

STATE OF IOWA
BEFORE THE IOWA DEPARTMENT OF COMMERCE
ALCOHOLIC BEVERAGES DIVISION

IN RE:)	
)	Docket No.
Casks & Corks LLC)	
d/b/a Cask & Cork Distributing)	
2811 Garfield Ave)	SETTLEMENT AGREEMENT
Hull, IA 51239)	AND CONSENT ORDER
)	
Wine Permit No. WA0000106)	

The Iowa Alcoholic Beverages Division [Iowa ABD] and Casks & Corks LLC, d/b/a Cask & Cork Distributing, [PERMITTEE] enter into the following Settlement Agreement and Consent Order [AGREEMENT] pursuant to Iowa Code § 17A.10(1) and 185 Iowa Administrative Code § 10(8).

1. ACKNOWLEDGMENTS. The parties acknowledge and agree that:

a) At all times relevant to this matter, the PERMITTEE held class “A” wine permit number WA0000106 issued by the ABD. A class “A” wine permit authorizes the holder to both manufacture wine and to sell wine at wholesale to persons holding a qualifying retail wine permit or liquor control license. *See* Iowa Code § 123.177. As the holder of an Iowa wine permit, the PERMITTEE is subject to the jurisdiction of the ABD.

b) Iowa Code section 123.39 permits the Administrator or the Administrator’s Designee of the Iowa ABD to suspend or revoke a liquor control license, wine permit, or beer permit of any licensee/permittee who violates any provision of Iowa Code chapter 123.

c) Iowa Code section 123.2 provides that: “It is unlawful to manufacture for sale, sell, offer or keep for sale, possess, or transport alcoholic liquor, wine, or beer except upon the terms, conditions, limitations, and restrictions enumerated in [Iowa Code chapter 123]”.

d) Iowa Code section 123.59 provides that:

Any person who, acting individually, or through another acting for the person, keeps or carries on the person, or in a vehicle, or leaves in a place for another to secure, any alcoholic liquor, wine, or beer, with intent to sell or dispense the liquor, wine, or beer, by gift or otherwise in violation of law, or who, within this state, in any manner, directly or indirectly, solicits, takes, or

accepts an order for the purchase, sale, shipment, or delivery of alcoholic liquor, wine, or beer in violation of law, or aids in the delivery and distribution of alcoholic liquor, wine, or beer so ordered or shipped, or who in any manner procures for, sells, or gives alcoholic liquor, wine, or beer to a person under legal age, for any purpose except as authorized and permitted in this chapter, is a bootlegger and subject to the general penalties provided by this chapter.

e) The holder of a class “C” native wine permit is only authorized by Iowa law to sell native wine at retail. A class “C” native wine permit may only purchase the native wine it is authorized to sell from a native winery holding a class “A” wine permit.

f) The PERMITTEE does not qualify as a native winery under applicable law, nor has it never been a manufacturer of native wine in the state of Iowa. *See Iowa Code §§ 123.3(30), 123.56.*

2. VIOLATION. The PERMITTEE does not contest that between December 12, 2012 and April 8, 2015, the PERMITTEE or an employee or agent of the PERMITTEE sold non-native wine to one class “C” native wine permittee in violation of Iowa Code sections 123.2, 123.59 and/or 123.178b.

3. WAIVER OF RIGHTS. The PERMITTEE acknowledges that it has a right to receive notice of the violation stated in Paragraph 2 above through the Iowa ABD’s filing of a hearing complaint with the Iowa ABD and that the PERMITTEE may request a hearing before the Iowa ABD on the merits of such a complaint, but waives its right to notice and a hearing and all attendant rights including the right to seek judicial review of the Iowa ABD’s actions in this matter, by freely and voluntarily entering into this AGREEMENT. The Consent Order shall be the final agency order in this matter.

4. SCOPE OF AGREEMENT. This AGREEMENT is only applicable to the disposition of the violation described in Paragraph 2 above and shall not be binding as to any new offenses or violations of the law committed by the PERMITTEE.

5. APPROVAL OF ALL PARTIES REQUIRED. This AGREEMENT is contingent upon the approval of all parties. The failure of the PERMITTEE or the Iowa ABD to accept all terms of this AGREEMENT shall render the entire AGREEMENT null and void without force or effect upon any party. If all parties approve this AGREEMENT, the AGREEMENT shall fully dispose of all issues in this contested case.

6. PUBLIC RECORD. This AGREEMENT is a public record and shall be available for public inspection.

IT IS ACCORDINGLY AGREED AND ORDERED THAT:

7. PERMITTEE: The PERMITTEE agrees that as an administrative sanction for the violation described in Paragraph 2 above, the PERMITTEE shall pay a fine in the sum of five hundred dollars (\$500.00). The payment to the "Iowa Alcoholic Beverages Division" shall be due within 30 days of the Administrator's or the Administrator's Designee's approval of this AGREEMENT.

8. LIMITATION OF PENALTIES. The parties agree that for purposes of the violation described in Paragraph 2 above, no penalties, other than those listed above in Paragraph 7 of this AGREEMENT, shall be imposed on the PERMITTEE by the Iowa ABD.

WHEREFORE, the terms of this agreement and stipulation are agreed to and accepted by the Iowa Alcoholic Beverages Division and Casks & Corks LLC d/b/a Cask & Cork Distributing.

IOWA ALCOHOLIC BEVERAGES DIVISION

By: _____
KAREN FREUND **Date**
Administrator's Designee

PERMITTEE

By: _____
CASKS & CORKS LLC **Date**