

## CONTRACT FOR SERVICES

This Contract for Services is entered into by and between Signature Mobile Bottlers, Inc. (hereinafter "SMB") and the undersigned Customer.

### Recitals:

A. SMB operates a mobile wine bottling business in the states of Oregon, Washington and California.

B. Customer desires to retain the services of SMB in bottling its wine products as set forth in the Work Order attached hereto.

Therefore, SMB and Customer agree to enter this Contract for Services on the terms and conditions set forth below.

### Agreement:

**SECTION 1 - SERVICES.** SMB agrees to perform bottling services in accordance with Customer's instructions and specifications specifically set forth on the Work Order hereby incorporated herein and attached hereto as Exhibit "A."

**SECTION 2 - CONTRACT PRICE.** SMB prices are subject to change. Please refer to the Signature Bottling Price List attached hereto as Exhibit "B."

**SECTION 3 - PAYMENT TERMS.** SMB requires payment in full upon the earlier of: 1) the completion of the bottling process, or 2) in the event bottling extends beyond one week, partial payment for such week must be received by SMB at the close of business on Friday of each week, and full payment must be made at the conclusion of the bottling process. Payments shall be made payable to Signature Mobile Bottlers, Inc.

### **SECTION 4 - CUSTOMER OBLIGATIONS.**

**SECTION 4.1 Packaging Supplies.** Customer shall supply all packaging materials including but not limited to the wine, nitrogen, corks, screwcaps, bottles, and labels. Customer is responsible for the condition and quality of all packaging supplies and agrees to provide supplies in accordance with SMB's specifications set forth in Exhibit "C."

**SECTION 4.2 Bottling Approval.** Customer is responsible for the approval of the bottling process and the appearance of the finished product. If at any time Customer objects to the quality or appearance of the bottling, including but not limited to the cork, foil and/or labels, Customer shall immediately notify SMB of such concern(s) and shall request SMB temporarily cease bottling. Customer's failure to timely object to the quality of appearance of the bottling during production shall waive any subsequent claims against SMB concerning the quality or appearance of the bottling services. Customer specifically authorizes SMB to take 2 bottle samples from the bottling line for each of the varietals being bottled for quality assurance.

**SECTION 4.3 Biological Stability.** The biological stability of the wine is the sole responsibility of Customer and SMB expressly disclaims any liability for the condition of the wine both before and after bottling. Customer shall provide wine for bottling in accordance with

**SECTION 4.3 Biological Stability.** The biological stability of the wine is the sole responsibility of Customer and SMB expressly disclaims any liability for the condition of the wine both before and after bottling. Customer shall provide wine for bottling in accordance with SMB's instructions attached hereto as Exhibit "C" and Customer shall assume all responsibility for the sanitation, care and maintenance of its equipment, hoses, storage containers, and wine. The customer is also responsible to perform checks, and documentation on oxygen levels, and free SO 2 within the wine before bottling. Winery is responsible for checking dissolved oxygen before, during and after bottling. **Due to many circumstances beyond SMB's control, SMB is not responsible for oxidation of the wine before, or after completion of bottling. Winery agrees to implement an internal, routine dissolved oxygen verification procedure during bottling process.**

**SECTION 4.4 Responsible Person.** Customer shall have present at all times during the bottling process, a responsible person capable of making any and all decisions necessary during bottling. Such responsible person shall have full authority to bind Customer and to act on behalf of Customer. The responsible person shall be identified by Customer prior to the bottling date.

**SECTION 4.5 Labor.** Customer shall provide seven (7) employees capable of performing strenuous activity during the bottling process. Customer shall provide any and all insurances, workers compensation insurance and all other coverage's required by law for such individuals. If Customer uses tapered bottles, two (2) additional individuals will be required. Customer will not impede or adjust SMB's bottling schedule due to volunteer labor tendencies. Customer assumes all safety responsibility of "volunteer laborers" in, on, or around SMB bottling trucks. SMB is in no way responsible for any winery provided workers, volunteers, temps, or full/part time permanent employees.

**SECTION 4.6 Equipment Damage.** SMB takes great pride in the appearance and maintenance of its equipment. Customer is responsible for the cost to repair or replace all damage to SMB's equipment caused by Customer's employees, volunteers, supplies, product, forklift or other cause under Customer's control.

**SECTION 4.7 Electrical Service.** Customer shall supply SMB with electrical service in accordance with SMB specifications. For safety reasons, No exceptions will be allowed.

