



STORAGE AGREEMENT

This "Agreement", made as of this _____ day of _____, between Groskopf Warehouse & Logistics ("Warehouseman", which term includes the officers, employees and agents of Warehouseman), and _____ ("Storer"), for the storage of wine and wine products of Storer (the "Goods") in a warehouse operated by Warehouseman located at 20580 8th Street East, Sonoma, CA. 95476. It is mutually agreed by the parties that such storage shall be subject to the terms and conditions set forth herein and the charges per the attached "Schedule of Rates" as amended from time to time included in Addendum A, the terms of which are incorporated herein.

1. Acceptance.

This Agreement and the attached Schedule of Rates must be accepted by Storer either by executing this Agreement and returning it to Warehouseman within fifteen (15) days from the date set forth above or in the absence of written acceptance, by sending Goods to Warehouseman for storage within sixty (60) days from the date set forth above, provided that Warehouseman accepts said Goods.

- a. This Agreement shall be effective from its acceptance by Storer and thereafter until cancelled by one party giving the other party thirty (30) days written notice thereof, and is cancelled automatically if no storage or other services are performed under this Agreement for a period of one hundred and eighty (180) days.

2. Shipping to and from Warehouse.

- a. Warehouseman and Storer shall utilize the following procedure for shipping:
 - i. Storer agrees to notify Warehouseman at least one (1) business day prior to the arrival of Goods for storage pursuant to this Agreement;
 - ii. Storer's release of Goods and Warehouseman's acceptance of Goods for transportation / shipping to Warehouseman's warehouse shall be documented in a Warehouse Receipt executed by both parties, including but not limited to the date of shipment, type of wine and quantity of cases. Warehouseman will provide Storer with a copy of the executed Warehouse Receipt;
 - iii. Warehouseman hereby agrees to provide Storer with transportation / shipping of Goods to and from Warehouseman's warehouse at a flat rate as found in the Schedule of Rates. Warehouseman represents and warrants that it is properly licensed and insured to transport / ship Storer's Goods. Warehouseman also represents and warrants that transportation / shipping of all Goods shall either:
 1. be completed within a four (4) hour window of time with Storer's Goods taken from and returned to a temperature controlled facility if Warehouseman's vehicle utilized for transportation / shipping is not a temperature controlled vehicle; or
 2. if transportation / shipping by Warehouseman can not be completed within a four (4) hour window of time, such



transportation / shipping shall only occur in a temperature controlled vehicle with temperature at the industry standard of approximately sixty-two (62) degrees Fahrenheit.

- iv. Upon Storer's request, in accordance with the terms and conditions contained herein, Warehouseman shall release and ship Goods to Storer's requested location in accordance with the terms and conditions contained herein at the rate detailed in the Schedule of Rates. Warehouseman shall release and Storer or Storer's agent or customer shall accept Goods upon Storer's request, documented in a Warehouse Receipt executed by both parties, including but not limited to the date of shipment, type of wine and quantity of cases. Warehouseman will provide Storer with a copy of the executed Warehouse Receipt.
- b. Storer agrees that Warehouseman is a mere bailee, and Storer shall not ship Goods to Warehouseman as the named consignee. If, in violation of this Agreement, Goods are shipped to Warehouseman as the named consignee, Storer agrees to notify carrier in writing, by certified mail, return receipt requested, with copy of such notice to Warehouseman, that Warehouseman was improperly named the consignee, and has no beneficial title or interest in such property. Storer agrees to indemnify, defend, and hold harmless Warehouseman from and against any and all liability, damages, costs, expenses, actions, legal suits, proceedings and claims for unpaid transportation charges, including, without limitation, undercharges of every type and nature in connection with Goods which charges shall be a lien on the Goods.

3. Tender For Storage.

All Goods for storage shall be delivered to Warehouseman properly marked and packaged for handling. All Goods for storage delivered to Warehouseman not properly marked and packaged will be subject to additional charges. Warehouseman shall inform Storer of the desired markings and packaging of Goods for handling.

