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BASIC STORAGE AGREEMENT

This agreement (the "Agreement") dated _____, 20_____, is made between Chelsea Wine & Storage, Inc. (the "Company") and _____, with an address at _____, (the "Customer").

1. **Fees.** The fees for pickup, receiving, handling, inventorying, storage and delivery are described in the Fee Schedule ("Rider A") attached to this Agreement. The Fee Schedule is subject to change upon thirty (30) days advance written notice to the Customer.

The basic Inventory Control Storage Fee is per one case or package of wine (or any other form of alcoholic beverage), containing up to, but not necessarily totaling, twelve (12) 750 ml. bottles or equivalent volume ("Case"), per one calendar month of storage. Cases of wine entering the facility on any day of the month shall have one month's storage charge applied to them. Cases of wine exiting the facility on any day of the month shall have one month's storage charge applied to them. The Storage Fees described in the two previous sentences will not apply when a customer requests a case to be opened and have individual bottles retrieved. These Fees are covered under Handling Fees.

Fees are invoiced in arrears at the end of every month period and are payable within 30 days of the first day of the month following the date of the invoice. Unpaid fees will accrue interest at the rate of 1% per month. In the event that a customer is removing all of their wine from the facility then all unpaid fees are payable prior to final removal of wine. The Company reserves the right to deny any services, including withdrawal, or additional deposits, of stored wine under the terms of this Agreement if all outstanding invoices are not paid at the time any additional service is requested

All Fees may be paid by cash, check, money order or credit card. Checks returned for insufficient funds shall incur a Fee of \$20.00. All unused payments will be returned to the Customer in the form of a credit on the next billing cycle or by a check upon the closing of the account only.

2. **Pickup and Delivery Requirements.** Every Case of wine or other alcoholic beverage that a customer requires to be picked up or have delivered by a third party must be properly packed for transit and storage or incur a surcharge for labor and packing. All Cases of wine, solid or mixed, stored in the Company's facility shall be inventoried in the Company's computerized inventory system, with the exception of the Customer choosing to forego computerized inventory for a private rental locker. Customers are strictly prohibited from any personal or third party access to Cases delivered to the Company which await inventorying. The Company shall provide the customer with an inventory report within fifteen (15) business days of such arrival. The Company's written inventory report shall be deemed conclusive for all purposes relating to this Agreement and with respect to the Company's obligations hereunder, unless Customer shall deliver written notice to the Company within ten (10) business days of the delivery of the Company's inventory report, setting forth, in detail, any discrepancies with the Company's inventory report that Customer reasonably deems to exist. The Company and Customer shall act expeditiously and in good faith to resolve any such discrepancies.
3. **Responsibility for Damage or Loss.** The responsibility of the Company for any loss or damage to the Customer's wine while in the possession of the Company shall be limited to damage caused by the Company's negligence. The Company will not be liable for any damage caused to the Customer's wine by flooding; fire; water damage; earthquake; hurricane or other severe weather; vibration; sprinkler leakage;

terrorist act; force majeure; insect or rodent infestation; acts of God; seizure or other acts of civil or military authority; insurrection; riot; strike; enemies of the government; inadequate packing, temperature or humidity changes, latent defects in Customer's bottles or from any cause beyond the reasonable control of the Company. Bottles stored in Private Lockers must be secure in the event movement of pallets, ladders, etc. come into contact with the Private Locker. NEITHER THE COMPANY NOR ANY WAREHOUSEMAN AT THE FACILITY IS AN INSURER OF THE GOODS STORED WITH IT. Any liability of the Company or any warehouseman for loss or damage is limited to the occurrences set forth above, and in any event is limited as set forth in Section 5.

