (the “Supplier”) and _____ Buyer (“the Buyer ”) whereby ACE GLOBAL agreed to provide Secured Distribution services for the Supplier in consideration of the payments provided in the Agreement.

We hereby undertake to:

1. Be fully liable or responsible for the consequences of any negligent act(s) and/or fraudulent act(s) resulting from our own negligence and/or our own fraud, or as the case may be, from the negligence and/or the fraud of our employees, servants, agents or sub-contractors or third party operators, and also for the consequences of our inability to maintain proper licenses, authorisations and approvals in respect of the premises which have been rented to ACE GLOBAL for the purposes of effectively implementing the Secured Distribution Services under and pursuant to the Secured Distribution Agreement;
2. Indemnify and hold harmless ACE GLOBAL and any of his affiliate from every liability, claim, action, cause of action judgment, loss, expense, or cost whatsoever (including but not limited to reasonable attorneys fees and court costs) arising from or in any way related to or resulting from our so doing and/or our employees, servants, agents or sub-contractors' or third party operators' own doing or own omission and against all unexpected shortages, losses, damages, costs and expenses incurred or sustained or arising out of or in connection with unauthorized movement, discharge or removal of Goods stored in the Storage Facilities.
3. Testify, declare, depose or certify to the truth, or cause to testify, declare, depose or certify to the truth of any or all of the negligent act(s) and/or fraudulent act(s) before any competent tribunal, officer, or person and that we will cooperate fully in the prosecution of the person or persons who participate in the said negligent act(s) or omission(s) and/or fraudulent act(s) or omission(s);

This letter of indemnity shall be effective upon our acceptance hereof and shall continue in effect until termination of the Secured Distribution Agreement dated _____, 20____.

IN WITNESS WHEREOF, the undersigned has executed this Indemnity Letter this ____ day of _____, 2013.

Name & Title:



ANNEX VI

NON-NEGOTIABLE GOOD RECEIPT NOTE N°

.../.../...-.../.../..

Issued at	ACE GLOBAL Reference
Received from	Transaction N°
For account of	Date
Received at	Country

This is to certify that ACE GLOBAL_____--(ACE GLOBAL) has received the following goods for storage, in apparent good order and condition (except as noted) subject to the Secured Distribution Agreement between *THE SUPPLIER, ACE GLOBAL* and BUYER and ACE GLOBAL General Terms and Conditions (revised 02/12, copy of which is available upon request.)

DESCRIPTION OF GOODS	VALIDITY OF RECEIPT
size ...X...X...X	
Number of units:	
Total weight as per labels/packing list:	

INDICATIVE VALUE:

Insurance: All risk insurance including misappropriation supplied by.....policy number.....	DATE RECEIVED:
--	-----------------------

TOTAL QUANTITY: with a declared NET WEIGHT (NW)of:.....

Property (not) insured by ACE GLOBAL

THIS RECEIPT IS A NOT A DOCUMENT OF TITLE AND IS NOT NEGOTIABLE AND IS NOT TRANSFERABLE.

We warrant that to the best to our knowledge the Supplier (s) of the goods is (are) the lawful owner(s) of said merchandise or commodities; and that the same are not subject to any assignment, trust obligation, collateral or chattel mortgage, lien or any other burden or charge legal or equitable.

Buyer / Supplier

Subject to storage, handling and other charges in accordance with agreement with the "Buyer ", the provisions of which will be disclosed to the "Supplier" hereof upon request to ACE GLOBAL. ACE GLOBAL is only responsible for the above set quality specifications at time, place and date of intervention only.	ACE GLOBAL certifies that it has no financial interest in the goods covered by this receipt except a lien in accordance with the Secured Distribution Agreement above mentioned. Delivery or part thereof of the goods shall be made by ACE GLOBAL in accordance with the Secured Distribution Agreement.
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ACE GLOBAL Operations Manager

Authorised Signature

ACE GLOBAL Country Manager

Authorised Signature

RECORD OF RELEASES AND BALANCE ON HAND

ITEM 1					ITEM 2					ITEM 3				
Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance
		Delivered	Balance				Delivered	Balance				Delivered	Balance	
ITEM 4					ITEM 5					ITEM 6				
Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance
		Delivered	Balance				Delivered	Balance				Delivered	Balance	

ACE GLOBAL has no responsibility over the indicated value appearing in this document ACE GLOBAL shall not be liable for loss, damage or delay caused by Acts of God, civil or military authority, insurrection, riot, strikes, labour disputes, fire, sprinkler leakage, flood, wind, storm, vermin, change of temperature, variations in weights, or for loss in weight by reason of defective or insufficient containers, unless such loss, damage or delay is caused by the failure of ACE GLOBAL to exercise the ordinary care and diligence required by law. The receipt, storage and delivery of merchandise is subject to all rules and regulations promulgated by Governmental Agency or instrumentality. ACE GLOBAL has no financial interest in the merchandise covered by this Goods Receipt Note (except ACE GLOBAL's lien) and ACE GLOBAL is NOT INTERESTED DIRECTLY OR INDIRECTLY in the finances or management of the Supplier for whose benefit this receipt is issued. The location of merchandise as shown on this Receipt Note is not given for insurance purposes and ACE GLOBAL disclaims all liability for error or insufficiency in the description of the location shown if such location is so used. ACE GLOBAL is not responsible for shrinkage in weights or evaporation, excess of storage period affecting the quality and/or the expiring date, or for loss or damage caused by fire (from any cause), decay, taint, rot or other inherent qualities of the merchandise; or by earthquakes, explosions, riots, strikes, accidental or providential causes or other causes beyond ACE GLOBAL's control; or by breakage, leakage, improper packing, pilferage, theft, ratage, vermin, or water (from sprinklers or otherwise); or by destruction of, or interference with the refrigerating or cooling apparatus, connection, or supply pipe, or interruption of the refrigerating process; or by any variance in temperatures; or for any loss or damage of whatsoever nature and howsoever caused, unless such loss is caused by failure to exercise the ordinary degree of care required of ACE GLOBAL by law.

ANNEX VII

LEASE AGREEMENT FORM

BETWEEN

This Lease Agreement is made and entered into by and between *Warehouse Owner* hereinafter called the "Landlord", whose address is *full Address*.

AND

ACE GLOBAL (_____) Ltd, hereinafter called the "Tenant", whose address is *Full Address*.

THE PARTIES AGREE AS FOLLOWS:

1. LEASE

- 1.1 The Landlord hereby leases to the Tenant who accepts the following property: A Storage Facility of ____ square meters situated at *full physical address* (hereinafter called the "Warehouse").
- 1.2 The lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Landlord, the Tenant, and the specified Supplier and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.
- 1.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1.

2. THE LANDLORD SHALL:

- 2.1 Be responsible for the maintenance, repair and upkeep of the Warehouse including the exterior of the Warehouse, the roof, the doors, etc., and the interior thereof.
- 2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Warehouse, as at the date of signature thereof.
- 2.3 Forthwith repair any structural defects, which appear in the Warehouse after obtaining the Tenant's written agreement. If the repairs are not done immediately, the Tenant is free to arrange the repairs at the expense of the Landlord and to recover the costs from the Landlord.
- 2.4 Pay all charges for electricity and water supplies to the Warehouse.
- 2.5 Indemnify the Tenant for any costs or expenses incurred in relation to the events referred to in Section 3.3.
- 2.6 Provide the Tenant with proof of adequate insurance coverage of the property.
- 2.7 Ensure that the Tenant is able to conduct its obligations of Field Warehousing and Storage under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Supplier and with the consent of the Landlord; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Lease) shall upon the execution hereof be and become a part of this Lease as fully as though set out herein.
- 2.8 Ensure and guarantee that the Storage Facility is placed at the disposition of the Tenant for the duration of this Lease for the purpose of performing its obligations under the Secured Distribution Agreement. The Buyer shall ensure exclusive possession in favour of the Tenant and that the Tenant is provided with complete and uninterrupted access to, and control over, the Storage Facility without any excuse whatsoever.

3. THE TENANT SHALL:

- 3.1 Not cede or assign this lease except to an associated company in the ACE GLOBAL Group of Companies.
- 3.2 Use the Warehouse to store only Goods as described in the Secured Distribution Agreement such (*describe the commodity to be stored*).
- 3.3 Not be responsible for the damage caused to the Warehouse by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Vacate the Warehouse on the termination of this lease.

4. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes.

5. SETTLEMENT OF DISPUTES AND APPLICABLE LAW

- 5.1 All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____ courts.
- 5.2 This Agreement shall be governed by and interpreted in accordance with the Laws of _____

IN WITNESS WHEREOF the parties have executed this Agreement this *starting date*

For and on behalf of

WAREHOUSE OWNER

For and on behalf of

ACE GLOBAL (_____) LIMITED

SUB-LEASE AGREEMENT FORM

BETWEEN

This Sub-Lease Agreement is made and entered into by and between _____ hereinafter called the “Lessee”, whose address is _____ (*full Address*).

AND

ACE GLOBAL _____ with address _____-hereinafter called the “Sub Lessee”, whose address is *Full Address*.

THE PARTIES AGREE AS FOLLOWS:

1. LEASE

- 1.1 The Lessee hereby leases to the Sub-Lessee who accepts the following property: A Storage Facility of _____ square metres situated at *full physical address* (hereinafter called the “Warehouse”).
- 1.2 The sub lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Lessee, the Sub Lessee, and the specified Supplier and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.
- 1.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1.

2. THE LESSEE SHALL:

- 2.1 Be responsible for the maintenance, repair and upkeep of the Warehouse including the exterior of the Warehouse, the roof, the doors, etc., and the interior thereof.
- 2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Warehouse, as at the date of signature thereof.
- 2.3 Forthwith repair any structural defects, which appear in the Warehouse after obtaining the Sub-Lessee’s written Agreement. If the repairs are not done immediately, the Sub-Lessee’s is free to arrange the repairs at the expense of the Lessee and to recover the costs from the Lessee.
- 2.4 Pay all charges for electricity and water supplies to the Warehouse.
- 2.5 Indemnify the Sub-Lessee for any costs or expenses incurred in relation to the events referred to in Section 3.3.
- 2.6 Provide the Sub-Lessee with proof of adequate insurance coverage of the property.
- 2.7 Ensure that the Sub Lessee is able to conduct its obligations of Secured Distribution under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Supplier and with the consent of the Lessee; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Sub Lease) shall upon the execution hereof be and become a part of this Sub Lease as fully as though set out herein.
- 2.8 Ensure and guarantee that the Warehouse is placed at the disposition of the Sub Lessee for the duration of this Sub Lease for the purpose of performing the obligations under the Secured Distribution Agreement. The Lessee shall ensure that the Landlord of the Warehouse shall at all times during the duration hereof, ensure exclusive possession in favour of the Sub Lessee and

that the Sub Lessee is provided with complete and uninterrupted access to, and control over, the Warehouse without any excuse whatsoever and shall indemnify the Sub Lessee / Supplier for any failure thereof.

3. SUB-LESSEE SHALL:

- 3.1 Not cede or assign this lease except to an associated company in the ACE GLOBAL Group of Companies.
- 3.2 Use the Warehouse to store only the Goods as described in the Secured Distribution Agreement.
- 3.3 Not be responsible for the damage caused to the Warehouse by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Vacate the Warehouse on the termination of this sub-lease.

4. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes.

5. SETTLEMENT OF DISPUTES AND APPLICABLE LAW

- 5.1 All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____ - courts.
- 5.2 This Agreement shall be governed by and interpreted in accordance with the Laws of _____

IN WITNESS WHEREOF the parties have executed this Agreement this _____[starting date].

For and on behalf of

THE LESSEE

For and on behalf of

THE SUB LESSEE

SUB LEASE AGREEMENT

For Liquid Products

BETWEEN

This Lease Agreement is made and entered into by and between *Tank Farm Owner* hereinafter called the "Lessee", whose address is *full Address*.

AND

ACE GLOBAL (_____) Ltd, hereinafter called the "Sub-Lessee", whose address is *Full Address*.

THE PARTIES AGREE AS FOLLOWS:

6. SUB- LEASE

6.1 The Lessee hereby sub leases to the Sub Lessee who accepts the following property hereinafter referred to as "Storage Facility" of _____-- (hereinafter called the "Storage Facility").

6.2 The Sub-Lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Lessee, Sub-Lessee, and the _____ ("Supplier"), and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.

6.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1.1

6.4 The Storage Facilities hereby demised shall include Tanks (as well as fire wall enclosures), vats and any other containers thereon for the storage of liquids in bulk, the care and preservation of the same by the Sub Lessee shall include gauging, pumping and sampling.

6.5 For the purpose of gauging, pumping, sampling and inspecting or for the convenient movement of liquid commodities, or for any other purposes contemplated by this lease or the Secured Distribution Agreement shall be permitted easy and convenient passage at any and all times through any part of the abutting premises now or hereafter occupied or controlled by the Sub Lessee, to the end that free from all costs, the Sub Lessee shall have the use of all pipelines, pumps, steam or electric power, heating devices, lights, loading racks, sump holes, valves and fittings, rights of way, franchises, and any other machinery, fixtures, equipment and appliances, and the appurtenances thereto, or privileges, which the Sub Lessee possesses or may hereafter acquire.

