

PREMIUM GRAPE SUPPLY AGREEMENT

Treasury Wine Estates Vintners Limited
ABN 55 004 094 599 (“**TWE**”)

Canoe Wines Australia Pty Ltd
ABN 26 645 317 184 (“**Grower**”)



**TREASURY
WINE ESTATES**

TREASURY WINE ESTATES VINTNERS LTD

Grape Contracts Department
PO Box 21
Nuriootpa SA 5355

TREASURY WINE ESTATES VINTNERS LTD

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TREASURY WINE ESTATES VINTNERS LTD

Details

Parties	TWE and Grower and Landowner	
TWE	Name	Treasury Wine Estates Vintners Limited
	ABN	55 004 094 599
	Company Secretary	Level 8, 161 Collins Street, Melbourne VIC 3000
	Address for Service	PO Box 21, Nuriootpa SA 5355
	Telephone	08 8568 8401
	Fax	08 8568 9493
	Email	grape.contracts@tweglobal.com
Grower	The Grower named in Schedule 1	
Landowner	The Landowner named in Schedule 1	
Recitals	A	TWE is a producer of commercial and premium wine in Australia and abroad.
	B	The Grower grows grapes on the Vineyard and, once harvested, has agreed to sell the Grapes to TWE.
	C	TWE has agreed to purchase the Grapes from the Grower on the terms and conditions of this Agreement.

TREASURY WINE ESTATES VINTNERS LTD

Schedule 1 – Contract Details

Item 1:	Grower	
	Name	Canoe Wines Australia Pty Ltd
	ABN	26 645 317 184
	Address	433 W. Plumb Lane, Reno NV USA 89509
	Telephone	
	Mobile	
	Fax	
	Email	jayshort1217@hotmail.com
	Attention	Francis Jay Short
Item 2:	Landowner	
	Name	Canoe Wines Australia Pty Ltd
	ABN	26 645 317 184
	Address	433 W. Plumb Lane, Reno NV USA 89509
	Telephone	
	Mobile	
	Email	jayshort1217@hotmail.com
Item 3:	Commencement Date:	1 st October 2020
Item 4:	Term:	2 years
Item 5:	Delivery Point:	TWE's Wolf Blass Winery
Item 6:	Responsible Delivery Distance:	40
	<small>(Cartage distance in kilometres that the grower is responsible for.)</small>	

TREASURY WINE ESTATES VINTNERS LTD

Schedule 2 – Special Conditions

TREASURY WINE ESTATES VINTNERS LTD

Schedule 3(a) – Vineyard

Location of Vineyard:	Address:	23A Alexander Forrest Road Forreston
	State:	South Australia
Geographical Indication:	Zone:	Mount Lofty Ranges
	Region:	Adelaide Hills
	Sub-Region:	
Land:	Certificate of Title:	Hundred of Talunga Volume 6006 Folio 965
Map of Vineyard:		Attached as Appendix B

Schedule 3(b) – Block Details

VARIETY	BLOCK NAME	YEAR OF PLANTING	AREA (HA)	CLONE	ROOTSTOCK	ROW WIDTH	IRRIGATION TYPE
CABERNET SAUVIGNON	CAS2		1.40	UNKNOWN	OWN		
CABERNET SAUVIGNON	CAS4		1.40	UNKNOWN	OWN		
PINOT NOIR	PIN7		1.40	MV6	OWN		
PINOT NOIR	PIN8		1.50	114	OWN		
PINOT NOIR	PIN9		1.50	114	OWN		
SHIRAZ	SHI4		3.60		OWN		

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Schedule 3(c) – Contracted Tonnes and Grades

Variety	CABERNET SAUVIGNON	CABERNET SAUVIGNON	PINOT NOIR	PINOT NOIR	PINOT NOIR	SHIRAZ	
Block	CAS2	CAS4	PIN7	PIN8	PIN9	SHI4	
Area (Ha)	1.40	1.40	1.40	1.50	1.50	3.60	
Minimum Price (Delivery Grade Price)	\$1800	\$1800	-	-	-	\$1800	
Fixed Price	-	-	\$1900	\$1900	\$1900	-	
Minimum Baumé Standard	13.5	13.5	12.0	12.0	12.0	13.5	
Vintage							
2021	Contract Grade	B	B	C	C	C	B
	Crop Level (t/Ha)	8	8	15	15	15	8
	Contracted Tonnes	11	10	21	22	22	29
2022	Contract Grade	B	B	C	C	C	B
	Crop Level (t/Ha)	8	8	15	15	15	8
	Contracted Tonnes	11	10	21	22	22	29

General terms

1 Definitions and Interpretation

1.1 Definitions

Accepted Tonnes means the tonnage of Grapes that TWE has agreed to accept on or before the Final Delivery Date as specified in the annual Tonnage and Pricing Acceptance Form.

Agreement means this agreement and includes the schedules and appendices.

Baumé (or Be) means a measure of the sugar content of grape juice derived by measuring its density (each degree Baumé is equal to approximately 1.8% sugar in the grape juice).

Block means a discrete and identifiable unit of grapevines of the same variety of grapes on the Vineyard as specified in Schedule 3(b).

Booking means a confirmation communicated by TWE to the Grower prior to harvest of the Grapes relating to the delivery to the Delivery Point of some or all (as applicable) of the Grapes.

Change Notice has the meaning given in clause 9.6.

Code means the Australian Wine Industry Code of Conduct developed for the Australian wine industry by the Wine Industry Relations Committee (WIRC), being a joint committee of Winemakers Federation of Australia and Wine Grape Growers Australia.

Commencement Date means the date specified as such in item 3 of Schedule 1.

Contract Grade means the Grade specified in Schedule 3(c);

Contracted Tonnes means for each Vintage the tonnage of Grapes of the same grade per Block as specified in Schedule 3(c).

Crop Level means the crop level for each Block as specified in Schedule 3(c).

Delivery Grade means the Grade of the Grapes, which shall be at or below the Contract Grade, determined by TWE after an inspection, assessment and grading of the Grapes in the Vineyard prior to harvest in accordance with clause 5.2.

Delivery Grade Price has the meaning given to it in clause 6.3(a).

Delivery Point means the delivery point of the Grapes set out in item 5 of Schedule 1 or such other point determined by TWE under clause 9.4.

Estimate Form means the form completed (in the format provided by TWE) and signed by the Grower informing TWE of the estimate (in tonnes and by Block) of the total production of all of the Grapes for the upcoming Vintage, which estimate may be above or below the Contracted Tonnes.

Event of Force Majeure means any circumstance beyond the reasonable direct or indirect control of the party claiming the benefit of the Event of Force Majeure, including any act of God, act of war, disease, pestilence, cyclone, fire, explosion, flood, earthquake, hail, frost, heat, severe or generally poor weather conditions or other natural calamity, accident, machinery breakdown or labour dispute, but will not include any disease brought about by or otherwise

caused or contributed to by the unsatisfactory viticultural practices or negligence of the Grower.

Final Delivery Date means the last date notified to the Grower by TWE that the Grapes will be accepted for any given Vintage, determined by TWE acting reasonably and in good faith with reference to seasonal conditions (early or late season), and to the operation of other significant wineries in the region.

Fixed Grade Price has the meaning given to it in clause 6.3(b).

Fixed Price means the price (if any) for the Grapes specified as the “fixed price” for that Block in Schedule 3(c) and determined under clause 6.2, or the price which the Primary Parties subsequently agree will be fixed price that Block.

Freight Chain of Responsibility Regulations means all laws directly or indirectly relating to the licensing and operation of any heavy vehicles; mass, load and restraint requirements for the carriage of goods (including in particular parts 10 and 11 of the Road Safety Act Victoria or equivalent legislation in other states); and all driving hours, speed and traffic requirements.

Grade means a point in a sequential grade scale pursuant to the grape grading system used by TWE to assess the quality of grapes, which scale will be alpha-numerical.

Grapes mean the varieties and tonnes of wine-grapes specified in Schedule 3(c) to be grown by the Grower at the Vineyard and to be purchased by TWE on the terms and conditions of this Agreement.

