

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) July 27, 2012

**CONSTELLATION BRANDS, INC.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction  
of incorporation)

001-08495

(Commission  
File Number)

16-0716709

(IRS Employer  
Identification No.)

**207 High Point Drive, Building 100, Victor, NY 14564**

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code **(585) 678-7100**

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

**(e) Compensatory Arrangements of Certain Officers.**

*Adoption of the Constellation Brands, Inc. Annual Management Incentive Plan as amended and restated July 27, 2012*

As discussed at Item 5.07 below, at a meeting held on July 27, 2012, the stockholders of Constellation Brands, Inc. (the “Company”) approved an amendment and restatement of the Company’s Annual Management Incentive Plan (the “Annual Management Incentive Plan”). The Annual Management Incentive Plan, as amended and restated, has been adopted by the Company and is effective as of July 27, 2012. The amendment and restatement of the Annual Management Incentive Plan effected the following modifications:

- added additional performance criteria and refined and clarified existing performance criteria;
- refined and added to the events that constitute an extraordinary item and refined the rules relating to the impact of an extraordinary item on bonus programs;
- refined the provisions addressing the impact of a participant’s termination of employment on such participant’s right to all or a portion of a bonus;
- refined the provisions addressing the coordination of the Annual Management Incentive Plan with Section 162(m) of the United States Internal Revenue Code (“Section 162(m)”) and confirmed that provisions designed to comply with Section 162(m) need be applied only to Covered Employees (as that term is defined in the Annual Management Incentive Plan);
- refined the rules that will apply upon a change in control and conformed certain aspects of the change in control provisions with similar concepts in certain of the Company’s debt arrangements; and
- made certain other administrative, technical and conforming amendments to the provisions of, and definitions used in, the Annual Management Incentive Plan.

A description of the Annual Management Incentive Plan, as amended and restated, is included in the Company’s definitive proxy statement dated June 8, 2012 and filed with the Securities and Exchange Commission on June 15, 2012 (the “Proxy Statement”). A copy of the amended and restated Annual Management Incentive Plan was filed with the Securities and Exchange Commission on June 15, 2012 as Appendix 1 to the Company’s Schedule 14A. A copy of the Annual Management Incentive Plan, as approved by stockholders and adopted by the Company, is filed as Exhibit 10.1 hereto and incorporated herein by reference.

*Adoption of the Constellation Brands, Inc. Long-Term Stock Incentive Plan as amended and restated July 27, 2012*

As discussed at Item 5.07 below, at a meeting held on July 27, 2012, the stockholders of the Company approved an amendment and restatement of the Constellation Brands, Inc. Long-Term Stock Incentive Plan (the “Long-Term Stock Incentive Plan”). The Long-Term Stock Incentive Plan, as

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amended and restated, has been adopted by the Company and is effective as of July 27, 2012. The amendment and restatement of the Long-Term Stock Incentive Plan effected the following modifications:

- added additional performance criteria and refined and clarified existing performance criteria;
- refined and added to the events that constitute an extraordinary item and refined the rules relating to the impact of an extraordinary item on performance based Awards (as that term is defined in the Long-Term Stock Incentive Plan);
- established limits on the number of shares that may be granted under an Award to any single participant in a fiscal year;
- expressly authorized the award of restricted stock units and performance share units separate from the category of other stock-based awards;
- added provisions that require stockholder approval for stock option re-pricings and certain other events;
- imposed a restriction that no dividends may be paid to a participant on shares of restricted stock prior to vesting;
- added the express flexibility for award agreements to permit the Human Resources Committee of the Company's Board of Directors (the "Committee") to exercise negative discretion with respect to performance based Awards;
- provided the Company with a default "clawback" or "recoupment" right where required by law;
- refined the provisions addressing the impact of a participant's termination of employment on outstanding Awards;
- refined the provisions addressing the coordination of the Long-Term Stock Incentive Plan with United States Internal Revenue Code Sections 409A and 162(m) and confirmed that provisions designed to apply with 162(m) need be applied only to Covered Employees;
- granted the Committee the authority in connection with a merger or acquisition to issue substitute awards in the event the Company assumes awards granted by another entity;
- refined the rules that will apply upon a change in control and conformed certain aspects of the change in control provisions with similar concepts in certain of the Company's debt arrangements; and
- made certain other technical amendments to the provisions of, and definitions used in, the Long-Term Stock Incentive Plan.

A description of the Long-Term Stock Incentive Plan, as amended and restated, is included in the Proxy Statement. A copy of the amended and restated Long-Term Stock Incentive Plan was filed with the Securities and Exchange Commission on June 15, 2012 as Appendix 2 to the Company's Schedule 14A. A copy of the Long-Term Stock Incentive Plan, as approved by stockholders and adopted by the Company, is filed as Exhibit 10.2 hereto and incorporated herein by reference. Additionally, the form of Terms and Conditions Memorandum provided to non-management directors who receive options pursuant to the Long-Term Stock Incentive Plan and the form of Restricted Stock Agreement entered into with non-management directors who receive awards of shares of restricted stock under the Long-Term Stock Incentive Plan are filed as Exhibits 10.3 and 10.4, respectively.

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**Item 5.07. Submission of Matters to a Vote of Security Holders.**

(a) The Annual Meeting of Stockholders of Constellation Brands, Inc. (the “Annual Meeting”) was held on July 27, 2012.

(b) At the Annual Meeting, the stockholders of the Company elected Jerry Fowden, Barry A. Fromberg, Jeananne K. Hauswald, James A. Locke III, Richard Sands, Robert Sands, Paul L. Smith, Keith E. Wandell and Mark Zupan as directors of the Company to serve until the next annual meeting of stockholders and until their respective successors are elected and qualified. The other matters considered at the Annual Meeting were a proposal to ratify the selection of KPMG LLP as the Company’s independent registered public accounting firm for the fiscal year ending February 28, 2013; a proposal to approve, by an advisory vote, the compensation of the Company’s named executive officers as disclosed in the Proxy Statement; a proposal to approve the amendment and restatement of the Annual Management Incentive Plan; a proposal to approve the amendment and restatement of the Long-Term Stock Incentive Plan; a stockholder proposal concerning “Equal Shareholder Voting” as disclosed in the Proxy Statement; and a stockholder proposal concerning “Multiple Performance Metrics” as disclosed in the Proxy Statement. The final results of voting on each of the matters submitted to a vote of stockholders are as follows:

1. Election of Directors.

At the Annual Meeting, the holders of the Company’s Class A Common Stock (the “Class A Stock”), voting as a separate class, elected the Company’s slate of director nominees designated to be elected by the holders of the Class A Stock, and the holders of the Company’s Class B Common Stock (the “Class B Stock”), voting as a separate class, elected the Company’s slate of director nominees designated to be elected by the holders of the Class B Stock. The nine directors described in (b) above were elected by a plurality of the votes cast, as set forth below:

<u>Nominee</u>	<u>Votes For</u>	<u>Withheld</u>	<u>Broker Non-Votes</u>
<u>Directors Elected by the Holders of Class A Stock (voting as a separate class):</u>			
Barry A. Fromberg	122,605,956	880,952	10,553,439
Jeananne K. Hauswald	118,363,925	5,122,983	10,553,439
Paul L. Smith	119,770,666	3,716,242	10,553,439
<u>Directors Elected by the Holders of Class B Stock (voting as a separate class):</u>			
Jerry Fowden	22,959,077	2,872	491,269
James A. Locke III	22,918,702	43,247	491,269
Richard Sands	22,954,997	6,952	491,269
Robert Sands	22,958,997	2,952	491,269
Keith E. Wandell	22,953,320	8,629	491,269
Mark Zupan	22,957,877	4,072	491,269

2. Ratification of the selection of KPMG LLP as the Company’s independent registered public accounting firm for the fiscal year ending February 28, 2013.

At the Annual Meeting, the holders of Class A Stock and the holders of Class B Stock, voting together as a single class with holders of Class A Stock having one (1) vote per share and holders of Class B Stock having ten (10) votes per share, ratified the selection of KPMG LLP as the Company’s independent registered public accounting firm for the fiscal year ending February 28, 2013, as set forth below:

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Votes For:	367,856,732
Votes Against:	555,905
Abstentions:	159,890
Broker Non-Votes:	0

3. Proposal to approve, by an advisory vote, the compensation of the Company's named executive officers as disclosed in the Proxy Statement.

At the Annual Meeting, the holders of Class A Stock and the holders of Class B Stock, voting together as a single class with holders of Class A Stock having one (1) vote per share and holders of Class B Stock having ten (10) votes per share, approved the compensation of the named executive officers as disclosed in the Proxy Statement, as set forth below:

Votes For:	343,153,818
Votes Against:	8,692,246
Abstentions:	1,260,057
Broker Non-Votes:	15,466,406

4. Proposal to approve the amendment and restatement of the Annual Management Incentive Plan.

At the Annual Meeting, the holders of Class A Stock and the holders of Class B Stock, voting together as a single class with holders of Class A Stock having one (1) vote per share and holders of Class B Stock having ten (10) votes per share, approved the amendment and restatement of the Annual Management Incentive Plan, as set forth below:

Votes For:	349,469,491
Votes Against:	3,382,914
Abstentions:	253,716
Broker Non-Votes:	15,466,406

5. Proposal to approve the amendment and restatement of the Long-Term Stock Incentive Plan.

At the Annual Meeting, the holders of Class A Stock and the holders of Class B Stock, voting together as a single class with holders of Class A Stock having one (1) vote per share and holders of Class B Stock having ten (10) votes per share, approved the amendment and restatement of the Long-Term Stock Incentive Plan, as set forth below:

Votes For:	343,260,620
Votes Against:	9,644,530
Abstentions:	200,971
Broker Non-Votes:	15,466,406

6. Stockholder proposal concerning "Equal Stockholder Voting".

At the Annual Meeting, the holders of Class A Stock and the holders of Class B Stock, voting together as a single class with holders of Class A Stock having one (1) vote per share and holders of Class B Stock

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having ten (10) votes per share, did not approve a stockholder proposal concerning “Equal Stockholder Voting,” as set forth below:

Votes For:	99,791,221
Votes Against:	253,073,323
Abstentions:	241,854
Broker Non-Votes:	15,466,129

7. Stockholder proposal concerning “Multiple Performance Metrics”.

At the Annual Meeting, the holders of Class A Stock and the holders of Class B Stock, voting together as a single class with holders of Class A Stock having one (1) vote per share and holders of Class B Stock having ten (10) votes per share, did not approve a stockholder proposal concerning “Multiple Performance Metrics,” as set forth below:

Votes For:	80,642,326
Votes Against:	272,080,182
Abstentions:	383,890
Broker Non-Votes:	15,466,129

**Item 9.01. Financial Statements and Exhibits.**

- (a) Financial statements of businesses acquired.

Not applicable.

- (b) Pro forma financial information.

Not applicable.

- (c) Shell company transactions.

Not applicable.

- (d) Exhibits.

