

SCHEDULE OF CHARGES AND RULES

EFFECTIVE SEPTEMBER 1, 2008

**STAPLCOTN
COMPRESS WAREHOUSE
GREENWOOD, MS**

SHIPPING POINTS

476512	RISING SUN, MS	280,000 B/C
481505	ITTA BENA, MS	72,000 B/C
167025	WEST MEMPHIS, AR	180,000 B/C
479005	HOLLANDALE, MS	72,000 B/C
494505	ROLLING FORK, MS	80,400 B/C
476010	GREENVILLE, MS	97,000 B/C
476025	GREENVILLE, MS	80,000 B/C
480505	INDIANOLA, MS	110,000 B/C
136005	DELL, AR	65,000 B/C
129129	BLYTHEVILLE, AR	95,000 B/C
416010	RAYVILLE, LA	120,000 B/C
416016	RAYVILLE, LA	65,000 B/C
418515	TALLULAH, LA	72,000 B/C
473030 *	DREW, MS	72,000 B/C
499502	TUNICA, MS	80,000 B/C
340017	SAVANNAH, GA	75,000 B/C

*NOTE: STAPLCOTN'S DREW WAREHOUSE WILL CLOSE DURING THE FALL OF 2008

MODERN PLANTS
UNIVERSAL COMPRESSION
ALL EQUIPPED WITH SPRINKLER SYSTEMS

MEMBER OF COTTON GROWERS WAREHOUSE ASSOCIATION

BONDED AND LICENSED
UNDER U. S. WAREHOUSE ACT

SUBJECT TO CHANGE WITHOUT NOTICE

SCHEDULE OF CHARGES

ITEM

1a) RECEIVING, TAGGING, WEIGHING ON ARRIVAL, ISSUING WAREHOUSE RECEIPTS, AND PLACING IN STORAGE.....	PER BALE	1.85
1b) PAYMENT OF AMS CLASSING FEE (SUBJECT TO CHANGE BY AMS).....	PER BALE	2.00
1c) FOR LOUISIANA LOCATIONS ONLY , PAYMENT OF NCC DUES	PER BALE	.55

NOTE: THIS \$0.55 IS NOT CHARGED AT OUR MISSISSIPPI, ARKANSAS, OR GEORGIA WAREHOUSE LOCATIONS.

NOTE: STAPLE COTTON COOPERATIVE ASSOCIATION HAS NOT MADE AND DOES NOT MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR VALIDITY OF ANY INFORMATION OBTAINED DIRECTLY OR INDIRECTLY BY STAPLE COTTON COOPERATIVE ASSOCIATION FROM RECORDS OR DATA OF THE UNITED STATES DEPARTMENT OF AGRICULTURE DATA BANK OR THE FITNESS OF ANY SUCH INFORMATION FOR ANY PARTICULAR PURPOSE.

2) EACH STORAGE MONTH OR FRACTIONAL PART THEREOF, INCLUDING FIRE INSURANCE.....	PER BALE	2.66
3) WEIGHING OR REWEIGHING AT TIME OF SHIPMENT OR AT TIME OF SAMPLING	PER BALE	1.50
4) WEIGHING OR REWEIGHING, INCLUDING REMOVING COTTON FROM AND RETURNING TO STORAGE AND FURNISHING ORIGINAL AND THREE COPIES OF CERTIFIED WEIGHT SHEETS	PER BALE	4.00
5) SAMPLING OR RESAMPLING AT TIME OF SHIPMENT	PER BALE	3.50
6) SAMPLING OR RESAMPLING, INCLUDES REMOVING COTTON FROM AND RETURNING TO STORAGE.....	PER BALE	6.00
7) DRAWING AN EXTRA SET OF SAMPLES AT TIME OF ANY SAMPLING	PER BALE	1.50
8) DELIVERY OF SAMPLES (POSTAGE, EXPRESS, PARCEL POST, ETC.).....	COST	

NOTE: "DUE TO DECLINING USE OF WAREHOUSE COTTON SAMPLES, STAPLCOTN WILL NO LONGER RACK COTTON SAMPLES OR MAKE AVAILABLE COTTON SAMPLES IN THE REGULAR COURSE OF ITS WAREHOUSING OPERATIONS. SAMPLES CAN BE MADE AVAILABLE UPON SPECIAL REQUEST WITH REASONABLE ADVANCE NOTICE."

