



Contract Bottling Services Terms And Conditions

Service provided by Unison Estate Ltd (UEL)

Unison Estate Ltd provides a manufacturing process to enable wineries to convert bulk finished wine in to retailable wine product in a bottle.

The customer wishes to utilise Unison's manufacturing expertise, equipment and Dry Goods to create a finished bottle product suitable for consumer sale

Services

UEL agrees to perform bottling services for the Customer in accordance with the Customer's instructions and specifications set forth in the Customer Bottling Booking form to be supplied a minimum of 7 working days prior to the agreed bottling date. Should the form not be completed UEL will only bottle to any specifications supplied via email.

UEL Obligations

1. UEL will comply with all processes and procedures as outlined in the MPI accredited NZ Wine Standard Management Plan. UEL will be audited annually and our WSMP certificate is available on request. Should the certificate not be renewed, UEL will inform the Customer.
2. UEL will comply with the NZ Wine Sustainable Winery processes and procedures and do everything to maintain its certification. Our certificate is available on request. Should the certificate not be renewed, UEL will inform the Customer.
3. UEL will be subject to audit of Organic Wineries Sub Licensee Annual audit and will maintain appropriate procedures when bottling for said Organic Certified Customers.
4. Where the customer wishes to undertake a sterile bottling, UEL will ensure the bottling machinery and prefilter are sterilised with steam for a total of 20 mins at a minimum of 90 degrees Celsius measured at 4 points of the line. The 0.45 micron filter will be subject to the manufacturer's integrity test before the start of the first bottling of the day.
5. Equipment Malfunction: UEL will complete regular maintenance to ensure it is ready for bottling. In the event of an equipment malfunction UEL will notify the customer and make every reasonable effort to repair and resume bottling. If repair is not possible the bottling

will be rescheduled to a date agreeable to both parties. The same applies when there is an electricity black out.

6. UEL will handle the customer's wine with all due care and attention throughout the process.

Customer Obligations

1. Wines must be bottle ready upon arrival at UEL. This includes all finishing and sterile filtrations (unless non sterile filtration is chosen).
2. Wines must meet a filterability test of no more than 1.2. Filterability testing can be completed by the Customer at Wineworks laboratory in Hastings and results sent through the day before bottling. Should a customer not complete a filterability test and the wine subsequently blocks any or both of the filters, they will be liable for replacement costs at current market rates. The 0.65 filter is approx. \$800 and 0.45 micron approx. \$1000 as at July 2018. As a precaution a prefilter membrane can be used prior to the 0.65 micron filter customers can provide their own and keep them or UEL will provide at cost approx. \$150 (July 2018). Should this block the customer will be informed and a mutual decision agreed on the way forward. If the filters block with a wine which has an acceptable filterability test, the production will be stopped and the wine retested before any further bottling occurs. Should this sample show a decrease in filterability to a non-acceptable level, replacement costs will apply. UEL reserves the right to put a prefilter in place as described at the customers cost should any blocking occur.
3. Wine must be at least 14 degrees Celsius. It must be thoroughly mixed having a free and total SO₂, dissolved CO₂, dissolved O₂ are to the Customer's desired levels. Any checks or additions are the responsibility of the Customer's winemaker prior to bottling. Gas can be supplied as per rate on price schedule. Please note if the dissolved CO₂ is too high this can cause fluctuations in fill heights due to foaming, in such an incidence the machine will need to be slowed down. Prices are calculated on a speed of 1000 bottles/hour, slowing the machine will incur a surcharge e.g. if running at 800 bottles/hour a 20% surcharge on the bottling rate per dozen will apply. Wine can be bottled below 14 degrees but there are potential issues at the Customer's risk for issues such as, but not exclusively, fill heights and potential expansion problems.
4. **Insurance:** The Customer shall insure all of the Customer's property in UEL possession from loss or damage, including without limitation, general liability, breakage, theft, fire, earthquake and casualty. Transportation tanks are available free of charge for customers to use to bring wine for bottling. In the case of any damage, the customer will be responsible for all costs associated with repair or replacement. For the avoidance of doubt the customer is responsible for all insurance during transportation.
5. **Taste off:** Customers should be present for taste off prior to each wine being bottled and to check they are happy with the bottling, quality control and approvals. Customer's failure to object to the quality or appearance of the bottling at time of production shall be deemed acceptance by the customer of the bottling services and waiver any claim against UEL concerning the quality or appearance of the bottling services. A winery representative is welcome to be present for the whole bottling as long as they abide by Health and Safety rules.

UEL disclaimers and customer waivers

1. **Packaging Materials and Supplies.** UEL is not responsible for damage to the Customer's wine due to the condition of, or defects in, any supplies of dry goods including, but not limited to cork moisture content, cork taint, cork bacterial migration, wine spillage from faulty corks, vacuum loss from faulty caps, lack of sterility of bottles or caps, bottle shape irregularities leading to poor label application, bottle breakage due to defects, oxygen levels, oxidation, discolouration, smell and/or odour of wine, or any other condition outside the direct control of UEL. The Customer hereby waives any and all claims against UEL for the damage referred to in this section, or for any other loss, liability or damage not directly resulting from UEL's gross negligence or wilful misconduct.
2. **Biological Stability:** The biological stability of the wine is the sole responsibility of the Customer and UEL expressly disclaims any liability for the condition of the wine both before and after bottling
3. **Reservation of Rights:** UEL reserves the right to stop production at any time at its sole and absolute discretion. In the event production is stopped, the parties shall mutually agree on a future date for bottling to occur.

