

## STANDARD TERMS AND CONDITIONS

### DEFINITIONS

“**Company,**” “**Warehouseman,**” “**Carrier**” and/or “**Arrow**” means Arrow Fine Art Services, LLC, together with its affiliates, subsidiaries, divisions, and employees.

“**CLIENT,**” “**SHIPPER,**” “**BAILOR**” is the person(s) or entity at whose request or for whose benefit Arrow undertakes any business or for whom or to whom Arrow provides any services, advice, information or consultation. Client retains Arrow to store, transport and/or perform Services upon Goods and then becomes liable to remit payment to Arrow for charges incurred. Client shall also include any person or entity that represents itself as an agent or representative of Client and/or any direct or indirect owner of Goods in whole or in part. Client shall ensure that any person or entity that represents itself to be an agent or representative of Client and/or owner of Goods comply with Arrow’s Standard Terms and Conditions and that Client shall be responsible to Arrow for damages resulting from any breach of Arrow’s Standard Terms and Conditions by such agent or representative and shall be liable to Arrow with the same effect as if Client breached Arrow’s Terms and Conditions itself.

“**GOODS,**” means items in whole or in part, in packed or unpacked state, including but not limited to fine art, that are tendered to Arrow for Services requested by Client and subject to the terms and conditions set forth below.

“**BILL OF LADING**” means the contract of carriage executed between Client and Arrow for Arrow’s transport and ancillary Services with respect to the Goods.

“**WAREHOUSE RECEIPT**” means the non-negotiable document executed between Client and Arrow for Arrow’s storage with respect to Goods.

“**STORAGE AGREEMENT**” means a written agreement between Arrow and Client for storage of Goods in a reserved space within Arrow’s facility.

“**SERVICES**” means storage, transportation, handling, installation, framing, packing and crating or any other services Client requests and Arrow agrees to provide.

“**SERVICES AGREEMENT**” means a written agreement between Arrow and Client for Services that Client requests and Arrow agrees to provide.

“**CUSTOMS DOCUMENTATION**” means any materials relating to Customs, including, but not limited to, regulations, laws, and requirements pertaining to marking, classification, licensing, transporting hazardous materials, export controls, and any other transporting, importing, or exporting requirements.

“**CONSIGNEE**” means the person or entity who receives the Goods from Arrow or Arrow’s subcontractors or agents. When Goods have not been delivered, notice may be given of known loss or injury to Goods emailing Client.

“**DECLARED VALUE**” is the value of the Goods declared by Client when seeking to increase Arrow’s limitation of liability which will result in a higher rate being charged for Arrow’s Services.

“**NVD**” is an acronym used to indicate that no value is declared for Goods. If “**NVD**” is marked on the documents provided by Arrow, then Arrow’s maximum liability shall be limited to \$0.60 per pound of Goods, or as otherwise set forth below. If the space provided for Declared Value on a Bill of Lading, Warehouse Receipt, Storage Agreement, Services Agreement, or other contract with Arrow is left blank, then no value is declared and shall be deemed marked as NVD.

**LIMIT OF LIABILITY. ARROW’S MAXIMUM LIABILITY FOR LOSS OR DAMAGE TO GOODS BY ANY CAUSE, INCLUDING NEGLIGENCE, SHALL NOT EXCEED \$0.60 PER POUND AS DETERMINED BY THE ACTUAL WEIGHT OF THE UNWRAPPED PROPERTY BUT IT CANNOT EXCEED THE ACTUAL LOSS UNLESS CLIENT OR SHIPPER (AS APPLICABLE) DECLARES A HIGHER VALUE FOR GOODS AND PAYS AN INCREASED CHARGE BASED ON THE DECLARED VALUE AND DOCUMENTS ITS ACTUAL LOSS IN ACCORDANCE WITH THE CLAIM FILING RULES SET FORTH BELOW. THIS DECLARED VALUE MUST BE ACCEPTED AND CONFIRMED BY ARROW PRIOR TO THE COMMENCEMENT OF SERVICES BY ARROW. ARROW HAS SOLE DISCRETION WHETHER TO ACCEPT OR REJECT SUCH REQUESTS, AND SHALL DO SO WITHIN A COMMERCIALY REASONABLE TIME THEREFROM. If no value is declared, Client and Shipper shall release Goods with Arrow’s maximum liability for Goods being \$0.60 per pound. Declared value may only be entered by Arrow and may not be altered without Arrow’s written consent.** Client agrees to indemnify, defend and hold Arrow harmless as against any claim in an amount in excess of the foregoing limits of liability. Arrow shall have no liability whatsoever in the event that any representation made by Client regarding the Goods, including but not limited to any representation regarding any declared value, is made knowing that such is false or fraudulent as to amount or otherwise.

