

PURCHASE ORDER TERMS AND CONDITIONS

- 1) Nature of Order - This purchase order and its terms and conditions ("Order") constitute the final, complete, and exclusive agreement between Constellation Brands, Inc. and its affiliates, as applicable ("Buyer"), and the party with whom it is placed ("Seller") for the imminent and future purchase of specific goods and/or services (collectively, "Items"). Any reference herein to any offer to sell, quotation or proposal of Seller is solely for the purpose of incorporating the description and specifications of the Items contained therein and only to the extent they do not conflict with the description and specifications of this Order. This Order consists only of the terms contained herein and on the front page and other pages of this Order (if any) which, by reference, are expressly incorporated herein or into which these terms and conditions are expressly incorporated. If any of the terms and conditions herein are in addition to, different from or inconsistent with any terms and conditions that may appear on any acknowledgment form, invoice, packing slip or the like used by Seller or its agent, then the terms and conditions of this Order shall control and the issuance of this Order by Buyer constitutes an express rejection of such terms without need for further notice of objection. This Order is expressly limited to and made conditional upon acceptance by Seller of the exact terms contained herein by reference. Upon acceptance by Seller, this Order will constitute the entire agreement between Buyer and Seller with respect to the subject matter hereof.
- 2) Acceptance - Seller's acceptance of this Order is evidenced by Seller (i) signing a copy and returning it to Buyer; (ii) commencing performance of the work; or (iii) delivery of any Items called for by this or any other Buyer Order, whichever first occurs.
- 3) Price, Taxes, & Special Charges - To the extent the prices for Items are not specified herein, their prices, unless otherwise agreed by Buyer, will be those applicable to Buyer's last preceding order for a comparable quantity, or if there was no such order, Seller's last preceding quotation for the same. Seller will be responsible for the payment of all charges for handling, packing, packaging, delivery, wrapping, bags, containers and related matters unless Buyer has assumed an express obligation therefore on this Order. Buyer will pay applicable state sales and use taxes or provide to Seller an exemption certificate; Seller will pay all other taxes, duties and fees that may arise out of its sale of the Items to Buyer.
- 4) Time of Delivery - TIME IS OF THE ESSENCE OF THIS ORDER. Buyer reserves the right to refuse any Items and to cancel all or any part of this Order if Seller fails to deliver and provide all or any part of the Items in accordance with the terms of this Order. Acceptance of any part of the Items will not bind Buyer to accept any other Items, nor deprive it of the right to return goods or demand re-performance of services already accepted.
- 5) Delivery - Delivery must be made by Seller in accordance with the delivery schedules specified herein or otherwise specified by Buyer. If for any reason Seller anticipates that it cannot or will not make complete delivery by the time specified, Seller will immediately notify Buyer to that effect and the reasons therefore. Buyer may at that time require expedited delivery and charges resulting from any premium transportation must be fully prepaid and absorbed by Seller. Buyer reserves the right to reject or return at Seller's risk and expense all goods shipped and services performed which are in excess or in advance of the time specified for delivery or performance or to defer payment for advance deliveries and services until the specified delivery and performance dates. Delivery will not be deemed to be complete until Items have been actually received and accepted by Buyer, notwithstanding any agreement to pay freight, express or other transportation charges. Shipments will be made in containers specified by Buyer or, in the absence of specifications, in industry-recognized standard containers conforming to the carrier's specifications. No partial shipments allowed without Buyer's prior written consent. Notwithstanding the foregoing, and unless otherwise agreed to by Buyer in writing, Buyer requires electronic delivery of all software Items and that no tangible medium for that software will be furnished. To it; the parties hereby certify this fact and Seller agrees to retain a copy of this Order as may be required by applicable sales and use tax laws.
