

STANDARD TERMS AND CONDITIONS

ACCEPTANCE -- SEC. 1

The act of tendering goods described herein for storage or other services, including but not limited to warehousing, import, export, outturn or transport by HARBOR FREIGHT TRANSPORT CORP shall constitute acceptance by the customer of the terms and conditions set forth herein.

SHIPPING TO HARBOR FREIGHT TRANSPORT CORP-- SEC. 2

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

TENDER OF GOODS TO HARBOR FREIGHT TRANSPORT CORP -- SEC. 3

All goods shall be delivered to HARBOR FREIGHT TRANSPORT CORP marked and packaged for handling. The Customer shall furnish at or prior to such delivery, a manifest showing marks, brands, or sizes to be kept and accounted for separately, and the class of storage and other services desired.

STORAGE PERIOD AND CHARGES -- SEC. 4

Storage charges are billed in advance on the first day of each month. All other charges will be billed in accordance with the customary practice of HARBOR FREIGHT TRANSPORT CORP.

TRANSFER, TERMINATION OF STORAGE, REMOVAL OF GOODS -- SEC. 5

(a) Instructions to transfer goods on the books of HARBOR FREIGHT TRANSPORT CORP are not effective until delivered to and received by HARBOR FREIGHT TRANSPORT CORP, and all charges up to the time transfer is made are chargeable to the Customer of record. If a transfer involves rehandling the goods, such rehandling will be subject to a charge at HARBOR FREIGHT TRANSPORT CORP's standard rates.

(b) HARBOR FREIGHT TRANSPORT CORP reserves the right to move, at its expense, 14 days after notice is sent by mail, or facsimile or electronic mail to the Customer of record, any goods in storage from the warehouse in which they may be stored to any other of its warehouses. HARBOR FREIGHT TRANSPORT CORP will store the goods at, and may

without notice move the goods within and between, any one or more of the warehouse buildings which comprise its warehouse complex.

(c) If as a result of a quality or condition of the goods which HARBOR FREIGHT TRANSPORT CORP was not placed on written notice of at the time the goods were tendered to HARBOR FREIGHT TRANSPORT CORP, the goods are determined by HARBOR FREIGHT TRANSPORT CORP to be a hazard to other property or to the warehouse or to persons, HARBOR FREIGHT TRANSPORT CORP may sell the goods at public or private sale, without advertisement on reasonable notification to all persons known to claim an interest in the goods. The sale will not occur until at least fifteen (15) days after notice to Customer, unless the goods are perishable. If the goods are perishable the sale may occur immediately upon notice to the Customer. If HARBOR FREIGHT TRANSPORT CORP, after a reasonable effort is unable to sell the goods, or can not complete a sale, it may dispose of them in any lawful manner and shall incur no liability by reason of such disposition. Pending such disposition, sale, or return of the goods, HARBOR FREIGHT TRANSPORT CORP may remove the goods from the warehouse and shall incur no liability by reason of such removal.

(d) Customer agrees that when HARBOR FREIGHT TRANSPORT CORP releases goods to Customer or its authorized representative, including any common carrier or bailee engaged by Customer, that HARBOR FREIGHT TRANSPORT CORP will have no further obligation or responsibility to Customer or for the goods. A signed receipt to HARBOR FREIGHT TRANSPORT CORP without exception as to loss or damage shall be conclusive evidence that the goods were not lost or damaged while in the possession of HARBOR FREIGHT TRANSPORT CORP.

(e) Customer agrees that goods which have been cleared by U.S. Customs for release must be picked up within 30 days unless alternative arrangements for storage are made with Harbor Freight Transport Corp. Goods not picked up by Customer within thirty (30) days shall be deemed abandoned and subject to the provision set forth below.

(f) Lien. Harbor Freight Transport Corp. shall have a lien upon any and all property deposited by Customer for all charges for all services, and costs incurred in the preservation of property, and for all charges and expenses for notice and advertisement of sale and the sale of the property where Customer has defaulted on its obligations to Harbor Freight Transport or has otherwise breached the terms and conditions of this agreement. This lien may be enforced at any time by public or private sale of the goods in accordance with the provisions of the Uniform Commercial Code without judicial hearing.

HANDLING -- SEC. 6

(a) The handling charge covers the ordinary labor involved in receiving goods at warehouse door, placing goods in storage, and returning goods to warehouse door.

(b) Unless otherwise agreed, labor for unloading and loading goods will be subject to a charge at the agreed upon rates. Additional expenses incurred by HARBOR FREIGHT TRANSPORT CORP in receiving and handling damaged goods, and additional

expense in unloading from or loading into cars or trailers or other containers not at warehouse door will be charged to the Customer at the customary rates.

(c) HARBOR FREIGHT TRANSPORT CORP shall not be liable for demurrage or detention, delays in unloading inbound cars, trailers or other containers, or delays in obtaining and loading cars; trailers or other containers for outbound shipment unless HARBOR FREIGHT TRANSPORT CORP has failed to exercise reasonable care.

DELIVERY REQUIREMENTS -- SEC. 7

(a) No goods shall be delivered or transferred except upon receipt by HARBOR FREIGHT TRANSPORT CORP of complete written instructions. Written instructions shall include, but are not limited to, FAX, EDI, Email, or similar communication. However, when no negotiable receipt is outstanding, goods may be delivered upon instruction by telephone in accordance with a prior written authorization, but HARBOR FREIGHT TRANSPORT CORP shall not be responsible for loss or error occasioned thereby.

(b) When Customer requests goods from the warehouse, a reasonable time shall be given HARBOR FREIGHT TRANSPORT CORP to carry out the applicable instructions, and if unable to do so because of acts of God, war, public enemies, seizure under legal process, riots and civil commotion, or any reason beyond HARBOR FREIGHT TRANSPORT CORP's control, or because of loss or destruction of goods for which HARBOR FREIGHT TRANSPORT CORP is not liable, or because of any other excuse provided by law, the HARBOR FREIGHT TRANSPORT CORP shall not be liable for failure to carry out such instructions.

EXTRA SERVICES (SPECIAL SERVICES) -- SEC. 8

Warehouse labor required for services other than ordinary handling and storage will be charged to the Customer at the customary rates of HARBOR FREIGHT TRANSPORT CORP.

LIABILITY AND LIMITATION OF DAMAGES -- SEC. 9

(a) In consideration of the rate charged, it is agreed that the liability of HARBOR FREIGHT TRANSPORT CORP shall be that of an ordinary bailee. HARBOR FREIGHT TRANSPORT CORP shall undertake to exercise reasonable care in the storage, transport and handling of the goods. HARBOR FREIGHT TRANSPORT CORP is not an insurer of the goods and will be liable only for loss or damage caused by its failure to exercise reasonable care in providing the requested services.. Customer acknowledges that it should maintain its own insurance on its goods for loss or damage while in the possession of HARBOR FREIGHT TRANSPORT CORP. and that such insurance shall be for the benefit of Customer and HARBOR FREIGHT TRANSPORT CORP.

In the event that HARBOR FREIGHT TRANSPORT CORP fails, for any reason, to exercise reasonable care in providing the services requested, Customer agrees that the liability of HARBOR FREIGHT TRANSPORT CORP shall be limited to \$.50 cents per pound not to exceed \$500 per total shipment or warehouse receipt unless a higher value is declared by the

Customer and rates for increased valuation paid by Customer in accordance with the standard rates of HARBOR FREIGHT TRANSPORT CORP.

Where damage occurs to goods, for which the HARBOR FREIGHT TRANSPORT CORP is not liable, the Customer shall be responsible for the cost of removing and disposing of such goods and the cost of any environmental cleanup and site remediation resulting from the loss or injury of goods.