Grape Despatch Docket means the form completed (in the format provided by TWE) and signed by the Grower, or their agent, to accompany each Load or part of a Load to the Delivery Point certifying aspects of the Grapes including the appellation or source, variety, Block, and tonnes of the Grapes; the details of the carrier; and the despatch date and time of that Load from the Vineyard.

Grape Price has the meaning given to it in clause 6.1

Grapeweb means the website through which TWE posts and exchanges information with growers.

GST has the same meaning as in the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Guidelines for Grape Supply means guidelines provided by TWE each Vintage to the Grower setting out the minimum standards for the Grapes and containing the spray record template forms.

Insolvency Event means:

- (a) an application is made to a court for an order, or an order is made, that the Defaulter be wound up;
- (b) an application is made to a court for an order appointing a liquidator or provisional liquidator in respect of the Defaulter, or one of them is appointed, whether or not under an order (other than for the purposes of reconstruction);
- (c) a receiver, receiver and manager or controller is appointed or takes possession in respect of any part of the Defaulter’s property;

- (d) an administrator is appointed to the Defaulter under section 436A, 436B or 436C of the Corporations Act 2001 (Cth);
- (e) the Defaulter enters into, or resolves to enter into, a deed of company arrangement, scheme of arrangement or composition with, or assignment for the benefit of, all or any class of its creditors or it proposes a reorganisation, moratorium or other administration involving any of them;
- (f) the Defaulter resolves to wind itself up, or otherwise dissolve itself, or gives notice of intention to do so;
- (g) the Defaulter is, or its directors state that it is, unable to pay its debts as and when they become due and payable;
- (h) the Defaulter is presumed to be insolvent within the meaning of section 459C(2) of the Corporations Act 2001 (Cth); or
- (i) anything analogous, or having a substantially similar effect, to any of the events specified in paragraphs (b) to (i) above happens under the law of any applicable jurisdiction.

Land means the land upon which the Vineyard is situated, being all that land described in Schedule 3(a).

Landowner means the Landowner (if any) named in Schedule 1 who owns the Land;

Latent Defect means a breach of a Rejection Standard that is not reasonably identifiable or certain upon assessment either in the Vineyard prior to harvest or at the weighbridge.

Load means a delivery of Grapes to TWE that results in a discrete weighing document being produced and provided to the Grower in accordance with clause 9.6.

Minimum Baumé means for the Grapes from a Block, the “minimum baume” specified for that Block in Schedule 3(c).

Minimum Price for a Block means the minimum price set out in Schedule 3 (c) that TWE agrees to pay the Grower for Grapes which do not breach the Rejection Standards.

MOG means ‘matter other than grapes’, including wood, leaves, canes, vine debris, wire, stones, steel, wood, plastic, trellis parts, harvester parts, insects, caterpillars, millipedes, snails and other creatures and foreign objects that may be present in a Load.

MOG Rating means the amount of MOG in a Load determined under Table 1 in Appendix A and the notes to that table.

Parties means the Grower, the Landowner and TWE.

Post Fermentation Payment means a payment to the Grower in addition to the Grape Price pursuant to clause 6.7,

Price List means, for each Vintage, the list of prices that TWE will pay for each variety and Grade of Grapes as notified to the Grower annually on the Tonnage and Pricing Acceptance Form.

Primary Parties means the Grower and TWE.

Protocol means National Phylloxera Management Protocol (as amended from time to time) developed by the National Vine Health Steering Committee).

Registered Carriers means those freight providers who have agreed to provide freight services to Growers at TWE's vintage freight rates and have supplied TWE with a current certificate of Marine/Transit (rollover) insurance.

Rejection Standard means a standard which, if breached, means the Grapes may be rejected by TWE under the terms of this Agreement and as set out in Appendix A.

Related Body Corporate has the same meaning as in the Corporations Act 2001 (Cth).

Responsible Delivery Distance means the distance (in kilometres) as specified in item 6 of Schedule 1. The grower is responsible for the cost of cartage for this distance.

Special Conditions means the additional conditions (if any) agreed between TWE and the Grower set out in Schedule 1.

Target Baume means the Baume notified to the Grower via the Tonnage and Pricing Acceptance Form in each Vintage in respect of each Block, which TWE will use as a guide to achieve the desired wine style.

Term means the term set out in item 4 of Schedule 1.

Tonnage and Pricing Acceptance Form means the form sent by TWE to the Grower setting out the matters listed in clause 4.4.

Veraison means the commencement of ripening of the Grapes when the berries start to soften and change colour.

Vintage means the period of a calendar year when the Grower harvests the Grapes for TWE under this Agreement.

Vintage Year means the 12 month period covering the annual growing and transactional cycle (being the payment for and delivery) of the Grapes commencing on 1st October in one year and concluding on 30th September the following year.

Vineyard means a defined area of the vineyard or vineyards described in Schedules 3(a) and 3(b).

Water means any and all water rights used to irrigate the Land.

Weighnote means a weighing and receipt document produced by TWE at the Delivery Point for each Load of Grapes accepted by TWE specifying the Grower, Block, Vintage, variety, Delivery Point, date and time of receipt, Baume and other information pertaining to the relevant Load and which corresponds to the Grape Dispatch Docket for that Load.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- (a) words importing:
 - (i) the singular includes the plural and vice versa; and
 - (ii) any gender include the other gender;

- (b) any obligation of two or more parties shall bind them jointly and severally;
- (c) a reference to:
 - (i) a person includes a corporation, joint venture, unincorporated association, or partnership;
 - (ii) a person includes the legal personal representatives, successors and assigns of that person;
 - (iii) this or any other document includes the document as varied or replaced and notwithstanding any change in the identity of the parties;
 - (iv) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes facsimile transmission but excludes email unless stated otherwise;
 - (v) time is to local time in Adelaide, South Australia;
 - (vi) a month means a period commencing on any day of a calendar month and ending on the corresponding day in the next calendar month but if a corresponding day does not occur in the next calendar month the period shall end on the last day of that next calendar month;
 - (vii) a right includes a remedy, authority or power;
 - (viii) “\$” and “dollar” is a reference to the lawful currency of Australia; and
 - (ix) any obligation includes warranty and a reference to a failure to observe or perform an obligation includes a breach of a warranty.
- (d) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of the word or phrase shall have a corresponding meaning.
- (e) the meaning of general words or provisions is not limited by references to specific matters that follow them or are included elsewhere in this Agreement (such as those introduced by the word including or phrase for example).

1.3 Headings

Headings are included for convenience only and are not to be used in the interpretation of this Agreement.

2 Sale and purchase of the Grapes

The Grower agrees to sell the Grapes to TWE and TWE agrees to purchase the Grapes from the Grower on the terms and conditions of this Agreement.

3 Term

This Agreement will commence on the Commencement Date and will continue for the Term unless terminated earlier in accordance with the terms and conditions of this Agreement.

4 Grape Estimates and Acceptance

4.1 Estimate Form

Before Vintage in each year of the Term (usually in November prior to Vintage), TWE will send the Estimate Form to the Grower. The Grower must use its best endeavours to accurately estimate and notify TWE whether the tonnage from each contracted Block is above or below the Contracted Tonnes for each Block. The Grower must return a signed Estimate Form to TWE within 14 days after the date that TWE sends the form to the Grower. If the Grower subsequently becomes aware before harvest that the original estimate of the tonnage is incorrect, they must promptly notify TWE accordingly.

4.2 Accepted Tonnage

- (a) If the last estimated tonnage provided under clause 4.1 in any Vintage are:
 - (i) less than the Contracted Tonnes, TWE may accept those estimates as the Accepted Tonnes; or
 - (ii) more than the Contracted Tonnes, the Grower must give TWE the first right to purchase the additional tonnes (at a price to be negotiated by the Primary Parties), before the Grower offers to sell those additional tonnes to a third party;
- (b) Subject to TWE's rights under this Agreement, despite the estimates provided by the Grower, TWE is obliged to receive at least the Contracted Tonnes if offered by the Grower.

4.3 Failure

The Grower is not liable to supply Grapes that fail to be produced from the Blocks in any particular Vintage as a direct result of the Grower validly exercising its rights under clause 17.

