

TERMS AND CONDITIONS

1. PARTIES AND DATE.

This Agreement of Terms and Conditions (“Agreement”) is entered into in duplicate, as of the date set forth in the Sign-Up Information by and between Vertical Wine Management, Inc. dba Oeno Vaults (“OV”), 4201 Santa Rosa Avenue, Santa Rosa, California 95407 (the “Facility”), phone number (707) 595-3612, e-mail address for notice: info@oenovaults.com and the individual(s) named in the Sign-Up Information (“Customer”), for the purpose of renting space for the storage of wine. By entering into this Agreement, Customer represents that Customer is of legal drinking age.

2. VAULT.

2.1. Customer’s Vault.

OV agrees to let, and Customer agrees to rent space in the Facility described as a personal wine vault (“Vault”), on the terms and conditions of this Agreement.

2.2. Vault Limitations.

Customer is strictly prohibited from storing any items other than wine at the Facility. Vault capacity is based on a standard bottle size of 13 inches in height and 750 milliliters in volume (“Standard Bottle”). Customer agrees and accepts that storing bottles that do not conform to Standard Bottle dimensions will affect the overall case capacity of Customer’s Vault, and may necessitate Additional Vault Space, defined in 2.3 below. Customer agrees that any and all wine stored in the Vault be stored in corked/sealed winery issued bottles. Customer further agrees to assume sole responsibility for compliance with any tax, license and/or regulations related to wine or alcohol storage.

2.3. Additional Vault Space.

If at any time Customer’s wine inventory exceeds the Vault capacity, OV has the right to relocate Customer from a 12 case vault to a 24 case vault, or from a 24 case vault plus an additional 12 case vault. Customer agrees and accepts the immediate and automatic increase in rent necessitated by an excess inventory, which rent shall be prorated from the Anniversary Date, defined below.

3. TERM.

3.1. Deposit Period.

Customer will be charged the equivalent of one-month's rent upon Sign-Up (please see the Sign-Up Information). From the Sign-Up Date, Customer will have a three-month period during which OV will hold the requested Vault for Customer and for Customer to activate the account. Should Customer fail to activate the account within the three-month period, Customer will be charged only the one-month rent. OV shall have no obligation to provide services to Customer during this three-month period other than for the sole purpose of picking up wine inventory or receiving wine inventory on behalf of Customer, at which time Customer's account will be deemed activated in accordance to section 3.2 below.

3.2 Base Term.

The term of this Agreement shall commence on which date OV receives or picks up wine inventory on behalf of Customer ("Activation Date") and shall continue for a minimum base term of one (1) month ("Base Term"). At the conclusion of the Base Term, the term shall continue on a one (1) month term until terminated as provided in Section 5 below. The first day following the Base Term shall be known as the Anniversary Date ("Anniversary Date"). Thereafter, the first day following the expiration of each one (1) month term shall also be known as the Anniversary Date.

4. RENT AND LATE FEES.

4.1. Rent.

Rent for the use of a personal wine vault at the Facility shall be calculated as follows:

12 Case / 144 Standard Bottle Vault	24 Case / 288 Standard Bottle Vault
\$75.00 per vault per month	\$125.00 per vault per month

Rent for the Base Term shall be charged in advance on a monthly basis, commencing as of the Sign-Up Date. Thereafter, Rent shall be charged in advance on the first day following the Base Term, and on a month-to-month basis thereafter. Customer shall pay OV, by automatic credit card debit only, the amount(s) set forth in the Sign-Up Information. Customer agrees to keep a valid credit card on file with OV at all times, and failure to do so constitutes a material breach of this Agreement. The monthly rental rate may be changed at any time by OV giving thirty (30) days written notice to Customer at the address or e-mail set forth in the Sign-Up Information. All Rent for the Base Term and subsequent one (1) month terms shall be non-refundable.

