



Uh-Oh! Did I Tell TTB About That? Wine Operations Changes to Report to TTB

Presented by
Angie McMillin, Specialist
National Revenue Center



5/2008



Laws and Regulations

- Title 26 Internal Revenue Code (IRC)
 - Subtitle E – Alcohol, Tobacco, and Certain other Excise Taxes
 - Chapter 51 – Distilled Spirits, Wines, and Beer
 - Subchapter F – Bonded and Taxpaid Wine Premises

http://www.access.gpo.gov/uscode/title26/subtitlee_chapter51_.html
- The Federal Alcohol Administration (FAA) Act
 - Implementing regulations found in Title 27 CFR

http://www.access.gpo.gov/nara/cfr/waisidx_06/27cfrv1_06.html

Alcohol and Tobacco Tax and Trade Bureau



General Rule

27 CFR 24.120:

- A change in any of the information in your current approved application requires an amended application.

Alcohol and Tobacco Tax and Trade Bureau



Common Amendments

- Addition/deletion of trade names
- Change/extension of premises
- Change of location
- Alternation of premises
- Alternating proprietors
- Change in officers and/or directors
- Change in proprietorship
- Signing authority
- Bonds

Alcohol and Tobacco Tax and Trade Bureau



Addition and/or Deletion of DBA or Trade Names

27 CFR 24.122:

- Trade names — “Produced and Bottled By” names.
- Reported on — Letterhead request (if approved variance) or on TTB F 5100.18.
 - Provide verification of registration (Fictitious Business Name Registration - FBN) if required by State or county.
 - Authorization letter, if bottling on account for another.

Alcohol and Tobacco Tax and Trade Bureau

Letterhead Variance Request

Name of Company
Address
Telephone Number

Date

Chief, National Revenue Center
Bureau of Alcohol, Tobacco and Firearms
John W. Peck Federal Bldg.
550 Main Street, Suite 8002
Cincinnati, OH 45202-3263

BW-XX-xxxx
(XX-W-xxxx)

We request permission for a variance from regulations to file letterhead applications in lieu of amended notices, registrations or applications on TTB forms for routine changes such as:

Addition or deletion of trade name
Changes in corporate officers and directors

Thank you.

Sincerely yours,

(Name and title of person with signature authority)

Trade Name Letter

Name of Company
Address
Telephone Number

Date

Chief, National Revenue Center
Bureau of Alcohol, Tobacco and Firearms
John Weld Peck Federal Bldg.
550 Main Street, Suite 8002
Cincinnati, OH 45202-3263

BW-XX-xxxx
(XX-W-xxxx)

Re: Trade Names

We wish to add the following trade name to our basic permit/registration:

Trade Name:

For the account of:


Registration Statement: This name was registered with the (xxxx) County Clerk's office on (date).

Permit and Registry Numbers: xx-W-xxxx; BW-xx-xxxx

We also wish to delete the trade name "xxxxx" from our permit, as we are no longer bottling with that name.

Sincerely yours,

(Name and title of person with signature authority)



TTB Form 5100.18

OMB No. 1512-0018 (07/21/2009)

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
APPLICATION FOR AMENDED BASIC PERMIT UNDER FEDERAL ALCOHOL ADMINISTRATION ACT
(See instructions after this page)

1. NAME OF PERMITTEE

2. PERMIT NUMBER(S) TO BE AMENDED

3. EMPLOYER IDENTIFICATION NUMBER

4. CHANGE NAME ON PERMIT

5. ADD NEW TRADE NAME(S) (State the authority for which each trade name will be used. See 27 CFR 19.100-31.)

6. REMOVE TRADE NAME(S)

7. CHANGE PREMISES ADDRESS TO (Number, street, route, city or town, State, and ZIP Code)

8. CHANGE MAILING ADDRESS TO (Number, street, route, city or town, State, and ZIP Code)

REASON FOR CHANGE

CHANGE OPERATIONS ON PERMIT TO

CHANGE OPERATIONS ON PERMIT TO

ADD THE FOLLOWING INDIVIDUAL (Attach separate sheet if adding more than one person)

REMOVE

9. ADDITIONAL INFORMATION: TTB may require additional evidence necessary to verify the application.

10. PERMITTEE'S AFFIRMATION: Under penalty of perjury, I declare that I have examined the application, including accompanying statements, and to the best of my knowledge and belief, the facts are correct and complete. The business for which this permit is granted does not violate the law of the State in which business will be conducted.