4.4 Tonnage and Pricing Acceptance Form

- (a) At least two weeks prior to the commencement of Vintage in each year of the Term TWE will send to the Grower the Tonnage and Pricing Acceptance Form. The Tonnage and Pricing Acceptance Form will set out, in respect of the Blocks for which TWE has received an Estimate Form from the Grower for the upcoming Vintage:
 - (i) Accepted Tonnes;
 - (ii) the Price List; and
 - (iii) any proposed changes to:
 - (A) the Target Baumé;
 - (B) the end-use of the Grapes; or
 - (C) the Delivery Point.
- (b) If the Grower does not object to any modification proposed under clause 4.4(a)(iii), within 7 days of receiving the Tonnage and Pricing Acceptance Form, that modification will apply.

5 Grape Grading

5.1 Contract Grade

A Contract Grade for the Grapes for each year of the Term of the Agreement is specified for

each Block in Schedule 3(c).

5.2 Grading for Blocks with a Delivery Grade Price

- (a) TWE will inspect, assess and grade the Grapes in each Block prior to harvest. In grading the Grapes, TWE will assign a Delivery Grade to the Grapes which will be no higher than the Contract Grade.
- (b) If the Delivery Grade of the Grapes is less than the Contract Grade:
 - (i) TWE will notify the Grower of the Delivery Grade as soon as practicable after the Grapes have been graded; and
 - (ii) if TWE notifies the Grower that TWE does not wish to purchase the Grapes, then TWE will release the Grower from its obligation to supply those Grapes for that Vintage.

5.3 Grading for Blocks with a Fixed Grade Price

- (a) TWE will inspect, assess and grade the Grapes in each Block prior to harvest to determine if the Grapes have met the Contract Grade.
- (b) If TWE determines that the Grapes have not met the Contract Grade, TWE will notify the Grower as soon as practicable and either:
 - (i) offer the Grower a reduced Grape Price for the Grapes (even below the Minimum Price); or
 - (ii) notify the Grower that TWE does not wish to purchase the Grapes, in which case TWE will release the Grower from its obligation to supply those Grapes for that Vintage.

5.4 Assessment

- (a) In assessing the Grapes, TWE will apply the methods set out in:
 - (i) the Guidelines for Grape Supply; and
 - (ii) the “Winegrape Assessment in the Vineyard and the Winery” publication referred to in section 2.8.2 of the Code.
- (b) If there is a material change in circumstances (for example, conditions such as abnormal rainfall, high temperatures, pests or diseases occur) after the initial inspection, assessment and grading of the Grapes and these are considered by TWE to have or likely to have a material adverse effect on the Grapes in any Block, subsequent grading of the Grapes may be conducted by TWE prior to harvest. If the Grade of the Grapes following the subsequent grading is less than the Contract Grade, TWE will notify the Grower in writing and:
 - (i) for Blocks with a Delivery Grade Price, the provisions of clause 5.2(b) will apply; and
 - (ii) for Blocks with a Fixed Grade Price, the provisions of clause 5.3(b) will apply.

6 Pricing

6.1 Grape Price

Subject to the provisions of this Agreement, TWE agrees to pay the Grower the Grape Price for the Grapes in each Block. The Grape Price will either be:

- (a) a Fixed Price as set out in Schedule 3(c) and determined under clause 6.2; or
- (b) the Delivery Grade Price as determined by clause 6.3(a); or
- (c) the Fixed Grade Price as determined by clause 6.3(b)

subject to any reduction in the Grape Price provided for in clause 6.5.

6.2 Fixed Price

If there is a Fixed Price for a Block, that will be the Grape Price for each Load of Grapes delivered from that Block during the whole Term (or the remainder of the Term if the price was not fixed until after the Term commenced), subject to clause 6.5. For the avoidance of doubt, TWE will not notify the Grower of any Delivery Grade for the Grapes and will not make any Post Fermentation Payment for those Grapes.

6.3 Grape Price on Price List

- (a) If there is a Delivery Grade Price for a Block set out in Schedule 3(c), the Grape Price for those Grapes will be the price on the Price List (as determined under clause 6.4) that corresponds to the Delivery Grade of the Grapes from that Block, subject to clause 6.5.
- (b) If there is a Fixed Grade Price for a Block set out in Schedule 3(c), the Grape Price for those Grapes will be the price on the Price List (as determined under clause 6.4) that corresponds to the Contract Grade of the Grapes from that Block, subject to clause 6.5. For the avoidance of doubt, TWE will not notify the Grower of any Delivery Grade for the Grapes and will not make any Post Fermentation Payment for those Grapes.

6.4 Determination of Grape Price on Price List

- (a) In each Vintage, the Price List will be initially determined by TWE having regard to the market value of the Grapes at the time the Tonnage and Pricing Acceptance Form is sent by TWE to the Grower, provided that the price on the Price List for each Block shall not be less than the Minimum Price for that Block.
- (b) If the Grower does not object in writing to the Price List within 30 days of receiving the Tonnage and Pricing Acceptance Form, the Grower shall be deemed to have accepted the Price List.
- (c) If the Grower objects to the Price List in writing within 30 days of receiving the Tonnage and Pricing Acceptance Form, and the parties have not resolved the Price List within 14 days after TWE receives the written objection, the dispute will be determined under clause 3.1 of the Code.

6.5 Reduction in Grape Price

Subject to clause 6.6, if the Grapes:

- (a) incur a MOG rating of MOG3, MOG4, or MOG 5; or
- (b) breach one or more of the Rejection Standards,

then TWE may, in accordance with Appendix A (and, as an alternative to its unfettered right to reject the Grapes under clause 10), reduce the Grape Price (even after the assessment and grading contemplated under clause 5.2 and 5.3 and even to a price below the Minimum Price). If TWE rejects any Grapes, TWE will notify the Grower before delivery is completed if practicable; otherwise, as soon as practicable thereafter.

6.6 Harvest Prior to Achievement of Minimum Baumé Standards

If TWE directs the Grower to harvest the Grapes prior to the Minimum Baumé Standards being achieved, clause 6.5 shall not enable rejection under item 4, Table 2, Appendix A.

6.7 Post Fermentation Payment

- (a) The procedure in this clause 6.7 will not apply to Grapes:
 - (i) with a Fixed Grade Price;
 - (ii) that TWE has agreed to purchase at a Fixed Price; or
 - (iii) the subject of a reduced or agreed price under clause 6.5.
- (b) TWE will conduct post fermentation assessments of wine and will assign a grade (“**Post Fermentation Grade**”) for the Grapes from each Block.
- (c) If the price for the Grapes corresponding to their Post Fermentation Grade on Price List exceeds the price corresponding to the Delivery Grade, TWE will make a Post Fermentation Payment to the Grower for the amount which the price corresponding to the Post Fermentation Grade exceeds the price corresponding to the Delivery Grade (up to a maximum of the price corresponding to the Contract Grade. Any such payment will be paid in accordance with clause 7.1.
- (d) If the Post Fermentation Grade exceeds the Contract Grade, TWE may make Post Fermentation Payments in addition to the payment described in clause 6.7(c). These additional Post Fermentation Payments will be made in TWE’s absolute discretion having regard to TWE’s wine volume demand and other factors pertaining to TWE, notwithstanding the quality of the Grapes. For example, an additional Post Fermentation Payment may not be paid if, for a particular variety, TWE has a surplus volume in the grade or grades above the Contract Grade.
- (e) The Grower also acknowledges that the post fermentation assessments of wine made from Grapes under clause 6.7(b) may not be solely referable to the relevant Grapes, due to the fact that the Grapes may be mixed with other grapes, juice or must prior to fermentation or the resulting wine may be blended with other wine prior to assessment. The assessment will, therefore, not be a pure assessment of the quality of the Grapes.

7 Payment

7.1 Time for payments

In each year of the Term, TWE will pay the Grower the Grape Price (and any Post Fermentation Payment once it is determined in accordance with clause 6.7), for the Grapes purchased under this Agreement in the following manner:

- (a) 33.3% of the Grape Price by the end of the month following the month during which the Grapes were accepted by TWE;

- (b) 50% of the remaining balance by 30 June in that year; and
- (c) the balance by 30 September in that year.

7.2 Costs

The Grower shall pay all costs associated with the Grapes until title to them passes to TWE, including the costs of harvest, freight to the Delivery Point, insurance, statutory charges, grape levies and contributions to industry funds payable under regulations, Ministerial orders or otherwise, plus all GST payable in relation to those costs. The Grower authorises TWE to deduct such costs, plus GST, from any payment TWE is required to make under clause 7.1, and remit those monies to the relevant payee on behalf of the Grower.