4.2. OV's Remedies for Late Rent.

4.2.1. Courtesy Notices.

If, on the Anniversary Date, Customer's credit card payment is dishonored, or if any amounts or due and owing on Customer's account, Customer's account shall be deemed overdue, and all of OV's obligations to fulfill Customer's shipment or pick-up requests will be terminated. On the Anniversary Date, OV shall send to customer a courtesy e-mail to the e-mail address on file providing a link for Customer to update Customer's online credit card information and to submit payment ("First Attempt"). Ten (10) days after the Anniversary Date, OV will attempt to charge Customer's credit card on file a second time ("Second Attempt"). If Customer does not take action to update Customer's credit card information, and/or the Second Attempt is dishonored, OV will send Customer a second courtesy e-mail informing Customer that the Second Attempt was dishonored, and that Customer may be subject to an administration fee in the amount of \$25.00. Thirty (30) days after the Anniversary Date, OV will attempt to charge Customer's credit card on file a third time ("Third Attempt"). Should Customer fail to update Customer's credit card information, and/or the Third Attempt is dishonored, OV will send a third courtesy e-mail informing Customer that a \$25.00 administration fee has been charged to Customer's Account, that Customer's right to access the Oeno Vault's Website, defined below, will be terminated if Customer's account is not paid in full within thirty (30) days of the date of the Third Attempt, and requesting that Customer update Customer's online credit card information and to submit payment.

4.2.2. Notice of Abandonment.

Sixty (60) days after the Anniversary Date, OV will attempt to charge Customer's credit card a fourth and final time ("Fourth Attempt"). If the Fourth Attempt is dishonored, OV shall send to Customer via certified mail a Notice of Abandonment of Customer's Vault ("Notice of Abandonment"). The Notice of Abandonment shall inform Customer that: (a) Customer's account has been overdue for a period of sixty (60) days, (b) Customer's right to access the Oeno Vault's Website is terminated unless and until Customer pays in full all amounts due and owing on Customer's account, and (c) all property remaining in Customer's Vault thirty (30) days after the date of the Notice of Abandonment shall become the sole and exclusive property of OV.

4.2.3. Abandonment of Customer's Property.

Customer agrees that any personal property of Customer remaining at OV's Facility thirty (30) days from the date of the Notice of Abandonment is evidence of Customer's intent to relinquish the property without the intention of reclaiming possession ("Customer's Abandonment"). Should Customer fail to respond to the Abandonment Notice, or if Customer fails to take action to reclaim possession of Customer's personal property within thirty (30) days from the date of the Abandonment Notice, all of Customer's personal property remaining at OV's Facility shall become the sole property of OV, and shall be considered adequate consideration for all amounts due and owing on Customer's account as provided in Section 4.2.4., below.

4.2.4. Liquidated Damages.

CUSTOMER AND OV EACH AGREE THAT IN THE EVENT OF A MATERIAL DEFAULT OR BREACH HEREUNDER BY CUSTOMER AND/OR IN THE CASE CUSTOMER FAILS TO PAY RENT PURSUANT TO THIS AGREEMENT, THE DAMAGES TO OV WOULD BE EXTREMELY DIFFICULT AND IMPRACTICABLE TO ASCERTAIN, AND/OR IN THE EVENT OF A MATERIAL DEFAULT OR BREACH BY CUSTOMER, THE CONTENTS OF CUSTOMER'S VAULT (THE "VAULT CONTENTS") SHALL SERVE AS LIQUIDATED DAMAGES, AS A REASONABLE ESTIMATE OF THE DAMAGES TO OV, INCLUDING COSTS OF NEGOTIATING AND DRAFTING THIS AGREEMENT, COSTS OF STORING THE VAULT CONTENTS, PICK-UP AND DELIVERY COSTS INCURRED BY OV AT CUSTOMER'S DIRECTION AND OTHER COSTS INCURRED IN CONNECTION HEREWITH. CUSTOMER'S ABANDONMENT OF THE VAULT CONTENTS AND THE RETENTION OF VAULT CONTENTS BY OV SHALL BE OV'S SOLE AND EXCLUSIVE REMEDY AGAINST CUSTOMER, AND OV WAIVES ANY AND ALL RIGHT TO SEEK OTHER RIGHTS OR REMEDIES AGAINST CUSTOMER, INCLUDING WITHOUT LIMITATION, SPECIFIC PERFORMANCE AND PAYMENT OF PAST DUE RENT. THE RETENTION OF VAULT CONTENTS AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR HYPERLINK 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. OV HEREBY WAIVES THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 3389. UPON ANY SUCH BREACH OR DEFAULT BY CUSTOMER HEREUNDER, THIS AGREEMENT SHALL BE TERMINATED AND NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER, EACH TO THE OTHER, EXCEPT FOR THE RIGHT OF SELLER TO RETAIN SUCH LIQUIDATED DAMAGES.