- The service disconnect box must have dedicated ground wire to the inside of the service disconnect box with a connection lug, and dedicated neutral wire from panel to the service disconnect box with a connection lug. Both the ground and neutral wires require separate 4 gauge lugs inside disconnect box for us to connect. It is ABSOLUTELY REQUIRED, to have a dedicated ground wire lug, and neutral wire lug.
- Please locate disconnect box within 100 feet of bottling truck.
- We have 130 feet of power cord from our truck to reach the winery.
- INSTALLER NOTE: Please wire 3 hot legs to box, with a separate ground, and separate neutral wire to 4 gauge lugs. (5 wires total). Each line to disconnect must read 116-120volts to ground, and 208-240 volts line to line. DO NOT USE CONDUIT AS GROUND, PLEASE USE DEDICATED WIRE OF APPROPRIATE SIZING FOR 60 AMPS.

## **SECTION 5 - SMB DISCLAIMERS.**

Section 5.0 Packaging Materials and Supplies. **Customer is responsible to provide to SMB all packaging materials. SMB is not responsible for damage to Customer's wine due to the condition of, or defects in, any supplies provided by Customer including, but not limited to, cork moisture content, cork taint, cork depth variation, cork bacterial migration, oxygen egress, wine spillage from faulty closure due to cork defects, bottles of irregular shape, vacuum loss from deformed bottle tops, lack of sterility within new wine bottles, bottle breakage due to bottle defects, poor label application due to bottle irregularities, oxygen levels, nitrogen sterility, water sterility, fill level fluctuation due to poor storage, re-fermentation of wine, wine sediments, filter clogging, biological stability of the wine. or the oxidation. discoloration. smell and/or odor of wine. or loss of product. or**

**irregularities, oxygen levels, nitrogen sterility, water sterility, fill level fluctuation due to poor storage, re-fermentation of wine, wine sediments, filter clogging, biological stability of the wine, or the oxidation, discoloration, smell and/or odor of wine, or loss of product, or any other condition outside of the direct control of SMB. SMB is not responsible for defects in the quality of any packaging material, including, but not limited to, corks, screwcaps, labels, foils, and the related effects of such packaging material.**

**\*STELVIN LUX CLOSURE DISCLAIMER**

The Stelvin Lux closure relies on a system of a mechanical gripper to screw the cap on to the bottle, until which point it senses a preset torque setting (mechanical magnetic clutch) and releases the cap. At this point, the machine assumes it is screwed all the way down on the bottle and is sealed. This application solely depends on perfect bottle specifications to work properly. **Signature will not warrant the sealing of this closure in any way due to ongoing bottle quality issues.** This is in no way a, negative reflection on the Stelvin Lux closure. It is entirely a bottle quality and consistency issue. If you have any questions regarding this statement, please call for clarification.

**SECTION 5.1 Water Quality.** Customer is responsible for providing SMB water at the bottling truck for the bottling process. Customer is solely responsible for any contamination or other defect within such water source or within the water delivery system. Customer is responsible to provide clean, bacteria free water to bottling line.

**SECTION 5.2 Nitrogen Quality.** Customer should always obtain certificate of purity from gas supplier to ensure integrity and purity of nitrogen gas within supplier provided vessels.

Signature uses Nitrogen to ensure your wines experience little to no oxygen pickup during our bottling process. Here is a basic formula to estimate your nitrogen needs during your bottling run.

**BASIC FORMULA = 1 CUBIC FOOT OF NITROGEN PER CASE**

Nitrogen Dewar **Ni160**-LT350 = 3478 cubic feet of nitrogen when full. The **160** should accommodate approximately 3400 cases of wine bottled.

Nitrogen Dewar **Ni180**-LT350 = 3713 cubic feet of Nitrogen when full. The **180** should accommodate 3700 cases of wine bottled.

Nitrogen Dewar **Ni230** – LT350 = 4748 cubic feet of Nitrogen when full. The **230** should accommodate 4700 cases of wine bottled.

Nitrogen High Pressure Cylinder = 300 cubic feet of dry nitrogen. Approximately 1 hour of bottling = 250 cases. Winery would require at least 4 of these cylinders for any bottling 800 cases and under.

**VERY IMPORTANT.** Liquid nitrogen tanks will bleed off on their own especially in warm weather, thus reducing the cubic feet of nitrogen available in the tank. Please do not rely on exact volumes in these dewars for your bottling. Be safe, not sorry.