9) PICKING OUT BY TAG NUMBER, REMOVING FROM STORAGE, DELIVERY TO WAREHOUSE PLATFORM AND LOADING ACCORDING TO CUSTOM INTO CAR OR TRUCK.....	PER BALE	4.00
10) CANCELLATION OF ORDER BY SHIPPER AND RETURN TO STOCK AFTER BREAKOUT	PER BALE	2.66
11a) EXTRA MARKING (MORE THAN FIVE CHARACTERS).....	PER BALE	.50
11b) MARKING ON MORE THAN ONE LINE	PER BALE	.50
12) TYPING AND REWEIGHING	PER BALE	20.00
13) APPLYING SHIPPER TAGS OR LABELS	PER BALE	.50
14) RECONDITIONING DAMAGED COTTON.....	ACTUAL COST PLUS 15%	
15) HANDLING TRANSIT COTTON FOR CONSOLIDATION OR ANY PURPOSE OTHER THAN COMPRESSION (INCLUDES IN AND OUT HANDLING AND LOADING (INCLUDES UP TO 5 DAYS OF STORAGE)	PER BALE	4.00
16) FURNISHING SACKS FOR SAMPLES	PER SACK	2.00
17) UNIVERSAL COMPRESSION.....	PER BALE	7.00
18) MARRYING OR DIVORCING (EACH BALE INVOLVED)	PER BALE	12.00
19) LATE CHARGE.....	PER BALE	2.66
20) SPECIAL SORTING OF SAMPLES OTHER THAN CUSTOMARY HANDLING	PER BALE	.50
21) CANCELLATION OF ORDER AFTER COMPUTER PROCESSED (BEFORE BREAKOUT).....	PER ORDER	\$10.00

NOTES:

SPECIAL SERVICES NOT RATED HEREIN WILL BE RENDERED AND BILLED AT RATES AGREED UPON AT THE TIME OF THE ORDER. FOR ALL OLD CROP BALES, THE RECEIVING, LOADOUT, AND COMPRESSION WILL BE CHARGED USING THE TARIFF IN EFFECT AT THE TIME THE RECEIPT WAS ISSUED. THE STORAGE FOR ALL OLD CROP BALES WILL BE CHARGED THE APPLICABLE RATE FOR THE PERIOD STORED.

THE FOLLOWING RULES WILL GOVERN

BILLING POLICY:

- 1) ALL ACCRUED CHARGES ARE DUE AND PAYABLE WHEN THE BALE IS DELIVERED AND/OR SHIPPED AND WILL BE BILLED TO AND COLLECTED FROM THE PARTY SURRENDERING THE WAREHOUSE RECEIPT.
- 2) ACCRUED STORAGE CHARGES MAY BE PAID TO ANY DESIRED DATE BUT NO CREDIT WILL BE ALLOWED FOR UNUSED PORTION OF MONTH'S STORAGE. THE NEW STORAGE MONTH WILL BEGIN THE DAY FOLLOWING PAYMENT DATE. ANY FRACTIONAL PART OF A STORAGE MONTH WILL BE COUNTED AS A FULL MONTH. THIS APPLIES TO ALL COTTON WHETHER OR NOT IT INVOLVES CHANGE OF OWNERSHIP BETWEEN PERSONS, PARTNERSHIPS OR CORPORATIONS INCLUDING UNITED STATES, STATE OR CITY GOVERNMENTAL DEPARTMENTS.
- 3) IF ONE OR MORE BALES RECEIVED FOR TRANSIT ARE PLACED IN STOCK OR TRANSIT BALES ARE ON HAND OVER FIVE DAYS, TARIFF RATES WILL BE CHARGED FROM THE DATE RECEIVED.
- 4) CHARGES FOR SERVICES PERFORMED, ACTUAL LABOR COSTS AND OTHER EXPENSES INCURRED, NOT SPECIFICALLY MENTIONED HEREIN, WHEN IN DIRECT INTEREST OF OWNERS, SHALL BE CHARGED TO PARTY BENEFITED BY SAME, SUCH SERVICES, COSTS AND EXPENSES TO BE FULLY DESCRIBED ON BILLS RENDERED.
- 5) A LIEN IS CLAIMED UPON ALL COTTON FOR ALL ACCRUED CHARGES AND CHARGES ADVANCED BY THIS COMPANY, AND A SECURITY INTEREST IN ALL COTTON IS GRANTED TO WAREHOUSE FOR ANY AMOUNTS OWING.
- 6) THE SHIPMENT OF CCC-INTEREST COTTON WITHOUT DELIVERY OF THE ORIGINAL WAREHOUSE RECEIPT PRIOR TO SHIPMENT, AS ALLOWED BY THE SECRETARY OF AGRICULTURE, MAY BE SUBJECT TO SPECIAL SERVICE CHARGES.