The following exhibits are filed as part of this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Constellation Brands, Inc. Annual Management Incentive Plan, amended and restated as of July 27, 2012.
10.2	Constellation Brands, Inc. Long-Term Stock Incentive Plan, amended and restated as of July 27, 2012.
10.3	Form of Terms and Conditions Memorandum for Directors with respect to grants of options to purchase Class 1 Stock pursuant to the Company’s Long-Term Stock Incentive Plan (grants on or after July 27, 2012).

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10.4

Form of Restricted Stock Agreement for Directors with respect to grants of restricted stock pursuant to the Company's Long-Term Stock Incentive Plan (awards on or after July 27, 2012).

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 31, 2012

CONSTELLATION BRANDS, INC.

By: /s/ Robert Ryder  
Robert Ryder  
Executive Vice President and  
Chief Financial Officer

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## INDEX TO EXHIBITS

### Exhibit No. Description

- (1) UNDERWRITING AGREEMENT

Not Applicable.

- (2) PLAN OF ACQUISITION, REORGANIZATION, ARRANGEMENT, LIQUIDATION OR SUCCESSION

Not Applicable.

- (3) ARTICLES OF INCORPORATION AND BYLAWS

Not Applicable.

- (4) INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES

Not Applicable.

- (7) CORRESPONDENCE FROM AN INDEPENDENT ACCOUNTANT REGARDING NON-RELIANCE ON A PREVIOUSLY ISSUED AUDIT REPORT OR COMPLETED INTERIM REVIEW

Not Applicable.

- (10) MATERIAL CONTRACTS

- (10.1) Constellation Brands, Inc. Annual Management Incentive Plan, amended and restated as of July 27, 2012 (filed herewith).\*

- (10.2) Constellation Brands, Inc. Long-Term Stock Incentive Plan, amended and restated as of July 27, 2012 (filed herewith).\*

- (10.3) Form of Terms and Conditions Memorandum for Directors with respect to grants of options to purchase Class 1 Stock pursuant to the Company's Long-Term Stock Incentive Plan (grants on or after July 27, 2012) (filed herewith).\*

- (10.4) Form of Restricted Stock Agreement for Directors with respect to grants of restricted stock pursuant to the Company's Long-Term Stock Incentive Plan (awards on or after July 27, 2012) (filed herewith).\*

- (14) CODE OF ETHICS

Not Applicable.

- (16) LETTER RE CHANGE IN CERTIFYING ACCOUNTANT

Not Applicable.

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(17) CORRESPONDENCE ON DEPARTURE OF DIRECTOR

Not Applicable.

(20) OTHER DOCUMENTS OR STATEMENTS TO SECURITY HOLDERS

Not Applicable.

(23) CONSENTS OF EXPERTS AND COUNSEL

Not Applicable.

(24) POWER OF ATTORNEY

Not Applicable.

(99) ADDITIONAL EXHIBITS

Not Applicable.

(100) XBRL-RELATED DOCUMENTS

Not Applicable.

(101) INTERACTIVE DATA FILE

Not Applicable.

\* Designates management contract or compensatory plan or arrangement.

**CONSTELLATION BRANDS, INC.**  
**ANNUAL MANAGEMENT INCENTIVE PLAN**  
**Amended and Restated as of July 27, 2012**

This Annual Management Incentive Plan (amended and restated as of July 27, 2012) is adopted pursuant to Section 8 of the Plan by the Human Resources Committee of the Company's Board of Directors, and by the stockholders of the Company. The Plan amends and restates in its entirety the Constellation Brands, Inc. Annual Management Incentive Plan that was approved by the Board of Directors on June 26, 2007, as amended. Certain capitalized terms used in the Plan are defined in Annex A. Bonus programs adopted under the Plan for a Performance Period shall be governed by the terms of the Plan, or a predecessor plan, in effect at the time the program is adopted.

1. PURPOSE

The Plan is designed to enable the Company to attract and retain valued employees and to provide them with incentives to attain certain annual performance goals.

2. ADMINISTRATION

The Plan shall be administered by a Committee of the Company's Board of Directors. This Committee shall consist of at least two members of the Company's Board of Directors, all of whom are (a) "outside directors" within the meaning of Section 162(m), and (b) not eligible to participate in the Plan. Subject to the Plan, the Committee shall possess the sole authority, in its discretion, to (i) establish a Bonus program for a Performance Period using such Performance Criteria and Performance Target(s) as it deems appropriate, (ii) select the Participating Employees who may receive Bonuses under the Plan, (iii) determine the amount of such Bonuses and any terms, conditions or limitations on the payment of any Bonuses, (iv) interpret and administer the Plan, (v) make and amend rules and regulations relating to the Plan and any Bonus program established for a Performance Period, and (vi) make all other determinations necessary or advisable for the administration of the Plan. The Committee may delegate its authority and administrative responsibilities under the Plan to the extent permitted by applicable law and Section 162(m).

3. TERMS AND CONDITIONS OF BONUSES

The Committee shall determine the employees who may participate in, and rules that will apply to, a Bonus program that it adopts for a particular Performance Period. Each Participating Employee may receive a Bonus if the Performance Targets and other requirements established by the Committee are attained. The rules for the Bonus program, the Performance Criteria and the Performance Targets that the Committee adopts for each Performance Period shall be consistent with the terms of the Plan and Section 162(m). When the Committee establishes the terms of a Bonus program for a Performance Period, the Committee will specify those Extraordinary Items that will be taken into account under the Bonus program to adjust the Performance Targets. Such adjustments shall only be made to the extent permitted under Section 162(m) and shall be made in an equitable manner in light of the nature of the Performance Targets and the assumptions made by the Committee when establishing the Performance Targets.

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The Performance Target with respect to a Performance Criteria will be established by the Committee in advance of the deadlines applicable under Section 162(m) and while the performance relating to the Performance Target remains substantially uncertain within the meaning of Section 162(m). Different Performance Targets and Performance Criteria may be established for different Participating Employees. At the time the Performance Target is established, the Committee shall provide, in terms of an objective formula or standard for each Participating Employee, the method of computing the specific amount that will represent the maximum amount of Bonus payable to the Participant if the Performance Target is attained. The Committee reserves the unilateral right to reduce or eliminate the Bonus that is to be paid to a Covered Employee upon the attainment of a Performance Target. The Committee's discretion to exercise its right to reduce or eliminate a Bonus that is paid to such a Covered Employee shall not result in an increase in an amount that is payable to another Covered Employee.

Notwithstanding any other provision hereof, no Participating Employee shall receive a Bonus under the Plan for any fiscal year or other Performance Period in excess of \$5 million. Any Bonuses awarded by the Committee under the Plan shall be paid within 30 days after year-end financial results are reported or, if later, as soon as practicable following the Committee's determinations and certification under this Section; provided that it is intended that such Bonus be paid on or before the 15<sup>th</sup> day of the third month following the end of the Company's Performance Period for which the Bonus is paid (e.g., if the Performance Period is the Company's fiscal/taxable year, the Bonus will be paid on or before May 15<sup>th</sup>). Bonuses shall be paid in the form of a single lump sum cash payment or cash equivalent payment.

No Participating Employee shall receive any payment under the Plan unless the Committee has certified, by resolution or other appropriate action in writing, that the amount thereof has been accurately determined in accordance with the terms, conditions and limits of the Plan and the applicable Bonus program.

#### 4. TERMINATION OF EMPLOYMENT

If the employment of a Participating Employee terminates prior to end of the Performance Period by reason of such Participating Employee's Retirement, Disability, death or involuntary termination without Cause, the Committee will pay a ratable portion of the applicable Bonus to the Participating Employee subject to the attainment of the applicable Performance Target. Such Bonus, if any, will be paid at the same time Bonuses are paid to similarly situated Participating Employees who do not terminate employment. The ratable portion of the Bonus shall be determined by multiplying the Bonus that would have been paid to the Participating Employee if the Participating Employee had not terminated employment by a fraction, the numerator of which is the number of full or partial months during the Performance Period during which the Participating Employee was employed, and the denominator of which is the number of calendar months in the Performance Period.

In the event of a Participating Employee's termination for Cause or a Participating Employee's voluntary termination of employment before the last day of the Performance Period, all Bonuses for which the Participating Employee may have been eligible shall be forfeited unless the Committee decides, in its sole discretion, to pay such Bonus or the Participating Employee has a contractual right to such Bonus in a written employment agreement or similar

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contract; provided that any Bonus paid to a Covered Employee in such circumstances will only be paid in accordance with and to the extent permitted by Section 162(m).

The Committee will pay a Bonus to a Participating Employee who terminates employment for any reason on or after the last day of the Performance Period and before the payment date. The amount of such Bonus would be the Bonus the Participating Employee would have been paid if the Participating Employee had not terminated employment. Such Bonus would be paid at the same time Bonuses are paid to similarly situated Participating Employees who do not terminate employment.

For purposes of applying the above rules, the date of termination includes the date a Participant ceases to be employed by the Company or a Subsidiary. Notwithstanding the foregoing, the Committee may establish such other rules it deems necessary or appropriate to apply when a Participating Employee dies or terminates employment, which rules shall be memorialized in the terms established under the Bonus program for a Performance Period or other written document.

5. WITHHOLDING

The Company shall have the right to make all income tax, employment tax and other withholdings required under applicable law from all payments made under the Plan or owed in connection with benefits earned under the Plan.

6. NO EMPLOYMENT RIGHTS

The Plan shall not confer upon any Participating Employee any right with respect to continuance as an employee of the Company, nor shall it interfere in any way with the right of the Company to terminate the Participating Employee's position as an employee.

7. DISCRETION OF COMPANY

Any decision made or action taken by the Company, the Committee or the Board of Directors in connection with the creation, amendment, construction, administration, interpretation or effect of the Plan shall be within the absolute discretion of such entity and shall be conclusive and binding upon all persons. No officer, director or member of the Committee shall have any liability for actions taken or omitted under the Plan by the member or by any other person.

8. AMENDMENT AND DISCONTINUANCE

Subject to the requirements of Section 162(m), the Plan or a Bonus program for a Performance Period may be amended, modified or terminated by the Committee at any time, and all Bonuses shall be subject to the Plan or program as amended from time to time, except that subsequent to a Change of Control the Committee may not amend the Plan or program without the approval of the Participating Employee whose rights are adversely affected by the amendment. No amendment, modification or termination shall be effective without the approval of the Board of Directors and/or the stockholders if such approval is necessary to comply with the applicable provisions of Section 162(m).

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9. CHANGE OF CONTROL

Notwithstanding other provisions of the Plan, in the event of a Change of Control of the Company, the Performance Period for a Participating Employee shall end on the date of the Change of Control, and, if appropriate, the Committee shall adjust the Performance Target in an equitable manner to reflect the early termination of the Performance Period. The Participating Employee's Bonus will be calculated by comparing the performance through the date of the Change in Control against the adjusted Performance Target, and a ratable portion of such Bonus shall be paid to the Participating Employee. The ratable portion of the Bonus shall be determined by multiplying such Bonus by a fraction, the numerator of which is the number of months from the first day of the Performance Period to the date of the Change of Control (including any fractional month) and the denominator of which is the total number of months in the original Performance Period. Notwithstanding the foregoing, the Committee may establish different rules to apply upon a Change in Control in the Bonus program that is adopted for a particular Performance Period.

