



BIMBER

DISTILLERY

TERMS & CONDITIONS OF CASK OWNERSHIP

i. CONTRACT OF SALE

- a. The certificate of cask ownership and these Terms and Conditions comprise the contract of sale for the purchase of the agreed number of litres (based upon your choice of cask type) of new make spirit between Bimber Distillery Ltd, registered in England under number 7515908, whose registered office is, 56 Sunbeam Road, London, NW10 6JQ, United Kingdom (hereinafter referred to as the Supplier, Bimber Distillery, our, us and we) and a Customer (also referred to as you or your, purchaser and owner).
- b. Bimber Distillery Ltd. intends to offer a number of these casks for sale, with the offer closing on the first release of the London Single Malt Whisky in June 2019

ii. OWNERSHIP & PAYMENT

- a. To comply with the UK Warehouse Owners and Warehouse Goods Regulations (“WOWGR”) you are required to confirm that you are a private individual(s) over the age of 18 if you are resident in the UK or the legal age in your country of origin and that the product purchased shall not be gifted to anyone under that age, and that you are purchasing the filled cask for private consumption, or gifting to a private individual, and that the ultimate bottled Whisky produced will not be sold or traded for profit unless you have the requisite HMRC approved documentation to permit you to do so.
- b. Your completion of the purchase will be deemed by us to be your confirmation of WOWGR compliance.
- c. The full initial cost of the cask is required to secure your allocation.

iii. YOUR WHISKY

- a. Your whisky will be new make spirit from Bimber Distillery and will be matured at a filling strength of 63.5% ABV.
- b. Your cask of spirit will be marked with the year of distillation, cask number and the Bimber Distillery logo, and your name and/or logo. The cask itself remains the inalienable property of Bimber Distillery.
- c. Once the new make spirit has been laid down for maturation you will be sent a certificate of ownership. You will then be deemed to have taken title.
- d. The price includes all warehouse insurance and rent for a period of 5 years from the date when the whisky is laid down and also regular inspection of the cask for signs of leakage during that time. It further includes the cost of repair to any cask which is leaking and the replacement of any spirit lost as a result of that leakage, but does not include spirit lost due to natural evaporation.
- e. You may bottle the spirit at any point after 3 years and one day from when it was laid down for maturation.
- f. The warehouse and insurance cost per annum after year 5 is £100 per cask and is subject to inflationary increases based on UK RPI. The supplier reserves the right to retain the spirit until all outstanding costs have been paid.
- g. The spirit must remain in our Distillery throughout the maturation period which will not be less than 3 years and one day.

iv. BOTTLING YOUR WHISKY

- a. You have the choice to bottle the full contents of the barrel and paying all of the relevant excise duty, VAT and bottling charges.
- b. Alternatively, you may request that we buy back the barrel after the minimum maturation period of three years, at a price based on 6% APR.

- c. Bottling must be carried out by us. The bottling will be carried out without chill-filtration or the addition of any colour. You will have the choice of bottling at cask strength (60% ABV) or at regular strength (45% ABV).
- d. Each cask will be bottled separately to preserve individuality and quality. Bottling and delivery will be charged extra at the current rate and the costs communicated in advance at the end of the maturation period and prior to bottling.
- e. Bimber Distillery require a minimum of 90 days' notice of the owner's intention to bottle their cask.
- f. On completion of bottling we can deliver at the current rate or the cask owner can arrange for collection of the bottles.
- g. UK Duty and VAT may be payable after bottling, depending upon the final destination of the bottled product and the customer will be responsible for payment of this prior to the whisky being bottled and dispatched. Please talk to us about this first, so we can help ensure it is dealt with correctly.
- h. Labelling and packaging details will be agreed in advance of bottling by us with you and must comply with all UK Whisky legislation and any other relevant legislation at the time.
- i. The cask will be bottled in a Bimber Distiller bottle, with a personalised label based on our own design.
- j. The cost of bottling includes bottles, corks, closures, outer cases, label and label design.
- k. Fully bespoke label artwork can be considered or designed, at an additional price.

v. THE MATURATION PROCESS

- a. As part of the maturation process, natural evaporation and subsequent loss of spirit from casks will occur. An initial loss of 5% at filling, followed by a yearly evaporation rate at 3% per annum should be allowed for, although then rate of loss can change depending on cask size, cask location, filling strength and length of maturation.
- b. Therefore, Bimber Distillery give no guarantee of the amount of spirit remaining in the cask at the end of your maturation period.
- c. You must notify us immediately of any change to your address or contact details. If we cannot contact you after 5 years from the date when the cask is filled, we reserve the right to sell the spirit and to hold the proceeds on your behalf, after deducting costs of sale and any other associated costs that may be incurred from warehousing the whisky.
- d. You will be entitled to samples of your spirit during the storage period. Upon request, we will take one 100ml duty paid sample per year which we will pass to you. Sampling directly from the cask is not permitted under any circumstances.

vi. YOUR RIGHTS

- a. Your rights under this contract of sale may not be transferred or assigned to a third party without our consent in writing. Ownership of the cask is not transferable to a third party without prior written consent from Bimber Distillery.
- b. This contract of sale is governed by UK Law and you and we agree to and accept the exclusive jurisdiction of the Courts in respect of any matters arising from it.
- c. UK duty is the charge made by HM Revenue & Customs based on the percentage of pure alcohol. The current rate in the UK is £28.74 per litre of pure alcohol (valid at 13th March 2017).
- d. UK VAT is currently 20%. This is charged on the purchase price of the whisky, bottling and duty costs payable by the purchaser.
- e. Both Duty and VAT are due before the Whisky has been bottled and the finished goods are removed from the bonded warehouse.
- f. Both UK duty and VAT are subject to change by the UK Government.
- g. If you choose to sell the cask in its entirety back to Bimber Distillery, this transfer will take place under bond, and there will be no duty or VAT to pay.
- h. Various rates of Duty apply throughout the EU and the rest of the world and it is the purchaser's responsibility to ensure all relevant taxes are paid in the country of destination. By completion of this purchase you nominally appoint Bimber Distillery Ltd as your Duty Representative should that be required, until notified otherwise with details and copy of the relevant documents of an alternative.
- i. If the whisky is exported under bond, Duty and VAT can be suspended (but not avoided) subject to the exporter being registered for both Duty and VAT, and being registered as legitimate exporter.
- j. Duty and VAT would be payable in the country of final destination at the rates prevailing in that country at that time. It is up to the owner to find a suitable importer in the destination country and to arrange the export. Please note it is the responsibility of the purchaser in their country of residence regarding the importation of alcohol plus any issues regarding labelling.

vii. CAPITAL GAINS

- a. For UK tax payers, UK Capital Gains Tax is not applicable as whisky is regarded as a "tangible", "movable" and "wasting asset". Whisky purchased in cask for personal use, as gifts for family, godchildren and friends, etc would therefore be exempt.