SCHEDULING AND SHIPPING:

- 7) DEFINITIONS: WHEN USED IN THIS AGREEMENT THE TERM "COMPLETE/EARLY SHIPPING ORDER" MEANS DELIVERY TO WAREHOUSE OF WAREHOUSE RECEIPTS (IN NUMERICAL ORDER) AND A COMPLETE SET OF SHIPPING INSTRUCTIONS, WHICH SHALL INCLUDE, A STANDARD ELECTRONIC SHIPPING ORDER, MEANS OF CONVEYANCE, DESIRED LOAD DATE, AND ANY OTHER DESIRED SPECIAL INSTRUCTION SUCH AS SPECIAL MARKINGS, RESAMPLING, REWEIGHING, ETC. THE "DUE DATE" AS USED HEREIN MEANS THE DATE ON WHICH THE WAREHOUSE AGREES TO HAVE THE COTTON COVERED BY A COMPLETE/EARLY SHIPPING ORDER READY FOR LOADING.
- 8) FOR PURPOSES OF THIS SCHEDULE OF CHARGES AND RULES, THE DATE ON WHICH A SHIPPING ORDER IS CONSIDERED TO BE COMPLETED WILL BE THE STAPLCOTN WORK DAY NEXT AFTER THE DAY ALL INFORMATION NECESSARY TO COMPLETE THE SHIPPING ORDER IS RECEIVED BY THE WAREHOUSE, IN ORDER TO GIVE TIME TO PROCESS THE INFORMATION.
- 9) UNLESS PREVENTED FROM DOING SO BY ACT OF GOD, INSURRECTION, RIOT, STRIKE, LABOR DISPUTE, ACTS OF CIVIL OR MILITARY AUTHORITY, NON-AVAILABILITY OF TRANSPORTATION FACILITIES, OR ANY OTHER CAUSE BEYOND THE CONTROL OF THE WAREHOUSE THAT RENDERS PERFORMANCE IMPOSSIBLE, WAREHOUSE WILL MAKE REASONABLE EFFORTS TO DELIVER WEEKLY OR HAVE STAGED FOR DELIVERY WEEK NOT LESS THAN 4.5% (0.9% DAILY FOR EACH STAPLCOTN WORK DAY) OF ITS CCC APPROVED CAPACITY.
- 10) SHIPPERS ARE RESPONSIBLE FOR SCHEDULING OF SHIPMENTS THROUGH THE WAREHOUSE. IF THE REQUESTED SHIPPING DATE IS NOT AVAILABLE, THE WAREHOUSE WILL ASSIGN THE NEXT AVAILABLE SHIPPING DAY FOR SUCH COTTON OR A MUTUALLY AGREED ALTERNATIVE DATE. THE SHIPPER IS RESPONSIBLE FOR CONFIRMATION WITH WAREHOUSE OF SHIPPING DATES. SHIPPERS ARE ENCOURAGED TO VERIFY ELECTRONICALLY ALL SHIPPING DATES VIA THE WAREHOUSE INTERNET SITE AT "WWW.STAPLCOTN.COM."
- 11) FOR COMPLETE/EARLY SHIPPING ORDERS REQUESTING LOAD DATES DURING THE PERIOD OCTOBER 1 THROUGH DECEMBER 31, COTTON WILL BE READY FOR LOADING WITHIN 14 STAPLCOTN WORK DAYS (EXCLUDING WEEKENDS AND HOLIDAYS) AFTER THE SHIPPING ORDER IS COMPLETED. FOR COMPLETE/EARLY SHIPPING ORDERS REQUESTING LOAD DATES DURING THE PERIOD JANUARY 1 THROUGH SEPTEMBER 30, COTTON WILL BE READY FOR LOADING WITHIN 10 STAPLCOTN WORK DAYS (EXCLUDING WEEKENDS & HOLIDAYS) AFTER THE SHIPPING ORDER IS COMPLETED. PROVIDED HOWEVER, ALL LOAD DATES ARE SUBJECT TO THE AVAILABILITY REQUIREMENTS OF RULES 9 AND 10, ABOVE.
- 12) STORAGE WILL ACCRUE THROUGH THE SHIPPING DATE IF THE TERMS SET FORTH ABOVE HAVE BEEN COMPLIED WITH. OTHERWISE STORAGE WILL ACCRUE THROUGH THE DUE DATE OR DELAYED DUE DATE. FOR SHIPMENTS BY TRUCK, AS LONG AS THE DRIVER HAS SIGNED IN BY 3:00 P.M., THE TRUCK WILL BE CONSIDERED TO HAVE ARRIVED TO LOAD COTTON ON THAT DAY. THESE TRUCKS WILL BE LOADED THAT DAY WHENEVER PRACTICAL, BUT IF NOT LOADED THAT DAY WILL BE LOADED FIRST THE FOLLOWING DAY. TRUCKS ARRIVING AFTER 3:00 P.M. WILL BE LOADED IF PRACTICAL, BUT IF NOT LOADED WILL NOT BE CONSIDERED TO HAVE ARRIVED TO LOAD ON THAT DAY. THE LATE CHARGE WILL BE ASSESSED ON ALL COTTON WHICH (a) THE WAREHOUSE HAD READY TO LOAD ON THE DUE DATE, OR (b) THE WAREHOUSE HAD READY TO LOAD ON THE DELAYED DUE DATE IF THE DELAY WAS BEYOND THE CONTROL OF THE WAREHOUSE, AND (c) FOR SHIPMENTS BY TRUCK THE DRIVER DID NOT SIGN IN BY 3:00 P.M. ON THE FIRST BUSINESS DAY AFTER THE DUE DATE OR THE DELAYED DUE DATE.
- 13) ON MULTIPLE LOAD SHIPMENTS, STORAGE WILL ACCRUE ON ALL OF THE BALES THROUGH THE DATE THAT STORAGE ACCRUES ON THE LAST BALE LOADED.