11. SIGNATURE OF AUTHORIZED INDIVIDUAL

12. TITLE

13. TELEPHONE NO.

14. DATE

15. E-MAIL (INTERNET) ADDRESS (optional)

16. SIGNATURE AND TITLE OF TTB OFFICIAL

17. DATE

FOR TTB USE ONLY

TTB F 5100.18 (02/2009)

Add or change DBA name

Removal of trade name(s)

Addition of trade name(s)



Change and/or Extension of Premises

27 CFR 24.131:

- Change in Use of Building(s) or Curtailment of Bonded Premises.
- Reported on — TTB Form 5120.25 with appropriate attachments.

Alcohol and Tobacco Tax and Trade Bureau



Extension of Premises

- Extending the existing premises at the same location and/or address.
- Reported on — TTB Form 5120.25 with appropriate attachments.

Alcohol and Tobacco Tax and Trade Bureau



Non-Contiguous Extension of Premises

27 CFR 24.111, 24.145, 24.152:

- Extending existing premises to include an additional building located at a different address.
- Reported on:
 - TTB Form 5120.25, with attachments
 - TTB Forms 5000.29 and 5000.30
 - TTB Form 5120.36 (superseding) **or** TTB Form 5100.18

Alcohol and Tobacco Tax and Trade Bureau

Non-Contiguous Extension of Premises (Cont'd)

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) APPLICATION TO ESTABLISH AND OPERATE WINE PREMISES <small>(See instructions on next page)</small>		OMB No. 1513-0045 (10/2009) 1. SERIAL NUMBER 2. DATE 3. RECEIVED NUMBER 4. BOTTLES/LITERS
4. TO: DIRECTOR, NATIONAL REVENUE CENTER ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) 900 Main St. 3rd Floor Columbia, MD 21046-0001	5. APPLICATION IS MADE TO OPERATE (check one only) <input checked="" type="checkbox"/> WINE <input type="checkbox"/> BLENDED WINE <input type="checkbox"/> DISTILLED WINE <input type="checkbox"/> CELLARS <input type="checkbox"/> BOTTLING HOUSE	
6. NAME AND PHYSICAL BUSINESS ADDRESS OF APPLICANT Name and street, city, county, State, and ZIP Code Wildcat Cove Winery LLC PO Box 12 Versailles, KY 40381	7. ADDRESS (if different from address in item 6) 31 Vineyard Lane Versailles, KY 40381	
PHONE #	FAX #	
8. PURPOSE FOR WHICH FILED (check as original establishment, trade name change, alteration of premises) Address of non-contiguous extension of bonded premises		
9. APPLICATION FORM AND ATTACHED DOCUMENTS This application consists of the form, (2) the pages and documents which are being submitted by the first time, and which are listed in items 9a and 9b, (3) the current papers and documents of the latest approved TTB Form 5120.25, Serial No. _____, which are listed in items 9a and 9b, and (4) the supporting organizational documents that pertain to this establishment (as incorporated in the application for reference, and listed below in item 9c).		
9a. FEES ATTACHED TO THIS FORM NUMBER 4.5 (List each document)	9b. FEES FROM CURRENT APPROVED TTB FORMS NUMBER 1.3 (List each document) APPROVED TTB FORMS (List each document) N/A LLC Articles of Organization LLC Operating Agreement	
9c. ORGANIZATIONAL DOCUMENTS FILED IN CONNECTION WITH ANOTHER ESTABLISHMENT BUT INCORPORATED IN THIS APPLICATION BY REFERENCE (List each document, and give the name of parent number under which filed) N/A		
10. IF NOT APPLYING AS A BONDED WINERY, WOULD YOU AGREE TO HAVE YOUR NAME LISTED IN A TTB PUBLICATION? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
UNDER PENALTY 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.		
SIGNATURE		DATE
FOR TTB USE ONLY		
APPLICATION IS	FOR TTB USE ONLY	EFFECTIVE DATE
<input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED		
SIGNATURE AND TITLE OF TTB OFFICIAL, ALCOHOL AND TOBACCO TAX AND TRADE BUREAU	DATE	
TTB FORM 5120.25 (10/2009)		