5. TERMINATION.

Notwithstanding the termination provisions set forth in Section 4.2, above, either party may terminate this Agreement by giving thirty (30) days written notice. Any rent paid in advance of the termination shall be forfeited. No rent refunds shall be given. Should OV terminate this Agreement with inventory remaining in Customer's Vault, OV shall be responsible for all costs associated with termination, including all packing and shipping of Customer's Vault to Customer. Should Customer terminate this Agreement, Customer shall be responsible for all costs associated with packaging and shipping the contents of Customer's Vault to Customer. Within forty-eight (48) hours of termination by either party, Customer shall provide OV with a destination address to ship the contents of Customer's Vault. If Customer fails to provide a destination address with forty-eight (48) hours, OV shall use the address set forth in the Sign-Up Information. Regardless of which party terminates this Agreement, OV shall have sole discretion in selecting the method of shipment.

6. OV'S SERVICES.

6.1. Security of Vault.

OV has equipped Customer's Vault with a triggered alarm system, and has equipped the Facility with surveillance cameras that cover entry and exit points as well as major corridors.

6.2. Access to Vault.

Customer shall not have physical access to Customer's Vault.

6.3. Refrigeration of Space.

OV represents that Customer's Vault is located within a temperature and humidity controlled environment operated for the sole purpose of storing bottled wine. OV has taken reasonable measures to ensure that the Facility remains at a constant temperature, including the installation of temperature and humidity monitoring devices and a backup diesel generator.

6.4. Oeno Vaults Website.

Customer shall be provided online access to www.oenovaults.com ("Oeno Vaults Website"). The Oeno Vaults Website will allow Customer to view the inventory of Customer's Vault, to schedule pick-up of Customer's wine within Napa and Sonoma Counties, to schedule an in-person pick-up request at the Facility and/or to facilitate the shipment of Customer's wine from the Facility to Customer's designated shipping destination. Customer shall access the Oeno Vaults Website using Customer's unique username and password.

6.4.1. Online Inventory Access.

Customer shall have the ability to view the inventory of Customer's Vault using OV's online inventory tracking system twenty-four (24) hours a day and seven (7) days a week, subject to routine website maintenance and internet service interruption.

6.4.2. Online Management of Customer's Inventory.

Customer shall be solely responsible for arranging: the acceptance of wine by OV at the Facility, off-site pick-up of Customer's wine by OV, for Customer to pick-up wine in-person at the Facility, and for the shipment and delivery of wine to Customer's designated shipping destination. OV reserves the right to provide generalized, nonspecific information as to the overall inventory at the Facility to third parties.

6.4.3. Verification.

OV shall require verification of Customer's password for all orders placed online and via

telephone. Should Customer appoint another person(s) or organization(s) to make arrangements on Customer's behalf, Customer shall be responsible for the conduct of such person(s) or organization(s). Customer agrees that possession of Customer's password constitutes full authority to give instruction for delivery of wine to or from Customer's Vault.

6.5. On-Site Acceptance of Customer's Wine.

OV will accept deliveries of Customer's wine at the Facility.

6.6. Off-Site Pick-Up of Customer's Wine.

OV agrees to pick-up wine orders on behalf of Customer at wineries or other facilities within Sonoma and Napa Counties only. Customer must arrange such off-site pick-up request using the Oeno Vaults Website or via telephone no less than seven (7) days in advance of the requested off-site pick-up. OV shall use climate-controlled transportation when transporting Customer's wine from the pick-up location to the Facility.