- 14) PLEASE BE ADVISED THAT THIS WAREHOUSE ACCEPTS "EARLY" SHIPPING ORDERS AND CONSIDERS THEM WITH THE SAME DISPATCH AS TRADITIONAL "COMPLETE" SHIPPING ORDERS AND SCHEDULES THEM WITH THE SAME DISPATCH AS COMPLETE SHIPPING ORDERS. EARLY SHIPPING ORDERS ARE CONSIDERED COMPLETE SHIPPING ORDERS FOR SCHEDULING PURPOSES ONLY. THE COMPANY RESERVES 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.
- 15) THE WAREHOUSE DOES NOT GUARANTEE LOADING OF BALES ON SATURDAYS, SUNDAYS OR STAPLCOTN RECOGNIZED HOLIDAYS, OR ANY OTHER DAY BEFORE 7:00 A.M. OR AFTER 3:00 P.M., EXCEPT BY SPECIAL ARRANGEMENT.
- 16) TRUCKERS WILL BE AFFORDED THE OPPORTUNITY TO INSPECT EACH BALE LOADED FOR SURFACE CONTAMINATION. THE WAREHOUSE IS NOT RESPONSIBLE FOR CONTAMINATION DUE TO TRUCKS BEING IN UNSUITABLE CONDITION TO CARRY COTTON. RESPONSIBILITY FOR BALE CONTAMINATION OCCURRING AFTER BALES LEAVE OUR WAREHOUSE MUST RESIDE WITH PARTY CAUSING SUCH CONTAMINATION.
- 17) UPON REQUEST BY THE SHIPPER, STAPLCOTN WILL PROVIDE CONTAINER AND/OR SEAL NUMBERS FOR SHIPMENTS WHEN PRACTICAL. THE SHIPPER IS RESPONSIBLE FOR DETECTING ANY DISCREPANCY BETWEEN SHIPPER'S RECORDS AND THE RECORDS PROVIDED BY STAPLCOTN. STAPLCOTN WILL NOT BE RESPONSIBLE FOR ANY LOSS OR DAMAGE ARISING FROM OR IN CONNECTION WITH ANY INACCURACIES OR ERRORS IN SUCH NUMBERS. IF THE SHIPPER REQUIRES CONFIRMATION OF THE CORRECTNESS OF ANY SUCH NUMBERS, STAPLCOTN WILL, FOR AN ADDITIONAL FEE, CERTIFY AND WARRANT THE CORRECTNESS OF SUCH NUMBERS.

INSURANCE AND LIABILITY:

- 18) WAREHOUSE CARRIES NAMED RISK INSURANCE COVERING BALED COTTON IN OUR POSSESSION OR CONTROL. EXCEPT TO THE EXTENT OF THIS INSURANCE COVERAGE, ALL COTTON IS STORED AT THE OWNER'S RISK. WAREHOUSE IS NOT LIABLE OR RESPONSIBLE FOR ANY LOSS OR DAMAGE DUE TO DELAY FOR ANY REASON, INTERIOR