NOTICE OF CLAIM AND FILING OF SUIT -- SEC. 10

(a) Claims by the Customer and all other persons must be presented in writing to HARBOR FREIGHT TRANSPORT CORP within a reasonable time, and in no event longer than 90 days after delivery of the goods or notification to the Customer that loss or damage to part or all of the goods have occurred, whichever time is shorter.

(b) No action may be maintained by the Customer or others against the HARBOR FREIGHT TRANSPORT CORP for loss or damage to the goods stored unless such action is commenced nine months after delivery of the goods or notification to the Customer that loss or injury to part or all of the goods has occurred, whichever time is shorter.

(c) When goods have not been delivered or there is loss or damage to goods, notice may be given of known loss or injury to the goods by FAX, EDI, Email, regular mail or similar communication.

LIABILITY FOR CONSEQUENTIAL DAMAGES -- SEC. 11

HARBOR FREIGHT TRANSPORT CORP shall not be liable for any loss of profit or special, indirect, or consequential damages of any kind.

LIABILITY FOR MISSHIPMENT -- SEC. 12

If HARBOR FREIGHT TRANSPORT CORP negligently misships goods, through the sole fault of HARBOR FREIGHT TRANSPORT CORP it shall pay the reasonable transportation charges to redeliver the goods, up to \$500. If the consignee fails to return the goods, HARBOR FREIGHT TRANSPORT CORP's maximum liability shall be for the lost or damaged goods as specified in Section 9 above. In no event will HARBOR FREIGHT TRANSPORT CORP be liable for any associated costs, damages, chargebacks or expenses

MYSTERIOUS DISAPPEARANCE -- SEC. 13

HARBOR FREIGHT TRANSPORT CORP shall not be liable for loss of goods due to inventory shortage or unexplained or mysterious disappearance of goods unless Customer establishes such loss occurred because of HARBOR FREIGHT TRANSPORT CORP's failure to exercise the care required of HARBOR FREIGHT TRANSPORT CORP under Section 9 above and merchandise shortages are more than 10% of goods received by HARBOR FREIGHT TRANSPORT CORP. HARBOR FREIGHT TRANSPORT CORP shall be entitled to offset any overage on other items which are held for the account of Customer. Customer agrees that no

shortage will constitute conversion in the absence of evidence that the goods were actually converted by HARBOR FREIGHT TRANSPORT CORP.

RIGHT TO STORE GOODS -- SEC. 14

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

ACCURATE INFORMATION -- SEC. 15

Customer will provide HARBOR FREIGHT TRANSPORT CORP with information concerning the goods, which is accurate, complete and sufficient to allow HARBOR FREIGHT TRANSPORT CORP to comply with all laws and regulations concerning the storage, handling and transporting of the goods. Customer will indemnify and hold HARBOR FREIGHT TRANSPORT CORP harmless from all loss, cost, penalty and expense (including reasonable attorneys' fees) which HARBOR FREIGHT TRANSPORT CORP pays or incurs as a result of Customer failing to fully discharge this obligation. Customer shall inform HARBOR FREIGHT TRANSPORT CORP. in writing of any change of address of Customer.

SEVERABILITY and WAIVER -- SEC. 16

(a) If any provision of these terms and conditions, or any application thereof, should be construed or held to be void, invalid or unenforceable, by order, decree or judgment of a court of competent jurisdiction, the remaining provisions of this receipt shall not be affected thereby but shall remain in full force and effect.

(b) HARBOR FREIGHT TRANSPORT CORP's failure to require strict compliance with any provision of these terms and conditions shall not constitute a waiver or estoppel to later demand strict compliance with that or any other provision(s) of these terms and conditions.

(c) These terms and conditions shall be binding upon the Customer's heirs, executors, successors and assigns; contain the sole agreement governing goods stored with the HARBOR FREIGHT TRANSPORT CORP; and, cannot be modified except by a writing signed by HARBOR FREIGHT TRANSPORT CORP.