4. Warehouse Storage and Charges, Transfer of Goods In Bond, and Services.

a. Warehouse Storage and Charges.

i. Warehouseman hereby represents and warrants that it shall:

1. keep the warehouse clean, orderly and within industry standards and in compliance with all laws for the storage of wine and case goods;
2. target an temperature within the industry standard temperature of approximately sixty-two (62) degrees Fahrenheit in rooms storing Goods; and
3. keep the warehouse secure from fire, flood, and theft.

- ii. If power fails or is turned off in the warehouse containing Storer's Goods for more than four (4) consecutive hours, Warehouseman will immediately notify Storer of such event. Storer, in its sole discretion, shall have the right to immediately remove any and all Goods from such warehouse if Goods are believed to be endangered by the reported power failure.



- iii. It is mutually agreed by the parties that storage of the Goods shall be subject to the terms and conditions set forth herein and the charges per the attached "Schedule of Rates" as stated. The parties agree that the Schedule of Rates may be amended from time to time by Warehouseman. Warehouseman hereby agrees to provide Storer with sixty (60) days written notice of any changes to the Schedule of Rates.
 - iv. All charges for storage are per package / case or other agreed unit per month. Storage charges shall be calculated based the actual amount of Goods in inventory on the 15th of the month and the last day of the month.
 - v. Storage charges become applicable upon the date Warehouseman accepts the Goods, regardless of the state of unloading or date of issue of Warehouse Receipt.
 - vi. A full month's storage charge will apply on all Goods received between the first (1st) and the fifteenth (15th), inclusive of a calendar month; one-half month's storage charge will apply on all Goods received between the sixteenth (16th) and the last day, inclusive of a calendar month. A full month's storage charge will apply on the first (1st) day of the next calendar month and each month thereafter on all Goods remaining in storage.
 - vii. All invoices are due and payable thirty (30) days from the date of the invoice. Terms set forth in number of days are computed from the date of the invoice, not the date received. Finance charges may be assessed after the due date at 1.5% per month on all past due balances, provided this rate does not exceed the maximum rate allowed by law, in which case, the finance charge rate will be the maximum amount allowed by law.
- b. Transfer of Goods In-Bond.
- i. If Storer removes Goods from the warehouse without providing Warehouseman with proper bond transfer information, Warehouseman shall prepare Federal and State excise tax reports and make payment of such taxes on Storer's behalf with Storer's funds. Warehouseman will issue Storer invoices for such taxes at the end of each taxable period. Storer shall remit tax payments to Warehouseman by the due date specified on the invoice. Failure by Storer to remit tax payments by the due date may result in penalties and additional costs to be paid by Storer. Storer further agrees that any occurrence of late payment of excise taxes may result in the loss of the in-bond privileges requiring all Goods to be received tax paid. A penalty will be assessed at ten percent (10%) of tax invoice total if tax invoices are not paid by due date.
 - ii. If Storer removes Goods from the warehouse and provides the proper bond transfer information, Warehouseman shall release such Goods under bond and will not prepare Federal and State excise tax reports nor remit tax payments regarding such Goods.
- c. Services.
- i. Warehouseman shall furnish necessary warehouse space, sufficient labor, supervisory personnel and equipment as may be required to properly perform the following services:
 - 1. Loading and unloading of Goods;
 - 2. Inspect incoming loads for damage to Goods and immediately notify Storer of such damage. Initiate proper documentation,



which shall include photographs of such damage to Goods for use in support of any such damage claim against carrier;

3. Load outgoing loads and inspect loads for damaged Goods as required;
4. Maintain a current inventory of incoming and outgoing Goods.
 - a. Complete a physical inventory count upon the written request of Storer. Storer shall be charged an hourly fee for the performance of such Services as determined in the Schedule of Rates. Warehouseman will provide Storer with the physical inventory count documentation prepared by Warehouseman within 48 hours of the physical inventory count; and
 - b. Maintain current web-based inventory count on a daily basis with incoming goods and outgoing goods updated within 24 hours of shipment.