**SECTION 5.3 Biological Stability.** The biological stability of the wine is the sole responsibility of Customer and SMB expressly disclaims any liability for the condition of the wine both before and after bottling.

**SECTION 5.4 Reservation of Rights.** SMB reserves the right to stop production at any time in its sole and absolute discretion. SMB reserves the right to reschedule as needed. While rescheduling is rare, occasionally circumstances beyond our control arise and rescheduling is required.

**SECTION 5.5 Loss of Wine.** SMB expressly disclaims any responsibility to the reality of some wine loss during the bottling process, either accidental, or incidental due to a malfunction resulting in an overflow of filler bowl, customer provided broken or bursting wine hoses, or any other possible malfunction within movement or transfer of the wine from the customers tank or vessel, to the bottle. If it is an obvious error, within SMB's control, maximum claim for wine loss will not exceed \$ 2000.00, regardless of perceived value of the loss.

**SECTION 5.6 Waste Water.** The control and direction of waste water from SMB bottling trucks is the sole responsibility of the customer. Customer assumes responsibility to provide a suitable waste water drain near or under the SMB bottling truck. Any and all claims against SMB for waste water violations while on customer property will be denied.

## **SECTION 6 - SMB GUARANTEES**

**SECTION 6.1 Equipment Sterilization.** SMB prides itself on maintaining its equipment in a clean and sanitary manner and guarantees the bottling line and its internal components to be sterile. Sterilization is attained by 230 degree Fahrenheit steam for 60 minutes on all contact surfaces. SMB's process for sterilization is above and beyond industry standards. Full sterilization procedures are available upon request.

**SECTION 6.2 Equipment Malfunction.** SMB takes great pride in the appearance and maintenance of its equipment. SMB will arrive at Customer's place of business with equipment in good operating condition, clean and ready to bottle. In the event of an equipment malfunction, SMB will make every effort to repair such equipment on-site and resume bottling. If repair of the equipment is not possible, SMB will deduct such down time for crew labor from the contract price and reschedule bottling to a convenient date for both parties.

## **SECTION 7 - MISCELLANEOUS**

**SECTION 7.1 Arbitration.** If any dispute arises between the parties concerning the interpretation or enforcement of any term of this Agreement, either party, or their representative, may request arbitration and shall apply to the presiding Judge of Multnomah County Circuit Court to appoint the required arbitrator. The arbitration provided in this subsection shall proceed according to the rules of the Arbitration Service of Portland, and the award of the arbitrator shall have the effect therein provided. The arbitration shall take place in Portland, Oregon, at a site selected by the arbitrator. The costs and expenses of any such arbitration shall be awarded in accordance with the terms of this Agreement. The arbitration procedure set forth herein shall be binding, non\_appealable and the exclusive remedy of the parties in the event of any dispute concerning the interpretation or enforcement of any term of this Agreement.

**SECTION 7.2 Attorney Fees.** In the event of any legal action in connection with this Agreement (whether at law or in equity), the prevailing party in such action shall be entitled to recover its reasonable attorney fees and costs incurred therein, including attorney fees and costs on appeal. The term "legal action" shall be deemed to include any action commenced in any court of general or limited jurisdiction as well as any proceeding in the bankruptcy courts of the United States and arbitration proceedings. The term "costs" includes, but is not limited to, reasonable attorney fees, deposition costs (discovery or otherwise), witness fees (expert or otherwise), and any and all other out-of-pocket expenses as may be allowed by the court or arbitrator.

**SECTION 7.3 Binding Effect.** This Agreement shall bind and inure to the benefit of not only the immediate parties hereto but their respective heirs, executors, administrators, personal representatives, successors-in-interest and assigns.

**SECTION 7.4 Entire Agreement.** This Agreement reflects the entire, final and complete agreement of the parties and supersedes and replaces all written and oral agreements heretofore made and existing by and between the parties or their representatives insofar as the subject matter of this Agreement is concerned. No party shall be bound by any promises, representations or agreements except as expressly set forth in this Agreement. No oral amendment of this Agreement shall be binding on the parties. Any modification or amendment of this Agreement must be in writing and signed by all of the parties. This Agreement contains other documents, each of which is a material part of this Agreement, including the following: Exhibit A - Work Order, Exhibit B - Price List, Exhibit C - General Requirements, and the

of this Agreement must be in writing and signed by all of the parties. This Agreement contains other documents, each of which is a material part of this Agreement, including the following: Exhibit A - Work Order, Exhibit B - Price List, Exhibit C - General Requirements, and the Release of Liability, if applicable.