DAMAGE, DAMPNES, DAMAGE AT TIME OF GINNING OR COMPRESSION, OR ANY OTHER DAMAGE RESULTING FROM IRREGULAR CONDITIONS, OR ANY OTHER CAUSE BEYOND ITS CONTROL. THE WAREHOUSE RESERVES THE RIGHT TO RETURN TO THE DEPOSITOR OR GIN FOR RECONDITIONING ANY COTTON RECEIVED IN A WET, DIRTY, GREASY, IMPROPERLY PACKAGED, OR DAMAGED CONDITION; IF SUCH COTTON IS PUT IN CONDITION BY THE WAREHOUSE, THE DEPOSITOR OR GIN WILL BE ASSESSED TARIFF CHARGES FOR SERVICE. NOTHING CONTAINED WITHIN THIS AGREEMENT SHALL BE CONSTRUED AS PLACING A DUTY ON THE WAREHOUSE TO INSPECT FOR POSSIBLE DAMAGE ANY BALE DELIVERED FOR STORAGE.
- 19) GROSS WEIGHT IS DETERMINED BY A WEIGHER LICENSED UNDER THE U.S. WAREHOUSE ACT. THIS COMPANY DOES NOT GUARANTEE SUCH WEIGHTS ON COTTON DUE TO NATURAL SHRINKAGE.
- 20) WAREHOUSE WILL NOT GUARANTEE CONDITION OF BALES. WAREHOUSE WILL EXERT ALL PRACTICAL EFFORTS TO TURN OUT THE BEST PACKAGE POSSIBLE BUT WILL NOT BE RESPONSIBLE FOR DAMAGE TO BALES CAUSED BY POOR METHODS OF BALING OR BY EXCESSIVE HANDLING OR SAMPLING.
- 21) ACQUIRED OR POOLED COTTON OF COMMODITY CREDIT CORPORATION STORED BY THE COMPANY UNDER A SPECIAL CONTRACT WITH THE COMMODITY CREDIT CORPORATION 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 TARIFF OF THIS COMPANY IN EFFECT AT DATE OF SALE OR TRANSFER. THIS RULE ALSO APPLIES TO RECONCENTRATED LOAN AND COTTON LINTERS STORED UNDER CONTRACT WITH THE COMMODITY CREDIT CORPORATION.
- 22) WAREHOUSE RECEIPTS WILL BE FORWARDED TO PARTIES OTHER THAN THE PRODUCER ONLY UPON THE PRODUCER'S OR GIN'S INSTRUCTION TO THE WAREHOUSE.
- 23) OUR ELECTRONIC WAREHOUSE RECEIPT PROVIDER WILL BE EWR, INC.
- 24) AS A CONDITION PRECEDENT TO RECOVERY FOR LOSS OR DAMAGE, ANY CLAIMS ON COTTON SHIPPED WILL ONLY BE CONSIDERED IF RECEIVED BY WAREHOUSE WITHIN 60 DAYS FROM THE DATE OF SHIPMENT.

