

Sustainability in Practice (SIP)TM

Certification Program



Information Package

2013

Thank you for your inquiry regarding the *Sustainability in Practice (SIP)TM Vineyard Certification Program*.

The SIP Standards evolved from over 15 years of work in sustainable farming and underwent an extensive external peer review facilitated by an outside consultant. Now in its sixth year, the Standards continue to evolve and incorporate comments by dozens of state, federal, social, environmental, agricultural, and university experts.

Program Distinction:

- SIP considers the whole farm, verifying the your commitment to environmental stewardship, equitable treatment of employees, and business sustainability.
- SIP Certification is available to vineyards and wines throughout California.
- SIP contains practice and performance based requirements – every Requirement and Management Enhancement is demonstrable and auditable.
- SIP has a high threshold for eligibility.
- SIP prohibits the use of high risk pesticides (i.e. toxic air contaminates, cholinesterase inhibitors, groundwater contaminants, California and federally restricted materials).
- Meeting the requirements for certification allows you to promote your vineyards as SIP Certified
- Wines, using at least 85% of certified fruit as verified by a chain of custody audit, can use the SIP seal and statement.
- Certification provides consumers and trade a clear indication of your commitment to sustainable practices, providing another reason for a consumer to buy your wine.

Please review the enclosed information and documents. We are here to assist you and look forward to working with you on this innovative program.

Feel free to contact the office regarding any questions at 805-466-2288.

Sincerely,

Kris Beal
Executive Director

Beth Vukmanic Lopez
Certification Coordinator

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CHAPTER ONE: Technical Advisory Committee (TAC)

The SIP Certification Program prides itself on the rigorous rules and content of the Standards. To maintain the utmost integrity, the Technical Advisory Committee (TAC) plays a critical role in the program.

Purpose

The Technical Advisory Committee (TAC) is dedicated to ensuring the excellence of the SIP Certification program. This committee is responsible for determining program updates including rules, guidelines, and the addition or modification of Standards questions.

Membership

- Committee will have five – seven members.
- The committee contains at least one CCVT Board of Director, one Certification Advisory Committee Member, at least two growers, and one technical advisor.
- No more than half the growers on the committee will be SIP Certified.
- Committee membership will rotate periodically.
- New members are recommended by staff and the existing committee.
- Final approval of committee members is granted by the CCVT Board of Directors.

Operations

- Annual review of one – three Standard chapters.
- Annual review of the rules and procedures.
- Oversees external peer review of entire program every five years.
- Changes made to the Information Package and Standards are published and posted online by December 1 of the certification year.

Current TAC Members

- Willy Cunha, Sunview Shandon Vineyards
- Amy Freeman, Independent
- Gregg Hibbits, Mesa Vineyard Management
- Daryl Salm, Paraiso Vineyards
- Additional Member(s) Pending Approval

CHAPTER TWO: Certification Advisory Committee (CAC)

The Certification Advisory Committee (CAC) is comprised of independent government, academic, and industry professionals with agricultural expertise, experience with inspections and audits, and commitment to program integrity. This committee votes on anonymous audit reports to determine eligibility for vineyard and wine certification.

Purpose

- Determine vineyard and wine eligibility for certification based on auditor's findings.
- Grant certification based on compliance with all program requirements.
- Approve accredited inspectors.
- Review and make determinations based on applicant exemption requests.
- Review and make determinations based on applicant appeals.
- Oversee the program to ensure transparency, fairness, and integrity.

Membership

- Committee will have five members.
- Terms are three year staggered intervals not to exceed two terms. (The 2008 committee member terms will be staggered between 1 and 3 years in order to transition from one committee to another while maintaining experienced members.)
- Resigning committee members will recommend potential replacements.
- Committee members will be selected through a process involving CAC and Technical Advisory Committee. Final approval is granted by the CCVT Board of Directors.
- The new member and outgoing member will overlap at the first opportunity to attend a meeting.
- Members will represent regulatory, academic, technical, and agricultural expertise with no individual interest group representing a majority of the committee.
- At least one member will be on the CCVT Board of Directors.
- Committee members will maintain confidentiality as per the Non-Disclosure Agreement.
- Members will be free from conflict of interest as it pertains to the certification process. If a conflict arises, committee member has a responsibility for full disclosure and will recuse him/herself from related votes.

Operations

- Business and voting can be conducted in person, electronically, or by conference call.
- A majority vote of the CAC represents the Committee's decision.
- Committee will meet two - three times per year in addition to intermittent conference calls and electronic communications.
- Program staff will coordinate and prepare committee meetings.

Current CAC Members

- Monica Barricarte, Regional Water Quality Control Board
- Brenda Ouwerkerk, San Luis Obispo Department of Agriculture
- Steve Peck, J Lohr Vineyards & Winery
- Terry Smith, PhD, Cal Poly
- Jill Whitacre, Independent

CHAPTER THREE: Vineyard Certification

The intent of this chapter is to provide a summary of timing and procedures to be expected during the certification process. The program is dependent on the applicant's ability to communicate and submit documentation in a timely manner. Program staff is available to answer questions and discuss procedures during business hours.

Overview and Timeframe

In general, the Certification program schedule is as follows:

Timeframe	Action
Dec. 1 - Nov. 30	Certification Cycle
Dec. 1	*Application
Jan. - March	**Applicant representative must attend one mandatory SIP Informational Training. Trainings available January - March**
No Later than June 1	Program staff available for a pre-inspection assistance meeting
May	Applicant schedules inspection with approved inspector (Chapter Five) Audit must occur between June 1 and July 15
No later than seven days prior to onsite audit (if applicable)	Applicant submits completed Standards and documentation to inspector
Between June 1 - July 15	Inspector conducts documentation inspection and/or onsite inspection
July 25	Inspector submits inspection reports to staff to be redacted and submitted to Certification Advisory Committee (CAC)
Aug.	CAC determines eligibility for certification based on blind inspection reports
Aug.	Program staff notifies applicant of the CAC determination of eligibility
Sept. - Oct.	Certification is granted following full execution of the Certification Agreement and payment of fees
Dec. 15	Applicant submits July 1 through Nov. 30 pesticide use reports to inspector

*Applications submitted after December 1 will be handled on a case by case basis

** New applicants only

New Vineyard Application Process

Please review the entire Information Package and return the following items no later than December 1. Applications submitted after December 1 will be handled on a case by case basis.

- Vineyard Application form
- Signed Mutual Confidentiality, Non-Disclosure, and Non-Circumvention Agreement (NDA)
- Property map marked with acres
- List of blocks, varieties, and acres
- Signed Sustainability in Practice Vineyard Certification Agreement
- Completed Vineyard Fee Worksheet
- One time \$500 application (members); \$1,000 (nonmembers)

Submit all forms, documentation and payment to:

SIP Certification Program
5915 El Camino Real
Atascadero, CA 93422

Once the grower completes, signs, and returns the application materials, program staff will send the applicant the Standards Package within 10 business days of receipt. This packet includes the following:

- Log in to certification database app.sipcertified.org
- Binder with hard copy of Certification Standards (upon request)
- Copy of application and signed Mutual NDA
- Additional forms and information

Renewal Vineyard Application Process

SIP Vineyard Certification is renewed on an annual basis. All applicants seeking renewal of certification are required to submit documentation to an approved auditor. The purpose of the renewal documentation is to demonstrate that the applicant is actively engaged in farming practices that are in accordance with the Certification Standards. Renewal documentation is subject to change on an annual basis and will be made available in the beginning of the renewal calendar vintage.

Please review annual program updates and return the following items no later than December 1. Applications submitted after December 1 will be handled on a case by case basis. New acres/ranches added to the program will require a Cycle 1 Audit (complete records and onsite inspection).

Submit Vineyard Renewal Application form to:

SIP Certification Program
5915 El Camino Real
Atascadero, CA 93422

Standards Completion

Overview

It is recommended that once an applicant receives the Standards Package, they review the Standards (which include both “Requirements” and “Management Enhancements (ME)”) in its entirety. It is important to be aware of the record keeping and documentation required for vineyards to meet eligibility requirements. **All documentation for Requirements and Management Enhancements must be present at the time of audit.**

Requirements are practices that must be achieved in order for vineyards to be eligible for certification. Management Enhancements are additional practices, building on the Requirements, which go above and beyond the Requirement. Because the Requirements are mandatory, it is recommended that they be addressed first to ensure adequate documentation of each Requirement. Once the Applicant completes all the Requirements, begin to answer each Management Enhancement and provide documentation.