7.3 EFT Payments

The Primary Parties agree that all payments to be made by TWE to the Grower under this Agreement will be made by electronic funds transfer to a bank account nominated by the Grower.

8 Harvest of the Grapes

8.1 Samples of Grapes

In the period between Veraison and harvest each Vintage, the Grower must submit to TWE promptly upon reasonable request:

- (a) representative samples of Grapes from each Block for maturity testing; or
- (b) maturity results from representative samples from each Block.

8.2 Timing of Harvest

Using the representative samples or maturity results submitted, TWE will establish an anticipated maturity profile for each Block and will consult with the Grower concerning likely dates and times for harvest. The harvest dates and times will be determined by TWE having regard to the dates by when:

- (a) the Grapes from the Block are likely to have achieved the Target Baumé and “flavour ripeness”; and
- (b) the need to minimise the interval between harvest and delivery to ensure optimum Grape condition and maturity;
- (c) the times when winery processing capacity will be available; and
- (d) any adverse weather conditions that may prejudice the condition of the Grapes.

8.3 Booking

TWE will give the Grower reasonable notice of the Booking time for the delivery to the Delivery Point of the Grapes from any Block.

8.4 Obligation to Book Grape Deliveries

Unless otherwise agreed, TWE has no obligation to Book the Grapes from a Block for delivery to the Delivery Point until the spray diary records for that Block have been submitted to TWE under clause 12.4 and TWE has determined that the Grapes:

- (a) are of such a maturity level that the Grapes are likely to achieve the Target Baumé (provided that they must be booked for delivery prior to the Final Delivery Date, if they have reached Minimum Baumé Standard); and
- (b) are unlikely to breach one or more of the Rejection Standards when delivered to the Delivery Point.

8.5 Delivery vessels

The Grower will harvest and deliver the Grapes in containers the type of which shall be agreed between the Primary Parties having regard to the unloading system at the Delivery Point. The Grower must ensure that any delivery containers it uses are at all times:

- (a) clean, sanitary and in safe working condition;
- (b) fit for purpose (including having regard to the weight of the Load being delivered); and
- (c) properly maintained.

The Grower may elect to use TWE grape harvest bins to deliver the Grapes. If a Grower elects to use TWE grape harvest bins to deliver the Grapes, then the Grower agrees that TWE will deduct the bin hire cost from the Grower's June Grape payment at the rate published on Grapeweb.

8.6 Method of Harvest

If TWE requests that a Block be harvested by hand that would otherwise be machine harvested, the Grower will use its best endeavours to harvest by hand and TWE will pay the Grower a supplementary payment for those Grapes, calculated by reference to the incremental cost of hand-picking compared to machine-harvesting, as agreed between the Primary Parties for that Vintage.

9 Delivery of the Grapes

9.1 Delivery to the Delivery Point

- (a) The Grower will, at the Grower's expense and risk, deliver the Grapes as directed by TWE to the Delivery Point in accordance with the Booking.
- (b) The Grower may elect to use a Registered Carrier to deliver the Grapes. If a Grower elects to use a Registered Carrier to deliver the Grapes, then TWE will pay the Registered Carrier's costs up-front on the Grower's behalf and then deduct the Grower's portion of the freight cost from the Grower's June Grape payment.

9.2 Freight Chain of Responsibility

TWE and the Grower acknowledge their mutual obligations to operate within the relevant Freight Chain of Responsibility Regulations.

9.3 Acceptance of delivery of Grapes

TWE will not be obliged to accept delivery of Grapes that:

- (a) do not have a Booking or do not conform to the Booking;
- (b) are not accompanied by a properly completed and signed Grape Despatch Docket from the Grower or its agent; or

- (c) exceed the greater of the:
 - (i) Accepted Tonnes; or
 - (ii) Contracted Tonnes.

9.4 Different Delivery Point

- (a) The Grower must deliver the Grapes to a location other than the Delivery Point if TWE requests the Grower to deliver to a different delivery point.
- (b) Subject to clause 9.4(c), if the different delivery point is at a greater distance from the Vineyard than the Responsible Delivery Distance (the “**Additional Distance**”):
 - (i) TWE shall reimburse (in the June Grape payment) the Grower for any reasonable incremental transportation and other costs in respect of the Additional Distance travelled. Such costs shall be calculated by reference to TWE’s Registered Carriers’ freight rates for the relevant Vintage; and
 - (ii) the Grower will remain liable for the costs of delivery for the Responsible Delivery Distance.
- (c) If TWE directs the Grower to deliver the Grapes to a different delivery point because there is a Phylloxera outbreak or some other outbreak of plant disease or pest on the Vineyard or in the area of the Vineyard, the Grower will be liable for all transportation and other costs associated with the delivery to the different delivery point.

9.5 Quantities delivered

TWE will ensure that a weighbridge or other recognised lawful weighing device at the Delivery Point will be used to measure the quantity of Grapes delivered by the Grower. The measurements given by that weighbridge or other recognised lawful weighing device will bind TWE and the Grower except in the case of manifest error.

9.6 Weighnote

TWE will take all reasonable steps to ensure that the Grower or its agent receives a copy of weighbridge or other recognised lawful weighing device documents (corresponding to the Grape Despatch Docket) including details of the dates on which the Grapes accepted by TWE were received by TWE, the weight of the Load, assessments of the Load against the Rejection Standards and the Minimum Baumé of the Grapes. The Grower acknowledges that TWE may, acting reasonably, replace or amend a Weighnote to correct any errors or incorrect information. If the replacement or amendment affects the weight recorded on the Weighnote or any fields affecting the Grape Price, TWE will provide the Grower with written notice of the change (**Change Notice**). The Grower is deemed to accept the change unless it notifies TWE within 7 days of the date on which the Change Notice is given. The Grower undertakes that, on receipt of a Change Notice, it will destroy the original, incorrect, Weighnote.

9.7 Damage to Winery Equipment

If MOG in a Load causes damage to TWE’s equipment, TWE may require the Grower to meet the cost of making good such damage and such costs may be set off against money due to the Grower.

9.8 Phylloxera Infested Zone

If the Vineyard is located in a phylloxera infested zone (as defined in the Protocol), the Grower shall comply with the Protocol and TWE shall use all reasonable endeavours to process the

Grapes within the zone. If, despite using those endeavours, TWE is unable to process the Grapes within the zone and requires processing outside of the zone, the Grower shall at least 48 hours prior to the booked delivery time, obtain all authorisations necessary for the Grapes to be delivered to the Delivery Point. The Grower acknowledges that:

- (a) if it fails to obtain the authorisations necessary for the Grapes to be delivered to the Delivery Point, there may be a significant delay in TWE's ability to book and process those particular Grapes; and
- (b) any loss suffered by the Grower as a result of such a delay is the responsibility of the Grower.

10 Assessment of the Grapes

10.1 Inspection of Grapes in the Vineyard

TWE may inspect and test a random sample of the Grapes at any time during the Term (including before harvest). The Grower must allow TWE's authorised representatives access on reasonable notice to the Vineyard at all times to inspect and examine the Vineyard, vines and the Grapes.

10.2 Rejection of Grapes

If, following assessment by TWE either prior to harvest in the Vineyard (by Block) or at the weighbridge (by Load), any of the Grapes breach one or more of the Rejection Standards, TWE may reject those Grapes (including an entire Block or an entire Load if any part of the Grapes in the relevant Block or Load are affected and the affected grapes cannot be practically separated).

10.3 Rejection of Grapes after receipt

- (a) If:
 - (i) upon assessment of the Grapes either in the Vineyard or at the weighbridge, TWE suspects, but is not certain, that the Grapes may have a Latent Defect;
 - (ii) TWE is diligent in assessing the Grapes; and
 - (iii) TWE notifies the Grower of its suspicion (or lack of certainty) in relation to the Latent Defect,

then TWE will not reject the Grapes as a result of the Latent Defect and clause 9.3(c) will apply.

