

OPERATING AGREEMENT for VIRGINIA WINE DISTRIBUTION BY VIRGINIA WINERY DISTRIBUTION COMPANY, INC.

This AGREEMENT ("Agreement") is made and entered into this 20th day of March, 2008 between DBA Rogers Ford Farm Winery, Mark Collette Padgett, a Virginia partnership/corporation/sole proprietorship ("Winery"), and Virginia Winery Distribution Company, a Virginia corporation ("VWDC") (each a "Party" and together "the Parties") and provides as follows:

WHEREAS, Winery is a Virginia winery or farm winery that is licensed to produce and sell wine in Virginia; and

WHEREAS, VWDC was established pursuant to authority granted by Va. Code § 3.1-14.01, is pursuing licensure by the Virginia Board of Alcoholic Beverage Control ("ABC") pursuant to Va. Code § 4.1-207.1, as well as by the U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau ("TTB"), and will maintain a principal office in Virginia as a wholesaler of Virginia wine; and

WHEREAS, the Code of Virginia authorizes VWDC to act as a wine wholesaler of not more than 3,000 cases per year of Winery's wine ("Wine") to restaurants and shops for resale ("Retail Licensees") in a designated sales territory within Virginia as set forth herein; and

WHEREAS, the Parties desire that VWDC utilize space within the bonded warehouse of Winery and utilize Winery workers as agents acting under the management and control of VWDC to distribute Wine to Retail Licensees as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants and conditions contained herein, the receipt and sufficiency of which are acknowledged by the Parties, Winery and VWDC hereby agree as follows:

I. Term of Agreement

- A. The initial term of this Agreement shall commence on the date set forth above and shall continue until June 30, 2008 unless sooner terminated pursuant to this Agreement.
- B. This Agreement shall automatically renew for additional one (1) year periods beginning on July 1 and ending June 30 of every succeeding year unless terminated as set forth herein.
- C. This Agreement shall be voidable at the sole option of VWDC if the General Assembly of the Commonwealth of Virginia fails to appropriate funding to VWDC to accomplish the purposes set forth in Va. Code § 4.114.01 and in this Agreement.
- D. Upon any termination of this Agreement, each Party shall immediately pay to the other Party all unpaid amounts due, if any.

E. All liabilities or claims of either Party which shall have accrued or arisen prior to termination shall survive the termination of this Agreement.

II. Termination of Agreement

This Agreement is terminable in the manner provided by Virginia law or pursuant to the mutual agreement of the Parties following written notice seven (7) days in advance to the other Party.

III. Agency Created

- A. Winery workers shall act as temporary agents of VWDC ("Agent" or "Agents") to promote, sell and deliver Wine to Retail Licensees on behalf of VWDC pursuant to the management and control of VWDC.
1. Winery workers shall act as Agents only when promoting, selling and delivering Wine to Retail Licensees under the provisions of this Agreement.
 2. Agents shall comply with the Operating Rules attached hereto as **Exhibit One (1)**, and as amended from time to time by VWDC.
 3. Agents shall comply with all state and federal laws governing licensed wholesale wine distributors.
 4. Winery shall comply with all required state and federal employment laws and shall maintain personnel records, process payroll, pay wages, maintain necessary benefits and insurance, and withhold necessary taxes and social security payments as required.
 5. Winery agrees to indemnify and hold harmless VWDC for acts or omissions of its workers acting as Agents that result in loss or liability to VWDC.
 6. Winery shall have the sole and exclusive right to select its workers and to determine the terms and conditions of their employment. From all its workers Winery shall provide a list of those workers it deems to be qualified to perform VWDC tasks, from which VWDC has the sole and exclusive right to designate those that will act as agents of VWDC ("Agents").
 7. All Winery workers authorized by Winery to act as Agents shall be designated in writing by Winery as Agents on **Exhibit Two (2)**, attached hereto. Winery shall immediately notify VWDC in writing of the termination or addition of Winery workers on that list. VWDC shall contact the Agents from that Winery that it selects to represent VWDC.
 8. Winery shall provide to VWDC on **Exhibit Two (2)** attached hereto, all contact information for its Agents at all times during this Agreement, to include a business telephone number, fax number, e-mail address and mobile telephone number, as applicable.
 9. Winery shall use only Agents to sell and deliver Wine to Retail Licensee. VWDC shall provide such advice and direction to Agents as it deems

necessary and appropriate to fulfill VWDC's obligations under this Agreement and Virginia law.

10. Winery agrees to provide Agents to VWDC at no cost in exchange for wholesale distribution services rendered by VWDC to Winery under this Agreement.

B. Winery Vehicles for Temporary Use by Agents

1. Agents shall use a Winery vehicle ("Agency Vehicle") for delivery of Wine to Retail Licensees.
2. Winery is solely responsible for the licensing, insurance, maintenance and operation of the Agency Vehicle.
3. Winery agrees to indemnify and hold harmless VWDC for any acts or omissions of Agents while operating an Agency Vehicle on VWDC business.
4. Winery agrees to provide use of an Agency Vehicle to VWDC at no cost in exchange for the services rendered by VWDC for Winery under this Agreement.

C. No Partnership Created

1. VWDC and Winery workers selected by VWDC shall have the relationship of Principal and Agent under this Agreement; nevertheless, they are otherwise independent legal entities. Nothing in this Agreement shall be construed to create a partnership, joint venture, co-employer or joint employer relationship between the Parties.

IV. License of VWDC Space in Winery's Bonded Warehouse

- A. Winery hereby licenses to VWDC that portion of the Winery premises outlined on the attached floor plan and attached hereto as **Exhibit Three (3)** ("VWDC Licensed Space"). Agents shall, at Winery's sole expense, install and maintain the Licensed Space as a distinct and physically secure area at which all Wine sold to VWDC by Winery shall come to rest prior to distribution to Retail Licensees.
- B. VWDC shall secure all necessary wholesale wine licenses from ABC and TTB for the VWDC Licensed Space at its sole cost. Winery agrees to provide information and assist VWDC in procuring these necessary licenses.
- C. VWDC shall have exclusive right to use and occupy the VWDC Licensed Space, and shall secure the VWDC Licensed Space to ensure that VWDC inventory, records and equipment contained within are maintained.
 1. VWDC and Winery shall prohibit access to the VWDC Licensed Space by all persons other than ABC and TTB agents, VWDC management and VWDC Agents designated herein and other representatives of VWDC.

