



DISTRIBUTOR POLICIES

This document is designed to clearly outline the policies and procedures involved in doing business with **GRGICH HILLS ESTATE (GHE)**:

TERMS OF SALE

Net 45 days (unless state law dictates otherwise). Title to **GHE** wines passes to buyer when they have been loaded upon a common carrier at **GHE's** premises and risk of loss passes to Buyer upon the earlier of delivery or placement with a carrier. *Please see the complete terms and conditions for doing business with GHE, which are found on our website at www.grgich.com/trade.*

SAMPLE POLICY

GHE encourages sampling of wines, and will share in field sample expense at 50% of wholesaler's laid-in cost, unless otherwise stipulated. Samples for market work-withs shall also be billed at 50% of wholesaler's laid-in cost. All requests for reimbursement of sample costs **must be accompanied** by a report detailing salesperson and account information. Trade Show and Consumer Event wine expenses shall be billed at 100% laid-in cost for wines pulled from distributor inventory with prior winery written authorization (PO# to be issued).

WINE LIST PARTICIPATION

GHE will participate in the printing costs of wine lists featuring **GHE** wine, not to exceed \$15 per listing per calendar quarter. Duplicate billings for initial placement will only be approved for vintage changes. In addition, all spellings, vintages, and wine descriptions must be accurate. Requests for payment must be accompanied by a copy of the listing. In the interest of conservation, please send only cover and pages listing **GHE** wines.

CHARGEBACKS

GHE utilizes a Purchase Order process for all agree chargebacks **prior** to expense being incurred. Chargebacks for anything outside our normal, listed policy require a Purchase Order number. No bill backs without acceptable supporting documentation shall be accepted. No bill backs shall be processed more than 90 days from the date of the expense being incurred. Any DA/SPA support for BTG or other promotions must be agreed upon in advance, in writing, and registered with our accounting team. These expenses will be shared 50/50 with Distributor. Chargeback invoices for monies due will be reimbursed in the form of a credit memo against purchases or outstanding balance.

UNSALEABLES

GHE unsaleable wine must meet the following requirements: Unsaleable product is defined to be Product that (a) is spoiled, putrid or foul, or (b) has sustained damage to its primary or secondary packaging and is no longer commercially marketable. The party responsible for the unsaleable Product shall be responsible for the costs of collecting (or returning, at **GHE's** option) such Products from the marketplace. Title of Product passes to Distributor when Product is loaded onto the Distributor's carrier.

Requests for reimbursement for unsaleable wines must include the following and must be discussed with the **GHE** Regional Manager in advance: 1) A detailed description of the wine on the bill back/invoice detailing the vintage, varietal and size, 2) An explanation/description of why the wine was determined unsaleable, 3) Certified Proof of Destruction. Wine approved as unsaleable and as the responsibility of **GHE** may be billed back at 100%. Unsaleable wine which is the responsibility of the Distributor (any damage incurred after the Product has left the **GHE** warehouse in Rutherford, CA) will not be reimbursed.

FISCAL YEAR

GHE operates on a fiscal year starting September 1 and ending August 31. All reporting should be set to those parameters.

INVENTORY REQUIREMENT

GHE requires Distributor to maintain a minimum of 60 – 90 day inventory.

DEPLETION / INVENTORY REPORTS

GHE requests all distributor partners report their monthly detailed sales and ending inventories, by varietal, size, and vintage to BDN by the 5th business day of each month.

ACCOUNTS SOLD

In the interest of supporting your success, **GHE** requests access to monthly accounts sold report. Please include account name, type, address and phone number, the name of the key contact, sales representative and the wine(s) purchased by type and size. Please e-mail in Microsoft Excel format or provide web access.

UPDATED DISTRIBUTOR INFORMATION

GHE requests a quarterly update of your management and sales staff changes. Please include new assignments, territories, home addresses, e-mails, telephone numbers and other pertinent changes that would affect our ability to effectively communicate on a timely basis with your personnel.

We request that on a quarterly basis you provide **GHE** with updated information pertaining to significant changes or opportunities in your market. By sending us key account lists, trade events, charitable auctions, etc. we can be more responsive to your needs.

HOSPITALITY/VIP TOURS

GHE is pleased to be able to extend an opportunity for you, your staff and key customers to enjoy the winery when in the Napa Valley.

Our hospitality staff is available to provide a VIP winery tour and tasting daily at 9:30am with prior appointment. We suggest making an appointment well in advance and then confirming at least 24 hours prior to arrival. Please contact your Regional Sales Manager to make an appointment.

IMPORTANT NUMBERS

Winery Address:

Grgich Hills Estate
P.O. Box 450
1829 St. Helena Highway
Rutherford, CA 94573
BW 4813

Tel: (707) 963-2784

Fax: (707) 963-8725

Case Warehouse:

1829 St. Helena Highway
Rutherford, CA 94573

KEY PERSONNEL

Wine Maker/Proprietor/President	Miljenko "Mike" Grgich..	mike@grgich.com
Co-Proprietor/Chairman of the Board.....	Austin Hills	hillsa@grgich.com
Co-Proprietor.....	Mary Lee Strelb	
Co-Proprietor/Vice President, Operations & Sales... .	Violet Grgich.....	violetta@grgich.com
Vice President, Production & Vineyards.....	Ivo Jeramaz	ivo@grgich.com
Accounts Payable	Accounts Payable	ap@grgich.com
Accounts Receivable	Accounts Receivable	ar@grgich.com
Assistant to the President / Export Director	Maryanne Wedner	maryanne@grgich.com
Assistant to Violet Grgich	Renée Keller	renee@grgich.com
Director of Sales	Rebecca Geschwender	rebecca@grgich.com
National Sales Ambassador	Sean Barrett.....	sean@grgich.com
Director of Marketing & DTC.....	Sylvie Schwarze	sylvie@grgich.com
Communications & Marketing Manager.....	Ken Morris	ken@grgich.com
Associate Marketing Manager/Events Coordinator..	Rebecca Johnson	rjohnson@grgich.com
Compliance Specialist / Graphic Design	Gail Golden	ggolden@grgich.com
Assistant CA & Export Sales Manager	Kathryn Fletcher	kathryn@grgich.com
DTC & Hospitality Manager.....	Sean Hubbard....	shubbard@grgich.com
Director of Finance & Administration.....	Mike Mathews...	mikemathews@grgich.com
Senior Accountant.....	Michelle Borzoni	michelle@grgich.com
Accounting Manager.....	Shannon Wilson	shannon@grgich.com