5. Insurance.

- a. Storer is responsible to insure all Goods delivered to Warehouseman for storage under the provisions of this Agreement and shall provide evidence of such insurance to Warehouseman within thirty (30) days of execution of this Agreement.
- b. Goods are not insured by Warehouseman against loss or damage, except for loss or damage directly resulting from the failure by Warehouseman to exercise such care in regards to said Goods as a reasonably careful person would exercise under like circumstances. All such policies of general liability coverage shall name Storer as an Additional Insured, as applicable. Certificates and policies evidencing such coverage shall be provided to Storer upon execution of this Agreement.

6. Transfer, Termination of Storage, Removal of Goods.

- a. Warehouseman reserves the right, upon forty-five (45) days notice, to move at its expense, Goods to any other warehouse operated by Warehouseman. Storer shall have an immediate right of termination during such forty-five (45) day notice period of Warehouseman's desire to move Goods to another warehouse.
- b. Warehouseman may, without notice, move Goods within the warehouse in which they are stored.
- c. Warehouseman may, upon written notice as required by law, require the removal of the Goods, or any portion thereof, from the warehouse upon payment of all charges attributable to said Goods, within a stated period, not less than thirty (30) days after such notification. If said Goods are not so removed, Warehouseman may sell them as provided by law and shall be entitled to exercise any other rights it has under the law with respect to said Goods.
- d. If Warehouseman, in good faith, believes that the Goods are about to deteriorate or decline in value to less than the amount of the Warehouseman's lien before the end of the thirty (30) day period referred to in Paragraph 6(c), Warehouseman may specify in the notice any reasonable shorter time for removal of the Goods not less than twenty (20) days.



- e. If, as a result of quality or condition of the Goods of which Warehouseman had no notice at the time of deposit, the Goods are a hazard to other property or to the Warehouse or to persons, upon ten (10) days written notice to Storer, the Goods may be removed and/or disposed of by Warehouseman as permitted by law. All charges related to said removal shall be paid by Storer.

7. Handling.

- a. Handling charges cover the ordinary labor involved in receiving Goods at warehouse door, placing Goods in storage, and returning Goods to warehouse door.
- b. Additional expenses incurred by Warehouseman in receiving and handling damaged or hazardous Goods or in unloading from or loading into cars or other vehicles not at warehouse door will be charged to Storer.
- c. Materials used in loading rail cars or other vehicles are chargeable to Storer.
- d. Warehouseman shall not be liable for demurrage, delays in unloading inbound cars, or delays in obtaining and loading cars for outbound shipments unless such demurrage and/or delays are the result of Warehouseman's failure to exercise reasonable care.

8. Storer's Access to Goods and Warehouseman's Release of Goods.

- a. During normal business hours, Storer shall have full access to inspect (and make copies of, if applicable) its Goods, the warehouse, such records and papers as they pertain to Goods and the handling thereof. Storer shall also have the right to complete its own physical inventory count of its Goods in the warehouse at any time.
- b. No Goods shall be delivered by Warehouseman to Storer, or its designee, except upon receipt by Warehouseman of complete written instructions properly signed by Storer, provided however that Goods may be delivered, upon
 - i. Storer's instruction, by telephone in accordance with prior written authorization, provided that Warehouseman shall have no liability for loss or error resulting from oral instructions; or
 - ii. Storer's instructions, by internet / email through Warehouseman's live web-based inventory system.See "Appendix A to Storage Agreement".
- c. When Goods are ordered out of storage, a reasonable time shall be given to Warehouseman to carry out such instructions. If Warehouseman is unable to carry out such instructions because of acts of God, war, public enemies, seizure under legal process, strikes, lockouts, riots, and civil commotion, or any other reason beyond Warehouseman's reasonable control, or loss or destruction of Goods for which Warehouseman is not liable, or 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. If Warehouseman can not carry out such instructions within forty-eight (48) hours of Storer's request, Warehouseman shall grant Storer access and Storer shall the right to enter the warehouse and remove its Goods as previously requested in its sole discretion.