The Plan shall be binding upon any successor to the Company, whether such successor is the result of a direct or indirect purchase, merger, consolidation or other acquisition of all or substantially all of the business and/or assets of the Company.

10. SECTION 162(m) CONDITIONS

It is the intent of the Company that the Plan and Bonuses paid to Covered Employees satisfy the applicable requirements of Section 162(m) so that such Bonuses qualify as performance-based compensation. The Plan and any Bonus program adopted for a Performance Period shall be administered and interpreted consistent with that intent and any provision, application or interpretation of the Plan or any Bonus program adopted for a Performance Period that is inconsistent with this intent shall be disregarded. Notwithstanding the foregoing, with respect to Bonuses that are intended to qualify as performance-based compensation under Section 162(m), the Committee may adopt non-compliant Section 162(m) provisions that apply upon a Change in Control or the death or disability of a Covered Employee.

Notwithstanding anything in the Plan to the contrary, the provisions of the Plan and any Bonus program adopted for a Performance Period may be bifurcated by the Committee so that the provisions of the Plan that are intended or required to satisfy the performance-based compensation requirements of Section 162(m) are applicable only to Covered Employees. For example, the Committee may establish separate Bonus programs for a Performance Period for Covered Employees and Participating Employees who are not Covered Employees. With respect to the Bonus program that does not apply to Covered Employees, the Committee can adopt such rules and provisions that it deems appropriate without regard to the terms of the Plan that are required to comply with Section 162(m). For example, the Committee may design a Bonus program for a Performance Period that covers Participating Employees who are not Covered Employees without being bound by the Plan's definitions of Performance Criteria and Extraordinary Items and the limitations on adjusting Performance Targets.

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11. NO FUNDING OF THE PLAN

The Company shall not be required to fund or otherwise segregate any cash or any other assets which may at any time be paid to any Participating Employee under the Plan. The Plan shall constitute an “unfunded” plan of the Company. The Company shall not, by any provisions of the Plan, be deemed to be a trustee of any property, and any rights of any Participating Employee shall be limited to those of a general unsecured creditor.

12. NON-TRANSFERABILITY

Except as expressly provided by the Committee, no benefit payable under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void. This Section shall not apply to an assignment of a contingency or payment due after the death of a Participating Employee to such Participating Employee’s legal representative or beneficiary.

13. EFFECTIVE DATE

The effective date of the Plan shall be the date the Plan was initially approved by the Company’s stockholders.

14. DEFINITIONS

Any terms or provisions used herein which are defined in Section 162(m) shall have the meanings as therein defined.

15. GOVERNING LAW

To the extent not inconsistent with the provisions of Section 162(m), the Plan shall be construed under the laws of the State of New York.

Dated: July 27, 2012

CONSTELLATION BRANDS, INC.

By: /s/ Lisa M. Schnorr  
Lisa M. Schnorr  
Title: Vice President, Compensation & HRIS

Date of Stockholder Approval: July 27, 2012

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ANNEX A  
TO  
ANNUAL MANAGEMENT INCENTIVE PLAN  
CERTAIN DEFINITIONS

Capitalized terms used in the Plan shall have the meanings set forth below:

**“Bonus”** means a cash payment or payment opportunity under the Plan.

**“Cause”** means, solely for the purposes of the Plan, gross negligence or willful misconduct or commission of a felony or an act of moral turpitude determined by the Committee to be detrimental to the best interests of the Company or, if the Participating Employee is subject to a written employment or similar agreement with the Company that has a different definition of “Cause”, “Cause” shall have the meaning set forth in that agreement.

**“Change of Control”** means, unless the Committee specifies otherwise in a Bonus program for a Performance Period:

(a) there shall be consummated

(i) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which any Shares are to be converted into cash, securities or other property, provided that the consolidation or merger is not with a corporation which was a direct or indirect wholly-owned subsidiary of the Company or a parent of the Company immediately before the consolidation or merger; or

(ii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company; or

(b) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; or

(c) any person (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) other than any of the Permitted Holders shall become the beneficial owner (within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of 35% or more of the voting control of the Company’s then outstanding common stock, provided that such person shall not be a wholly-owned subsidiary of the Company immediately before it becomes such 35% beneficial owner of voting control; or

(d) individuals who constitute the Incumbent Board cease for any reason to constitute at least a majority of the Company’s Board of Directors (for this purpose “Incumbent Board” means at any time those persons who are then members of the Board of Directors of the Company and who either (i) are members of the Company’s Board of Directors on the date hereof, or (ii) have been elected, or have been nominated for election by the Company’s stockholders, by the affirmative vote of at least two-thirds of the directors comprising the Incumbent Board at the time of such election or nomination (either by a specific vote or by

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approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination)).

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Company”** means Constellation Brands, Inc. and its Subsidiaries, except when the context indicates that only the parent company is intended.

**“Committee”** means the committee appointed by the Board of Directors of the Company to administer the Plan as provided in Section 2, and if no committee is appointed, the Committee shall be the Human Resources Committee.

**“Covered Employee”** means an employee who is a “covered employee” as such term is defined under Section 162(m) and such additional employees as the Committee may treat as being subject to the rules that apply to “covered employees” under Section 162(m).

**“Disability”** means, unless the Committee specifies otherwise in a Participant’s Award document, a termination of employment due to the inability of a Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than six months, all as verified by a physician acceptable to, or selected by, the Committee.

**“Extraordinary Items”** means (a) items presented as such (or other comparable terms) on the Company’s audited financial statements, (b) extraordinary, unusual, transition, one-time and/or nonrecurring items of gain or loss (including, but not limited to, charges for reorganizing and restructuring, discontinued operations and asset write-downs), (c) changes in tax or accounting laws, regulations or principles, (d) the effects of mergers, acquisitions, divestitures, spin-offs or similar significant transactions (including, without limitation, gains or losses on the disposition of a business or business segment or arising from the sale of assets outside the ordinary course of business), (e) stock split, recapitalization, split-up, or similar change, or (f) share repurchases. To qualify as an Extraordinary Item, the item must be identified in the audited financial statements and notes thereto or in the “management’s discussion and analysis” section of the financial statements in a period report filed with the SEC under the Exchange Act.

**“Participating Employee”** means an employee of the Company or one of its Subsidiaries selected by the Committee to participate in the Plan.

**“Performance Criteria”** means one or more of the following performance criteria selected by the Committee for a Bonus program the Committee adopts for a Performance Period:

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- Sales Growth or Net Sales Growth
- Net Sales
- Assets or Asset Productivity
- Operating Expenses / Selling, General and Administrative Expenses
- Cost reductions or cost control
- Gross Margin or Gross Profit
- Brand Contribution / Contribution after Marketing
  
- Operating Income or Net Operating Income
- Operating Margins / Sales
- Return on Operating Revenue
- Earnings Before Interest and Taxes
- Earnings Before Interest, Taxes, Depreciation and Amortization
- Income Before Income Taxes / Profit Before Tax
- Net Income
- Earnings Per Share
- Cash Flow or Free Cash Flow
- Working Capital or any of its components (Accounts Receivable, Inventory, Accounts Payable)
- New product introductions or launches
  
- Cash Flows from Operating Activities
- Return on Capital
- Return on Equity
- Cost of Goods Sold / Cost of Product Sold
- Return on Invested Capital
- Return on Assets / Return on Net Assets
- Capital Expenditures / Purchases of property, plant and equipment
- Net Increase in Cash or Cash Equivalents
- Stock Price
- Market share (volume or value-based)
- Total Stockholder Return
- Stockholder Value Added / Economic Value Added
- Goals relating to acquisitions or divestitures
- Units sold or depleted
- Customer service level
- Debt Ratio or Debt-to-Equity Ratio
- New Sales or Depletions or new product introductions

Performance Criteria may be: (a) established on a corporate, divisional, business unit or consolidated basis, (b) measured on an absolute basis or relative basis (e.g., passage of time (such as a year over year growth), as a relative comparison to a peer group, industry index, broad-based index, etc.) (c) calculated on a pre-tax or after-tax basis, (d) calculated on a per share basis, (e) calculated on a GAAP or non-GAAP basis, and/or (f) calculated for all or a portion of a single year or calculated over multiple years.

“Performance Period” means the fiscal year or years or other period established by the Committee with respect to which the Performance Targets are set by the Committee.

“**Performance Target**” means one or more specific objective goal or goals (which may be cumulative or alternative) that are timely set in writing by the Committee for each Participant for the applicable Performance Period with respect to any one or more of the Performance Criteria.

“**Permitted Holders**” means, unless the Committee specifies otherwise in a Bonus program for a Performance Period, (a) Marilyn Sands, her descendants (whether by blood or adoption), her descendants’ spouses, her siblings, the descendants of her siblings (whether by blood or adoption), Hudson Ansley, Lindsay Caleo, William Caleo, Courtney Winslow, or Andrew Stern, or the estate of any of the foregoing individuals, or The Sands Family Foundation, Inc., (b) trusts which are for the benefit of any combination of the individuals and foundation described in clause (a), or any trust for the benefit of any such trust, or (c) partnerships, limited liability companies or any other entities which are controlled by any combination of the individuals

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described in clause (a) or the estate of any such individuals, The Sands Family Foundation, Inc., a trust referred to in the foregoing clause (b), or an entity that satisfies the conditions of this clause (c).

**“Plan”** means the Annual Management Incentive Plan (amended and restated as of July 27, 2012), as amended from time to time.

**“Retirement”** means a termination of employment by an employee who is at least 60 years of age and after at least 10 years of service with the Company. For an individual who becomes employed by the Company in connection with a business acquisition (regardless of the form of the transaction), service shall include the individual’s service with the acquired business, unless the Committee determines otherwise.

**“Section 162(m)”** means Section 162(m) of the Code, together with the regulations promulgated thereunder, all as amended from time to time.

**“Shares”** means shares of the Company’s Class A Common Stock, par value \$.01 per share.

**“Subsidiaries”** means (a) all corporations of which at least fifty percent of the voting stock is owned by the Company directly or through one or more corporations at least fifty percent of whose voting stock is so owned, and (b) partnerships or other entities in which the Company has, either directly or indirectly, at least a fifty percent interest in the capital or profits.

**CONSTELLATION BRANDS, INC.**  
**LONG-TERM STOCK INCENTIVE PLAN**

Amended and Restated as of July 27, 2012

This Long-Term Stock Incentive Plan (amended and restated as of July 27, 2012) is adopted by the Human Resources Committee of the Board of Directors of Constellation Brands, Inc., acting in its capacity as the Committee under the Plan, and by the stockholders of the Company. The Plan amends and restates in its entirety the Constellation Brands, Inc. Long-Term Stock Incentive Plan (amended and restated as of December 6, 2007), as amended, and applies to Awards made on or after July 27, 2012. Grants of Awards made under the Plan prior to July 27, 2012 shall be governed by the terms of the Plan in effect as of the date of the Award. Certain capitalized terms used in the Plan are defined in Annex A.

