

CALIFORNIA COMPRESS

SCHEDULE OF CHARGES AND RULES

EFFECTIVE SEPTEMBER 1, 2007

Subject to Change without Notice

Nielsen at Marks Avenue * P. O. Box 11966 * Fresno, California

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93776-1966

**THE FOLLOWING RULES WILL GOVERN
RULE**

1. All accrued charges will be billed and collected from party surrendering warehouse receipt. **All bills are due and collectible within seven days.** Drafts may be drawn for all invoices which are not paid within (9) days after issuance. Accrued charges of every kind on all merchandise on hand August 31 of each year shall become due and payable on that date.
2. Storage charges having been accrued may be paid on any date. A new storage charge will be assessed beginning the day following payment of storage charges with tariff per diem storage charges assessed thereafter. This applies to all cotton whether or not it involves change of ownership between persons, partnerships or corporations including United States, State or Municipal Government departments. Original storer will pay all storage and other charges up to, and including date of transfer. New storer will be charged at current tariff rate.
3. (a) No cotton will be delivered until ORIGINAL receipts have been surrendered. Storage and Insurance charges will cease on shipments on the date loaded or seven business days after complete shipment order for IMMEDIATE shipment and applicable warehouse receipts have been received, whichever is sooner. Storage and Warehouse charges shall cease on FUTURE (FORWARD) shipments, on the date requested, provided complete shipping order and applicable warehouse Receipts have been received at least seven business days prior to that date.
(b) If rail cars are not available, storage and insurance charges will cease on the date cars are placed on our tracks.
(c) If trucks do not effect the pick-up on the scheduled date, a per bale charge will be assessed, (See Item 10), and storage and insurance will continue until the cotton is loaded.
(d) Storage and insurance charges shall cease as provided above, however, storage and/or other charges shall continue to accrue until loaded should delay in handling be caused by act of God, weather, fire, flood insurrection, riot, strike, labor dispute, non-availability of transportation facilities and any other causes beyond our control. Storage will not continue where there are shortages of and/or strikes by warehouse labor. In the case of strikes by warehouse labor, storage charges for cotton under shipping order will be discontinued per the terms of the section provided that the cotton is for a bonafide sale. The warehouseman will be reimbursed for out-of-pocket expenses such as insurance on the cotton involved.
(e) All days are business days except Saturdays, Sundays and the Holidays named in Note "B"
4. Shipment Standards: Except when prevented from doing so by act of God or force majeure, a mandatory, non-cumulative minimum weekly standard for bales to be shipped or made ready for scheduled delivery that week shall be not less than 4.5% of our CCC licensed capacity in effect during the week of shipment (presently 5,639 bales per week).

Complete shipping orders must be received 5 business days prior to the time in which they are to be shipped in order to be included in the 4.5% weekly shipment capacity. Bales subject to said standard in any week and not shipped shall be the first bales shipped out during the following week and shall be credited against the shipping standard requirement for said week.

Bales received and shipped in a non-segregated block lot will not be included in achieving said weekly standard.
5. This company reserves the right to compress cotton at any time, and to store it in any of its warehouses and retains a lien on the cotton for compression charges. To the extent possible, all cotton will be compressed on receipt.
6. Lien is claimed upon cotton for all accrued charges and freight charges advanced by this Company.
7. No cotton will be turned out for marking, remarking, sampling or resampling, weighing or reweighing, without a written order from the owner.
8. Shipping list or turnout orders must have tag numbers of bales arranged numerically for each plant, and made out in duplicate, but no service will be performed unless warehouse receipts are attached. Shipping list covering transit cotton and/or cotton for carload consolidation must be lodged with press before arrival of cotton. This must be a master list, one sheet for each hundred bales or less, listing first the bales in storage at consolidating press and then following in groups bales from various origins showing press or country of origin of each group.

9. This company will accept no liability for loss, damage or unmerchantability of cotton received with insufficient, inadequate, low quality or defective bale covering and/or bale ties. All bagging originally received on bales will be applied to such identical bales when compressed.
10. This company is not liable or responsible for accidents, delays in handling caused by strikes, labor disputes, any other cause beyond its control, concealed damage, water packs, gin falls, interior damage, dampness, any irregular condition not apparent, acts of Providence, or acts of public enemy, except as otherwise required by United States Warehouse Act and regulations thereunder.
11. This Company will not guarantee legible marks to destination unless patched with heavy new bagging, closely woven new burlap, osnaburg strips, or other material approved by this company.
12. Actual labor cost and other expenses incurred, and not specially mentioned herein, when in direct interest of owners, shall be charged to party benefited by same, such service to be fully described on billed rendered.
13. (a) All cotton received wet, muddy or damaged condition shall be put in condition immediately, and the storer will be assessed tariff charges for services.
(b) Compressed cotton received with broken bands will be recompressed on arrival and compression charge will be collected from the owner.
(c) Compressed cotton received damaged and ordered repaired – compression charge will be assessed in addition to repair charge.
14. (a) This Company does not guarantee weights on dry cotton.
(b) When wet or damaged cotton is weighed, weighers will exercise their best judgment in making deduction, but this Company does not guarantee such weighing.
15. Weight shown on warehouse receipts is weight determined by our licensed weighers. Tare shown is identical tare as certified to us by ginnerers or from information furnished us by previous warehouseman.
16. When cotton is ordered delivered to pickery or others to be returned, all handling and storage charges accrued to date will be billed and collected and the cotton so returned will be handled as new receipts, furnishing all desired reference as to old warehouse numbers, planter's marks, etc.
17. This Company reserves the right to store, without notice, any and all cotton on open yard.
18. Demurrage or any other time penalty charges will not be absorbed by this Company, but due diligence will be used to receive and deliver goods promptly.
19. For transferring ownership of record, where no physical operation is involved, there will be no charge. However, new storage will begin on date of transfer, and no credit will be allowed storers for unused portion of month's storage. Original storer will pay all storage and other charges up to and including date of transfer. New storer will be charged at current tariff.
20. (a) This Company does not guarantee Density where size, weight, condition of package, etc., will not permit, but will exert all practical efforts to turn out the best package possible.
(b) This Company does not guarantee that:
 1. Cotton shipped from its plant but not compressed at other than its plant.
 2. Cotton, which has been excessively, sampled.
 3. Cotton wrapped in unacceptable bagging material, will pass maritime inspection at the ports.

21. This Company will carry all risk insurance (except war risk, and loss or damage resulting from nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled; however, direct loss or damage by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against) against direct loss or damage to baled cotton, while legally in custody of this Company and until such baled cotton is delivered to railcars or on board trucks.

NOTE

(a) In the case of loss or damage resulting from fire, flood, or other causes set out above, the amount of loss or damage shall be the actual cash value of the cotton as determined as follows: The actual cash value provided for in this insurance coverage shall be the market value (SEE NOTE (b) of uncompressed cotton based upon the nearest applicable USDA Spot Market Quotation for the location where the loss occurs at the time and place of loss, adjusted for any appropriate freight differential, or current loan value, whichever is higher. In the event of no USDA Spot Quotation on the date of the loss, the quotation of the market on the next date following the loss will be used.

(b) Our insurance coverage has no relation to the price for which baled cotton may have been, or could be, sold or booked. Our insurance covers **ONLY THE MARKET VALUE** of the cotton at the time and place of loss.

22. A special contract with Commodity Credit Corporation covering acquired or pooled cotton stored by the Company provides that this Company shall be released from the terms and conditions of this tariff and provisions contained in warehouse receipt relating to insurance at time cotton is pooled or acquired. Also this Company shall be released from the terms and conditions of Commodity Credit Corporation contract upon the sale or transfer of the cotton to any other person, firm or agency, governmental or otherwise. Such cotton upon sale or transfer by the Commodity Credit Corporation will be subject to the tariff of this Company in effect at date of sale or transfer.

23. Claims on cotton shipped from our plant will only be considered if received by our Company within 60 days from the date of shipment.

CALIFORNIA COMPRESS
EFFECTIVE 9-1-07

SCHEDULE OF CHARGES

All Cotton Fully Insured
(See Rules 21 and 22)