2. Agents shall maintain all VWDC records required to be maintained in the VWDC Licensed Space or electronically accessible from the VWDC Licensed Space, including, but not limited to, Winery invoices, VWDC purchase orders, retail delivery tickets and other documents required by ABC and TTB.
- D. VWDC use of the VWDC Licensed Space shall be subject to such reasonable limitations as Winery may impose, including, but not limited to, restricting the hours of VWDC access to the VWDC Licensed Space to times when the Winery facility is open to Winery workers.
- E. Winery and VWDC Agents shall cooperate in the establishment of all reasonable precautions to protect all items in the VWDC Licensed Space from loss or damage due to vandalism, negligence or misuse.
1. Winery shall reimburse VWDC for the cost of replacing items in the VWDC Licensed Space if they are damaged or destroyed as a result of the negligence of Winery workers.
 2. Should the VWDC Licensed Space or its contents be destroyed or damaged for reasons beyond the control of VWDC, VWDC bears no risk of loss.
- F. Winery warrants that this Agreement to license the VWDC Licensed Space to VWDC does not violate any other agreement, lease or restrictive covenant.
- G. Winery agrees to provide the VWDC Licensed Space to VWDC at no cost in exchange for the services rendered by VWDC to Winery under this Agreement.

V. Initial Setup Requirements

A. Government Licensure

1. Winery shall be solely responsible for maintaining its winery license under federal, state and local laws. Failure to maintain Winery's licenses shall be grounds for termination of this Agreement.
2. VWDC shall be solely responsible for maintaining its wholesale license under federal, state and local laws. Failure to maintain VWDC's licenses shall be grounds for termination of this Agreement.
3. VWDC shall secure an ABC wine wholesale license for the VWDC Licensed Space.
4. Winery shall amend its TTB basic permit to comply with any TTB regulations required to allow the transactions contemplated by this Agreement, including, but not limited to, enabling the licensure of the VWDC Licensed Space

B. Customer List

1. Winery will provide VWDC with its intended customer list of retail licensees ("Customer List") included herein as **Exhibit Four (4)**.
2. Customer List shall include the establishment name, each mailing address, full contact information and any additional information that is necessary or useful for selling Winery's Wine to any particular Retail Licensee.
3. Winery shall promptly notify VWDC in writing of all changes to its Customer List.
4. VWDC shall keep the Winery Customer List confidential.

C. Sales Territory

1. The sales territory assigned to VWDC by Winery shall be the geographic area designated by independent cities and counties in the Commonwealth of Virginia ("Territory"), set forth in **Exhibit Five (5)** attached hereto.
2. Winery grants to VWDC, and VWDC accepts from Winery, the primary responsibility for the solicitation of orders for and distribution of up to 3,000 cases per year of Wine to Retail Licensees in the Territory.
3. The Territory shall not include any geographic areas, cities and counties that have been assigned by Winery to other licensed wine wholesalers.
4. Winery agrees to notify ABC of its assignment of this Territory to VWDC.

D. Order System

1. VWDC shall secure and utilize the hardware and software necessary to enable the transactions anticipated by this Agreement at its sole cost and expense ("Order System").
2. The Winery shall have access to the internet to receive the necessary wholesale purchase orders from VWDC, to send to VWDC Winery's invoices for Wine purchases and any other statements or information that the Order System is designed to facilitate.
3. VWDC will offer periodic training sessions for Winery workers to learn the operation of the Order System. VWDC shall make technical assistance available by telephone to Winery as set out in the Operating Rules.

E. Winery Banking Information

1. Winery shall provide VWDC with wiring instructions for electronic funds transfer of all payments by VWDC to Winery on **Exhibit Two (2)** attached herein.

2. Any payments required by this Agreement to be made between the parties may be made by check, electronic funds transfer or wire transfer.
3. Agents that physically collect payment from Retail Licensees for deliveries of Wine shall transmit such funds to VWDC in such manner as VWDC may specify in the Operating Rules.

F. Wine Pricing List

1. Winery will provide VWDC with a list of all Wines to be distributed by VWDC, including the ABC product code and individual product pricing that Winery will charge VWDC on **Exhibit Six (6)**, attached herein. Winery shall refer to the Operating Rules for details about such pricing.
2. VWDC shall consult with the Winery on the VWDC price to Retail Licensee for Wines, but such pricing shall be in the sole discretion of VWDC and in compliance with all applicable ABC laws and regulations.
3. Prices charged by VWDC to Retail Licensees for Wine purchased by VWDC from Winery shall include the Virginia wine excise taxes and the VWDC Transaction Fee.

VI. Transaction Fees

- A. Fees for the wholesale services provided by the VWDC shall be set by its Board of Directors and may be changed at any time in its sole discretion.
 1. For the initial term of this Agreement, VWDC shall be entitled to deduct from each payment to Winery a fee of \$5.00 per transaction ("Transaction Fee") for each delivery to each Retail Licensee.
 2. Every transaction initiated by Winery shall be charged this Transaction Fee, regardless of the quantity of wine being distributed in the transaction and regardless of whether it is the initial transaction, a replacement transaction, or a correction transaction.
- B. Any change in the Transaction Fee by the VWDC shall be effective when posted as an Operating Rule.
- C. Payments by VWDC to Winery for Wine shall be by electronic funds transfer only. Winery shall provide the bank name, account number, branch location, contact name and telephone number on **Exhibit Two (2)** attached hereto.

VII. Additional Obligations of VWDC

A. VWDC shall:

1. enable the promotion, sale and distribution of Wine to existing and new Retail Licensees in the Territory;

2. process, maintain records and remit applicable taxes on sales and deliveries of Wine by Agents;
3. pay Winery invoices within 30 days of receipt;
4. file public reports as required by law on the quantity of Wine sold by VWDC for Winery;
5. maintain a reasonable level of liability insurance for the protection of VWDC, Winery and all participating Retail Licensees; and
6. verify Retail Licensee information with the ABC and maintain the database of Retail Licensee names, ABC license numbers, vendor numbers and other information necessary to comply with this Agreement.