9. Extra and Special Services.

- a. Warehouseman labor required for services other than ordinary handling and storage will be charged to Storer at the rates in the attached "Schedule of Rates".
- b. Dunnage, bracing, packing materials, or other special supplies may be provided by Warehouseman for a charge.
- c. Communication expenses, including, but not limited to: postage, facsimile and telephone expenses may be charged to Storer, except expenses incurred for normal inventory reporting.
- d. A month-end computer generated inventory report will be mailed along with each monthly storage/handling invoice.
- e. Warehouseman shall provide Storer with access to and instructions on how to use Warehouseman's live internet based website inventory system.

10. Liability.

- a. Warehouseman shall not be liable to Storer for any loss and/or destruction of and/or damage to Goods stored, unless such loss and/or destruction and/or damage directly resulted from the failure by Warehouseman to exercise such care in regard to said Goods as a reasonably careful person would exercise under like circumstances. In no event will Warehouseman be liable for loss, destruction, and/or damage which could not have been avoided by the exercise of such care.
- b. Pursuant to the terms of section 10.(a) above, Storer declares and agrees that the amount of Warehouseman's liability to Storer is limited to "the wholesale value as supported by industry publications" not to exceed \$100.00 per case.
- c. The Warehouseman's liability referred to in Section 10(b) shall be Storer's exclusive remedy against Warehouseman for any claim or cause of action whatsoever relating to loss, damage and/or destruction of Goods and shall apply to all claims including inventory shortage and mysterious disappearance claims unless Storer proves by affirmative evidence that warehouseman converted the Goods to its own use. Storer waives any rights to rely upon any presumption of conversion imposed by law. In no event shall Storer be entitled to incidental, special, punitive, or consequential damages.

11. Notice of Claim and Filing of Suit.

- a. Warehouseman shall not be liable for any claim of any type whatsoever for loss and/or destruction of and/or damage to Goods unless such claim is presented, in writing, within a reasonable time, not exceeding 60 days after Storer learns or, in the exercise of reasonable care, should have learned of such loss, destruction and/or damage.
- b. As a condition precedent to making any claim and /or filing any suit, Storer shall provide Warehouseman with a reasonable opportunity to complete a supervised inspection of the goods which are the basis of Storer's claim.
- c. Warehouseman shall provide Storer and/or Storer's insurance company, and its agents, with a reasonable opportunity to complete a supervised inspection of the goods which are the basis of Storer's claim and the warehouse in which such goods were stored.



d. No lawsuit or other action may be maintained by Storer or others against Warehouseman with respect to the Goods unless a timely written claim has been made as provided in Paragraph (a) of this section and unless Storer has provided Warehouseman with a reasonable opportunity to complete a supervised inspection of the Goods as provided in Paragraph (b) of this section and unless such lawsuit or other action is commenced within nine (9) months after Storer learns or, in the exercise of reasonable care, should have learned of the loss and/or destruction of and/or damage to the Goods.

12. Lien.

Warehouseman shall have a lien against the goods and on the proceeds thereof for all charges for storage, handling, transportation (including demurrage and terminal charges), labor and other charges present or future with respect to the Goods, advances or loans by Warehouseman in relation to the Goods and for expenses necessary for preservation of the Goods or reasonably incurred in their sale pursuant to law. Warehouseman further claims a lien on the Goods for all such charges, advances and expenses in respect to any other property stored by Storer in any warehouse owned or operated by Warehouseman or its subsidiaries wherever located and whenever deposited and without regard to whether or not said other property is still in storage. Upon the removal of Goods from Warehouseman's warehouse and Storer's payment of charges relating to such specific Goods, Warehouseman hereby agrees to execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the removal of any and all liens Warehouseman may have on such Goods.