1. PURPOSE

The Plan is designed to assist the Company in attracting and retaining valued employees and directors and to provide them with incentives to maintain and enhance the Company's long-term performance record by aligning the interests of the Participants and the stockholders of the Company.

2. ADMINISTRATION

The Plan shall be administered by the Committee. The Committee shall possess the authority, in its discretion, (a) to determine the employees and directors of the Company to whom Awards shall be granted and the time or times at which Awards shall be granted; (b) to determine at the time of grant the number of Shares to be subject to each Award; (c) to prescribe the form of the Award Agreement representing such Award; (d) to establish any appropriate terms and conditions applicable to the Awards including any limitations on grants, vesting or exercisability, and to make any amendments to such Award Agreements or the Awards which may, without limitation, include any acceleration of vesting or exercisability, waiver of any condition or requirement or taking of other action consistent with the purposes of the Plan; (e) to interpret and construe the Plan and Awards; (f) to make and amend rules and regulations relating to the Plan and Awards; and (g) to make all other determinations necessary or advisable for the administration of the Plan and Awards. The Committee's determinations shall be conclusive and binding on all Participants and all persons claiming under or through any Participant. No member of the Committee shall be liable for any action taken or decision made in good faith relating to the Plan or any Award granted under the Plan. The Committee may delegate any administrative or ministerial functions under the Plan to officers or employees of the Company.

No outstanding Award may be exercised and no payment shall be made pursuant to an Award if the Participant to whom the Award is granted (x) is, or at any time after the date of grant has been, in competition with the Company or its affiliates or (y) has been terminated by the Company for Cause. The Committee shall determine, in its discretion, whether a Participant's actions constitute competition with the Company or its affiliates.

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3. ELIGIBLE EMPLOYEES AND NON-EMPLOYEE DIRECTORS

All employees of the Company are eligible to receive Awards under the Plan. Awards may be made to non-employee directors of the Company.

4. SHARES AVAILABLE; TYPES OF AWARDS

Awards may be granted under the Plan with respect to Class A Stock or Class 1 Stock. The aggregate number of shares of Class A Stock and Class 1 Stock available for Awards under the Plan is one-hundred and eight million (108,000,000) shares. Subject to such aggregate limit, Awards may be granted in any combination of Shares of Class A Stock or Class 1 Stock. Shares subject to Awards may be authorized and unissued Shares or may be treasury Shares.

Unless the applicable Rules under Section 16(b) of the Exchange Act or Section 162(m) of the Code require otherwise, the following Shares related to Awards under the Plan may again be available for issuance under the Plan, in addition to the Shares described in the first paragraph of this Section 4: (a) Shares related to Awards paid in cash; (b) Shares related to Awards that expire, are forfeited or cancelled or terminate for any other reason without issuance of Shares; and (c) any Shares of Restricted Stock that are returned to the Company upon a Participant's termination of employment.

The Committee may make Awards from time to time in any one or more of the following types singly or in tandem: Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Performance Share Units or Other Stock-Based Awards.

The following rules shall apply to grants of Awards under the Plan:

- (a) Stock Options: The maximum aggregate number of Shares subject to Stock Options granted under the Plan to any one Participant during any fiscal year of the Company shall be 5,000,000 Shares.
  - (b) Stock Appreciation Rights: The maximum aggregate number of Shares subject to Stock Appreciation Rights granted under the Plan to any one Participant during any fiscal year of the Company shall be 1,000,000 Shares.
  - (c) Restricted Stock: The maximum aggregate number of Shares of Restricted Stock granted under the Plan to any one Participant during any fiscal year of the Company shall be 1,000,000 Shares.
  - (d) Restricted Stock Units and Performance Share Units: The maximum aggregate number of Shares underlying Awards of Restricted Stock Units or Performance Share Units granted under the Plan to any one Participant during any fiscal year of the Company shall be 2,000,000 Shares.
  - (e) Other Stock-Based Awards: The maximum aggregate number of Shares underlying Awards of Other Stock-Based Awards granted under the Plan to any one Participant during any fiscal year of the Company shall be 1,000,000 Shares.
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5. STOCK OPTIONS

The Committee may grant Stock Options to a Participant subject to such terms, conditions and provisions as may be specified by the Committee that are consistent with the terms of the Plan and are memorialized in an Award Agreement. Such terms, conditions and provisions include the following:

(a) Class of Common Stock. Whether the Stock Option relates to Shares of Class A Stock or Class 1 Stock shall be specified.

(b) Exercise Price. The exercise price per Share under each Stock Option shall be specified by the Committee, provided that the exercise price per Share under each Stock Option granted to a Participant shall not be less than the Fair Market Value of a Share to which the Stock Option relates on the date the Award is granted.

(c) Duration of Option. The duration of each Stock Option shall be specified. Stock Options must be exercised on or before 5:00 p.m. Eastern Time on their expiration date.

(d) Exercise Terms. Unless otherwise specified by the Committee, each Stock Option granted under the Plan shall become exercisable in four equal annual installments commencing on the first anniversary of the date of grant. Stock Options may be partially exercised from time to time during the period extending from the time they first become exercisable in accordance with the terms of the Award until the expiration of the exercise period specified in the Award Agreement. The Committee may impose such additional or other limitations or conditions on the vesting or exercise of any Stock Option as it deems appropriate.

(e) Payment of Exercise Price. A Stock Option shall be exercised upon such notice as is required by the Committee accompanied by payment in full of the exercise price for the Shares being acquired in such form as the Committee may provide in accordance with Section 10 of the Plan, together with all applicable withholding taxes as provided in Section 11 of the Plan.

(f) Amended Stock Option. The Committee, in its sole discretion, may authorize the amendment of an outstanding Stock Option that relates to Class A Stock so that such Stock Option, instead, relates to Class 1 Stock. An amendment to an outstanding Stock Option so that it relates to Class 1 Stock instead of Class A Stock shall not constitute a new grant for purposes of Section 5(b), and such Stock Option shall continue to be treated for all purposes as having been granted on the original grant date of such Stock Option. The Committee shall have discretion to determine the terms and conditions of such amended Stock Option; provided that such terms and conditions shall, to the extent permissible within the terms and conditions of the Plan, be equivalent to the terms and conditions of the Stock Option prior to the amendment. The exercise price of the amended Stock Option may not be less than the exercise price of the Stock Option prior to the amendment, and the number of Shares that may be purchased under the amended Stock Option may not exceed the number of Shares that could have been purchased under

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the Stock Option prior to the amendment, in each case subject to the adjustments in Section 16.

6. STOCK APPRECIATION RIGHTS

The Committee may grant Stock Appreciation Rights to a Participant subject to such terms, conditions and provisions as may be specified by the Committee that are consistent with the terms of the Plan and are memorialized in an Award Agreement. Stock Appreciation Rights may be granted by the Committee in Awards which are in tandem with Stock Options or freestanding. Tandem Awards may be granted at the same time as the grant of the related Stock Option or at any time thereafter prior to the end of the exercise period for the related Stock Option. Each Stock Appreciation Right shall specify whether it relates to Shares of Class A Stock or Class 1 Stock.

(a) Value. The value of each Stock Appreciation Right shall be the difference between the Fair Market Value of a Share to which the Stock Appreciation Right relates on the date of exercise of the Stock Appreciation Right and the reference amount specified in the Award Agreement, which for each Stock Appreciation Right granted in tandem with a Stock Option shall be not less than the exercise price of the related Stock Option. The reference amount for each Stock Appreciation Right shall not be less than the Fair Market Value of a Share to which the Stock Appreciation Right relates on the date of grant of the Stock Appreciation Right.

(b) Duration of Stock Appreciation Right. The duration of each Stock Appreciation Right shall be specified. Each tandem Stock Appreciation Right shall specify the Stock Option to which it is related and the terms and conditions under which exercise or expiration of the related Stock Option will result in automatic expiration of the related Stock Appreciation Right and the terms and conditions on which exercise or expiration of the Stock Appreciation Right will result in automatic expiration of the related Stock Option.

(c) Exercise Terms. Unless otherwise specified by the Committee, each Stock Appreciation Right granted under the Plan shall become exercisable in four equal annual installments commencing on the first anniversary of the date of grant. Stock Appreciation Rights may be partially exercised from time to time during the period extending from the time they first become exercisable in accordance with the terms of the Award until the expiration of the exercise period specified in the Award Agreement. Exercise of related Stock Options will cause the immediate automatic expiration of related Stock Appreciation Rights on the terms and conditions specified by the Committee. The Committee may impose in the Award Agreement such additional or other limitations or conditions on the vesting or exercise of any Stock Appreciation Right as it deems appropriate. A Stock Appreciation Right shall be exercised upon such notice as is required by the Committee.

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7. RESTRICTED STOCK

The Committee may grant a Restricted Stock Award to a Participant subject to such terms, conditions and provisions as may be specified by the Committee that are consistent with the terms of the Plan. Each grant of an Award of Restricted Stock shall be evidenced by an Award Agreement that will specify whether the Shares of Restricted Stock are Class A Stock or Class 1 Stock, the availability of dividends and other distributions with respect to which Shares of Restricted Stock are entitled, the voting rights, if any, associated with such Shares of Restricted Stock, and the conditions that must be satisfied for the Participant to vest in the Participant's right to the Restricted Stock. Notwithstanding the foregoing, no dividends may be paid to a Participant on Shares of Restricted Stock until and unless the Participant vests in his right to receive such Shares. Restricted Stock Awards may include terms specified by the Committee that make vesting of the Award contingent upon achievement of one or more Performance Targets within or at the end of a Performance Period, and that require the Committee to certify the extent to which any Performance Target has been satisfied and the number of Shares of Restricted Stock deliverable as a result thereof, prior to the delivery of any such Shares to the Participant.

8. RESTRICTED STOCK UNITS AND PERFORMANCE SHARE UNITS

The Committee may grant Restricted Stock Units and Performance Share Units to a Participant subject to such terms, conditions and provisions as may be specified by the Committee that are consistent with the terms of the Plan. Each grant of an Award of Restricted Stock Units or Performance Share Units will be evidenced by an Award Agreement that shall specify the terms of the Award, including the performance measures and/or service requirements, if any, applicable to the Award, and such other provisions as the Committee shall determine which are not inconsistent with the terms of the Plan. The holder of a Restricted Stock Unit or a Performance Share Unit may receive a payout that is calculated based on the satisfaction of performance goals, service requirements and/or other terms specified in the Award Agreement. The Committee shall specify in the Award Agreement whether any earned Restricted Stock Units and Performance Share Units shall be paid in the form of Shares or cash (or in a combination thereof).