The Standards are based on a 1,000 point scale, 500 for Requirements, 500 for Management Enhancements. In order to be eligible for certification, vineyards must document meeting ALL Requirements. Management Enhancements are assigned various point values totaling 500 points. Vineyards must receive a minimum of 50% of the applicable Management Enhancement points. Some Management Enhancement questions have “Not Applicable” answers. If a Not Applicable answer is selected that question’s point value is subtracted from the total available Management Enhancement points. For example, if a Not Applicable answer is selected on a question worth 5 points the total available Management Enhancement points goes from 500 to 495.

Standard Chapters include:

1. Conservation & Enhancement of Biological Diversity
2. Vineyard Acquisition/Establishment & Management
3. Soil Conservation & Water Quality
4. Water Conservation
5. Energy Conservation & Efficiency

6. Air Quality
7. Social Equity
8. Pest Management
9. Continuing Education
10. Product Assurance and Business Sustainability

In order to be eligible for certification, vineyards MUST NOT use any materials on the Prohibited Materials List (PML) as described in the Requirements; the current list is attached on the last page of the Standards. This list includes active ingredients included in the following regulatory designations:

- Cholinesterase Inhibiting
- Toxic Air Contaminant
- DPR Ground Water Protection
- DPR California Restricted Materials
- DPR Federally Restricted Materials

Farming Company with Multiple Vineyards

A single farming company (owner) managing multiple applicants can combine documentation and inspections for vineyards within close proximity that have similar farming practices. Specific vineyard documentation will need to be present for all vineyards but consistent information (e.g. HR) can be documented once. Inspections will review the most representative set of documentation and spot check documentation for all the vineyards. Onsite inspections will be conducted at all properties.

Exemptions

There may be extraordinary situations in which a grower may request a temporary exemption from a specific procedure or requirement. In these cases, the grower must contact program staff regarding their intent to request an exemption and provide written documentation justifying the request. The Certification Advisory Committee (CAC) will review blinded documentation justifying the request and give a decision within five business days of staff receipt of the written grower request. Applicant name and affiliation are not disclosed to the CAC.

Vineyard Inspection Process

SIP is an annual certification. The certification cycle is December 1 through November 30. Certification applies to the vintage within which the practices were third-party inspected. For example, an applicant who submits completed Standards and documentation for practices occurring December 1, 2010 through November 30, 2011 would be eligible for certification for the 2011 vintage.

The certification process is a 3-year cycle, with all growers receiving a complete documentation and onsite inspection in year one of the cycle. Growers will receive various combinations of documentation inspections, interviews, and onsite inspections for years two and three of the cycle. For example, a vineyard is in cycle 1 when they are first certified in 2008 and are again in cycle 1 their fourth year of certification in 2011.

New applicants should contact program staff to schedule a pre-inspection assistance meeting early in the process. This meeting should take place a **minimum of four weeks prior to a scheduled inspection** to allow growers time to incorporate staff suggestions. The one-time application fee includes 3 hours of pre-inspection assistance at the program staff office. Additional assistance will be charged at a rate of \$50 per hour.

Adhering to program deadlines is critical.

Inspections must be completed between June 1 and July 15, and all documentation must be provided to the inspector by July 15. Late documentation is subject to a \$250-500 late fee penalty and is assessed at the discretion of program staff based on the individual circumstances. Incomplete audit reports and documentation are subject to a FAIL vote by the CAC. Growers may appeal penalties and decisions as per the program rules (see below).

Three Year Inspection Overview

- 100% of the applicants will have a complete documentation inspection in cycle 1 and a documentation inspection in cycle 2 and 3.
- 100% of the applicants will have a complete, onsite inspection in cycle 1.
- 10% of renewal applicants will have an onsite inspection in either cycle 2 or 3.
- 1 renewal applicant per year (in cycle 2 or 3) will have an impromptu onsite inspection.
- A single farming company managing multiple renewal applicants will receive a maximum of one onsite renewal inspection in cycle 2 or 3.
- A single farming company managing multiple renewal applicants will receive a maximum of one impromptu inspection in cycle 2 or 3.
- A single farming company is subject to only one onsite or impromptu inspection in cycle 2 or 3.

Inspector Selection and Time Requirements

Each vineyard will select and hire their inspector from the list of SIP Accredited Inspectors provided in the Information Package. The vineyard will schedule an inspection between June 1 and July 15. Time required for the inspection depends on grower readiness and condition of the documentation. The grower pays audit fees directly to the inspector (including travel costs, if applicable).

Generally, inspection time is as follows:

- New applicant Cycle 1 documentation and onsite inspections will require 8 – 15 hours
- Cycle 1 inspections (for non new applicants) will require 4 – 6 hours
- Cycle 2 and 3 documentation inspections require 1 – 3 hours
- Cycle 2 and 3 onsite inspections require 2 - 4 hours
- Cycle 2 and 3 impromptu onsite inspections require 2 - 4 hours

Cycle 1 Inspection

All applicants in cycle 1 of the certification cycle will receive a full documentation and onsite inspection. The inspection process is completed in two parts:

Documentation Review

Applicant submits completed Standards and documentation directly to the third-party inspector. The inspector reviews and verifies documentation of Requirements and Management Enhancements either on or offsite.

Onsite Inspection.

Inspector visits the vineyard, interviews the vineyard representative, reviews the documentation, and tours the property. Documentation not verified during the preliminary review, must be present and verified during the onsite inspection.

Cycle 2 and 3 Inspection

Renewal

The renewal documentation list is provided by program staff annually and is subject to change on an annual basis. These items will be reviewed by the independent inspector (offsite) and may require an interview.

Onsite

Staff and the Certification Advisory Committee (CAC) will randomly select 10% of the renewal applicants to receive an onsite inspection. Grower notification of this inspection will be made by February. Applicants must

submit the same Renewal cycle 2 and 3 documentation as specified by program staff annually. These items will be reviewed by the independent inspector (on or offsite) and the inspector visits the vineyard, interviews the grower, spot reviews documentation, and tours the property.

Impromptu

Staff and CAC will randomly select one renewal applicant to receive an impromptu onsite inspection. Notification of the impromptu renewal onsite inspection will occur at least 48 hours prior to the scheduled inspection. Applicants must submit the same Renewal cycle 2 and 3 documentation as specified by program staff annually. These items will be reviewed by the independent inspector (on or offsite) and the inspector visits the vineyard, interviews the grower, spot reviews documentation, and tours the property.

If an inspector notes that an applicant has insufficient or questionable documentation, the Certification Advisory Committee (CAC) can require additional impromptu inspections the following certification cycle with a unanimous vote.

Vineyard Eligibility

Following the third-party inspection, the inspector will submit their report to program staff. Staff will blind the inspection reports so that applicant names and affiliations are not disclosed to the Certification Advisory Committee (CAC). Staff will schedule and facilitate a CAC Meeting to be held in August. The CAC reviews inspector reports and votes PASS, HOLD or FAIL. A majority vote of the entire CAC represents the Committee's decision.

Following the August CAC meeting, applicants will be notified of the eligibility decision. Notification will include the CAC results and a copy of the inspector's report. If a vineyard is eligible for certification, this notification will also include a Vineyard Certification Agreement (new applicants only) and Invoice. Applicants placed on HOLD will need to complete the requirements by the date specified in their Letter of Eligibility.

Once the fully executed Vineyard Certification Agreement and applicable fees (paid on 100% of audited acres) have been received, program staff will provide a Certification Letter and accompanying materials. The Certification Letter lists final certified acres so it is imperative that the applicant carefully reviews the information for accuracy. If the applicant feels that any information is inaccurate they have 30 days to contact program staff.

SIP Certification is contingent on practices remaining in alignment with all Standard Requirements through November 30 of the certified vintage. Applicants are required to submit Pesticide Use Reports (PUR) from July 1 through November 30 of the certified vintage to their inspector. PUR must be submitted on or before December 15 of the same year.

Appeals

If a grower wishes to appeal an administrative or CAC decision, growers will be granted an opportunity to provide a written explanation of their circumstance. The CAC will review the appeal materials and provide an opportunity for a grower interview (in person or via conference call). All decisions of the CAC following an appeal are final. Any other dispute or disagreement between the parties hereto arising out of or relating to the program shall be settled by binding arbitration in San Luis Obispo County, California, under the rules of the American Arbitration Association.

Vineyard Certification Costs

Certification fees cover staff and materials to support specific program administration and outreach. Specifically, program staff is working diligently to build brand awareness among trade, media, gatekeepers, and consumers through a variety of methods. Staff also provides materials to each participant to support their individual marketing efforts. In order to determine the structure, CCVT evaluated a variety of factors (i.e., creation of a self-sustaining program, sharing costs between wineries and vineyards, comparability to other programs).

