

# **BRL HARDY LIMITED**

ACN 008 273 907



PREFERRED SUPPLIER AGREEMENT

#### PREFERRED SUPPLIER AGREEMENT

THIS AGREEMENT is made on the 13 day of July 1999

BETWEEN

BRL HARDY LIMITED (ACN 008 273 907) of Reynell Road, Reynella, SA 5161 ("BRL Hardy")

AND

CCW CO-OPERATIVE LIMITED of Sturt Highway, Glossop, SA 5343 ("CCW")

# 1. PRELIMINARY

- 1.1 CCW has approximately 750 grower members who supply grapes to CCW for either five year, ten year or fifteen year terms under contracts which are substantially in the form of the sample contracts annexed as Schedule 1.
- 1.2 Since 1990, CCW has sold all fruit received from its members to BRL Hardy for processing into wine or other grape products except for small quantities sold to other processors with BRL Hardy's approval.
- 1.3 BRL Hardy has agreed to treat CCW as a most favoured preferred supplier of grapes for the production of wine products and to pay to CCW in the calendar year of delivery not less than most competitive market prices, provided always that the grapes meet BRL Hardy's reasonable commercial requirements as to quantity, variety and quality.
- 1.4 BRL Hardy has also previously agreed with CCW that BRL Hardy will buy all grapes that CCW's members have contracted to supply.
- 1.5 Both CCW and BRL Hardy wish to record more formally the terms upon which CCW will sell the grapes of its members and BRL Hardy will buy them in a way which is not inconsistent with and acknowledges the terms of the agreements contained in Schedule 1.
- 1.6 It is intended by this agreement to continue the established relationship between BRL Hardy and CCW, with a view to securing:
  - for CCW, a long term dependable outlet for wine grapes produced by its members and reasonable returns for those grapes;
  - for BRL Hardy, an assured and consistent long term supply of wine grapes and reasonable control over the quality and varieties of grapes available for processing.
- 1.7 This agreement is to operate as an extension of the order of the Supreme Court of South Australia made in December 1989.

#### 2. AGREEMENT TO SUPPLY

- 2.1 CCW agrees to sell to BRL Hardy in each vintage all grapes supplied to CCW by its members under existing contractual arrangements.
- 2.2 Schedule 2 contains estimates by CCW to the year 2014 of the volumes and varieties of grapes to be supplied by its members. Schedule 2 will be reviewed by BRL Hardy and CCW on an annual basis in the same manner as the Schedule is presently reviewed to clarify forecasts of BRL Hardy's future requirements. Following the annual review, BRL Hardy will confirm its final estimates for each variety no later than 21 days before delivery commences for the variety concerned.
- 2.3 BRL Hardy agrees to buy from CCW all such grapes.
- If a Grower has undertaken to supply to CCW all wine grapes produced by the Grower, or all wine grapes grown on a particular piece of land or of a particular variety, then BRL Hardy will accept delivery of any quantities that exceed the estimated quantities set out in Schedule 2.
- 2.5 This agreement does not oblige BRL Hardy to buy grapes from CCW where the grapes are not the subject of an existing contract unless BRL Hardy has first approved CCW entering into a new contract with the member of CCW concerned.
- 2.6 Fruit delivered by CCW's members will be received and accepted by BRL Hardy in priority to fruit received from other Growers who have not entered into grape supply agreements with CCW or BRL Hardy.
- 2.7 BRL Hardy will take CCW contracted tonnages into consideration before renewing contracts with growers who are not members of CCW.

# 3 TERM OF AGREEMENT

- 3.1 This Agreement commences on the date it is signed and will continue for each vintage year until terminated under clause 10.
- 3.2 For the purposes of this Agreement, a "vintage year" is:-
  - (a) the initial period (whether more or less than 12 months) from the execution of this Agreement to the 30th June following completion of the first vintage; and
  - (b) each 12 month period ending on 30th June after the initial period;

so that a reference to a vintage of a particular year is to the grapes supplied by CCW during the period ended on 30th June in that year.

# 4. GRAPE PRICES

- 4.1 BRL Hardy will inform CCW of the prices that BRL Hardy expects to pay for each variety of grapes and of the terms of payment by no later than 15 January prior to the vintage concerned.
- 4.2 BRL Hardy and CCW will then meet to discuss the proposed grape prices and use their best endeavours to agree upon prices which are competitive market prices. In reaching agreement, regard will be had to the prices paid by BRL Hardy for the preceding vintage and any variations from the weighted average prices in the Riverland for both that vintage and the current vintage. BRL Hardy will not pay less than the minimum prices which CCW, after consultation and with BRL Hardy's prior agreement, has contracted with its members to pay.
- 4.3 If BRL Hardy and CCW are unable to agree upon prices for the vintage concerned, the price will be a fair and competitive market price determined under clause 9. The expert, in reaching his decision, must have regard to:
  - the long term nature of this agreement;
  - the volumes of grapes to be supplied; and
  - prices paid by other winemakers.
- 4.4 Within one month after the publication of the South Australian Winegrape Utilisation and Pricing Survey ("Survey") in respect of each vintage, the parties will review the prices payable to CCW under this agreement for grapes of that vintage by reference to the Riverland average prices for the relevant vintage set out in the Survey. If a price for any standard variety of grapes previously agreed under clause 4.2 differs from the declared average price for that standard variety, the price payable for those grapes under this agreement may be adjusted in such manner as is then agreed between the parties.

If the Survey ceases to be published, the review of prices under this clause will be made by reference to such other published average prices as the parties may agree from time to time or in the absence of agreement, as may be determined by an expert nominated under clause 9.

# 5. TERMS OF PAYMENT

- 5.1 BRL Hardy will pay the appropriate grape price to CCW by 3 equal payments:
  - (a) the first is to be paid by the end of the month following the month of delivery of the grapes to BRL Hardy
  - (b) the second is to be paid by 30 June in that year; and
  - (c) the last is to be paid by 30 September in that year.

- 5.2 In lieu of payment of a particular instalment, CCW may agree with BRL Hardy to place all or part of the amount payable on deposit with BRL Hardy on terms to be agreed at the time.
- 5.3 CCW may from time to time authorise BRL Hardy to pay all or part of the payments directly to growers in such a manner as the parties may from time to time agree.

# 6. **DELIVERIES**

- 6.1 All grapes will be delivered by CCW's growers to the wineries and at the times and places specified by BRL Hardy and notified to CCW in advance.
- 6.2 If a farm gate price is agreed for a vintage, BRL Hardy will notify CCW by 31 January of the freight rates to be paid in that vintage year.

# 7. QUALITY STANDARDS

- 7.1 All grapes must comply with the quality standards for the variety concerned determined from time to time by BRL Hardy after consultation with CCW. BRL Hardy's current standards are set out in Schedule 3.
- 7.2 Tonnages and quality will be determined by BRL Hardy's representatives at the winery at the time of delivery.
- 7.3 BRL Hardy will notify CCW of all relevant changes to quality standards in a timely way to enable CCW to notify growers.
- 7.4 Grapes not complying with applicable standards may be downgraded or rejected.
- 7.5 BRL Hardy and CCW will consult together on a regular basis to review quality standards with a view to ensuring that grapes supplied to BRL Hardy are of the best possible quality in the circumstances.
- 7.6 BRL Hardy agrees to provide the necessary resources to handle the fruit contracted within a reasonable time to ensure quality is maintained.
- 7.7 BRL Hardy is not to use unreasonable quality standards for determining or influencing grape price or intake.

# 8. ASSIGNMENT

This agreement may not be assigned by either party without the written consent of the other.

### 9. **DISPUTES**

- 9.1 Any dispute as to the determination of a competitive market price for grapes or the level of compliance with the quality standards will be settled by an expert in viticulture to be appointed by agreement between the parties, or if they cannot agree, to be nominated by the President for the time being of the Australian Wine and Brandy Corporation. Such a person will act as an expert and not as an arbitrator, and his or her decision will be final and binding.
- 9.2 Any other dispute must be referred to an arbitrator appointed under the Commercial Arbitration Act 1986.
- 9.3 The costs of an expert or arbitrator will be borne in accordance with the decision of the expert or arbitrator.
- 9.4 The existence of a dispute does not relieve either party from its obligations under this agreement.