Performance Share Units may include terms specified by the Committee that make vesting of the Award contingent upon achievement of one or more Performance Targets within or at the end of a Performance Period, and that require the Committee to certify the extent to which any Performance Target has been satisfied and the number of Shares deliverable as a result thereof, prior to the delivery of any such Shares to the Participant.

If provided by the Committee, Participants holding Restricted Stock Units or Performance Share Units will be entitled to receive dividend units with respect to dividends declared with respect to the Shares underlying such Awards; provided that no dividend units may be paid to a Participant on Restricted Stock Units or Performance Share Units that do not fully vest.

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9. OTHER STOCK-BASED AWARDS

The Committee may grant Other Stock-Based Awards to a Participant subject to such terms, conditions and provisions as may be specified by the Committee that are consistent with the terms of the Plan. Each grant of an Other Stock-Based Award will be evidenced by an Award Agreement that shall specify the terms of the Award. Grants of Other Stock-Based Awards may include terms specified by the Committee that make vesting of the Award contingent upon achievement of one or more Performance Targets within or at the end of a Performance Period, and that require the Committee to certify the extent to which any Performance Target has been satisfied and the number of Shares deliverable as a result thereof, prior to the delivery of any such Shares to the Participant. An Other Stock-Based Award that has an exercise right may be exercised upon such notice as is required by the Committee to the Company accompanied by payment in full of any exercise price for the Shares or other compensation being acquired in such form as the Committee may provide in accordance with Section 10 of the Plan, together with all applicable withholding taxes as provided in Section 11 of the Plan.

10. PAYMENT FOR PURCHASE OR EXERCISE OF AWARDS

The exercise price of Stock Options and any Other Stock-Based Awards providing for exercise prices and the purchase price for any Restricted Stock or Other Stock-Based Awards providing for purchase prices shall be paid to the Company upon exercise or acquisition of such Award in the manner which the Committee may determine which may include by (a) delivery of cash or a check in the amount of the price of the Award, (b) tendering previously acquired Shares having a Fair Market Value at the time of delivery equal to the price of the Award, (c) in the case of an Award relating to Class A Stock, delivery of irrevocable instructions to a broker or other agent acceptable to the Company to promptly sell Class A Stock received under the Award and to deliver to the Company the amount of proceeds to pay the price related to such Award, (d) in the case of an Award relating to Class 1 Stock, (i) delivery to the Company's transfer agent for Class A Stock of any conversion notice or direction necessary to convert Class 1 Stock received under the Award into Class A Stock, and (ii) delivery of irrevocable instructions to a broker or other agent acceptable to the Company to promptly sell shares of Class A Stock received upon the conversion of the Class 1 Stock received under the Award and to deliver to the Company the amount of proceeds to pay the price related to such Award, or (e) such other method of payment as the Committee in its discretion deems appropriate, in each case together with all applicable withholding taxes as provided in Section 11. Previously acquired Shares tendered in payment must have been owned by Participant for at least six months prior to the tender in payment of an Award.

11. WITHHOLDING TAXES

Whenever required by law in connection with an Award, the Company shall (and whenever permitted by law in connection with an Award the Company may but is not obligated to) require the Participant to remit to the Company an amount sufficient to satisfy any federal, state and/or local income tax, foreign tax, social charge and employment withholding tax requirements prior to the delivery of any Shares or to take any other appropriate action to satisfy such withholding requirements, including any method permitted for payment under Section 10 as

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determined by the Committee. To the extent permitted under such rules as the Committee may promulgate and in compliance with any requirements to avoid violations under Section 16(b) of the Exchange Act and related Rules, the Participant may satisfy such obligation in whole or in part by electing to have the Company withhold Shares from the Shares to which the Participant is otherwise entitled under the Award.

## 12. PERFORMANCE BASED COMPENSATION

For each Award of Restricted Stock, Restricted Stock Units, Performance Share Units or Other Stock-Based Award intended to qualify as “performance based compensation” under Section 162(m), the Committee shall select the applicable Performance Criteria, Performance Period and Performance Target for the Award consistent with the terms of the Plan and Section 162(m). To the extent provided for in the Award Agreement, the Committee will adjust the Performance Target(s) under an Award to take into account the effects of any Extraordinary Items and such adjustment shall be made equitably in a manner consistent with the intent of the original Award; provided, however, no such adjustment may be made with respect to any Award to a Covered Employee which is intended to qualify as “performance based compensation” unless such adjustment satisfies the requirements of Section 162(m). Notwithstanding the foregoing, to the extent provided for in the Award Agreement, the Committee, in its sole discretion, reserves the right to reduce an Award if the Committee deems such reduction is necessary or appropriate. The Committee may not increase an Award that is intended to satisfy the requirements of Section 162(m) to a Covered Employee except as permitted in the second preceding sentence.

For Awards which are intended to qualify as “performance based compensation” under Section 162(m), the Performance Target with respect to the selected Performance Criteria must be established by the Committee in advance of the deadlines applicable under Section 162(m) and while the performance relating to the Performance Target remains substantially uncertain within the meaning of Section 162(m). At the time the Performance Targets are established, the Committee shall provide, in terms of an objective formula or standard, the method of computing the specific amount that will represent the maximum number of Shares or amount of other compensation payable to the Participant if the Performance Target is attained.

The Committee may select such performance criteria, performance periods and performance targets for Restricted Stock, Restricted Stock Units, Performance Share Units and Other Stock-Based Awards that are not intended to qualify as “performance based compensation” under Section 162(m) as it deems appropriate in its sole discretion.

## 13. AWARDS NOT TRANSFERABLE

Unless transferability is otherwise permitted under such conditions and rules adopted by the Committee, no Stock Option or Stock Appreciation Right is transferable by the Participant other than (i) by will or the laws of descent and distribution, (ii) pursuant to a domestic relations order, or (iii) solely with respect to Stock Options, to the extent permitted under the Award or as permitted by the Committee, by gift to family members or by gift or permitted non-cash exchange to entities beneficially owned by family members or other permitted transferees. Awards that have exercise rights shall be exercisable only by the Participant, the Participant’s

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legal representative, or the Participant's permitted transferees. Shares of Restricted Stock may not be sold or otherwise transferred until the ownership vests in the Participant. Unless transferability is otherwise permitted under such conditions and rules adopted by the Committee, Restricted Stock Units, Performance Share Units and Other Stock-Based Awards may not be sold or otherwise transferred.

#### 14. GENERAL RESTRICTION ON ISSUANCE OF SHARES

The Company shall not be required to deliver any Shares upon the grant, vesting or exercise of any Award until it has been furnished with such documents as it may deem necessary to insure compliance with any law or Rules of the SEC or any other governmental authority having jurisdiction under the Plan. Shares of Class 1 Stock will not be represented by certificates, and shares of Class A Stock may not be represented by certificates. Certificates for shares of Class A Stock, if any, or notices of ownership for Shares delivered upon such grant, vesting or exercise shall bear legends restricting transfer or other restrictions or conditions to the extent required by law or determined by the Committee. Each Award under the Plan is subject to the condition that, if at any time the Committee shall determine that the listing, registration or qualification of the Shares subject to such Award under any state or federal law or other applicable Rule, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of the granting of such Awards or the issue or purchase of Shares thereunder, such Awards may not vest or be exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

#### 15. TERMINATION OF EMPLOYMENT

The Committee has the authority to prescribe the rules that apply to an Award upon the termination of a Participant's employment, which shall be memorialized in the Participant's original or amended Award Agreement or similar document. In the event that the Award Agreement does not prescribe such rules, the following rules will apply:

(a) Stock Options and Stock Appreciation Rights. If the employment of a Participant terminates by reason of the Participant's Retirement, Disability or death, the Participant's Stock Options and Stock Appreciation Rights may be exercised by the Participant, the Participant's designated beneficiary or legal representative or permitted transferee at any time on or prior to the earlier of the expiration date of the Stock Options and Stock Appreciation Rights or the expiration of one year after the date of Retirement, Disability or death but only if, and to the extent that the Participant was entitled to exercise the Stock Options and Stock Appreciation Rights at the date of Retirement, Disability or death and subject to such other terms and conditions as may be specified in the Award Agreement and the Plan. All Stock Options and Stock Appreciation Rights or any portion thereof not yet vested or exercisable on the date of Retirement, Disability or death shall become immediately vested and exercisable on the date of termination due to Retirement, Disability or death (except as otherwise provided by the Committee or an employment agreement between the Company and the Participant). Upon termination of the Participant's employment for any reason other than Retirement, Disability or death, any Stock Options and Stock Appreciation Rights may be exercised by the Participant, the Participant's designated beneficiary or legal representative or permitted transferee at any time on

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or prior to the earlier of the expiration date of the Award or the expiration of ninety days after the date of termination but only if, and to the extent that the Participant was entitled to exercise the Award at the date of termination and subject to such other terms and conditions as may be specified in the Award Agreement and the Plan. All Stock Options and Stock Appreciation Rights or any portion thereof not yet vested or exercisable on the date of termination other than by reason of Retirement, Disability or death shall terminate immediately on the date of termination (except as otherwise provided by the Committee or an employment agreement between the Company and the Participant). For purposes of applying the above rules under which an Award will be forfeited, the date of termination includes the date a Participant ceases to be employed by the Company or a Subsidiary.

(b) Restricted Stock, Restricted Stock Units, Performance Share Units and Other Stock-Based Awards. If the Participant dies or incurs a Disability, any unvested Restricted Stock, Restricted Stock Units, Performance Share Units and Other Stock-Based Awards shall vest in full, and with respect to any such Awards that include a performance based vesting schedule, assuming that the “target” level of performance has been achieved. Such Awards that vest pursuant to the preceding sentence shall be paid within sixty (60) days after the date of death or Disability. All Restricted Stock, Restricted Stock Units, Performance Share Units, Other Stock-Based Awards or any portion thereof not yet vested on the date of termination other than by reason of Disability or death shall terminate and be forfeited immediately on the date of termination (except as otherwise provided by the Committee or an employment agreement between the Company and the Participant). For purposes of applying the above rules under which an Award will be forfeited, the date of termination includes the date a Participant ceases to be employed by the Company or a Subsidiary.

Unless otherwise determined by the Committee, an authorized leave of absence pursuant to a written agreement or other leave entitling the Participant to reemployment in a comparable position by law or Rule shall not constitute a termination of employment for purposes of the Plan unless the Participant does not return at or before the end of the authorized leave or within the period for which re-employment is guaranteed by law or Rule.

#### 16. ADJUSTMENT OF AWARDS

In the event of any change in the capital stock of the Company by reason of any stock dividend, stock split, recapitalization, reorganization, merger, consolidation, split-up, combination, or exchange of shares, or rights offering to purchase capital stock at a price substantially below fair market value, or of any similar change affecting the capital stock, the number and kind of shares authorized under Section 4 for the Plan (including, to the extent permitted by Section 162(m), the limit in Section 4 on Awards to any Participant in any fiscal year), the number and kind of shares which thereafter are subject to an Award under the Plan and the number and kind of unexercised Stock Options and Stock Appreciation Rights and the price per share shall be adjusted automatically consistent with such change to prevent the dilution or enlargement of the rights granted to, or available for, Participants in the Plan.