**APPLICABLE LAWS FOR CARRIAGE.** Arrow incorporates by reference all benefits, defenses and exemptions of the Carmack Amendment 49 USC §14706 to the full extent applicable, including, but not limited to Arrow’s \$0.60 per pound limitation of liability and the two year limitation of time to commence an action. To the extent that the Carriage of Goods by Sea Act (“**COGSA**”) or the Harter Act, 46 U.S.C. §30701 are applicable, Arrow herein incorporates by reference all benefits, defenses and exemptions. For loss or damage occurring during any portion of the transportation governed by COGSA by force of law, Arrow’s liability shall be limited to \$500 per package, or for Goods not shipped in packages, per customary freight unit. Arrow also incorporates by reference all benefits, defenses, limitations of liability and exemptions of the Convention on the Contract for International Carriage of Goods by Road (“**CMR**”). If carriage performed by Arrow involves air transport and an ultimate destination or stop in a country other than the country of departure, Arrow also incorporates by reference all benefits, defenses, limitations of liability and exemptions of the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw, October 12, 1929, and that Convention as further amended by Montreal Protocol Nos. 1, 2, or 4. Air Carriage is subject to the rules relating to liability established by the Warsaw Convention or the Montreal

Convention unless such air carriage is not “international carriage” as defined by the applicable Conventions. If the transport and services provided are not regulated by the above laws then the laws of the State of New York, without regard to its conflict of law rules shall apply.

**CONSEQUENTIAL OR SPECIAL DAMAGES.**

Arrow shall not be liable for loss of merchantability, consequential, exemplary, incidental, punitive or special damages, including, but not limited to, loss caused by delay, lost income, loss of revenue, profit, market value, diminution of market value or utility, clean-up costs and/or emotional distress, regardless of whether such damages might have been contemplated or foreseeable at the time of contracting or whether Arrow had knowledge that such damage may be incurred, all of which are deemed waived by Client. Arrow shall not be liable for loss or damage due to improper packaging by Shipper, pre-existing damage, wear and tear, gradual deterioration, moths, insects, vermin, wet paint, uncured varnish, terrorism, inherent vice, hostile or warlike action, seizure, confiscation, destruction, or quarantine by any customs officials, government agency or civil authority, and acts of God on atmospheric temperature or humidity.

**NO WARRANTIES.** Arrow makes no warranties, express or implied as to any transport, storage, or any Services performed by Arrow, unless expressly so stated and agreed by Arrow.

**WAIVER OF SUBROGATION.** To the fullest extent permissible under law, Client, Shipper and Consignee hereby waive all rights of subrogation against Arrow arising from any loss or damage to Goods to the extent such damage is covered by insurance. This waiver shall preclude the assignment of any claim for loss of or damage to Goods by way of subrogation to any insurance company. This waiver of subrogation shall be in addition to, and not in limitation or derogation of, any other waiver, release, or limitation of liability contained in these standard terms and condition with respect to any loss of, or damage to Goods. Client, Shipper and Consignee agree to immediately furnish its insurers with written notice of the terms of said waiver, and to have all applicable insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver of subrogation. All insurance policies covering Goods that the Client, Shipper or Consignee have or shall procure shall contain a waiver of subrogation in favor of Arrow, and furnish Arrow with all applicable insurance policies on request.

**EXCLUSIONS.** Arrow shall not be liable for any loss or damage to goods arising from: ionizing radiations from or contamination ((whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means) by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; is caused by the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation or radioactive force or matter, reactor or other nuclear assembly or nuclear component thereof; is caused by any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; is caused by any chemical, biological, biochemical, or electromagnetic weapon; is directly or indirectly occasioned by loss of use, loss of access, loss of integrity, reduction in functionality, repair, replacement, restoration or reproduction of any Client data regardless of any other cause or event contributing concurrently or in any other sequence thereto, Cyber Loss (meaning any loss, damage, liability, claim, cost or

expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act (meaning an unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any computer system or computer network)), is directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to goods by or under the order of any government or public or local authority; is directly or indirectly caused by or contributed to or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system; or is directly or indirectly caused by or contributed to or arising from an act of terrorism whether certified or not under the terrorism insurance act of 2002 as amended; is occasioned by civil disobedience, labor strikes or lockouts, street traffic, breakdown or mechanical defect of vehicles or equipment, extreme weather, electrical currents, explosion, rupture, or bursting of steam boilers, steam or gas turbines, steam pipes, or steam engines, sewer, septic tank, sump or drain backup and water below the surface of the ground, the release, discharge, seepage, migration, dispersal, or escape of pollutants, or any other cause or causes beyond Arrow’s control, including any curtailment, order, regulation, or restriction imposed by governmental, military, or lawfully established civilian authorities. Further, Arrow shall not be liable for any loss or damage or any acts or omissions of Arrow and its subcontractors as a result of or claimed to be a result or arising from: unattended trucks while in the ordinary course of transit, unexplained or mysterious disappearance of Goods, or shortage of property discovered on taking inventory, or any other insurance where there is no physical evidence to show what happened to the Goods, the fragility of the Goods, including without limitation injury or damage to mechanical, electrical or electronic functioning of the Goods, including but not limited to musical instruments, radios, phonographs, compact disc players and recorders, tape players and recorders, televisions, cameras, clocks, barometers, refrigerators, air conditioners or other like instruments and appliance; improper or inadequate packing or mislabeling by Client, its agents or employees or by third parties directed by Client; internal damage or concealed breakage; breakage of glass, mirrors, marble, stone, ceramic, works in plaster, uncured (not thoroughly dry) paintings, inherent vice, defect, weakness, wear, tear, marring, or scratching, gradual deterioration, moths, insects, rodents, vermin, pests, fungus or related perils, virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress, pre-existing conditions, the fabrication, repairing, refinishing, renovating, framing, reframing, restoring or retouching process, internal mechanics or instrumentation, waxen, resinous, or viscous surface areas, excessively worn items, such as antiques in disrepair; uncured or unset varnish applied to furniture; or, inherent vice or perishability of the Goods, rust, fire, water, temperature, humidity, fumigation, contamination or deterioration caused by or resulting from contamination or

deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in the Goods that causes it to damage or destroy itself. Regarding damage to any item that is part of a pair or set, Arrow shall only be liable for the reasonable proportion of the value of the entire pair or set (such a loss is not considered a total loss of the pair or set). The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it. Without limiting the generality of the foregoing, in no event shall Arrow be liable for any loss of, injury to or damages to or regarding documents, stamps, securities, jewelry, precious metals, artwork, precious and semi-precious stones, bullion, specie, coins, antiques, human remains, livestock, pets, plants or other articles of high or unusual value or uniqueness unless an arrangement has been made between the Client and Arrow and evidenced by a fully executed writing regarding such items.

**DANGEROUS AND/OR HAZARDOUS GOODS.**

Goods tendered to Arrow may not contain dangerous, hazardous, toxic, odoriferous, radioactive, or leaking substances or any substance or material that is capable of contaminating or damaging Arrow's warehouse(s) or property in Arrow's facilities, including but not limited to property stored by other clients of Arrow. The following types of Goods shall not be stored or transported by Arrow under any circumstances: contraband or illegal substances, firearms or ammunition, explosives, chemicals, livestock or plants, organic or perishable products or any Goods likely to encourage vermin or other pests or likely to cause or transmit infectious, contagious, or other disease, or liable to taint or affect other property held at Arrow, unless Client expressly disclosed same in a prior writing to Arrow and Arrow expressly acknowledged that disclosure in writing and agreed to perform Services or accept the Goods into Arrow's facility. Client shall be liable for and shall indemnify, defend and hold Arrow harmless against all loss or damage to other property or persons caused by said hazardous or dangerous Goods tendered to Arrow for storage.

**WARRANTIES BY CLIENT.** Notwithstanding and in addition to any other warranties contained in these Terms and Conditions, Client warrants that: it has full and lawful authority to engage the services of Arrow with regard to the Goods; possession of, transporting of, or transactions in connection with, the Goods are not prohibited by any laws, rules or regulations of any governmental or similar authority or sovereign which may pertain thereto; Client is in lawful possession of the Goods subject to Services by Arrow; Client's address is that shown on the face of Warehouse Receipt, Bill of Lading, Storage Agreement or Services Agreement, upon which Arrow is authorized to rely for all purposes until seven days after a written change of address notification is given to Arrow by or on behalf of Client and acknowledged by Arrow in writing; Client has obtained full and adequate insurance coverage regarding the Goods and that insurance is in full force and effect and shall remain in full force and effect until the complete termination of Arrow's services.

**ACCURATE INFORMATION:** a) The Client agrees to provide Arrow with accurate and complete information to allow Arrow to comply with all laws and regulations governing the Services provided by Arrow or on behalf of

Client. In addition, the Client agrees to be liable for and, to the fullest extent permitted by law, to defend, indemnify, and hold Arrow harmless from any claim, action, proceeding, liability, loss, damage, fine, penalty, cost, and expense, including, but not limited to, attorney's fees, incurred by Arrow in connection with the Client's failure to fully comply with this obligation. (b) It shall be the Client's responsibility to ensure that all addresses, including, but not limited to, billing and delivery addresses, are accurately conveyed to Arrow.

**PACKING.** If indicated on the Services contract, Arrow shall pack Goods for storage or for carriage by land, sea or air. The choice of materials used in the packing of such items shall be at Arrow's sole discretion. Client must inform Arrow of any known special packing requirements, particular faults or fragility of Goods which would affect the manner and method utilized to pack the Goods. Arrow shall not be responsible or liable for any loss or damage occasioned by Client's failure to so notify Arrow. Absent specific instructions, Arrow undertakes to handle Goods using its customary methods and equipment which are subject to change at its discretion. However, as noted herein, Arrow will not perform certain services without written instructions and approval from Shipper. Goods handled at Shipper or Consignee's request outside regular business hours shall be subject to an additional charge. When deterioration or failure of packages, crates, or containers requires, Arrow may, at its discretion and without obligation, repack the contents and charge Client for labor and materials. Arrow accepts no responsibility for such repair or replacement.