# 10. **TERMINATION**

- 10.1 This agreement may only be terminated:
  - for breach under clause 11
  - by further agreement at any time
- 10.2 Nothing in this Agreement prevents BRL Hardy and CCW from terminating it at any time by mutual agreement with respect to all or some varieties.
- 10.3 Where a termination applies only with respect to one or more specified varieties, this agreement will continue in force for all other varieties mentioned in Schedule 2.

# 11. **DEFAULT**

- 11.1 If either BRL Hardy or CCW commits a material breach of a material provision of this agreement, the party not in breach may do either or both of the following:
  - give notice (the "default notice") to the defaulting party specifying the breach and requiring it to be remedied within a reasonable time stipulated in the notice. For this purpose, a reasonable time is not less than 30 days; or
  - refer the question for dispute resolution under clause 9.
- 11.2 If the default is not remedied within the time stipulated in the default notice, then the party not in default may give a further notice ("termination notice") of its intention to terminate this agreement if the default is not remedied within the following 30 days.

- 11.3 If the default remains unremedied at the expiry of the termination notice, this agreement will thereupon terminate, but without prejudice to any existing rights and obligations.
- 11.4 For the purposes of this clause, the material provisions of this agreement are:
  - clauses 2.1 and 2.3 (sale and purchase of grapes)
  - clause 5.1 (payment terms)
  - clause 8 (assignments)

#### 12. **EXCLUSIONS**

Neither CCW nor BRL Hardy will be responsible for, and clauses 10 and 11 will not apply to, any loss or damage caused by circumstances beyond their control and occurring without fault or negligence, including but not restricted to:-

- 12.1 fire, floods, hail, storm and tempest, water salinity and any other weather or seasonal conditions;
- 12.2 Acts or Orders of any Government or semi-Governmental authority;
- 12.3 labour disturbances, strikes, riots or civil disturbances;
- 12.4 malfunction or breakdown of harvesting, receiving, manufacturing or delivery facilities or equipment, including transportation.

#### **NOTICES** 13.

- Any notice to be given under this Agreement must be in writing, and will be duly given if delivered to the recipient personally, or sent to the recipient by prepaid letter or facsimile addressed to the recipient at the address appearing in this Agreement.
- The respective addresses for notice of the parties are: 13.2

BRL Hardy Limited	Reynell Road
	Reynella SA 5161
Facsimile	(08) 8392 2122
Attention	Mr Angus Kennedy

CCW Co-operative Limited PO Box 238 Berri SA 5343 (08) 8583 2224 Facsimile Mr Bruce Richardson Attention

- 13.3 A communication given to a party will be properly received:-
  - (a) when left at the party's address, at the time of delivery;
  - (b) when sent by prepaid mail, on the second business day after posting; and
  - (c) when given by facsimile on the business day after the day of the transmission.
- 13.4 Either party may change the address for receiving notices by giving notice under clause 12.1.

EXECUTED as an Agreement  THE COMMON SEAL of BRL HARDY LIMITED  was affixed on the 13 day of 1999 in the presence of:  Signature STEPHEN B MILLAR Managing Director  Name of Signatory Office held: Director	)	Signatyo HN J. WHELAN Company Secretary  Name of Signatory Office held: Secretary
THE COMMON SEAL of CCW COOPERATIVE LIMITED was affixed on the day of Joly 1999 in the presence of:  Signature	)	COMMON SEAL SIgnature
Name of Signatory Office helds. Directors		Name of Signatory

# SCHEDULE 1

# SAMPLE CONTRACTS

- 1. Fifteen year rolling contract
- 2. Ten year rolling contract
- 3. Five year rolling contract

# **AGREEMENT**

# SUPPLY OF WINE GRAPES 15 YEAR - ROLLING

THIS	AGRE	EMEN	<b>T</b> is made	on the	day of	199			
BET					ATIVE LIMITED sop, South Australia ("CC" A, 5343.	W")			
AND									
Full N	ame:								
Addre	ss:								
			***************************************						
						("The Grower")			
Phone	Numbe	r:			Grower No:				
1.	Prelim	inary							
	1.1	The Gr in Clau		nember of C	CCW, and is the owner, or	ocupier or lessee of the vineyard o	described		
	1.2				ish to establish a fair and or other products.	reasonable basis for the supply of	of grapes to		
	1.3			nis Agreeme to securing		ng relationship between the Grow	er and		
		(a)			term dependable outlet for grapes supplied; and	or wine grapes produced by the g	rower and		
					d consistent long term su iety of grapes available fo	pply of wine grapes, and reasona or processing.	ble control		
2.	Agree	ment to	Supply						
	2.1				to CCW in each vintage t 1 from the property/prope	the varieties and estimated quanti erties set out below:-	ties of		
	Vineya	rd Addre	ess: _				_		
	Hundre	ed/Parish	ı:				_		
	Section	n Numbe	mber:						
	Block N	Number/s	s:				_		
	Registe	ered Owi	ner: _						

- 2.2 CCW agrees to accept from the Grower the grapes described in Schedule 1, and to arrange for those grapes to be processed by a processor determined by CCW.
- 2.3 If the Grower has undertaken to supply to CCW all wine grapes produced by the Grower, or all wine grapes grown on a particular piece of land or of a particular variety, then CCW will accept delivery of any quantities that exceed the estimated quantities set out in Schedule 1.
- 2.4 Fruit delivered by the Grower will be received and accepted by CCW in priority to fruit received from other Growers who have not entered into agreements with CCW on terms similar in substance with this Agreement.

# 3 Term of Agreement

- 3.1 This Agreement commences on the date of its execution by the Grower, and will continue until the end of the last vintage year specified in Schedule 1.
- 3.2 Where the Grower has agreed to supply more than one variety of wine grapes, this Agreement operates as a separate agreement for each variety where the last vintage year is different.
- 3.3 The varieties, quantities and vintage years subject to this agreement are set out in Schedule 1.
- 3.4 For the purposes of this Agreement, a "vintage year" is:-
  - (a) the initial period (whether more or less than 12 months) from the execution of this Agreement to the 30th June following completion of the first vintage; and
  - (b) each 12 month period ending on 30th June after the initial period;so that a reference to a vintage of a particular year is to the grapes supplied by

the Grower during the period ended on 30th June in that year.

# 4. Extensions and Reviews

- This Agreement may be extended at any time, for any period, and/or for any variety of grapes, as the Grower and CCW may at the time agree.
- 4.2 At the end of each vintage year, if not extended in accordance with clause 4.1, the term will be automatically extended for a further twelve months, so that the balance of the term shall be not less than fourteen nor more than fifteen vintage years.
- 4.3 This Agreement will not be extended under clause 4.2 if either party has given notice to the other before the end of a vintage year that this clause will not apply, and in that event this Agreement will expire at the end of the then current term or extended term as the case may be.

[For example, if the notice were to be given in March 1997, the agreement will expire on 30 June 2011. If the notice were to be given in September 1997, the agreement will expire on 30 June 2012].

#### 5. Payments

5.1 CCW will inform the Grower of the rates that CCW expects to pay for the grapes and of the terms of payment by no later than the 31st January prior to the vintage concerned, and will confirm its final estimates no later than 7 days before delivery commences for the variety concerned.

- 5.2 It is acknowledged by the Grower that the rates to be paid for wine grapes by CCW to the Grower will be determined with reference to the various prices negotiated from time to time by CCW with processors as a competitive market price.
- 5.3 CCW may from time to time determine minimum payments for particular varieties to apply to one or more future vintages, but in the absence of such a determination, CCW does not give any assurance of minimum future payments for any variety of wine grapes, unless specifically so agreed in writing.
- 5.4 CCW is not precluded from increasing its final estimates after deliveries have commenced, but CCW is bound to ensure that any final estimates given to the Grower are paid in accordance with their terms.
- 5.5 All payments for the grapes will be made by CCW in accordance with the terms of payment determined by CCW from time to time.

#### 6. Deliveries

All grapes will be delivered by the Grower to the wineries and at the times and places specified by CCW and notified by the Grower in advance.

#### 7. Standards

- 7.1 All grapes must comply with CCW's quality standards for the variety concerned as determined by CCW and notified to the Grower from time to time.
- 7.2 Tonnages and quality will be determined by CCW's representatives at the Winery at the time of delivery.
- 7.3 CCW will keep the Grower informed of all relevant changes to quality standards.
- 7.4 Grapes not complying with applicable standards may be rejected.

#### 8. Variations

- 8.1 The Grower may apply to the Chief Executive Officer ("the CEO") of CCW to vary the varieties and/or the quantities specified in Schedule 1.
- Where the variation requested by the Grower is a reduction, the CEO will approve the variation only if:
  - (a) The Grower is replanting his vineyard, and in that event may require the Grower to supply the crop derived from the replanted area for the balance (if any) of the term of this Agreement; or
  - (b) the Grower satisfies the CEO that there is some other good and reasonable basis for the reduction.
- Where the variation requested is an increase, the CEO will approve the variation only if the varieties concerned are 'preferred' varieties.
- 8.4 If the Grower is dissatisfied with a determination made by the CEO, the Grower (if a member of CCW) may appeal to the Board of CCW by giving notice in writing to that effect. The decision of the Board on any such appeal is to be final and binding.
- 8.5 If the Grower has not obtained the approval of the CEO or the Board, CCW is not obliged (subject to Clause 2.4) to accept any increased quantities of grapes from the Grower, but the Grower will receive preference for the supply of additional fruit over growers who have not entered into agreements with CCW similar in substance to this Agreement.

# 9 Assignment

- 9.1 The Grower may sell, transfer, lease, mortgage or encumber the Vineyard, but only if:
  - (a) in the case of a sale or transfer, the Grower notifies CCW of the proposed sale or transfer, and uses every endeavour to have the purchaser or transferee
    - (i) enter into an agreement with CCW for the supply of grapes on terms similar to this agreement; or
    - (ii) accept an assignment of this agreement.

[Note: if part of the vineyard is sold or transferred, sub paragraph (i) above will apply to the grapes supplied from that part of the vineyard].

- (b) in the case of a lease of the Vineyard or a transfer of a part interest in the Vineyard, the lessee or transferee
  - (i) is a member of CCW: and
  - (ii) agrees to be bound by this agreement.
- (c) in the case of a mortgage or other encumbrance, the supply of grapes to CCW under this agreement is not adversely affected.
- 9.2 The Grower may assign this agreement, but only if:-
  - (a) the assignee is, or is about to become, a member of CCW;
  - (b) the assignee is the purchaser or lessee of the Grower's vineyard;
  - (c) CCW has first approved the assignment in writing; and
  - (d) the proposed assignee has undertaken in writing with CCW to be bound by this Agreement.

#### 10 Termination

- 10.1 If the Grower fails to deliver all the grapes specified in Schedule 1 in any vintage year and has not obtained approval under Clause 8 for a reduction, then CCW is entitled:-
  - (a) to terminate this agreement, either totally or with respect to a particular variety, by giving notice in writing to the Grower to that effect; and
  - (b) without prejudice to any other rights, to recover from the Grower any losses sustained by CCW and any processor as a result of the Grower's failure to deliver.
- 10.2 Nothing in this Agreement prevents the Grower and CCW from terminating it at any time by mutual agreement with respect to all or some varieties.
- 10.3 Where a termination applies only with respect to one or more specified varieties, this agreement will continue in force for all other varieties mentioned in Schedule 1.

#### 11. Exclusions

Neither CCW nor the Grower will be responsible for, nor will clause 10 apply to, any loss or damage caused by circumstances beyond their control and occurring without fault or negligence, including but not restricted to:-

11.1 fire, floods, hail, storm and tempest, water salinity and any other weather or seasonal conditions;

- 11.2 Acts or Orders of any Government or semi-Governmental authority;
- 11.3 labour disturbances, strikes, riots or civil disturbances;
- 11.4 malfunction or breakdown of harvesting, receiving, manufacturing or delivery facilities or equipment, including transportation.

#### 12. Notices

- Any notice to be given under this Agreement must be in writing, and will be duly given if delivered to the recipient personally, or sent to the recipient by prepaid letter addressed to the recipient at the address appearing in this Agreement.
- 12.2 Either party may change the address for receiving notices by giving notice under clause 12.1.

SIGNED by the Grower	
	Date
Witness	Date
SIGNED for and on behalf of CCW	
	Date
Witness	 Date

# Schedule 1

Estimated Yields - Tonnes 610610

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Note: 1 acre = 0.4 ha or 2.5 acres = 1.0 ha

Grower's Signature	C.C.W.
Date	Date

# Schedule 2

# **Fruit Quality Standards**

#### 1. Condition

All fruit delivered by growers must be in good sound condition, having been picked according to parameters laid down by BRL Hardy and CCW.

Penalties for not delivering fruit in a sound, clean condition can range from being:

- (a) Percentage deduction depending on fruit condition
- (b) Divert to distillation
- (c) Total rejection of load

The above penalties will be determined by the Senior Winemaker on duty at time of delivery.

# 2. MOG (material other than grapes)

All fruit must be free of all foreign materials:

for example, steel - wire - stones - snips - bolts - large woody spurs - etc. Penalties for MOG contamination/mishandled fruit will incur either total rejection of load or percentage deduction as determined by the Senior Winemaker on duty at time of delivery.

#### 3. Chemical Spray

Recommended with-holding times as recommended by BRL Hardy/CCW in pre-vintage circulars must be strictly adhered to. If at all in doubt, check manufacturers' guidelines and consult with the BRL Hardy Grower Liaison/Grape Supply Officer.

\*\*\* Spray Diaries must be kept, Indicating all chemicals used and dates applied, along with varieties sprayed and quantities used. The Spray Diary MUST be made available to BRL Hardy/CCW representatives on demand.

### 4. Fruit Quality Checking

SIGNED by the Grower

EVERY load delivered will be checked and tested at all BRL Hardy wineries.

We hereby acknowledge the above Fruit Quality Standards in respect of the supply of wine grapes under this agreement:

SIGNED by the Glower	
***************************************	
	Date

### Schedule 3

Spec	ia	1 P	ayment	: Con	di	tions
------	----	-----	--------	-------	----	-------

The varieties and payments listed below will be the minimum payment to be paid by CCW for those stated varieties for vintages in 2000, 2001, 2002, and 2003. In the following years, if a minimum payment is to be made, the stated minimum payment will be subject to review by CCW.

The minimum payments to be paid per tonne (\$):

 Yr 1
 Yr 2
 Yr 3
 Yr 4
 Yr 5
 Yr 6

 HECTARES
 1999
 2000
 2001
 2002
 2003
 2004
 2005

OR

CCW agrees to pay a competitive market price (as stated in clause 5.2) or the stated minimum (if any) whichever is the higher for fruit sourced in the Riverland/Sunraysia district.

SIGNED by the Grower	
***************************************	DATE
SIGNED for and on behalf of CCW	
***************************************	DATE

# AGREEMENT

# **SUPPLY OF WINE GRAPES** 10 YEAR - ROLLING

THIS AGREEMENT is made on the day of

1995

BETWEEN:

Α	R.I	*
1.3	w	4 5

1.

V	VEEN:	Sturt Highway, Glossop, South Australia ("CCW") PO Box 238, Berri, SA, 5343.
)		
	Full Na	ame:
	Addres	SS:
	********	
	*******	("The Grower")
	Phone	Number:Grower Number:
	Prelim	inary
	1.1	The Grower is a member of CCW, and is the owner, occupier or lessee of the vineyard described in Clause 2.1
	1.2	Both CCW and the Grower wish to establish a fair and reasonable basis for the supply of grapes to CCW for processing into wine or other products.
	1.3	It is intended by this Agreement to establish a continuing relationship between the Grower and CCW, with a view to securing:-
		(a) to the Grower, a long term dependable outlet for wine grapes produced by the grower and reasonable returns for grapes supplied; and
		(b) to CCW, an assured and consistent long term supply of wine grapes, and reasonable control over the quality and variety of grapes available for processing.
	Agreer	ment to Supply
	2.1	The Grower agrees to deliver to CCW in each vintage the varieties and estimated quantities of grapes specified in Schedule 1 from the property/properties set out below:-
	Vineya	rd Address:

# 2.

Vineyard Address:
Hundred/Parish:
Section Number:
Block Number/s:
Registered Owner:

- 2.2 CCW agrees to accept from the Grower the grapes described in Schedule 1, and to arrange for those grapes to be processed by a processor determined by CCW.
- 2.3 If the Grower has undertaken to supply to CCW all wine grapes produced by the Grower, or all wine grapes grown on a particular piece of land or of a particular variety, then CCW will accept delivery of any quantities that exceed the estimated quantities set out in Schedule 1.
- 2.4 Fruit delivered by the Grower will be received and accepted by CCW in priority to fruit received from other Growers who have not entered into agreements with CCW on terms similar in substance with this Agreement.

# 3 Term of Agreement

- 3.1 This Agreement commences on the date of its execution by the Grower, and will continue until the end of the last vintage year specified in Schedule 1.
- 3.2 Where the Grower has agreed to supply more than one variety of wine grapes, this Agreement operates as a separate agreement for each variety where the last vintage year is different.
- 3.3 The varieties, quantities and vintage years subject to this agreement are set out in Schedule 1.
- 3.4 For the purposes of this Agreement, a "vintage year" is:-
  - (a) the initial period (whether more or less than 12 months) from the execution of this Agreement to the 30th June following completion of the first vintage; and
  - (b) each 12 month period ending on 30th June after the initial period;so that a reference to a vintage of a particular year is to the grapes supplied by

the Grower during the period ended on 30th June in that year.

# 4. Extensions and Reviews

- 4.1 This Agreement may be extended at any time, for any period, and/or for any variety of grapes, as the Grower and CCW may at the time agree.
- 4.2 At the end of each vintage year, if not extended in accordance with clause 4.1, the term will be automatically extended for a further twelve months, so that the balance of the term shall be not less than nine nor more than ten vintage years.
- 4.3 This Agreement will not be extended under clause 4.2 if either party has given notice to the other before the end of a vintage year that this clause will not apply, and in that event this Agreement will expire at the end of the then current term or extended term as the case may be.

[For example, if the notice were to be given in March 1997, the agreement will expire on 30 June 2006. If the notice were to be given in September 1997, the agreement will expire on 30 June 2007].

#### 5. Payments

5.1 CCW will inform the Grower of the rates that CCW expects to pay for the grapes and of the terms of payment by no later than the 31st January prior to the vintage concerned, and will confirm its final estimates no later than 7 days before delivery commences for the variety concerned.

- 5.2 It is acknowledged by the Grower that the rates to be paid for wine grapes by CCW to the Grower will be determined with reference to the various prices negotiated from time to time by CCW with processors as a competitive market price.
- 5.3 CCW may from time to time determine minimum payments for particular varieties to apply to one or more future vintages, but in the absence of such a determination, CCW does not give any assurance of minimum future payments for any variety of wine grapes, unless specifically so agreed in writing.
- 5.4 CCW is not precluded from increasing its final estimates after deliveries have commenced, but CCW is bound to ensure that any final estimates given to the Grower are paid in accordance with their terms.
- 5.5 All payments for the grapes will be made by CCW in accordance with the terms of payment determined by CCW from time to time.

#### 6. Deliveries

All grapes will be delivered by the Grower to the wineries and at the times and places specified by CCW and notified by the Grower in advance.

### 7. Standards

- 7.1 All grapes must comply with CCW's quality standards for the variety concerned as determined by CCW and notified to the Grower from time to time.
- 7.2 Tonnages and quality will be determined by CCW's representatives at the Winery at the time of delivery.
- 7.3 CCW will keep the Grower informed of all relevant changes to quality standards.
- 7.4 Grapes not complying with applicable standards may be rejected.

## 8. Variations

- The Grower may apply to the Chief Executive Officer ("the CEO") of CCW to vary the varieties and/or the quantities specified in Schedule 1.
- Where the variation requested by the Grower is a reduction, the CEO will approve the variation only if:
  - (a) The Grower is replanting his vineyard, and in that event may require the Grower to supply the crop derived from the replanted area for the balance (if any) of the term of this Agreement; or
  - (b) the Grower satisfies the CEO that there is some other good and reasonable basis for the reduction.
- Where the variation requested is an increase, the CEO will approve the variation only if the varieties concerned are 'preferred' varieties.
- 8.4 If the Grower is dissatisfied with a determination made by the CEO, the Grower (if a member of CCW) may appeal to the Board of CCW by giving notice in writing to that effect. The decision of the Board on any such appeal is to be final and binding.
- 8.5 If the Grower has not obtained the approval of the CEO or the Board, CCW is not obliged (subject to Clause 2.4) to accept any increased quantities of grapes from the Grower, but the Grower will receive preference for the supply of additional fruit over growers who have not entered into agreements with CCW similar in substance to this Agreement.

# 9 Assignment

- 9.1 The Grower may sell, transfer, lease, mortgage or encumber the Vineyard, but only if:
  - in the case of a sale or transfer, the Grower notifies CCW of the proposed sale or transfer, and uses every endeavour to have the purchaser or transferee
    - enter into an agreement with CCW for the supply of grapes on terms similar to this agreement; or
    - (ii) accept an assignment of this agreement.

[Note: if part of the vineyard is sold or transferred, sub paragraph (i) above will apply to the grapes supplied from that part of the vineyard.

- (b) in the case of a lease of the Vineyard or a transfer of a part interest in the Vineyard, the lessee or transferee
  - (i) is a member of CCW: and
  - (ii) agrees to be bound by this agreement.
- (c) in the case of a mortgage or other encumbrance, the supply of grapes to CCW under this agreement is not adversely affected.
- 9.2 The Grower may assign this agreement, but only if:-
  - (a) the assignee is, or is about to become, a member of CCW;
  - (b) the assignee is the purchaser or lessee of the Grower's vineyard;
  - (c) CCW has first approved the assignment in writing; and
  - (d) the proposed assignee has undertaken in writing with CCW to be bound by this Agreement.

#### 10 Termination

- 10.1 If the Grower fails to deliver all the grapes specified in Schedule 1 in any vintage year and has not obtained approval under Clause 8 for a reduction, then CCW is entitled:-
  - (a) to terminate this agreement, either totally or with respect to a particular variety, by giving notice in writing to the Grower to that effect; and
  - (b) without prejudice to any other rights, to recover from the Grower any losses sustained by CCW and any processor as a result of the Grower's failure to deliver.
- 10.2 Nothing in this Agreement prevents the Grower and CCW from terminating it at any time by mutual agreement with respect to all or some varieties.
- 10.3 Where a termination applies only with respect to one or more specified varieties, this agreement will continue in force for all other varieties mentioned in Schedule 1.

# 11. Exclusions

Neither CCW nor the Grower will be responsible for, nor will clause 10 apply to, any loss or damage caused by circumstances beyond their control and occurring without fault or negligence, including but not restricted to:-

- 11.1 fire, floods, hail, storm and tempest, water salinity and any other weather or seasonal conditions;
- 11.2 Acts or Orders of any Government or semi-Governmental authority;
- 11.3 labour disturbances, strikes, riots or civil disturbances;
- 11.4 malfunction or breakdown of harvesting, receiving, manufacturing or delivery facilities or equipment, including transportation.

# 12. Notices

- 12.1 Any notice to be given under this Agreement must be in writing, and will be duly given if delivered to the recipient personally, or sent to the recipient by prepaid letter addressed to the recipient at the address appearing in this Agreement.
- 12.2 Either party may change the address for receiving notices by giving notice under clause 12.1.

SIGNED by the Grower	
	Date
Witness	Date
SIGNED for and on behalf of CCW	
······································	Date
	Date

Scheoule 1

Estimated Yields - Tonnes

604490

	*	:		:	;	:	:	:	:	:	:	:	;	
VARIETY	:ROOT TYPE	:AREA	(Ha)	: 20	: 000	2001:	2002:	2003 :	2004 :	2005 :	2006 :	2007:	5008 :	2009
	:	:		:	:	1	1	:	:	:	:	:	:	:
CABERNET SAUVIGNON	: DWN/97	:	1.60	:	20:	32:	32:	32:	32:	32:	32:	32:	32:	:
	: OWN/98	:	.80		:, 8:	· · :	,				: 18:		18:	
RUBY CABERNET	: DWN/99	:	1.40		· · :.	: 7:			30:		: 30:		30:	: 30:
	: : OWN/98	:	2.40		50:	50:	: 50:		50:		: 50:		:. 50:	
	: DWN	: ;	1.20	: . :	:. 30;	30:	: 30:	: 30:	: 30:		: 30:	: 30:	30:	: 30:
		:		:	;	:	:	:	:	:	:	:	:	;
** TOTAL **	:	:	7.40	:	108:	128:	141:	155:	160:	160:	160:	160:	160:	128:
	;	;		:	:	1	:	:	:	:	:	:	:	:

Note: 1 acre = 0.4 ha or 2.5 acres = 1.0 ha

Grower's Signature	C.C.W.
Date	Date

#### Schedule 2

# **Fruit Quality Standards**

# 1. Condition

All fruit delivered by growers must be in good sound condition, having been picked according to parameters laid down by BRL Hardy and CCW.

Penalties for not delivering fruit in a sound, clean condition can range from being:

- (a) Percentage deduction depending on fruit condition
- (b) Divert to distillation
- (c) Total rejection of load

The above penalties will be determined by the Senior Winemaker on duty at time of delivery.

# 2. MOG (material other than grapes)

All fruit must be free of all foreign materials:

for example, steel - wire - stones - snips - bolts - large woody spurs - etc. Penalties for MOG contamination/mishandled fruit will incur either total rejection of load or percentage deduction as determined by the Senior Winemaker on duty at time of delivery.

# 3. Chemical Spray

Recommended with-holding times as recommended by BRL Hardy/CCW in pre-vintage circulars must be strictly adhered to. If at all in doubt, check manufacturers' guidelines and consult with the BRL Hardy Grower Liaison/Grape Supply Officer.

Spray Diaries must be kept, Indicating all chemicals used and dates applied, along with varieties sprayed and quantities used. The Spray Diary MUST be made available to BRL Hardy/CCW representatives on demand.

#### 4. Fruit Quality Checking

EVERY load delivered will be checked and tested at all BRL Hardy wineries.

We hereby acknowledge the above Fruit Quality Standards in respect of the supply of wine grapes under this agreement:

SIGNED by the Grower	
	Date

### Schedule 3

Special Pays	ment Lon	011	tion	S
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The varieties and payments listed below will be the minimum payment to be paid by CCW for those stated varieties for vintages in 2000, 2001, 2002, and 2003. In the following years, if a minimum payment is to be made, the stated minimum payment will be subject to review by CCW.

The minimum payments to be paid per tonne (\$):

 Yr 1
 Yr 2
 Yr 3
 Yr 4
 Yr 5
 Yr 6

 HECTARES
 1999
 2000
 2001
 2002
 2003
 2004
 2005

OR

CCW agrees to pay a competitive market price (as stated in clause 5.2) or the stated minimum (if any) whichever is the higher for fruit sourced in the Riverland/Sunraysia district.

SIGNED by the Grower	
***************************************	DATE
SIGNED for and on behalf of CCW	
***************************************	DATE

#### **AGREEMENT**

# SUPPLY OF WINE GRAPES 5 YEAR - ROLLING

THIS AGREEMENT is made on the day of 1995 BETWEEN: **CCW CO-OPERATIVE LIMITED** Sturt Highway, Glossop, South Australia ("CCW") PO Box 238, Berri, SA, 5343. AND Full Name:..... Address:.... ..... .....("The Grower") Phone Number:.....Grower Number:.... 1. **Preliminary** 1.1 The Grower is a member of CCW, and is the owner, occupier or lessee of the vineyard described in Clause 2.1 1.2 Both CCW and the Grower wish to establish a fair and reasonable basis for the supply of grapes to CCW for processing into wine or other products. 1.3 It is intended by this Agreement to establish a continuing relationship between the Grower and CCW, with a view to securing:-(a) to the Grower, a long term dependable outlet for wine grapes produced by the grower and reasonable returns for grapes supplied; and to CCW, an assured and consistent long term supply of wine grapes, and (b) reasonable control over the quality and variety of grapes available for processing. 2. Agreement to Supply 2.1 The Grower agrees to deliver to CCW in each vintage the varieties and estimated quantities of grapes specified in Schedule 1 from the property/properties set out below:-Vineyard Address: ..... Hundred/Parish:....

Section Number:

Block Number/s:....

Registered Owner:....

- 2.2 CCW agrees to accept from the Grower the grapes described in Schedule 1, and to arrange for those grapes to be processed by a processor determined by CCW.
- 2.3 If the Grower has undertaken to supply to CCW all wine grapes produced by the Grower, or all wine grapes grown on a particular piece of land or of a particular variety, then CCW will accept delivery of any quantities that exceed the estimated quantities set out in Schedule 1.
- 2.4 Fruit delivered by the Grower will be received and accepted by CCW in priority to fruit received from other Growers who have not entered into agreements with CCW on terms similar in substance with this Agreement.

# 3 Term of Agreement

- This Agreement commences on the date of its execution by the Grower, and will continue until the end of the last vintage year specified in Schedule 1.
- 3.2 Where the Grower has agreed to supply more than one variety of wine grapes, this Agreement operates as a separate agreement for each variety where the last vintage year is different.
- 3.3 The varieties, quantities and vintage years subject to this agreement are set out in Schedule 1.
- 3.4 For the purposes of this Agreement, a "vintage year" is:
  - the initial period (whether more or less than 12 months) from the execution of this Agreement to the 30th June following completion of the first vintage; and
  - (b) each 12 month period ending on 30th June after the initial period;so that a reference to a vintage of a particular year is to the grapes supplied by the Grower during the period ended on 30th June in that year.

#### 4. Extensions and Reviews

- This Agreement may be extended at any time, for any period, and/or for any variety of grapes, as the Grower and CCW may at the time agree.
- 4.2 At the end of each vintage year, if not extended in accordance with clause 4.1, the term will be automatically extended for a further twelve months, so that the balance of the term shall be not less than four nor more than five vintage years.
- This Agreement will not be extended under clause 4.2 if either party has given notice to the other before the end of a vintage year that this clause will not apply, and in that event this Agreement will expire at the end of the then current term or extended term as the case may be.

[For example, if the notice were to be given in March 1997, the agreement will expire on 30 June 2001. If the notice were to be given in September 1997, the agreement will expire on 30 June 2002].

# 5. Payments

5.1 CCW will inform the Grower of the rates that CCW expects to pay for the grapes and of the terms of payment by no later than the 31st January prior to the vintage concerned, and will confirm its final estimates no later than 7 days before delivery commences for the variety concerned.

- It is acknowledged by the Grower that the rates to be paid for wine grapes by CCW to the Grower will be determined with reference to the various prices negotiated from time to time by CCW with processors as a competitive market price.
- 5.3 CCW may from time to time determine minimum payments for particular varieties to apply to one or more future vintages, but in the absence of such a determination, CCW does not give any assurance of minimum future payments for any variety of wine grapes, unless specifically so agreed in writing.
- 5.4 CCW is not precluded from increasing its final estimates after deliveries have commenced, but CCW is bound to ensure that any final estimates given to the Grower are paid in accordance with their terms.
- All payments for the grapes will be made by CCW in accordance with the terms of payment determined by CCW from time to time.

#### Deliveries

All grapes will be delivered by the Grower to the wineries and at the times and places specified by CCW and notified by the Grower in advance.

# 7. Standards

- 7.1 All grapes must comply with CCW's quality standards for the variety concerned as determined by CCW and notified to the Grower from time to time.
- 7.2 Tonnages and quality will be determined by CCW's representatives at the Winery at the time of delivery.
- 7.3 CCW will keep the Grower informed of all relevant changes to quality standards.
- 7.4 Grapes not complying with applicable standards may be rejected.

## 8. Variations

- The Grower may apply to the Chief Executive Officer ("the CEO") of CCW to vary the varieties and/or the quantities specified in Schedule 1.
- Where the variation requested by the Grower is a reduction, the CEO will approve the variation only if:
  - (a) The Grower is replanting his vineyard, and in that event may require the Grower to supply the crop derived from the replanted area for the balance (if any) of the term of this Agreement; or
  - (b) the Grower satisfies the CEO that there is some other good and reasonable basis for the reduction.
- Where the variation requested is an increase, the CEO will approve the variation only if the varieties concerned are 'preferred' varieties.
- 8.4 If the Grower is dissatisfied with a determination made by the CEO, the Grower (if a member of CCW) may appeal to the Board of CCW by giving notice in writing to that effect. The decision of the Board on any such appeal is to be final and binding.
- 8.5 If the Grower has not obtained the approval of the CEO or the Board, CCW is not obliged (subject to Clause 2.4) to accept any increased quantities of grapes from the Grower, but the Grower will receive preference for the supply of additional fruit over growers who have not entered into agreements with CCW similar in substance to this Agreement.

# 9 Assignment

- 9.1 The Grower may sell, transfer, lease, mortgage or encumber the Vineyard, but only if:
  - in the case of a sale or transfer, the Grower notifies CCW of the proposed sale or transfer, and uses every endeavour to have the purchaser or transferee
    - (i) enter into an agreement with CCW for the supply of grapes on terms similar to this agreement; or
    - (ii) accept an assignment of this agreement.

[Note: if part of the vineyard is sold or transferred, sub paragraph (i) above will apply to the grapes supplied from that part of the vineyard].

- (b) in the case of a lease of the Vineyard or a transfer of a part interest in the Vineyard, the lessee or transferee
  - (i) is a member of CCW: and
  - (ii) agrees to be bound by this agreement.
- (c) in the case of a mortgage or other encumbrance, the supply of grapes to CCW under this agreement is not adversely affected.
- 9.2 The Grower may assign this agreement, but only if:-
  - (a) the assignee is, or is about to become, a member of CCW;
  - (b) the assignee is the purchaser or lessee of the Grower's vineyard;
  - (c) CCW has first approved the assignment in writing; and
  - (d) the proposed assignee has undertaken in writing with CCW to be bound by this Agreement.

#### 10 Termination

- 10.1 If the Grower fails to deliver all the grapes specified in Schedule 1 in any vintage year and has not obtained approval under Clause 8 for a reduction, then CCW is entitled:-
  - (a) to terminate this agreement, either totally or with respect to a particular variety, by giving notice in writing to the Grower to that effect; and
  - (b) without prejudice to any other rights, to recover from the Grower any losses sustained by CCW and any processor as a result of the Grower's failure to deliver.
- Nothing in this Agreement prevents the Grower and CCW from terminating it at any time by mutual agreement with respect to all or some varieties.
- 10.3 Where a termination applies only with respect to one or more specified varieties, this agreement will continue in force for all other varieties mentioned in Schedule 1.

#### 11. Exclusions

Neither CCW nor the Grower will be responsible for, nor will clause 10 apply to, any loss or damage caused by circumstances beyond their control and occurring without fault or negligence, including but not restricted to:-

11.1 fire, floods, hail, storm and tempest, water salinity and any other weather or seasonal conditions;

- 11.2 Acts or Orders of any Government or semi-Governmental authority;
- 11.3 labour disturbances, strikes, riots or civil disturbances;
- 11.4 malfunction or breakdown of harvesting, receiving, manufacturing or delivery facilities or equipment, including transportation.

# 12. Notices

- Any notice to be given under this Agreement must be in writing, and will be duly given if delivered to the recipient personally, or sent to the recipient by prepaid letter addressed to the recipient at the address appearing in this Agreement.
- 12.2 Either party may change the address for receiving notices by giving notice under clause 12.1.

SIGNED by the Grower	
	Date
Witness	Date
SIGNED for and on behalf of CCW	
	Date
 Vitness	Date

Schedole i

Estimated Yields - Tonnes

JARIETY	:ROOT TYPE	: AREA	(Ha)	:	2000:	: 1005	2002 :	2003 :	2004 :
	:	:		:	2	:;	:	<u>:</u>	:
SORDO	: DWN	:	2.60	:	130:	130:	130:	130:	130:
	.:	. :		: .	:	:	:	:	:
RHINE RIESLING	: OWN	:	2.00	:	55:	55:	55:	55:	55:
	.:			: .	:	:	:	:	:
3HIRAZ	: OWN	:	1.60	:	45:	45:	45:	45:	45:
	:	:		:	:	:	:	:	:
** TOTAL **	*	;	6.20	:	230:	230:	230:	230:	230:
	<u>:</u>	::		;	:	:	:	:	:

Note: 1 acre = 0.4 ha or 2.5 acres = 1.0 ha

Grower's Signature	C.C.W.
Date	Date

### Schedule 2

# **Fruit Quality Standards**

- 4		^		_		• 4		_	_
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	,		u		u		. 1	w	

All fruit delivered by growers must be in good sound condition, having been picked according to parameters laid down by BRL Hardy and CCW.

Penalties for not delivering fruit in a sound, clean condition can range from being:

- (a) Percentage deduction depending on fruit condition
- (b) Divert to distillation
- (c) Total rejection of load

The above penalties will be determined by the Senior Winemaker on duty at time of delivery.

### 2. MOG (material other than grapes)

All fruit must be free of all foreign materials:

for example, steel - wire - stones - snips - bolts - large woody spurs - etc. Penalties for MOG contamination/mishandled fruit will incur either total rejection of load or percentage deduction as determined by the Senior Winemaker on duty at time of delivery.

### 3. Chemical Spray

Recommended with-holding times as recommended by BRL Hardy/CCW in pre-vintage circulars must be strictly adhered to. If at all in doubt, check manufacturers' guidelines and consult with the BRL Hardy Grower Liaison/Grape Supply Officer.

\*\*\* Spray Diaries must be kept, Indicating all chemicals used and dates applied, along with varieties sprayed and quantities used. The Spray Diary MUST be made available to BRL Hardy/CCW representatives on demand.

# 4. Fruit Quality Checking

EVERY load delivered will be checked and tested at all BRL Hardy wineries.

We hereby acknowledge the above Fruit Quality Standards in respect of the supply of wine grapes under this agreement:

SIGNED by the Grower	
	Date

# Schedule 3

Sage	ia	1	Pavee	nt	Eun	ti	tinn	ح
コレヒレ	1 4	1	LGAME	11.	LUIN	31	LIUII	>

The	var	ietie	es ar	id pa	ymen	its	lis	ted	below	will	l be	the	min	imum	payr	nen t	to	bе	paid	bγ	CCW f	10	thos	e
sta	ted	varie	ties	for	vin	itag	es	1n 8	2000,	2001	, 200	02,	and	2003.	In	the	fol	low	ing y	/ear	5,			
if.	a mi	กากบก	pay	ment)	15	to	be	nade	e, the	stat	ted i	ninı	กนก	payme	ent v	4111	bе	sub	ject	to	revie	ew b	v CC	W.

The minimum payments to be paid per tonne (\$):

HECTARES 1999  $\frac{\text{Yr 1}}{2000}$   $\frac{\text{Yr 2}}{2001}$   $\frac{\text{Yr 3}}{2002}$   $\frac{\text{Yr 4}}{2003}$   $\frac{\text{Yr 5}}{2004}$   $\frac{\text{Yr 6}}{2005}$ 

OR

CCW agrees to pay a competitive market price (as stated in clause 5.2) or the stated minimum (if any) whichever is the higher for fruit sourced in the Riverland/Sunraysia district.

