

# CONTRACT FOR THE STORAGE OF GOODS

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This Contract for the Storage of Goods (the "Agreement") is made and effective the [DATE],

**BETWEEN:** [DEPOSITOR NAME] (the "Depositor"), a corporation organized and existing under the laws of the [STATE/PROVINCE], with its head office located at:

**AND:** [WAREHOUSEMAN NAME] (the "Warehouseman"), a corporation organized and existing under the laws of the [STATE/PROVINCE], with its head office located at:

In consideration of the mutual covenants contained in this agreement, the parties agree as follows:

## 1. RATES FOR STORAGE AND HANDLING

Depositor engages Warehouseman to perform, and Warehouseman agrees to perform, storage and handling of the following merchandise, referred to in this agreement as "Goods", at the following rates, as required by Depositor in the course of its business during the term of this agreement:

Goods	Type of Container	Size	Gross Weight	Storage Rate Per Month	Handling In & Out Rate

## 2. TERM OF AGREEMENT

This agreement shall be operative for a period of [NUMBER] months, commencing [DATE], and ending [DATE].

## 3. STORAGE OF GOODS

- a. All charges for storage are per [PACKAGE OR OTHER AGREED UNIT] per month.
- b. Storage charges become applicable on the date that Warehouseman accepts care, custody, and control of Goods, regardless of the unloading date or the date of issue of any warehouse receipt.

- c. Except as provided in paragraph 4 of this section, a full month's storage charge shall apply on all Goods received between the first and the fifteenth, inclusive, of a calendar month; one-half month's storage charge shall apply on all Goods received between the sixteenth and last day, inclusive, of a calendar month; and a full month's storage charge shall apply to all Goods in storage on the first day of the next and succeeding calendar months. All such storage charges are due and payable on the first day of storage for the initial month and thereafter on the first day of the calendar month.
- d. When mutually agreed on by Warehouseman and Depositor, a storage month shall extend from a date in one calendar month to, but not including, the same date of the next and all succeeding months. All storage charges are due and payable on the first day of the storage month.

#### **4. HANDLING OF GOODS**

- a. The handling rates set forth in Section One cover the ordinary labor involved in receiving Goods at the warehouse door, placing Goods in storage, and returning Goods to the warehouse door. Handling charges are due and payable on receipt of Goods.
- b. Unless otherwise agreed, the following services shall be subject to an additional charge:
  - i. Labor for unloading and loading Goods.
  - i. Receipt and handling of damaged Goods.
  - ii. Unloading from or loading into cars or other vehicles not at the warehouse door.
  - iii. Labor and materials used in loading rail cars or other vehicles.
  - iv. Handling of Goods ordered out in quantities less than in which received.
- c. Warehouseman shall not be liable for demurrage, delays in unloading inbound cars, or delays in obtaining and loading cars for outbound shipment unless Warehouseman has failed to exercise reasonable care.

#### **5. SPECIAL SERVICES**

Special services, including but not limited to the following, shall be provided by Warehouseman to Depositor subject to additional charge:

- a. Warehouse labor required for services other than ordinary handling and storage.
- b. Receipt or delivery of Goods, by prior arrangement, in other than usual business hours.
- c. Provision of dunnage, bracing, packing materials, or other special supplies.
- d. Communication services, including postage, teletype, telegram, or telephone, if the services concern more than normal inventory reporting or if, at the request of Depositor, communications are made by other than regular mail.
- e. Compiling of special stock statements.

- f. Reporting marked weights, serial numbers, or other data from packages.
- g. Physical check of Goods.
- h. Handling transit billing.

## **6. BONDED STORAGE**

Storage of merchandise in bond shall be subject to a charge in addition to regular rates.

## **7. MINIMUM CHARGES**

Minimum charges shall be assessed as follows:

- a. A minimum storage charge per month of [AMOUNT].
- b. A minimum handling charge per lot of [AMOUNT].
- c. A minimum monthly charge for each account in the event that Depositor has several accounts, each requiring separate records and billing.
- d. A minimum charge per mark, brand, or variety, when a warehouse receipt covers more than one lot or when a lot is in assortment.

## **8. TENDER FOR STORAGE**

All Goods for storage shall be delivered at Warehouseman's warehouse at [ADDRESS], [CITY], [STATE], properly marked and packaged for handling. Depositor 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.

## **9. SHIPPING OF GOODS**

Depositor covenants and agrees not to ship Goods to Warehouseman as the named consignee. In the event that, in violation of this agreement, Goods are shipped to Warehouseman as named consignee, Depositor shall notify the carrier of Goods in writing prior to the shipment, with a copy of the notice sent to Warehouseman, that Warehouseman is a Warehouseman and has no beneficial title or interest in Goods. Further, Depositor shall indemnify Warehouseman against any and all claims for unpaid transportation charges, including under charges, demurrage, detention charges, or charges of any other nature, in connection with Goods so shipped. In the event that Depositor fails to notify the carrier in accordance with this provision, Warehouseman shall have the right to refuse Goods and shall not be liable or responsible for any loss, injury, or damage to Goods.

## **10. REFUSAL OF GOODS**

Warehouseman may refuse to accept Goods tendered for storage or other services that do not conform to the description contained in this agreement. If Warehouseman accepts such Goods, Depositor agrees to rates and charges as may be assessed and invoiced by Warehouseman as well as to all terms of this agreement.