**TRANSPORTATION BY AIR CARRIERS.** Agreed to stopping places (which may be altered by Arrow or indirect or direct air carriers in case of necessity) are those places, except the place of departure and place of destination, set forth on the face of the applicable air waybills or shown in the air carrier's timetables as scheduled stopping places for the route. Carriage to be performed by several successive air carriers is regarded as a single operation.

**IMPORTS & EXPORTS.** Client is responsible for and obligated to: ensure the accuracy of Customs Documentation and any description of Goods under Arrow's care; ensure that all Customs Documentation is accurate, adequate and complete; and know and comply with the requirements, laws and regulations of any Federal, State and/or local agencies pertaining in any way to the Goods. Arrow shall not be liable or responsible for any loss, damage, delay, cost, penalty or other expense of any nature whatsoever, occasioned by or arising out of any inaccuracy, insufficiency, invalidity or inadequacy of any Customs Documentation prepared by Client and Client hereby agrees to defend, indemnify and hold Arrow harmless from and against any claims, actions, damages, penalties, suits or injuries which arise out of or in connection with the accuracy, sufficiency or validity of any Customs Documentation prepared by Client and proffered in good faith by Arrow in the transport of Goods. Arrow shall not be responsible for action taken or fines or penalties assessed by any governmental agency against Goods because of the failure of the Client to comply with the law or the requirements or regulations of any governmental agency or with a notification issued to the Client by any such agency. Client shall indemnify and hold Arrow harmless from any claims and/or liability arising from the importation of Goods and/or any conduct of Client which violates any Federal, state and/or other laws or regulations

and indemnify and hold Arrow harmless against any and all liability, loss, damages, costs, claims and/or expenses, including but not limited to, reasonable attorney's fees, costs and expenses which Arrow may hereafter incur, suffer or be required to pay by reason of such claims and/or liability.

**CUSTOMS CLEARANCE.** Arrow may not be listed as a "known shipper" on any Customs documents. It is the Client's duty to provide Arrow with all information necessary to comply with all United States Customs and Border Protection rules, regulations and laws. All penalties incurred for non-compliance shall be the Client's responsibility. The Client hereby appoints Arrow as its Agent to assist with customs clearance and certifies Arrow as the nominal consignee for the purpose of retaining a licensed customs broker to perform customs clearance. In some instances, local authorities may require additional documentation confirming Arrow's appointment. The Client shall furnish such information to Arrow as necessary to comply with such laws, rules and regulations. Arrow assumes no liability to the Client or any other person or party for any losses or expenses due to the Client's failure to comply with this provision. The Client is responsible for all charges, including transportation charges, duties, customs assessments, governmental penalties and fines, taxes, and Arrow's attorneys' fees and legal costs related to the Goods.

**EXPORT CONTROL.** Client authorizes Arrow to act as Forwarding Agent for Client for export control and customs purposes. Arrow has no obligation, however, to assume the role of Forwarding Agent. Client hereby certifies that all statements and information provided to Arrow relating to exportation are true and correct. Furthermore, Client understands that civil and criminal penalties, including forfeiture and sale, may be imposed for making false or fraudulent statements; for violation of any United States Laws on exportation, including but not limited to 13 USC §305, 22 USC §401, 18 USC §1001, and 50 USC App. 2410; or for the violation of export laws of other countries.

**INSPECTION BY AUTHORITIES.** If by the order of the proper authorities at any point while in storage or transit, the Goods or a container or crate has to be opened to be inspected, Arrow shall not be liable for any loss, damage or delay incurred to the Goods as a result of such inspection, including the cost of opening, unstuffing, inspection or repacking, which cost shall be recoverable by Arrow from the Client as part of Arrow's charges.

**ARROW CONDITION REPORTS.** Arrow does not employ fine art conservators and Arrow's employees may during the normal course of business issue a condition report for the purposes of noting damages visible to the naked and untrained eye. Said condition report is made without prejudice and is not binding on Arrow. Arrow reserves its right to retain a fine art conservator or appraiser to inspect Goods at any time.

