

## Your own cask from Aurora Spirit Distillery?



**The northernmost Distillery in the world can now offer reservation of Aquavit and Whisky casks for storage and bottling.**

Norwegian law prevents us from selling directly to private consumers. However, we are able to offer top quality casks for purchase. The price includes storage in our warehouse for the necessary time of one year (Aquavit) or three years (Whisky); as well as insurance. We fill the casks with Aquavit or Whisky in exchange for an interest-free loan amounting to 300 Norwegian Kroner per litre. This loan will be refunded to you when the cask contents are bottled and sold to you, either through Norway's 'Vinmonopol' stores; or via other legal channels, such as export abroad. Read the full terms below.

**Here's an outline of the process:**

- 1. You buy your cask by completing the attached agreement.**
- 2. You make payment to our bank account.**
- 3. On confirmation of purchase you become a registered cask owner. Congratulations!**
- 4. Your cask is filled in the distillery and we send your Certificate of Ownership.**
- 5. The cask is stored in our warehouse; you may taste every year to follow maturation.**
- 6. After minimum storage time, you may determine how bottling should be phased.**
- 7. When the cask is empty, your loan is refunded and you purchase your spirits through an approved outlet. Applicable taxes, fees and surcharges will be triggered at bottling.**
- 8. The empty cask is yours. Take it home or fill it again.**
- 9. Time to enjoy your own Aquavit or Whisky!**



# Terms and Conditions – Purchase of oak casks and reservation of Aquavit / Whisky contents at Aurora Spirit AS

## GENERAL

The terms of this offer are valid at the time of writing and may be subject to change without notice. The agreement regulates the purchase of oak casks, of specified type and size, from Aurora Spirit AS; and reservation of the spirit contained within the casks for subsequent bottled purchases via Norway's 'Vinmonopol' stores or other such other legal channel as may be available at the time of purchase.

## THE PARTIES

The parties to the agreement are Aurora Spirit AS, hereinafter referred to as the 'Company', and a bona fide person or company, hereinafter referred to as the 'Cask Owner'. Groups of individuals wishing to buy casks and reserve contents must designate a contact person who becomes the Cask Owner and is the Company's formal customer. The Cask Owner confirms through this agreement that he / she is over 20 years in age and that the final bottled product will not be sold for profit unless the necessary approval for this is in place.

## THE CASKS

The size of oak casks used is approximately 40, 50 or 125 litres. Small deviations occur as the casks are a hand crafted natural material.

## THE DISTILLATE

The spirit is distilled at the Aurora Spirit distillery and meets the requirements of raw materials for Whisky and Aquavit. The alcohol content at tapping is approximately 60% ABV.

## PURCHASE OF CASK AND RESERVATION OF CONTENTS

The initial fee payable by the Cask Owner comprises both mandatory purchase of the cask and a loan to the Company. The loan secures reservation of the contents of the cask by the Company on behalf of the Cask Owner. The contents of the cask are reserved in their entirety. The Cask Owner does not have the option to reserve only a portion of the contents. Purchase of casks is subject to VAT.

## PRICE LIST

**Example** of prices inclusive of mva; exclusive of alcohol duty; and subject to availability of cask types.

Litre	Type	Storage	Contents (loan)	Cask	TOTAL
40	Whisky, unpeated, sherry cask	3 years	NOK 12 000,-	NOK 9 500,-	NOK 21 500,-
50	Aquavit, sherry cask	1 year	NOK 15 000,-	NOK 10 500,-	NOK 25 500,-

Confirmation of cask purchase and content reservation is made by email: [post@auroraspirit.com](mailto:post@auroraspirit.com)

## ALLOCATION OF CASK

The company reserves the right to decide on the allocation of casks.

## **CONTRACT**

Contract is deemed to be signed upon signing the related agreement. By signing, the Cask Owner accepts the terms and conditions as stated. The Company may wish to use photos of private casks in its activity, for example, on the internet and in social media. The Cask Owner must explicitly reserve against this if he / she does not want the nameplate on the dish to be visible on images published. If the Cask Owner does not want visitors to the distillery to see the nameplate, the Cask Owner must specify that the cask should be marked only with a number or a pseudonym.

## **REGISTERED INFORMATION**

The Cask Owner is responsible for ensuring that the information specified in the agreement is correct. Should the contact information change, the Cask Owner is responsible for notification of any changes that are to be registered with the Company, which shall be made through electronic or direct communication with the Company representative.

## **CONTACT AND COMMUNICATION**

The Company's contact with the Cask Owner takes place primarily through the e-mail address stated by the Cask Owner in his / her contact information. The Cask Owner allows the Company to store personal information about the Cask Owner electronically throughout the term of the agreement. This information will not be shared with others and shall be kept in accordance with the Norwegian Privacy Act.

## **THE LOAN**

The debtor's loan amount to the Company is linked to the Cask Owner through a single debt certificate that cannot be transferred. The amount is repaid when the Cask Owner makes use of the reservation by tapping the contents of the cask. If the barrel is tapped several times, the loan will be repaid in full on the last occasion. If the Cask Owner requests a refund without making use of the reservation, ownership of the cask reverts to the Company without refund of the purchase price. Repayment of the loan will be made, at the earliest, one year (Aquavit) or three years (Whisky) after the date the cask is filled; and no later than ten years after the same date. Storage beyond this duration will be by separate agreement. The company has the right to cancel a reservation and repay the loan earlier if there are special reasons for this.

## **INTERSET RATE**

No interest shall be paid on the Cask Owner's loan to the Company.