7. THE LESSEE:

7.1 The Lessee shall:

7.1.1 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Storage Facilities, as at the date of signature thereof.

5.1.2 Indemnify the Sub Lessee for any and all costs or expenses incurred by the Sub Lessee as a result of the breach hereof by the Lessee, including in relation to the events referred to in Section 3.5.

7.1.3 Provide the Sub Lessee with proof of adequate insurance coverage of the property.

7.1.4 Ensure that the Sub Lessee is able to conduct its obligations of Secured Distribution under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Supplier and with the consent of the Lessee; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Sub-Lease) shall upon the execution hereof be and become a part of this Sub-Lease as fully as though set out herein.

7.1.5 Ensure and guarantee that the Storage Facility is placed at the disposition of the Sub Lessee for the duration of this Sub-Lease for the purpose of performing its obligations under the Secured Distribution Agreement. The Lessee shall ensure exclusive possession in favour of the

Sub Lessee and that the Lessee is provided with complete and uninterrupted access to, and control over, the Storage Facilities without any excuse whatsoever.

- 7.1.6 Acknowledge and agree that the movement of commodities placed in the Storage Facilities may include the complete delivery of such commodities to or from or on the Storage Facilities in pipelines, tanks, trucks, tank wagons or any other means of transfer the Lessee may elect. The Sub Lessee shall have the right to cut or disconnect or discontinue the use of any and all pipelines connected with any tank, vat or other container located on the Storage Facilities premises herein leased and to install and maintain gate valves or double gate valves, locks and safety devices on said pipelines, tanks, vats or other containers, the cost and expense of such equipment and installation to be paid by the Sub Lessee to the Lessee on demand.

8. THE SUB LESSEE:

- 8.1 The Sub Lessee's agents or employees shall for the purpose of gauging, pumping, sampling, inspecting or the movement of commodities, or for any other purposes contemplated by this lease, be permitted easy and convenient passage at any and all times through any part of the abutting premises that is or may hereafter be occupied and controlled by the lessee;
- 8.2 The Sub lessee shall have for the convenient movement of any commodities, free from all costs, the use of pipelines, pumps, steam or electric power, lights, loading racks, sump holes, valves and fittings, rights of ways, franchise and any other machinery, fixtures, equipment, appliances and appurtenances thereto or privileges that the Lessee now has or may acquire during the term of this sub-lease, it being understood and agreed between the Lessee and the Sub Lessee that at the option of the Sub Lessee the term "movement of commodities" may include the complete delivery of the commodities to or from or on the above described premises in cars, pipelines, tank trucks, tank wagons or any other means of transfer the lessee may elect; and
- 8.3 The Sub Lessee has the right to cut or disconnect any and all pipelines connected with any tank or tanks located on the premises herein lease or may install and keep gate valves or double gate valves and locks and safety devices on said pipelines and tanks, the cost and expense of such equipment and installation to be paid by the Lessee to the Sub Lessee on demand.
- 8.4 The Sub Lessee shall not cede or assign this lease except to a company in the ACE GLOBAL.
- 8.5 The Sub Lessee shall not be responsible for the damage caused to the Storage Facilities by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 8.6 Vacate the Storage Facility on the termination of this Sub Lease.

9. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes.

10. SETTLEMENT OF DISPUTES AND APPLICABLE LAW

10.1. All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____ courts.

10.2 . This Agreement shall be governed by and interpreted in accordance with the Laws of _____.

IN WITNESS WHEREOF the parties have executed this Agreement this *starting date*.

For and on behalf of

LESSEE / STORAGE FACILITY OWNER

For and on behalf of

SUB LESSEE

TRIPARTITE LICENSE AND ACCESS AGREEMENT

This Tripartite License and Access Agreement (the “**Agreement**”) is made and entered into this ____ day of _____ at _____ (with deemed date of effectiveness from _____ 2013), by and among:

_____ an entity duly registered under the laws of _____ with principal business address at _____ duly represented herein by its authorized representative _____ hereinafter referred to as the **LANDLORD**;

_____ an entity duly registered under the laws of _____ with principal business address at _____ duly represented herein by its authorized representative _____ hereinafter referred to as the “**CLIENT**”);

and

ACE GLOBAL _____, a company duly incorporated under the laws of _____, whose address is _____, duly represented herein by its authorized Manager, _____, hereinafter referred to as the “**LICENSEE**”);

Individually referred in this Agreement as the “Party” and collectively referred to as the “Parties”.

WITNESSETH:

WHEREAS, the Landlord is the owner and operator of the premises located at _____ (the “**Premises**”), with technical description and Title attached as Annex “A” herein;

WHEREAS, THE CLIENT has an existing [Storage and Use Agreement] with the Landlord covering the subject Premises, [attached herein as Annex “B”];

WHEREAS, the Licensee, with the Client and the _____ - Supplier (Supplier) into a Secured Distribution Agreement dated _____, for the field warehousing and management of certain Goods on said Premises (All such goods and the records relating thereto shall hereinafter be referred to as “Goods”).

Whereas the Landlord has already entered into a Landlord Waiver and Consent Agreement on _____, the terms of which shall be deemed to be incorporated into this Agreement by reference.

NOW THEREFORE, to formalize the grant of access into the Premises by both the Landlord and the CLIENT and in light of and pursuant to the specific provisions of the Storage and Use Agreement between the Landlord and the CLIENT, **THE PARTIES HEREBY AGREE AS FOLLOWS:**

1. GRANT OF ACCESS:

- 1.1 The Landlord and Client hereby grants to the Licensee, exclusive full, exclusive, unlimited, unequivocal and unrestrictive access, use and control of the property within the Premises described as follows:

_____ (hereinafter called the “**PREMISES**”).

- 1.2 By virtue of this Agreement, Licensee is hereby given access into the Premises through passage into the Premises effective _____ and until such period of expiry of the Secured Distribution Agreement. In no case shall this Agreement be terminated before obligations under the Secured Distribution Agreement are fully satisfied.

- 1.3 The consideration of this Agreement shall be USD 1.

2. CLIENT SHALL AT ALL TIMES:

- 2.1 Be responsible for the maintenance, repair and upkeep of the Premises including the exterior of the Premises, the roof, the doors, etc., and the interior thereof unless so agreed with the Landlord and the Landlord assumes all such responsibilities.
- 2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Premises, as at the date of signature thereof.
- 2.3 Forthwith repair any structural defects, which appear in the Premises after obtaining the Licensee’s written consent. If the repairs are not done immediately, the Licensee is hereby authorized to arrange the repairs at the expense of the Client and to recover the costs from the Client.
- 2.4 Pay all charges for electricity and water supplies to the Premises.
- 2.5 Indemnify the Licensee for any costs or expenses incurred in relation to the events referred to in Section 3.3.
- 2.6 Provide the Licensee with proof of adequate insurance coverage of the Premises.
- 2.7 Ensure that the Licensee is able to conduct its obligations of Secured Distribution under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Supplier and with the consent of the Landlord; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Agreement) shall upon the execution hereof be and become a part of this Agreement as fully as though set out herein.
- 2.8 Ensure and guarantee that the Premises are placed at the disposition of the Licensee for the duration of this Agreement for the purpose of performing its obligations under the Secured Distribution Agreement. The Landlord and the Client shall at all times during the duration hereof, ensure exclusive possession in favour of the Licensee and that the Licensee is provided with complete, exclusive and uninterrupted access to, and control over, the Premises without any excuse whatsoever and shall indemnify the Licensee for any failure thereof.

3. LICENSEE:

- 3.1 Shall not cede or assign the rights under this Agreement unless to an authorized affiliate or associate.
- 3.2 Ensure that the Premises are used to store only Goods as described in the Collateral Management Agreement such as _____
- 3.3 Shall not be responsible for the damage caused to the Premises by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Shall vacate the Premises upon the termination of this Agreement.

4. LANDLORD

- 4.1 The Landlord expressly acknowledges that to induce the Licensee to enter into the said Secured Distribution Agreement with the Client, the Landlord irrevocably agrees and consents to refrain from taking any action to bar, restrain or otherwise prevent the Licensee or its duly authorised agents from entering said premises for the purpose of inspecting or taking possession of its Goods.
- 4.2 The Landlord further irrevocably agrees and consents that the Licensee or its duly authorised agents may occupy said premises for the purpose of maintaining possession of its Goods and preparing for and conducting a sale of same.
- 4.3 The Landlord agrees that if any dues are outstanding against the Client, the Licensee may reimburse the Landlord for any rent and charges not paid PROVIDED, that the rent and charges have remained unpaid for at least thirty (30) days and the Licensee has been informed in advance of the outstanding debt and that the Goods has been delivered in accordance with the instructions appurtenant thereto.
- 4.4 The Landlord expressly acknowledges and accepts that no Goods shall be released from the Premises without the express written authorisation of the Licensee which shall be provided for and on behalf of the Supplier.
- 4.5 The Landlord agrees that the terms of this Agreement will apply to any warehouse as situated within the Premises and shall be applicable mutatis mutandis.

5. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except impecuniosities, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavor to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labor difficulties contrary to its wishes.

6. GENERAL PROVISIONS

- 6.1 **Settlement of Disputes.** All disputes in connection with this Agreement or the execution thereof will be settled under relevant applicable local laws of the Country as in force at the time, and shall be subject to the jurisdiction of the relevant local courts.
- 6.2 **Applicable Law.** This Agreement shall be governed by and interpreted in accordance with the Laws of _____.
- 6.3 **No Partnership or Agency Relationship.** None of the Parties shall, by reason of this Agreement owe nor be deemed to owe the other Parties any duty whether of a partnership or other fiduciary nature, other than those set out herein. Nothing in this Agreement shall be deemed to constitute a relationship of principal and agent between the Parties hereto and no Party shall have any authority to bind the other in any way other than the terms of this Agreement.
- 6.4 **Confidentiality.** Each of the Parties hereto and all their respective directors, officers, shareholders and employees shall at all times treat as confidential, and shall not disclose, divulge, copy, duplicate, record or otherwise reproduce, in whole or in part, or otherwise make available to any Person: (a) any information about the transactions contemplated under this Agreement; or (b) any commercial or technical information concerning the business and affairs of a Party, which they may have acquired in the course of its operations or of their dealings with said Party. The foregoing, however, shall not apply to any information which: (i) has become publicly known through no fault of the Party bound and all their directors, officers, shareholders and employees; (ii) was rightfully received from a third party without a breach of any agreement by such third party; (iii) was approved for release by written authorization of the concerned Party; or which is required to be disclosed pursuant to the rule of any applicable stock exchange or regulatory body. The obligation of the Parties under this Section shall survive the termination of this Agreement.
- 6.5 **Indemnification.** Each Party hereby agrees to indemnify and hold the other Party (and any of its Affiliates, successors and assigns) free and harmless from and against any liabilities, obligations, losses, damages, claims, costs, charges and judgments, as well as expenses (including interests, penalties and reasonable attorneys' fees related thereto), which may be sustained, suffered, secured against or incurred by such other Party (and any of its Affiliates, successors and assigns) arising from or by reason of the breach of any of the representations and warranties, covenants or undertakings of the indemnifying Party in this Agreement.
- 6.6 **Severability of Provisions.** If any one or more of the provisions contained in this Agreement or any document executed in connection herewith shall be declared by any court of competent jurisdiction as invalid, illegal or unenforceable under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein or such document executed in connection herewith shall not in any way be affected or impaired.
- 6.7 **Waiver, Cumulative Rights.** No failure or delay on the part of any Party in exercising any right, power or remedy accruing to such Party upon any breach or default under this Agreement shall impair any such right, power or remedy nor shall it be construed as a waiver of any such breach or default thereafter occurring, nor shall a waiver of any single breach be deemed a waiver of any other breach or default theretofore or thereafter occurring, nor shall any single or partial exercise of any such right or power preclude any other or further exercise of any other right or power hereunder. All rights, powers or remedies, either under this Agreement or by law or

otherwise, afforded the Parties shall be cumulative and not alternative and shall be in addition to and not in substitution for and in derogation of the rights, powers and remedies conferred by law or contract. No notice to or demand on any Party in any case shall entitle it to any other or further notice or demand in similar or other circumstances.

- 6.8 **Further Assurances.** The Parties hereby agree to execute, acknowledge and deliver to each other any further writings, documents, contracts, assignments, guarantees, transfers, acknowledgments, instruments, powers of attorney, authorizations, filings, applications, reports, etc. that may be reasonably required to give full force and effect to the provisions of this Agreement, and to take such further actions reasonably required in fulfillment of obligations set forth herein or in furtherance of the intent hereof.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be duly executed by their respective authorized representatives on the date and in the place first above-written.