VIII. Additional Obligations of Winery

A. Winery shall:

1. use its best efforts to promote interest among Retail Licensees in its Wine and support VWDC's missions to distribute and sell Wine to Retail Licensees;
2. use its best efforts to support and accommodate VWDC's Agents efforts to maintain the security of the VWDC Leased Premises;
3. register its Wine labels and ensure that all Wine sold and distributed hereunder shall be packaged and labeled in conformity with federal, state and local laws; and
4. ensure that all Wine sold and distributed hereunder shall be merchantable and shall meet all standards of quality imposed by federal law and by the laws of the Commonwealth of Virginia.

IX. Operating Rules

- A. Attached to this Agreement as **Exhibit One (1)** are initial Operating Rules for the daily operations contemplated by this Agreement.
- B. The Operating Rules shall be posted by VWDC on its website, www.vwdc.org, for use by all participating Wineries.
- C. The Operating Rules may be revised by VWDC at any time. It is the responsibility of the Winery to use the latest version of the Operating Rules.
- D. Questions regarding the Operating Rules should be directed to the VWDC Chairman at the e-mail address listed in the Operating Rules.

X. Miscellaneous

- A. All notices, demands and requests contemplated hereunder by each Party to the other shall be in writing, and shall be deemed given when delivered by hand, or national recognized overnight courier, or by FAX, or postage prepaid, registered, or certified US mail with return receipt requested:

If to Winery:

Regas Ford Farm Winery
14674 Regas Ford Rd.
Sametade, VA 22742

ATTN: John A. Puckett

Telephone: (804) 439-3707

FAX: () _____

If to the VWDC:

Virginia Department of Agriculture & Consumer Services
102 Governor Street
Richmond, VA 23219
Attn: Todd Haymore, Commissioner
Telephone: (804) 786-3501
FAX: (804) 371-2945

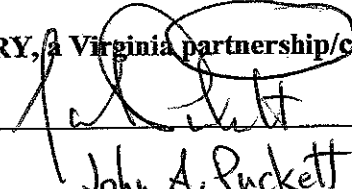
or to such other address or to such other person as may be designated by notice given from time to time during the term by one Party to the other.

- B. This Agreement and each Party's rights and obligations hereunder shall not be transferred or assigned by either Party without the prior written consent of the other Party. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of each Party's permitted successors and assigns.
- C. No modification, amendment or waiver of any provision of this Agreement shall be effective unless in writing and signed by the Party to be charged. No waiver by either Party of any breach or default of any of the covenants or agreements herein shall be deemed to be a waiver to any subsequent or similar breach or default.
- D. This Agreement contains all the terms, provisions and agreements between the Parties hereto concerning the subject matter set forth herein, and supersede any prior negotiations, agreements, letters of intent, understandings or arrangements between the Parties hereto with respect to the subject matter hereof. No right or remedy conferred by this Agreement on either Party is exclusive of any other right or remedy herein and the Parties, and each of them, shall have all additional rights provided by law under the laws of the Commonwealth of Virginia.

- E. If any provision of this Agreement shall be held by a court of competent jurisdiction to be contrary to law, such provision shall be changed and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law. If this cannot be accomplished, the provision shall be stricken, and the remaining provisions of this Agreement shall remain in full force and effect.
- F. This Agreement may be executed in several copies, each of which shall be an original and all of which shall constitute the same instrument. A facsimile of this Agreement, including the signature pages hereto, will be deemed an original.
- G. Provisions of this Agreement which, by their terms, contain continuing obligations shall survive termination of this Agreement.
- H. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.
- I. This Agreement shall be deemed to have been made and shall be construed and interpreted in accordance with the laws of the Commonwealth of Virginia, without regard to its choice of law provisions.
- J. Except for payments due under this Agreement, neither Party will be responsible for any failure to perform due to causes beyond its reasonable control including, but not limited to, acts of God, war, riot, embargoes, acts of civil or military authorities, denial of or delays in processing of export license applications, fire, floods, earthquakes, accidents, strikes, or fuel crises. The affected Party shall reasonably attempt to give prompt written notice thereof to the other Party, and shall make reasonable efforts to fully perform after the event has subsided.
- K. In the event of litigation relating to this Agreement, each Party shall be entitled to collect from the other all costs and expenses incurred by the prevailing Party relating to such litigation, including attorneys fees, as determined by a court of law. No provisions herein shall be considered a waiver of sovereign immunity.
- L. In exercising its rights and performing its obligations hereunder, each Party hereto and its officers, directors, workers and agents shall not, during the term of this Agreement, engage in activity or conduct which may be reasonably expected to harm or damage the other Party or its reputation among its customers or suppliers.
- M. In exercising its rights and performing its obligations hereunder, each Party and its officers, directors, workers and agents shall at all times obey and comply with all applicable laws and regulations, including but not limited to, the state and federal laws and regulations governing the production, distribution and sale of alcoholic beverages

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Agreement effective as of the day and year first above written.

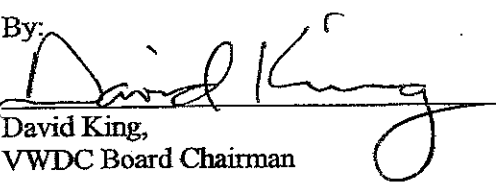
WINERY, a Virginia partnership/corporation/sole proprietorship (circle one)

By:  Date: 12 April 2009

John A. Puckett
Printed Name

Its: Owner Rogers East Farm Winery

Virginia Winery Distribution Company, a Virginia corporation

By: 
David King,
VWDC Board Chairman

Date: August 1, 2008

This Operating Agreement was endorsed by the Virginia ABC and approved by the VWDC Board of Directors on December 13, 2007.

EXHIBIT TWO (2)
WINERY WORKERS CAPABLE OF ACTING AS VWDC AGENTS
and CONTACT INFORMATION

VWDC Agent: John A Puckett Jr.
Title at Winery: Associate Winemaker
Business Telephone: 540-439-3707
FAX:
Mobile Telephone: 540-229-4611

VWDC Agent: Carlotta L. Puckett
Title at Winery: Marketing Manager
Business Telephone: 540-439-3707
FAX:
Mobile Telephone: 540-270-4185

VWDC Agent: Andreas Ortner
Title at Winery: Chef
Business Telephone: 540-439-9025
FAX:
Mobile Telephone: 540-538-6566

VWDC Agent: Chris Risetto
Title at Winery: Regional Marketing
Business Telephone: 540-439-3707
FAX:
Mobile Telephone:

VWDC Agent: Traci Watson
Title at Winery: Tasting Room Operations
Business Telephone: 540-439-3707
FAX:
Mobile Telephone: 540-333-3056

WINERY BANK/ELECTRONIC FUNDS TRANSFER INFORMATION

Bank Name The Fauquier Bank
Branch Location Bealeton VA
Telephone Number 540-347-6708
Contact Name Heather Hawkins
Account Number
Routing Number

**EXHIBIT FOUR (4)
WINERY CUSTOMER LIST OF RETAIL LICENSEES**

Establishment	ABC License Number	Address/Location	Contact Name & Phone
Aldie Peddler Shoppes	038717	39484 John Mosby Hwy. Aldie	Wallie Lunsford 703-327-6743
Blue Ridge Seafood	026926	15704 Lee Highway Gainesville	Donna Donovan 703-754-9852
Foti's Restaurant	038942	219 E Davis St Culpeper	Frank Maragos 540-829-8400
Frenchman's Corner	049376	141 E Davis St Culpeper	Jeffery Mitchel 540-825-8025
Grapes of Taste Wine	047510	18196 Jefferson Davis Hwy Ladysmith	Kay & Wayne Brooks 804-448-8008
Iron Bridge Wine Co	201863436	29 Main St Warrenton	Rob Wicker 540-349-9339
Jimmies' Market	043911	22 Main St, Warrenton	Georga Deardoff 540-347-1942
Lee Highways Nursery	054537	7185 Burke Lane, Warrenton	Beckie Campbell 540-347-5640
Made in Virginia	048137	807 Caroline St, Fredericksburg	John Mitchell 540-371-2030
Marshals Farm Store	031851	24109 Constitution Hwy, Unionville	Deeann Marshal 540-854-6800
Olde Virginia Gourmet	038150	261 Garrisonville Road, Suite 109, Garrisonville	Sean & Anna Tarallo 540-720-3901
Sumerduck Trading Co	353642-4	5344 Sumerduck Rd., Sumerduck	Cover Jill 540-439-3909
Town Duck	051876	156 Main St , Warrenton	Annette Johnson 540-347-7237
Virginia Wine Experience	035734	826 George St, Fredericksburg	Edwin Wyant 540-373-8878
4e Old Dominion Wine	011426	408 Mill St, Occoquan	Lori Carpenter 703-494-1622

**EXHIBIT FIVE (5)
VWDC SALES TERRITORY DESIGNATED BY WINERY**

**List of Counties and cities in the Commonwealth of Virginia
Designated as VWDC Primary Area of Responsibility for Winery:**

**Arlington
Culpeper
Fairfax
Fauquier
Fredericksburk
Hanover
King George
Loudoun,
Prince William
Rappahannock
Spotsylvania
Stafford**

EXHIBIT SIX (6)
LIST OF WINERY WINE PRODUCTS TO BE DISTRIBUTED BY VWDC
WITH RECOMMENDED PRICING

WINE	ABC SALES CODE	RECOMMENDED PRICING*
Chloe Cabernet 2007	28187	\$137.00
Rogers Ford Petit Verdot 2006	22733	\$229.00
Rogers Ford Vidal Blanc 2007	50219	\$128.00
Rogers Ford Sumerduck Rose' 2006	50219	\$128.00
Rogers Ford Chardonnay, Jacob Christopher 2008	33878	\$137.00
Rogers Ford Select Red 2006	50218	\$154.00
Rogers Ford Sweet Reserve 2005	35076	\$154.00
Rogers Ford Vidal Blanc Late harvest 2007	11082	\$171.00
Rogers Ford Virginia White 2007	50221	\$128.00
Rogers Ford Viognier 2007	11107	\$137.00

***To include Virginia wine excise tax of \$3.60 per case**

IMPORTER DESIGNATION AND AUTHORIZATION FORM:

I. Winery Business Name (Name of Brand Owner) is the lawful owner of the brand(s) of beer and/or wine listed in paragraph II and, as the brand owner, hereby authorizes:

Name of Applicant/Licensee Winery Business Name
 Street Address of Applicant/Licensee Physical Address as Appears on ABC License
 City/State/Zip _____
 Virginia Importer's Number Winery License #

to sell and deliver or ship the same brands of wine and/or beer into the Commonwealth of Virginia pursuant to, and in compliance with, the relevant statutes and regulations of the Commonwealth, which govern beer or wine importer licenses.

II. The brands which the applicant named in paragraph I is authorized to sell and deliver or ship into Virginia are as follows.

Name of Brands Winery Name

III. The above named applicant/licensee is hereby designated as the authorized representative of Winery Business Name (Name of Brand Owner) for the purpose of establishing written agreements, of a definite duration and within the meaning of the Beer Franchise Act, §§4.1-500, et seq., of the code of Virginia and/or the Wine Franchise act, §§4.1-400 et seq., of the Code of Virginia, with each wholesaler licensee of the Virginia Alcoholic Beverage Control Board to whom the above named importer sells any brand of beer or wine listed in paragraph II.

NOTICE TO BRAND OWNER: By completing and submitting this form, according to Virginia law, the designated Importer will be authorized to enter into agreements for territory assignments with Virginia licensed wholesalers on your behalf. All territory assignments made by your designated Importer are submitted to the Virginia Department of ABC on an Attachment B form and are binding.

IV. Please check the appropriate statement, below:

- This is an original authorization from the undersigned brand owner for the brands identified in paragraph II.
- This is an amendment to an original authorization, adding or deleting brands, which the above named applicant or importer is authorized by the undersigned brand owner to import into Virginia.

Signed by:

Date: Today's Date

Winery Business Name
 Name of Brand Owner

Your Signature & Title
 Signature of Person Executing Form and Title

DESIGNATION OF AUTHORIZED DISTRIBUTOR FORM

The undersigned, which is applying for issuance or renewal of an importer's license to sell and deliver or ship the brands of beer and/or wine listed in Paragraph 2 of the attached Importer Designation and Authorization Form Attachment A, hereby files with the Virginia Alcoholic Beverage Control Board this list of wholesaler licensees which are authorized by the undersigned, as the authorized representative of Rogers Ford Farm Winery (Name of Brand Owner), to distribute such brands within the Commonwealth of Virginia.

Date: 04/15/2009

NAME OF WINERY
Applicant for Importer's Licensee/or Importer Licensee

SIGNATURE HERE, Owner
Signature of Person Executing Form and Title of Position

Name of Designated Distributor And Distributor License #	License Number	Address of Designated Distributor	Designated Territory or Primary Area of Responsibility
1) <u>KBC Distributors</u>	<u>047040</u>	<u>5872 Leedstown Rd. Oak Grove, VA 22443</u>	<u>Westmoreland, Richmond, Lancaster, North Umberland</u>
2) <u>Virginia Winery Distribution Company</u>	<u># Pending</u>	<u>14672 Rogers Ford Road, Sumerduck, VA 22742</u>	<u>Fauquier, Stafford, Culpeper, Fredericksburg, Prince William,</u>
3) _____	_____	_____	<u>Loudoun, Fairfax, Arlington , Rappahannock, Spotsylvania</u>
4) _____	_____	_____	<u>, King George, Hanover</u>
5) _____	_____	_____	_____
6) _____	_____	_____	_____
7) _____	_____	_____	_____

(Use Supplemental Sheet If Necessary)

KBC Distributing

5872 Leedstown Road
Oak Grove, VA 22443
804-224-8687

April 16, 2009

To Whom It May Concern:

This letter is to release Rogers Ford Farm Winery from the distribution agreement with KBC Distributing, a Virginia wholesale wine distributor. This release is for all counties and cities in Virginia except Westmoreland, Richmond, Northumberland and Lancaster Counties.

If you have any questions or need more information, please contact me at the number above.

Sincerely,

A handwritten signature in black ink, appearing to read 'Barbara C. Carpenter', with a long, sweeping flourish extending to the right.

Barbara C. Carpenter
Proprietor

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
APPLICATION TO ESTABLISH AND OPERATE WINE PREMISES

(See Instructions on next page)

1. SERIAL NUMBER	2
2. DATE	8 April 2009
3. REGISTRY NUMBER	BW-VA-142

4. TO: DIRECTOR, NATIONAL REVENUE CENTER ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) 550 Main St, Ste 8002 Cincinnati, OH 45202-5215	5. APPLICATION IS MADE TO OPERATE <i>(Check one only)</i> <input checked="" type="checkbox"/> BONDED WINERY <input type="checkbox"/> BONDED WINE CELLAR <input type="checkbox"/> TAX PAID WINE BOTTLING HOUSE
6. NAME AND PRINCIPAL BUSINESS ADDRESS OF APPLICANT <i>(Name and street, city, county, State, and ZIP Code)</i> John A. & Carlotta L. Puckett DBA Rogers Ford Farm Winery 14674 Rogers Ford Rd. Sumerduck, Fauquier County, Virginia 22742 PHONE # 540-439-3707 EIN# 64-2354775	7. ADDRESS <i>(If different from address in Item 6)</i> PHONE #
8. PURPOSE FOR WHICH FILED <i>(Such as original establishment, trade name change, alteration of premises)</i>	

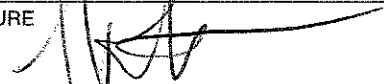
Alteration of premises: (1) Move tasting room to a larger existing building with tax paid space allocated to the Virginia Winery Distribution Co. (VWDC)
(2) Building expansion with relocation of existing equipment and new tanks in the expanded winery building.

9. APPLICATION FORM AND ATTACHED DOCUMENTS This application includes: (1) this form; (2) the papers and documents which are being submitted for the first time, and which are listed in Items 9A and 9B; (3) the current papers and documents of the latest approved TTB F 5120.25 Serial No. <u>1</u> , which are listed in Items 9A-1 and 9B-1; and (4) the supporting organizational documents filed in connection with another establishment but incorporated in this application by reference, and listed below in Item 9C.	
9A. PAGES ATTACHED TO THIS FORM NUMBERS 2,3,4,5	9A-1. PAGES FROM CURRENT APPROVED TTB F 5120.25 NUMBERS
9B. ORGANIZATIONAL DOCUMENTS ATTACHED TO THIS FORM <i>(List each document)</i> N/A	9B-1. ORGANIZATIONAL DOCUMENTS FILED WITH PRIOR APPROVED TTB F 5120.25 <i>(List each document)</i>
9C. ORGANIZATIONAL DOCUMENTS FILED IN CONNECTION WITH ANOTHER ESTABLISHMENT BUT INCORPORATED IN THIS APPLICATION BY REFERENCE <i>(List each document, and show the name or plant number under which filed)</i> N/A	

10. IF NOT APPLYING AS A BONDED WINERY, WOULD YOU AGREE TO HAVE YOUR NAME LISTED IN A TTB PUBLICATION?

YES NO

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE EXAMINED THIS APPLICATION AND, TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS TRUE, CORRECT, AND COMPLETE.

11. SIGNATURE 	12. TITLE Owner
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FOR TTB USE ONLY	
APPLICATION IS <input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED	EFFECTIVE DATE
SIGNATURE AND TITLE OF TTB OFFICIAL, ALCOHOL AND TOBACCO TAX AND TRADE BUREAU	DATE

John A. and Carlotta L. Puckett
D.B.A. Rogers Ford Farm Winery
Attachments to ATF F 5120.25
S/N 2

April 2, 2009

2. Rogers Ford Farm Winery
14674 Rogers Ford Road
Sumerduck, VA 22742

3. Business Organization

A. Applicant is a partnership

B. Names and addresses are:

John Arthur Puckett and Carlotta Leah Puckett
14674 Rogers Ford Road
Sumerduck, VA 22742

4. Wine Premises

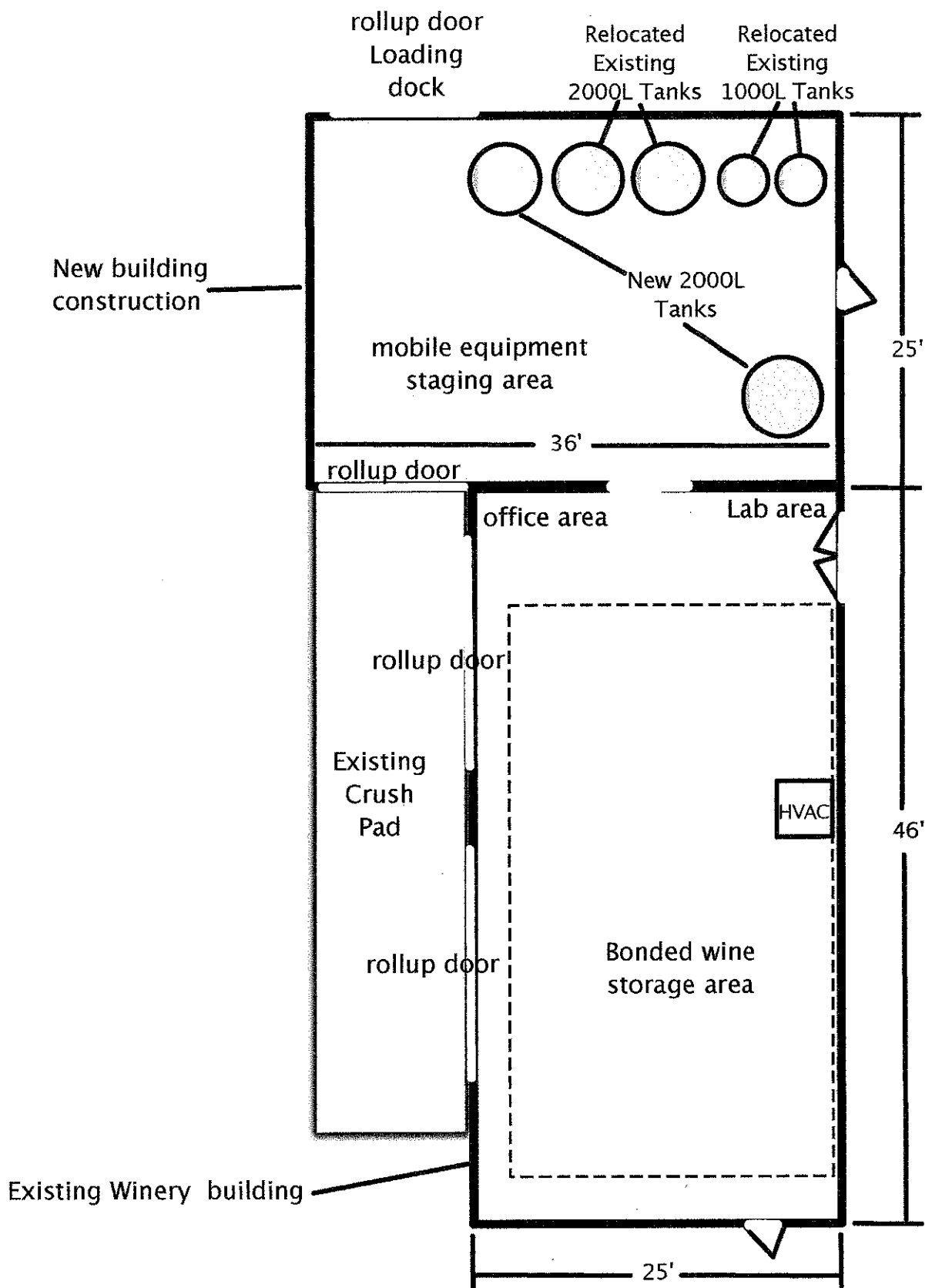
From Route 17 in southern Fauquier County, turn South onto Route 651, Sumerduck Road, proceed 3.7 miles, turn left onto Route 632, Rogers Ford Road, continue 2 miles to the entrance on the right for Rogers Ford Farm. Proceed approximately 200 feet to winery Building 1 on the left, then 1000 feet past the farmhouse to winery Building 2 (of 2) described below.

Building 1 houses the tasting room, retail sales, and tax paid storage. It is a frame building measuring 34x34 feet with a full basement, vinyl siding, and metal roof. There are two doors secured by lock & key, and eight (8) windows. The basement houses space allocated to the Virginia Winery Distribution Company Inc.

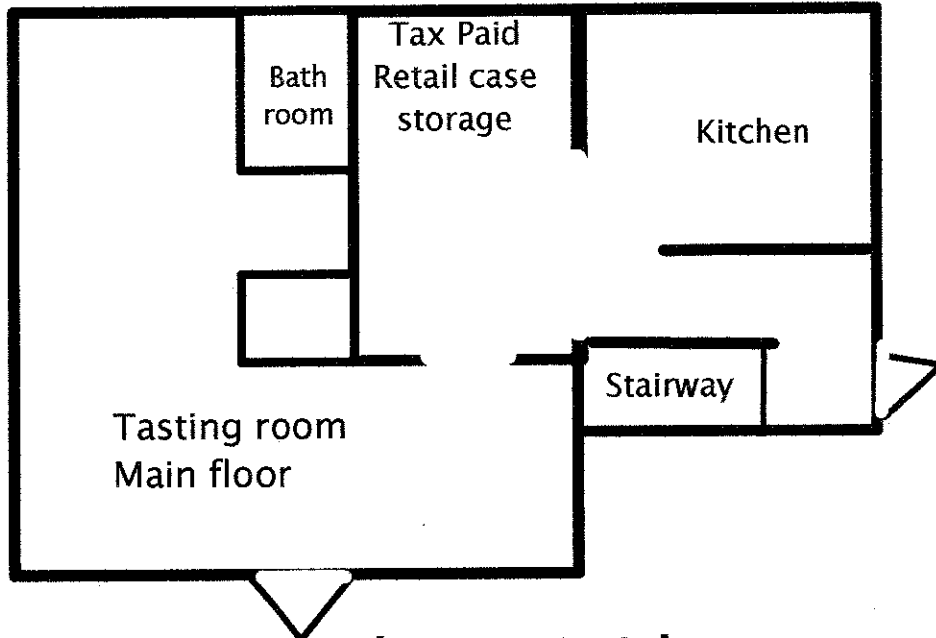
Building 2 houses the winery, bottling facility, and untax-paid wine storage. The building is of steel construction (Morton Building), concrete floor, Two sections measure 25x46 and 25x36 respectively. There are 2 large and 2 smaller overhead doors, a double French door and 2 standard doors. All are locked from the inside except for 1 standard door, secured by lock & key. There are no windows.