6.7. In-Person Pick-Up of Wine.

Customer may arrange to pick-up wine from the Facility. Customer must schedule all in-person pick-ups on the Oeno Vaults Website or via telephone at least twenty-four (24) hours in advance of Customer's arrival.

6.8. Delivery of Wine.

6.8.1. Scheduling Shipment.

OV, at the direction of Customer, agrees to facilitate the shipment of Customer's wine to such locations as directed by Customer or Customer's authorized representative. Customer shall submit a shipping request, designating what inventory from Customer's Vault is to be shipped and to what location, no less than seventy-two (72) hours in advance of Customer's requested shipment date. OV shall use its best reasonable effort to facilitate Customer's shipment by the date specified by the shipping request, however, failure to do so shall not constitute a breach of this Agreement. OV's primary shipping carrier shall be UPS.

6.8.2. Role Of Customer.

Customer warrants and agrees that Customer will be the shipper of Customer's wine for all purposes. Customer agrees and accepts that OV's role in the shipment of wine shall be limited to preparing Customer's wine for shipment. Customer agrees and accepts that OV shall incur no liability as a result of Customer shipping Customer's wine to third parties. Moreover, Customer warrants and agrees that Customer is familiar with the laws governing the shipment of alcohol in the destination state.

6.8.3. Carrier Contract.

Customer, as the shipper of all Customer's wine, represents to OV that Customer fully understands and agrees to comply with all of the terms and conditions set forth in the Wine Industry Fulfillment House Agreement For Approved Wine Shippers ("Wine Shippers' Agreement"). OV warrants and represents that it has full authority to enter into a binding agreement on behalf of the United Parcel Service ("UPS") with respect to the terms of the Wine Shippers' Agreement.

6.8.4. Costs of Shipping.

Customer agrees and accepts that all costs incurred by OV associated with packaging and shipping Customer's wine shall be billed to Customer's credit card on file.

6.9. No Warranties.

OV disclaims any/all implied warranties of suitability or fitness for a particular use or purpose. Customer agrees to use Vault only for the storage of wine wholly owned, lien free, by Customer. Customer's property is stored under the supervision and control of Customer. OV exercises neither care, custody, nor control over Customer's stored property.

6.10. Customer Waiver of Emotional Attachment.

Customer shall not store any other alcohol, collectibles, heirlooms, jewelry, works of art or any property of any type or kind. Customer waives any claim for emotional or sentimental attachment to the property stored in Customer's Vault. Customer specifically agrees that, with the exception of property prohibited by this Agreement, OV is not concerned with the kind, quality or value of the goods stored.

7. OV'S AUTHORITY.

7.1. Authority to Process Customer's Wine Orders.

Customer grants OV full authority to accept and open packages addressed to Customer. Customer further grants OV full authority to open all original wine packaging for the purpose of inventorying each individual bottle of Customer's wine and placing each bottle of wine in OV's custom packaging containers for the purpose of storing the wine in Customer's Vault.

7.2. Authority to Enter Customer's Vault.

Customer grants OV full and sole authority to enter Customer's Vault for the purpose of fulfilling a request described in Section 6, for conducting an internal audit, to consolidate inventory, or any other reasonable safety or operational purpose.

7.3. Limitations on OV's Authority.

OV's employees are forbidden from providing any service on behalf of OV. Should employees of

OV provide service at Customer's request such employee shall be deemed to be the agent of Customer regardless of whether payment for such service is made or not, and Customer agrees to hold OV harmless from all liability in connection with or arising from directly or indirectly, such services performed by employee of OV.

