



WINE STORAGE AND SERVICE AGREEMENT

Contract number xxxxxx

between ARVI SA, company number CHE-110.590.911, Via Pedemonte di Sopra 1, CH- 6818 Melano, hereinafter referred to as «ARVI»

and *Name, Surname, Address*, hereinafter referred to as «the client»

Article 1 - General principles

1.1 The “Wine Storage and Service Agreement” set out the rules under which ARVI SA – hereinafter “ARVI” – shall provide its services of “The Wine Vault”. This agreement shall hereinafter be referred to, for purposes of convenience, as the “Wine Storage and Service Agreement”

For information, the services covered by the Wine Storage and Service Agreement shall include, but shall not be limited to:

- receiving wines/spirits/distillates in bottles and, more broadly, any wine-related goods designated by ARVI;
- storing the said products;
- preparation of the said goods for delivery/pick-up.

Any instruction placed by a client shall imply:

- the client’s full and unrestricted adherence to the Wine Storage and Service Agreement and to the terms of the service accepted by ARVI;
- the client’s renunciation to avail itself of contradictory provisions that are not expressly stated and/or that depart from the Wine Storage and Service Agreement and from the terms of the accepted services performed by ARVI – on any grounds, at any moment in time and whatever the form thereof.

1.2 In the case the client purchases wine and does not remove them from the ARVI premises within 60 days from the invoice date, the Wine Storage and Service Agreement will be applied and accepted by the client automatically.

1.3 The contract comes into force on XX/XX/XXXX, and has an indefinite duration. The contract must be validated in written form by each party with legible signatures on every page of the original document (in the case of legal corporate entity, a business stamp and signature from a legal representative is needed) in the spaces provided on page 6. The contract may be terminated at any time, granted that the request be given within one month’s notice to the end of the quarter, to be exact; 31 March, 30 June, 30 September and 31 December. Requests for goods collection or shipment will not be considered as a contract termination. In the case the client removes all of their assets without cancelling the contract, the client will retain the dedicated space of the original offer, however will only be billed for the monthly administrative costs (Annex 1).

Article 2 – Service Details / Confirmation

2.1 Any order for services must be submitted in the form of a written document (sent by post, fax or e-mail). Any order that is placed verbally by the client must be confirmed by the client in writing.

2.2 ARVI shall be entitled to request further details from the client if it considers this to be necessary for the purposes of its analysis, and the client shall have to provide all the answers that are required. This facility does not however mean that ARVI has to perform an exhaustive and prior analysis of the situation – the Wine Storage and Service Agreement governing the provision of the services being determined by ARVI based solely on those elements that are disclosed to that end by the

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client. The client must as a result take care to provide ARVI with all the information needed in order for ARVI to properly assess the scope of the services to be provided.

2.3 The storage cost is defined and agreed upon in this contract (art. 2.4), plus a compulsory insurance charge on the value declared, also defined and agreed in this contract, plus current Swiss VAT.

2.4 The monthly storage cost is outlined on the attached Annex 1. Handling costs related to the receipt of wines and deposit, as well as the costs for the goods return in the depository, or for any additional service will be invoiced separately, according to ARVI tariffs.

2.5 Should ARVI deem that it is not able to meet a given order, ARVI shall notify the client of this by any means of its choosing. Please note that ARVI is entirely free to decide not to comply with the requests submitted by clients in accordance with considerations such as ARVI's availability. The parties hereby expressly agree that no refusal on the part of ARVI shall be deemed to constitute a fault on its part nor shall it result in any compensation being due to the client.

2.6 Save in case of force majeure, no order may be wholly or partly cancelled or otherwise modified by the client without the written consent of ARVI.

2.7 The benefit of the order shall be personal to the client and cannot be transferred or assigned without the prior written consent of ARVI.

Article 3 - Modifications of the services, of the price and of the terms under which the services are provided

3.1 ARVI shall be entitled to make any modification to the content, the price, the characteristics, the Wine Storage and Service Agreement of the provision of the services, notifying the variations to the client within three months' notice.

Article 4 - Terms governing the provision of services by ARVI

4.1 General principles:

ARVI pledges to provide the services with all due care and attention and to comply with the highest standards of the profession at the time and with Switzerland's prevailing regulations. The client hereby acknowledges and agrees that ARVI is subject only to an obligation to deploy the requisite means in order to provide the services.