NOTE: NOTHING IN THE FOREGOING SHALL BE CONSTRUED AS RELEASING CARRIER FROM LEGAL LIABILITY UNDER BILL OF LADING OBLIGATIONS. IN 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 DETERMINED AS FOLLOWS:

SPECIAL COTTON VALUATION CLAUSE

UNDER NO CIRCUMSTANCE SHALL WAREHOUSE BE LIABLE FOR INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES, NOR SHALL THE TOTAL AGGREGATE LIABILITY OF WAREHOUSE FOR ANY CLAIMS, LOSSES, OR DAMAGES ARISING UNDER THIS AGREEMENT EXCEED THE MARKET VALUE OF COTTON BASED ON THE NEAREST APPLICABLE USDA SPOT MARKET QUOTATION, BUT IN THE EVENT NO USDA SPOT QUOTATIONS ARE AVAILABLE ON THE DATE OF LOSS, THE QUOTATIONS OF THE MARKET ON THE NEXT DAY FOLLOWING THE LOSS WILL BE USED, LESS ALL DISCOUNTS AND CHARGES TO WHICH THE MERCHANDISE WOULD HAVE BEEN SUBJECT HAD NO LOSS OCCURRED; PROVIDED HOWEVER, IN ADDITION TO THE FOREGOING, PRODUCER OR ITS AGENT SHALL BE ENTITLED TO DAMAGES FOR LOSS OF ANY USDA LOAN PROGRAM BENEFITS TO WHICH THE PRODUCER OR ITS AGENT WOULD HAVE BEEN OTHERWISE ELIGIBLE AND ENTITLED HAD NO LOSS OCCURRED. ANY SUCH DAMAGES SHALL BE COMPUTED AS OF THE TIME AND PLACE OF LOSS.

CHOICE OF LAW

VENUE FOR ANY AND ALL CLAIMS OR DISPUTES ARISING UNDER THIS TARIFF SHALL BE PROPER ONLY IN THE STATE IN WHICH THE CLAIM OR CAUSE OF ACTION OCCURRED; PROVIDED HOWEVER, IF FILED IN THE PROPER STATE COURT, EITHER PARTY SHALL HAVE THE RIGHT TO SEEK AND HAVE SUCH CAUSE REMOVED TO FEDERAL COURT.

WE OFFER EXCELLENT CONSOLIDATION AND STORAGE-IN-TRANSIT PRIVILEGES FOR COTTON SHIPPED INBOUND.

RAIL RECEIVING AND LOADOUT AVAILABLE AT: RISING SUN, MS, INDIANOLA, MS, WEST MEMPHIS, AR, RAYVILLE #1, LA, & TALLULAH, LA.

STAPLCOTN'S DREW WAREHOUSE WILL CLOSE DURING THE FALL OF 2008.

STAPLCOTN WAREHOUSE
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