Wildcat Cove Winery LLC
SN 2
Page 4

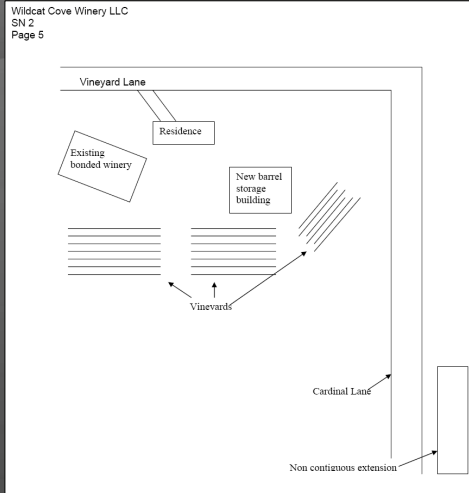
2. Wine Premises continued from page 2. With this application we are requesting to add a non-contiguous bonded warehouse. The warehouse is located at 45 Cardinal Lane, Versailles, KY 40383. The distance from our current bonded winery is 3 miles.

The building is of wood frame construction with concrete slab floors, wood siding and tin roof. The building will be used for barrel storage. There will be no production at this location. The building is secured with an alarm system, with motion detectors. There is also a guard dog. The building has one roll up door and one man door, both secured with industrial locks. There are no windows.

The building dimensions are 150' X 90'. There will be no taxpaid storage at this location.

Attached is a diagram showing the layout of the warehouse and it's relation to the existing bonded premises.

Non-Contiguous Extension of Premises (Cont'd)



Non-Contiguous Extension of Premises (Cont'd)

DEPARTMENT OF THE TREASURY
 CHANGE OF BOND (CONSENT OF SURETY) - INSTRUCTIONS

1. What is the purpose of this form? This form covers you, and if any, the corporate surety's required change to a bond filed with TTB relating to new, new, existing, release, proceeds, or signed papers and forms, and TTB's approval of that change.

2. When can I get assistance? Contact your specialist in the National Revenue Center by phone at 1-877-802-2277 or 1-615-554-3334, or e-mail to treasurerc@ttb.gov.

3. Must I submit my request with original signatures? You must file the two copies with original signatures. If we approve this change of bond, we keep one copy and return the other copy to you.

4. Where do I send this change in bond? Send signed copies with necessary attachments to: Director, National Revenue Center, 505 Main St., the 5000, Cincinnati, OH 45202-0215.

5. How do I make corrections to this change in bond? If you make any correction or update to this bond, you must identify the correction, and you, and if any, the corporate surety must initial and date next to the correction. If TTB shows the bond, you, TTB, and if any, the corporate surety must initial and date next to the correction with one exception. The exception is you do not identify the TTB permit number(s) or registry number(s) on Item 3. TTB may enter the permit number(s) or registry number(s).

6. What feedback do I have on this change in bond? We provide you with the change in bond on a single sheet. However, if you are a state, and your employer identification number and TTB permit number or any additional sheets.

7. Item 3. What is my business' legal name?

8. Item 4. What is my TTB permit number or registry number? DO NOT complete this item if you do not know the TTB permit number or registry number on the bond that you are changing.

9. Item 5. What is a corporate surety? A corporate surety provides you pay your liability under bond. Leave this item blank if you file a bond for your business using collateral rather than a corporate surety.

10. Item 10a and 10b.

11. Item 11a and 11b.

12. Item 12a and 12b.

13. Item 13a and 13b.

14. Item 14a and 14b.

15. Item 15a and 15b.

16. Item 16a and 16b.

17. Item 17a and 17b.

18. Item 18a and 18b.

19. Item 19a and 19b.

20. Item 20a and 20b.

DEPARTMENT OF THE TREASURY
 CHANGE IN BOND (CONSENT OF SURETY)

1. What is the legal name of your business (read instruction 1)? WILDCAT COVE WINERY LLC

2. What is your permit number or registry number listed on the bond that you are changing (read instruction 1)? 12345678901234567890

3. What is your permit number or registry number listed on the bond that you are changing? WINE-KEY-1XXXX

4. What is the dollar amount of the bond that you are changing? TTB \$ 100,000

5. What is the effective date of the bond that you are changing? 01/01/2008

6. What is the effective date of this change in bond? (If no effective date is printed, the effective date is the date of the execution unless in Item 15a.) 01/01/2008