**SECTION 7.5 Customer Signatures.** For the purpose of this Agreement, facsimile copies of a signature shall be construed to be the equivalent of an original, as well as clicking “I accept” on our website contract and work order link.

**SECTION 7.6 Governing Law.** This Agreement shall be governed by and interpreted under the laws of the state of Oregon.

SECTION 7.7 Customer has reviewed this Contract for Services including all attached Exhibits and agrees to the terms thereof, including but not limited to the price list, specifications, and SMB disclaimers. Customer authorizes SMB to perform the work as specified and agrees to the payment terms as outlined herein. Customer is bound by the terms of this Agreement and has caused an authorized person to sign on its behalf.

Signature Mobile Bottlers, Inc  
PO BOX 249  
Clackamas Oregon 97015  
503-720-3579

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Exhibit “A”

**Work Order**

The work order and contract will be emailed to customer by way of a “link” to our contract agreement and work order completion page. By clicking the “I agree to terms” button within the contract link, customer unconditionally accepts the complete agreement and SMB’s contract terms.

Customer is required to complete the online work order for bottling dates to be secured and honored by Signature Mobile Bottlers Inc. The submitted work order will act as complete execution and agreement to this contract in its entirety.

The completed work order is required to be returned to Signature Mobile Bottlers Inc., no later than 2 weeks prior to the scheduled bottling day, or bottling dates are subject to surrender by customer.

Services will not be provided to winery until the signed work order, and agreement to SMB’s terms is returned to our office via facsimile, or acceptance of terms electronically via website link.

A CANCELLATION FEE OF \$1500.00 PER DAY WILL BE CHARGED IF CANCELLATION IS RECEIVED BY WINERY LESS THAN 60 DAYS PRIOR TO SCHEDULED BOTTLING DATE.

Exhibit “B”

Signature Mobile Bottlers, Inc.  
Price List

Signature Mobile Bottlers, Inc.  
Price List

**Payment in full is due when bottling is completed.**

If bottling is scheduled properly, approximately 1,500 + cases per day should be easily attainable within a 7.5 hour bottling day. In some cases, our customers request our technicians to run the bottling line past 4:30. Overtime charges apply for work beyond our regular hours. Please schedule overtime in advance, as a courtesy to our technicians.

**Haul in and Set up Fee** \$500.00 flat  
**Signature Full Service** \$2.30 per case

SMB's Signature Service includes the following services: Inverted bottle cleaning/sparging with nitrogen, low oxygen pick up gravity filling, bottle neck sparging with auto leveling device, corking under vacuum, capsule - foil spinning with Customer's choice of tin, aluminum or poly laminate, pressure sensitive labeling, and automatic case sealing.

**Half Service: Fill, cork and capsule only** \$1.95 per case  
**Half Service: Capsule and label only** \$1.95 per case

**Minimum Service Charge: (Bottling Services Only)** \$2500.00  
(Does not include setup fee, lodging, or filter purchases)  
Minimum applies in lieu of per case charge, if case quantities do not equal 2500.00  
Cancellation fee of \$1500.00 per day if scheduled date is cancelled less than 60 days prior to bottling date.

**Optional Services:**

Cryotech Liquid Nitrogen Dosing, complimenting screw cap \$ 400.00 per day  
(Liquid Doser must be reserved during scheduling to ensure availability)  
Ink jet bottle coding (must be reserved in advance) \$ .15 cents per case  
Ink jet case coding (must be reserved in advance) \$ .15 cents per case  
\* Stelvin-Lux application (Truck 8 only) \$ .50 cents per case  
Hourly rate for under 50 BPM \$500.00 per hour  
Line changes (two per day free) \$150.00 each  
Magnum change over (under 250 cs.) \$300.00  
375ml or 500ml changeover (under 250 cs.) \$300.00  
Overnight lodging fee \$150.00 PPDO  
**Bottling technician overtime \$200.00 per hour**  
Winery cause downtime \$300.00 per hour  
Wine Hose w/tri-clover fittings (100 ft length) \$225.00 each  
Millipore .45 membrane \$400.00 each  
Millipore .50 pre filter cartridge \$250.00 each  
Millipore 10 micron screen 10 inch \$75.00 each

Exhibit "C"