**NOTICE, CLAIMS AND FILING OF ACTIONS INVOLVING TRANSPORTATION.** With respect to claims for loss, damages or delay involving transportation performed by Arrow, Client or Shipper (as applicable) must notify Arrow in writing of all loss or damage to Goods within 60 days following the completion of services performed by Arrow. Client and Shipper shall file same in writing with Arrow within nine months after the delivery and receipt of Goods, except that claims for failure to make delivery must be filed in writing within a

reasonable time for delivery has elapsed. Suits for loss, damage, injury or delay for transportation of Goods must be commenced against Arrow no later than two years from the day when delivery was made (unless the shipment is by ocean carriage and subject to Carriage of Goods by Sea Act's ("COGSA") one year limitation of time for filing suit and then that one year limit of time to file suit applies.). As a condition precedent to recovery, claims for loss, damage or delay during transit must be filed in writing with Arrow in accordance with the provisions of the claim filing regulations of the Federal Motor Safety Administration set forth in 49 C.F.R § 370, which regulations are expressly incorporated herein by reference in their entirety. Payment of any claim shall be subject to proof of actual damages suffered. The Consignee must hold the packaging(s), shipping container(s) and its contents in the same condition they were in when damage was discovered. No claims for loss or damage shall be entertained until all of Arrow's charges have been paid in full. The amount of the claim may not be deducted from the total due and payable charges.

**STORAGE.** Goods will not be inspected by Arrow for condition, form, color, or for concealed loss, damage, or leakage and Arrow undertakes to handle, store and deliver Goods in the packages in which the Goods were originally received by Arrow. Labor and materials used for unloading and loading Goods and Goods handled before or after regular business hours shall be subject to charges. Client shall provide Arrow with at least one business day prior written notice of each delivery and removal of Goods. If Client fails to notify Arrow within one business day of delivery, Arrow shall have the right to refuse Goods and shall not be liable for loss or damage to Goods. Arrow shall store Goods in general storage in its warehouse, or if requested in writing by Client, in space that is reserved solely for Client. Client shall complete a new Warehouse Receipt for each and every item of Goods brought to Arrow for storage. Declared value, if any, must be listed on the Warehouse Receipt or attached schedules at the time that Goods are tendered to ARROW. If no value is declared, Client shall release Goods with ARROW's maximum liability for Goods being \$0.60 per pound, unless otherwise provided in these Terms and Conditions. Arrow shall provide building security and electricity for lighting at Arrow. Climate control will be provided if requested by Client in writing (an additional charge will apply if Client requires climate control).

**TERM FOR STORAGE.** The terms of storage shall be set forth in a Storage Agreement and Warehouse Receipt. Absent such a written agreement, storage for Goods is provided by Arrow on a month to month basis at Arrow's prevailing rate. The month to month terms will automatically renew, unless terminated by Client or Arrow, in writing on 30 days written notice, which notice shall state the date of termination. An acknowledgement of the notice of termination is required.

**DEPOSIT.** Client shall pay, as part of its first storage invoice, a charge for the first month storage fee, plus a deposit to be determined at the time of the estimate.

**ACCESS.** Client, and persons authorized by Client, shall be permitted access to Client's storage area or rented viewing space during Arrow's regular business hours, from 9:00 am to 5:00 pm, Monday through Friday, except public holidays. Upon request and Arrow's written approval, Client may be permitted access before or after business hours, subject to an additional charge.

**TITLE TO GOODS.** Client may only store Goods that Client has the legal right to store. Arrow shall rely upon the representation from the Client that Client is storing only Goods which it has the legal right to store and that Goods are free and clear of all superior liens.

**ACCEPTANCE OF GOODS.** Goods are accepted by Arrow in apparent good order and condition (except as noted otherwise). Goods need not be inspected by Arrow and Arrow undertakes to handle, store and deliver Goods in the packages in which Goods were originally received by Arrow. Arrow's art handlers may, during the normal course of business, issue a condition report for the purpose of noting damages visible to the naked and untrained eye; such condition report is not binding on Arrow.

**NOTICE OF DAMAGES, CLAIM AND FILING OF SUIT INVOLVING STORAGE AND/OR SERVICES.** With respect to Goods in storage and/or upon which Arrow performs Services, Client shall notify Arrow in writing of all damages within twenty four hours after discovery of damage to Goods, but in no event more than five days after receipt of Goods or completion of Services. Claims by Client and all other persons occurring during storage and/or performance of Services (except carriage) must be presented in writing to Arrow within 30 days after date of delivery by Arrow. Any and all actions or lawsuits brought against Arrow involving service or storage (not including carriage of Goods) must be commenced within one year of the date of delivery by Arrow or within one year after Client is notified that loss or damage to part or all of Goods occurred, whichever time is shorter.

**TRANSPORTATION AND OTHER SERVICES.** Arrow may be retained to perform transportation, logistics and ancillary services including, but not limited to storage, transportation, handling, installation, framing, packing and crating, assisting with exhibitions, special projects, assistance at art fairs, and handling container loads. Estimates provided by Arrow are subject to change without notice and are not binding upon Arrow. Arrow may also act as an Agent for the Client and may arrange for carriage of Goods. If Goods are not in Arrow's care, custody and control, Arrow shall assume no liability as a carrier and shall not be responsible or held liable by Client for any loss, damage, expense or delay to the Goods. Arrow shall never be regarded as an Ocean Freight Forwarder, NVOCC (Non-Vessel Operating Common Carrier), Indirect or Direct Air Carrier or Customs House Broker.