- (b) If:
 - (i) upon their assessment at the weighbridge, TWE accepted the Grapes without a suspicion of a Latent Defect;
 - (ii) TWE was diligent in assessing the Grapes;
 - (iii) within 30 days after acceptance, TWE suspects that the Grapes had a Latent Defect either in the vineyard or at the time of their assessment at the weighbridge;
 - (iv) the Latent Defect was not caused by any process applied to the Grapes, or the resulting juice, must or wine (Product) by TWE after acceptance; and

(v) TWE notifies the Grower of its suspicion of a Latent Defect,

then clause 9.3(c) will apply.

- (c) If this clause 9.3(c) applies, TWE will:
- (i) use its best endeavours to quarantine and preserve the Grapes or Product from other grapes, juice, must or wine;
 - (ii) test the Grapes or Product, using methodology recommended by the Australian Wine Research Institute, to determine whether the Grapes had a Latent Defect at the time of their assessment;
 - (iii) give notice to the Grower of the results of the tests as soon as practicable; and
 - (iv) pay the Grower the first instalment of the Grape Price in full.
- (d) If:
- (i) the result of the tests is that the Grapes did not have a Latent Defect at the time of their assessment; or
 - (ii) the defect causing the Latent Defect was caused by a process applied to the Grapes or Product by TWE after acceptance,

TWE will pay the Grower the full Grape Price for the Grapes.

- (e) If:
- (i) the result of the tests is that the Grapes had a Latent Defect at the time of their assessment; and
 - (ii) the defect causing the Latent Defect was not caused by a process applied to the Grapes or Product by TWE after acceptance,

clause 9.3(f) will apply.

- (f) If this clause 9.3(f) applies, the parties will mutually agree whether:
- (i) the Grower will, within 14 business days of receipt of the notice, repay the first instalment of the Grape Price to TWE in full and the Grapes will not be sold to TWE pursuant to this Agreement; or
 - (ii) TWE will keep the defective Grapes or Product and the parties will negotiate in good faith the fair market price for the Grapes or Product. In the absence of agreement within 14 business days of receipt of notice under clause 9.3(f), the fair market price will be determined by an independent expert pursuant to clauses 3.1.3.3 to 3.1.7 of the Code (as amended from time to time).
- (g) If the Grower does not agree that the Grapes had a Latent Defect at the time of their assessment either in the vineyard or at the weighbridge, the Grower may, by notice to TWE within 7 days of receiving notice of the result of the tests from TWE, refer the matter for determination by an independent expert pursuant to clauses 3.2.3 to 3.2.7 of the Code (as amended from time to time).

10.4 Removal of rejected Grapes or Product

If clause 9.3(f)(i) applies, the Grower must remove the rejected Grapes or Product within a reasonable time and at the Grower's expense. Any costs incurred by TWE as a result of the Grower's failure to remove the rejected Grapes or Product, will be passed onto the Grower.

11 Title, risk and liability

11.1 Title and risk

The Primary Parties agree that title in the Grapes passes to TWE at the Delivery Point after the Grapes have been weighed, inspected, tested and are accepted by TWE and a Weighnote has been created for the Grower or its employees, agents or contractors. Risk in the Grapes will only pass to TWE after it obtains title to the Grapes.

11.2 Exclusion of consequential loss

To the maximum extent permitted by law, neither party will be liable for any indirect, special, economic or consequential loss suffered by the other party in connection with this Agreement (whether for breach of contract, in tort, equity or otherwise).

12 Additional obligations

12.1 Grower's obligations

The Grower must in addition to its other obligations under this Agreement:

- (a) use all reasonable endeavours to grow the Grapes to at least achieve the Contract Grade and not to exceed the Crop Level;
- (b) maintain the Vineyard, the vines and the Grapes, and must not remove, replace or graft such vines without the prior written consent of TWE acting reasonably;
- (c) carry out Vineyard restructuring only as reasonably agreed between the Grower and TWE;
- (d) provide a map to TWE showing the location of the Vineyard and the layout of the Blocks in the Vineyard;
- (e) operate and manage the Vineyard in accordance with best viticultural practices;
- (f) comply with and follow the requirements set out in the Guidelines for Grape Supply;
- (g) produce and supply the Grapes (including engaging any employees or contractors) in compliance with the requirements of all relevant laws, statutes, regulations, permits, licences and codes; and
- (h) obtain membership with Sustainable Winegrowing Australia within 6 months of the Commencement Date and/or maintain its membership accreditation for the Term of this Agreement.

12.2 Grower to provide information

The Grower must provide to TWE all material information and access to records that TWE reasonably requests from time to time concerning the Vineyard, the vines and the Grapes including, but not limited to, crop estimates, agrochemical records and viticultural practices.

12.3 TWE may provide advice

TWE may, but is not obliged to, offer the Grower advice regarding its viticultural practices in the Vineyard, from time to time, with a view to assisting the Grower achieve the Contract Grade and not breach the Rejection Standards, but:

- (a) the Grower shall not be obliged to follow that advice;
- (b) even if the Grower follows that advice, Grapes may still be rejected under clause 10.2; and
- (c) TWE shall not be liable for any loss incurred by the Grower as a result of that advice.

12.4 Spray Diary

The Grower must submit their spray diary records in respect of each Block to TWE before harvest in each year of the Term. This should preferably be done electronically via Grapeweb with each Blocks first entry made before 1 January of each Vintage Year. However, if the Grower elects to submit the spray diary records in hard copy, then the Grower must either:

- (a) subsequently submit the spray diary records electronically via Grapeweb on or before 30 May in the relevant year of the Term; or
- (b) if requested by TWE, pay TWE an administration fee of \$50 (+GST) per Block to cover TWE's cost of entering the spray diary records electronically on the Grower's behalf. The administration fee will be deducted from the second instalment of the Grape Price payment.

12.5 Genetically modified Grapes

Unless otherwise agreed in writing, the Grapes must not contain or be derived from any genetically modified organisms or products.

12.6 Corporate Social Responsibility

TWE is committed to the responsible sourcing of goods and services. The Supplier must secure a copy of TWE's Responsible Procurement Code (**Code**) (available for download from tweglobal.com) and must at all times perform its obligations under this Agreement in accordance with the standards set out in the Code.

13 Dispute resolution and expert determination

13.1 Process for all Disputes

If a dispute arises between the Primary Parties (**Dispute**), then the Primary Parties agree to undertake the following procedure to attempt to resolve the dispute:

- (a) at each stage actions taken to settle the Dispute will be undertaken promptly;
- (b) the complainant will raise the matter with the other Primary Party setting out in writing the background and the issue(s) in dispute, and the outcome desired; and
- (c) the latter party will respond promptly in writing to the complainant, indicating whether the desired outcome is agreed, or offering another outcome, or negotiating another mutually agreed resolution.

13.2 Disputes under the Code

If the process under clause 13.1 does not resolve the dispute and if the dispute is a type to which clauses 3.1 (*Price*), 3.2 (*Rejection in the Vineyard*), or 3.3 (*Rejection at the Weighbridge*) of the Code applies, the parties shall adhere to the procedures stipulated by the Part 3 of the Australian Wine Industry Code of Conduct prior to initiating any legal proceedings.

13.3 No Legal proceedings

Neither Primary Party may commence court proceedings in relation to a Dispute unless it has used all reasonable endeavours to follow the procedure in this clause 13 or the other Primary Party has not done so.

14 Dealings with the Vineyard and the Agreement

14.1 Assignment of rights under the Agreement

- (a) Subject to clause 14.1(b) below, no Party may assign, transfer, create a trust over or otherwise dispose of or deal with (**Assign**) its rights under this Agreement without the prior written consent of the other parties, which consent may not unreasonably be withheld.
- (b) TWE may Assign its rights or obligations (in whole or in part) to a Related Body Corporate at any time upon 30 days written notice to the other parties.
- (c) If a party has not made a written objection to any proposed Assignment, or imposed a condition on its consent to the Assignment under clause 14.1(a), within 14 days of having been given notice of it, that Party shall be deemed to have given its consent to the proposed Assignment.
- (d) TWE may make it a condition of its consent, to the Assignment of any of the Grower's rights under this Agreement to any person (**Purchaser**), that the Grower first procures a written agreement between the Purchaser and TWE, to TWE's reasonable satisfaction, whereby the Purchaser shall be bound by the Grower's obligations under this Agreement as if the Purchaser was named as the Grower under this Agreement.

14.2 If the Grower is not the owner of the Land

If the Grower is not the Landowner (for example, the Grower leases, licenses or has some other right of occupation of the Vineyard (a **Right to Occupy**)):

- (a) the Grower and Landowner warrant to TWE that the Grower, by entering into this Agreement with TWE, will not be in breach of such Right to Occupy or any contract associated with it (and that it has obtained any necessary consent of the Landowner);
- (b) the Grower and Landowner must ensure that such Right to Occupy is for a duration that extends at least to the end of the Term;
- (c) the Grower must not breach, or do any act or make any omission under, such Right to Occupy or associated contract that may result in the Right to Occupy being terminated or the Vineyard being repossessed or reoccupied by the Landowner; and
- (d) without limiting the other provisions of this clause (d), if the Landowner takes possession or control of any part or the whole of the Vineyard from the Grower (including upon the termination or expiry of a Right to Occupy), the Landowner shall be bound by this Agreement, as if it was the Grower, in relation to that part or the whole of the Vineyard (as the case may be).

14.3 Disposal of Vineyard

- (a) The Landowner shall not assign, transfer, lease, license, create a trust over or otherwise dispose of or deal with the whole or any part of the Vineyard, or its interest, legal or equitable, in any part of the Vineyard, (**Transaction**) without:
- (i) first, giving notice to TWE of the material particulars of the proposed Transaction; and
 - (ii) then, offering to sell the Land and Water to TWE, in good faith, on terms capable of acceptance to form a contract (**Offer**).
- (b) If the proposed Transaction involves an assignment or transfer of the Land:
- (i) the Offer shall be on identical terms (in all material respects) to the proposed Transaction, including any dealing with the Water, (except to the extent that TWE agrees to vary those terms); and
 - (ii) if the proposed Transaction is associated with an assignment or transfer of land and/or water rights in addition to the Land and/or Water, the Landowner shall apportion the purchase price fairly between the Land and/or Water (to be Offered to TWE) and the other land and/or water rights (not to be Offered to TWE).
- (c) If the Proposed Transaction does not involve an assignment or transfer of the Land (for example, if it involves a lease, licence or creation of a trust over it or part of it), the Offer shall be:
- (i) for a consideration equal to the fair market value of the Land and Water, determined (in the absence of agreement between the parties) by a reputable, independent valuer, with experience in the viticultural industry, selected by the parties or (in the absence of their agreement) the Chair (or their delegate) of the Australian Valuers Institute; and
 - (ii) on the terms contained in the standard contract for the sale and purchase of land published by the Law Society or Institute of the State in which the Land is located (as amended reasonably by TWE).
- (d) If an Offer is made, TWE shall, within 45 days of receipt of the Offer, give notice to the Landowner of its:
- (i) acceptance of the Offer, in which case the Landowner shall sell the Land and Water to TWE (or its nominee) on the terms of the Offer;
 - (ii) termination of this Agreement, in which case this Agreement will terminate on the date of effect of the Transaction or such earlier date as TWE shall nominate; or
 - (iii) intention to give permission for the Transaction to proceed without termination of this Agreement, provided that the Landowner first procures that the other party to the Transaction enters into a written agreement with TWE, on identical terms (in all material respects) to this Agreement (except to the extent that TWE agrees to vary those terms), that operates for the remainder of the Term, in relation to the whole or part of the Vineyard the subject of the Transaction.

14.4 Change of Control

If the Grower or Landowner is a company or trustee, any transfer, allotment or change of ownership of shares, units or interests in the Grower, Landowner or trust or other transaction, which results in a change in control of the Grower, Landowner or trust, shall be deemed to be an Assignment of Grower's rights under the Agreement for the purposes of clause 14.1 (in the case of the Grower) or a Transaction with the Vineyard for the purposes of clause 14.3 (in the case of the Landowner).

14.5 Landowner Warranty

The Landowner warrants to TWE that the details concerning the Vineyard and Blocks in Schedules 3(a) and 3(b) are accurate and complete.

14.6 Importance to TWE

The Grower and Landowner acknowledge that:

- (a) the ability to acquire Grapes from the Vineyard is particularly important to TWE;
- (b) TWE desires to contract with the Grower, who it trusts to deliver Grapes that meet the standards set out in this Agreement, rather than a Purchaser or any other person;
- (c) this clause 14 is, therefore, reasonably necessary to protect the legitimate interests of TWE and fair and reasonable in the circumstances; and
- (d) the Grower and Landowner have carefully considered this clause 14 before signing this Agreement.

15 Termination

15.1 Act of termination

Without prejudice to any remedies which it may have at law, a Primary Party (**Terminator**) may terminate this Agreement immediately upon notice to the other Primary Party (**Defaulter**) and the Landowner if:

- (a) the Defaulter repudiates this Agreement or commits a material breach any of the terms of this Agreement and fails to remedy such breach within 30 days after a notice from the Terminator to remedy that failure; or
- (b) the Defaulter suffers an Insolvency Event.

15.2 Termination by TWE

Without limiting the generality of clause 15.1, TWE may, by written notice to the Grower, immediately terminate this Agreement

- (a) if the Grower fails to deliver the Grapes or commits a material breach of the Agreement which is not capable of remedy ; or
- (b) without limiting the generality of clause 15.2(a), if there has been a breach of clause 14 or the Landowner takes possession or control of any part or the whole Vineyard (as the case may be) from the Grower.

15.3 Effect of Termination

- (a) The termination of this Agreement shall not prejudice any right, power or remedy of a party to the extent that such right, power or remedy accrued prior to or on termination.

- (b) Upon termination of this Agreement by TWE, TWE shall not be liable to purchase any Grapes from the Grower other than those Grapes to which title has passed to TWE under clause 11.1 which TWE shall remain liable to pay for.

16 Special Conditions

The Special Conditions (if any) must be read and construed as if they were part of this Agreement. To the extent of any inconsistency between the terms of this Agreement and the Special Conditions, the Special Conditions will prevail.

17 Event of Force Majeure

- (a) If a party (“**Affected Party**”) is prevented or hindered by an Event of Force Majeure from fully or partly complying with any obligation (except for the payment of money) under this Agreement, that obligation is suspended for the duration of such Event of Force Majeure.
- (b) The Affected Party is only entitled to the benefit of clause 17(a) if:
- (i) the Affected Party notifies the other party in writing within 3 days of the Event of Force Majeure occurring;
 - (ii) the event or cause could not have been prevented, overcome or remedied by the exercise by that party of due care and skill; and
 - (iii) the Affected Party uses its reasonable endeavours to:
 - (A) remove the Event of Force Majeure;
 - (B) mitigate the effects of the cause on the Affected Party's obligations under this Agreement; and
 - (C) perform the Affected Party's obligations under this Agreement within the time specified by this Agreement despite the cause.
- (c) The Affected Party will use reasonable endeavours, without hereby being obliged to incur unreasonable expenditure or costs, to bring the Event of Force Majeure to a close or to find a solution by which its obligations under this Agreement may be performed despite the continuance of the Event of Force Majeure.
- (d) If an Affected Party is unable to comply with any material obligation imposed on it under this Agreement as a result of an Event of Force Majeure for 30 consecutive days or for an aggregate of 60 days in any 12 month period, the other party may terminate this Agreement immediately upon written notice to the Affected party.

18 Confidentiality and Privacy

- (a) Each Party shall keep:
- (i) the terms of this Agreement and information relating to transactions contemplated by this Agreement;
 - (ii) the Grape Price;
 - (iii) any other information relating to the negotiation of this Agreement;

- (iv) the other parties' business affairs or transactions contemplated by this Agreement,

strictly confidential, except that information concerning a Party may be disclosed:

- (v) with that party's prior written consent;
 - (vi) to the disclosing party's legal or financial advisers, insurers, bankers or auditors on a confidential basis;
 - (vii) if it is in the public domain; or
 - (viii) if it is required by law or the requirement of an applicable stock exchange.
- (b) TWE acknowledges that the Landowner may inform a potential buyer of the Vineyard of the existence of this Agreement. The Landowner may disclose the remaining Term of the Agreement and the Grapes the subject of this Agreement to the potential buyer, but must not disclose any other terms of this Agreement unless the potential buyer has first signed and returned to TWE a copy of TWE's standard confidentiality agreement.
 - (c) The Grower consents to TWE using the information provided to TWE as a result of this Agreement to provide the Grower with information by email, post, fax, SMS or phone pertaining to special offers of TWE wine. TWE may provide the Grower's information to any third parties appointed by TWE to perform these services.