SIGNED by the Grower		
••••••		DATE
SIGNED for and on behalf of CCW	ŧ	
•••••		DATE

# SCHEDULE 2

# **ESTIMATES**

	VIN4						Viticul	ardy Lin	System	2000						Page Date	2 <sup>1</sup> 9/07/99	12/2007 L
	VARI:	ETY	1999	2000	2001	Contract 2002	ts List 2003	2004	r) (VI) 2005	N476) 2006	2007	2008	2009	2010	2011	2012	2013	2014
		BIANCONE CABERNET FRANC		246 78	246 78	246 78	246 78	246 78	246 78	246 78	246 78	246 78	246 78	246 78	246 78	246 78	246 . 78	246 <b>7</b> 8
		CABERNET SAUVIGNON CHARDONNAY	17.4 322	17435 21422	25911 22955	33174 23890	37101 24219	38785 24343	39212 24428	39303 24465	39317 24484	39299 24469	39291 24484	39041 24452	39041 24452	39041 24452	38990 - 24361 -	38915 <b>2436</b> 1
		CHENIN BLANC CHAMBOURCIN	20	2415 14	2495 35	2584 48	2597 - 56	2592 56	2592 56	2592 56	2592 56	2592 56	2592 56	2557 56	2557 56	2,557- 56	2557 56	2557 56
		CARIGNANE	and the same	25	.25	25	. 25	25	. 25	25	25	25	25	25	. 25	25	25.	25
		COLOMBARD	1.5	4968	6076	7203	8008	8601	9046	9136	9238	9270	9294	9279	9279	9279	9257	9146
		COLOMBARD/NEW CAB SAUVIGNON/RAMSEY	225	. 224. 5629	1793 5945	4446 5988	7142 5996	9214 5998	10325	10570 6000	10680 6000	10730 6000	10730	10612 5930	10612 5930	10612 5930	10596 5867	10376 5818
		CROUCHEN	10	140	132	132	132	132	132	132	132	132	132	132	132	132	132	132
		DORADILLO		1121	1003	945	920	905	905	905	905	905	905	905	905	905	905	905
		EMERALD RIESLING		135	. 135	135	135	. 135	135	135	135	135	135	135	135	135		135
		EMERALD RIESLING FARANA		18	1.8	18	18	18	18	18	18	18	18	18	18	18	18	18
		FRONTIGNAN RED	1385487	34	24	. 24		.24	. 24 .		. 24	24	24	. 24	24	24-	24	24
		FRONTIGNAN WHITE	1,7200	218 57	198 62	198 .62	198	198	198	<b>198</b>	198 62	198 62	198 62	198 . 62	198	198	198	198
		GRENACHE/RAMSEY GORDO	204	12153	11536	11466	62 11318	62 11314	11184	11184	11184	11184	11289	11269	11269	11269	62 11162	62 11130
		GRENACHE RED	33	3723	3842	4089	4279	4463	4558	4593	4593	4593	4593	4593	4593	4593	4583	4552
		ITALIA		22	22	22	22	22	22	22	22	22	22	22	22	22	22	22
					32	3.2		32	32	32	32	32	32.		3.2	32	32,	32
11 11		MALVASIA BIANCO TINTA MADERIA	£:921.	106	122	175	185	185	185	185	185	185	185	185	185	185	185	185
		MATARO/RAMSEY		4	7	7	7		7	7.5	. 7.		7 .		7	7	7,	7
1 40		MALBEC MATARO	46	3201	406 3403	414 3536	3617	3629	420 3643	420 3643	3640	420 3640	420 3640	420 3633	3633	420 3633	420 3633	420 3643
- 17		MALBEC /RAMSEY		97	97	97	97	97	97	97	97	97	97	97	97	97	97	97
		MERLOT	24	2227	3441	4446	5083	5325	5389	5412	5418	5418	5418	5418	5418	5418	5316	5296
1 12		MERLOT/RAMSEY	60	1030	1253	1335	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350	1310	1280
- 170		MUSCAT BROWN		10	10	10	10	, ., 10	10	10	10		10	10	10	10.	10	10
1 10	MUR	MUSCAT RED	2085282	2.5	25	25	25		25	25	25	25	2.5	25	25	25	25	25
15	MUT	MULLER THURGAU PALOMINO	15	30 288	30 269	30 269	30 269	30 269	3.0 269	30 269	30 269		269	269	30 269	30 269	30 265	30 265
100		PEDRO	32	253	207	207	179	179	179	179	179	179	179	179	179	179	179	179
		PETIT VERDOT		456	1144	1678	2036	2195	2233	2253	2253	2253	2253	2243	2243	2243	2223	2223
1.0		PINOT NOIR	ene estacescateras é v	158	296	440	630	770	900	900	900	900	900.	900	900	900	900	900
13		PINOT NIOR/RAMSEY		34	39	41	44	48	48	48	48	48	48	48	48	48	48	48
		RUBY CABERNET		899	1877	3024	4199	5060	5383	5494	5531	5531	5531	5463	5463	5463	5359	5259
Ľ.		RHINE RIESLING RKAZITELI	6525032A.C	1256 8	1224 8	1224 8	1224 8	1224	1169 8	1169 8	1169 8	1169	1169	1169	1169 8	1169 8	1169 8	1169 8
		RUBY CABERNET/RAMSEY		2126	2181	2210	2225	2225	2225	2225	2225	2225	2225	2160	2160	2160	2160	2160
£		RUBIRED		26	26	26	26	26	26.	26	26	26	. 26	. 26	26	26	26	26
(A) 12		SAUVIGNON BLANC		713	675	677	681	683	683	683	683	683	683	683	683	683	683	683
		SANGIOVESE		160	260	324	364	417.	442	442	442	442	442	442	442	442	424	424
* **		SEMILLON	32	1597	1773	1898	1961	1976	1995	1999	2001	2003	2003	1933	1933	1933	1908	1908
		SHIRAZ SHIRAZ/RAMSEY	365 177	33408 2612	42440 2662	47979 2694	50790 2704	51568 2709	51631 2709	51757 2709	51833 2709	51933 2709	51963 2709	51823 2649	51811 2649	51804 2649	51577 2613	51499 2588
-		SULTANA	142	5460	4837	4709	4643	4556	4516	4516	4516	4516	4516	4474	4474	4474	4449	4449
		TARRANGO/RAMSEY	476	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105
		TAMINGA		166	166	166	166	166	166	166	166	166	166	166	166	166	166	166

VIN476 SOULA GWSP					Contrac	Vitic	Hardy Li ultural t (by Va	System	N476)						Page Date	3 9/07/9	
VARIETY		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
TAR TARRANGO TEM TEMPRANILLO TIC TINTA CAO TOU TOUREGA			72 74	86 74	86 10 10 74	86 16 16 74	86 16 16 74	86 16 16 <b>74</b>	86 16 16 74	86 16 16 74		86 16 16 74	86 16 16 74	86 16 16 74	86 16 16 74	86 16 16 74	16
TRA TRAMINER TRB TREBBIANO			76 <b>326</b>	79 2 <b>40</b>	79 241	79 2 <b>4</b> 1	79 2 <b>4</b> 1	79 2 <b>41</b>	79 241	79 241	79 2 <b>4</b> 1	79 241	79 2 <b>41</b>	79 <b>241</b>	79 241	79 235	79 235
VER VERDELHO ZIN ZINFANDEL *** TOTAL:		1976	329 127865	465 152490	502 10 173571	516 16 186730		532 16 196181	532 16 196963	532 16 197326		532 16 197643	532 16 196641	532 16 196629	532 16 196622	532 16 195655	532 16 194894
						*** En	d of Re	port **	ķ								

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#### **SCHEDULE 3**

# FRUIT QUALITY STANDARDS

### 1. Condition

All fruit delivered by growers must be in good sound condition, having been picked according to parameters laid down by BRL Hardy.

Penalties for not delivering fruit in a sound, clean condition can range from being:

- (a) Percentage deduction depending on fruit condition
- (b) Diversion to distillation
- (c) Total rejection of load

The above penalties will be determined by the senior winemaker on duty at time of delivery.

# 2. MOG (material other than grapes)

All fruit must be free of all foreign materials:

for example, steel - wire - stones - snips - bolts - large woody spurs - etc. Penalties for MOG contamination/mishandled fruit will incur either total rejection of load or percentage deduction as determined by the senior winemaker on duty at time of delivery.

### 3. Chemical Spray

Recommended withholding times as recommended by BRL Hardy in pre-vintage circulars must be strictly adhered to. If at all in doubt, check manufacturers' guidelines and consult with BRL Hardy Grower Liaison/Grape Supply Officer.

\*\*\* Spray Diaries must be kept, indicating all chemicals used and dates applied, along with varieties sprayed and quantities used. The Spray Diary MUST be made available to BRL Hardy representatives on demand.

# 4. Fruit Quality Checking

EVERY load delivered will be checked and tested at all BRL Hardy wineries.

We hereby acknowledge the above Fruit Quality Standards in respect of the supply of wine grapes under this agreement:



15<sup>th</sup> January 2013

CCW Co-operative Limited PO Box 238 BERRI SA 5343

Dear Mark

Please find attached the Grape Quality Standards (Quality Standards) which have been updated as agreed.

I confirm that these Quality Standards will now form Schedule 3 to the Agreement between Accolade Wines Australia Limited and CCW Cooperative Limited dated 13 July 1999.