ARVI shall be entitled to subcontract all or part of the performance of the services subject of the order and in general to substitute any third party to itself as part of the provision of the said services.

Moreover:

- the services shall be provided at the warehouses that are located in Via Pedemonte di Sopra1, 6818 Melano; or Via Industrie, 6592 Sant'Antonino; or any other place determined by ARVI with prior notice given to the client; ARVI reserves the right to transfer the goods, as needed, between the aforementioned warehouses.
- the warehouses where the wines/goods are being stored are temperature-controlled spaces (air-conditioned), with an average temperature between 13 and 14 degrees Celsius (with a tolerance of +/- 2 degrees) and an average humidity of 50% (with a tolerance of +/- 15%) and a well-protected security system.
- the timescales for the provision of the services, as indicated by ARVI to the client in the quote, are merely indicative, and any delay on the part of ARVI cannot therefore give rise to damages, compensation, or a right to withhold moneys or cancel an order on the part of the client;
- circumstances of force majeure and acts of God, as defined in Article 10 of the Wine Storage and Service Agreement, shall, at the sole discretion of ARVI, relieve ARVI of any commitment in relation to the provision of the services on a temporary or permanent basis without any compensation being due to the client.

The client declares and guarantees that all the goods deposited are of his/her exclusive property and have been purchased or imported according to the applicable Swiss Law or to any other relevant law of any involved country. ARVI has the right to ask for any information or documentation in order to certify the origin of the wine. The client pledges that it shall hold full

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and unfettered title over the goods that are deposited at the warehouses, which shall be and shall remain unburdened by any rights or liens whatsoever from their entry into to their exit from the warehouses. Should this right of ownership be partly or wholly altered, the client pledges to immediately inform ARVI in writing. ARVI bears no responsibility in case the wines stored are fakes, unless in the case the client purchases directly from ARVI and places them in The Wine Vault immediately, or the client failed to declare them to the competent tax authorities of his country of tax residence and/or citizenship, or wines stored have been traded in violation of international legislation against money laundering.

4.2 As to the reception of the goods at the warehouse:

- Prior to the reception of goods at the warehouse, the number of goods must be agreed upon and approved by ARVI. A detailed inventory list of the goods in question should be approved at least 3 days prior, including the quantity of goods, vintages, bottle formats, case specification, visual notes and etc. Any changes or modifications made to the acceptance request will be considered as a brand-new separate request. The additional costs will be billed regarding the handling and this will be considered the notice for the acceptance. The goods must be duly contained in cases or boxes on a pallet for preservation. Should the wine arrive at the warehouse inappropriately packaged, in the opinion of ARVI (which is not subject to appeal), ARVI shall either rectify the defect without prior notice and at client's expense or may refuse to take delivery. Wine cases and/or boxes which are not completely full will not be accepted.

In addition, prior to the reception of the goods at the warehouse, the client must declare the nature, value and state of the goods that are being deposited and provide any mandatory indications needed for its identification by the regulatory authorities. If the client is a company, his/her representation force shall be legitimated before the goods are delivered to the depository with a written warrant of attorney unless the society is registered in a certificate of the Chamber of Commerce (dated no later than 15 days prior to the request) or in the case of foreign commercial entities, the equivalent document. ARVI will extract these documents for its use.

The reception of the goods shall involve unloading and taking charge of the goods that are delivered, and this shall take place when the delivery vehicle is docked at the loading bay with its doors open, as soon as the wines pass into warehouse. ARVI shall check the conformity of the goods in accordance to the consignment note and shall notify to the client of any discrepancy, defect or deficiency within 10 working days. This check however, does not extend to the bottles content or their seal (cork and such). Moreover, ARVI is not obliged to check the boxes/cases content.

The client must ensure the goods that are entrusted to ARVI with a view to the latter providing its services comply with all of the laws, regulations, orders, official requirements and in general with all applicable regulations throughout the duration of the provision of the said services. Failing this, ARVI may terminate the provision of the services at its sole discretion without notice, and the client shall have to compensate ARVI for all the costs borne by ARVI in connection with same and for any damages that ARVI incurred as a result, whether directly or indirectly.

Any goods that are delivered to the warehouse without documentation or with incomplete documentation that may lead to a suspicion of illegality/counterfeiting may be denied admission to the warehouse, at the sole discretion of ARVI and without cost implications for ARVI.