- Application (one time): \$500 CCVT members / \$1000 non CCVT members
- Inspector: \$75 - \$100/hr
 - Paid directly to inspector
 - Reference Inspector Selection and Time Requirement section to estimate length of inspection
- Licensing (per acre):

Certified Acres	(\$/ac)*
0 - 49	\$ 20.00
50-99	\$ 15.00
100 - 249	\$ 12.00
250 - 499	\$ 10.00
500 - 999	\$ 9.00
1,000 - 2,499	\$ 8.00
2,500 - 4,999	\$ 7.00
5,000 or more	\$ 5.00

*\$500 minimum

CHAPTER FOUR: Wine Audit Process

The intent of this chapter is to provide a summary of timing and procedures to be expected during the inspection process. The program is dependent on the applicant's ability to communicate and submit documentation in a timely manner. Program staff is available to answer questions and discuss procedures during business hours.

Program Overview and Timeframe

Wines eligible to use the logo and language must have a minimum of 85% of the juice for the final product made from SIP Certified fruit.

The wine application and audit process is flexible for individual winery needs but must allow for credible verification of wine chain of custody with adequate lead time for the winery to incorporate use of logo for the labels. A delay by the winery to promptly complete any of the related steps will result in a delay in granting licensing and use of logo.

In general, the Wine Audit Process of the Certification Program is as follows:

Timeframe	Action
Ongoing	Wine applicant completes and submits signed Wine Application.
Ongoing – once final blend is complete	Applicant prepares documentation audit and schedules documentation inspection with approved inspector. Program staff assistance available.
Ongoing – once final blend is complete	Inspector conducts documentation inspection of 20% of applied for wines.
No later than five business days after audit	Inspector submits reports to staff to be blinded and submitted to Certification Advisory Committee (CAC).
Within five business days of receiving audit report	CAC determines eligibility based on blind inspector reports.
Within five business days of CAC decision	Program staff notifies applicant of the CAC determination of eligibility.
Due within one month after bottling or by September 15 of the following vintage	Final licensing is granted with the full execution of the Certification Agreement and payment of White/Rose wine certification fees.
December 1	Applicant submits bottling records for audited wines to auditor
Due within one month after bottling or by December 15 of the following vintage	Final licensing is granted with the full execution of the Certification Agreement and payment of Red wine certification fees.

Application Process

Submit the Wine Application form and required attachments to:

SIP Certification Program
5915 El Camino Real
Atascadero, CA 93422

Once the winery completes, signs, and submits the application, program staff will return a copy of the application form within ten business days.

Wine Inspection Process

Inspector Selection and Time Requirement

Each winery will select and hire their inspector from the list of SIP accredited inspectors provided in the Information Package. The inspection itself will be charged on an hourly basis to each winery. Inspections will require 1-4 hours depending on the preparedness of the applicant and the number of wines in the application. The winery pays the inspection fees directly to the inspector (including travel costs, if applicable).

Chain of Custody Inspection

All wineries will receive a chain of custody inspection for each application.

The Applicant prepares documentation and schedules a chain of custody inspection directly with an approved third-party inspector listed in the Information Package. Chain of custody documentation includes a standard operating procedure identifying SIP Certified fruit from the vineyard throughout the wine making process. To be eligible the final wine product must include greater than or equal to 85% juice from SIP Certified fruit. The inspector reviews 20% of applied for wines (selected by inspector) and verifies hardcopy chain of custody documentation offsite.

The wine audit process is conducted as bottling occurs and is required for wineries to use the certification seal and related marketing materials associated with certified wine(s).

Wine Eligibility

Wines eligible to use the logo and language must have a minimum of 85% of the juice for the final product made from SIP Certified fruit as verified by the wine audit. The rules of use are specified in the Winery Certification Agreement.

Within five days of the third-party wine inspection, the inspector will submit an inspection report to program staff. Staff will then submit blinded (applicant names and affiliations are not disclosed) inspection reports to the Certification Advisory Committee (CAC) for eligibility decisions via email. The CAC reviews inspector reports and votes PASS, HOLD or FAIL. A majority vote of the entire CAC represents the Committee's decision.

Following the CAC decision, wine applicants will be notified of the eligibility decision. Notification will include a Letter of Eligibility (if applicable) and a copy of the audit report. If wine(s) is(are) eligible for certification, this notification will also include a copy of the fully executed Wine Certification Agreement (new applicants only). Certification is not granted until full execution of the Wine Certification Agreement and payment in full of applicable fees. Applicants are required to submit bottling records for the wines audited by December 1 of the bottling year to their inspector.

Once the fully Executed Wine Certification Agreement and applicable fees (paid on 100% of audited cases) have been received, program staff will provide documentation of wine certification, which will be used by winery staff when applying to TTB for use of seal on the label. Staff will also provide SIP informational materials. Certified wines will be eligible to use the seal as it pertains to the product in a variety of ways (i.e. tasting notes, sales sheets, shelf hangers, neckers, labels). Please contact program staff for more information.

Appeals

If an applicant wishes to appeal a CAC decision, applicant will be granted an opportunity to provide a written explanation of any discrepancy of the auditor findings. The CAC will review the appeal materials and provide an opportunity for an interview (in person or via conference call). All decisions of the CAC following an appeal are final. Any other dispute or disagreement between the parties hereto arising out of or relating to the program shall be settled by binding arbitration in San Luis Obispo County, California, under the rules of the American Arbitration Association.

Wine Certification Costs

- Application: None
- Audit: \$75 - \$100/hr
 - Paid directly to inspector
 - 1-4 hours depending on preparedness of applicant
- Licensing (Per Case):

Cases	(\$/case)
0 - 7,500	\$0.16
7,500 - 24,999	\$0.12
25,000 - 49,999	\$0.10
50,000 - 99,999	\$0.08
100,000 - 249,999	\$0.07

Applicable fees are calculated on final case production. Payment is due no later than one month after bottling or by September 15 of the following vintage for white and rose wines and by December 15 of the following vintage for red wines. Outstanding balances are subject to a 5% late penalty.

CHAPTER FIVE: Accredited Inspectors

Accreditation

Inspectors are selected and accredited by SIP Certification staff, Certification Advisory Committee, and Technical Advisory Committee. Positions are posted December 1 with interviews conducted in January and notice of accreditation in March. Upon accreditation, new inspectors will receive an orientation, shadow inspection training in the spring, and submit a signed copy of the Sustainability in Practice Approved Inspector Agreement to SIP staff. Inspectors serve “at-will” and can be removed from the accredited list at any time.

Interested applicants may submit a resume and letter of inquiry to:

SIP Certification Program
5915 El Camino Real
Atascadero, CA 93422

Accredited Inspectors

The following are approved to conduct vineyard and wine inspections as of March 15, 2012.

Vineyard Inspectors

Coastal Vineyard Consulting
Kelley Brophy Clark
PO Box 1727
Nipomo, CA 93444
P: (805) 680-6492
F: (805) 929-8301
coastvines@charter.net

FJS Consulting
Chip Sundstrom
2744 Del Rio Place, Suite 200
Davis, CA 95618
C: (530) 304-1158
F: (530) 758-8523
fjsundstrom@sbcglobal.net

Pacific Crop Associates
Mike Wise
1144 Palm Street
San Luis Obispo, CA 93401
P: (559) 930-8677
pacificcrop@gmail.com

Adega Consulting
Jeremy Cook
Central Coast
PO Box 781
Avila Beach, CA 93424
P: (805) 234-4296
North Coast
405 North First Street #312
San Jose, CA 95112
P: (510) 289-7215
jjc2344@gmail.com

Wine Inspectors

Compli, Inc.
Beverage Compliance
July Ackerman
PO Box 3617
Paso Robles, Ca 93447
P: (805) 239-4502
F: (805) 239-0152
july@compli-beverage.com

Organize My Wine
Sheri A. Robesky
359 Alliance Way
San Luis Obispo, CA 93405
P: (805) 550-7507
sherdyn@gmail.com

Pacific Crop Associates
Mike Wise
1144 Palm Street
San Luis Obispo, CA 93401
P: (559) 930-8677
pacificcrop@gmail.com

CHAPTER SIX: Inspector Guidelines and Procedures

Professional Conduct

The inspector's duty is to objectively document and verify what is seen, heard, and stated during the inspection and accurately and completely report the results in the format supplied by the SIP Certification program.

Inspector shall be familiar with all aspects of the program and the principals on which SIP Certification is based. Inspector shall be thoroughly familiar with the SIP Certification Standards, Information Package, all program rules.

Inspector shall only comment on matters directly related to the performance of the site visit and documentation review. They shall not speak on behalf nor represent the SIP Program or its staff in ways other than directly related to performing the review. Inspectors shall refer uncooperative participants to SIP staff.