For and on behalf of
THE LANDLORD

For and on behalf of
CLIENT

For and on behalf of
THE LICENSEE

Signed in the Presence of:

FORM OF LANDLORD'S WAIVER AND CONSENT AGREEMENT

WHEREAS, _____ *Name of the Warehouse Owner* (hereinafter referred to as the "Landlord") is the owner and lessor of the premises located at _____ *full address*, and;

WHEREAS, _____ *Name of the Buyer* (hereinafter referred to as the "Lessee") is the Tenant and Lessee of such premises, and;

WHEREAS, ACE GLOBAL _____ - (hereinafter referred to as "the Sub-Lessee") has entered, with the Lessee, into a Secured Distribution Agreement for the storage of certain Goods on said premises. (All such goods and the records relating thereto shall hereinafter be referred to as "Collateral").

NOW THEREFORE, to induce the Sub-Lessee to enter into said Secured Distribution Agreement with the Lessee, the Landlord hereby irrevocably agrees and consents to refrain from taking any action to bar, restrain or otherwise prevent the Sub-Lessee or its duly authorised agents from entering said premises for the purpose of inspecting or taking possession of its Collateral.

The Landlord further irrevocably agrees and consents that the Sub-Lessee or its duly authorised agents may occupy said premises for the purpose of maintaining possession of its Collateral and preparing for and conducting a sale of same.

IN CONSIDERATION WHEREOF, the Sub-Lessee agrees to reimburse the Landlord for any rent and charges not paid by the Tenant **PROVIDED,** that the rent and charges have remained unpaid for at least thirty (30) days and the Sub-Lessee has been informed in advance of the outstanding debt and that the Collateral has been delivered in accordance with the instructions appurtenant thereto.

This instrument is executed this _____ *date of execution*.

(4) For and on behalf of the Landlord

(5) For and on behalf of the Lessee

(6) For and on behalf of the Sub-Lessee

ANNEX VIII

SCHEDULE OF APPROVED PRODUCTS

SECURED DISTRIBUTION AGREEMENT

ACTING FOR BUYER

THIS AGREEMENT is made this ____ day of _____ 2013;

BETWEEN:

7. _____

(Address to be inserted)

(City & Country)

Tel: _____ +

Fax: + _____

E-mail: _____

(Hereinafter referred to as the “**SUPPLIER**”)

OF THE FIRST PART

8. _____

(Address to be inserted)

(City & Country)

Tel: _____ +

Fax: + _____

E-mail: _____

(Hereinafter referred to as the “**BUYER**”)

OF THE SECOND PART

9. ACE GLOBAL (____) LIMITED

(Address to be inserted)

(City & Country)

Tel: _____ + _____

Fax: + _____

E-mail: ace.____@ace-group.net

(Hereinafter referred to as the “**ACE OR ACE GLOBAL**”)

OF THE THIRD PART

ANNEX I	ACE GLOBAL WAREHOUSING GENERAL TERMS AND CONDITIONS
ANNEX IBIS	ACE GLOBAL INSPECTION GENERAL TERMS AND CONDITIONS
ANNEX II	SERVICES TO BE PROVIDED BY ACE
ANNEX III	FEES AND CHARGES PAYABLE TO ACE
ANNEX IV	LIST OF APPROVED STORAGE FACILITIES
ANNEX V	LETTER OF INDEMNITY
ANNEX VI	GOOD RECEIPT NOTE SPECIMEN
ANNEX VII	LEASE / SUB LEASE / LANDLORD WAIVER AGREEMENT
ANNEX VIII	SCHEDULE OF APPROVED PRODUCTS

1. PRELIMINARY

- A. The Buyer has purchased from the Supplier certain goods such as yellow peas, green peas, red lentils and cloves and from time to time will purchase additional goods, all of which shall herein generally be referred to as “Goods”.
- B. The Buyer does not have the requisite infrastructure or skills to monitor and manage the storage of the goods after purchase, nor the risks associated with the storage of the Goods. It has therefore been agreed between the Buyer and the Supplier that the Goods shall be delivered and stored with the Supplier who has facilities equipped for purposes of storing such Goods.
- C. In respect of such Goods, the Buyer has requested the Supplier, and the Supplier has agreed to provide, ACE GLOBAL direct and unconditional access to and custody over the Goods being stored at the Supplier’s premises, and to enable ACE GLOBAL to be engaged on behalf of the Buyer, to provide Secured Distribution Services as described in Annex II hereto which may include inspection, monitoring and Field Warehousing, all for the account of the Buyer and ACE GLOBAL has agreed to do so upon the terms and subject to the conditions mentioned hereinafter.
- D. This Agreement is subject to ACE’s Warehousing and Inspection General Terms and Conditions attached hereto as Annex I and Annex I BIS.
- E. To the extent that there is a conflict between the provisions of this Agreement and any provision of Annex I, or any other annex or schedule hereto, the provisions of this Agreement shall prevail, notwithstanding any provision contained in such annex or schedule, to the effect that any term of such annex or schedule is intended to take precedence.

2. INTERPRETATION

The headings of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Agreement nor any clause hereof. Unless a contrary intention clearly appears.

2.1 The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:

2.1.1. “**AGREEMENT**” shall mean this Agreement as set out herein together with all annexes hereto;

2.1.2. “**BAILMENT**” shall mean the transfer of the possession of Goods by the owner (bailor) to another (the bailee) which shall thereafter maintain notorious, continuous and exclusive possession of all the Goods, for particular purposes such as hiring, financing, pledge of goods, and the delivery of Goods for carriage, safe custody or repair;

2.1.3. “**CLASS AND GRADE**” shall mean the class and grade of the Goods as determined in terms of the Class and Grading Rules;

- 2.1.4. **“CLASS AND GRADING RULES”** shall mean the rules in terms of which any Goods is classified and graded which shall be rules generally applicable in the industry internationally in respect of the Goods concerned;
- 2.1.5. **“CONSIGNMENT”** shall mean a quantity of any Goods which shall be in multiples of not less than as may be notified to ACE GLOBAL from time to time;
- 2.1.6. **“DISPATCH/ED”** shall mean in respect of each Consignment delivered hereunder the duly completed process by ACE GLOBAL of withdrawing the Goods from a Storage Facility;
- 2.1.7. **“EFFECTIVE DATE”** shall mean the date upon which all of the conditions precedent set out in clause 4 have been fulfilled or waived as the case may be;
- 2.1.8. **“FIELD WAREHOUSING”** shall mean the establishment of a valid Bailment upon the premises of the Supplier by an independent third party (ACE), thereby creating a change of possession and an effectual pledge;
- 2.1.9. **“GOODS AND/OR PRODUCTS”** shall mean yellow peas, green peas, red lentils and cloves as more particularly described in Annex VIII hereto, which are or shall be deposited upon execution hereof in the Storage Facilities and which the Buyer has purchased from the Supplier or shall purchase from the Supplier;
- 2.1.10. **“GOODS RECEIPT NOTE”** shall mean those receipts issued in physical (paper/ certificate) form by ACE GLOBAL in favour of the Supplier and evidencing the custody and possession of certain Goods into a designated Storage Facility and which shall be similar substantially to the format set out in Annex “VI”;
- 2.1.11. **“GROSS WEIGHT”** shall mean the gross weight of a Consignment received at Intake in (metric tons or in any other applicable weighing standard);
- 2.1.12. **“IN SITU”** shall mean stocks which were not constituted under supervision of ACE GLOBAL and therefore already existing in the approved storage facility at the time ACE’s deploy its staff to commence the provisions of this Agreement;
- 2.1.13. **“INTAKE”** shall mean the duly completed process of the ACE GLOBAL accepting a Consignment, at the designated Storage Facilities;
- 2.1.14. **“NET WEIGHT”** shall mean the weight (in metric tons or in any other applicable weighing standard) of a Consignment determined in terms of the class and grading rules;
- 2.1.15. **“NORMAL BUSINESS HOURS”** shall mean 9am to 5pm, from Monday to Friday, save for public holidays;
- 2.1.16. **“MISAPPROPRIATION”** shall mean unauthorised, fraudulent or dishonest appropriation or use, or unexpected or unforeseen or unexplained loss of the Goods under Secured Distribution / Field Warehousing and /or monitoring and/or storage supervision by ACE GLOBAL and shall, inter alia, include the risk association with fraud, defalcation, misapplication, embezzlement, fraudulent transfer of ownership from the insured interest and dispossession thereof, except that which solely results from a governmental intervention.
- 2.1.17. **“SHORTAGE AND/OR DEFECT”**: shall mean any Goods weight discrepancy and/or any defects or differences in the quality and/or specifications of the Goods which occurs between Intake and Dispatch, measured during the term of this Agreement;
- 2.1.18. **“STORAGE FACILITIES”** shall mean the designated Storage Facilities more fully set out in the schedule annexed hereto as Annex “IV”;
- 2.1.19. **“WAREHOUSE SITE”** shall mean a storage facility, including all the warehouses, silos, tanks and/or similar storage constructs located at a single address, with a single official name, and owned by the same legal entity/entities.

- 2.2. Any reference to any legislation or regulation is to that legislation or regulation as at the date of signature hereof and as amended from time to time;
- 2.3. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement;
- 2.4. When any number of days is prescribed in this Agreement in respect of payments, same shall be reckoned inclusively of the first and exclusively of the last day;
- 2.5. Where figures are referred to in numerals and in words; if there is any conflict between the two, the words shall prevail;
- 2.6. Expressions defined in this Agreement shall bear the same meanings in schedules or annexes to this Agreement which do not themselves contain their own definitions to the extent that there is a conflict between the provisions of this Agreement and any provision of an annex or schedule hereto the provisions of the Agreement shall prevail;
- 2.7. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause; and
- 2.8. The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement unless expressly provided that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination.

3. RECORDAL

- 3.1. The Buyer will from time to time purchase from the Supplier Consignments of Goods which will then be stored within designated Storage Facilities equipped for the purpose of storing such Goods till such time that a release order is issued in respect of such Goods;
- 3.2. The Buyer does not have the requisite storage facilities, nor the infrastructure or skills to monitor and manage the risks associated with the storage of the Goods at such facilities;

The Buyer has requested ACE GLOBAL to monitor the Goods whilst in storage at the Supplier's premises and to provide on behalf of the Buyer, Secured Distribution services hereunder during the storage period. ACE GLOBAL shall also provide inspection services of the Goods for the account of the Buyer according to the terms and subject to the conditions hereinafter described and where applicable
- 3.3. and required, the ACE GLOBAL Warehousing and Inspection General Terms and Conditions attached hereto as Annex I and Annex I BIS.

4. CONDITIONS PRECEDENT

This Agreement is subject in its entirety to the following conditions precedent namely:

- 4.1 The execution of a letter of Indemnity duly signed by the Supplier, a form of which is attached as Annex V.
- 4.2 The execution of a Lease and/or Sub Lease Agreement between ACE GLOBAL and the Supplier as owner or lessee of the approved Storage Facility, a form of which is attached as Annex VII or any other appropriate agreement providing ACE GLOBAL with the necessary custody, control and supervision as required for the Secured Distribution operations. ACE GLOBAL shall not be liable if access to the Storage Facility is stopped or obstructed in any way by the landlord or the relevant Port authority and ACE GLOBAL shall inform the Supplier accordingly.
- 4.3 Adequate insurance being obtained by the Depositor on the terms as stated in herein.

5. DURATION AND TERMINATION

- 5.1 This Agreement is entered into for a term of ____ years/months commencing on the date of execution hereof and ending on the Expiry Date of _____(the “EXPIRY DATE”). However, this Agreement shall only come into force as and when all the conditions precedent set forth in section 4 herein have been fulfilled (“the ‘EFFECTIVE DATE’”).
- 5.2 On the Expiry Date, the Parties hereto shall be entitled to extend the duration hereof. The extension of the duration of this Agreement shall be subject to one (1) month notice thereof being given and to the Parties' unanimous Agreement thereto.
- 5.3 ACE GLOBAL may terminate this Agreement by thirty (30) days written notice to the Buyer and the Supplier if: (i) the Supplier has given the final release order for the Goods to ACE GLOBAL and/or therefore ACE GLOBAL states that there are no remaining goods under its custody; (ii) the Supplier and/or the Buyer have not signified to ACE GLOBAL the extension of this Agreement according to Article 5.2; (iii) a case of Force Majeure listed in Article 13 occurs during the execution of this Agreement; (iv) a case where ACE’s fee hereunder, in whole or in part, remains due and owing and unpaid for a period of two (2) consecutive months despite ACE GLOBAL having served notice in respect thereof to the Supplier and the Buyer.
- 5.4 This Agreement may be terminated by either party by giving thirty (30) days’ written notice to the other party, except that the Buyer shall not be entitled to terminate this Agreement until all its obligations to the Supplier have been fulfilled.