4. **Termination.** The Customer may terminate this Agreement at any time, upon payment of all outstanding fees to the Company. The Company may terminate this Agreement on ten (10) business days' prior written notice to Customer and Customer shall thereafter notify the Company of the location the Customer's wine is to be delivered to. If no instructions are given to the Company regarding the delivery of Customer's wine, it will be delivered to Customer at the address first listed above. This Agreement holds for any and all inheritors, designees, successors, assigns or other third parties of the Customer.
5. **Limitation of Damages and Claims.** THE CUSTOMER ACKNOWLEDGES AND AGREES THAT DAMAGES ARE LIMITED TO ONE HUNDRED (\$100.00) DOLLARS FOR EACH CASE LOST OR DAMAGED. The Customer further acknowledges and agrees that he or she will first look to his or her own policies of insurance for such compensation. Customer is aware that any policy of insurance maintained by Customer, whether a homeowner's policy or otherwise, may contain limits on coverage (or no coverage) for property stored outside of Customer's home. Customer will review Customer's policies of insurance and will determine in Customer's sole discretion the amounts and types of coverage that Customer will maintain in connection herewith. Customer hereby waives any right of subrogation against the Company, its agents and employees for any loss or damage to the stored goods, and to notify its carrier of such waiver. No action may be maintained by the Customer against the Company for loss or damage to the goods covered hereunder unless commenced within twelve (12) months after the date of delivery by the Customer. The Company shall in no event be liable for consequential or special damages resulting from the physical loss or damage to any property (including, but not limited to, the wine). The Company reserves the right upon receipt and inspection to refuse storage of any specific bottles or other containers of wine which The Company deems to be in poor condition, liable to leak or otherwise cause damage to other bottles or material goods.
6. **Warehouseman's Lien.** The Company reserves the right to claim a lien against all wine stored by the Customer with the Company in the event that the Customer's Storage Fees remain in arrears for a period of 120 days following a 30 day notice. The Company may sell any wines for which storage or other charges remain outstanding after such 120 day period. The proceeds of such a sale shall first be applied to any indebtedness owing to the Company, and to any costs and expenses incurred with respect to the sale of any of the Customer's wine, and any efforts to collect such indebtedness. Any excess shall be remitted to the customer. The customer waives all requirements of notice, advertisement and disposition of proceeds required by law with the regard to and in furtherance of the warehouseman's lien.
7. **Further Services.** This Agreement shall apply to all further services rendered by the Company in addition to the storage of wine, including, but not limited to, pick up and/or delivery of the wine, and handling or inventory control. The Customer shall not store anything at the Company's facility other than wine or other bottled alcoholic beverages. No inflammable combustible, explosive or other dangerous items, and/or items having an objectionable odor or which may spoil or decay, shall be stored by the Customer on the Company's premises. No items shall be stored in the space which shall be in violation of any order or requirement imposed by any board of health, sanitary department, police department or other government agency, or in violation of any other legal requirement. The Customer agrees that the Company's facility will not be used for human or animal occupancy. The Company is not licensed to serve nor allow Customers to serve alcoholic beverages on the premises and such consumption is strictly prohibited.

The Company performs the above services as described. The Company is not a logistics company and cannot serve as such to any commercial or individual clients, be they wholesale distributors, importers, wineries,

retail stores, marketing companies, or educational companies. The Company maintains minimal delivery capabilities and will place limitations on the number and size of deliveries requested, as necessary.

8. **Indemnification.** The Customer shall hold the Company, its officers, directors, partners, agents, employees and assigns harmless from all claims for loss or damage to property caused by the acts or omissions of the Customer.
9. **Access.** The Customer or their designee shall have access to the Company's office/receiving area for the purpose of picking up from or delivering wine to the Company. Access to primary Inventory Control Storage areas shall be restricted unless with the permission of Company personnel and accompanied by Company personnel.
10. **Miscellaneous.** This Agreement represents the entire and only agreement between the parties herein and overrides all prior negotiations, representations contracts, agreements, either written or oral. This Agreement does not create a partnership, employment or agency relationship between the parties. This Agreement is governed by New York law. EACH PARTY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW TRIAL BY JURY OF ALL CLAIMS RELATING TO THIS Agreement. Each party consents to the exclusive jurisdiction and venue of courts in New York, NY for all disputes relating to this Agreement. The prevailing party in any such dispute may recover its reasonable attorneys' fees, costs and expenses from the other party. No term of this Agreement may be waived, modified or amended without a writing executed by both parties. If any term of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement will continue in effect. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Agreement may also be executed via facsimile, which shall be deemed an original.

[signature page follows]

_____ The Customer selects Inventory Control Storage.

_____ The Customer selects Private Locker(s). Specify Locker(s) and agreed Fee below. All Fees are subject to the general terms herein.

_____ Locker # _____ Agreed Fee _____ Locker # _____ Agreed Fee

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The Customer (Required Fields in *Italics*):

Print Name: _____

Signature: _____

Date: _____

Billing Address (including zip code): _____

Day Telephone: _____

Night Telephone: _____

Mobile Telephone: _____

Email: _____

Name and Telephone Number of Emergency Contact Person: _____

Credit card information is voluntary and intended for Customers who wish to have their credit card automatically charged each month. By providing such information the Customer hereby authorizes Chelsea Wine & Storage, Inc. to process a monthly charge on their credit card.

Type: American Express, MasterCard, Visa, Discover

Credit Card #: _____

Expiration Date: _____

Online Access: The information the Customer provides below will grant an Inventory Control Storage Customer access to their online inventory at www.chelseawinestorage.com. It is the Customer's responsibility to safeguard this information.

User ID (all lowercase, any combination of letters and/or numerals): _____

Password (all lowercase, any combination of letters and/or numerals): _____

It is the Customer's responsibility to ensure that the Company has full and current contact information for the Customer and any designee. This includes updating any credit card information before it becomes outdated.

Please check here if you DO NOT wish to receive a monthly statement via the United States Postal Service.