7. What is the dollar amount of the bond that you are changing? \$ 100,000

8. We are changing the above bond as follows:

TO EXTEND THE TERMS OF THE BOND REFERENCE ABOVE TO INCLUDE THE NON-CONTIGUOUS PREMISES LOCATED AT: 45 CARDINAL LANE, VERSAILLES, KY 40383

10a. We bind ourselves to this change and witness our hands and seals on: 11ST day of JANUARY 2008

10b. Signature for your business (Print name and title): WINE MAKER

10c. Signature for corporate surety (Print name and title): BNA BONDWRITER

11a. Signature of business: MANAGING MEMBER

11b. Signature of surety: ATTORNEY-IN-FACT

12a. Signature of business: [Blue Seal]

12b. Signature of surety: [Yellow Seal]

FOR TTB USE ONLY

On behalf of the United States of America, I approve and amend the consent of surety.

T1a. Authorized TTB Official (Signature and Title)

T1b. Date Approved

TTB Form 5000-10 (09/2007)

Non-Contiguous Extension of Premises (Cont'd)

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
ENVIRONMENTAL INFORMATION
INSTRUCTIONS

OMB No. 1513-0022 (07/01/0505)

1. **COMPLETION:** Answer all items in sufficient detail or as not applicable to your activity. The information on all items should relate to the activity in which the Bureau has an interest. If additional copies are required for your file, please attach a separate cover identifying the item number of this form. Your answers are not subject to the Bureau's review unless the activity has been approved or disapproved by the Bureau. If TTB is not the lead agency, you may need information on any relevant information given on TTB Form 5000.20 for items 6 and 7 of this form.

2. **FILED:** Submit an original and one copy of this form to the Director, National Revenue Center, 150 Main St., Box 9002, Cincinnati, OH 45202-0215.

3. **DISPOSITION:** After final action taken on the related application or other document, the copy of this form will be returned to the applicant.

4. **NAME AND PRINCIPAL BUSINESS ADDRESS OF APPLICANT** | **1. Description of Activity in which Federal and Customs Tax and Trade Bureau has an Interest** | **2. Number of Employees**

5. **Location:** Where facility to be constructed. (Be specific: Number, Street, City, State, ZIP Code; describe location of building and related equipment and that structure relative to noncontiguous extension including other structures, land use, lakes, streams, roads, railroad facilities, etc. Maps, photos, or drawings may be appended.)

6. **Heat and Power:**
A. Describe type of heat and power to be used and their sources. If they are to be produced in connection with the proposed activity, estimate type and quantity of fuels to be used for each program. (Cite type, oil, gas, ethanol, coal, etc.) (Include in "Other" column for power generation.)

B. Describe any air pollution control equipment proposed for use in connection with fuel burning equipment, boilers, or ammonia tanks.

7. **Waste:**
A. Describe amount and composition of all solid waste to be generated. Specify whether on-site or off-site.
B. Discuss proposed methods of disposal (incineration, open burning, landfill, government or commercial garbage collector, etc.) Specify whether on-site or off-site.
C. Describe any air pollution control equipment proposed for use in connection with any incineration.

8. **Water:**
A. Describe proposed method of disposal (sewer, storm, recycling, etc.) Describe any proposed means to monitor quality and characteristics, and any proposed equipment or facilities for treatment or control of liquid wastes.

9. **Notes:** (Describe operational noise control other than normally associated with office operations, building maintenance, or others.)

UNDER PENALTIES OF PERJURY (I DECLARE THAT I HAVE EXAMINED THE INFORMATION SHOWN ON THIS FORM AND, TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS TRUE, CORRECT, AND COMPLETE. I AGREE THAT COPIES OF THIS FORM MAY BE FORWARDED TO CONGRESS, FEDERAL, STATE, AND LOCAL AGENCIES HAVING JURISDICTION FOR ENVIRONMENTAL PROTECTION AND THAT THE INFORMATION HEREON MAY BE USED IN THE PREPARATION OF AN ENVIRONMENTAL STATEMENT PURSUANT TO THE REQUIREMENTS OF THE NATIONAL ENVIRONMENTAL POLICY ACT, 42 U.S.C. 4332.)