19 GST

- (a) The recipient of a taxable supply must pay to the supplier an additional amount equal to the GST payable on or for the taxable supply subject to the recipient receiving a valid tax invoice in respect of the supply at or before the time of payment. Payment of the additional amount will be made at the same time as payment for the taxable supply is required to be made in accordance with this Agreement.
- (b) If an adjustment event occurs in relation to any supply, the supplier must provide an adjustment note to the recipient within 28 days of that event.
- (c) Where the supplier and recipient agree, the recipient may issue recipient created tax invoices and adjustment notes.
- (d) Where the recipient is required to pay for, reimburse or contribute to any expense, loss or outgoing ("Reimbursable Expense") suffered or incurred by the supplier, the amount required to be paid, reimbursed or contributed will be the sum of:
 - (i) the amount of the Reimbursable Expense net of input tax credits (if any) to which the supplier is entitled in respect of the Reimbursable Expense ("Net Amount"); and
 - (ii) if the supply under this agreement is a taxable supply, any GST payable in respect of that supply,

such that after the supplier meets its GST liability (if any) in respect of its supply under this agreement, it retains the Net Amount.

- (e) If the recipient has paid an amount representing GST to the supplier in accordance with a Tax Invoice issued by the supplier in respect of a supply that is not a taxable

supply, the supplier must immediately on demand refund that amount to the recipient, together with interest at the rate (from time to time) used to calculate the general interest charge (as that term is defined in sub-section 995-1(1) of the Income Tax Assessment Act 1997 (Cth)) from the date on which the recipient paid the amount until the date the refund is made.

- (f) Words and expressions which are not defined in this document but which have a defined meaning in the A New Tax System (Goods and Services Tax) Act 1999 have that same meaning.

20 Notices

Any notice to be given by a party under this Agreement may be given by delivering it, posting it by prepaid post, email or by any other means agreed between the parties from time to time, to the address specified, and marked to the attention of the persons specified on the 'Details' page (page 2). In addition, notifications under clauses 4, 5, 6, 8 and 10 may also be provided to the Grower by TWE using Grapeweb. Both parties agree that changes to addresses or contact persons must be notified to the other party in writing (including via email) as soon as reasonably practicable.

21 Landowner's Consideration

In consideration for the Landowner's promises in this Agreement, each of the Primary Parties agrees to pay the Landowner \$1.00 (if requested).

22 General

22.1 Legal costs

Each party will bear its own legal and other costs and expenses relating directly or indirectly to the preparation of, and performance of its obligations under, this Agreement.

22.2 Set off

Any Party may set off any amounts owing to it by any other Party for any reason against any monies it owes to that other Party for any reason.

22.3 Amendment

This Agreement may only be varied, supplemented or replaced by an agreement in writing duly executed by the parties.

22.4 Further assurances

Each party must promptly execute all agreements, signs all documents and do all things that the other party from time to time reasonably requires of it to effect, perfect or complete the provisions of this Agreement and transactions contemplated by it.

22.5 Governing law and Jurisdiction

This Agreement is governed by and will be construed in accordance with the laws of South Australia, Australia and the parties submit to the exclusive jurisdiction of the courts of South Australia.

22.6 Counterparts

This Agreement may consist of a number of counterparts and if so the counterparts taken together constitute one and the same instrument. This Agreement shall not be binding on any party unless one or more counterparts have been duly executed by, or on behalf of all Parties.

22.7 Entire understanding

This Agreement constitutes the entire agreement between the parties and no warranties, representations, terms, conditions, rights or obligations of any nature not contained in it shall be of any effect. It supersedes all prior agreements and understandings relating to the subject matter of this Agreement.

23 Application of the Code

The parties agree that this Agreement is governed by the Code. In the event of any inconsistency between the Agreement and the Code, the provisions of the Code in force on the date this Agreement was entered into will prevail and will apply as if they formed part of the Agreement.

EXECUTED as an agreement

TREASURY WINE ESTATES VINTNERS LTD

Appendix A –Rejection Standards

The Rejection Standards set out in Table 2 of this Appendix A shall be used to assess the Grapes in the Vineyard and at the weighbridge.

The Grower acknowledges that, if the Rejection Standards are breached, the relevant Grapes will not be sound and usable by TWE for the purpose for which they were contracted. Therefore:

- Each Block shall be assessed prior to harvest and each Load shall be assessed at the weighbridge having regard to the Rejection Standards set out in Table 2 of this Appendix A.
- If the Grapes breach one or more of the Rejection Standards, TWE may in its absolute discretion:
 - reject the Grapes in accordance with clause 10.2; or
 - offer the Grower a reduced Grape Price for the Grapes in accordance with clause 6.5 (and, if applicable, in accordance with Table 1 below).
- If not specified, the assessment method for determining whether or not the Grapes have satisfied the Rejection Standards set out in Table 2 of this Schedule, shall be determined by TWE in its absolute discretion, acting reasonably, having regard to prevailing approach taken by the industry at the time. TWE shall determine in its absolute discretion, acting reasonably, whether or not the Rejection Standard has been satisfied.

Table 1 – Price Reductions for MOG Rating

At MOG5, a Load may be rejected. At MOG3 or MOG4, the Load may cause loss to TWE, so it may reduce the Grape Price as set out below (even to a price which may be below the Minimum Price).

The MOG rating is determined as per the MOG Rating guidelines detailed in ‘Australian Winegrape Load Assessment - a Visual Guide’ (Allan, 1998).

MOG Rating	Maximum Grape Price Reduction
0	Nil
1	Nil
2	Nil
3	10%
4	15%
5	20% or rejection may occur under clause 10.2

Table 2 - Rejection Standards

Grapes will breach a Rejection Standard if they fall within a range in the right hand column below.

The Rejection Standards below are current as at the Commencement Date of the Agreement. TWE may amend or add to the Rejection Standards by giving Notice of the amendment or

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addition to the Grower, provided that the amendment or addition is consistent with industry accepted standards at the time or is otherwise reasonable.

SPECIFICATION	REJECTION STANDARD
1. DISEASE AFFECTED GRAPES & GRAPEVINES	
Combined rots and moulds – Whites <ul style="list-style-type: none"> Sour rot in white grape varieties. Botrytis in white grape varieties. (deductions do not apply if a level of Botrytis is requested for a particular wine style.) 	>5% of bunches in the Block with incidence of disease.
Combined rots and moulds – Reds <ul style="list-style-type: none"> Sour rot in red grape varieties Botrytis in red grape varieties 	>3% of bunches in the Block with incidence of disease.
Powdery Mildew	>5% of bunches in the Block with incidence of disease.
Canopy diseases on leaves or shoots –powdery mildew.	>15% of leaves or shoots in the Block with incidence of disease.
2. DAMAGED FRUIT	
Including but not limited to: <ul style="list-style-type: none"> Dry berries Sunburn Bird damage Insect damage Split berries and berry breakdown 	>20% of bunches in the Block with incidence of damage.
3. BAUME	
Baumé levels	Baume at delivery below the Minimum Baume as set out in Schedule 3(c).
4. VARIETAL INTEGRITY	
<ul style="list-style-type: none"> Mixed varieties within a Block or Load (other varieties present). Not true to variety. 	>0 (Nil Tolerance)