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17. NO EMPLOYMENT RIGHTS

The Plan and any Awards granted under the Plan shall not confer upon any Participant any right with respect to continuance as an employee of the Company, nor shall the Plan or such Awards interfere in any way with the right of the Company to terminate the Participant's position as an employee or director at any time.

18. RIGHTS AS A STOCKHOLDER

The recipient of any Award under the Plan shall have no rights as a stockholder with respect thereto unless and until the underlying Shares are issued to the recipient, except as otherwise specifically provided by the Committee.

19. SECTION 162(m) CONDITIONS

It is the intent of the Company that all Awards that are intended to qualify as performance-based compensation under Section 162(m) be granted and interpreted in a manner to satisfy all applicable requirements of Section 162(m). Any provision, application or interpretation of the Plan inconsistent with this intent to satisfy the standards in Section 162(m) shall be disregarded. Notwithstanding the foregoing, with respect to Awards that are intended to qualify as performance-based compensation under Section 162(m), the Committee may adopt non-compliant Section 162(m) provisions that apply upon a Change in Control or the death or disability of a Covered Employee.

Notwithstanding anything in the Plan to the contrary, the provisions of the Plan may be bifurcated by the Committee so that the provisions of the Plan that are intended or required to satisfy the performance-based compensation requirements of Section 162(m) are applicable only to Awards granted to Covered Employees.

20. SECTION 409A CONDITIONS

With respect to Awards that are subject to Section 409A, the Plan is intended to comply with the requirements of Section 409A and the Plan and provisions of such Awards shall be interpreted and administered in accordance with that intent. To the extent that the Committee determines that the Plan or any Section 409A Award fails to comply with the requirements of Section 409A, notwithstanding anything to the contrary contained in the Plan or in any Award, the Committee reserves the right to amend or terminate the Plan and/or amend, restructure, terminate or replace the Award, without the consent of the Participant, to cause the Award to either not be subject to Section 409A or to comply with the applicable provisions of such section. By way of example, the following rules shall apply:

- Any provision of the Plan that would conflict with the requirements of a Section 409A Award shall not apply to a Section 409A Award.
  - Any adjustment or modification to an Award shall be made in compliance with Section 409A (e.g., any adjustment to an Option or Stock Appreciation Right under Section 21 shall be made in accordance with the requirements of Section 409A).
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- For Section 409A Awards, all rights to amend, terminate or modify the Plan or any Award are subject to the requirements and limitations of Section 409A.
- For Section 409A Awards, any payment or distribution that is triggered upon termination or cessation of employment or a comparable event shall be interpreted consistent with the definition of "separation from service" within the meaning of Treasury Regulation Section 1.409A-1(h).
- With respect to amounts payable under a Section 409A Award, in the event that a Participant is a "specified employee" as defined in Section 409A, any amount that is payable in connection with the Participant's separation from service shall not be paid prior to the date which is six months after the date the Participant separates from service (or, if earlier, the date the Participant dies). A Participant who is subject to the restriction described in the previous sentence shall be paid on the first day of the seventh month after the Participant's separation from service an amount equal to the benefit that the Participant would have received during such six month period absent the restriction.

While the Company intends for Awards to either be exempt from or in compliance with Section 409A, neither the Company nor the Committee shall be liable to any person for the tax consequences of any failure to comply with the requirements of Section 409A or any other tax consequences relating to Awards under the Plan.

#### 21. AMENDMENT AND DISCONTINUANCE

The Plan and any Award outstanding under the Plan may be amended, modified or terminated by the Committee at any time and all Awards shall be subject to the Plan, as amended from time to time, except that the Committee may not, without approval of the Participant to whom the Award was granted or his legal representative or permitted transferee adversely affect the rights of such person under such Award. No amendment, modification, or termination of the Plan shall be effective without stockholder approval if such approval is required under applicable law or Rule or any regulation of the stock market on which the Class A Stock is traded. Additionally, stockholder approval will be required for any amendment of the Plan that does any of the following: (a) permits the grant of any Stock Option with an exercise price less than the Fair Market Value of the Shares on the date of grant; (b) reduces the exercise price of an outstanding Stock Option, either by lowering the exercise price or by canceling an outstanding Stock Option and granting a replacement Stock Option with a lower exercise price; (c) permits the grant of any Stock Appreciation Right with a reference amount that is less than the Fair Market Value of the Shares on the date of grant; or (d) reduces the reference amount of an outstanding Stock Appreciation Right, either by lowering the reference amount or by canceling an outstanding Stock Appreciation Right and granting a replacement Stock Appreciation Right with a lower reference amount.

#### 22. CHANGE IN CONTROL

- (a) The Committee has the authority to prescribe the rules that apply to an Award upon a Change in Control, which shall be memorialized in the Participant's original or
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amended Award Agreement or similar document. In the event that the Award Agreement does not prescribe such rules, the following rules will apply. In the event of a Change in Control or of the Company, all of a Participant's Awards shall become immediately vested and exercisable or fully earned at the maximum amount, except as otherwise determined by the Committee. Notwithstanding the foregoing, this Section 22 shall not affect the timing of payment of a Section 409A Award (including vesting if vesting affects the timing of payment) unless the Change in Control also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A.

(b) In the event of a Change in Control, in the discretion of the Committee, each Participant who is a Section 16 insider with respect to whom the Change in Control might result in a violation under Section 16(b) of the Exchange Act, may receive, in exchange for the surrender of a Stock Option, an amount of cash equal to the difference between the fair market value (based on the kind and amount of any securities, cash, other property or other consideration to be received with respect to each Share in the Change in Control transaction as determined by the Committee) of the Shares covered by the Award and the exercise price of such Shares under the Stock Option or to receive, in exchange for any other Award, an amount of cash equivalent to such fair market value had the Participant received the Shares or other compensation as intended under the Award prior to the Change in Control.

(c) Notwithstanding the foregoing, the Plan and any Awards outstanding under the Plan shall be binding upon any successor to the Company, whether such successor is the result of a direct or indirect purchase, merger, consolidation or other acquisition of all or substantially all of the business and/or assets of the Company.

#### 23. CLAWBACK

Notwithstanding any provision to the contrary, if the Company determines that it is required by law to include an additional "clawback" or "recoupment" provision to an Award under the Dodd-Frank Wall Street Reform and Consumer Protection Act or otherwise, then such clawback or recoupment provision shall automatically apply to the Award, regardless of whether such provision had been included in the Award Agreement.

#### 24. SUBSTITUTE AWARDS

Notwithstanding any other provision of the Plan, the terms of Substitute Awards may vary from the terms set forth in the Plan to the extent the Committee deems appropriate to conform, in whole or in part, to the provisions of the awards in substitution for which they are granted.

#### 25. PARTICIPANTS IN FOREIGN COUNTRIES

The Committee shall have the authority to adopt such modifications, procedures, and subplans, in each case which may differ from the terms specified in the Plan, as may be necessary or desirable to comply with provisions of the laws of foreign countries in which the Company or its Subsidiaries may operate to assure the viability of the benefits from Awards

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granted to Participants performing services in such countries and to meet the objectives of the Plan.

26. GOVERNING LAW

The Plan and any Award made pursuant to it shall be construed under the laws of the State of Delaware.

Dated: July 27, 2012

CONSTELLATION BRANDS, INC.

By: /s/ Lisa M. Schnorr  
Lisa M. Schnorr  
Title: Vice President, Compensation & HRIS

Date of Stockholder Approval: July 27, 2012

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ANNEX A  
TO  
LONG-TERM STOCK INCENTIVE PLAN  
CERTAIN DEFINITIONS

Capitalized terms used in the Plan shall have the meanings set forth below:

**“Award”** means, individually or collectively, a grant under the Plan of Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Share Units or Other Stock-Based Awards. Subject to the terms of the Plan, the terms of an Award will be memorialized and set forth in an Award Agreement.

**“Award Agreement”** means a written or electronic agreement setting forth the terms and provisions applicable to Awards granted under the Plan.

**“Cause”** means, solely for the purposes of the Plan, gross negligence or willful misconduct or commission of a felony or an act of moral turpitude determined by the Committee to be detrimental to the best interests of the Company or, if the Participant is subject to a written agreement with the Company, “cause” shall have the meaning set forth in that agreement.

**“Change in Control”** means, unless the Committee specifies otherwise in an Award Agreement:

- (a) there shall be consummated
    - (i) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which any Shares are to be converted into cash, securities or other property, provided that the consolidation or merger is not with a corporation which was a direct or indirect wholly-owned subsidiary of the Company or a parent of the Company immediately before the consolidation or merger; or
    - (ii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company; or
  - (b) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company; or
  - (c) any person (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) other than any of the Permitted Holders shall become the beneficial owner (within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of 35% or more of the voting control of the Company’s then outstanding common stock, provided that such person shall not be a wholly-owned subsidiary of the Company immediately before it becomes such 35% beneficial owner of voting control; or
  - (d) individuals who constitute the Incumbent Board cease for any reason to constitute at least a majority of the Company’s Board of Directors (for this purpose “Incumbent Board”
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means at any time those persons who are then members of the Board of Directors of the Company and who either (i) are members of the Company's Board of Directors on the date hereof, or (ii) have been elected, or have been nominated for election by the Company's stockholders, by the affirmative vote of at least two-thirds of the directors comprising the Incumbent Board at the time of such election or nomination (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination)).

**"Class A Stock"** means the class A common stock, par value \$.01 per share, of the Company.

**"Class 1 Stock"** means the class 1 common stock, par value \$.01 per share, of the Company.

**"Code"** means the Internal Revenue Code of 1986, as amended.

**"Company"** means Constellation Brands, Inc. and its Subsidiaries, except where the context indicates that only the parent company is intended.

**"Committee"** means the committee appointed from time to time by the Company's Board of Directors to administer the Plan, and if no committee is appointed, the Committee shall be the Human Resources Committee. The full Board of Directors, in its discretion, may act as the Committee under the Plan, whether or not a Committee has been appointed, and shall do so with respect to grants of Awards to non-employee directors. The Committee may delegate to one or more members of the Committee or officers of the Company, individually or acting as a committee, any portion of its authority, except as otherwise expressly provided in the Plan. In the event of a delegation to a member of the Committee, officer or a committee thereof, the term "Committee" as used herein shall include the member of the Committee, officer or committee with respect to the delegated authority. Notwithstanding any such delegation of authority, the Committee comprised of members of the Board of Directors and appointed by the Board of Directors shall retain overall responsibility for the operation of the Plan.

**"Covered Employee"** means an employee who is a "covered employee" as such term is defined under Section 162(m) and such additional employees as the Committee may treat as being subject to the rules that apply to "covered employees" under Section 162(m).