10. **Signatures:** (I, the Applicant, (1) by signature and title, and (2) by signature and title of the Director, National Revenue Center, after consideration of all available environmental information relevant to the proposed activity, do hereby certify that the information shown on this form is true, correct, and complete. I agree that copies of this form may be forwarded to Congress, FEDERAL, STATE, AND LOCAL AGENCIES HAVING JURISDICTION FOR ENVIRONMENTAL PROTECTION AND THAT THE INFORMATION HEREON MAY BE USED IN THE PREPARATION OF AN ENVIRONMENTAL STATEMENT PURSUANT TO THE REQUIREMENTS OF THE NATIONAL ENVIRONMENTAL POLICY ACT, 42 U.S.C. 4332.)

PAPERWORK REDUCTION ACT NOTICE
This report is not required by Section 3025 of Public Law 101-535, Paperwork Reduction Act of 1990. The information collection is used by TTB to determine if any environmental impact statement or environmental permit is necessary for the proposed operation. The information is required to obtain a license. The estimated average burden associated with this collection of information is 30 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be addressed to: Bureau Management Office, Regulations and Procedures Division, Alcohol and Tobacco Tax and Trade Bureau, Washington, DC 20260.
An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

TTB Form 5000.20 (5/2005)

Non-Contiguous Extension of Premises (Cont'd)

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
SUPPLEMENTAL INFORMATION ON WATER QUALITY CONSIDERATIONS
INSTRUCTIONS

Form Approval: OMB No. 1513-0022 (07/01/0448)

1. **COMPLETION:** Answer all items in sufficient detail applicable to your activity. If necessary, continue on reverse side of this form or a separate sheet. Your answers are evaluated in determining if a certification or waiver by the applicable State Water Quality Agency is required under Section 211 of the Federal Water Pollution Control Act (33 U.S.C. 1341(a)).

2. **FILED:** Submit an original and one copy of this form with the related application or other document to the Director, National Revenue Center, 150 Main St., Box 9002, Cincinnati, OH 45202-0215. This form must be completed and submitted even though three copies of the required certification or waiver have been sent to the Director, National Revenue Center or its equivalent in the State.

3. **DISPOSITION:** After final action taken on the related application or other document, the copy of this form will be returned to the applicant.

4. **APPLICATION RELATED TO THIS RIDER:**
1. FORM NUMBER | 2. APPLICATION DATE | 3. SERIAL NUMBER

5. **NAME AND PRINCIPAL BUSINESS ADDRESS OF APPLICANT** (Number, street, city, county, State, and ZIP code) | **6. RI ANT ADDRESS** (If different from address in item 5)

7. **DESCRIBE ACTIVITY TO BE CONDUCTED BY WHICH THE ALCOHOL AND TOBACCO TAX AND TRADE BUREAU HAS AN INTEREST.**

8. **DESCRIBE ANY DIRECT OR INDIRECT DISCHARGE INTO NAVIGABLE WATERS WHICH MAY RESULT FROM THE CONDUCT OF THE ACTIVITY DESCRIBED IN ITEM 7, INCLUDING THE PHYSICAL, CHEMICAL, THERMAL, OR OTHER CHARACTERISTICS OF THE DISCHARGE AND THE LOCATIONS AT WHICH SUCH DISCHARGE MAY ENTER NAVIGABLE WATERS.**

9. **GIVE THE DATE OR DATES ON WHICH THE ACTIVITY WILL BEGIN AND END, IF KNOWN, AND ON WHICH THE DISCHARGE WILL TAKE PLACE.**

10. **DESCRIBE THE METHODS AND MEANS USED OR TO BE USED TO MONITOR THE QUALITY AND CHARACTERISTICS OF THE DISCHARGE AND THE OPERATION OF EQUIPMENT OR FACILITIES EMPLOYED IN THE TREATMENT OR CONTROL OF WASTES OR OTHER EFFLUENTS.**

11. **I certify that I have examined this rider and, to the best of my knowledge and belief, it is true, correct, and complete and that copies of this rider may be furnished to the applicable State Water Quality Agency and the Regional Administration, Enforcement and Inspections Agency.**

12. **APPLICANT** | **BY** (Signature and title)

TTB Form 5000.34 (5/2005)

Change of Location

27 CFR 24.129

- The wine premises physically changes location.
- Reported on:
 - TTB Form 5120.25, with updated attachments
 - TTB Form 5120.36, superseding
 - TTB Form 5100.18
 - TTB Form 5000.29
 - TTB Form 5000.30