Approved by Chelsea Wine & Storage:

Print Manager Name: _____

Signature: _____

Date: _____

Account # _____

Agreement Rider A – Chelsea Wine & Storage Fee Schedule

General Inventory Control Storage Fees:

1 to 99 cases \$2.50/case per month
100 to 299 cases \$2.25/case per month
300+ cases \$2.00/case per month

“Inventory Control Storage” means that Cases of wine or any other stored alcoholic beverage can be stored in any area within the facility with the exclusion of Private Lockers. There is no guarantee that any Customer’s Cases will be stored in any centralized manner. Where Cases are stored remains at the discretion of the Company’s personnel. All Inventory Control Storage Customers are required to select Inventory Control. All efforts are made to ensure accurate inventorying of all wine and/or alcoholic beverages entered into the Company’s Inventory Control system. However, the Company assumes no liability for misinventoried Bottles and/or Cases.

Private Locker Fees:

When available, Chelsea Wine & Storage offers Private Lockers in a variety of sizes. As a result, the Fee for any specific Locker is based on its utilizable cubic inches. The Company can estimate the number of Cases any specific Locker may hold but this remains an estimate. Wine Cases come in a variety of sizes and shapes and will accordingly fit differently in any specific Locker. Private Lockers are not inventoried by Company personnel. Please contact the Company for a list of any available Private Lockers and their individual Fees.

Please note that any deliveries received by the Company for Private Locker customers which does not fit in the Locker(s) shall be deemed as for Inventory Control Storage and assessed appropriate charges thusly until such time as the Customer requests said Case(s) be removed from Inventory Control Storage.

Delivery/Pickup Fees:

Within Manhattan

Next Day Delivery/Pickup (*based on the request received by the Company no later than 12:00 PM the previous day*):

\$15.00 for the first three Cases of wine. Each additional Case is \$5.00.

Same Day Delivery/Pickup (*based on the request received by the Company no later than 12:00 PM the day of delivery*):

\$24.00 for the first three Cases of wine. Each additional Case is \$8.00.

Deliveries and pickups may be arranged via the Company’s website interface, by email, by fax, by letter or by telephone. It is the Customer’s responsibility to ensure that any such request has been received by the Company. Deliveries and pickups and made during the Company’s normal business hours which are Monday through Saturday, 10:00 AM to 7:00 PM.

Please inquire for Delivery/Pickup Fees outside of Manhattan.

Inventory and Handling Fees:

- Each solid, mixed or incomplete Case entering or leaving the facility as a Case incurs a Fee of \$3.00. This Fee includes data entry into the Company’s computerized inventory system for Customers on Inventory Control.
- Each solid, mixed or incomplete Case removed from storage shelves and accessed by the Company while not leaving the facility incurs a Fee of \$3.00.
- Individual Bottles entering the facility without open space to house them in existing Customer Cases shall be placed in a new Case and incur a Fee of \$4.00 for a new standard cardboard wine storage box.

- At the request of the Customer the Company will consolidate partially filled Cases. The Fee for this service is \$4.00 per each existing Case removed from Inventory Control Storage shelves and/or Private Lockers and accessed by the Company. No consolidation is performed to partially filled Cases except when expressly requested by the Customer, regardless of number bottles contained in any given existing Case.

Pricing for Storage is contingent on the storage of wine in standard wooden wine cases or cardboard cases. While the Company will ship using Styrofoam shipping Cases, the Company does not permit storage of wine in Styrofoam cases. Nor does it permit storage in other oversized boxes (e.g., those used by Western Carriers, auction houses, etc. Any wine delivered in such Case type will be transferred to either the Customer's existing acceptably standard cardboard cases or incur a Fee of \$4.00 for a new standard cardboard wine storage box.

Please be advised that the Company reserves the right to open any Case of wine or other alcoholic beverage in order to determine its contents. This includes previously opened or unopened Cases, be they wooden or cardboard.

Large or small format bottles will also be repacked to ensure they require minimal shelf space. The same holds for gift boxes, collector boxes or any other non-standard box or container. At the discretion of the Company, flat "laydown" boxes may also be replaced. As they are discrete separate physical Cases, the Company reserves the right to treat multiple 6-bottle Cases taped together as two discrete Cases rather than as a single Case for inventorying and Case count purposes.

Miscellaneous Labor Charges:

Warehouse labor is \$50.00 per hour per person. This requires an one (1) hour minimum, as arranged by appointment with Company management. Such activities include one time inventorying of Private Locker contents; physical inspections and any deliveries/pickups which require packing and/or repacking. The labor of boxing of loose bottles during a pickup is billed at \$30.00 per hour per person.

Miscellaneous Materials and Shipping Charges:

The United Parcel Service ("UPS") is the Company's preferred shipping vendor. The preferred method of shipping (overnight, ground, etc.) must be specified by the Customer prior to shipping. The Company is not liable for any seizure or harm to packages once they are removed from the premises by any shipping company. Upon request by the Customer, alternate shipping companies may be utilized using said Customer's own account, credit card number or other payment. Fees for shipping change often and it is the Customer's responsibility to agree to any shipping costs prior to said shipping.

Utilized shipping materials such as Styrofoam shippers will be charged to the account as appropriate.