

## STANDARD TERMS AND CONDITIONS

### 1. Applicability.

(a) These terms and conditions of sale (these “**Terms**”) are the only terms which govern the sale of goods (“**Goods**”) and services (“**Services**”) by Craft Canning LLC, an Oregon limited liability company (“**Seller**”), to the buyer set forth below (“**Buyer**”). Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods and Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.

(b) The accompanying electronic or other written communications between the parties (the “**Sales Confirmation**”) and these Terms (collectively, this “**Agreement**”) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer’s general terms and conditions of purchase regardless of whether or when Buyer has submitted its purchase order or such terms. Fulfillment of Buyer’s order does not constitute acceptance of any of Buyer’s terms and conditions and does not serve to modify or amend these Terms.

### 2. Delivery of the Goods and Performance of Services.

(a) The Goods will be delivered within a reasonable time after Seller’s receipt of the Sales Confirmation, subject to availability of the Goods from Seller’s third party suppliers. Unless otherwise agreed in writing by the parties, Seller shall deliver the Goods to Seller’s location as set forth in the Sales Confirmation (the “**Delivery Point**”) using Seller’s standard methods for packaging and shipping such Goods.

(b) Buyer shall (i) cooperate with Seller in all matters relating to the Services and provide such access to Buyer’s premises and other facilities as may reasonably be requested by Seller, for the purposes of performing the Services; (ii) respond promptly to any Seller request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Seller to perform Services in accordance with the requirements of this Agreement; (iii) provide such customer materials or information as Seller may request to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects; and (iv) obtain and maintain all necessary licenses and consents and comply with all applicable laws in relation to the Services before the date on which the Services are to start.

### 3. Buyer’s Obligations.

(a) Title and risk of loss passes to Buyer upon delivery of the Goods at the Delivery Point. The parties acknowledge and agree that Buyer retains title and risk of loss for all beer or/wine, cans, bottles, labels, and other materials associated with the Services that are not Goods (the “**Products**”).

(b) Buyer shall deliver 12 sample cans and associated manufacture specifications to Seller at least ten days prior to when the Services are scheduled to begin as set forth in the Sales Confirmation.

(c) If Seller’s performance of its obligations under this Agreement is prevented or delayed by any act or omission of Buyer or its agents, subcontractors, consultants, or employees, Seller shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges, or losses sustained or incurred by Buyer, in each case, to the extent arising directly or indirectly from such prevention or delay, including, without limitation, acts or omissions of Seller (i) resulting from expedited performance of the Services arising directly or indirectly from

Buyer's failure to make available on a timely basis any facilities or other resources set forth in the Sales Confirmation, or (ii) Buyer's failure to comply with Buyer's obligations set forth in Section 3(b).

4. Inspection and Rejection of Nonconforming Products and Services; Insurance.

(a) Buyer shall inspect the Products, Goods, and Services within ten days following completion of the Services and delivery to Buyers' winery of three (3) filled and finished cases from start, middle and end of the production run ("**Inspection Period**"). Buyer will be deemed to have accepted the Goods and Services unless it notifies Seller in writing of any Nonconforming Deliverables during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by Seller. "**Nonconforming Deliverables**" means only bottles or cans with leakage from points of seal or otherwise ruptured.

(b) If Buyer timely notifies Seller of any Nonconforming Deliverables, Seller may, in its sole discretion, credit or refund the actual costs paid by Buyer for the Products. For the avoidance of doubt, the phrase "costs paid by Buyer for the Products" does not relate to the retail value of the Products, Goods, or other finished materials sold by Buyer to customers.

(c) Seller carries product recall insurance with Farmers Insurance Company for the cans of finished Goods produced under this Agreement. Seller agrees to have Buyer named as an Additional Insured under such policy and to keep the underlying policy current and fully paid during the term of this Agreement and any renewal thereof. Exhibit A is a true copy of the Certificate of Insurance naming Seller as an Additional Insured and stating the limits of coverage.

5. Price.

Buyer shall purchase the Goods and Services from Seller at the prices (the "**Prices**") set forth in Seller's published price list (the "**Price List**") in force as of the date of the Sales Confirmation. All Prices are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any Governmental Authority on any amounts payable by Buyer. Buyer shall be responsible for all such charges, costs and taxes; provided, that, Buyer shall not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, personal or real property, or other assets.

6. Payment Terms.

Buyer shall pay all invoiced amounts due to Seller in accordance with such Price List in force as of the date of the Sales Confirmation. Buyer shall make all payments hereunder by wire transfer, check, or other payment method approved by Seller in writing and in US dollars. Buyer shall pay interest on all late payments as set forth in such Price List in force as of the date of the Sales Confirmation. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these Terms or at law (which Seller does not waive by the exercise of any rights hereunder), Seller shall be entitled to suspend delivery of any Goods or performance of any Services if Buyer fails to pay any amounts when due hereunder and such failure continues for such periods as set forth in such Price List in force as of the date of the Sales Confirmation.

7. Limited Warranty.

(a) Seller warrants to Buyer that for a period of three months from the date of shipment of the Goods ("**Warranty Period**"), that such Goods will materially conform to the specifications set forth in Sales Confirmation

and will be free from material defects in material and workmanship. Seller further warrants to Buyer that it shall perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement.

**(b) EXCEPT FOR THE WARRANTIES SET FORTH IN SECTION 7(a), SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS, PRODUCTS, OR SERVICES, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (iii) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.**

(c) The Products are manufactured by a third party are not covered by the warranty in Section 7(a). For the avoidance of doubt, **SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY PRODUCTS, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (iii) WARRANTY OF TITLE; OR (iv) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.**

(d) Seller shall not be liable for a breach of the warranties set forth in Section 7(a) unless: (i) Buyer gives written notice of the defective Goods or Services, reasonably described, to Seller within ten days of the time when Buyer discovers or ought to have discovered the defect; (ii) if applicable, Seller is given a reasonable opportunity after receiving the notice of breach of the warranty set forth in Section 7(a) to examine the applicable Products; and (iii) Seller reasonably verifies Buyer's claim that the Goods or Services are defective.

(e) Seller shall not be liable for a breach of the warranty set forth in Section 7(a) if: (i) Buyer makes any further use of such defective Goods after giving such notice; (ii) the defect arises because Buyer failed to follow Seller's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Goods; (iii) Buyer alters or repairs such Goods without the prior written consent of Seller; (iv) Buyer fails to comply with Buyer's obligations set forth in Section 3(b); or (v) resulting from such circumstances as set forth in Section 3(c) .

(f) Without limiting Section 4(b), with respect to any Goods or Services subject to a claim under the warranty set forth in Section 7(a), Seller may, in its sole discretion, credit or refund the actual costs paid by Buyer for the Products. For the avoidance of doubt, the phrase "costs paid by Buyer for the Products" does not relate to the retail value of the Products, Goods, or other finished materials sold by Buyer to customers. If this Agreement has been terminated and Buyer is entitled to a claim, Buyer shall receive payment for that claim by refund.

**(g) THE REMEDIES SET FORTH IN SECTION 7(f) SHALL BE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTIES SET FORTH IN SECTIONS 7(a) except as provided in paragraph 4 (c) above.**

**(h) THE PROVIDER MAKES NO WARRANTY OF SHELF STABILITY AND MAKES NO WARRANTY REGARDING THE ADDITION OF VELCORIN OR ANY OTHER PRESERVATIVE OR INGREDIENT SOURCED BY PROVIDER OR THIRD PARTY**

8. Limitation of Liability.

(a) **IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.**

(b) **IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS AND SERVICES SOLD HEREUNDER.**

(c) The limitation of liability set forth in Section 8(b) shall not apply to (i) liability resulting from Seller's gross negligence or willful misconduct or (ii) death or bodily injury resulting from Seller's acts or omissions or (iii) insurance benefits Buyer may be entitled to under Section 4(c) above to the extent such amounts are actually paid by Farmers Insurance Company. For the avoidance of doubt, with respect to clause (iii) above, the exclusion from Section 8(b) only applies to amounts that are actually paid by Farmers Insurance Company pursuant to Section 4(c). In no event will clause (iii) be interpreted to require that Seller pay Buyer amounts in excess of the limitation set forth in Section 8(b).

9. Term; Termination. This Agreement shall have an Initial Term of twelve (12) months beginning with the date of Buyer's first written order for Goods. The parties may renew this agreement in writing no later than sixty (60) days prior to expiration of the Initial Term and any subsequent term. Buyer may terminate this agreement without cause upon sixty (60) days prior written notice. In addition to any remedies that may be provided under these Terms, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (a) fails to pay any amount when due under this Agreement; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors.

10. Waiver. No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

11. Force Majeure. Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion, or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage, provided that, if the event in question

continues for a continuous period in excess of 15 days, Buyer shall be entitled to give notice in writing to Seller to terminate this Agreement.

12. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this Agreement.

13. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

14. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of these Terms.

15. Governing Law. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of Oregon without giving effect to any choice or conflict of law provision or rule (whether of the State of Oregon or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Oregon.

16. Submission to Jurisdiction. Any legal suit, action, or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Oregon in each case located in the County of Multnomah, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

17. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a “**Notice**”) shall be in writing and addressed to the parties at the addresses set forth on the face of the Sales Confirmation or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

18. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

19. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Governing Law, Submission to Jurisdiction, and Survival.

20. Amendment and Modification. These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each party.

IN WITNESS WHEREOF, the undersigned is an authorized representative of Buyer and has the authority to bind Buyer to these Terms. Buyer hereby acknowledges, accepts, and agrees to be bound by these Terms as of the date set forth in the Sales Confirmation.

BUYER: \_\_\_\_\_  
(Name of Buyer)

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Printed Name of Signatory)

Its: \_\_\_\_\_  
(Title of Signatory)