

## BOGLE VINEYARDS - TERMS AND CONDITIONS

1. Title to BOGLE Products passes to Buyer when they have been loaded upon a common carrier at BOGLE's premises or designated warehouse and risk of loss passes to Buyer upon the earlier of delivery, or placement with a carrier. Buyer shall pay all applicable taxes and shipping costs. Payment for Products is due to BOGLE within 30 days of invoice. Payment shall be by EFT, or otherwise as BOGLE may direct in writing. Payments over 30 days shall be subject to interest at 1.5% per 30-day period. BOGLE reserves the right to reassess Buyer's creditworthiness, or require payment CBD or COD, at any time. Buyer acknowledges that these Terms and Conditions constitute a security agreement between BOGLE as secured creditor, and Buyer, as debtor, for the purposes of the Uniform Commercial Code. Buyer agrees to execute and deliver to BOGLE such financing statements and other instruments as BOGLE may reasonably request in order to perfect its security interest. BOGLE is not liable for any incidental, consequential or special damages, interest, costs or expenses, or for loss of use or lost profits or wages, incurred by Buyer in any fashion or manner in connection with the sale or use of the goods, whether or not BOGLE knew such damages might be incurred and Buyer is not permitted to off-set any costs against the invoice payment unless approved in writing by BOGLE.
2. Distributor buyers shall: (a) possess all necessary state and federal licenses and permits and will keep the same in force; (b) protect BOGLE's trademarks, confidential information and business plans and shall cooperate with BOGLE (at BOGLE's cost) in the defense or prosecution of any action related to BOGLE's trademarks or confidential information; (c) not transfer their rights to distribute BOGLE Products in any way unless they have obtained permission in writing from BOGLE to do so; (d) provide such storage, warehousing, delivery, merchandising, marketing and sales service to BOGLE as shall be necessary to properly market, sell and protect the Products, and (e) provide such depletion, sales and other reports as BOGLE shall from time-to-time request.
3. If the law of the state in which Distributor does business requires procedures, times within which to act, respond to notices or cure defaults other than those set forth in these Terms and Conditions, such laws and regulations shall apply; provided, however, that the obligations, rights and responsibilities of Distributor shall be interpreted as set forth in these Terms and Conditions to the fullest extent not inconsistent with such law or regulation.
4. California law governs these Terms and Conditions. The term of Distributor's appointment is at-will, is renewable annually on thirty days notice, and may be terminated by BOGLE on thirty days notice at any time. Breach of any promise made by Distributor or failure of Distributor to meet depletion and account placement requirements mutually agreed to between the parties shall be "good cause" for the purpose of any state law. In the event of any dispute related to BOGLE, BOGLE Products or Distributor's rights to continue distributing BOGLE Products, Distributor agrees that the same shall be resolved by arbitration in San Francisco in accordance with the Comprehensive Rules and Procedures of JAMS or its successor then in effect, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The decision of the arbitrator shall be final and binding on the parties. The arbitrators are not empowered to award damages in excess of compensatory damages, but shall include in the final award an allocation of attorneys' fees, costs and expenses incurred in the arbitration, whether or not such fees, costs and expenses would otherwise be recoverable under applicable statutes and rules of court. The arbitrator shall render the award in writing, explaining the factual and legal basis for decision as to each of the principal controverted issues. The parties and each of them expressly agree that any petition to confirm, modify or enforce the arbitral award, other than for non-payment of goods sold and delivered, shall be resolved in a State or Federal Court of competent jurisdiction in San Francisco, to which jurisdiction the parties hereby submit.
5. BOGLE reserves the right to establish standards of re-sale for its products that protect the brand image and value and specifically reserves the right to terminate sales to accounts that engage in below-cost price promotions that harm the brand, or in practices (such as bait and switch) that are anti-competitive or violate the law of any state. BOGLE also reserves the right to terminate sales to accounts that repeatedly use "lost leader" advertising on its products that damages the image or reputation of the brand.
6. These Terms and Conditions apply to any goods purchased from BOGLE by Distributor; provided, however, that these terms and conditions shall be subject to the terms of any mutually executed written Agreement between Distributor and BOGLE. Distributor or Buyer's submission of a purchase order for any BOGLE product shall constitute agreement to these Terms and Conditions, which may be modified at any time by policies found at BOGLE's website ([www.boglewinery.com](http://www.boglewinery.com)).