The inspector shall maintain confidentiality and remain impartial by:

- Adhering to the Sustainability in Practice Approved Inspector Agreement.
- Being prepared and practicing good etiquette.
- Establishing open communication with client/grower.
- Listening carefully to client/grower.
- Making no exceptions.
- Documenting client/grower point of view in comment section when necessary.

Chapter Seven: Inspection Procedures

Vineyard Overview and Timeframe

The SIP Certification program provides third party verification of the client/grower's sustainable viticulture farming practices. The program document, called the Standards, was developed by growers to address the farm in its entirety and was peer reviewed by over 30 experts. The Information Package details the rules and procedures for SIP Certification.

In general the SIP Certification vineyard audit schedule is as follows:

Time Frame	Action
Dec. 1 – Nov. 30	SIP Certification annual cycle
April	SIP staff will email inspectors Standards, list of changes made to previous years materials, inspection reports, list of applicants (including cycle year, audit type, etc.)
May	Vineyards select inspector and schedule inspection
May – June	Inspectors inform SIP staff of inspection dates as they are scheduled
June 1 – July 15	Inspections are conducted
July 25	Submission of inspection report(s) to SIP staff
August	Inspection reports are reviewed for eligibility by Certification Advisory Committee

Inspector Selection and Time Requirement

Each vineyard will select and hire from the list of SIP accredited inspectors provided in the Information Package. The vineyard representative will schedule a review to take place within program deadlines of June 1 through July 15. Cycle 1 documentation and onsite inspections will require 8 – 15 hours depending on grower readiness and condition of the documentation. Cycle 2 and 3 documentation reviews require 1 – 3 hours, and onsite renewal and impromptu renewal inspections to require 2 - 4 hours. The grower pays these fees (hourly basis) directly to the inspector (including travel costs, if applicable).

Farming Company with Multiple Vineyards

A single farming company (owner) managing multiple applicants can combine documentation and inspections for vineyards within close proximity that have similar farming practices. Specific vineyard documentation will need to be present for all vineyards but consistent information (e.g. HR) can be documented once. When inspecting, review the most representative set of documentation and spot check documentation for all the vineyards. Onsite inspections will be conducted at all properties.

Three Year Certification Cycle

Certification runs on a three year cycle with annual inspections. For example, a vineyard is in cycle 1 when they are first certified in 2008 and are again in cycle 1 their fourth year of certification in 2011.

Inspectors should familiarize themselves with the procedures, records requirements, and cycles of the vineyard certification process outlined in Chapter 3.

Inspection Report Check List

It is the responsibility of the inspector to:

- Use and complete the SIP Certification inspection report to maintain consistency and ensure that all relevant information is reported.
 - Cycle 1 reports can be reviewed on or offsite plus onsite inspection.
 - Renewal cycle 2 and 3 reports will be reviewed offsite.
 - Onsite renewal cycle 2 and 3 reports can be reviewed on or offsite plus onsite inspection.

- Impromptu renewal cycle 2 and 3 audit reports can be reviewed on or offsite plus onsite inspection.
- Provide clear, accurate, thorough, and concise reports - inspection reports are reviewed and verified by the Certification Advisory Committee.
- Include or attach list of all blocks, varieties, and acres being submitted for certification.
- Include comment on overall performance and note any special circumstances in the comment box on the Audit Report Summary page.
- Comment on all documentation verification (clearly describe documentation seen to verify Certification Requirements and Management Enhancements)
- Accurately tally all section, chapter, and report total points.
- Reports must be submitted in the appropriate format to program staff by July 25.

Compliance Verification

It is the responsibility of the inspector to verify the applicant's documentation, responses, and property based on the required documentation specified in the Standards.

The inspector will verify:

- Compliance with SIP Certification Standards for the certification year.
- Required inspection records from documentation, conversations, and visual confirmation (for cycle 1, onsite renewal, and impromptu renewal).
- Visually verify the responses to inspection questions as often as possible (i.e. crop, equipment, water source, pest management, fertilizer applications, storage, supplies, etc.) (cycle 1, renewal onsite, and impromptu renewal only).

Required Score

The SIP Standards are based on a 1,000 point scale and include both Requirements and Management Enhancements. All documentation for Requirements and Management Enhancements must be present at the time of audit.

Cycle 1

- Vineyards must document meeting ALL Requirements and are awarded 500 points for meeting all the Requirements.
- Vineyards must receive a minimum of 50% of the **applicable** Management Enhancement points (not applicable questions points will be subtracted from the total available points).
- Vineyards must have 75% of the total available points (500 mandatory Requirement points + Management Enhancement points).

Cycle 2 and 3

- Vineyards must fulfill and document all Requirements specified by SIP staff on the renewal report.

The auditor should notify SIP staff immediately in writing if an applicant is missing documentation, has not met Requirements, has insufficient points for eligibility, or is in any way out of compliance with the SIP Certification Standards.

Wine Procedures

Overview

The SIP Certification wine audit provides third party verification that the final product is made with at least 85% SIP Certified fruit. The Information Package details the rules and procedures for SIP Certification.

In general the SIP Certification wine audit schedule is as follows:

Time Frame	Action
Ongoing	Inspector conducts documentation inspection of 20% of applied for wines
No later than five business days after audit	Inspector submits reports to staff to be blinded and submitted to Certification Advisory Committee (CAC)

Inspection Process and Eligibility Requirements

It is the responsibility of the inspector to:

- Use and complete the SIP Certification inspection report to maintain consistency and ensure that all relevant information is reported.
- Randomly select and review 20% of applied for wines and verify hardcopy chain of custody documentation on or offsite.
- Provide clear, accurate, thorough, and concise reports. Inspection reports are reviewed and verified by the Certification Advisory Committee.
- Include comment on overall performance and note any special circumstances in the comment box on the Inspection Report signature page.
- Comment on all documentation verification.
- Reports must be submitted in the appropriate format to program staff no later than five business days after completion of inspection.

Inspector Selection and Time Requirement

Each winery will select and hire their inspector from the list of SIP accredited inspectors provided in the Information Package. The winery will schedule an inspection to take place once final blend(s) is(are) made. Inspections require 1 – 3 hours. The winery pays the audit fees (hourly bases) directly to the inspector (including travel costs, if applicable).

Compliance Verification

It is the responsibility of the inspector to verify the applicant's documentation, responses, and product based on the required documentation specified in the Wine Inspection Report.

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FORMS AND AGREEMENTS

Vineyard Application
Mutual Confidentiality, Non-Disclosure, and Non-Circumvention Agreement
Vineyard Certification Agreement
Vineyard Certification Fee Worksheet
Vineyard Renewal Application
Wine Application
Wine Certification Agreement
Exhibit A (Approved Logos/Verbiage)
Amendment to Certification Program Documentation

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Sustainability in Practice (SIP)TM

Vineyard Certification Program

VINEYARD APPLICATION

Please complete, sign, provide required materials, and return.
5915 El Camino Real, Atascadero, CA 93422

Please print legibly.

Vineyard Information:

Vineyard Name

Year of Certification

Vineyard Physical Address

City, State Zip

Total Planted Acreage Included in Application

Total Site Acreage

Vineyard Pesticide Use Permit Number

Main Contact Information:

Main Contact Name

Main Contact Title

Mailing Address

City, State Zip

Phone Number

Fax Number

Mobile Number

Email Address

Please include a list of winery clients associated with vineyard (attach information if space provided is insufficient):

- I have read, understand, and agree to abide by the rules set forth in this package ____ INITIAL
- I understand that a company representative must attend one mandatory program informational meeting.
____ INITIAL
- I have read the SIPTM Standards and am aware of the requirements necessary to achieve certification including but not limited to the active ingredients listed in the Prohibited Materials List. ____ INITIAL
- I have signed and enclosed the original Non-Disclosure Agreement. ____ INITIAL
- I have attached a property map marked with the acres. ____ INITIAL
- I have attached records of vineyard blocks including varieties and corresponding acres. ____ INITIAL
- I have read and understand the licensing agreement and fee structure. ____ INITIAL
- I have attached the onetime, nonrefundable application fee (\$1000 for non-CCVT grower members, \$500 for CCVT grower members of the certified vintage year). ____ INITIAL

I certify that my responses are true and correct and that I am an authorized representative of the above listed company.