6. APPOINTMENT

- 6.1 The Buyer with the consent of the Supplier, hereby appoint ACE GLOBAL who accepts to conduct Secured Distribution services under and pursuant hereto which essentially requires ACE GLOBAL to conduct Field Warehousing and to inspect, monitor and store the Goods and collaterally manage them during storage at the Supplier’s designated Storage Facility.
- 6.2 ACE GLOBAL shall provide the services stipulated in Annex II. Any services required other than those specified in this Agreement shall be requested in writing, negotiated and confirmed by ACE GLOBAL in writing;
- 6.3 It is agreed that ACE GLOBAL is appointed as an independent contractor to the Buyer on the terms and conditions contained herein and any services provided hereunder are exclusively for its benefit and the Supplier has no right to complain whatsoever about the provision of such services or the manner in which ACE GLOBAL provides them nor to raise any cause of action in regard thereto unless the Buyer in its sole discretion accepts such a complaint / cause of action as being valid and legitimate and the Supplier directly raises the concern with ACE GLOBAL and initiates any action on the basis thereof. The Supplier does not have any direct rights of recourse against ACE GLOBAL nor shall any cause of action accrue against ACE GLOBAL without the Buyer having agreed that such a cause of action has arisen and that such cause of action can be legally and factually justified. This Agreement does not create and/or constitute, nor shall it be construed as creating an agency relationship, a partnership or a master/servant relationship between the Parties;
- 6.4 ACE GLOBAL shall not be able to bind the Buyer and the Supplier in any way whatsoever to any agreement between ACE GLOBAL and any other person, save with the prior written consent of the Buyer and the Supplier.

7. ACE'S OBLIGATIONS

In carrying out its duties ACE GLOBAL shall exercise all reasonable care and skill expected from a professional body acting in the same field of business providing Secured Distribution services which will essentially entail conducting inspection, monitoring and Field Warehousing services as described in Annex II hereto, and shall act faithfully on behalf of the Buyer, in particular ACE GLOBAL shall:

- 7.1. Conduct both an external and internal inspection of the Storage Facilities and issue a statement in respect thereof stating whether or not the Storage Facilities is approved by ACE GLOBAL for the storage of the Goods;
- 7.2. Not grant access to such part of the Storage Facilities where the Goods are being stored, to any persons unless so authorised in writing by the Buyer save for authorised personnel, contractors or agents of ACE GLOBAL and of the Supplier who shall have unrestricted access to the Goods but who shall be under the supervision of ACE GLOBAL which supervision where required shall be provided by ACE GLOBAL for and on behalf of the Buyer in so far as it relates particularly to the Goods;
- 7.3. Supervise the Intake of Consignments into storage and the discharge of Consignments from the Storage Facility;
- 7.4. Ensure that ACE GLOBAL only accepts into its custody such Consignments of Goods delivered to the designated Storage Facilities/ placed there, which meet the specifications as provided by the Buyer;
- 7.5. Unless otherwise agreed between the Parties, all deposits of the Goods shall be made during Normal Business Hours. ACE GLOBAL may refuse to accept any deposit which occurs outside such Normal Business Hours or be entitled to a surcharge for all deposit activities performed outside Normal Business Hours;
- 7.6. Not allow release of any Goods unless it has received written instructions from the Buyer stating the person to whom to release the Goods and the receipt and/or issuance of documents against which the Goods shall be released;
- 7.7. Not be responsible for the weight, quantity and quality of the Goods when the Goods are in Situ, and ACE GLOBAL shall only issue a good receipt note at intake. It shall be the obligation of the Buyer to accept or reject the Goods;
- 7.8. Act on the Buyer's instructions punctually, but in any event not later than twenty four (24) hours after receipt by it of such instructions provided that for any action which reasonably requires more than 24 hours to complete, ACE GLOBAL shall be required to have commenced such action within 24 hours and to complete the same without delay;
- 7.9. Immediately inform the Buyer, in writing as well as verbally, of any damage to or any apparent deterioration of the Goods while they are in storage at the designated Storage Facility;
- 7.10. In respect of released Goods, upon a Release Order given by the Buyer, remaining uncollected by the beneficiary in a reasonable time frame not exceeding six (6) days per release order, and therefore warehoused in the Storage Facilities, ACE GLOBAL shall not be liable for any loss and/or damages occurred after the above mentioned time frame;
- 7.11. Provide all services as described per Annex II, and therefore maintain continuous and exclusive possession of all the Goods held in the Storage Facilities and covered by ACE's Goods Receipt Note.

8. RISK AND LIMITATION OF LIABILITY

- 8.1. ACE GLOBAL shall not be liable if the Shortage or quantity of Goods lost or damaged or improperly released does not exceed ____ per cent (____%) of the quantity/weight of Goods covered by Goods Receipt Note/invoice documents at the time of discovery by the Supplier and/or the Buyer of such Shortage or other loss or damage, unless such loss is occasioned as a direct result of the willful or grossly negligent acts or omissions of ACE GLOBAL or its staff.
- 8.2. In those circumstances where ACE GLOBAL was not present at the Intake of the Goods, but able to verify the quantity of the Goods in storage ("In-Situ") with the storer, ACE GLOBAL shall not be liable for Shortages and/or Defects in respect of such Goods which is accepted in accordance with industry standards and in light of the best possible estimation under the prevailing field storage conditions and, for avoidance of doubt, the margin taken by ACE GLOBAL will be _____ per cent (____%) minimum, and even in such event that it does exceed the said percentage, ACE GLOBAL shall not be liable unless Shortage/ Defect / loss as alleged in respect of the Goods is occasioned as a direct result of the willful or grossly negligent act or omission of ACE GLOBAL or its staff.
- 8.3. In case of In Situ quality checks the sampling being only superficial the quality results can only have an indicative and relative result and ACE GLOBAL will not be liable for any quality deviation;
- 8.4. ACE GLOBAL shall at all times be entitled to dispute the existence or extent of any Shortage and/or Defect or any loss or damage or any amount claimed thereof and shall give sufficient notice to the Buyer in writing stating the basis of its dispute.
- 8.5. In case of storage exceeding the industry standard and/or reasonable time frame pertaining to a given Goods, ACE GLOBAL shall not be held responsible of any quality deterioration unless proper periodic quality checks have been done in agreement with the contract terms by ACE GLOBAL and the alleged quality deterioration has not occurred as a direct result of a willful or grossly negligent act or omission of ACE GLOBAL staff.
- 8.6. The Buyer and Supplier agree that ACE GLOBAL shall not be liable for any depreciation of the Goods resulting either from packaging or prolonged storage.
- 8.7. ACE GLOBAL shall not be liable for any damages arising or resulting directly from the natural qualities of the Goods (including any inherent vice) or any defect in packaging.

9. OBLIGATIONS OF THE SUPPLIER

- 9.1 The Supplier acknowledges that the Buyer has requested ACE GLOBAL to establish a Secured Distribution arrangement which entails conducting Field Warehousing and to take into storage into one or multiple facilities constituting the Storage Facilities under this Agreement for the purposes of securing title to the Goods in favour of the Supplier. The Supplier hereby confirms that all Goods covered by Good Receipt Note issued by ACE GLOBAL tp the Buyer are, not to be released from the Storage Facilities unless and until such release is authorized by the Buyer under written instructions given to ACE.
- 9.2 The Supplier shall provide around the clock security for all the Storage Facilities by a reputable security company at its own expense;
- 9.3 The Supplier shall allow ACE GLOBAL to place the ACE GLOBAL name, logos or banners on the warehouse or take any other such measures as ACE GLOBAL may in its sole opinion deem useful or necessary in order to place third parties on notice as to its control over the Storage Facilities.
- 9.4 Only where necessary and required in the sole discretion of ACE, the Supplier agrees to assign to ACE's employment such employees as are requested and required by ACE GLOBAL to operate the Storage Facilities and that all such employees are to comply with instructions only from ACE GLOBAL with regard to the receipt, storage and release of said Goods in compliance with Annex II;

- 9.5 The Supplier shall be responsible for taking all such measures and paying all associated costs necessary and appropriate under local law so as to ensure that ACE' right of access to and control over the Goods/Storage facilities cannot be contested by third parties;
- 9.6 The Supplier agrees to designate one or more warehouses, which shall be placed at the disposition of ACE GLOBAL for the duration of this Agreement for the purpose of performing its obligations. The Supplier shall ensure that ACE GLOBAL is provided with complete and uninterrupted access to, and control over, the Storage Facilities);
- 9.7 The Supplier shall provide ACE GLOBAL with full access to all inventory related records for purposes of verifying all inventory activity for inventory covered by ACE GLOBAL related documents.
- 9.8 The Supplier acknowledges that payment has been made in respect of the Goods and accordingly waives any right to assert a lien, right of retention or right of attachment and sale, which it may have on or in respect of the Goods stored in the Storage Facilities owned or leased by it.

10. OBLIGATIONS OF THE BUYER

The Buyer shall:

- 10.1. Furnish ACE GLOBAL with information on the location of the Storage Facilities and contact details of such facilities;
- 10.2. Represent and warrant that all the Goods deposited pursuant to the terms of this Agreement, are its exclusive property and are free of any pledge, claim or demand;
- 10.3. Guarantee the good condition of the Goods to be deposited into the Storage Facility and, if such Goods are in package form, the good condition of such packaging;
- 10.4. Explicitly inform ACE GLOBAL in the event that any of the deposited Goods may present a specific danger e.g. goods of an inflammatory nature, corrosive nature or explosive nature;
- 10.5. Upon receipt of a written request, furnish ACE GLOBAL with such further information regarding the Goods as ACE GLOBAL may reasonably require in order for it to properly perform its obligations hereunder;
- 10.6. Provide ACE GLOBAL with clear written instructions as to the release of the Goods during normal business hours. Any instruction received after 5 pm India time shall be deemed to have been received on the following business day;
- 10.7. Be solely and unequivocally liable for the payment of ACE's fees as set out in this Agreement.
- 10.8. In the event that Goods are delivered to ACE GLOBAL by third parties on behalf of the Buyer, the Buyer shall provide ACE GLOBAL with written confirmation from such third parties that they have no legal or moral or any other right to the Goods and may do so in the form and format as agreed between the Parties.
- 10.9. The Buyer must explicitly inform ACE GLOBAL and the Supplier in the event that any of the deposited Goods may present a specific danger e.g. goods of an inflammatory nature, corrosive nature or explosive nature and accordingly indemnify the parties appropriately.
- 10.10. The Buyer guarantees the good condition of the Goods deposited into the Storage Facilities and, if such Goods are in package form, the good condition of such packaging.

11. FEES AND PAYMENTS

- 11.1. In consideration of services provided by ACE GLOBAL herein, the Buyer hereby irrevocably agrees to pay fees and charges stipulated in Annex III attached hereto. The fees shall be effective from the first day ACE GLOBAL deploys its staff to commence provision of services related to this Agreement.
- 11.2. All fees shall be charged monthly by ACE GLOBAL to the Buyer and payment shall be effected by the most appropriate means [wire transfer/cheque/Suppliers draft] upon presentation of invoice by direct transfer to the following account:

Account Holder: _____

Bank: _____

Account Number: _____

Branch: _____

It is hereby understood and agreed that payments not made within fifteen (15) days as per Annex III of date of presentation of the ACE GLOBAL invoice shall be subject to a late penalty charge of eight (8) per cent per month on the amount due. In case these amounts still remain outstanding, ACE GLOBAL shall be entitled to immediately exercise all rights and actions accruing to it under the applicable law in order to recover amounts due to it under this Agreement and shall not be obliged to issue any further Goods Receipts Notes till full and final settlement of the ACE GLOBAL invoices.

- 11.3. In cases of urgency or in the absence of instructions, ACE GLOBAL shall be authorised to take all measures reasonably practicable and legally permissible and which it deems necessary and appropriate for the preservation of the Goods or in order to reduce the damage. All losses, damages, costs and expenses associated with such operations shall be charged to, and are payable by the Buyer.
- 11.4 All fees and charges payable to ACE GLOBAL shall be net of any and all taxes and other mandatory payments, including VAT, charged, paid or which may be imposed in the future in relation to services described herein and the Buyer agrees that it shall be responsible for the payment of all such taxes.