13. Authority.

Storer represents and warrants that it either (i) is the lawful owner of the Goods which are not subject to any lien or security interest of others; or (ii) is the authorized agent of the lawful owner and /or any holder of a lien or security interest and has full power and authority to enter into the agreement incorporated into this Agreement. Storer agrees to notify all parties acquiring any interest in the Goods of the terms and conditions of this Warehouse Receipt and to obtain, as a condition of granting such an interest, the agreement of such parties to be bound by the terms and conditions of this Agreement.

14. Notices.

All written notices provided herein may be transmitted by any commercially reasonable means of communication and directed to Warehouseman at the mailing address on the signature page hereof and to Storer at the mailing address on the signature page hereof or at its last known address. Storer is presumed to have knowledge of the contents of all notices transmitted in accordance with this Section within five days of transmittal.

15. Entire Agreement.

This Agreement shall constitute the entire agreement between Warehouseman and Storer relating to the Goods and supersedes all existing agreements between them whether written or oral and shall not be changed, amended or modified except by written agreement signed by representatives of Warehouseman and Storer.



16. Waiver of Subrogation

Warehouseman and Storer each waive, release and discharge the other party and its respective officers, directors, shareholders, employees and agents from all claims and /or demands whatsoever which the releasing party may have or acquire arising out of and/or relating to personal injury and/or property damage, including, without limitation, loss, damage and/or destruction to the Goods, to the extent that the releasing party has valid and collectible insurance coverage for such personal injury and/or property damage, whether such claim or demand may arise because of the negligence or fault of the party being released.

17. Miscellaneous

- a. Fees and Expenses. Storer agrees to pay all reasonable fees and expenses of Warehouseman (including, but not limited to reasonable attorneys' fees and court costs) incurred by Warehouseman in any action by Warehouseman to collect any of its reasonable charges, to enforce its lien or any of its rights under this Agreement, or to which it is made a party due to its status as bailee of the Goods.
- b. Binding Effect. Storer and Warehouseman agree that this Agreement shall be binding on their heirs, assigns, and successors.
- c. Severability. In any provision of this Agreement or the application of any such provision to any person or circumstance shall be held invalid, the remaining provisions of this Agreement, or the application of such provisions to persons or circumstances other than those to which it is held invalid, shall not be affected hereby.
- d. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement.

18. Warranty of License & Permit Compliance & Indemnification of Warehouseman.

- a. Storer hereby represents and warrants that it has obtained such licenses and permits from such local, state and federal agencies (including, without limitation, the United States Tax and Trade Bureau, and the California Department of Alcoholic Beverage Control) as shall be necessary for Storer to authorize Warehouseman to perform the storage, shipment and other services requested in accordance with this Agreement and that all such licenses and permits are, and will remain, in full force and effect, are current, and are not subject to revocation or suspension. Copies of all of the aforementioned necessary licenses must be forwarded to Warehouseman within thirty (30) days of execution and/or acceptance of this Agreement.
- b. In the event that Storer has failed to obtain, or has suspended or revoked, any license or permit necessary for Storer to authorize Warehouseman to perform the services requested in accordance with this Agreement, Warehouseman shall be expressly indemnified from all costs, expenses and attorneys' fees incurred by Warehouseman as a result of such event. Such costs, expenses, and/or attorneys' fees shall be a lien on the Goods as provided for in this Agreement.

[Signature Page To Follow.]



Groskopf
Warehouse & Logistics

THE PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THIS DATE AND YEAR FIRST
HERE AND BEFORE WRITTEN.

(Storer)

Groskopf Warehouse & Logistics
(Warehouseman)

(Signature)

(Signature)

(Title)

(Title)

Physical Street Address:

Physical Street Address:

20580 8th Street East
Sonoma, California 95476

Mailing Address:

Mailing Address:

PO Box 128
Vineburg, CA 95487