ITEM	SERVICE	PER BALE
1.	STORAGE AND INSURANCE - PER BALE DAY (minimum 30 days) See Rule 20 for Insurance Coverage	\$ 0.16
2.	OUTHANDLING Includes removing from storage: shipping by tag number: loading out of warehouse A) Early shipment (October, November, December, January). Includes Old and New Crop bales on hand prior to October 1 st , 2007. B) Special shipping requirement's, which are different from usual standard industry practice of loading flat bed truck, container, van or rail car, will be subject to special charge of	\$11.00 \$ 2.25 \$ 1.00
3.	HANDLING TRANSIT A) Compressed cotton received for the purpose of loading, if for immediate shipment and shipping instructions in our possession prior to arrival will be received, loaded and marked (see item 4 and insured as described in rule 20) B) If on hand over ten (10) work days, bales will be taken into stock with all applicable tariff rates effective from date of arrival (See Note A) C) Lining out and/or segregating of transit cotton before or at time of shipment, charge To cover entire transit lot.	\$ 4.00 \$ 1.00
4.	DELAYED SHIPPING If California Compress fails to ship within 5 business days after receipt of complete shipping orders or on the date requested, California Compress will stop storage effective on that date and pay a penalty of \$4.80 per bale (one month's storage) to the customer <u>unless</u> California Compress had available for shipment that week 4.5% of its licensed capacity. (see rule 4) DELAYED PICKUP If cotton is not picked up within 48 hours after shipment is ready and shipper is Notified, a special service charge of \$4.80 per bale will be assessed. Storage will Continue. Cotton not picked up within ten days after ready date will be returned To stock (see Item # 10)	\$ 4.80 \$ 4.80
5.	ADDITIONAL MARKS each five (5) letters, numbers, or characters or one line on one side of bale	\$ 1.00
6.	SAMPLING (INCLUDES REPAIR OF SAMPLE HOLES) At time of shipment or receiving Except at time of shipping or receiving Drawing an extra set or double sample, At time of any sampling	\$ 5.50 \$ 9.50 \$ 1.00
7.	WEIGHING: At time of shipment or receiving Stock and/or transit cotton Except at time of shipment or receiving	\$ 1.75 \$ 4.00
8.	WEIGHING AND SAMPLING - SAME TIME Weighing and sampling except at time of receiving or shipment	\$ 9.50

9.	SEGREGATING SAMPLES Segregating samples by tag number, sacking and delivery , to our dock prior To September 1 st Local delivery (Fresno – per trip) Sample sacks will be charged at actual cost.	\$ 1.50 \$25.00
10.	CANCELLATION OF SHIPMENTS AND RETURN TO STOCK A) Return of electronic warehouse receipt and cancellation of shipping order prior to warehouse starting work on the order are subject to a charge of	\$ 7.50 \$ 0.50
11.	REHANDLING AFTER BREAKOUT BECAUSE OF DELAY	\$ 2.50
12.	RELOADING OF DOMESTIC TRUCKS BECAUSE OF SCALE WEIGHT ADJUSTMENT. (Each bale handled)	\$ 2.50
13.	UNIVERSAL COMPRESSION	\$10.00
14.	TYPING 25 Lbs and under Over 25 Lbs No cotton will be typed unless original receipt is surrendered and cotton reweighed After typing. Compression charge at our cost plus 20% will be in addition to charges Under this item	\$ 9.00 \$30.00
15.	INVENTORY CONFIRMATION – CLERICAL FEES	\$ 0.20
16.	PHYTOSANITARY CERTIFICATES 100 Bale minimum	\$ 0.45
17.	MARRYING OR DIVORCING (EACH BALE INVOLVED) Bagging, Bands, Compression will be charged at our cost plus 20%. This will be In addition to charges under this item	\$10.00
18.	ELECTONIC RECEIPTS A) Changing of electronic receipts for paper receipts. To be billed at time of conversion B) Changing of paper receipt to electronic receipts. C) ESP shipping orders (per bale)	\$25.00 \$ 0.25 \$ 1.50
19.	MARKING BALE CHARGE Marking not more than one line for each mark (not to exceed five (5) letters, Numbers and/or characters on any one side of bale).	\$ 1.00
20.	SHIPMENTS REQUESTED FIVE (5) WORKING DAYS OR LESS EWR Receipts received after 2:00 p.m PST will be treated as received the next business day.	\$ 1.50
21.	EXTRA SERVICES plus 20% (See Rule 11)	\$ 1.00
22.	NOTE A Ten days, excluding Saturdays, Sundays and Holidays (See note B), will be allowed for assembling transit cotton for loading consolidation. If on hand over ten days, excluding Saturdays, Sundays and Holidays (See Note B), will take tariff rate from date received.	
23.	NOTE B Holidays referred to are New Years Day, Washington’s Birthday, Memorial Day, July 4 th , Labor Day, Veterans Day, Thanksgiving Day and Christmas Day	
24.	RECONDITIONING COTTON MINIMUM	\$ 35.00
25.	SMALL LOT SHIPMENT SURCHARGE, (20 BALES OR LESS)	\$ 25.00