12. INSURANCE

- 12.1 The Buyer shall at its own cost and expense obtain with an approved insurance company, Insurance for the Goods during storage in the Premises as well as for the goods-in-transit. The insurance shall be in accordance with the Institute Cargo Clauses (All Risks) and in respect of standard risks under fire and burglary policies, riots and/or strikes and/or civil commotion and/or terrorism and/or malicious damage, and all other related risks for the duration of this Agreement including Misappropriation and/or spontaneous combustion.
- 12.2 ACE GLOBAL shall at its own cost ensure that it has Insurance in respect to Professional Indemnity/Fidelity and liability and shall upon request by the Supplier or the Buyer, deliver documentary proof of its existence.
- 12.3 Upon request of the Buyer and/or the Supplier, ACE GLOBAL may arrange with an international insurance company approved, in writing, by the Supplier to cover the Goods against all risks, including notably fire, theft, water-damage, flood, misappropriation and demolition from receipt thereof and the Bank and its Affiliates shall have the benefit of a "Loss Payee" endorsement under the insurance policy subscribed.
- 12.4 The coverage could be taken upon request for either one or several of the following segments of operations:
- pre-shipment including storage and transit
 - marine coverage (vessel overage premium to be considered when applicable)
 - post shipment including storage and transit
 - Full Outturn Guarantee (FOG) and Full Outturn Quality (FOQ)
- 12.5 If the Supplier takes out insurance on behalf of the Buyer, the Buyer shall reimburse the Supplier the full cost of the insurance. The insurance premiums relating to such insurance policy shall be submitted to the Supplier who will approve them and will accordingly accept to bear the costs of same on its behalf and/or on behalf of the Buyer where applicable.
- 12.6 Where no insurance has been procured whatsoever in the terms and on the conditions set out in this Agreement, this Agreement shall be null and void and be of no legal effect and the Supplier shall bear the risk of loss or damage in the event that the insurance coverage provided by the Buyer is not adequate.

13. FORCE MAJEURE

- 13.1 Each party shall be relieved of liability for a partial or complete failure to perform its obligations under this Agreement, to the extent that and for so long as such failure is due to Force Majeure arising after the execution of this Agreement. "Force Majeure" shall mean extraordinary events or circumstances external to the party seeking to rely on them and which such party could neither foresee nor prevent by reasonable means "extraordinary events or circumstances" shall include, but not be limited to, strikes, floods, fire, earthquakes and other natural calamities, wars, military activities, civil unrest, local or foreign governmental intervention, and other circumstance beyond that party's reasonable control.
- 13.2 Immediately upon the occurrence of an event of Force Majeure, the party claiming inability to perform by reason thereof shall notify the other party in writing of these circumstances. Such notification shall include information on the nature of the circumstances and why they excuse performance under this Agreement and, if possible, an assessment of their influence on the party's future ability to perform its obligations under this Agreement.
- 13.3 The party affected by Force Majeure will use its best efforts to eliminate the events or circumstances giving rise to Force Majeure and to continue to perform the obligations under this Agreement whose performance was affected by Force Majeure.

14. WAIVER OF LIEN

In light of and subject to the Buyer's unequivocal commitment to ACE GLOBAL hereunder to settle ACE's fee under this Agreement, ACE GLOBAL hereby waives in favour of the Buyer any lien, right of retention or right of attachment and sale, which it may have on or over the Goods for unpaid fees. Such waiver shall at all times be subject to the successful implementation by the Buyer of its obligations hereunder as regards the payment of ACE's fees.

15. ARBITRATION & GOVERNING LAW

- 15.1 This Agreement shall be governed by and construed in accordance with the laws of _____.
- 15.2 In the case of any dispute or differences arising out of or in connection with this Agreement or its construction, operation, termination or cancellation, the parties shall meet and attempt to settle such disputes or differences by means of negotiations between them.
- 15.3 If the parties cannot settle any such dispute or differences by negotiations within twenty-one (21) days after first commencing negotiations, then, unless ACE GLOBAL has previously notified the parties in writing that it wishes any dispute or difference to be settled by a court of law, such dispute or differences shall be settled by arbitration. Notwithstanding the above a Party hereto is entitled to seek preliminary injunctive relief or interim or conservatory measures from any court of competent jurisdiction pending the final decision or award of the arbitrator and provided also that the parties expressly reserve the right to appeal the final decision as provided by applicable law.
- 15.4 The arbitration shall be in accordance with the ICC Arbitration Rules as in effect on the date of this Agreement, except that in the event of any conflict between those Rules and arbitration provision of this Agreement, the provisions of this Agreement shall govern.
- 15.5 The number of arbitrators shall be three. Each party to the arbitration proceeding shall appoint one arbitrator.
- 15.6 The arbitration, including the making of the award, shall take place in _____ (**"Place of Arbitration"**), and the arbitrators shall resolve any such dispute or differences referred to them in accordance with the substantive laws of _____. All submissions and awards in relation to arbitration hereunder shall be made in English and all arbitration proceedings shall be conducted in English.

16. DOMICILIUM CITANDI ET EXECUTANDI

16.1 The parties choose as their *domicilia citandi et executandi* for all purposes under this Agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature, the following addresses

BUYER

SUPPLIER:

ACE:

16.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing but is shall be competent to give notice by facsimile provided that the issuing Party has obtained a report showing that the fax has been properly sent, or by a scanned document sent by email..

16.3 Either Party may by notice to the other Party change the physical address chosen as its *domicilium citandi et executandi* to another physical address where postal delivery occurs or its postal address or its facsimile number, provided that the change shall become effective on the 10th (tenth) business day from the deemed receipt of the notice by the other Parties.

17. GENERAL

17.1 The Buyer shall not be entitled to assign, transfer or dispose of any of its rights or obligations under this Agreement to any party (except to (i) an Affiliate without the prior approval of ACE, such approval to not be unreasonably withheld or delayed. ACE GLOBAL will be deemed to have given its consent ten (10) days after the Buyer has requested it, unless consent is expressly refused by ACE GLOBAL within that time. The Supplier shall not be entitled to assign, transfer or dispose of any of their rights or obligations in terms of this Agreement to another person. ACE GLOBAL shall be entitled to sub-contract its obligations in terms of this Agreement to its authorised affiliate or designated agent. Any such sub-contracting shall in no way absolve ACE GLOBAL from any of its obligations or detract from any of its rights under this Agreement.

17.2 No relaxation or indulgence which any Party may show to the others shall in any way prejudice any of that Party's rights hereunder or be construed as a waiver or novation of any of its rights against the other parties.

17.3 Each provision of this Agreement is distinct and severable, the one from the other, and if at any time any provision is or becomes or is found to be illegal, invalid, defective or unenforceable for any reason by any competent court, the remaining provisions shall be of full force and effect.

17.4 Prior drafts of the Agreement shall not be admissible in any proceedings as evidence of any matter relating to any negotiations preceding the signature hereof.

17.5 This Agreement may be executed in any number of counterparts and all such counterparts taken together per facsimile or in original shall be deemed to constitute one and the same agreement.

17.6 This Agreement constitutes the whole agreement between the parties relating to the subject matter hereof.

17.7 To the extent permissible by law no Party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein, whether it induced the contract and/or whether it was negligent or not.

17.8 The Parties agree, in the circumstances known to them at the date of entering into this Agreement, that these terms and conditions are reasonable.

- 17.9 All Receipts issued by ACE GLOBAL shall constitute annexes to this Agreement such that all terms and conditions found herein shall apply thereto and form an integral part of the Agreement.
- 17.10 In the event that ACE GLOBAL is requested to arrange the transport of the Goods, ACE's responsibility shall be strictly limited to the selection of the carrier who will thereafter act for the account and risk of the Buyer.
- 17.11 The Supplier and the Buyer agree that ACE GLOBAL shall not be liable for any depreciation of the Goods resulting either from packaging or prolonged storage.
- 17.12 ACE GLOBAL shall not be liable for any damages arising or resulting directly from the natural qualities of the Goods (including any inherent vice) or any defect in packaging.
- 17.13 With the consent of all parties, any Goods stored hereunder may not be commingled but maybe warehoused as one general lot of fungible goods with other goods provided the latter are covered by this Agreement. In such a case, the Buyer shall be entitled to such portion of such general lot as the amount of the commodity represented by the goods receipt note.
- 17.14 It is recorded that ACE GLOBAL shall perform its obligations in terms of this Agreement and to the extent that there is no conflict between the Agreement and the ACE GLOBAL standard terms and conditions set out in Annex I, in accordance with the ACE GLOBAL standard terms and conditions as set out in Annex I.
- 17.15 This Agreement may be terminated by either party by giving thirty (30) days' written notice to the other party.
- 17.16 In the event of any Party failing to comply with any of the provisions of this Agreement (hereinafter referred to as the "DEFAULTING PARTY"), the other Party(ies), (hereunder referred to as the "AGGRIEVED PARTY(IES)") shall give the Defaulting Party written notice of the breach complained of. Should the Defaulting Party fail to remedy the breach complained of within ten (10) working days after having received such notice, the Aggrieved Party(ies) shall have the right, but not the obligation, to elect to either cancel this Agreement, or to claim specific performance under this Agreement, which election shall not prejudice the Aggrieved Party(ies) nor shall it be deemed to be a waiver by the Aggrieved Party(ies), of its (their) rights to claim damages from the Defaulting Party.

18. CONFIDENTIALITY

Each of the parties agree to treat all information, data and documentation relating to ACE GLOBAL or its affiliates as confidential and undertake not to utilize, exploit, or in any other manner whatsoever use the confidential information of the other party for any purpose whatsoever, save for the purpose for which such information is made available, without prior written consent of the owner of such confidential information. Furthermore, the parties agree to protect the confidential information disclosed pursuant to the provisions of this Agreement using the same standard of care applied by each of the parties to protect its own proprietary, secret or confidential information. The above applies both during and after termination of this Agreement.

Signed at _____ this _____ day of _____ 2013

AS WITNESS

1. _____

For: **SUPPLIER**

Who warrants that he is duly authorised heret

Signed at _____ this _____ day of _____ 2013

AS WITNESS

2. _____

For: **BUYER**

Who warrants that he is duly authorised hereto

Signed at _____ this _____ day of _____ 2013

AS WITNESS

3. _____

For: **ACE GLOBAL**

Who warrants that he is duly authorised hereto

ACE GLOBAL WAREHOUSING GENERAL TERMS AND CONDITIONS
(As revised 02/2012)

1. General: These Conditions are applicable to the legal relationship between ACE GLOBAL (hereinafter referred to as the « Company ») which term includes its successors and assigns and each person or persons (whose liability shall be joint and several) with whom the Company has agreed to store or deliver goods, or for whom the Company holds in custody goods, and also includes the heirs, representatives, successors and assigns of such person (hereinafter referred to individually or collectively as the « Customer »). The Customer shall not refer to any regulations or stipulations in so far as they are at variance with these conditions. For the avoidance of doubt, where the operations entailed under the main Agreement are those of Secured Distribution as opposed to a Field Warehousing and Storage Agreement, the Company shall issue a Goods Receipt Note and not a Warehouse Receipt, and accordingly the reference to Warehouse Receipt hereunder shall be to a Goods Receipt Note notwithstanding the terminology and the standard applicable shall be that of a Goods Receipt Note and not a Warehouse Receipt.
2. Binding Character: These Conditions are applicable to any business undertaken, including any advice, information or service provided, whether gratuitously or not, by the Company and each such condition is deemed to be incorporated in and to be a condition of any agreement between the Company and the Customer. Whether or not the Customer expressly acknowledges receipt of these Conditions, he shall be bound thereby so long as the Company can show that Article 37 has been complied with. The Company deals only with goods subject to these Conditions. The use of the Customer's own forms is no derogation from nor addition to these Conditions.
3. Compulsory Legislation: If any legislation or regulation is compulsorily applicable to any business undertaken by the Company, these Conditions shall as regards such business be read as subject to such legislation or regulation, and nothing in these Conditions shall be construed as a surrender by the Company of any of its rights or immunities or as an increase of any of its responsibilities or liabilities under such legislation or regulation. If any part of these Conditions is repugnant to such legislation or regulation to any extent such part shall as regards such business be void to that extent but no further.
4. Ownership of Goods by Customer: The Customer warrants that he is either the owner or the duly authorised agent of the owner of any goods delivered to the Company and he shall indemnify the Company against all claims arising from title to the goods being paramount or co-equal to that of the Customer. The Customer further warrants that he is authorised to accept and hereby accepts these Conditions not only for himself but also as agent for and on behalf of all other persons who are or may hereafter become interested in or entitled to possession of the goods. The Company recognises as the Customer, and accordingly as the party entitled to the goods received into custody, only the person who has tendered goods to the Warehouse for storage and, where applicable, whose name is recorded on a Warehouse Receipt. The Company does not recognise any transfer of the ownership or right to possession of the goods to the Warehouse for storage and, where applicable, whose name is recorded on a Warehouse Receipt. The Company does not recognise any transfer of the ownership or right to possession of the goods stored with the Company by the Customer to a third party unless all unpaid accounts as defined in Article 33 have been paid and such transfer is only binding on the Company if the Company has recognised in writing the third party becoming entitled to the goods as the new Customer. If goods or part thereof are transferred the warehousing agreement with the original Customer for these goods, or for part of the goods transferred, is deemed to have terminated at the time of the recognition of the transfer and a new warehousing agreement with the third party is deemed to have been concluded as from that time on the same terms and Conditions.
5. Applicable Law and Disputes : These Conditions shall be interpreted in accordance and subject to the provision as contained in the Secured Distribution entered into between the Parties.
6. Writing: All agreements, tenders or instructions, whether regarding storage, custody, handling and delivery of goods or otherwise, shall be promptly recorded in writing. Oral or telephonic communications or arrangements are binding on the Company only if immediately followed up by a written confirmation.
7. Description of Goods: Tendering of goods and instructions regarding storage, custody and handling must be effected, or supplied, accompanied by a written statement of the description of the goods, the declared value (for which the Company accepts no responsibility), the number of packages or units (hereinafter together referred to as « packages »), the gross weight and all particulars which are of such a nature which would enable the Company to decide whether or not to accept the goods under the terms hereof. The gross weight of each package exceeding 1,000 kilos must be stated separately.
8. Delegation: Any instructions or business accepted by the Company may in its absolute discretion be fulfilled by the Company itself by its own employees performing part or all of the services, or by the Company employing, instructing or entrusting the goods to others on such conditions as are agreed upon with such others.
9. Procedure :The Company has absolute discretion as to the means and procedure to be followed in the handling, storage, custody, delivery and transportation of goods. If, in the opinion of the Company, it is at any stage necessary or desirable in the Customer's interest to depart from express instructions of the Customer, the Company is at liberty to do so.
10. Weight or Measurement: The Company is not obliged to weigh or measure the goods in storage if the Customer gives no instruction to that effect. The Company may effect weighing and measuring in order to check the specifications received. If, in that case, the Company ascertains that weight or measurement differs from those stated, the cost of weighing and/or measuring involved is for account of the Customer. However the company is only liable for ascertaining weight or measurements if the goods have been weighed or measured by the company on the customers instructions and without prejudice to the provisions of Art 22 in respect of the company's liability.
11. Inspection of Goods: If the Customer instructs the Company to conduct any qualitative, quantitative or other inspection with respect to the goods, such inspection is conducted subject to the ACE GLOBAL Inspection General Terms and Conditions.
12. Examination of Packages: Packages may be opened for examination of the contents at the Customer's request only, but the Company is at all times entitled, but not obliged, to do so, 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 examination are for the Customer's account.
13. Description on Warehouse Receipt: The Customer warrants the accuracy of the description and/or specifications of the goods and the particulars concerning the packages as stated on the face of any Warehouse receipt, delivery order and/or telex/fax/email order for release, if any, and the Company 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 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 the Company. The Company may rely upon such particulars as the contents, measurement, nature, quality, quantities, weight, number, serial numbers, marks, value of the goods, etc. being unknown to it, even if the goods have been counted, weighed or measured in the presence of any of the Company's employees or agents and even if the latter could have known the nature or qualities or other particulars thereof.
14. Liability of Customer: The Customer is liable to the Company 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, as well as for damage arising from defects in the goods and/or packing which have not been earlier notified to the Company. The Customer shall indemnify the Company 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 the Company in respect of all legal proceedings or intended legal proceedings effected by or against the Company in relation to such damage.