Distribution

1. The customer will arrange pickup of product from the bottling hall the day after completion of the bottling or before on larger runs as directed by UEL. The Customer will advise the destination, the truck company and the Customs Controlled Area (CCA) number at its destination. In instances where there is no CCA number or Carters Export Note, any Excise Duty, Goods & Services Tax, HPA Levy the Customer shall pay in advance of dispatch (forthwith upon receipt of a pro-forma invoice) such taxes as are due.
2. At its sole discretion, the Manufacturer shall be entitled to refuse load-out of any Bottled Product or Bulk Product in the event that UEL is not satisfied as to the likelihood of payment of Excise Duty, Goods & Services Tax or HPA charges by the Customer
3. For the avoidance of doubt, UEL shall have no obligation and shall not be required to pay or contribute to the payment of Excise Duty, Goods and Services Tax or HPA levies payable in respect of the Bulk Product or the Bottled Product manufactured or stored by the Customer.

Contract Price and Payment

1. UEL prices are outlined in bottling prices schedule. This will run from July to June each calendar year. Midyear price increases will be limited to dry goods increases and will only occur when increases have been imposed on UEL by the supplier. Customers will be advised when affected.

2. All manufacturing charges, including all dry goods costs, levied by UEL shall be paid without deduction on the 20th of the month following the date the invoice was issued.
3. In default of payment of the invoice on the due date, the Customer shall pay interest on such sums from the date of issue of the invoice at 1.5% per month together with all costs of recovery incurred by UEL, including its legal costs and disbursements on a Solicitor and client basis and fees paid to any debt collection agencies.
4. The Customer acknowledges that, by operation of the law and as a result of the Manufacturing work and services supplied by UEL, UEL is entitled to assert and exercise the benefit of a particular lien over Bottled Product in respect to Manufacturing Charges payable by the Customer to the Manufacturer for the Manufacturing carried out in relation to such Bottled Product.
5. For the avoidance of doubt the Manufacturer reserves all of its statutory rights of Lien under the Sale of Goods Act 1908, the Carriers Act 1979, and the Wages Protection and Contractors Liens Repeal Act of 1987 or any statutory amendment or re-enactment thereof, and at common law. These rights also extend to product that is manufactured and moved from UEL to one of UEL preferred CCA warehouses for storage namely Wineworks Hastings, Triple P Logistics Onekawa Napier and Wine Warehousing Mere Road Hastings.
6. Until UEL has received full payment of all Manufacturing Charges payable legal and beneficial title to any Dry Goods supplied by the Manufacturer shall remain with UEL.
7. Without prejudice and in addition to the rights described in this section already, the customer hereby grants to UEL:
 - a. A security interest under the PPSA in all the Customer's present and after acquired property (including the Goods) to secure payment of any and all amounts payable by the Customer to the Manufacturer from time to time; and
 - b. A security interest under the PPSA in all Dry Goods from time to time supplied by UE to the Customer to secure payment in full of the price of those Dry Goods.
8. The Customer waives the right to receive a verification statement in respect of any financing statement or financing charge statement relating to any security interest arising under this agreement.
9. The Customer waives and contracts out of its rights under sections referred to in section 107(2) of the PPSA
10. The Customer agrees that nothing in sections 114(1) (a), 133 and 134 of the PPSA shall apply to this agreement and contracts out of such sections.
11. The Customer agrees that UEL shall be entitled to apply any payments made by the Customer against such of the Manufacturer's unpaid charges payable by the Customer (including interest and/ or costs of recovery) as the Manufacturer in its sole discretion determines.

12. The customer agrees not to export the product until all invoices are settled in full. As such UEL will not sign off the confirmation of bottling/packaging on the MPI export accreditation website until all debts relating to the bottling have been settled in full.
13. In the event that any payment has not been made by the Customer to UEL by the Due Date, UEL shall be entitled to immediately terminate all Manufacturing and any other services provided or to be provided pursuant to this agreement.

Dispute Resolution

If at any time hereafter any dispute, doubt or question shall arise between the Customer and UEL touching the construction, meaning and effect of these presents or any clause or thing herein contained or implied or the rights or liabilities of the Customer of UEL under this agreement, then if such dispute cannot within one month be resolved by agreement or mediation, such dispute or question shall be referred to the arbitration of a single arbitrator in the case the Customer and UEL can agree upon one and failing agreement, to the arbitration of two arbitrators, one to be appointed by UEL and one to be appointed by the Customer or in the case of disagreement to their umpire to be appointed by the arbitrators before entering upon their reference and in either case in accordance with the provisions of the Arbitration Act 1996 (excluding the Rules of the 2nd Schedule Nos. 1,2,5 and 7) or any statutory modification or re-enactment thereof.



Philip Horn

Director

Unison Estate Ltd

UEBTC V4 05 2019

Customer Company Name:.....

Authorised Person Name:.....

Signed:

Date: