

STATE OF VERMONT
LIQUOR CONTROL BOARD

In re: KB Wines, LLC)
[Licensee Name]) License No. 27-0819806

STIPULATION AND CONSENT ORDER

NOW COME KB Wines, LLC ("Licensee") and the
State of Vermont Department of Liquor Control, and agree and stipulate as follows:

1. Licensee holds a vinous beverage shipping license authorizing it to
direct ship vinous beverages into and within Vermont, subject to specific conditions,
including those in 7 V.S.A. § 66.

2. Pursuant to 7 V.S.A. § 66(e), each holder of a vinous beverage shipping
license shall:

Report at least twice a year to the department of liquor control in a
manner and form required by the department all the following
information:

- (A) The total amount of vinous beverages shipped into or within
the state for the preceding six months.
- (B) The names and addresses of the purchasers to whom the
vinous beverages were shipped.
- (C) The date purchased, if appropriate, the name of the common
carrier used to make each delivery, and the quantity and value
of each shipment.

7 V.S.A. § 66(e)(4)(A)-(C).

3. Jurisdiction in these matters vests with the Vermont Liquor Control
Board ("Board") pursuant to 7 V.S.A. §§ 66, 236; 3 V.S.A. §§ 809-814; and other
authority.

4. The Board has the power to suspend or revoke any permit or licensee granted pursuant to Title 7 “in the event the person holding such permit or license shall at any time during the term thereof so conduct his or her business as to be in violation of [Title 7], the conditions pursuant to which such permit or license was granted or of any rule or regulation prescribed by the [Board].” 7 V.S.A. § 236(a).

5. Licensee acknowledges that it voluntarily enters this Stipulation and Consent Order. It agrees and understands that, by executing this document, it is waiving any opportunity for a formal hearing before the Board (thereby waiving any right to be presented with the evidence against it, to cross-examine adverse witnesses, and to offer evidence of his own to contest any State allegations) and waiving any right to challenge the jurisdiction and continuing jurisdiction of the Board in these matters. 7 V.S.A. § 236; 3 V.S.A. §§ 809, 814.

6. The Department’s review and investigation of records submitted to it by vinous beverage shipping licensees pursuant to 7 V.S.A. § 66(e)(4)(A)-(C) has demonstrated that Licensee has failed to submit to the Department the required reporting for the last six month period.

7. The reporting requirements of the Department of Liquor Control under 7 V.S.A. § 66(e)(4)(A)-(C) are separate and distinct from any reporting requirements of other Vermont State agencies, such as those of the Vermont Department of Taxes under 7 V.S.A § 66(e)(5).

Order

WHEREFORE, on the basis of the foregoing, and on the basis of the consent of Licensee, it is hereby ORDERED that:

8. Licensee shall within thirty (30) days of this Order submit to the Department of Liquor Control all outstanding reports due under 7 V.S.A. § 66(e)(4)(A)-(C), at 13 Green Mountain Drive, Montpelier, VT 05602 or via facsimile to (802) 828-1031.

9. Licensee shall from the date of this Order submit all reports thereafter required by 7 V.S.A. § 66(e)(4)(A)-(C) in a timely manner to the Department of Liquor Control at 13 Green Mountain Drive, Montpelier, VT 05602 or via facsimile to (802) 828-1031.

10. The parties agree that this Stipulation and Consent Order shall be a public document and shall be made part of Licensee's enforcement history file.

11. This Stipulation and Consent Order is subject to review and acceptance by the Board and shall not become effective until presented to and approved by the Board. If the Board rejects any part of this Stipulation and Consent Order the entire agreement shall be null and void. However, should the terms and conditions of this Stipulation and Consent Order be deemed acceptable to the Board, the parties request that the Board approve this order as set forth herein.

12. Licensee agrees to be bound by all terms and conditions of this Stipulation and Consent Order. Licensee agrees that any failure by it to comply with the terms and conditions of this Stipulation and Consent Order shall

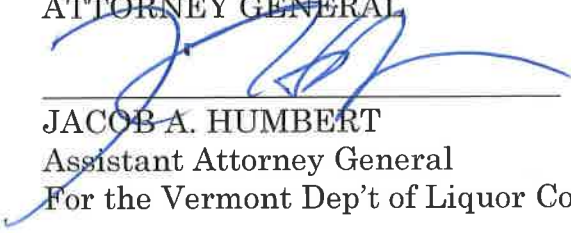
constitute a violation of 7 V.S.A. § 66(e)(4) and may result in revocation of Licensee's license after notice and opportunity for hearing.

DATED at Montpelier, Vermont this 8th day of MAY 2013.

STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

By:


JACOB A. HUMBERT

Assistant Attorney General

For the Vermont Dep't of Liquor Control

DATED at Atascadero, California this 28 day of March 2013.

LICENSEE

By:



Name:
(print)

Rachel Annas Rey

Title:

Account Rep.

Its Authorized Agent

APPROVED AND ORDERED
VERMONT LIQUOR CONTROL BOARD

By:



Date:

5/8/2013

APR 0 9 07
HPR 0 9 07