Tax-paid wine will be transported between buildings 2 and 1 by means of farm carts. (approximately 1000 feet)

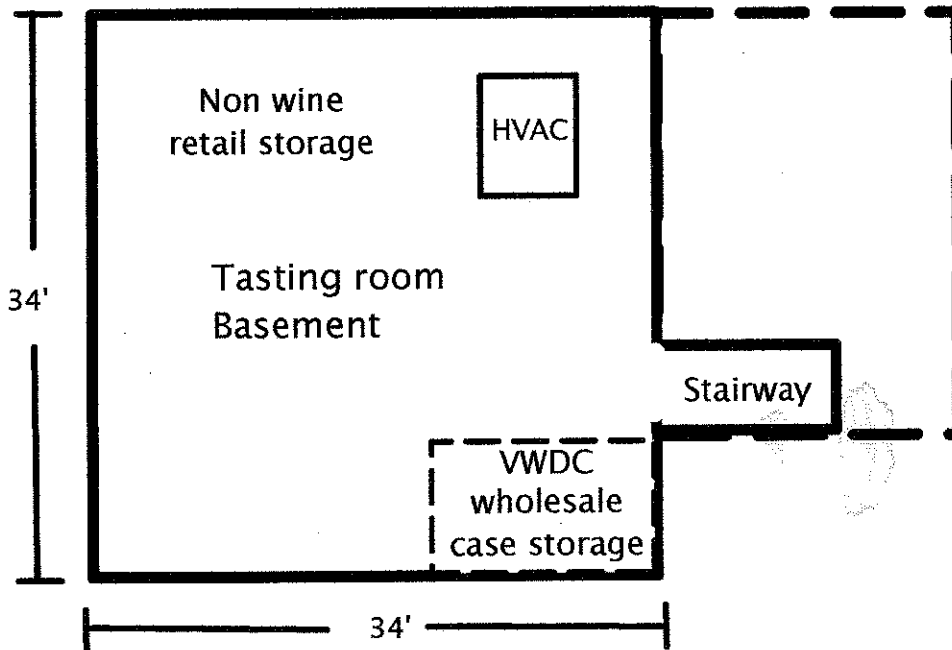
5. Disclosure- not applicable



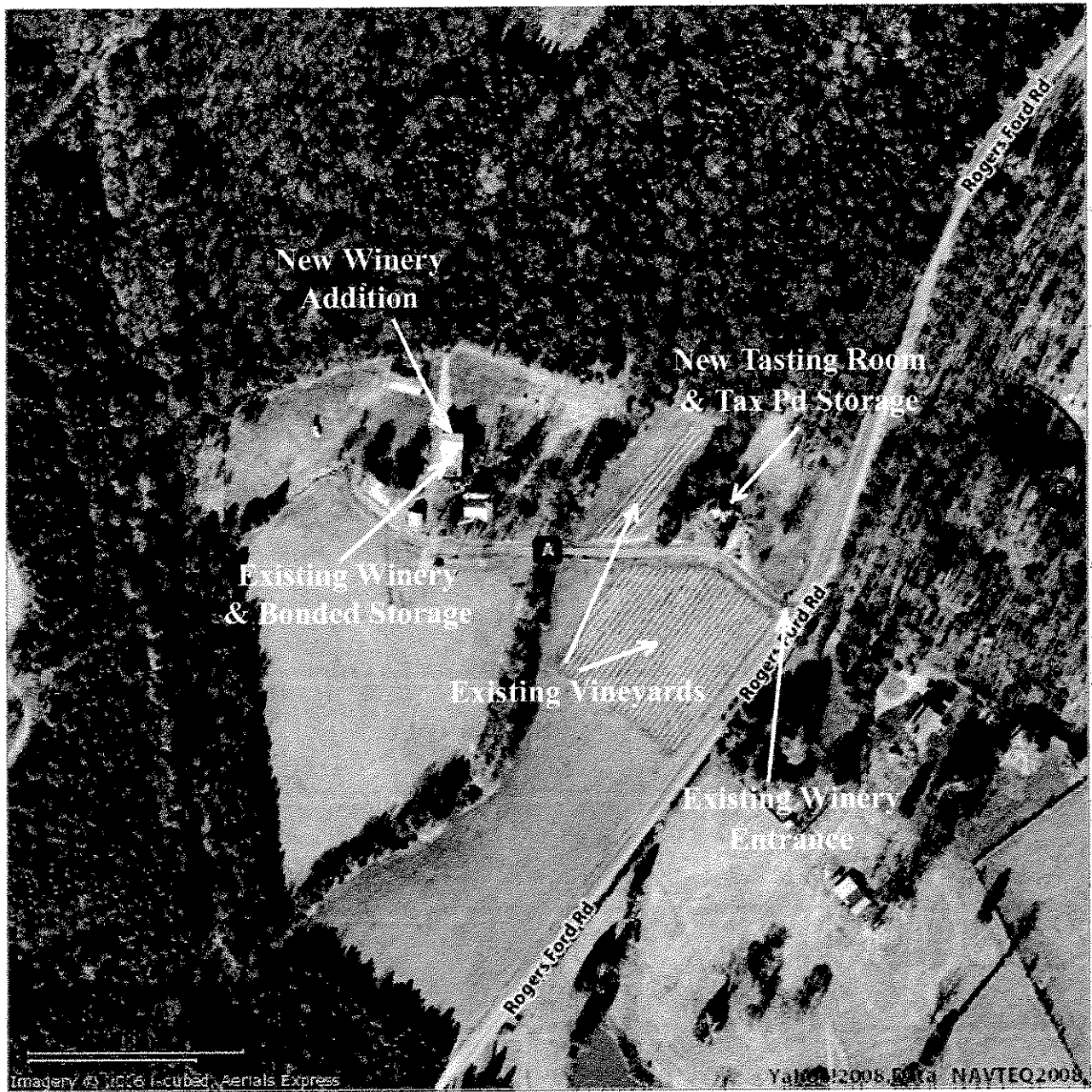
4



Tasting room and Tax Paid storage



Map of 38.42478,-77.73174





License number (for office use only):