8. INSURANCE.

CUSTOMER ACKNOWLEDGES THAT OV DOES NOT PROVIDE INSURANCE COVERING CONTENTS OF CUSTOMER'S VAULT. CUSTOMER AGREES TO MAINTAIN, AT CUSTOMER'S EXPENSE, A POLICY OF FIRE AND EXTENDED COVERAGE INSURANCE WITH LIABILITY, THEFT, VANDALISM, AND MALICIOUS MISCHIEF ENDORSEMENTS FOR THE FULL VALUE OF CUSTOMER'S STORED PROPERTY, NAMING OV AS ADDITIONAL INSURED. TO THE EXTENT CUSTOMER DOES NOT MAINTAIN SUCH INSURANCE, CUSTOMER SHALL BE DEEMED TO HAVE "SELF-INSURED" TOTALLY (I.E., NOT TO INSURE WITH ANY DULY LICENSED INSURANCE COMPANY) AND SHALL BEAR ALL RISK OF LOSS OR DAMAGE. FAILURE OF CUSTOMER TO MAINTAIN SUCH INSURANCE CONSTITUTES A MATERIAL BREACH OF THIS AGREEMENT. THIS INSURANCE IS FOR THE BENEFIT OF BOTH CUSTOMER AND OV. CUSTOMER EXPRESSLY AGREES THAT THE CARRIER OF SUCH INSURANCE SHALL NOT BE SUBROGATED TO ANY CLAIM OF CUSTOMER AGAINST OV, OR OV'S AGENTS OR EMPLOYEES. CUSTOMER AGREES TO INDEMNIFY AND HOLD OV HARMLESS FROM ANY EXPENSE, COST, OR DAMAGE INCURRED BY REASON OF ANY CLAIM OR ACTION BASED IN WHOLE OR IN PART UPON SUCH SUBROGATION. WHILE CERTAIN INFORMATION MAY BE MADE AVAILABLE TO CUSTOMER WITH RESPECT TO INSURANCE, OV AND OV'S AGENTS ARE NOT INSURERS, ARE NOT AFFILIATED WITH ANY INSURANCE COMPANY, DO NOT ACT AS ANY INSURANCE COMPANY'S AGENT, BROKER, OR SOLICITOR, AND DO NOT ASSIST IN THE EXPLANATION OF COVERAGE OR IN THE MAKING OF CLAIMS UNDER ANY INSURANCE POLICY. OENO VAULTS DOES NOT INSURE YOUR WINE.

9. RELEASE OF OV'S LIABILITY.

OV SHALL TAKE ALL REASONABLE PRECAUTIONS TO PROVIDE CONSTANT INTERNAL TEMPERATURE AND HUMIDITY CONTROL IN CUSTOMER'S VAULT, BUT OV DOES NOT WARRANT OR GUARANTEE THE TEMPERATURE OR HUMIDITY IN CUSTOMER'S VAULT. OV DOES NOT WARRANT OR GUARANTEE THAT CUSTOMER'S VAULT IS SUITABLE FOR CUSTOMER'S WINE, OR THAT THE MEASURES UNDERTAKEN BY OV TO MONITOR TEMPERATURE AND HUMIDITY WILL ENSURE THAT THE REFRIGERATION AND HUMIDIFICATION EQUIPMENT WILL REMAIN IN WORKING ORDER. OV DOES NOT WARRANT OR GUARANTEE THAT TEMPERATURE OR HUMIDITY WILL REMAIN CONSTANT OR THAT CHANGES IN TEMPERATURE OR HUMIDITY WILL NOT AFFECT THE TASTE OR QUALITY OF CUSTOMER'S WINE. AS A FURTHER CONSIDERATION FOR THE USE AND OCCUPANCY OF THE VAULT, CUSTOMER AGREES THAT OV, ITS AGENTS, EMPLOYEES, AND ASSIGNS SHALL NOT