**"Disability"** means, unless the Committee specifies otherwise in a Participant's Award Agreement, a "termination of employment due to the inability of a Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than six months, all as verified by a physician acceptable to, or selected by, the Committee; provided that, unless the Committee specifies otherwise in a Participant's Award Agreement, with respect to a Section 409A Award whose payment is triggered by the Participant's Disability the six month period referenced above shall be twelve months and the Disability must satisfy the requirements of Section 409A.

**"Extraordinary Items"** means (a) items presented as such (or other comparable terms) on the Company's audited financial statements, (b) extraordinary, unusual, transition, one-time

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and/or nonrecurring items of gain or loss (including, but not limited to, charges for reorganizing and restructuring, discontinued operations and asset write-downs), (c) changes in tax or accounting laws, regulations or principles, (d) the effects of mergers, acquisitions, divestitures, spin-offs or similar significant transactions (including, without limitation, gains or losses on the disposition of a business or business segment or arising from the sale of assets outside the ordinary course of business), (e) stock split, recapitalization, split-up, or similar change, or (f) share repurchases. To qualify as an Extraordinary Item, the item must be identified in the audited financial statements and notes thereto or in the “management’s discussion and analysis” section of the financial statements in a period report filed with the SEC under the Exchange Act.

**“Fair Market Value”** of a Share means (a) with respect to a Share of Class A Stock, the closing price of the Class A Stock on the New York Stock Exchange or other national stock exchange on which the Class A Stock is actively traded for the date as reported in the Wall Street Journal, Eastern Edition or such other standard reference service as the Committee may select, and (b) with respect to a Share of Class 1 Stock, (i) the closing price of the Class A Stock on the New York Stock Exchange or other national stock exchange on which the Class A Stock is actively traded for the date as reported in the Wall Street Journal, Eastern Edition or such other standard reference service as the Committee may select, or (ii) if the Committee shall determine that the fair market value of a share of Class A Stock is not a reasonable proxy for the fair market value of a share of Class 1 Stock, such fair market value as shall be determined by the Committee or calculated in accordance with one or more methodologies established by the Committee as such methodologies may be modified or adjusted from time to time by the Committee.

**“IRS”** means the Internal Revenue Service and, if the context permits, the courts interpreting the Code.

**“Other Stock-Based Award”** means an Award granted pursuant to Section 9 of the Plan which is subject to the terms, conditions and restrictions set forth in the Award Agreement evidencing the Award.

**“Participant”** means any employee of the Company or non-employee director of the Company who has received an Award under the Plan.

**“Performance Criteria”** means one or more of the following performance criteria for a Performance Period selected by the Committee with respect to an Award:

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- Sales Growth or Net Sales Growth
- Net Sales
- Assets or Asset Productivity
- Operating Expenses / Selling, General and Administrative Expenses
- Cost reductions or cost control
- Gross Margin or Gross Profit
- Brand Contribution / Contribution after Marketing
- Operating Income or Net Operating Income
- Operating Margins / Sales
- Return on Operating Revenue
- Earnings Before Interest and Taxes
- Earnings Before Interest, Taxes, Depreciation and Amortization
- Income Before Income Taxes / Profit Before Tax
- Net Income
- Earnings Per Share
- Cash Flow or Free Cash Flow
- Working Capital or any of its components (Accounts Receivable, Inventory, Accounts Payable)
- New product introductions or launches
- Cash Flows from Operating Activities
- Return on Capital
- Return on Equity
- Cost of Goods Sold / Cost of Product Sold
- Return on Invested Capital
- Return on Assets / Return on Net Assets
- Capital Expenditures / Purchases of property, plant and equipment
- Net Increase in Cash or Cash Equivalents
- Stock Price
- Market share (volume or value-based)
- Total Stockholder Return
- Stockholder Value Added / Economic Value Added
- Goals relating to acquisitions or divestitures
- Units sold or depleted
- Customer service level
- Debt Ratio or Debt-to-Equity Ratio
- New Sales or Depletions or new product introductions

Performance criteria may be: (a) established on a corporate, divisional, business unit or consolidated basis, (b) measured on an absolute basis or relative basis (e.g., passage of time (such as a year over year growth), as a relative comparison to a peer group, industry index, broad-based index, etc.), (c) calculated on a pre-tax or after-tax basis, (d) calculated on a per share basis, (e) calculated on a GAAP or non-GAAP basis, and/or (f) calculated for all or a portion of a single year or calculated over multiple years.

**“Performance Period”** means the fiscal year or years or other period established by the Committee with respect to which a Performance Target is set by the Committee.

**“Performance Share Unit”** means an Award granted to a Participant pursuant to Section 8 of the Plan whose value is denominated in Shares and is earned by satisfaction of specified performance goals and such other terms and conditions that the Committee may specify.

**“Performance Target”** means one or more specific objective goal or goals (which may be cumulative or alternative) that are timely set in writing by the Committee for each Participant for the applicable Performance Period with respect to any one or more of the Performance Criteria.

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**“Permitted Holders”** means, unless the Committee specifies otherwise in an Award Agreement, (a) Marilyn Sands, her descendants (whether by blood or adoption), her descendants’ spouses, her siblings, the descendants of her siblings (whether by blood or adoption), Hudson Ansley, Lindsay Caleo, William Caleo, Courtney Winslow, or Andrew Stern, or the estate of any of the foregoing individuals, or The Sands Family Foundation, Inc., (b) trusts which are for the benefit of any combination of the individuals and foundation described in clause (a), or any trust for the benefit of any such trust, or (c) partnerships, limited liability companies or any other entities which are controlled by any combination of the individuals described in clause (a) or the estate of any such individuals, The Sands Family Foundation, Inc., a trust referred to in the foregoing clause (b), or an entity that satisfies the conditions of this clause (c).

**“Plan”** means the Long-Term Stock Incentive Plan of the Company (amended and restated as of July 27, 2012), as amended from time to time.

**“Restricted Stock”** means Shares granted pursuant to Section 7 of the Plan which are subject to the terms, conditions and restrictions set forth in the Award Agreement evidencing the Award.

**“Restricted Stock Units”** means an Award granted to a Participant pursuant to Section 8 of the Plan whose value is denominated in Shares and is earned by satisfaction of specified service requirements and such other terms and conditions that the Committee may specify.

**“Retirement”** means a termination of employment by an employee who is at least 60 years of age and after at least 10 years of service with the Company. For an individual who becomes employed by the Company in connection with a business acquisition (regardless of the form of the transaction), service shall include the individual’s service with the acquired business, unless the Committee determines otherwise.

**“Rules”** means rules, regulations and interpretations issued by the governmental authority charged with administering any law and any judicial interpretations applicable thereto.

**“SEC”** means the Securities and Exchange Commission.

**“Section 409A”** means Code Section 409A and the regulations and guidance issued thereunder.

**“Section 409A Award”** means an Award that is subject to and intended to comply with the requirements of Section 409A.

**“Section 162(m)”** means Code Section 162(m) and the regulations and guidance issued thereunder.

**“Shares”** means shares of Class A Stock or Class 1 Stock and, with respect to any particular Award, means the shares of Class A Stock or shares of Class 1 Stock to which such Award relates.

**“Stock Appreciation Right”** means an Award, granted alone or in connection with a related Stock Option, designated as a Stock Appreciation Right and granted pursuant to the terms

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of Section 6 of the Plan which is subject to the terms, conditions and restrictions set forth in the Award Agreement evidencing the Award and the Plan.

**“Stock Option”** means any nonqualified Stock Option granted pursuant to Section 5 of the Plan which is subject to the terms, conditions and restrictions set forth in the Award Agreement evidencing the Award and the Plan.

**“Subsidiaries”** means (a) all corporations of which at least fifty percent of the voting stock is owned by the Company directly or through one or more corporations at least fifty percent of whose voting stock is so owned, and (b) partnerships or other entities in which the Company has, either directly or indirectly, at least a fifty percent interest in the capital or profits.

**“Substitute Awards”** shall mean Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

Other terms: Any other terms used in the Plan which are defined in Sections 83, 162(m), 409A or 421 of the Internal Revenue Code as amended, or the Rules thereunder or corresponding provisions of subsequent laws and Rules in effect at the time Awards are made under the Plan, shall have the meanings set forth in such laws or Rules.

[LOGO]  
Constellation Brands, Inc.

MEMORANDUM

TERMS AND CONDITIONS OF STOCK OPTIONS  
CLASS 1 COMMON STOCK

[Date]

The CONSTELLATION BRANDS, INC. Long-Term Stock Incentive Plan, as amended from time to time (the “Plan”), enables Constellation Brands, Inc. (the “Company”) to grant stock options to purchase Class 1 Common Stock, par value \$.01 per share, of the Company (a “Share” or the “Shares”) to employees and directors of the Company (each, when granted a stock option, an “Optionee”). The stock options represented by this Memorandum and the accompanying award letter (respectively, the “Options” and the Memorandum and accompanying award letter, together, the “Documents”) are subject to all of the terms and conditions contained in the Documents. By accepting delivery of the Documents, the Optionee agrees to be bound by the terms and conditions of the Documents.

1. Term of Options. The Options, granted on \_\_\_\_\_ (the “Date of Grant”), will terminate and expire, to the extent not previously exercised, at 5:00 p.m. Eastern Time on \_\_\_\_\_, or such earlier date upon which the Options, or portion thereof, terminate or expire pursuant to the terms of the Plan or the Documents (the “Expiration Date”).
  2. Exercise of Options.
    - (a) The Options may be exercised in whole or in part at any time on or after \_\_\_\_\_ but no Options may be exercisable after the Expiration Date.
    - (b) The Optionee can exercise Options by complying with the provisions of the Plan and by following instructions provided in materials distributed by the Company. The exercise price, \$ \_\_\_\_\_ per share (the “Exercise Price”), for the number of shares subject to the Option (the “Option Shares”) being purchased and any related withholding tax obligations may be paid by the Optionee by (i) delivery of cash, money order or a certified or cashier’s check; (ii) tendering previously acquired Shares or shares of Class A Common Stock, par value \$.01 per share, of the Company (“Class A Shares”), as provided for in the Plan; (iii) delivery of a conversion notice or other conversion instructions acceptable to the Company irrevocably electing to convert a sufficient number of Shares received under the Option into Class A Shares (“Conversion Shares”) together with delivery of irrevocable instructions to a broker or other agent acceptable to the Company to
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promptly sell the Conversion Shares and to deliver to the Company the appropriate amount of proceeds; and/or (iv) any other payment method that is established by the Company (which payment method may be restricted or eliminated from time to time by the Company, in its sole discretion).

- (c) The Company will, without transfer or issue tax to the Optionee, issue and cause to be delivered to the Optionee the number of Option Shares purchased as soon as reasonably practicable after the Optionee has appropriately exercised any Options. The Company is not required to issue Shares to the Optionee until all obligations to withhold taxes and similar charges have been resolved to the satisfaction of the Company.