Virginia Department of Alcoholic Beverage Control • 2901 Hermitage Road • P.O. Box 27491 • Richmond, VA 23261 • www.abc.virginia.gov

RETAIL LICENSE APPLICATION—POSTING AND PUBLISHING

INSTRUCTIONS

- Notice posting and publishing **must not** be started until Virginia ABC has received Part 1 of the application and application fee(s).
- Notice posting and publishing can be done at the same time.
- The sworn affidavit (below) **shall not** be signed until these two requirements have been met:
 - (1) Both newspaper publishings have been completed.
 - (2) Ten complete and consecutive days have passed since the notice was first posted.
- Airplanes, boats, trains, museums, wine and/or beer shippers, annual banquet, annual mixed beverage banquet, out-of state beer or wine importers and out-of-state delivery permittees **do not** need to publish or post their intent to apply for a license (VA Code §4.1-230.B).
- **Posting Notice:** The owner shall fill out the notice (pg. 10) stating that he/she has applied for an ABC license and post the notice for *10 complete and consecutive days* on the front of the building, room or place where he/she proposes to conduct business.
- **Newspaper Publishing Notice:** The owner shall publish notice (pg. 11) in English at least two times in a newspaper having general circulation in the county, city or town where the owner proposes to conduct business. The two publishings must occur in consecutive weeks. The second publishing must occur at least seven days after the first publishing, but not later than Saturday of the second week. *Hint: The easiest way to meet this requirement is to publish on the same day in both weeks (e.g., on two consecutive Mondays).*

POSTING AND PUBLISHING SUMMARY

1. Owner's name: Virginia Winery Distribution Company
If **sole proprietor**, enter first, middle and last name. If **general partnership**, enter partners' names or name of partnership. If **LP, LLP, LLC** or **corporation**, enter name as recorded with the State Corporation Commission.
2. Trade name of business: VWDC
3. Type(s) of license(s) applied for: Virginia Wine Wholesaler's
4. Location where business will trade: (street) PUT PHYSICAL ADDRESS OF WINERY HERE
(city/town) _____ (county) _____ (state) Virginia
5. Date notice posted at establishment (MM/DD/YYYY): _____
6. Date first notice published (MM/DD/YYYY): _____ Name of newspaper: _____
7. Date second notice published (MM/DD/YYYY): _____ Name of newspaper: _____

SWORN AFFIDAVIT—NOTARIZATION REQUIRED

This sworn affidavit **must** be signed in the presence of a notary.

State of: _____ County/city of: _____

To witness in support of the foregoing, the undersigned makes oath that the statements contained therein and all attachments are true.

Signature: _____ Title: _____

(Note to Notary: You must ensure all areas of the "Posting and Publishing Summary" section [above] are completely filled in. You must also verify the affiant's identification through documentation and have the affiant swear or affirm that the above information is true to the best of their belief and knowledge.)

Subscribed and sworn to before me this _____ day of _____ 20 _____. My notary commission expires _____

Notary public _____ Registration number _____

Required of Virginia-appointed notaries public.

Failure to disclose ownership interest in your business or falsification and/or misrepresentation of information may result in refusal of your license and/or criminal charges, which may include the Class 5 felony of perjury.



NOTICE

The applicant shown below is applying to the Virginia Department of Alcoholic Beverage Control.

TYPE(S) OF LICENSE(S): Virginia Wine Wholesaler's

FULL NAME(S) OF OWNER(S): Virginia Winery Distribution Company
If sole proprietor, enter first, middle and last name. If general partnership, enter partners' names or name of partnership. If LP, LLP, LLC or corporation, enter name as recorded with the State Corporation Commission. If association or tax-exempt private club, enter name.

TRADE NAME: VWDC

EXACT LOCATION WHERE BUSINESS WILL TRADE: Physical Address of Winery Here
(street address)
(city/town)
(county) VA (state) (zip + 4)

PARTNERS / CORPORATE OFFICERS HAVING INTEREST IN THE BUSINESS: Randy Phillips Chairman
(name) (title / nature of interest)
(name) (title / nature of interest)
(name) (title / nature of interest)

THIS NOTICE WAS POSTED ON: ___ / ___ / ___ **BE SURE TO SIGN AND DATE DOCUMENT**
(date posted) (signature/title)

This notice must be posted not less than 10 consecutive days on building, room or place where business will be conducted.

Objections should be registered at www.abc.virginia.gov or 800-552-3200.



RETAIL LICENSE APPLICATION—POSTING AND PUBLISHING

PUBLISHING NOTICE

Please publish the following item in the **legal notice section** of your newspaper. Please refer to the instructions provided on page 9.

[Full name(s) of owner(s):] Virginia Winery Distribution Company
(If **sole proprietor**, enter first, middle and last name. If **general partnership**, enter partners' names or name of partnership. If **LP, LLP, LLC** or **corporation**, enter name as recorded with the State Corporation Commission. If **association** or **tax-exempt private club**, enter name.)

Trading as: VWDC
(trade name)

(exact street address where business will trade)

(city/town)

_____ Virginia _____
(county) (state) (zip + 4)

The above establishment is applying to the VIRGINIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

for a Virginia Wine Wholesaler's _____ **license**
(type[s] of license[s] applied for)

to sell or manufacture alcoholic beverages.

Randy Phillips, Chairman

(name and title of owner/partner/officer authorizing advertisement)

NOTE: Objections to the issuance of this license must be submitted to the Board not later than 30 days from the date of the first of two required newspaper publications.