**DEFAULT AND REMEDY / WAREHOUSEMAN'S LIEN.** Pursuant to these statutes, Arrow shall have a lien on all Goods held at Arrow (and documents related thereto) for charges due, and for expenses necessary and reasonably incurred for the protection of Goods, all charges, advances, and expenses incurred for the storage, protection, handling and insurance of Goods, services performed, and monies due Arrow (including, but not limited to, applicable interest and attorneys' fees for enforcing this lien). This lien is superior to any other lien or security interest and is effective as of the date Goods are tendered to Arrow. Arrow has this lien in full force and effect should Client have any of the following occur: failure to pay accrued charges; abandonment; and/or failure to comply with Arrow's Warehouse Receipt, Bill of Lading, Services Agreement, and Arrow's Standard Terms and Conditions which are incorporated herein by reference. If Client is in default of any provision herein,

or fails to pay charges when due, Arrow, (in addition to all other rights and remedies as provided by law, at Arrow's option or if Arrow after giving ten days written notice to Client (which notice shall be deemed to be given by Arrow by mailing same, postage prepaid, at the last known address) may make any demand or give any notice as may be required by law. Should Client fail to comply with such demand or notice within the time required by law if any, (a) Arrow may declare this Agreement terminated; (b) Arrow shall have the right to refuse access to Client's space; (c) Arrow shall have the right to overlock and/or remove Client's lock on the door of the space (if applicable); (d) Arrow shall have the right, but not the duty to inventory Goods and charge Client for the reasonable cost of taking the inventory; (e) Arrow shall have the right to dispose of or sell Goods contained in the space to any person by public or private sale in block or in parcels, at any time or place, and on any terms which are commercially reasonable, pursuant to §§7-209 and 7-210 of the UCC and NY CLS UCC. Arrow shall apply the proceeds of such a sale only to Client's indebtedness to Arrow and shall hold any proceeds over and above, if any, the amount owed by the Client to Arrow in account for the benefit of Client. Upon written demand, the excess, if any, shall be returned to Client without interest. Arrow shall hold such proceeds for a period not to exceed two years, and it is specifically understood that the proceeds of such sale shall first pay for the costs of sale and subsequent to the costs of sale, the payment of all charges. Client agrees to pay all costs and expenses, including reasonable attorneys' fees, and service and processing charges of Arrow in enforcing any term of this Agreement. Client agrees to pay all costs and expenses, including reasonable attorneys' fees, and service and processing charges of Arrow in enforcing any term of these Terms and Conditions.

**GENERAL LIEN.** Notwithstanding the abovementioned warehouseman's or artisan's liens, Arrow shall also have a general, continuing and unconditional lien on Goods, either in its actual or constructive possession, custody or control or en route, for all sums due at any time from Client for services, and shall be entitled to sell or dispose of such Goods as Agent for and at the expense of Client and apply the proceeds in or towards the payment of such sums on 30 days notice in writing to Client and in accordance with the applicable law. Client shall notify all parties having an interest in its Goods of Arrow's rights and/or exercise of such lien. Any surplus from such sale shall be transmitted to the Client, and Client shall be liable for any deficiency in the sale.

**TRANSFER, TERMINATION OF STORAGE, REMOVAL OF GOODS.** Arrow may move Goods within the facility in which it is stored or to its other facilities without notice. Arrow may, upon 30 days written notice to the Client and/or any other person known by Arrow to claim an interest in Goods, require the removal of any Goods by the end of the 30 day notice period. If Goods are not removed before the end of the 30 day notice period, Arrow may sell Goods. If Arrow believes that Goods may deteriorate or decline in value to less than the amount of Warehouse's lien before the end of the 30 day notice period, Arrow may specify in the notification any reasonable shorter time for removal of Goods and in case Goods are not removed, may sell Goods at public sale held one week after a single advertisement or posting as provided by law. If Arrow after a reasonable effort is unable to sell Goods, it may dispose of it in any lawful manner and shall incur no liability by reason of such disposition. Pending such disposition, sale or return of Goods, Arrow may remove

Goods from Arrow's facility and shall incur no liability relating to its removal. Client shall be solely responsible for the security of Goods at the premises from which any property is being removed (other than Arrow's own facilities) and at any destination point to which Arrow is contracted to deliver such property (other than Arrow's own facilities). Client must be present at the time of any delivery and throughout the delivery process until completed. Arrow assumes no responsibility or liability for loss, theft or damage resulting from any lack of security at any pickup or delivery premises. Upon receipt of instructions from the Client to transfer, release, or deliver goods, Arrow shall be entitled to a reasonable amount of time to carry out the applicable instructions. Any estimated date or time given by Arrow for transfer, release, or delivery shall be approximate in nature and not binding unless it is agreed in writing between the Client and Arrow that time is of the essence. If goods cannot be delivered in the ordinary way by stairs or elevator, the Client agrees to pay an additional charge for hoisting, lowering, or other necessary labor to effect delivery. The Client shall arrange in advance for all necessary elevator and other services and any charges for these services shall be the responsibility of and paid by the Client.