3. Termination of Relationship. As long as the Optionee continues to be a director of the Company, the Options may be exercised once they have vested and prior to their expiration. If the Optionee ceases to be a director of the Company as a result of the Optionee's death or disability, the Options shall all immediately vest. For this purpose, "disability" means a long-lasting physical or mental impairment that prevents the Optionee from performing his/her duties as a director, as solely determined by the Board of Directors. In addition, subject to Section 4 below, Options which have vested prior to the termination of the Optionee's relationship with the Company (or which have vested as a result of the Optionee's death or disability as set forth above) may be exercised by the Optionee, his designated beneficiary or legal representative or permitted transferee within one (1) year after the last day on which the Optionee was a member of the Board of Directors of the Company (the last day on which the Optionee is a member of the Board of Directors of the Company is referred to as the "Termination Date").

4. Limitations on Exercise Following Termination of Relationship.

- (a) The time period set forth in Section 3 above is subject to the restriction that Options may not be exercised after their Expiration Date.
  - (b) The time period set forth in Section 3 above is also subject to the restriction that no Option may be exercised by any person if the Optionee's relationship with the Company has been terminated for Cause, as defined in the Plan.
  - (c) Except as otherwise provided by the Committee administering the Plan, (i) the only Options that may be exercised after the Termination Date are those Options that were exercisable by the Optionee on the Termination Date; and (ii) any Options which are not exercisable on the Termination Date will automatically terminate on the Termination Date.
  - (d) Any Options which are exercisable on the Termination Date, but which are not exercised within the one (1) year period specified in Section 3 above, will automatically terminate at the end of that period.
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5. Adjustments for Certain Events. The number and kind of unexercised Options and the Exercise Price of such Options are subject to adjustment in the event that certain transactions are taken by the Company which affect the Company's capital stock.
  6. Type of Options. The Options are nonqualified stock options granted pursuant to Section 5 of the Plan.
  7. No Transfer of Options. Unless transferability is authorized by the Option grant or otherwise permitted by the Committee, Options are not transferable by the Optionee other than (i) by will or the laws of descent and distribution, or (ii) pursuant to a domestic relations order. Because of laws affecting the transferability of the Option Shares, the Optionee should understand the securities laws and other implications of any transfer of Options.
  8. General Restriction on Issuance of Shares. The Company may require information or documents which enable it to insure compliance with any law or Rules (as defined in the Plan) of the Securities and Exchange Commission or any other governmental authority having jurisdiction under the Plan before it issues any Shares upon the exercise of any Options. If at any time the Committee administering the Plan shall determine that the listing, registration or qualification of the Option Shares under any state or federal law or other applicable Rule, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of the granting of the Options or the issue or purchase of Shares thereunder, such Options may not be exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.
  9. Limitation on Sale or Disposition of Option Shares. If the Committee determines that the ability of the Optionee to sell or transfer Option Shares is restricted, then the Company may place a restrictive legend or stop transfer notation on its books with respect to such Option Shares. If a legend or stop transfer notation is placed on the Company's books with respect to an Optionee's Option Shares, the Optionee may only sell such Option Shares in compliance with such legend or notation.
  10. No Listing of Option Shares; Conversion. The Company has not listed the Option Shares for trading on the New York Stock Exchange and does not intend to effect such a listing. Pursuant to the Certificate of Incorporation of the Company, Option Shares may be converted into Class A Shares, but only if the Class A Shares received upon the conversion are sold or transferred immediately following the conversion in a market transaction or qualifying private transaction as such terms are defined in the Company's Certificate of Incorporation. The Class A Shares into which Option Shares may be converted have been or will, prior to issuance, be listed for trading on the New York Stock Exchange.
  11. Incorporation of Plan. The Options are subject to the terms and conditions of the Plan, which are incorporated herein by reference. The Company, upon request, will provide a
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copy of the Plan to the Optionee. To the extent that the terms and conditions of the Documents are inconsistent with the Plan, the provisions of the Plan shall control.

12. Applicable Times and Dates. All references to times and dates in the Plan and in documents relating to the Plan refer, respectively, to Eastern Standard Time (or Eastern Daylight Savings Time, as appropriate) in the United States of America and to dates in New York State based on such Eastern Standard Time (or Eastern Daylight Savings Time, as appropriate).

**RESTRICTED STOCK AGREEMENT**  
**Pursuant to**  
**CONSTELLATION BRANDS, INC.**  
**LONG-TERM STOCK INCENTIVE PLAN**

**Name of Participant:** \_\_\_\_\_

**Date of Grant:** \_\_\_\_\_

**Number of Shares:** \_\_\_\_\_

**Value of Each Share on Date of Grant:**     \$ \_\_\_\_\_

This **RESTRICTED STOCK AGREEMENT** (the "Agreement"), dated as of \_\_\_\_\_, is made between **Constellation Brands, Inc.** (the "Company") and \_\_\_\_\_ (the "Participant") to record the granting of Restricted Stock on \_\_\_\_\_ (the "Date of Grant") to the Participant pursuant to the Company's Long-Term Stock Incentive Plan, as amended from time to time (the "Plan").

The Company and the Participant hereby agree as follows:

**1. Grant of Shares.** The Company hereby grants to the Participant, as of the Date of Grant, subject to and in accordance with the terms and conditions of the Plan and this Agreement, \_\_\_\_\_ shares of the Company's Class A Common Stock, par value \$.01 per share (the "Class A Stock"). (The grant of shares of Class A Stock to the Participant, evidenced by this Agreement, is an award of Restricted Stock (as defined in the Plan) and such shares of Restricted Stock are referred to herein as the "Shares".)

**2. Vesting of Shares.**

(a) **Service.** Ownership of 100% of the Shares shall vest on \_\_\_\_\_, provided that the Participant continues as a member of the Company's Board of Directors until such date.

(b) **Death or Disability.** If the Participant ceases being a member of the Company's Board of Directors as a result of the Participant's death or disability, the Shares shall immediately vest. For this purpose, "disability" means a long-lasting physical or mental impairment that prevents the Participant from performing his/her duties as a member of the Company's Board of Directors, as solely determined by the Board of Directors.

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(c) **Termination.** If the Board of Directors decides not to nominate the Participant for an additional term as a member of the Company's Board of Directors, unless such decision is for Cause, the Shares shall vest on the date of the Company's next Annual Meeting of Stockholders, at which directors are elected; provided that the Participant continues as a member of the Company's Board of Directors until such date.

(d) **Change in Control.** The Shares are subject to the provisions of the Plan pertaining to a Change in Control of the Company.

3. **Forfeiture.** Shares that do not become vested in accordance with the vesting criteria set forth in Section 2 above (and any dividends or other distributions related to such Shares) shall be forfeited to the Company.

4. **Legend.** Each share certificate representing the Shares shall bear a legend indicating that such Shares are "Restricted Stock" and are subject to the provisions of this Agreement and the Plan.

5. **Transferability; Restricted Share Certificates to be Held by the Company.** The Shares shall become transferable only when they become vested in accordance with Section 2 of this Agreement. Share certificates representing all unvested Shares shall be held by the Company until such Shares have become vested. As the Shares vest, and as all other restrictions and conditions set forth in this Agreement and under the Plan (as they apply to Restricted Stock) are satisfied, certificates representing the Shares (along with any dividends and other distributions relating to those Shares) shall be released to the Participant. At that time, the Company shall take such steps as may be appropriate to delete the legend on the certificate which identifies the Shares as Restricted Stock.

6. **Section 83(b) Election.** The Participant may elect, within 30 days of the Date of Grant pursuant to Section 83(b) of the Internal Revenue Code, to include in his or her gross income the fair market value of the Shares covered by this Agreement in the taxable year of grant. If the Participant makes this election, he shall promptly notify the Company by submitting to the Company a copy of the statement filed with the Internal Revenue Service in which the Participant makes such election.

7. **General Restrictions on Issuance of Stock Certificates.** The Company shall not be required to deliver any certificate representing the Shares until it has been furnished with such opinions, representations or other documents as it may deem necessary or desirable, in its discretion, to insure compliance with any law or Rules of the Securities and Exchange Commission or any other governmental authority having jurisdiction under the Plan or over the Company, the Participant, or the Shares or any interests granted thereunder. This award of Restricted Stock is also subject to the condition that, if at any time the Committee administering the Plan shall determine, in its discretion, that the listing, registration or qualification of the Shares (or any capital stock distributed thereon) upon the New York Stock Exchange, any other securities exchange, the NASDAQ Stock Market or under any state or Federal law or other applicable Rule, or the consent or approval of any

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governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of this award of Restricted Stock or the issue of the Shares (or the issue of any dividends or other distributions related to the Shares), the Shares (and any dividends or other distributions related thereto) may not be transferred unless such listing, registration, qualification, consent or approval shall have been effected or obtained to the complete satisfaction of the Committee and free of any conditions not acceptable to the Committee.

**8. Rights as Shareholder.** Except for the dividend and distribution restrictions described below, and the transfer and other restrictions set forth elsewhere in this Agreement and in the Plan, the Participant, as record holder of the Shares, shall possess all the rights of a holder of the Company's Class A Stock, including voting, dividend and other distribution rights, provided, however, that prior to vesting, the certificates representing the Shares, as well as any dividends or other distributions with respect to such Shares, shall be held by the Company for the benefit of the Participant. Any distributions with respect to the Shares in the form of capital stock shall be treated as Restricted Stock in the same manner as the Shares. If the underlying Shares do not vest, then any capital stock distributed with respect to the Shares, as well as any other dividends or other distributions with respect to such Shares, shall be forfeited to the Company. The Participant agrees to deliver to the Company a stock power executed in blank covering the Shares (and covering any capital stock distributed with respect to such Shares) which shall be returned to Participant with the appropriate stock certificate when the Shares represented thereby vest. The stock power with respect to any certificate representing Shares which do not vest shall be completed in the name of the Company by an officer of the Company and returned to the treasury.

**9. Adjustment of Shares.** As provided by the Plan, in the event of any change in the capital stock of the Company by reason of any stock dividend, stock split, recapitalization, reorganization, merger, consolidation, split-up, combination, or exchange of shares, or rights offering to purchase capital stock at a price substantially below fair market value, or of any similar change affecting the capital stock, the Shares shall be adjusted automatically consistent with such change to prevent substantial dilution or enlargement of the rights granted to, or available for, the Participant hereunder.

**10. Coordination With Plan.** The Participant acknowledges that he has previously received a copy of the Plan and agrees to be bound by all of the terms and provisions thereof, including any which may conflict with those contained in this Agreement. Capitalized terms used in this Agreement and not otherwise defined shall have the meaning given to such terms under the Plan.

**11. Notices.** All notices to the Company shall be in writing and sent to the Company's General Counsel at the Company's offices located at 207 High Point Drive, Building 100, Victor, New York 14564. Notices to the Participant shall be addressed to the Participant at \_\_\_\_\_.

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**IN WITNESS WHEREOF**, the Company and the Participant have caused this Restricted Stock Agreement to be executed on the date set forth opposite their respective signatures, it being further understood that the Date of Grant may differ from the date of signature.

Dated: \_\_\_\_\_

CONSTELLATION BRANDS, INC.

By: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

PARTICIPANT

\_\_\_\_\_