## **CASK FILLING**

After the Company has received the entire amount for purchase and loan, the Cask Owner is registered with the Company. The time of filling will be notified by direct communication and published on the Company's social media pages. The Cask Owner is welcome to participate, free of charge, at the Company's premises and may also invite guests, subject to an additional payment. New make spirit will have the normal character of the distillation with a differentiation between peated and non-peated barley. Further development of the distillate's character depends largely on the chosen cask and cannot be described in detail.

## **STORAGE**

Storage of the cask will be in the Company's storage facilities. The shortest storage period is one year (Aquavit) or three years (Whisky). After this, it is the Cask Owner who determines how long the cask may be stored further. The maximum storage time is ten years. The cask price includes storage costs and insurance for the first one (Aquavit) or three years (Whisky). If the Cask Owner chooses to store the cask

longer, there will be an additional charge/s for storage and insurance. During storage, both water and alcohol evaporate from the cask. This results in a reduction on both the volume and alcohol strength. This reduction rate ('Odin's Share') is unknown, but it is estimated that about 2.5% of the volume can be lost per year. Also note the alcohol by volume will also decrease a little bit over time.

## **TASTING**

The price includes an annual tasting for the Cask Owner (If there are several owners on one cask, one sample is free – the rest has to be paid for). Tastings can be made at the Company's premises by appointment, or at times and places that the Company notifies in advance, such as trade shows. The Cask Owner must book a tasting in advance. In accordance with the requirements of existing legislation, a fee will be charged per centilitre for the spirits that are tasted. The Cask Owner may bring guests for the tasting, subject to payment of an additional fee.

## **BOTTLING**

When, after the minimum storage period, the Cask Owner decides that it is time to tap the cask contents into bottles, this will be communicated to the Company. Elements of the bottle label may be designed by the Cask Owner, subject to agreement and upon payment of an additional fee. After tapping, the Cask Owner may collect the empty cask from the Company's premises or, subject to payment of costs, this may be delivered to the Cask Owner. Uplift must be within sixty days. After sixty days, the empty cask becomes the property of the Company. The finished product is bottled in 0.7 litre bottles. The company only fills full bottles. During storage, both volume and alcohol strength are reduced due to evaporation. This is a natural part of the storage process. Tapping is normally at the alcohol strength which the cask content has reached at the time of tapping - known as 'cask strength', assuming that it is less than 60% alcohol. Tapping at 'cask strength' there is no additional charge for bottles, bottling, and standard labels. For an additional charge, the Cask Owner may choose to tap at a lower alcohol strength, the minimum being 43% ABV. This must be specified at the time of the request for tapping. After one (Aquavit) or three (Whisky) years of storage, the Company guarantees that the volume of a barrel is, at cask strength, at least 78% of the original fill (see also Clause 21 Force Majeure, below). For storage beyond three years, the final total volume may be less.

The cask contents can, subject to an additional charge, be tapped in two (40/50 litre casks) or three (125 litre casks) phases. For quality reasons, the last tapping should not be less than half of the original volume of the cask. At the time of the last tapping, the Cask Owner's reservation of the cask content is automatically terminated and the Cask Owner's loan to the Company is repaid.

When tapping the cask and withdrawing bottles, the Cask Owner makes the final payments for the finished spirit. These payments comprise alcohol taxes / duties, VAT, shipping and the withdrawal wholesaler's balance. The final payment per bottle becomes known once the exact alcohol strength has been measured.

## **ADDITIONAL SERVICES**

The company can offer the Cask Owner more experiences, services and products related to their ownership. These options will be offered separately.

## **REFILL**

When the cask has been tapped and emptied, the Cask Owner can replenish the cask, subject to a new reservation loan.

## **DELIVERY**

Delivery of bottles will be through an approved outlet in accordance with the laws applicable at the time of bottling. Currently, this will be through Norway's 'Vinmonopol' stores. Export to an overseas address is possible, subject to payment of all applicable charges and additional shipping costs by the recipient.

## **ADDITIONAL COSTS**

The prices quoted by the Company do not include external taxes or fees, such as alcohol duty, value added tax (cask element) and charges applicable at the point of sale.

## **FORCE MAJORE**

Whisky ages in oak casks. These casks are made from a natural material and leakage or other unforeseen events may occur. The Company compensates or replaces, as far as reasonably possible, for any loss as a result of such events.

If the Company is prevented from fulfilling its obligations under this agreement due to events beyond the Company's control, which are not covered by insurance, the Company shall, for the duration of such event/s, be exempt from its obligations under the agreement. The Cask Owner is not entitled to compensation for damages caused by such circumstances. Unforeseen events may include war, terrorism, political unrest, import or export restrictions, government decisions or regulations, strikes, lockouts, blockades or other work disputes, floods, or other natural disasters, accidents; or other circumstances comparable to these, beyond the control of the Company and preventing the Company from fulfilling its obligations.

## **AMENDMENT TO TERMS OF CONTRACT**

The Company has the right to enter into an agreement with the Cask Owner regarding the amendment of these terms, to the extent that legislation, court decisions or regulations give rise to the need for this, or if otherwise necessary in the opinion of the Company.





## CASK PURCHASE AGREEMENT / V-01-17

I accept the full 'Terms and Conditions for the purchase of casks and reservation of Aquavit / Whisky contents at Aurora Spirit AS' and order the following:

\_\_\_\_\_ (Enter number) Sherry cask - Aquavit - 50 l.

\_\_\_\_\_ (Enter number) Sherry cask - Whisky - 40 l.

Name (block capitals):

Address:

E-mail:

Telephone number:

N.I. number / Company organisation nr

Text on cask:

Signature:

(Print, sign, scan and send by email to [post@auroraspirit.com](mailto:post@auroraspirit.com). Then Aurora Spirit AS will provide further information necessary for completion of the contract.)