Signature Mobile Bottlers, Inc.  
General Requirements

**Wine Condition:**

## **Wine Condition:**

1. All wines must be "**Bottle ready**" upon our arrival. This includes polish filtration or sterile EK filtration if necessary. No in-line pad filtration will be allowed in series to bottling truck. The filtration available in the bottling truck is to be considered an insurance policy rather than an actual "FILTRATION". Proper dissolved oxygen in tank should be approximately .02-.03 mg per liter before commencement of bottling, and is solely customer responsibility.
2. **Wines must be at least 60 degrees Fahrenheit** prior to commencement of bottling; this is to eliminate fill level fluctuation, due to expansion, and to eliminate condensation on bottles, which will enhance label application.
3. SMB provides two 30"- Millipore, code 7 sanitary housings. Any filtration desired by Customer will be sold at Market Price. SMB stocks a variety of cartridges, .45 Membrane, .50 Depth Pre-Filter, and 10. Micron bug catcher. If you have a special need, please let us know upon scheduling, and allow 4 weeks for delivery.

## **Staff:**

4. **Customer is to provide seven (7) employees physically able to perform strenuous activity. An additional two (2) employees are required when using tapered bottles. Volunteer labor is not allowed by most State jurisdictions, check with local labor laws to assure you are within state labor laws. Customer/ winery assumes all responsibility for any and all provided employees to the bottling line. Workers compensation insurance must be applied to each individual working in, on, around SMB's bottling line or tractor trailers.**

1 person to dump bottles on unscrambling table.

2 people to capsule or apply screw caps on bottles at line speed.

2 people to pack cases who are responsible for package appearance.

Case sealing is automatic.

2 people to label stamp and palletize filled wine cases.

1 dedicated, experienced forklift driver, SEPARATE FROM LINE STAFF.

5. Customer must supply a responsible person able to make decisions and with knowledge of the location of all supplies necessary to the bottling. This responsible person must take responsibility for wine pump and hose sanitation and delivery of supplies to truck during bottling. **It is very important to avoid costly mistakes with packaging materials, the winery appointed representative deliver only applicable packaging material to the bottling truck during bottling process. It is customer responsibility to check any and all packaging materials delivered to bottling truck to insure and guarantee it is the applicable supplies to the wine being bottled at the time.**

Customer shall provide a forklift and operator suitable to move product to and from bottling trailer in an efficient manner taking into consideration that it may be necessary to drive forklift on gravel or uneven surfaces.

## **Supplies:**

## Supplies:

6. Customer is expected to have all supplies on winery premises at least two weeks prior to bottling dates. SMB is not responsible for late shipments of supplies or the quality of such supplies, including, but not limited to, corks, wine bottles, capsules and labels.
7. Customer must send all packaging components to SMB to check for line compatibility. Quality packaging materials are required. SMB's machinery is state of the art; however, it cannot compensate for inexpensive or sub-standard materials.
8. Customer will supply nitrogen for the bottling process. Customer is responsible for the quality and condition of the nitrogen and tanks from their supplier.

Signature uses Nitrogen to ensure your wines experience little to no oxygen pickup during our bottling process. Here is a basic formula to estimate your nitrogen needs during your bottling run.

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9. SMB recommends that Customer have a means to hook regulated nitrogen to the wine hose to push wine to the bottling truck at the end of each wine varietal. Typically, a tri-clover cap, with a push on hose barb fitting works fine.
  10. SMB uses standard 1-½ tri-clover fittings on our pump and bottling truck. **SMB does not supply wine hose from tank to SMB's pump, or from pump to SMB truck.** Customer will need to supply all of the wine hose needed with 1 ½ tri-clover ends. Signature Bottlers will have a new, 100' wine hose, with 1.5" Triclover fittings for sale if the need arises. Pricing available on the price sheet of this contract.
  11. Customer must supply water at 6 gallons per minute at 50 psi continuously to bottling truck. Customer is responsible for the water quality and sterilization. Water quality solely is the responsibility of the customer.
  12. Clean, sanitary wine buckets. 4 each.
  13. Electrical Specification Sheet
- The service disconnect box must have dedicated ground wire to the inside of the service disconnect box with a connection lug, and dedicated neutral wire from panel to the service disconnect box with a connection lug. Both the ground and neutral wires require separate 4 gauge lugs inside disconnect box for us to connect. It is **ABSOLUTELY REQUIRED**, to have a dedicated ground wire lug, and neutral wire lug.

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