Printed Name

Signature

Date

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MUTUAL CONFIDENTIALITY, NON-DISCLOSURE, AND NON-CIRCUMVENTION AGREEMENT

THIS AGREEMENT (the "Agreement"), with an effective date of _____ ("Effective Date"), is by and between Central Coast Vineyard Team, a California nonprofit mutual benefit corporation, located at 835 12th Street, Suite 204, Paso Robles, CA 93446 ("CCVT") and _____, located at _____, a _____, located at _____, Company Name _____, Company Type (i.e. Corporation, LLC, etc.) _____ ("Company").
Address _____

CCVT and Company agree to exchange information, subject to the terms and conditions set forth below:

1. CONFIDENTIAL INFORMATION

"Confidential Information" means nonpublic information that disclosing party ("Disclosing Party") designates as being confidential or which, under the circumstances surrounding disclosure, the receiving party ("Receiving Party") should know is treated as confidential by the Disclosing Party. Confidential Information includes, without limitation, non-public information relating to growing, marketing and promoting any Disclosing Party product, Disclosing Party's business policies or practices, financial information, technical information, computer systems, infrastructure designs, data, analysis, compilations, studies or other documentation, and information received from others that Disclosing Party is obligated to treat as confidential. Confidential Information disclosed to Receiving Party by any Disclosing Party, its employees, related entities and/or agents is covered by this Agreement. Confidential Information shall not include any information that: (i) is or subsequently becomes publicly available without Receiving Party's breach of any obligation owed to Disclosing Party; (ii) became known to Receiving Party prior to Disclosing Party's disclosure of such information to Receiving Party; (iii) became known to Receiving Party from a source other than Disclosing Party other than by the breach of an obligation of confidentiality owed to Disclosing Party; or (iv) is independently developed by Receiving Party without access to the Disclosing Party's information.

2. OBLIGATION OF NON DISCLOSURE

Receiving Party shall not use or disclose any Confidential Information to third parties, except as provided for by this Agreement or in accordance with judicial or other governmental order (provided Receiving Party shall take reasonable measures to give Disclosing Party reasonable notice prior to such disclosure and shall comply with any applicable protective order or equivalent). Receiving Party shall safeguard the Confidential Information with at least the same level of care as it uses to safeguard its own confidential information. Receiving Party agrees to segregate all such Confidential Information from the confidential information of others in order to prevent commingling. Receiving Party may disclose Confidential Information only to Receiving Party's employees, consultants and advisory boards, if any, on a need-to-know basis. Receiving Party will have executed or shall execute appropriate written agreements with such employees and consultants sufficient to require them to comply with all the provisions of this Agreement during and after the term of their employment or engagement. Receiving Party may not reverse engineer, decompile or disassemble any processes, formulas or methods disclosed to Receiving Party. The Receiving Party may use the Confidential Information only for the purpose of evaluating entering into a particular transaction or agreement that is currently being discussed by the parties, or to further a transaction or agreement entered into by the parties.

3. NOTICE OF DISCLOSURE

Receiving Party shall notify Disclosing Party immediately upon discovery of any unauthorized use or disclosure of the Confidential Information or any other breach of this Agreement by Receiving Party, and will cooperate with Disclosing Party in every reasonable way to help Disclosing Party regain possession of the Confidential Information and prevent its further

unauthorized use. At the Disclosing Party's request, the Receiving Party will use its best efforts to enforce the confidentiality obligations of this Agreement against its employees, consultants and advisory board members, if any, during and after the term of their employment or engagement.

4. RETURN OF INFORMATION

Upon the request of the Disclosing Party, Receiving Party shall return all originals, copies, reproductions and summaries of Confidential Information, or at Disclosing Party's option, certify destruction of the same.

5. NON CIRCUMVENTION

The parties, including any affiliates, subsidiaries, partners, and agents thereof, shall not circumvent or attempt to circumvent the other party. This agreement not to circumvent includes, but is not limited to: (i) an agreement not to attempt to work outside of the other party for the purpose of obtaining a similar contract with a third party that the parties would have obtained in connection with this Agreement or any other agreement between the parties; and (ii) an agreement not to provide information made available pursuant to this Agreement to any other person for the same purpose of working outside of the other party for the purpose of obtaining a similar contract with a third party that the parties would have obtained in connection with this Agreement or any other agreement between the parties.

6. REMEDIES

Receiving Party acknowledges that monetary damages may not be a sufficient remedy for unauthorized disclosure of Confidential Information and that Disclosing Party shall be entitled, without waiving any other rights or remedies, to such injunctive and other equitable relief (without bond and without the necessity of showing actual monetary damages) as may be deemed proper by a court.

7. MISCELLANEOUS

(a) All Confidential Information is and shall remain the property of Disclosing Party. By disclosing information to Receiving Party, Disclosing Party does not grant any express or implied right to Receiving Party to or under Disclosing Party patents, copyrights, trademarks, or trade secret information.

(b) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. It shall not be modified except by a written agreement dated subsequent to the date of this Agreement and signed by both parties. None of the provisions of this Agreement shall be deemed to have been waived by any act or acquiescence on the part of Disclosing Party, its agents, or employees, but only by an instrument in writing signed by an authorized officer of Disclosing Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision(s) or of the same provision on another occasion.

(c) If either party employs attorneys to enforce any rights arising out of or relating to this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees. This Agreement shall be construed and controlled by the laws of the State of California and both parties further consent to jurisdiction in San Luis Obispo County, California.

(d) Subject to the limitations set forth in this Agreement, this Agreement will inure to the benefit of and be binding upon the parties, their successors and assigns. Neither party may assign, delegate or otherwise transfer this Agreement or any of its rights or obligations hereunder without the other party's prior approval.

IN WITNESS WHEREOF, the parties executed this Agreement as of the Effective Date.

CENTRAL COAST VINEAYRD TEAM

Authorized Signature: _____

Printed Name: Kris Beal

Title: Executive Director

COMPANY: _____

Authorized Signature: _____

Printed Name: _____

Title: _____

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SUSTAINABILITY IN PRACTICE VINEYARD CERTIFICATION AGREEMENT

THIS SUSTAINABILITY IN PRACTICE™ VINEYARD CERTIFICATION AGREEMENT (this "Agreement") is by and between Central Coast Vineyard Team, a California nonprofit mutual benefit corporation ("CCVT") and _____, a _____ ("Grower"), and is effective as of _____.

Company Name

Company Type (i.e. Corporation, LLC, etc.) Today's Date

1. DEFINITIONS.

Terms with initial capital letters used and not defined elsewhere in this Agreement shall have the meanings set forth below, unless the context requires otherwise.

A. "CCVT MATERIAL" shall mean the names, characters, symbols, designs, likenesses, and visual representations provided to Grower by CCVT in digital form, examples of which are set forth on Exhibit A.

B. "CERTIFICATION PAYMENT" shall mean the gross amount payable by Grower to CCVT, determined as follows:

Vineyard Certification Fees	
Acres	\$/Acre
0 – 49	\$20.00*
50 - 99	\$15.00
100 – 249	\$12.00
250 - 499	\$10.00
500 – 999	\$9.00
1000 – 2499	\$8.00
2500 – 4999	\$7.00
5000 or more	\$5.00

*\$500 minimum Vineyard Certification Fee.

c. "Certified Products" shall mean Grower's vineyard, or portion thereof, certified in accordance with the Sustainability in Practice™ Vineyard Certification Program (the "Program"), and the wine grapes produced by such certified vineyard, which become Certified Products when Grower successfully completes the Program and pays the Certification Payment to CCVT. Certified Products shall not include any products that are not produced from blocks specifically certified pursuant to the Program.

1. TERMS OF CERTIFICATION.

Upon the terms and conditions of this Agreement, CCVT hereby grants Grower the non-exclusive right to hold the Certified Products out as certified pursuant to the Program, and to use the CCVT Material during the Term of this Agreement, solely on and in connection with the Certified Products.

2. CONSIDERATION.

In consideration for the certification granted to Grower under this Agreement, Grower shall pay to CCVT the Certification Payment.

a. Any amount payable by Grower to CCVT hereunder not paid when due shall accrue interest at the monthly rate of one and one-half percent (1.5%) from the date due until such amount is paid in full. The payment of such interest shall be in addition to and not in substitution for any other remedies available to CCVT with respect to non-payment.

b. Grower shall pay CCVT the Certification Payment within thirty (30) days following notification of certification pursuant to the Program, for each applicable year during the Term of this Agreement, and shall be due and payable regardless of whether or not Grower uses the CCVT Material.