The abovementioned declaration shall be made under the client's sole responsibility – to the exclusion of any liability on the part of ARVI. The client alone shall be liable for any incomplete or inaccurate declaration and shall where applicable suffer all of the direct or indirect consequences thereof.

It is up to the client to notify ARVI in writing of any variations in the value of the goods, said modifications being taken into consideration by ARVI at the end of each year. The declared value shall be considered as accurate and, as a result, shall alone be retained for such purposes as the payment of compensation for any damage that is caused to the goods.

If it has not been declared by the client under the terms that are mentioned above, the value of the goods shall be determined systematically by ARVI arbitrarily upon entry of the goods involved into the storage area. ARVI shall state this value on the warehouse warrant, without having to notify the client of same beforehand.

If the client fails to cover the expenses regarding shipment and/or importation of the goods from another country to Switzerland (ie. taxes, customs, duties and etc.) ARVI will then invoice the client for the complete costs.

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4.3 As to the storage of the goods:

ARVI shall only acknowledge a single client, namely the one which has deposited the goods in its name and holds the warehouse warrant. ARVI shall therefore not get involved in any dispute concerning the ownership of the goods that are stored.

The client, as stated under this contract is required to justify himself/herself. If, for unavoidable reasons it was not possible to present these documents prior to the signing of this contract, the client agrees to supply them before the goods arrive in the warehouse, failing to do so will result in the rejection of said goods.

The client may give however one or many people the right of disposal over his wines deposited. For this purpose, he/she must submit a special power of attorney form to ARVI. The power of attorney will remain in force until revoked in writing, and it will not be cancelled by death, declaration of disappearance, loss of the capacity to act. Provisions foreseen in this article apply also to the attorney. ARVI will not in any event be liable for any use of the power of attorney which is inappropriate, illicit or against the instructions of the depositor, or of its heirs or legal successor, of its legal representatives, of the attorney or of any third party. ARVI has in any case the right, to its own unquestionable judgement, to refuse to follow the attorney's instructions, and to ask to the depositor written confirmation of such instructions. ARVI will not be liable for any delay in executing the attorney's instruction in the event that ARVI has exercised its own right to verify the attorney's instructions.

The new warehouse warrant, in the name of the beneficiary of the transfer, shall set out any reservations that ARVI may have entered upon entry of the goods into the warehouse, and the Wine Storage and Service Agreement shall apply, as of the transfer, to the new beneficiary, which shall be deemed to be fully aware of same.

ARVI shall be entitled to require the client to pay any moneys that it owes to it prior to proceeding with any transfer requested by the latter.

4.4 As to the removal of the goods from the warehouse:

The client shall notify ARVI in writing for the removal of the stored goods (or part of them). The request for goods collection or shipment will not be considered as a contract termination (art. 1.3).

The client has the right to collect the goods during regular business hours from ARVI or – if the wine is stored in an external facility – also directly at the place of the external facility, according to a previous agreement between the parties. Any changes or modifications made to the withdrawal request will be considered as a brand-new separate request. The additional costs will be billed regarding the handling and this will be considered the notice for the withdrawal.

The request for good collection and shipment orders shall be subject to the following restrictions:

- for quantities less than 10 cases of wine or equivalent, the request must be made at least 72 hours (3 working days) in advance;
- for quantities exceeding 10 cases of wine and up to 1 pallet, the request must be made at least 5 working days in advance;
- for quantities exceeding 1 pallet, the request must be made at least 9 working days in advance.

If the client demands a collection of the goods without observing the prior notice, they will owe additional handling costs thereof according to the attached Annex 1 per bottle plus VAT nonetheless of its quantity for which the prior notice has not been observed.

Upon the client's request, ARVI will ship the deposited wine through Switzerland to the address indicated by the client. However, a prior notice is requested, depending on the quantities that have to be shipped. If the client does not proceed directly to the removal of the goods, the client shall inform ARVI of the name of the transportation contractor to which the goods must be entrusted.

All shipping will occur at depositor's own and exclusive risk and expense, according to the depositor's instructions. ARVI has the right to ask for an advanced payment for the handling as well as for the shipping costs.

The client or the transportation company designated to that end by the client must take possession of the goods involved at

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the time, date and place agreed with ARVI. ARVI is free from any obligation and/or responsibility towards the depositor after the goods have left the warehouse.