If you have any queries please don't hesitate to contact me.

Yours faithfully

Accolade Wines Australia Limited

W.R. WILDEN

Viticultural Operations Manager



The following Grape Quality Standards are required for deliveries during 2013 Vintage.

Downgrades or rejection can only be determined by an Accolade Wines' Winemaker or Viticulturist after consultation with CCW (and the Grower member or the Grower's authorised agent if appropriate) at the time of delivery unless advised to CCW (and the Grower if appropriate) prior to delivery following a vineyard inspection. The decision on whether to apply any price adjustment to the grapes in question is at Accolade Wines' absolute discretion. CCW has the right (without prejudice to this Agreement) to sell downgraded grapes elsewhere.

Adjustments will be made to the Grape Price in accordance with these Grape Quality Standards, on a cummulative basis. All adjustments made to the Grape Price under these Grape Quality Standards will be made after all other adjustments made to the Grape Price under the main Agreement.

# 1 Agrochemicals

Only agricultural chemicals registered for use in vineyards and specified annually by Accolade Wines can be used on the Vineyard. Such agricultural chemicals must always be used according to label directions and any special limitations that may be required by Accolade Wines to satisfy export market residue specifications. These limitations will be notified to the Grower annually by Accolade Wines via the Spray Diary. Non-approved use of chemicals or failure to provide Accolade Wines with a spray diary when requested will result in rejection of the Grapes.

#### 2 Fermentation or acetification

Grapes which are fermenting or acetifying (have a vinegar odour) at or prior to delivery are unacceptable and will be rejected.

#### 3 Oxidation

Browning of fruit or juice due to inadequate potassium metabisulphite (PMS) additions or delayed delivery will result in rejection of the Grapes.

# 4 Dilution with water

Deliveries which are diluted with water will be rejected.

# 5 Varietal integrity

Grapes delivered to Accolade Wines must be true to type. Grapes from any Patch will be rejected if they are not the variety that the Grower has agreed to provide to CCW or if mixed varieties are delivered in the same Delivery (unless prior written approval from Accolade Wines is provided).

#### 6 Vine health

Grapes from vines which are in poor health (including without limitation where the canopy is defoliating or defoliated) will be rejected or subject to the prices notified to CCW.

## 7 Contamination

Grapes must be free of all Contamination, otherwise they will be rejected.

Grapes determined by Accolade Wines to contain concentrations of salts (chloride) at levels greater than 606 milligrams per litre will be rejected.



Grapes that do not meet the requirements of the Australia New Zealand Food Standards Code will be rejected.

Each year, Accolade Wines will specify the Maximum Residue Limits of agrochemicals in Grapes, in its Season Spray Policy and Spray Diary provided to the Grower. If the amount of any agrochemical in Grapes exceeds the Maximum Residue Limit specified by Accolade Wines in its relevant Season Spray Policy and Spray Diary, the Grapes may be rejected by Accolade Wines.

For the purposes of this section 7, "Contamination" means the contamination of any grapes including without limitation by foreign matter (other than MOG), taints, paint, non-grape odours (including mildew and mouldy characters, smoke taint, guaiacol and 4-methyl guiaicol), chemicals, agrochemicals at concentrations greater than those specified by Accolade Wines in accordance with these Grape Quality Standards, petrol, diesel or hydraulic oil.

# 8 Material other than grapes (MOG)

Grapes will be assessed for MOG by Accolade Wines at the Winery.

The following standards apply to MOG. If MOG is present in the Delivery, the Grape Price may be reduced as described below. Adjustments to the Grape Price will be cummulative.

MOG Parameter	MOG Rating (as detailed in the Australian Winegrape Load Assessment – a Visual Guide (Allan, 1998))	Adjustment to Final Price (reduction)
Canes, leaves, petioles, wood and foreign objects (non-vine) as	0 – 2	Nil
assessed using the MOG Guidelines detailed in "Australian Winegrape	3	15%
Load Assessment – a Visual Guide" (Allan, 1998).	4	25% or rejection at the discretion of Accolade Wines
	5	–Rejection of grapes

MOG Parameter	Number in load	Adjustment to Final Price (reduction)
Caterpillars, millipedes, earwigs, weevils or any other macroscopic	< 50	Nil
vine pests measured as number per square metre of the load surface.	50 – 100	10%
-1	101 – 150	20%
	> 150	NA - rejection
Dead animals including rats, mice and birds.	0	Nil
	> 0	Rejection of grapes



# 9 Temperature of Delivery

The temperature of each Delivery will be tested by Accolade Wines at the Winery. Harvest programmes may be postponed if hot weather is likely to raise grape temperatures above desired levels.

A Delivery will be downgraded if the temperature of the Delivery (at the time of delivery to Accolade Wines) exceeds the Average Temperature by more than 5° celcius, unless other tolerances have been mutually agreed in writing by Accolade Wines and CCW. Average Temperature means the average temperature of deliveries of grapes from other growers in the Area, received by the Winery in the two hours prior to the time of delivery of the Grower's Delivery.

Grapes which are downgraded in accordance with this section 9 will be subject to a 15% reduction in Grape Price.

The desirable temperature of Grapes at the time of delivery to Accolade Wines is:

- (a) 20°C or less for white grapes;
- (b) 25°C or less for red grapes.

# 10 Disease and physical damage

The following standards are required for Grape physical condition.

#### In the Vineyard

The Patch will be assessed for the incidence of the defects listed in Tables 1 and 2 below. Individual bunches, leaves or shoots will be examined. The Patch may be subject to downgrade or rejection, as applicable.

The Grape Price will be reduced by 5% for every 1% or part thereof that the defect is in excess of the Acceptable Range listed in Tables 1 and 2.

For example, if 8 bunches in a sample of 100 from a Patch had any trace of powdery mildew, then the incidence of powdery mildew in that patch would be 8%. This level of mildew is above the Acceptable Range and the Grape Price would be reduced by 15%.

If fifteen bunches in a sample of 100 from a Patch had any trace of Botrytis, then the incidence of Botrytis in that patch would be 15%. This level is above the Rejection Threshold for Botrytis, and the grapes from that patch would be rejected.

Table 1	Defect	Acceptable Range	Rejection Threshold				
		(% of bunches with incidence of the defect)					
	Botrytis and/or other bunch rots and moulds	0 – 3	5				
	Aspergillus carbonarius	0	> 0				
	Downy mildew and/or powdery mildew on bunches	0 – 5	10				
	Dry berries, sunburnt berries or berries damaged by birds or insects	0 - 10	15				



Table 2	Defect	Acceptable Range Rejection Threshold						
		(% of leaves or shoo the dis						
	Downy mildew and/or powdery mildew on leaves or shoots	0 – 10	15					

#### At the Weighbridge

Grapes delivered to the Winery will be assessed by visual inspection for the defects listed in Table 3 (below), and for the presence of any non-grape odours or taints. In determining compliance with the Grape Quality Standards, Accolade Wines may use either sensory assessment of the Grapes, or an estimation of the percentage of berries affected by any defect, or both.

Should the Delivery contain Botrytis or other bunch rots and moulds, the Grape Price will be reduced by 20% for every 1% of part thereof that the defect is in excess of the Acceptable Range listed in Table 3.

Should the Delivery contain downy mildew or powdery mildew, the Grape Price will be reduced by 10% for every 1% of part thereof that the defect is in excess of the Acceptable Range listed in Table 3.

Should the Delivery contain berries that are dry, sunburnt or damaged by birds or insects, the Grape Price will be reduced by 10% for every 1% of part thereof that the defect is in excess of the Acceptable Range listed in Table 3.

The reductions to Grape Price are cumulative.

Table 3	Defect	Acceptable Range	Rejection Threshold					
		(% of berries in the Delivery with the defect)						
	Botrytis and/or other bunch rots and moulds	0 – 2	4					
	Aspergillus carbonarius	0	> 0					
Manager of the state of the sta	Downy mildew and/or powdery mildew	0 – 3	6					
	Dry berries, sunburnt berries or berries damaged by birds or insects	0 - 3	6					

Accolade Wines may sometimes request in writing Botrytis-infected grapes for a particular wine style, in which case no reduction to the Grape Price will apply.