3. USE OF CCVT MATERIAL.

In addition to the provisions set forth elsewhere in this Agreement, the use of the CCVT Material by Grower is subject to the following conditions:

a. Grower shall use the CCVT Material, and may claim compliance with the Program only in relation to Certified Products, and not in relation to any of Grower's products that are not certified pursuant to the Program. Notwithstanding this Paragraph 4.a, if Grower certifies more than eighty-five percent (85%) of Grower's vineyard, then Grower may display the CCVT Material with respect to Grower's entire vineyard, but may not claim products are Certified Products unless they are produced from blocks specifically certified in accordance with the Program.

b. Grower shall use the CCVT Material in the exact form provided to Grower by CCVT, without modification or deviation of any kind, except as may be pre-

approved in writing by CCVT, and except that Grower may re-size the material, so long as the overall dimensions of the CCVT Material remain consistent and legible.

c. Use of the CCVT Material does not constitute and may not be used to imply the endorsement of the Certified Products by CCVT, or any other product of Grower, and the CCVT Material may not be used as an indication of a particular standard of quality.

d. Grower will not harm, misuse or bring into disrepute the CCVT Material, its reputation, or that of CCVT.

e. Grower will comply with all laws and regulations relating or pertaining to the manufacture, sale, advertising or use of the Certified Products, shall maintain high quality and standards commensurate with Grower's market, and shall comply with any regulatory agencies which shall have jurisdiction over the Certified Products.

f. Grower will never disclose any confidential and non-public information about CCVT it acquires from any source during the Term of this Agreement.

4. OWNERSHIP OF CCVT MATERIAL; RESERVATION OF RIGHTS.

All right title and interest in and to the CCVT Material shall belong solely to CCVT. All use of the CCVT Material by Grower shall inure to the benefit of CCVT. CCVT retains all rights not expressly conveyed to Grower hereunder, and CCVT may use and/or grant to others the right to use the CCVT Material in connection with other products.

5. QUALITY OF CERTIFIED PRODUCTS.

Grower shall ensure that the Certified Products shall be of high standard and quality, and shall be adequate and suitable for their intended uses.

6. PROTECTION OF RIGHTS.

a. Grower agrees that it will not apply for or seek to obtain trademark, copyright or any other proprietary right in the CCVT Material, or packaging, labeling, advertising or promotional material therefore, or related thereto. CCVT makes no warranty with respect to the CCVT Material.

b. Grower agrees that if Grower receives knowledge of any unauthorized use of the CCVT Materials, Grower will call such fact to the attention of CCVT. CCVT shall then have the exclusive right in its sole discretion to pursue any such unauthorized use, and Grower shall cooperate and assist in any such action. If requested by CCVT, Grower shall join in or cooperate in any such action as may be instituted by CCVT; all at CCVT's expense, including reasonable attorneys' fees. The proceeds recovered in any such action in the form of damages, profits, or other recovery shall belong solely to CCVT. Grower shall not commence any action of its own to restrain or recover damages for any alleged infringements of the CCVT Material without first obtaining express written permission to do so from CCVT.

c. Grower will not attack the title or right of CCVT in and to the CCVT Material or any copyright or trademark pertaining thereto, nor will it attack the validity of the rights granted hereunder during the Term hereof or thereafter.

7. INDEMNIFICATION.

a. Grower hereby agrees to defend, indemnify and hold CCVT and its agents, employees, and representatives harmless from any loss, liability, damage, cost or expense (including reasonable attorneys' fees), arising out of the production, distribution, advertising, promotion, offering for sale, and sale of the Certified Products, including without limitation any claims or suits against any of them by reason of or alleging any unauthorized or infringing use by Grower of any patent, process, method, trade secret, copyright, trademark, or publicity right or other similar property (other than the CCVT Material covered by this Agreement) or any alleged defects or inherent dangers in said Certified Products or the use thereof.

b. CCVT shall give Grower prompt notice of any claim asserted against CCVT on the basis of which CCVT intends to seek defense and/or indemnification from Grower as herein provided (but the obligations of the Grower under this Paragraph shall not be conditioned upon the receipt of such

notice). The defense and indemnification provisions of this Paragraph 8 shall not require payment as a condition precedent to recovery.

8. TERM.

The initial term of this Agreement shall be one (1) year, and shall automatically renew for each consecutive year in which Grower is certified pursuant to the Program.

9. TERMINATION.

a. CCVT shall have the right to terminate this Agreement without prejudice to any other rights which it may have, whether under the provisions of this Agreement, in law or in equity or otherwise, upon thirty (30) days prior written notice to Grower.

b. In the event of termination of this Agreement due to Grower's uncurd breach, Grower will refrain from further use of the CCVT Material. Grower agrees that the CCVT Material possess a special, unique and extraordinary character which makes difficult the assessment of the monetary damage sustained by unauthorized use. Grower recognizes that irreparable injury would be caused by unauthorized use and agrees that injunctive and other equitable relief would be appropriate in the event of a breach of this Agreement, provided, however, that such remedy shall not be exclusive of other legal remedies otherwise available to CCVT.

10. USE OF MATERIAL UPON EXPIRATION OR TERMINATION.

Following expiration or termination of this Agreement, other than termination due to Grower's breach, Grower may continue to distribute and sell Certified Products remaining after such expiration or termination for any period during which it was properly certified by CCVT pursuant to the Program. Following expiration or termination of this Agreement for whatever reason, and the distribution and sale of Certified Products pursuant to this Paragraph, Grower agrees to make no further use of the CCVT Material whatsoever, either in or on products or in advertising, publicity, promotional or display materials.

11. NOTICES.

All notices which either party hereto is required or may desire to give to the other shall be given by addressing the same to the other at the address provided below, or at such other address as may be designated in writing or by facsimile by any such party in a notice to the other given in the manner described in this Paragraph. All such notices shall be sufficiently given when the same shall be received by facsimile or after such notice is deposited so addressed, postage prepaid, in the United States mail. The date of actual receipt of such facsimile or mail shall be the date of the giving of such notice.

12. NO PARTNERSHIP OR JOINT VENTURE.

This Agreement does not constitute and shall not be construed as constituting a partnership, joint venture or agency between Grower and CCVT. Neither party shall have any right to obligate or bind the other party in any manner

whatsoever, and nothing herein contained shall give, or is intended to give, any rights of any kind to any third persons.

13. NO ASSIGNMENT.

The rights granted to Grower pursuant to this Agreement are personal to Grower and Grower shall not assign, transfer or sub-license any or all of the rights granted herein to any third party without the written consent of CCVT. Grower shall not pledge or encumber this Agreement as security or collateral for any obligation of Grower.

14. ENTIRE AGREEMENT; WAIVER, MODIFICATION.

This Agreement represents the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersedes all previous representations, understandings or agreements between the parties hereto. No waiver, modification or cancellation of any term or condition of this Agreement shall be effective unless executed in writing by the party charged therewith. No written waiver shall excuse the performance of any act other than those specifically referred to therein.

15. DISPUTE RESOLUTION.

a. Any dispute or disagreement between the parties hereto seeking to enjoin or restrain Grower's sale or distribution of the Certified Products, or of any other products, services, or merchandising bearing CCVT Material or any copy or simulation thereof, or other use of the CCVT Material, may be determined in any forum of CCVT's choosing, and Grower hereby consents to venue and personal jurisdiction in the Superior Court of San Luis Obispo County, State of California, and the United States District Court for the Central District of California. In any such action, the forum may retain jurisdiction to award damages, profits, attorney's fees or costs, as allowed by law in such matters.

b. Any other dispute or disagreement between the parties hereto arising out of or relating to this Agreement shall be settled by binding arbitration in San Luis Obispo County, California, under the rules of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction. Arbitration shall not preempt the seeking of relief provided by Paragraph 16.a. and if such relief is sought, any court in which such action is commenced, not any arbitration panel, shall determine whether any particular matter is justiciable by the court or only arbitrable.

c. This Agreement shall be construed in accordance with the laws of the State of California, without giving effect to the conflict of laws principles thereof.

16. SEVERABILITY.

If any provision of this Agreement is invalid, illegal or unenforceable, the balance of this Agreement shall remain in full force and effect, and if any provision is inapplicable to any person or circumstances, it shall nevertheless remain applicable to all other persons and circumstances.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers, as of the date first written above.

CENTRAL COAST VINEYARD TEAM

Authorized Signature: _____

Printed Name: Kris Beal

Title: Executive Director

Address: 5915 El Camino Real, Atascadero, CA 93422

[GROWER]

Authorized Signature: _____

Printed Name: _____

Title: _____

Address: _____

Sustainability in Practice (SIP)TM

Vineyard Certification Program

Vineyard Certification Fee Worksheet

Please complete form and submit with signed license agreement and appropriate payment.

Vineyard Name	Year of Certification
Contact Name	Company
	Phone Number

Attach additional information if space provided is insufficient.

Block	Variety(s)	Winery Client (if applicable/known)	Acres
Total Acres (a)			
Per Acre Fee* (b)			
Total Fee (a x b)			

*Refer to Vineyard Certification Agreement for fee structure

- I understand SIPTM Certification is contingent on practices remaining in alignment with all Standard Requirements through November 30th of the certified vintage year. _____ INITIAL
- I will submit Pesticide Use Reports from July 1st through November 30th of the certified vintage to program staff on or before December 15th of the certified vintage year. _____ INITIAL
- I have attached a check payable to the Central Coast Vineyard Team indicating SIPTM Certification fees.
_____ INITIAL

I certify that my responses are true and correct and that I am an authorized representative of the above listed company.

