



527 West 45th Street | New York, NY 10036 | P: 212.581.3163 |

veritaswinestorage@gmail.com

BASIC STORAGE AGREEMENT WITH INSURANCE

This agreement (the "Agreement") is made between

Veritas Studios, Inc. (the "Company") and _____, governing the storage of bottles, cases or boxes of wine or other alcoholic beverage Customer has delivered to the Company ("Goods").

1. **Fees.** The fee for pickup, receiving, handling, inventorying, storage and delivery of the Goods 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 (1) 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 (1) calendar month of storage. Cases entering the facility on any day of the month shall have one (1) month's storage charge applied to them for this initial month. 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 with thirty (30) days of the first (1st) day of the month following the date of the invoice. Unpaid fees will accrue interest at the rate of one (1%) per month. In the event that the Customer is removing all of their Goods from the facility, then all unpaid fees are payable prior to final removal of Goods. The Company reserves the right to deny any services, including

withdrawal, or additional deposits, of Goods 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 Twenty (\$30.00) Dollars. 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 that the 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, solid or mixed, stored in the Company's facility shall be inventoried in the Company's computerized inventory system, with the exception of those Customers electing to forego computerized inventory for a private rental locker. The Customer is 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 with respect to the Company's obligations hereunder and as to the Goods stored hereunder, unless the 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 the Customer reasonably deems to exist. The Company and the Customer shall act expeditiously and in good faith to resolve any such discrepancies. The aforesaid inventory report shall be revised from time to time as Goods are added to or withdrawn from storage.
3. **Responsibility for Damage or Loss.** The responsibility of the Company for any loss, damage or destruction to the Customer's Goods (hereinafter "Losses") while in the possession of the Company shall be limited to their "Insured Value" as hereinafter defined in paragraph 4. In no event shall the Company be liable for any special or consequential damages. This liability of the Company or any warehouseman for Losses shall be further limited as set forth in paragraphs 5 and 7.
4. **Insured Value.** For all purposes of the Agreement, "Insured Value", shall be equal to the Stated Value of the Goods, as hereinafter defined. The Stated Value shall mean the value the Customer, in its sole discretion, shall set for its Goods stored with the Company. This value is to be established each year in the sole discretion of the Customer and the Customer shall provide to the Company a written statement as to the Stated Value of the Goods on such form as the Company shall provide to the Customer. This written form shall be provided by the Customer within twenty (20) business days of the signing this Agreement and the value determined by the Customer shall remain in effect from the date the Stated Value is delivered to the Company until the end of the calendar year in which this Agreement is signed. This Stated Value may be changed only once a year by filing with the Company on or before October 31, of each year, a new Stated Value for Customer's Goods, and any such change shall apply as of the first January 1, following receipt by the

Company of a new written statement setting forth the revised Stated Value of the Goods. If

no new Stated Value for the Goods Is filed, the last filed Stated Value shall be used by the Company to set forth the Insured Value. The Customer acknowledges that the Company is not responsible for the value determined by the Customer and that the Customer has not relied on the advice or opinion any shareholder, director, officer, employee, agent or representative of the Company in determining the Stated Value.

5. **Warehouseman's Insurance Coverage.** Based upon the Stated Value as determined by the Customer (and all other customers of the Company), the Company shall acquire a Warehouseman's all risk insurance policy which shall cover Losses to the Customer's Goods as set forth in said policy, subject to the exclusions in the policy which exclusions would include, but not necessarily be limited to, mysterious disappearances, stock taking losses and/or employee infidelity. The Customer acknowledges that the amount of insurance protection under the Warehousemen's all risk policy is generally limited to the lesser of the Stated Value as set forth in paragraph 4, or the fair market value of the Goods.

Notwithstanding anything contained in this agreement to the contrary, if, for any reason, the insurance coverage obtained by the Company is cancelled and the Company is unable to acquire new comparable insurance coverage, then in that event, the Company shall notify the Customer of the foregoing and the date that the insurance coverage is to terminate (hereinafter the "Coverage Termination Date"). The Customer shall be free to acquire any insurance coverage on its own from and after the Coverage Termination Date, and shall either enter into a contract for storage without insurance or remove its Goods from storage. Failure to remove the Goods from storage shall automatically convert this agreement into the Storage Agreement Without Insurance which was previously offered to the Customer. Any and all insurance premiums due from Customer, as set forth in paragraph 6, shall be billed to Customer through the Coverage Termination Date.

6. **Premiums for Insurance.** In addition to the fees set forth in paragraph 1, Customer agrees to pay to the Company for the insurance coverage that amount which shall be billed monthly, and shall be due and payable in the same manner as fees set forth in paragraph 1, i.e. within thirty (30) days of the first (1st) day of the month following the date of the invoice. Unpaid fees will accrue interest at the rate of one (1%) percent per month.
7. **Liability for Losses.** The Customer acknowledges that the sole liability of the Company for Losses shall be the amount of insurance coverage under the aforesaid standard warehouseman's all risk insurance policy which the Company will acquire on behalf of the Customer.

BASED UPON THE FOREGOING, THE CUSTOMER ACKNOWLEDGES THAT BY ENTERING INTO THIS AGREEMENT THE GOODS WILL BE COVERED BY THE AFORESAID STANDARD WAREHOUSEMAN'S INSURANCE ALL RISK POLICY THE COMPANY ACQUIRES TO INSURE CUSTOMER'S GOODS AND THAT IF THE GOODS ARE SUBJECTED TO LOSSES THE CUSTOMER WILL BE COMPENSATED THEREFORE BY SAID INSURANCE IN ACCORDANCE WITH SAID INSURANCE POLICY.

The Customer hereby agrees to limit any right to subrogation against the Company, its successor, assigns, agents and employees, officers, directors, shareholders, representatives and contractors for any Losses and agrees to notify any carrier it may have that provides insurance directly to the Customer of such waiver. The Customer will confirm with any carrier that it uses that issues any insurance coverage on the Goods that this Agreement provides for a limitation on any right of subrogation on the part of the insured and also confirms that any such insurance coverage likewise includes a limitation of any right of subrogation by the insurance provider against the Company, its successors, assigns, agents, employees, officers, directors, shareholders, representatives and contractors for any Losses to the Goods while they are in the Company's custody. The Customer hereby agrees to indemnify and hold harmless the Company, its successor, assigns, employees, officers, directors, shareholders, agents, representatives and contractors, against any claim and all costs related thereto (including attorney fees, court costs, appraisal, or expert fees) the Company may incur as a result of any claims by the Customer or any insurance carrier of the Customer's claiming through the Customer by right subrogation or otherwise in the event of any claim for Losses in excess of the insurance payable under the Company acquired warehouseman's all risk policy. This waiver and indemnification is an essential part of this Agreement and it shall remain in full force while any of the Goods are in the Company's custody and for a period of six (6) years thereafter unless and until it is terminated by a written agreement with the Company. No action may be maintained by the Customer against the Company for Losses unless commenced within twelve (12) months after the date of the Loss. The Company reserves the right, upon receipt and inspection, to refuse storage of any Goods which the Company deems to be in poor condition, liable to leak or otherwise cause damage to other bottles or material goods.

8. **Warehouseman's Lien.** Without limitation as to any other rights or remedies available hereunder, the Company reserves the right to create, perfect and enforce a lien against all Goods stored by the Customer with the Company in the event that the Customer's Storage Fees, premiums for insurance coverage (as set forth in paragraph 6) or any other fees due to the Company from the Customer remain in arrears for a period of one hundred twenty (120) days after the due date thereof. The Company may sell any Goods for which storage or other charges remain outstanding after such one hundred twenty (120) day period. The proceeds of such a sale shall be applied first to any expenses incurred with respect to the sale of any and all of the Customer's Goods, and any efforts to collect such indebtedness and then to any indebtedness owing to the Company, or in any such other order that the Company, in its sole discretion, shall determine. 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.
9. **Further Services.** This Agreement shall apply to all further services rendered by the Company in addition to the storage of Goods, including, but not limited to, pickup and/or delivery of Goods, and handling or inventory control. The Customer shall not store anything at the Company's facility other than the Goods or other bottled alcoholic beverages. No flammable, 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 any 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 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 the Customer to serve alcoholic beverages on the premises and such consumption is strictly prohibited.

The Company is not a logistics company and cannot serve as such to any commercial or individual Customer, 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.

10. **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 the Customer and the Customer shall thereafter notify the Company of the location to which the Customer's Goods are to be delivered. If no instructions are given to the Company regarding the delivery of the Customer's Goods, they will be delivered to the Customer at address first (1st) listed above. This Agreement holds for any and all inheritors, designees, successors, assigns or other third parties of the Customer. If, for any reason, the Company is unable to deliver the Goods to the address requested by the Customer and to the address first (1st) above listed, then the Company, may, at its option, either (i) sell the Goods at public or private auction, retaining from the proceeds thereof to pay any and all costs associated with such sale and holding the remaining balance in escrow until claimed by the Customer, or (ii) discard the Goods.
11. **Indemnification.** The Customer hereby agrees to indemnify the Company, its employees, officers, directors, shareholders, agents, representatives, affiliates, successors and assigns (hereinafter "Indemnified Parties") from and against any and all claims, damages, costs, fines, penalties, liabilities, attorneys and other professional fees and disbursements incurred by or asserted against the Indemnified Parties by any third (3rd) party including, but not limited to, any amounts paid or incurred in settlement or any judgment of any action, suit or proceeding brought by any third (3rd) party, including any insurance company which may have insured the Customer's Goods hereunder which claims an amount in excess of the value of the Goods covered under the aforesaid warehouseman's all risk policy, which arises under or in connection with the performance by or duties of the Company under this Agreement and or any amendment or modification thereto except to the extent that such liability is directly and exclusively the result of the gross negligence or willful misconduct on the part of the Company ("Indemnified Obligations"). Customer's Indemnified Obligations under this Agreement shall survive any termination of the services provided by the Company pursuant to this Agreement and any modification or amendment thereto. Customer further agrees to make payment of any amounts due hereunder to the Indemnified Parties and/or the Indemnified Parties' attorneys under or in respect of Customer's Indemnified Obligations within ten (10) business days following a written notice

to the Customer or Customer's counsel by the Indemnified Parties that such payment is due. Any amount due hereunder shall be treated as owed by the Customer and if the Customer has Goods stored with the Company, the Company shall have the right to enforce the payment of the amount due hereunder in the same manner as if the amounts due were Fees under this Agreement.

12. **Access.** The Customers or its designee shall have access to the Company's office/receiving area for the purpose of picking up from, or delivering Goods to, the Company. Access to the primary Inventory Control Storage areas shall be restricted unless with the permission of, and accompanied by, Company personnel.
12. **Miscellaneous.** (a) This Agreement (and any written modification thereof) represents the entire and only agreement between the parties herein and overrides all prior negotiations, representations, contracts, agreements, either written or oral.
- (b) This Agreement does not create a partnership, employment or agency relationship between the parties.
- (c) 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 City, New York for all disputes relating to this Agreement.
- (d) The prevailing party in any such dispute may recover its reasonable attorneys' fees, costs and expenses from the other party.
- (e) 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.
- (f) 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

IN WITNESS WHEREOF, the parties hereto have signed this Agreement the date and year first above written:

Witness

Customer

Attest

Company
Veritas Studios, Inc.

by: _____

Secretary

____ 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

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

Customer (Required Fields in *Italics*):

Print Name: _____

Signature: _____ *Date:* _____

Billing Address (including zip code):

-

-

Phone: _____ *Mobile:* _____

Email: _____

Name and Telephone Number of Emergency Contact Person:

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

Type: American Express Mastercard Visa Discover

Credit Card #: _____ Exp: _____

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 if you DO wish to receive a monthly statement via the United States Postal Service.

Approved by Veritas Studios Inc.:

Print Manager Name: _____

Signature: _____ Date: _____

Account # _____

Agreement Rider A – Veritas Studios Inc. Fee Schedule

General Inventory Control Storage Fees:

\$5.00/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 the 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 miss-inventoried Bottles and/or Cases.

Private Locker Fees:

When available, Veritas Studios 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:

Next Day Delivery/Pickup (*based on the request by the Company no later than 12:00 PM the previous day*): \$30.00 for the first three (3) 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*): \$40.00 for the first three (3) 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 are 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 Inventoried Case accessed from shelving incurs a Fee of \$3.00
- Each Inventoried solid, mixed or incomplete Case entering the facility incurs a Fee of \$5.00. Each Non-Inventoried case entering the facility incurs a Fee of \$4.00
- Individual Bottle 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 \$10.00 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 \$5.00 per each existing Case removed from Inventoried Control Storage shelves and/or Private Lockers and accessed by the Company.

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 Carrier, 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 \$10.00 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 content. 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 a single Case for inventorying and Case count purposes.

Miscellaneous Labor Charges:

Warehouse labor is \$50.00 per hour per person. This requires a one (1) hour minimum, as arranged by appointment with Company management. Such activities include onetime 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 of 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 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.