**RATES AND PAYMENT.** Client shall pay charges pursuant to Arrow's current rates (available upon request). Client shall remit charges in advance for the month. Invoices may be sent to Client; however, Client agrees that all charges shall be paid on time without request or demand by Arrow, and in no event shall be paid later than thirty (30) days of the date of the applicable invoice. Arrow reserves the right to levy against all amounts unpaid thereafter interest at the rate of 1.25% monthly, in no event shall such interest exceed the maximum amount allowable by applicable law and in the event such interest so exceeds such maximum amount allowable by applicable law, all such amounts shall bear interest at the highest rate allowable under applicable law. Rates for services, handling and storage are quoted subject to change at any time by written notice from Arrow to Client. Such changes are to be effective at the end of the month next succeeding the month in which notice is mailed by Arrow.

**RECEIPT, ACCEPTANCE WITHOUT NOTATION.** Receipt of Goods by Client or any third party without written notation of damage (*i.e.*, on the applicable Bills of Lading, Service Agreement, Warehouse Receipts or any other document received from ARROW) shall be *prima facie* evidence that Goods were delivered by Arrow in good order and condition.

**RIGHT TO INSPECT.** Notwithstanding anything to the contrary hereinabove, in the interests of health, safety and security, Arrow reserves the right to open or inspect any packages, boxes and/or goods and to properly and immediately dispose of any materials, goods, or objects which pose a risk or threat to the health, safety, welfare or security of Arrow personnel or third parties or which Arrow reasonably and in good faith believes poses a threat to health, safety welfare or security of personnel or third parties. Client agrees to waive any claim and to indemnify, defend and hold Arrow harmless from and against any loss, damage, cost or expense associated with the disposition of such materials, goods or objects.

**DELIVERY AND REMOVAL.** Client shall provide Arrow with prior written notice of each delivery and removal of Goods within one business day. If Client fails to notify Arrow within one business day of delivery,

Arrow shall have the right to refuse Goods and shall not be liable for loss or damage to Goods.

**ALTERATION AND ABANDONMENT.** Client shall make no alterations to Arrow's facility without Arrow's prior written approval. Damage to Arrow's facilities or violations of the Terms and Conditions shall constitute default. If Client vacates Arrow, the space shall be deemed abandoned. Abandonment shall constitute voluntary termination of any agreement with Arrow. Client agrees that by its abandonment it shall remain responsible for all charges due hereunder through the date of termination and until another client occupies that space.

**SUBCONTRACTING.** Client acknowledges and agrees that Arrow, at its discretion, may subcontract the performance of Services to third parties ("Subcontractors"), including but not limited to art handlers, domestic and international carriers, indirect air carriers, freight forwarders, customs brokers, warehousemen, and other transportation intermediaries. Arrow also may, at its discretion, select the means, routes and/or procedures to be followed in the handling, transporting, delivering and servicing of Goods. If the Company so subcontracts, it will be doing so only as an agent for the Client and will bear no liability for any acts or omissions of that subcontractor. Arrow shall not be liable or responsible for any negligence, malpractice, misconduct, fault, errors or omissions in the performance of Services by any Subcontractor. When Subcontractor handles Goods, they do so subject to the limitations of liability set forth herein.

**RELEASE OF GOODS.** Unless Client is in default of its payment obligations to Arrow, Arrow shall release any or all Goods in storage and in accordance with Client's written instructions. Client shall give Arrow reasonable prior written notice of each delivery or removal of Goods. Any delivery or removal of Goods at a time other than during Arrow's regular business hours may be subject to additional charges.

**DAMAGE TO PREMISES.** Arrow shall not be liable for any damage to any Premises (including real property, fixtures and/or furnishings) from which it retrieves or delivers Goods unless such loss the direct result of gross negligence on the part of Arrow. In the event of such damage, Arrow's liability shall be limited to a maximum of \$100.00 in the aggregate for all such alleged Premises damage. Premises shall refer to the structure, fixtures, furnishings and fittings at any location other than the facilities maintained by Arrow, including but not limited to the location where the Services are being performed, the Client's residence or place of business, the Consignee's residence or place of business, and or any location where Arrow receives and/or delivers Goods and or performs Services.

**SEVERABILITY.** If any term or provision of these Terms and Conditions is held invalid or unenforceable, the remainder of these Terms and Conditions will remain effective.

**REPRESENTATIONS & WARRANTIES.** Client represents and warrants that Client is the owner or legal custodian of Goods. Client agrees to defend, indemnify and hold Arrow harmless from and against any claims, actions, damages, fines, penalties suits or injuries which

arise out of or in connection with the accuracy or validity of these Representations and Warranties.

**INDEMNITY, DEFENSE AND HOLD HARMLESS.**

Client agrees to indemnify, defend and hold Arrow harmless from and against any and all demands, claims, actions or causes of action, assessments, damages, losses, fines, penalties, liabilities, costs and expenses (including reasonable attorney's fees incurred in connection therewith and in seeking indemnification or defense therefor) suits or injuries which arise from Arrow's transportation, storage, and/or Services performed with respect to Goods. Client shall pay Arrow's reasonable attorneys' fees to handle and/or defend any litigation, arbitration, writ, petition, ticket, fine or proceeding of any kind (including defense of Subpoenas, Seizures and Warrants, as further specified below) relating in any way to Goods. Arrow shall have the right to choose its own attorney. Client shall indemnify, defend and hold Arrow harmless from and against any and all demands, claims, actions or causes of action, assessments, damages, losses, fines, penalties, liabilities, costs and expenses (including reasonable attorney's fees incurred in connection therewith and in seeking indemnification or defense therefor) suits or injuries which may be suffered by or accrue against, be charged to or recoverable from Arrow by reason of injury to or death of any person or by reason of injury to or destruction of Goods, from any cause including but not limited to the fault, breach of warranty or negligence of Arrow, its officers, agents, subcontractors or employees and/or from the fault, breach of warranty or negligence of the Client, its officers, agents, subcontractors or employees.

**SUBPOENAS, WARRANTS, NEGOTIATIONS.**

Should Arrow be served with a subpoena, warrant or other legal action or be subject to any third party claim, investigation (including but not limited to the investigation of replevin, conversion, fraud, theft, or other criminal or quasi-criminal activity), or the threat thereof, relating to Goods or Client's account records at Arrow, Client agrees to pay Arrow's actual costs, expenses and reasonable attorneys' fees incurred as a result of Arrow's attorneys' defense of or compliance and cooperation in said actions or investigations with said actions. Client shall indemnify, defend and hold Arrow harmless, against all claims including, but not limited to any third-party claims for replevin and/or conversion. Should Client seek to renegotiate these terms and conditions or those in the bill of lading, warehouse receipt, storage agreement or services agreement, in connection with a bailment with a lender or collateralized loan agreement, Client agrees to pay Arrow's reasonable attorney's fees for the negotiation thereof. Client shall indemnify, defend, and hold Arrow harmless against all claims, including but not limited to third-party claims for replevin and/or conversion.

**CLIENT DUTIES.** Client shall obtain, at Client's sole cost and expense, all documents, permissions, permits and/or approvals necessary for the performance of the requested Services. Client is responsible for the security of Goods at the premises from which any Goods are being removed (other than Arrow's facilities) and at any destination point to which Arrow is contracted to deliver such Goods. Client or its authorized representative must be present at the time of any delivery and throughout the delivery process until completed. Arrow assumes no responsibility or liability for loss, theft or damage resulting from any lack of security at any pickup or delivery premises. Client is responsible for assuring appropriate and adequate physical access to the premises to permit Arrow to render the Services.

**AUTHORIZATION.** Client authorizes Arrow to make, endorse and sign Bills of Lading, waybills, warehouse receipts or other documentation in connection with the transportation, storage, and/or handling of Goods on Client's behalf.

**NON-WAIVER** Any failure by Arrow to enforce at any time or for any period of time any term or condition of these Terms and Conditions shall not be deemed a waiver of such term or condition.

**AMENDMENT.** Only Arrow may alter these Terms and Conditions. All conditions set forth herein are binding and cannot be modified altered or waived by any person including Arrow employees, save for officers of Arrow, and then only in writing and when signed by such an officer. Arrow retains the right to prepare other terms and conditions and addenda as necessary.

**BENEFITS AND ASSIGNMENT.** Client cannot assign, sublicense or otherwise part with any of its rights or obligations under these Terms and Conditions without the prior written consent of Arrow. Notwithstanding the foregoing, Arrow shall have the right, without the consent of Client, to assign these Terms and Conditions to an entity related to or affiliated with Arrow, successor organization or an acquiring entity in the event of a sale of all or substantially all of Arrow's assets, and the acquiring entity shall become responsible for all of Arrow's obligations hereunder.

**CHOICE OF LAW AND JURISDICTION.** The laws of the State of New York, without regard to its conflict of law rules shall apply to all transport, storage, work and/or services performed by Arrow. Client irrevocably consents to the exclusive jurisdiction of United States District Court for the Southern District of New York and the New York State courts and agrees that any action taken against Arrow, shall be brought only in said courts. **THE PARTIES HEREBY WAIVE THEIR RIGHTS TO TRIAL BY JURY IN ANY CONTROVERSY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE DOCUMENTS DELIVERED IN CONNECTION WITH THIS AGREEMENT.**