Printed Name	Signature	Date
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Sustainability in Practice (SIP)TM

Vineyard Certification Program

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Sustainability in Practice (SIP)TM

Vineyard Certification Program

VINEYARD RENEWAL APPLICATION

Please complete, sign, provide required materials, and return.
5915 El Camino Real, Atascadero, CA 93422

Please print legibly.

Vineyard Information:

Vineyard Name Certification Year

Main Contact Information:

Main Contact Name Main Contact Title

Mailing Address City, State Zip

Phone Number Fax Number

Mobile Number Email Address

If grower is entering blocks into the program NOT included in the original application, complete table below. Attach additional information if space provided is insufficient.

Block	Variety (s)	Winery Client (if applicable/known)	Acres
Total Acres Added to Application			
Total Acres for Certification (a)			
Per Acre Fee* (b)			
Total Fee (a x b)			

- I have read, understand, and agree to abide by the rules set forth in this package _____ INITIAL
- I have read and reviewed the annual updates made to the Information Package and Standards _____ INITIAL
- I have read the SIPTM Standards and am aware of requirements necessary to achieve certification including but not limited to the active ingredients listed in the Prohibited Materials List. _____ INITIAL
- If different from the original application, I have attached a property map marked with acres in the application.
_____ INITIAL
- If different from the original application, I have attached records of vineyard blocks including varieties and corresponding acres. _____ INITIAL

I certify that my responses are true and correct and that I am an authorized representative of the above listed company.

Printed Name Signature Date

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Sustainability in Practice (SIP)TM

Wine Certification Program

WINE APPLICATION

Please complete, sign, provide necessary documentation, and return one copy to program staff and one copy to your inspector (selected from the approved list in the Information Package) along with the documentation listed on the Chain-of-Custody Documentation page. You will not fill out the page.
5915 El Camino Real, Atascadero, CA 93422

Please print legibly.

Main Contact Information:

Main Contact Name	Main Contact Title
Mailing Address	City, State Zip
Phone Number	Fax Number
Mobile Number	Email Address

List all wines included in the audit. **Twenty percent of applied for wines will be chosen from this list by the auditor to undergo a thorough verification process** from vineyard (block) to final blend composition. Attach additional list if the space provided is insufficient.

Audited*	Brand	Vintage	Varietal/Source	Bottling Date (est.)	Release Date (est.)	Cases (est.)
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
Total Cases (a)						
Per Case Fee (b)						
Total Fee (a x b)						

*To be completed by auditor

Sustainability in Practice (SIP)[™]

Wine Certification Program

I have read, understand, and agree to abide by the rules set forth in this package ____INITIAL

I understand that the chain of custody audit must take place prior to receiving the Certification Letter required by TTB for label approval. ____INITIAL

I have attached the signed Winery Certification Agreement. (new applicants only) ____INITIAL

I understand that final licensing occurs after satisfactory inspection, CAC determination of eligibility, fully executed Certification Agreement, and payment of Certification fees. ____INITIAL

I certify that my responses are true and correct and that I am an authorized representative of the above listed company.

Printed Name

Signature

Date

Chain-of-Custody Documentation

SIP Certified products must be identified at all stages using consistent identifiers.

Harvest

Criteria	Req. Met	Documentation	Notes
SIP Certification letter MANDATORY	<input type="checkbox"/>	<input type="checkbox"/>	
Weigh Tag	<input type="checkbox"/>	<input type="checkbox"/>	
Other	<input type="checkbox"/>	<input type="checkbox"/>	

Crush/Press/Juice

Criteria	Req. Met	Documentation	Notes
Crush records with volume	<input type="checkbox"/>	<input type="checkbox"/>	
Fermentation records	<input type="checkbox"/>	<input type="checkbox"/>	
Other	<input type="checkbox"/>	<input type="checkbox"/>	

Storage

Criteria	Req. Met	Documentation	Notes
Tank/Barrel storage records	<input type="checkbox"/>	<input type="checkbox"/>	
Topping records	<input type="checkbox"/>	<input type="checkbox"/>	
Other	<input type="checkbox"/>	<input type="checkbox"/>	

Blending

Criteria	Req. Met	Documentation	Notes
Blending records	<input type="checkbox"/>	<input type="checkbox"/>	
Other	<input type="checkbox"/>	<input type="checkbox"/>	

Bottling

Criteria	Req. Met	Documentation	Notes
Bottling schedule/records	<input type="checkbox"/>	<input type="checkbox"/>	
Estimated bottling date	<input type="checkbox"/>	<input type="checkbox"/>	
Other	<input type="checkbox"/>	<input type="checkbox"/>	

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SUSTAINABILITY IN PRACTICE WINE CERTIFICATION AGREEMENT

THIS SUSTAINABILITY IN PRACTICE™ WINERY CERTIFICATION AGREEMENT (this "Agreement") is by and between Central Coast Vineyard Team, a California

nonprofit mutual benefit corporation ("CCVT") and _____, a _____ ("Winery"), and is effective as of _____.

Company Name
Company Type (i.e., Corporation, LLC, etc.)
Today's Date

1. DEFINITIONS.

Terms with initial capital letters used and not defined elsewhere in this Agreement shall have the meanings set forth below, unless the context requires otherwise.

A. "CCVT MATERIAL" shall mean the names, characters, symbols, designs, likenesses, and visual representations provided to Winery by CCVT in digital form, examples of which are set forth on Exhibit A.

B. "CERTIFICATION PAYMENT" shall mean the gross amount payable by Winery to CCVT, determined as follows:

Wine Certification Fee	
Cases	(\$/case)
0 - 7,500	\$0.16
7,500 - 24,999	\$0.12
25,000 - 49,999	\$0.10
50,000 - 99,999	\$0.08
100,000 - 249,999	\$0.07

C. "CERTIFIED PRODUCTS" shall mean wine produced by Winery from grapes where eighty-five percent (85%) or more of the grapes are from a vineyard block or blocks certified in accordance with the Sustainability in Practice™ Vineyard Certification Program (the "Program"), as confirmed by a chain of custody audit (the "Audit"). Winery's products become Certified Products upon successful completion of the Audit and payment of the Certification Payment to CCVT. Certified Products shall not include any wine that is not produced from grapes grown in blocks specifically certified pursuant to the Program.

2. TERMS OF CERTIFICATION.

a. Upon the terms and conditions of this Agreement, CCVT hereby grants Winery the non-exclusive right to hold the Certified Products out as being produced using grapes where at least eighty-five percent (85%) of the grapes come from a vineyard block or blocks certified in accordance with the Program, and to use the CCVT Material during the Term of this Agreement, solely on and in connection with the Certified Products.

b. CCVT reserves the right to conduct follow up chain of custody audits to confirm wine claimed as Certified Products was produced using grapes from vineyard blocks certified pursuant to the Program.

3. CONSIDERATION.

In consideration for the rights granted to Winery under this Agreement, Winery shall pay to CCVT the Certification Payment.

a. Any amount payable by Winery to CCVT hereunder not paid when due shall accrue interest at the monthly rate of one and one-half percent (5%) from the date due until such amount is paid in full. The payment of such interest shall be in addition to and not in substitution for any other remedies available to CCVT with respect to non-payment.

b. Winery shall pay CCVT the Certification Payment as follows:

(i) The Certification Payment for white and rose wines is due on the earlier of: (A) thirty days after bottling, or (B) September 15th of the following vintage year (for example, if the certified vintage is 2009, fees are due no later than September 15, 2010).

(ii) The Certification Payment for red wines is due on the earlier of: (A) thirty days after bottling, or (B) December 15th of the following vintage year (for example, if the certified vintage is 2009, fees are due no later than December 15, 2010).

4. USE OF CCVT MATERIAL.

In addition to the provisions set forth elsewhere in this Agreement, the use of the CCVT Material by Winery is subject to the following conditions:

a. Winery shall use the CCVT Material only in relation to Certified Products, and not in relation to any of Winery's products that are not certified pursuant to the Audit.

b. Winery shall use the CCVT Material in the exact form provided to Winery by CCVT, without modification or deviation of any kind, except as may be pre-approved in writing by CCVT, and except that Winery may re-size the material, so long as the overall dimensions of the CCVT Material remain consistent and legible.

c. Use of the CCVT Material does not constitute and may not be used to imply the endorsement of the Certified Products by CCVT, or any other product of Winery, and the CCVT Material may not be used as an indication of a particular standard of quality.

d. Winery will not harm, misuse or bring into disrepute the CCVT Material, its reputation, or that of CCVT.

e. Winery will comply with all laws and regulations relating or pertaining to the manufacture, sale, advertising or use of the Certified Products, shall maintain high quality and standards commensurate with Winery's market, and shall comply with any regulatory agencies which shall have jurisdiction over the Certified Products.

f. Winery will never disclose any confidential and non-public information about CCVT it acquires from any source during the Term of this Agreement.