15. Refusal of Goods by Company: The Company is entitled to refuse to agree to store or to continue to store goods without stating any reasons. During such time as the Company stores goods, the terms of this agreement shall apply in full unless terminated or varied by both parties. If the Customer terminates this agreement unilaterally or is in breach of any term hereof, it is expressly understood that the Company has the right to claim for reasonable compensation of such losses as are allowed by the applicable law.

16. Delivery of Goods: Delivery to and receipt by the Company is effected by the goods being handed over by the Customer and taken over by the Company at the place of storage.

17. Condition of Goods: The Customer warrants the good condition of the goods and, if packed, that they are suitably and properly packed when delivered to the Company. If the goods sent to the Company are in a damaged or defective condition which is outwardly visible at the time of delivery, the Company is entitled, but not obliged, 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 always without liability to the Customer in respect thereof. The Company shall immediately notify the Customer of the action taken, but failure to do so shall not impose any liability on the Company.

18. Execution of Orders: The Company shall endeavor to act upon an order for storage or delivery of goods not later than the next working day after the receipt of the appropriate order plus receipt of any necessary documentation in order to implement that order. Instructions and documents received after 15:00 hours local time shall be deemed to have been received on the next working day.

19. Speed of Execution: The Company shall use its best endeavors to comply with any reasonable orders of the Customer to expedite any business hereunder but shall be under no liability to the customer for any failure for whatever reason to comply with such orders.

20. Failure to Collect Goods: The Company 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 at the time agreed for doing so.

21. Working Time: Goods are to be delivered to and collected from the place of storage between 9:00 and 17:00 hours local time Monday to Friday, excluding public holidays. If the Company, at its discretion, agrees to perform such services outside these hours, then the Customer shall pay all overtime and related charges thereby incurred by the Company.

22. Storage Place: The Company may at any time transfer the goods to another storage place. The cost of this transfer and the risk of transport is for the Company's account unless in the opinion of the Company the transfer must be effected in the interest of the goods or through circumstances beyond the Company's control. If the goods are transferred to another storage place, the Company shall notify the Customer, but failure to notify does not give the latter any right of claim against the Company.

23. Responsibility of the Company: All goods are stored and handled at the Customer's risk. The Company is not liable for any loss, damage, destruction, deterioration or deficiency of the goods (hereinafter collectively referred to as « loss ») except as may be caused by a deliberate act on the part of any of the Company's own employees, and for no other neglect or default or other matter or thing whatsoever or however arising. In any event, the Company 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 which have been stored in the open or which the Company customarily stores in the open;
- (c) occurring before receipt and, regardless of the origin of the goods, due to the natural qualities of the goods, 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 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 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;
- (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 the Company;
- (g) caused or contributed to by a breach of any of the Customer's warranties or by any circumstances by virtue of which the Company is relieved of its contractual obligations as provided herein; and
- (h) occurring after the goods have been taken back or removed by the Customer or someone authorised by him.
- (i) In respect of contraband or illegal goods;
- (j) In respect of release goods remaining uncollected by the beneficiary in a reasonable time frame not exceeding ten (10) days and therefore warehoused in the storage premises.

24. Limitation of Responsibility: Notwithstanding anything to the contrary the liability of the Company in respect of any loss of the goods shall in any case be limited to a sum not exceeding the insurance value of each package given pursuant to Article 7 hereof. The Company is not liable for any loss of profit or for any consequential loss including any indirect losses whatsoever sustained by the Customer. In case of damage to one or more of several items belonging together any depreciation of the other parts or the undamaged items shall not be taken into account.

25. Dangerous Goods: The Customer shall notify the Company before delivery of any goods of an explosive, flammable, corrosive, noxious or dangerous nature or any goods likely to cause damage or detriment to the Warehouse or to other goods, or which are classified as dangerous or hazardous goods 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 the Company against any and all fines, penalties or damages suffered or incurred by the Company by reason of the Customer's failure to so declare and mark the nature of such goods. 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 to the Company or causes the Company to handle or deal with any such goods otherwise than under special arrangements, the Customer shall be liable for all loss caused by or to or in connection with the goods however arising and shall indemnify the Company against all penalties, claims, damages, costs (including all legal costs) and expenses whatsoever arising in connection therewith, and the goods may be destroyed or otherwise dealt with at the Customer's risk and expense at the sole discretion of the Company 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 themselves or to other goods, to the Warehouse or equipment or harm or injury to persons. If such goods are accepted under such special arrangements they may nevertheless be so destroyed or otherwise dealt with on account of risk to other goods, property, life or health. The expression « goods likely to cause damage » includes goods likely to harbour or encourage vermin or other pests. The Company shall immediately notify the Customer of the measures taken, but failure to notify the Customer shall not give the latter any right of claim against the Company. Without prejudice to the above provisions, the Customer shall indemnify the Company from and against any claims of third parties on account of damage caused by the Customer's goods to goods of third parties.

26. Admission to the Place of Storage: The Company shall admit the Customer and persons authorised by him in writing to the place of storage of the goods, subject to compliance with all formalities prescribed by the Company or the relevant authorities. For those to whom admission is granted by the Company, the following conditions are applicable:

- (a) All persons visiting the place of storage, also the personnel of vessels and vehicles reporting to the Company, shall enter and remain at their own risk and shall observe all regulations for safety or otherwise imposed by the Company;
- (b) Admission is granted only during ordinary working hours and shall always be attended by an employee of the Company;
- (c) The cost of attendance during the visit shall be paid to the Company by the Customer immediately; and
- (d) The Customer shall be liable for any damage caused directly or indirectly by the said persons.
- 27.Charges: The Customer shall pay for storage of the goods at the rate(s) current at the time the goods are delivered to the Company. The Company reserves the right to increase or vary its charges from time to time on giving not less than 30 days' notice in writing to the Customer pursuant to Article 37. The Company may at its absolute discretion decline to carry out any of the said services but permit the Customer to do so subject to such conditions as the Company shall impose from time to time and, without prejudice to the generality of the foregoing, to the payment of such charges as the Company may impose.
- 28.Insurance :The Company shall not be obliged to effect any insurance against any risk whatsoever in respect of the goods but if so requested by the Customer to insure the goods, the Company may at its discretion obtain and propose terms of insurance for agreement by the Customer but always at current market values, and if so accepted by the Customer, all premiums and other charges shall be paid promptly on rendering of appropriate invoice. Any such insurance shall automatically terminate upon delivery of the goods to the Customer. In the case of part-delivery of goods, the Customer shall advise in writing of the current market value of the part not so delivered to him and the Company shall use its best endeavors thereafter to persuade the underwriters to reduce or vary the premium accordingly.
- 29.Collection of Insurance Claims: The Company is hereby authorised to collect any insurance claims as agent for the Customer without any responsibility for the failure of insurer to pay in full or in part any such claim. All such claims, when received, may be retained in full or in part to offset all or any unpaid accounts as defined in Article 33. All services of whatsoever nature rendered by the Company in connection with any claim of insurance, whether that insurance is effected through the Company or otherwise, may be charged by the Company.
- 30.Destruction of Goods: Any goods destroyed by fire or otherwise shall be deemed to have been delivered to the Customer at the date thereof and all charges then due by way of storage or insurance shall be paid to the Company up to and including this date.
- 31.Removal of Goods: Upon payment of all unpaid accounts, the Customer may request re-delivery of the goods. All charges for storage or insurance, unless otherwise agreed, shall be calculated on the minimum basis of a full calendar month irrespective of the fact that the Customer may properly require delivery to him of all or part of the goods during the course of a month. Subject to Article 32, if a fixed period of storage has been agreed upon, the Company cannot require the removal of the goods by the Customer before the expiration of such period. If no such period has been agreed upon, or if the agreed upon period of storage has expired, the Company may require the removal of the goods on one month's notice.
- 32.Urgent Reason to Remove: The Company has the right at any time to require the removal of goods before the expiration of the storage period without adhering to any period of notice if it considers that there is an urgent reason to do so. An urgent reason is deemed to exist, inter alia, if the Customer fails to comply with one or more provisions of these Conditions, if it appears that owing to the presence of the goods loss and/or damage to other goods, to the storage place or to equipment, or harm to persons is feared, and furthermore if the goods are perishable or liable to inherent changes which in the Company's opinion warrant the assumption of a decrease in value and the Customer has neglected to give instructions for preventing or coping with this. The Customer remains liable for payment of the Warehouse rent up to and including the date of taking back or removing the goods.
- 33.Payment of Unpaid Accounts: All amounts due to the Company by the Customer on any account whatsoever, such as Warehouse rent, insurance premium and costs, rent, disbursements, remuneration for storage and delivery, outlays and charges for work done, the costs of clearance work and the like during or after a fire or otherwise, extraordinary expenses, extra wages, etc. (hereinafter referred to as « unpaid accounts ») are payable forthwith. All payments shall be made without any set-off or rebate and are deemed in the first place to have been made on account of non-preferential debts, regardless of whether any other instructions have been given at the time of payment. If the Customer does not pay an unpaid account immediately upon notification thereof the Company is entitled to charge interest at the rate of two per cent (2%) per annum over the prime rate of the leading local commercial suppliers calculated on a daily basis from the due date to and including the date of receipt of payment by the Company. Without prejudice to the above, the Customer shall pay the Warehouse rent and, if the goods have been insured through the Company, the insurance premium and costs on a monthly basis in advance or as otherwise agreed upon. The Company may at any time require prepayment of any of its expenses.
- 34.Lien: The Company has a general as well as particular lien on all goods and documents relating to goods in its custody, possession or control for unpaid accounts. The lien also extends to the right to the amounts of insurance claims collected on behalf of the Customer by the Company. As far as necessary the right is deemed to have been transferred to the Company for further security.
- 35.Sale of Goods :The Company is entitled to sell the goods or any part thereof and documents relating to goods if the Customer fails to:
- (a) remove the goods when requested by the Company to do so; or
- (b) pay an unpaid account, without prejudice to the Company's right to make use of its lien.
- The Company may sell the goods with a week's notice to the Customer pursuant to Article 37 by private contract or by public auction and for that purpose may open or break open (without being liable for any damage caused thereby) any packets, bales, sacks, cases or other packages. The Company shall exercise this power of sale in such manner as it thinks fit and in all respects as though it were the sole and unencumbered owner of goods. The proceeds of sale shall be utilised firstly, in defraying the expenses incurred by the Company; secondly, in paying the unpaid accounts due to the Company or defraying any rent or other charges due hereunder; and thirdly, by being held in trust for the Customer.
- 36.Issue of Warehouse Receipt: If so requested by the Customer, the Company may in its discretion agree to issue a Warehouse Receipt in respect of the goods 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 nor shall it be used by the Customer as collateral security in any respect. The Company, in its discretion, may decline to re-deliver the goods in the absence of the production of the Warehouse Receipt. If the Warehouse Receipt is lost or destroyed, the Company may in its discretion agree to issue a replacement receipt, provided always that the Customer indemnifies the Company in a manner satisfactory to the Company against all claims, damages or costs that may arise in accordance therewith.
- 37.Notices: All notices required to be given as stated above are deemed to have been validly served if left at the Customer's principal place of business or if sent to the Customer's address by ordinary pre-paid post, telex, fax or email.
- 38.Prescription :Any claim against the Company on account of any loss as defined in Article 24 or for any damage to the goods howsoever caused or any claim in respect of any alleged failure by the Company to comply with its obligations hereunder shall be deemed to have been waived and be absolutely time-barred unless such claim has been commenced by the Customer within six (6) days of the facts giving rise to the basis for such claim coming to the actual or imputed knowledge of the Customer or within six (6) days of the goods being delivered by the Company to or to the use of the Customer, whichever date shall first expire.