BE LIABLE TO CUSTOMER, HIS/HER AGENTS, GUESTS, LICENSEES, OR INVITEES FOR ANY LOSS OR DAMAGE, INJURY, OR DEATH CAUSED TO THEM OR TO THEIR PROPERTY, AS THE RESULT OF THE USE AND OCCUPANCY OF THE VAULT. IT IS FURTHER AGREED THAT ANY STORED PROPERTY IS PLACED IN THIS VAULT AT CUSTOMER'S SOLE RISK. OV AND OV'S AGENTS, EMPLOYEES, AND ASSIGNS SHALL HAVE NO RESPONSIBILITY OR LIABILITY FOR ANY LOSS OR DAMAGE TO SAID PROPERTY FROM ANY CAUSE WHATSOEVER, INCLUDING SPOILAGE, CHANGE OF TASTE, CORK SEEPAGE, BREAKAGE DURING TRANSPORTATION OF THE WINE, DAMAGE TO OR LOSS OF CUSTOMER'S WINE OR THE ACTIVE OR PASSIVE ACTS, OMISSIONS, OR NEGLIGENCE OF OV OR OV'S AGENTS, EMPLOYEES, OR ASSIGNS. CUSTOMER ACKNOWLEDGES THAT THE FACILITY IS A MULTI-STORY STRUCTURE. CUSTOMER FURTHER ACKNOWLEDGES THAT OV DOES NOT WARRANT OR REPRESENT THAT STORED PROPERTY WILL BE SAFELY KEPT, NOR THAT IT WILL BE SECURE AGAINST HAZARDS CAUSED BY RODENTS, INSECTS, WATER, FIRE, MOLD, MILDEW OR AIRBORNE CONTAMINANTS, TEMPERATURE OR HUMIDITY SYSTEM FAILURE, OR THE ELEMENTS OF WEATHER OR NATURAL DISASTER, INCLUDING EARTHQUAKES, TORNADOES, OR VIOLENT ACTS, INCLUDING TERRORIST ACTS, NUCLEAR RELEASE, OR EXPLOSIONS OF ANY OTHER NATURE. IT IS AGREED BY CUSTOMER THAT THIS RELEASE OF OV'S LIABILITY IS A BARGAINED FOR CONDITION OF THE RENT SET FORTH HEREIN, AND THAT WERE OV NOT RELEASED FROM LIABILITY AS SET FORTH HEREIN, A MUCH HIGHER RENT WOULD HAVE TO BE AGREED UPON.

10. INDEMNIFICATION.

Customer will indemnify, hold harmless, and defend OV from all claims, demands, actions, or causes of action (including attorney's fees and all costs whatsoever) that are hereafter made or brought in part or wholly as a result of or arising out of use of Customer's Vault. This indemnity specifically includes, but is not limited to, all liabilities released by Customer in Section 9 of this Agreement.

11. NOTICES--CHANGE OF ADDRESS.

All notices required or permitted by law, or by this Agreement, shall be sent in writing (i) to Customer at Customer's physical address and/or e-mail address set forth in the Sign-Up Information, and (ii) to OV at the physical address and e-mail set forth in Section 1.

12. CHANGE IN AGREEMENT'S TERMS.

Any of the terms of this Agreement may be changed by OV by thirty (30) days written notice to Customer. Any change in the terms of this Agreement shall not affect the validity or enforceability of this Agreement.

13. ASSIGNMENT.

Customer shall not sublet or assign the Vault nor store property owned by others without the prior written consent of OV.

14. LIMITATIONS ON ACTIONS TO BRING SUIT.

14.1. Mediation of Disputes.

Any dispute arising out of this Agreement (“Dispute”) shall be submitted to mediation by a mediator mutually agreed upon by the parties. The mediation shall consist of no less than two full days of mediation. In mediating the Dispute, the parties agree to use good faith, due diligence and sincere effort to resolve the Dispute. In mediating the Dispute, each party shall bear their own attorneys’ fees and costs. If the parties are unable to resolve the Dispute after two full days of mediation, either party may commence litigation. Compliance with this Section shall constitute a condition precedent to the filing of any action against OV.

14.2. Limitation on Action.

Any claims, suits or defenses to any action brought by Customer which may arise out of this Agreement or out of the parties performances hereunder, or for the loss or damage to stored property shall be barred unless commenced by Customer within one year after the date of the acts, omissions or alleged negligence giving rise to such claim, suit or defenses.

15. ATTORNEY’S FEES.

In the event that a Dispute results in litigation, the prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses of attorneys incurred by the prevailing party.

16. GOVERNING LAW AND JURISDICTION.

This Agreement shall be governed by and construed in accordance with the laws of the State of California as applied to agreements made between residents of California for performance entirely within California. The federal and state courts residing in Sonoma County, California shall have jurisdiction over any claim brought under this Agreement, and the parties hereby consent to the personal jurisdiction of such courts.