TREASURY WINE ESTATES VINTNERS LTD

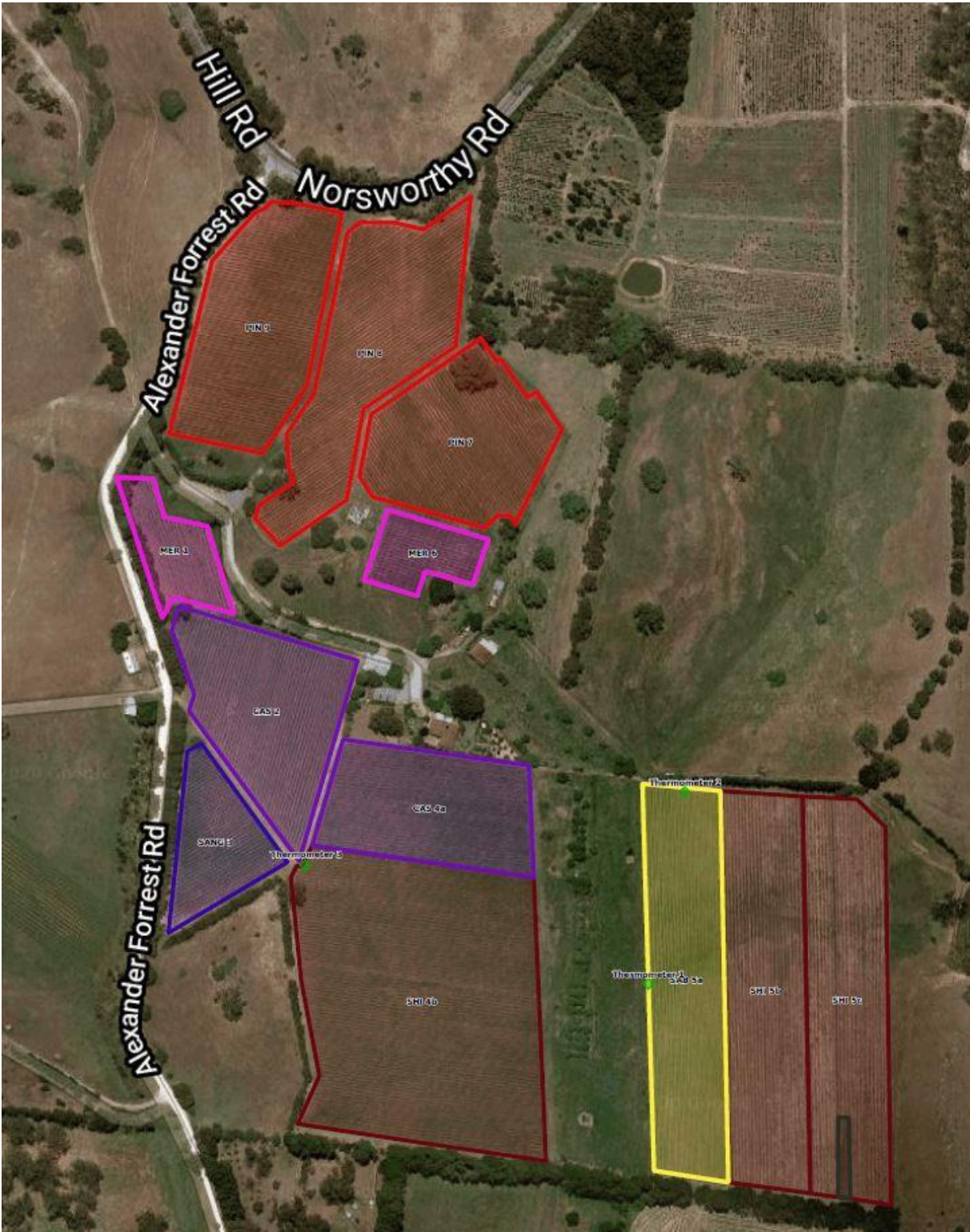
SPECIFICATION	REJECTION STANDARD
5. AGROCHEMICAL USE - GENERAL	
<ul style="list-style-type: none"> Detection of chemicals not registered for use in bearing vineyards. Detection of chemicals not approved by TWE. Detection of chemical residues in excess of Maximum Residue Limits (MRLs) for Grapes as published by the Australian Wine Research Institute.. Failure to comply with the agrochemical guidelines of TWE (set out in the Guidelines for Grape Supply) or satisfy the agrochemical standards of any country to which TWE exports wine. Spray diary records not submitted 	>0 (Nil Tolerance)
6. GENETICALLY MODIFIED ORGANISMS (GMOs)	
Clause 12.5 being breached	>0 (Nil Tolerance)
7. MATTER OTHER THAN GRAPES (MOG)	
MOG (as defined in clause 1.1)	MOG Rating 5
8. OIL, FUEL AND LUBRICANT CONTAMINATION	
Hydraulic oil, fuel or lubricant or other hydrocarbons present at any level.	>0 (Nil Tolerance)
9. TEMPERATURE OF LOAD AT WEIGHBRIDGE	
White Grapes	>38°C
Red Grapes	>40°C
10. FERMENTATION	
Fermentation of grapes or juice.	>0 (Nil Tolerance)
11. FRUIT SPOILAGE FROM ACETIFICATION, OXIDATION, OR OTHER TAIN	
Smoke taint	>0 (Nil tolerance) by sensory evaluation in Grapes, or >0 (nil tolerance) by sensory evaluation in any wine derived from microferments made from the Grapes.
Salt – Sodium	>60 mg/L Sodium in juice
Salt – Chloride	<ul style="list-style-type: none"> Whites >500 mg/L Chloride in juice Reds >295 mg/L Chloride in juice

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SPECIFICATION	REJECTION STANDARD
12. HARVEST AND DELIVERY	
Grapes not harvested and delivered at the time or place booked	>0 (Nil Tolerance)
Grapes not delivered in containers compliant with clause 8.5..	>0 (Nil Tolerance)
No Grape Despatch Docket signed by the Grower or its agent accompanying Load.	>0 (Nil Tolerance)

TREASURY WINE ESTATES VINTNERS LTD


Appendix B – Map of Vineyard



TREASURY WINE ESTATES VINTNERS LTD

Signing page - TWE

Executed by **TREASURY WINE ESTATES VINTNERS LTD** by its authorised representative:



.....
ANTHONY CATANZARITI
General Manager - Grower Relations

Date of Signature: 18/11/20

TREASURY WINE ESTATES VINTNERS LTD

Signing page – Grower

Prior to signing, the Grower is invited to raise any questions or concerns they may have with the Agreement with TWE. TWE also recommends that they should seek independent legal, financial and taxation advice prior to signing this Agreement.

1. If Grower is a sole trader/proprietor or partnership:

Executed by the GROWER:

..... Signature of proprietor / partner	..... Signature of the partner	..... Signature of the partner
..... Name & Title (please print)	..... Name & Title (please print)	..... Name & Title (please print)
Date of Signature:/...../.....	Date of Signature:/...../.....	Date of Signature:/...../.....

or 2. If Grower is a sole director company:

Executed by the GROWER in accordance with section 127(1) of the *Corporations Act 2001* (Cth):

.....
Signature of sole director

**The signatory states that they are the sole director
and sole company secretary of the Grower.**

.....
Name & Title (please print)

Date of Signature:/...../.....

or 3. If Grower is another company:

Executed by the GROWER in accordance with section 127(1) of the *Corporations Act 2001* (Cth):

..... Signature of director	..... Signature of director/secretary
..... Name & Title (please print)	..... Name & Title (please print)
Date of Signature:/...../.....	Date of Signature:/...../.....

TREASURY WINE ESTATES VINTNERS LTD

Signing page – Landowner

Prior to signing, the Landowner is invited to raise any questions or concerns they may have with the Agreement with TWE. TWE also recommends they should seek independent legal, financial and taxation advice prior to signing this Agreement.

1. If Landowner is a sole trader/proprietor or partnership:

Executed by the LANDOWNER:

..... Signature of proprietor / partner	..... Signature of the partner	..... Signature of the partner
..... Name & Title (please print)	..... Name & Title (please print)	..... Name & Title (please print)
Date of Signature:/...../.....	Date of Signature:/...../.....	Date of Signature:/...../.....

or 2. If Landowner is a sole director company:

Executed by the LANDOWNER in accordance with section 127(1) of the *Corporations Act 2001* (Cth):

.....
Signature of sole director

**The signatory states that they are the sole director
and sole company secretary of the Landowner.**

.....
Name & Title (please print)

Date of Signature:/...../.....

or 3. If Landowner is another company:

Executed by the LANDOWNER in accordance with section 127(1) of the *Corporations Act 2001* (Cth):

..... Signature of director	..... Signature of director/secretary
..... Name & Title (please print)	..... Name & Title (please print)
Date of Signature:/...../.....	Date of Signature:/...../.....