Upon removal of the said goods, the client shall check the nature, state, quantity, and in general the compliance of the goods.

Any missing quantities or breakage, and in general any anomaly concerning the products that are removed must be immediately brought to the attention of ARVI in writing and confirmed on the same day to ARVI by means of a letter sent by recorded delivery with acknowledgement of receipt. The client must take all requisite measures to ensure that ARVI can proceed to check the anomalies; it is up to the client to do whatever is necessary in order to ensure the preservation of the evidence.

Article 5 - Liability – Insurance

5.1 ARVI shall not under any circumstance be liable for the quality or the compliance of the goods that are entrusted to it (ie. loss of wine due to the presence of defects in the closure device of the bottles, such as corks, screw-caps, and/or other), for which the client shall alone be responsible.

ARVI shall only be liable for direct damages resulting from bottle breakage caused by the actions of warehouse personnel, to the extent that such failure is not the result of packing deficiency.

As a result, ARVI hereby disclaims liability for any indirect losses or damage – such as loss of sales, loss of clients, loss of orders, loss of turnover, loss of earnings or loss of income – that may be incurred by the client.

5.2 The client is aware that the warehouses have been insured according to their own expenses to the insurance company chosen by ARVI. The coverage details are available to the client upon request.

Should the client require a more comprehensive insurance coverage, he/she must take out an additional insurance with a company of his/her choice, since ARVI does not offer additional coverage.

The insurance premium shall be paid in addition to the storage cost.

In any event, the compensation for damage shall not exceed the purchasing value.

ARVI will give its assistance and notify the client of any accidents promptly and endeavour to have the damages settled by the insurance company, in a non-contentious manner.

Article 6 - Pricing

6.1 The price of the services shall be that which is mentioned in the quote accepted by the client and confirmed by ARVI in keeping with the terms that are set out in the attached Annex 1.

6.2 The price shall be quoted before tax and in Swiss Francs (CHF).

Therefore, any taxes, duty, levies or other charges that are to be paid, such as in accordance with national or international regulations, shall be borne by the client, ARVI will not be liable.

Article 7 - Settlement of the price

7.1 Payment is due upon receipt of invoice and before collection/shipment. All invoices will be issued every six months, respectively on the first day of each half year and must be paid in full with no deduction including any bank commission fees that may be deducted. Late and overdue payments are subject to a 1 % interest fee per month. The interest charges will accrue 15 days from date of invoice. Any deductions made will be debited. Arvi SA will only accept payments by bank transfer in Swiss Francs (CHF). No credit cards or cheques will be accepted. In the event of non-payment or partial payment of an account within the specified terms, we reserve the right to cancel and charge a cancellation fee of 35% of the outstanding amount

7.2 If the client deposits more bottles of wines along the year, the fees related to the additional bottles will be invoiced

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as soon as the bottles are received.

7.3 In case of late payment – and notwithstanding the charging of interest for late payment as mentioned above – ARVI may at its own initiative:

- suspend its obligations concerning the provision of the services to which the late payment relates as well as all other pending services until full payment of the moneys that the client owes it;
- subject the provision of any services that are currently pending to the provision of guaranties or to new terms (such as new terms of payment) which provide all requisite payment guarantees to ARVI and are deemed satisfactory by ARVI;
- rescind the order as of right. This rescission shall not only affect the order that is being fulfilled at the time but also – if ARVI so wishes – all or part of any previous or future and as yet unpaid orders, be they already performed or in the course of being performed and whether or not payment for them is already due. Any down-payments made by the client shall be retained by ARVI.

The client must reimburse all of the costs borne by ARVI and incurred in connection with the recovery proceedings initiated in connection with the moneys that are due.

Article 8 - ARVI's right of retention and lien over the goods

8.1 ARVI shall have a right of retention over the goods that are entrusted to it by the client in connection with the provision of the services (storage, ancillary services, etc.). ARVI may thus retain the said goods as long as all of the moneys that the client owes ARVI in connection with the provision of the services and any expenses incurred by ARVI shall not have been paid to ARVI. After one year, if the client fails to make a payment to ARVI; ARVI will gain full retention over the goods.