ACE GLOBAL INSPECTION GENERAL TERMS AND CONDITIONS**(As revised - 2012)**

1. **Definitions:** In these conditions, the "Company" means ACE GLOBAL or any of its associated companies and affiliated firms, and the "Principal" means the Company, firm or individual (or, as the case may be, any two or more companies, firms or individuals) from whom the instructions to act have originated and to whom the Company supplies services.

2. **General:** The Company is a business enterprise engaged in the trade of inspection and monitoring. As such, it:

- (a) carries out inspections, verifications, examinations, tests, samplings, measurements and similar operations whether directly or through its designated agents and authorised affiliates;
- (b) issues reports and certificates relating to the aforesaid operations; and
- (c) renders advisory services in connection with such matters.

Unless otherwise specifically agreed in writing, the Company undertakes services in accordance with these general conditions and accordingly all offers or tenders of service are made subject to the same, which prevail over any conditions, which the Principal may seek to impose. All resulting contracts, agreements or other arrangements will in all respects be governed by these conditions. No variation of or addition to these terms and conditions shall be valid unless made in writing and signed by a duly authorised employee of the Company.

3. **Enquiries and Orders:** All enquiries for the supply of services must be accompanied with sufficient information specifications and instructions to enable the Company to assess an accurate rate for the job. For any agreement or contract to be concluded, a written acceptance from the Company is required. The Principal agrees that it will:

- (a) ensure that all instructions to the Company are given in due time to enable the required services to be performed effectively;
- (b) procure all necessary access for the Company's representatives to Products, premises, installations and transport;
- (c) supply, if required, any special instrument necessary for the performance of the required services;
- (d) ensure that all necessary measures are taken for safety and security of working conditions, sites and installations during the performance of services and will not rely, in this respect, on the Company's advice whether required or not;
- (e) take all necessary steps to eliminate or remedy any obstruction to or interruptions in the performance of the required services;
- (f) fully exercise all its rights and discharge all its liabilities under the contract of sale whether or not a report or certificate has been issued by the Company failing which the Company shall be under no obligation to the Principal; and
- (g) deliver all Products, samples or materials which the Company is asked to process or test safely packed with appropriate warning labels to the agreed place of processing or testing by the Principal at its own risk and expense accompanied by appropriate delivery and transportation, and documentation containing a description of the contents of the consignment.

The Company reserves the right to refuse to accept and/or inspect or test any Products, samples or materials and providing notice thereof to the Principal and to terminate the contract at any time in case of breach of the above-mentioned requirements. It reserves furthermore the right to claim for indemnity against the Principal arising as a result of the Principal breaching the above mentioned requirements.

4. **Performance:** The Company will provide services in accordance with:

- (a) the Principal's specific instructions as confirmed by the Company;
- (b) terms of the Company's Standard Order Form and/or Standard Specification Sheet if used;
- (c) any relevant trade custom, usage or practice; and
- (d) such methods as the Company shall consider suitable on technical and/or financial grounds.

The Company acts only for the Principal from whom the instructions to act have originated. No other party is entitled to give instructions, particularly on the scope of inspection or delivery of report or certificate, unless so authorised by the Principal. Subject to the Principal's instructions, the Company will issue reports and certificates of inspection which reflect statements of opinions, valid at the time and place of intervention or provision of service pursuant to instructions received, made with due care within the limitation of instructions received, but the Company is under no obligation to refer to or report upon any facts or circumstances which are outside the specific instructions received.

The Company will be deemed irrevocably authorised to deliver at its discretion the report or the certificate to a third party if, following instructions by the Principal, a promise in this sense had been given to a third party or such a promise implicitly follows from circumstances, trade custom, usage or practice. Documents reflecting engagements contracted between the Principal and third parties, such as copies of contracts of sale, letters of credit, bills of lading, etc., are (if received by the Company) considered to be for information only without extending or restricting the Company's mission and obligations. The Company is implicitly authorized to produce any and all relevant documentation and communications between Parties pursuant to a lawful order by the Court of competent jurisdiction.

The Company shall be entitled to provide services through representatives, agents, subcontractors or affiliated companies whenever it shall consider suitable, subject to prior notice to the Principal. In the event of the Company being prevented by reason of any cause whatsoever outside the Company's control from performing or completing any service for which an order has been given or an agreement made, the Principal will pay to the Company the amount of all abortive expenditure actually made or incurred and a proportion of the agreed fee or commission equal to the proportion (if any) of the service actually carried out.

5. **Warranties:** The Company undertakes to exercise due care and skill in the performance of its services and accepts responsibility only in cases of wilful misconduct or gross negligence proven by the Principal. Any claim in responsibility against the Company shall be forfeited at the end of one year after the date of the final report or certificates of inspection issued by the Company. The liability of the Company to the Principal in respect of any claims for loss, damage or expense of whatsoever nature and howsoever arising shall in no circumstances exceed a total aggregate sum equal to ten times the amount of the fee or commission payable, which amount shall be limited to a maximum of USD 25,000, in respect of the specific service required under the particular contract which gives rise to such claims. Where the fee or commission payable relates to a number of services and a claim arises in respect of one of those services the fee or commission shall be apportioned for the purpose of this paragraph by reference to the estimated time involved in the performance of each service. The Principal shall guarantee, hold harmless and indemnify the Company and its servants, agents or subcontractors against all claims made by any third party for loss, damage or expense of whatsoever nature and howsoever arising relating to the performance, purported performance or non-performance or any services to the extent that the aggregate of any such claims relating to any one service exceed the limit above mentioned.

6. **Payment:** Full payment must be effected within seven (7) working days from receipt of invoice, either electronically or in hard copy, unless the Company has agreed in writing with another term of payment. In the event that payment is not made by the due date, interest will be charged on the outstanding amount of the invoice from the date of its issuance at the national official rate of interest as calculated with reference to the prevailing commercial bank lending rates applicable in the country of operation.

7. **Applicable Law and Disputes:** These Conditions shall be interpreted in accordance and subject to the provision as contained in the Secured Distribution entered into between the Parties.

ANNEX III

SCHEDULE OF FEES

1. **ACE GLOBAL SECURED DISTRIBUTION FEES**

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per month of part thereof.

2. **ACE GLOBAL INSPECTION FEES**

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per _____.

3. **ACE GLOBAL PHYSICAL MONITORING FEES**

ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per _____.

4. **ACE GLOBAL QUALITY ANALYSIS FEES**

ACE GLOBAL shall be entitled to charge all laboratory costs for analysis at cost plus 10%.

5. **ACE GLOBAL RISK PREMIUM CHARGES**

ACE GLOBAL shall be entitled to charge a Risk Premium equivalent to ___ of the insured value of the stocks.

6. **ACE GLOBAL INSURANCE CHARGES**

ACE GLOBAL shall be entitled to an Insurance Charge equivalent to ___% of the value of the All Risks Insurance Premium over the stocks.

7. **ACE GLOBAL DISCHARGE FEE**

In case of any possible transfer of the Goods during the storage period, ACE GLOBAL shall be entitled to charge a Fee of US\$ XXX (XXX United States Dollars) per metric ton for the Goods exiting/entering the Storage Facilities, as well as for the monitoring services of the Goods.

8. **CHARGES FOR REVALIDATION OF GOODS RECEIPT NOTE UPON EXPIRY AS INDICATED WITHIN THE RECEIPT.**

All fees and charges payable to ACE GLOBAL shall be net of any and all taxes and other mandatory payments

ANNEX IV

LIST OF APPROVED STORAGE FACILITIES

ACE GLOBAL DOCUMENTS REQUIRED:

LEASE AGREEMENT /SUB LEASE AGREEMENT / LETTER OF INDEMNITY / LANDLORD WAIVER AND CONSENT

SITE PHOTOGRAPHS OF THE WAREHOUSE

WAREHOUSE INSPECTION REPORT

NOTE: ACE GLOBAL WILL NOT BE REQUIRED TO COMMENCE OR CONTINUE OPERATIONS OF SECURED DISTRIBUTION AT ANY OF THE ABOVE STATED STORAGE FACILITIES UNTIL AND UNLESS ALL DOCUMENTATION WITH REGARD TO THE LEASE / SUB LEASE INCLUDING THE LETTER OF INDEMNITY AND THE LANDLORD WAIVER AND CONSENT AGREEMENT HAVE BEEN DULY SIGNED AND EXECUTED OR HAVE BEEN OBTAINED BY ACE GLOBAL .
IF ANY OF THESE DOCUMENTS HAVE NOT BEEN EXECUTED / OBTAINED BEFORE ACE GLOBAL IS REQUIRED TO TAKE POSSESSION OF THE GOODS OR COMMENCE OPERATIONS ON SITE, AND IN THE EVENT THAT THE SUPPLIER REQUIRES ACE GLOBAL TO COMMENCE OPERATIONS IN THE ABSENCE OF ANY SUCH DOCUMENT, THE SUPPLIER SHALL DO SO AT ITS SOLE RISK AND LIABILITY AND WITHOUT RECOURSE TO ACE.

ANNEX V

**FORM OF LETTER OF INDEMNITY
TO BE PRINTED ON BUYER'S LETTERHEAD**

Date: _____
Attention: **ACE GLOBAL (____) LIMITED**
Address: _____

Dear Sirs,

We refer to the Secured Distribution Agreement (including the exhibits attached thereto, the « Agreement » dated _____, 20____, among _____ (“ACE”), _____ the Supplier (the “Supplier”) and _____ Buyer (“the Buyer”) whereby ACE GLOBAL agreed to provide Secured Distribution services for the Supplier in consideration of the payments provided in the Agreement.

We hereby undertake to:

1. Be fully liable or responsible for the consequences of any negligent act(s) and/or fraudulent act(s) resulting from our own negligence and/or our own fraud, or as the case may be, from the negligence and/or the fraud of our employees, servants, agents or sub-contractors or third party operators, and also for the consequences of our inability to maintain proper licenses, authorisations and approvals in respect of the premises which have been rented to ACE GLOBAL for the purposes of effectively implementing a Field Warehousing arrangement under and pursuant to the Secured Distribution Agreement;
2. Indemnify and hold harmless ACE GLOBAL and any of his affiliate from every liability, claim, action, cause of action judgment, loss, expense, or cost whatsoever (including but not limited to reasonable attorneys fees and court costs) arising from or in any way related to or resulting from our so doing and/or our employees, servants, agents or sub-contractors' or third party operators' own doing or own omission and against all unexpected shortages, losses, damages, costs and expenses incurred or sustained or arising out of or in connection with unauthorized Movement, discharge or removal of Goods stored in the Storage Facilities.
3. Testify, declare, depose or certify to the truth, or cause to testify, declare, depose or certify to the truth of any or all of the negligent act(s) and/or fraudulent act(s) before any competent tribunal, officer, or person and that we will cooperate fully in the prosecution of the person or persons who participate in the said negligent act(s) or omission(s) and/or fraudulent act(s) or omission(s);

This letter of indemnity shall be effective upon our acceptance hereof and shall continue in effect until termination of the Secured Distribution Agreement dated _____, 20____.

IN WITNESS WHEREOF, the undersigned has executed this Indemnity Letter this ____ day of _____, 201

Name & Title:

NON-NEGOTIABLE GOOD RECEIPT NOTE N°

.../.../...-.../.../...

Issued at	ACE GLOBAL Reference
Received from	Transaction N°
For account of	Date
Received at	Country

This is to certify that ACE GLOBAL _____--(ACE GLOBAL) has received the following goods for storage, in apparent good order and condition (except as noted) subject to the Secured Distribution Agreement between *THE SUPPLIER, ACE GLOBAL* and BUYER and ACE GLOBAL Warehousing General Terms and Conditions (revised 02/12, copy of which is available upon request.)

DESCRIPTION OF GOODS	VALIDITY OF RECEIPT
size ...X...X...X	
Number of units:	
Total weight as per labels/packing list:	

INDICATIVE VALUE:

Insurance: All risk insurance including misappropriation supplied by.....policy number.....	DATE RECEIVED:
--	-----------------------

TOTAL QUANTITY: with a declared NET WEIGHT (NW)of:.....

Property (not) insured by ACE GLOBAL

THIS RECEIPT IS A NOT A DOCUMENT OF TITLE AND IS NOT NEGOTIABLE AND IS NOT TRANSFERABLE.

We warrant that to the best to our knowledge the Supplier (s) of the goods is (are) the lawful owner(s) of said merchandise or commodities; and that the same are not subject to any assignment, trust obligation, collateral or chattel mortgage, lien or any other burden or charge legal or equitable.

Buyer/ Supplier

Subject to storage, handling and other charges in accordance with agreement with the "Buyer", the provisions of which will be disclosed to the "Supplier" hereof upon request to ACE GLOBAL. ACE GLOBAL is only responsible for the above set quality specifications at time, place and date of intervention only.	ACE GLOBAL certifies that it has no financial interest in the goods covered by this receipt except a lien in accordance with the Secured Distribution Agreement above mentioned. Delivery or part thereof of the goods shall be made by ACE GLOBAL in accordance with the Secured Distribution Agreement.
--	---

ACE GLOBAL Operations Manager

ACE GLOBAL Country Manager

Authorised Signature

Authorised Signature

RECORD OF RELEASES AND BALANCE ON HAND

ITEM 1					ITEM 2					ITEM 3				
Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance
		Delivered	Balance				Delivered	Balance				Delivered	Balance	
ITEM 4					ITEM 5					ITEM 6				
Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance	Date	Release No.	UNITS		Value Balance
		Delivered	Balance				Delivered	Balance				Delivered	Balance	

ACE GLOBAL has no responsibility over the indicated value appearing in this document ACE GLOBAL shall not be liable for loss, damage or delay caused by Acts of God, civil or military authority, insurrection, riot, strikes, labour disputes, fire, sprinkler leakage, flood, wind, storm, vermin, change of temperature, variations in weights, or for loss in weight by reason of defective or insufficient containers, unless such loss, damage or delay is caused by the failure of ACE GLOBAL to exercise the ordinary care and diligence required by law. The receipt, storage and delivery of merchandise is subject to all rules and regulations promulgated by Governmental Agency or instrumentality. ACE GLOBAL has no financial interest in the merchandise covered by this Goods Receipt Note (except ACE GLOBAL's lien) and ACE GLOBAL is NOT INTERESTED DIRECTLY OR INDIRECTLY in the finances or management of the Supplier for whose benefit this receipt is issued. The location of merchandise as shown on this Receipt Note is not given for insurance purposes and ACE GLOBAL disclaims all liability for error or insufficiency in the description of the location shown if such location is so used. ACE GLOBAL is not responsible for shrinkage in weights or evaporation, excess of storage period affecting the quality and/or the expiring date, or for loss or damage caused by fire (from any cause), decay, taint, rot or other inherent qualities of the merchandise; or by earthquakes, explosions, riots, strikes, accidental or providential causes or other causes beyond ACE GLOBAL's control; or by breakage, leakage, improper packing, pilferage, theft, ratage, vermin, or water (from sprinklers or otherwise); or by destruction of, or interference with the refrigerating or cooling apparatus, connection, or supply pipe, or interruption of the refrigerating process; or by any variance in temperatures; or for any loss or damage of whatsoever nature and howsoever caused, unless such loss is caused by failure to exercise the ordinary degree of care required of ACE GLOBAL by law.

ANNEX VII

LEASE AGREEMENT FORM

BETWEEN

This Lease Agreement is made and entered into by and between *Warehouse Owner* hereinafter called the "Landlord", whose address is *full Address*.

AND

ACE GLOBAL (_____) Ltd, hereinafter called the "Tenant", whose address is *Full Address*.

THE PARTIES AGREE AS FOLLOWS:

1. LEASE

- 1.1 The Landlord hereby leases to the Tenant who accepts the following property: A Storage Facility of ____ square metres situated at *full physical address* (hereinafter called the "Warehouse").
- 1.2 The lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Landlord, the Tenant, and the specified Supplier and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.
- 1.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1.

2. THE LANDLORD SHALL:

- 2.1 Be responsible for the maintenance, repair and upkeep of the Warehouse including the exterior of the Warehouse, the roof, the doors, etc., and the interior thereof.
- 2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Warehouse, as at the date of signature thereof.
- 2.3 Forthwith repair any structural defects, which appear in the Warehouse after obtaining the Tenant's written agreement. If the repairs are not done immediately, the Tenant is free to arrange the repairs at the expense of the Landlord and to recover the costs from the Landlord.
- 2.4 Pay all charges for electricity and water supplies to the Warehouse.
- 2.5 Indemnify the Tenant for any costs or expenses incurred in relation to the events referred to in Section 3.3.
- 2.6 Provide the Tenant with proof of adequate insurance coverage of the property.
- 2.7 Ensure that the Tenant is able to conduct its obligations of Field Warehousing and Storage under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Supplier and with the consent of the Landlord; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Lease) shall upon the execution hereof be and become a part of this Lease as fully as though set out herein.

Ensure and guarantee that the Storage Facility is placed at the disposition of the Tenant for the duration of this Lease for the purpose of performing its obligations under the Secured Distribution Agreement. The Buyer Landlord shall ensure exclusive possession in favour of the Tenant and that the Tenant is provided with complete and uninterrupted access to, and control over, the Storage Facility without any excuse whatsoever.

3. THE TENANT SHALL:

- 3.1 Not cede or assign this lease except to an associated company in the ACE GLOBAL Group of Companies.
- 3.2 Use the Warehouse to store only Goods as described in the Secured Distribution Agreement such (*describe the commodity to be stored*).
- 3.3 Not be responsible for the damage caused to the Warehouse by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Vacate the Warehouse on the termination of this lease.

4. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes.

5. SETTLEMENT OF DISPUTES AND APPLICABLE LAW

- 5.1 All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____- courts.
- 5.2 This Agreement shall be governed by and interpreted in accordance with the Laws of _____.

IN WITNESS WHEREOF the parties have executed this Agreement this *starting date*.

For and on behalf of
WAREHOUSE OWNER

For and on behalf of
ACE GLOBAL (_____) LIMITED

SUB-LEASE AGREEMENT FORM

BETWEEN

This Sub-Lease Agreement is made and entered into by and between _____ hereinafter called the "Lessee", whose address is _____ (*full Address*).

AND

ACE GLOBAL _____ with address _____-hereinafter called the "Sub Lessee", whose address is *Full Address*.

THE PARTIES AGREE AS FOLLOWS:

1. LEASE

- 1.1 The Lessee hereby leases to the Sub-Lessee who accepts the following property: A Storage Facility of _____ square metres situated at *full physical address* (hereinafter called the "Warehouse").
- 1.2 The sub lease shall be effective concurrently with the Secured Distribution Agreement dated *date of agreement* between the Lessee, the Sub Lessee, and the specified Supplier and shall not be terminated till such period as the Secured Distribution Agreement remains valid and effective, unless otherwise agreed to and expressly consented to by the Lessee.
- 1.3 The rent shall consist of US Dollar one (USD 1) per month in the case of the property described in Section 1

2. THE LESSEE SHALL:

- 2.1 Be responsible for the maintenance, repair and upkeep of the Warehouse including the exterior of the Warehouse, the roof, the doors, etc., and the interior thereof.
- 2.2 Be responsible for payment of rents, taxes and/or service charges presently assessed on the Warehouse, as at the date of signature thereof.
- 2.3 Forthwith repair any structural defects, which appear in the Warehouse after obtaining the Sub-Lessee's written Agreement. If the repairs are not done immediately, the Sub-Lessee's is free to arrange the repairs at the expense of the Lessee and to recover the costs from the Lessee.
- 2.4 Pay all charges for electricity and water supplies to the Warehouse.
- 2.5 Indemnify the Sub-Lessee for any costs or expenses incurred in relation to the events referred to in Section 3.3.
- 2.6 Provide the Sub-Lessee with proof of adequate insurance coverage of the property.
- 2.7 Ensure that the Sub Lessee is able to conduct its obligations of Field Warehousing under the Secured Distribution Agreement for and on behalf of and on the express instructions of the Supplier and with the consent of the Lessee; and that all the terms and conditions of such Agreement (except insofar as they are inconsistent with this Sub Lease) shall upon the execution hereof be and become a part of this Sub Lease as fully as though set out herein.
- 2.8 Ensure and guarantee that the Warehouse is placed at the disposition of the Sub Lessee for the duration of this Sub Lease for the purpose of performing the obligations under the Secured Distribution Agreement. The Lessee shall ensure that the Landlord of the Warehouse shall at all times during the duration hereof, ensure exclusive possession in favour of the Sub Lessee and that the Sub Lessee is provided with complete and uninterrupted access to, and control over, the Warehouse without any excuse whatsoever and shall indemnify the Sub Lessee / Supplier for any failure thereof.

3. THE SUB-LESSEE SHALL:

- 3.1 Not cede or assign this lease except to an associated company in the ACE GLOBAL Group of Companies.
- 3.2 Use the Warehouse to store only the Goods as described in the Secured Distribution Agreement.
- 3.3 Not be responsible for the damage caused to the Warehouse by leakage, rain, hail, snow, fire or interruption of water or electricity supplies or any cause whatever.
- 3.4 Vacate the Warehouse on the termination of this sub-lease.

4. FORCE MAJEURE

The obligations hereunder of each party shall be suspended during such time and to the extent that the performance of its obligations is prevented, in whole or in part, by strikes, walk-outs, acts of God, actions of elements, laws, rules and regulations of Governmental bodies or agencies thereof, unavoidable accidents, delays in transportation, inability to obtain or delay in obtaining necessary materials, facilities and equipment in the open market, or any other cause, except financial, whether similar or dissimilar to those specifically mentioned, beyond the reasonable control of the party. If any such cause shall arise the party affected shall, as soon as practical, advise the other party in writing of the occurrences of such cause, and shall take such action as may reasonably be available to it to endeavour to eliminate such cause, provided that no party shall be required to settle strikes, walk-outs, or other labour difficulties contrary to its wishes.

5. SETTLEMENT OF DISPUTES AND APPLICABLE LAW

5.1 All disputes in connection with this Agreement or the execution thereof will be settled under the laws of _____ as in force at the time, and shall be subject to the jurisdiction of the _____ - courts.

5.2 This Agreement shall be governed by and interpreted in accordance with the Laws of _____

IN WITNESS WHEREOF the parties have executed this Agreement this _____ [starting date].

For and on behalf of

THE LESSEE

For and on behalf of

THE SUB LESSEE

FORM OF LANDLORD'S WAIVER AND CONSENT AGREEMENT

WHEREAS, _____ *Name of the Warehouse Owner* (hereinafter referred to as the "Landlord") is the owner and lessor of the premises located at _____ *full address*, and;

WHEREAS, _____ *Name of the Buyer* (hereinafter referred to as the "Lessee") is the Tenant and Lessee of such premises, and;

WHEREAS, ACE GLOBAL _____ - (hereinafter referred to as "the Sub-Lessee") has entered, with the Lessee, into a Secured Distribution Agreement for the storage of certain Goods on said premises. (All such goods and the records relating thereto shall hereinafter be referred to as "Collateral").

NOW THEREFORE, to induce the Sub-Lessee to enter into said Secured Distribution Agreement with the Lessee, the Landlord hereby irrevocably agrees and consents to refrain from taking any action to bar, restrain or otherwise prevent the Sub-Lessee or its duly authorised agents from entering said premises for the purpose of inspecting or taking possession of its Collateral.

The Landlord further irrevocably agrees and consents that the Sub-Lessee or its duly authorised agents may occupy said premises for the purpose of maintaining possession of its Collateral and preparing for and conducting a sale of same.

IN CONSIDERATION WHEREOF, the Sub-Lessee agrees to reimburse the Landlord for any rent and charges not paid by the Tenant **PROVIDED**, that the rent and charges have remained unpaid for at least thirty (30) days and the Sub-Lessee has been informed in advance of the outstanding debt and that the Collateral has been delivered in accordance with the instructions appurtenant thereto.

This instrument is executed this _____ *date of execution*.

(7) For and on behalf of the Landlord

(8) For and on behalf of the Lessee

(9) For and on behalf of the Sub-Lessee

ANNEX VIII
SCHEDULE OF APPROVED PRODUCTS