## **11. MOVING OF GOODS**

Warehouseman reserves the right to move, at Warehouseman's expense, [NUMBER] days after notice sent by registered mail to Depositor or to the last known holder of a negotiable warehouse receipt covering such Goods, any Goods in storage from the warehouse in which they may be stored to any other of Warehouseman's warehouses. If, however, Depositor or holder takes delivery of the Goods in lieu of transfer, no storage charge shall be made for the current storage month.

Warehouseman may, without notice, move Goods within the warehouse in which they are stored.

## **12. TERMINATION OF STORAGE**

- a. On written notice to Depositor and to any other person known by Warehouseman to claim an interest in Goods, Warehouseman may require the removal of any Goods by the end of the next succeeding storage month. Notice shall be given to the last known place of business or residence of the person to be notified. If Goods are not removed before the end of the next succeeding storage month, Warehouseman may sell them in accordance with applicable law.
- b. In the event that Warehouseman, in good faith, believes that Goods are about to deteriorate or decline in value to less than the amount of Warehouseman's lien before the end of the next succeeding storage month, Warehouseman may specify in the notification any reasonable shorter time for removal of Goods. If Goods are not so removed, Warehouseman may sell Goods at public sale held [NUMBER] days after advertisement or posting as is required by law.
- c. In the event that, as a result of a quality or condition of Goods of which Warehouseman had no notice at the time of deposit, Goods are a hazard to other property, to the warehouse in which Goods are stored, or to any person, Warehouseman may sell Goods at public or private sale without advertisement on reasonable notification to all persons known to claim an interest in Goods. If Warehouseman, after a reasonable effort, is unable to sell Goods, Warehouseman may dispose of Goods in any lawful manner and shall incur no liability by reason of such disposition.

## **13. TRANSFER BY DEPOSITOR**

Instructions by Depositor to Warehouseman to transfer Goods on the books of Warehouseman are not effective until delivered to and accepted by Warehouseman, and all charges up to the time transfer is made are chargeable to Depositor. If a transfer involves rehandling Goods, such rehandling shall be subject to a charge.

## **14. DELIVERY OF GOODS**

- a. Goods shall be delivered or transferred only on receipt by Warehouseman of complete instructions properly signed by Depositor. When no negotiable warehouse receipt is outstanding, Goods may also be delivered on instructions over the telephone in accordance with a prior written authorization, but Warehouseman shall not be responsible for loss or error occasioned by such delivery.

- b. When Goods are ordered out, a reasonable time shall be given Warehouseman to carry out instructions. In the event that Warehouseman is unable because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots, or any other reason beyond Warehouseman's control, because of loss or destruction of Goods for which Warehouseman is not liable, or because of any other excuse provided by law, Warehouseman shall not be liable for failure to carry out such instructions, and Goods remaining in storage shall continue to be subject to regular storage charges.
- c. In the event that a negotiable warehouse receipt has been issued, no Goods covered by that receipt shall be delivered, or transferred on the books of Warehouseman, unless the receipt, properly endorsed, is surrendered for cancellation or for endorsement of partial delivery. If a negotiable receipt is lost or destroyed, delivery of Goods may be made only on order of a court of competent jurisdiction and the posting of security approved by the court.

#### **15. LIABILITY OF WAREHOUSEMAN**

- a. Warehouseman shall not be liable for any loss or injury to Goods however caused unless the loss or injury results from failure by Warehouseman to exercise such care in regard to Goods as a reasonable careful man would exercise under like circumstances and Warehouseman is not liable for damages that could not have been avoided by the exercise of such care.
- b. Goods are not insured by Warehouseman against loss or injury however caused.
- c. Depositor declares that damages are limited to [AMOUNT].

#### **16. NOTICE OF CLAIM; FILING OF SUIT**

- a. Claims by Depositor and all other persons must be presented in writing to Warehouseman within a reasonable time, and in no event later than either [NUMBER] days after delivery of Goods by Warehouseman or [NUMBER] days after Depositor or the last known holder of a negotiable warehouse receipt issued for Goods is notified by Warehouseman that loss or injury to all or any part of Goods has occurred, whichever time is shorter.
- b. No action may be maintained by Depositor or others against Warehouseman for loss or injury to Goods unless timely written claim has been given as provided in paragraph 1 of this section and unless such action is commenced either within [NUMBER] months after the date of delivery by Warehouseman or within [NUMBER] months after Depositor or the last known holder of a negotiable warehouse receipt is notified that loss or injury to all or any part of Goods has occurred, whichever time is shorter.
- c. When Goods have not been delivered, notice may be given of known loss or injury to Goods by mailing of a letter by registered mail to Depositor or to the last known holder of a negotiable warehouse receipt issued for Goods.

#### **17. CANCELLATION OF AGREEMENT**

This agreement may be canceled by either Warehouseman or Depositor on [NUMBER] days' written notice and is canceled if no storage or other services are performed under this agreement for a period of [NUMBER] consecutive days.

**18. EFFECT OF AGREEMENT**

The rights and liabilities set forth in this agreement shall inure to the benefit of, and be binding on, Warehouseman and Depositor and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF, Warehouseman and Depositor have executed this agreement at [DESIGNATE PLACE OF EXECUTION] on [DATE].

DEPOSITOR

WAREHOUSEMAN

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
Print Name and Title