In accordance with the applicable legal provisions, such as Article 895 et seq. of the Swiss Civil Code, in case of a failure to pay the moneys that are due and after issuing a summons to the client, ARVI shall have the possibility to seek a court order granting it title over the said goods or on its own disposal and decision to commercialize the goods with a public auction of the goods held by ARVI (without assistance of the debt enforcement office), to the extent of the moneys that are due to it.

Article 9 - Confidentiality

All the information provided will be kept strictly confidential and available only to persons to whom it is necessary to perform the job. We will not provide or disclose the data to third parties. The exception might be only the inspection by authorized governmental service executive and judicial authorities.

The client declares that he/she agrees/does not agree to give binding instructions via telephone, fax, e-mail or other electronic means to ARVI (especially online using any tools – e.g. trading tools – that the website www.arvi.ch or www.arvi.com offers now or in the future), at the client’s own risk and peril, holding ARVI harmless against any possible responsibility or claim, e.g. in case of fraud, forgery of such instructions.

- Yes, I agree
- No, I do not agree

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Article 10 - Force Majeure – Act of God

ARVI shall not be liable in the event of a breach of its obligations resulting from circumstances of force majeure or an act of God.

The following events, among others, shall be deemed to constitute such circumstances of force majeure / acts of God:

- the destruction of all or part of the facilities of ARVI and/or of its subcontractors,
- severe public upheavals, wars, strikes, riots, epidemics, blockage of the means of transportation and communication,
- natural disasters, waves of cold weather or any other similar occurrences,
- serious technical incidents affecting the warehouse or any other storage area used to provide the services,
- The technical unavailability of the subcontractors of ARVI, and, in general, any events or causes [that are] beyond the control of ARVI, that hinder and/or prevent the provision of the services by ARVI and/or its service providers and/or subcontractors, and that genuinely prevent ARVI from performing the obligations that are incumbent upon it.

ARVI shall notify the client by any suitable means in case of the occurrence of circumstances of force majeure or of an act of God.

Should the suspension of its obligations endure for a period of more than thirty days, ARVI shall enter into negotiations with the client in order to determine the conditions under which the provision of the services may resume.

Article 11 - Competent court – Applicable law

11.1 The competent court of Switzerland shall have exclusive competence to deal with any dispute of any kind in connection with the validity, interpretation, performance or enforceability of the Wine Storage and Service Agreement , and more generally speaking in the event of any dispute involving the commercial relationship between ARVI and the client, unless ARVI elects to petition any other competent court. This clause shall apply even in case of summary proceedings, incidental claims or multiple defendants. The client declares herewith to elect Melano as special domicile according to Article 50 par. 2 of the Swiss Federal Law on debts collection and bankruptcy.

11.2 The relationship between ARVI and the client shall be governed exclusively by Swiss law, with the exclusion of the provision of the international private law. For any other issue not provided in this contract, the provisions of the Swiss Code of Obligations (CO) and in particular the Articles from 472 to 480 CO shall apply.

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Definitions and Miscellaneous Provisions:

Pallet: a pallet or a euro pallet is a standard bearing, usually in wood or plastic, used for goods shipping and storage. According to this contract, the pallets shall be four-way pallets 80cmx120cm size, loadable till a maximum of 25 cases containing 9 liters of wine. A number of boxes or cases exceeding a volume of half a pallet or 10 cases containing 9 liters of wine, shall be charged at the same tariff of a complete pallet.

Case of wine: wooden box containing 9 liters of wine. All the sizes will be converted.

Bottle size	Number of bottles				
37.5cl	6		12		24
75.0cl	1	2	3	6	12
150.0cl	1	2	3	6	
300.0cl	1	2	3		
500.0cl	1				
600.0cl	1				
900.0cl	1				
1200.0cl	1				
1500.0cl	1				
1800.0cl	1				
2700.0cl	1				

Wine box: stable carton package with the same capacity as wooden wine cases.

Working days: every day from Monday to Friday, except for public holidays in Ticino, Switzerland.

Handling: any goods check, movement or handling inside the warehouse in favor of the client (especially goods custody and check, storage, extraction from the deposit and check for consignment, etc.

Written instructions: any original written instructions transmitted by post, courier or by hand.

Communications made by fax, e-mail or any other electronic means which enables signature recognition shall be considered valid. As are all other written communications, provided that the client accepts all risks arising.

Melano,.....20__

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ARVI SA, Chairman
Paolo Cattaneo

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