- 6) Specifications & Changes - Any specifications, drawings, notes, instructions or technical information referred to in this Order will be deemed to be incorporated herein by reference. The Seller shall refer any discrepancies or questions to the Buyer for decision, instruction or interpretation. Buyer will have the right to make, from time to time, changes in the Items and to packing, destinations, specifications, drawings, designs, quantities, places of inspection, and delivery schedules. Immediately upon such change being ordered, Seller will notify Buyer within 5 business days of any equitable adjustment it proposes should be made by reason thereof, in which case the parties will undertake to agree to an appropriate adjustment in price up or down, and/or in the other terms of this Order. Actual adjustments, if any, must be in a writing signed by Buyer. Except as otherwise provided in this Order, no changes will be made unless such change is authorized by Buyer in writing.
- 7) Payment - Invoices will state the Order number, description of articles, sizes, quantities, unit prices, and extended totals. Payment terms are net sixty (60) days after the later of receipt of the invoice or final acceptance of the Items by Buyer, unless otherwise agreed to by Buyer in writing with explicit recognition of its deviation from these standard payment terms. Any adjustments in Seller's invoices due to shortages, late delivery, rejections, or other failure to comply with this Order may be made by Buyer before payment. Payment will not constitute final acceptance. Seller will not deliver goods on a sight draft basis.
- 8) Inspection & Rejection - All Items consisting of goods (which term includes, without limitation, raw materials, components, and assemblies) and all work product from services shall be subject to testing, inspection and audit by Buyer at Buyer's option, prior to final acceptance by Buyer, notwithstanding prior inspection, acceptance or payment. No preliminary inspection by or on behalf of Buyer will relieve Seller of its own obligation to make full and adequate test and inspection. Seller will furnish at its own expense all reasonable facilities and assistance for tests, inspections and audits to be made on its premises by or on behalf of Buyer. Any Item not accepted may be held by Buyer after notice to Seller at Seller's risk and expense or, at the option of Buyer and in addition to Buyer's other rights, Seller will replace the same or reimburse Buyer for its expense of rework, inspection, transportation and repackaging.
- 9) Warranties - Seller represents and warrants that it has the full power and authority to enter into this Order and that Seller shall comply with all of Buyer's rules and policies of which Seller has been made aware, in its provision of Items, including Buyer's Supplier Code of Conduct, as amended from time to time and available at www.cbrands.com/responsibility/reports. Seller expressly represents and warrants that all Items provided hereunder will (a) strictly conform with the specifications, drawings, samples or other descriptions furnished or adopted by Buyer, (b) be merchantable, (c) be free from defects in design, materials, and workmanship, (d) be free from any actual or claimed patent, copyright, trademark, tradename, trade secret, license or other intellectual property right infringement, (e) when delivered be new and unused (unless otherwise directed by Buyer in the Order), bear the manufacturer's name, tradename, and the UL label in every case where a standard has been established for the particular material, and be free and clear of all claims, liens, and encumbrances of every kind, and (f) be fit for the purpose intended, Seller having knowledge of the particular purpose for which the Items are required and Buyer relying on Seller's skill or judgment to select and furnish suitable goods and services. The remedy for defective services shall be the retainage or replacement of Seller's personnel and the re-performance by Seller of the defective portion of the services provided. The remedy for defective goods shall be, at Buyer's option, the repair or replacement by Seller (with all packing and transportation charges at Seller's expense) or full refund by the Seller, in addition to other rights Buyer may have. Failure on the part of the Seller to timely remedy any warranty matter shall permit the Buyer to repair or replace the defect at Seller's expense. These warranties will be in addition to any warranties expressly made by Seller or expressly provided or implied under applicable law. Breach of warranty will be determined solely by Buyer. These warranties will survive any inspection, delivery, acceptance or payment for all or part of the Items.
- 10) Shipping, Title & Risk of Loss - Regardless of the F.O.B. point designated on any Items or Seller documentation, title and all risk of loss or other damages to and with respect to the Items will remain in Seller until the Items in a completed state have been delivered to and accepted by Buyer, or an agent or consignee designated by Buyer, at the ship-to location specified in this Order. Shipping terms are F.O.B. destination unless otherwise specified by Buyer in writing. A packing slip must accompany each shipment, indicating the contents therein. If no such packing slip is sent, the count, weight, volume, or other measure by Buyer, its agents or consignee is agreed to and binding on Seller with respect to such shipment.