5. OWNERSHIP OF CCVT MATERIAL; RESERVATION OF RIGHTS.

All right title and interest in and to the CCVT Material shall belong solely to CCVT. All use of the CCVT Material by Winery shall inure to the benefit of CCVT. CCVT retains all rights not expressly conveyed to Winery hereunder, and CCVT may use and/or grant to others the right to use the CCVT Material in connection with other products.

6. QUALITY OF CERTIFIED PRODUCTS.

Winery shall ensure that the Certified Products shall be of high standard and quality, and shall be adequate and suitable for their intended uses.

7. PROTECTION OF RIGHTS.

a. Winery agrees that it will not apply for or seek to obtain trademark, copyright or any other proprietary right in the CCVT Material, or packaging, labeling, advertising or promotional material therefore, or related thereto. CCVT makes no warranty with respect to the CCVT Material.

b. Winery agrees that if Winery receives knowledge of any unauthorized use of the CCVT Materials, Winery will call such fact to the attention of CCVT. CCVT shall then have the exclusive right in its sole discretion to pursue any such unauthorized use, and Winery shall cooperate and assist in any such action. If requested by CCVT, Winery shall join in or cooperate in any such action as may be instituted by CCVT; all at CCVT's expense, including reasonable attorneys' fees. The proceeds recovered in any such action in the form of damages, profits, or other recovery shall belong solely to CCVT. Winery shall not commence any action of its own to restrain or recover damages for any alleged infringements of the CCVT Material without first obtaining express written permission to do so from CCVT.

c. Winery will not attack the title or right of CCVT in and to the CCVT Material or any copyright or trademark pertaining thereto, nor will it attack the validity of the rights granted hereunder during the Term hereof or thereafter.

8. INDEMNIFICATION.

a. Winery hereby agrees to defend, indemnify and hold CCVT and its agents, employees, and representatives harmless from any loss, liability, damage, cost or expense (including reasonable attorneys' fees), arising out of the production, distribution, advertising, promotion, offering for sale, and sale of the Certified

Products, including without limitation any claims or suits against any of them by reason of or alleging any unauthorized or infringing use by Winery of any patent, process, method, trade secret, copyright, trademark, or publicity right or b. CCVT shall give Winery prompt notice of any claim asserted against CCVT on the basis of which CCVT intends to seek defense and/or indemnification from Winery as herein provided (but the obligations of the Winery under this Paragraph shall not be conditioned upon the receipt of such notice). The defense and indemnification provisions of this Paragraph 8 shall not require payment as a condition precedent to recovery.

9. TERM.

The initial term of this Agreement shall be one (1) year, and shall automatically renew for each consecutive year in which Winery is certified following successful completion of an Audit.

10. TERMINATION.

a. CCVT shall have the right to terminate this Agreement without prejudice to any other rights which it may have, whether under the provisions of this Agreement, in law or in equity or otherwise, upon thirty (30) days prior written notice to Winery.

b. In the event of termination of this Agreement due to Winery's uncured breach, Winery will refrain from further use of the CCVT Material, and will, within fifteen (15) days of written notice from CCVT, remove the CCVT Material from all of Winery's products. Winery agrees that the CCVT Material possess a special, unique and extraordinary character which makes difficult the assessment of the monetary damage sustained by unauthorized use. Winery recognizes that irreparable injury would be caused by unauthorized use and agrees that injunctive and other equitable relief would be appropriate in the event of a breach of this Agreement, provided, however, that such remedy shall not be exclusive of other legal remedies otherwise available to CCVT.

c. The obligation to remit any fees or payments to CCVT, including without limitation any Certification Payment, shall survive termination or expiration of this Agreement.

11. USE OF MATERIAL UPON EXPIRATION OR TERMINATION.

Following expiration or termination of this Agreement, other than termination due to Winery's breach, Winery may continue to distribute and sell Certified Products remaining after such expiration or termination of any applicable Audit period. Following expiration or termination of this Agreement for whatever reason, and the distribution and sale of Certified Products pursuant to this Paragraph, Winery agrees to make no further use of the CCVT Material whatsoever, either in or on products or in advertising, publicity, promotional or display materials.

12. NOTICES.

All notices which either party hereto is required or may desire to give to the other shall be given by addressing the same to the other at the address provided below, or at such other address as may be designated in writing or by facsimile by any such party in a notice to the other given in the manner described in this Paragraph. All such notices shall be sufficiently given when the same shall be received by facsimile or after such notice is deposited so addressed, postage prepaid, in the United States mail. The date of actual receipt of such facsimile or mail shall be the date of the giving of such notice.

other similar property (other than the CCVT Material covered by this Agreement) or any alleged defects or inherent dangers in said Certified Products or the use thereof.

13. NO PARTNERSHIP OR JOINT VENTURE.

This Agreement does not constitute and shall not be construed as constituting a partnership, joint venture or agency between Winery and CCVT. Neither party shall have any right to obligate or bind the other party in any manner whatsoever, and nothing herein contained shall give, or is intended to give, any rights of any kind to any third persons.

14. NO ASSIGNMENT.

The rights granted to Winery pursuant to this Agreement are personal to Winery and Winery shall not assign, transfer or sub-license any or all of the rights granted herein to any third party without the written consent of CCVT. Winery shall not pledge or encumber this Agreement as security or collateral for any obligation of Winery.

15. ENTIRE AGREEMENT; WAIVER, MODIFICATION.

This Agreement represents the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersedes all previous representations, understandings or agreements between the parties hereto. No waiver, modification or cancellation of any term or condition of this Agreement shall be effective unless executed in writing by the party charged therewith. No written waiver shall excuse the performance of any act other than those specifically referred to therein.

16. DISPUTE RESOLUTION.

a. Any dispute or disagreement between the parties hereto seeking to enjoin or restrain Winery's sale or distribution of the Certified Products, or of any other products, services, or merchandising bearing CCVT Material or any copy or simulation thereof, or other use of the CCVT Material, may be determined in any forum of CCVT's choosing, and Winery hereby consents to venue and personal jurisdiction in the Superior Court of San Luis Obispo County, State of California, and the United States District Court for the Central District of California. In any such action, the forum may retain jurisdiction to award damages, profits, attorney's fees or costs, as allowed by law in such matters.

b. Any other dispute or disagreement between the parties hereto arising out of or relating to this Agreement shall be settled by binding arbitration in San Luis Obispo County, California, under the rules of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction. Arbitration shall not preempt the seeking of relief provided by Paragraph 16.a, and if such relief is sought, any court in which such action is commenced, not any arbitration panel, shall determine whether any particular matter is justiciable by the court or only arbitrable.

c. This Agreement shall be construed in accordance with the laws of the State of California, without giving effect to the conflict of laws principles thereof.

17. SEVERABILITY.

If any provision of this Agreement is invalid, illegal or unenforceable, the balance of this Agreement shall remain in full force and effect, and if any provision is inapplicable to any person or circumstances, it shall nevertheless remain applicable to all other persons and circumstances.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers, as of the date first written above.

CENTRAL COAST VINEYARD TEAM

Authorized Signature: _____

Print Name: Kris Beal

Title: Executive Director

Address: 5915 El Camino Real, Atascadero, CA 93422

[WINERY]

Authorized Signature: _____

Print Name: _____

Title: _____

Address: _____

EXHIBIT A

IMAGES

The following represents likenesses of the seal, logo, and related images and may vary with regards to size and color. Please refer to the digital versions for exact specifications.



Great wines.
Healthy vineyards.



Great wines.
Healthy vineyards.
sipthegoodlife.org



Great wines.
Healthy vineyards.

LANGUAGE

When presenting information about certification, the standards and the program, the following language must be used:

Sustainability in Practice (SIP)[™] Certified

SIP[™] Certified Sustainable

SIP[™] Certified

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Sustainability in Practice (SIP)TM

Amendment to Certification Program Documentation

All applicants seeking to amend documentation previously submitted shall use this form to submit the requested amendment.

Please print legibly.

Contact/Vineyard/Winery Information:

Main Contact Name

Vineyard/Winery Name

Describe the amendment to the certification documents previously submitted (attach sheets as applicable):

Except as specifically amended by this amendment, the documents previously submitted with our application remain accurate and unchanged. _____INITIAL

I certify that my responses are true and correct and that I am an authorized representative of the above listed company.

Printed Name

Signature

Date