- 11) Buyer's Premises & Other Property - If work is to be performed hereunder by Seller on any Buyer premises: (a) Seller represents that it has examined the premises and any specifications or other documents furnished in connection with the Items and that it has satisfied itself as to the condition of the premises and site and agrees that no allowance will be made in respect to any error as to such on Seller's part; (b) Seller must furnish to Buyer certificates of insurance of the type and amounts specified, and naming Buyer as additional insured where appropriate or required by Buyer, or such additional types and amounts as required by Buyer before any work may be started; (c) Seller shall comply with all requirements relating to job procedures, payrolls and other similar matters as are specified from time to time by Buyer; and (d) Seller assumes full liability for the payment of all social security, unemployment, disability, income and withholding tax now or hereafter imposed by federal, state or local governments. Seller's personnel on Buyer's premises shall comply with all applicable federal, state and local safety requirements and with all safety requirements in effect at Buyer's facilities. While performing such work, Seller will at all times keep Buyer's premises free from accumulation of waste material or rubbish. At the completion of the work, Seller will return the Buyer premises to the condition in which Seller found it except as required by or for the Items. Whenever Seller has in its possession any of Buyer's property, Seller will not use it except for work performed for Buyer hereunder, Seller will return it when the work is completed or upon Buyer's earlier request, F.O.B. destination, and Seller is responsible for any and all loss, damage, or destruction.
- 12) Compliance with Law; Safety Information - Seller will at all times and in the performance of this Order comply with all applicable federal, state, and local laws, rules, regulations and orders, including without limitation those pertaining to labor, wages, hours, equal opportunity and other conditions of employment. The parties hereby incorporate the requirements of 41 C.F.R. Sections 60-1.4(a)(7), 60-250.5 and 60-741.5, if applicable. Seller shall be responsible for obtaining all necessary licenses, permits and approvals required by applicable law. All chemicals, equipment and materials proposed and/or used in the performance of this Order must conform to, and be provided, used, stored, delivered, and disposed of by Seller in accordance with, the standards and regulations promulgated under the federal Occupational Safety and Health Act of 1970. Seller must furnish all Material Safety Data Sheets (MSDS) for any regulated chemicals, equipment or hazardous materials at the time of delivery. Seller shall do all things necessary to ensure that there will be no discharge, spillage, uncontrolled loss, seepage or filtration of any toxic, hazardous, or potentially dangerous materials or waste on any Buyer site. Seller is responsible for any and all costs and liabilities associated with the clean up of any such spillage, etc., or as required by any regulating authority and will indemnify and hold Buyer harmless from and against any current or future liabilities resulting from such an incident.
- 13) Indemnification & Hold Harmless - To the fullest extent permitted by law, Seller will defend, indemnify and hold Buyer, its affiliates, and their respective officers, directors, employees, agents, successors and assigns harmless from and against all judgments, fines, amounts paid in settlement, damages, claims, costs, expenses (including attorneys' fees) and liabilities of every kind and nature in any manner directly or indirectly caused by, arising out of or related to (a) the alleged performance or non-performance or breach or threatened breach of Seller's obligations here under, or of any applicable law, rule, or regulation, or (b) any act or omission by Seller or any of Seller's employees, agents, subcontractors, successors, and assigns; except to the extent caused by the negligence or willful misconduct of Buyer or its employees or agents and such indemnification is precluded by applicable statute. Seller shall be responsible for all of its subcontractors and employees and shall indemnify and hold harmless Buyer for any damages caused by Seller's failure to pay subcontractors or employees. In no event will Buyer be liable for anticipated profits or for damages on account of negligence or for incidental, consequential, special or punitive damages. If the Order indemnification provisions conflict with those in any request for quote or like document, those that afford Buyer the most protection will govern.

- 14) Disclosure of Information - All rights in and to all data, information and reports, gathered, developed or prepared by Seller, its agents, servants or employees either solely or jointly with others in the course of or as a result of Seller's services to Buyer shall be and remain the sole and exclusive royalty-free property of Buyer or such other party as Buyer may designate. Except as specifically agreed to in writing, Seller shall treat as confidential and not disclose any knowledge or information that has been developed or acquired as result of its obligations under this Order. Seller shall take all reasonable measures to ensure that all employees, contractors and subcontractors comply with this requirement. Seller shall not permit copies to be made of drawings, specifications, photographs or other data without prior written agreement from Buyer.
- 15) Default - Buyer may, by written notice of default to Seller, cancel all or any part of this Order without liability and exercise any other remedy provided buyers of goods or services by law or in equity, in the event of Seller's default, including without limitation in any of the following circumstances: (a) Seller is in breach of any of the terms or conditions of this Order including, without limitation, if rejects exceed 5% of the number inspected or Seller fails to timely deliver the Items that are goods or perform the Items that are services; (b) in Buyer's judgment, Seller fails to perform any of the other provisions of this Order or fails to make progress as to endanger performance of this Order in accordance with its terms and does not cure such failure within a period of ten days, or such longer period as Buyer may authorize in writing, after receipt of notice from Buyer specifying such failure; or (c) Seller ceases to conduct its operations in the normal course of business or becomes insolvent or makes an assignment for the benefit of creditors, or if there will be instituted by or against Seller any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt or insolvency law of any jurisdiction or for the appointment of a receiver or trustee in respect to any of Seller's property and such proceeding is not dismissed or cured within 60 days. In the event of default and cancellation, Buyer may also procure, upon such terms and in such manner as Buyer may deem appropriate, goods and services similar to those canceled and Seller will be liable to Buyer for any excess costs for such similar goods and services, recognizing that Seller will continue to perform this Order to the extent not canceled.
- 16) Other Termination - Buyer may terminate this Order in whole or in part, at any time, with or without cause, by written or telephonic notice to Seller. Seller will stop work immediately on the terminated portion of this Order and immediately notify its subcontractors to stop work. Upon termination of this Order for any reason other than default by Seller, Buyer will reimburse Seller for Seller's reasonable and necessary expenditures up to the date of termination, not to exceed 15% of the net price of the portion so canceled, but will not be responsible for any profits on the portion canceled.
- 17) Governing Law - This Order and all other matters involving or between Buyer and Seller will be governed by and construed in accordance with the internal laws of New York State without reference to conflict of laws principles which would cause the application of the domestic laws of any other jurisdiction, and exclusive venue for any action arising hereunder or thereunder will be the courts of that state located in Monroe County, New York, or Ontario County, New York, as Buyer may designate, and both parties hereby submit and consent to the jurisdiction of said courts. Pending resolution of any dispute, Seller will diligently proceed with the performance of this Order as Buyer directs.
- 18) Relationship of the Parties - The relationship between Buyer and Seller is strictly one of a customer and independent contractor and not one of joint venture, partnership or agency. Neither the making of this Order nor the performance of the parties hereunder shall create an employer/employee relationship between Seller and Buyer. Seller agrees that it and its employees shall not have any rights to receive any employee benefits such as health and accident insurance, sick leave or vacation.
- 19) Miscellaneous - No advertising or publicity material containing any reference to Buyer or any of its staff will be made by Seller or anyone on Seller's behalf without Buyer's written consent in each instance. Buyer's failure to insist upon strict performance of any of the terms of this Order or to exercise any right hereunder or otherwise will not be construed as a waiver of Buyer's rights. Seller will not assign this contract or any rights or obligations hereunder without Buyer's prior written consent. This Order is the first offer with respect to the goods or services described. It supersedes any claimed prior written or oral agreement between the parties with respect to the Items, and includes all related Customs Duty and import Drawback Rights, if any, which the Seller can transfer to Buyer. Buyer shall be entitled at all times to set off any amount owing at any time from Seller to Buyer or any of its affiliated companies against any amount payable at any time by Buyer in connection with this Order or any other agreements with Seller. Prior course of dealings between the parties and usage of trade shall apply except when they conflict with the express terms of this Order. If any of the provisions of this Order are or become unenforceable, the remainder of this Order shall nevertheless remain binding to the fullest extent possible, taking into consideration the purposes and spirit of this Order. The obligations of Sections 9, 13, 14, 17, 18 and 19 hereof shall survive any termination or expiration of this Order.

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