Alcohol and Tobacco Tax and Trade Bureau

Change of Location (Cont'd)

DEPARTMENT OF THE TREASURY ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB) WINE BOND <i>(Print this form as a printed document. Submit duplicate originals. See additional instructions on page 1.)</i>		OMB No. 1511-0088 (10/31/2009) REGISTRY NUMBER _____ EFFECTIVE DATE _____
PRINCIPAL/OBLIGOR NAME AND PREMISES ADDRESS (Number, Street, City, State, ZIP Code)		PRINCIPAL/OBLIGOR MAIL ADDRESS (If different than Premises Address)
BOND KIND (Print only one)		<input type="checkbox"/> ORIGINAL <input type="checkbox"/> STRENGTHENING <input type="checkbox"/> SUPERSEDING
BOND COVERAGE (Select applicable bond(s))		TOTAL PENAL SUM* \$ _____
<input type="checkbox"/> OPERATIONS § <input type="checkbox"/> DEFERRAL §		*Total Penal Sum equals OPERATIONS plus DEFERRAL Coverage on this bond. (Covered collateral must also state Total Penal Sum)
BOND CATEGORY (Select only one category (i.e., "Sump," "Case" or "Treasury Warehouse") and complete corresponding items in right of column.)		BOND NUMBER _____
<input type="checkbox"/> CASH CHECK NUMBERS (i.e. personal check, cashier's check, money order, etc.) _____		SURETY NAME _____
<input type="checkbox"/> TREASURY NOTE BOND* TREASURY NOTE BOND CLIP NO. _____ TREASURY NOTE BOND INTEREST RATE _____ %		TREASURY NOTE BOND MATURITY DATE _____ TREASURY NOTE BOND ISSUE DATE _____
* This bond is secured by the Treasury (debtor's) (i.e., debtor's) above or by a note resulting from redemption of the full proceeds from the 1-note described above. This collateral requirement automatically will occur upon maturity, unless the obligor notifies TTB in writing at least 45 days prior to the maturity date that the Treasury proceeds should not be considered as the obligor proceeds for this bond.		
I, _____, of _____, State of _____, do hereby certify that the above information is true and correct to the best of my knowledge and belief.		
SURETY NAME _____ SURETY REPRESENTATIVE SIGNATURE _____ SURETY REPRESENTATIVE PRINTED NAME AND TITLE _____ SIGNATURE, WITNESS 2 (if no seal) _____		PRINCIPAL/OBLIGOR NAME _____ PRINCIPAL/OBLIGOR REPRESENTATIVE SIGNATURE _____ PRINCIPAL/OBLIGOR REPRESENTATIVE PRINTED NAME AND TITLE _____ SIGNATURE, WITNESS 1 (if no seal) _____
DIRECTOR, NATIONAL REVENUE CENTER APPROVAL ON BEHALF OF THE UNITED STATES: APPROVE THE FORWARDS BOND WHICH HAS BEEN EXECUTED IN ACCORDANCE WITH THE APPLICABLE LAWS, REGULATIONS AND INSTRUCTIONS. SIGNATURE OF AUTHORIZED OFFICIAL, ALCOHOL AND TOBACCO TAX AND TRADE BUREAU DATE APPROVED _____		

TTB F 5120.36 (03/2008) Page 1 of 3

PURPOSE: The above principal/obligor has filed an application to operate, or is operating, the bonded wine cellar or bonded winery specified.

DEFINITIONS: Definitions pertinent to this bond:

PRINCIPAL: The proprietor of the wine premises covered by a surety bond.

OBLIGOR: The proprietor of the wine premises covered by a collateral bond.

COLLATERAL BOND: A bond secured by tangible assets such as cash or United States Treasury Bond or note.

CONDITIONS: The above principal/obligor and surety (sureties) are bound independently and jointly for payment to the United States in the above amount of bond money of the United States. In this bond, the terms principal/obligor or surety include the heirs, executors, administrators, successors, and assigns of the principal/obligor or surety. Additional wine bond conditions are below. (If this bond covers only the deferral, only the wine bond conditions in clauses 1, 2, and 3(a), and the Additional Wine Bond Conditions below will apply.)

BULK WINE WITHDRAWN FROM CUSTOMS CUSTODY: The bond covers the tax, for which the principal/obligor must become liable, on all wine withdrawn from customs custody in bulk containers and transferred to internal revenue bond at a bonded wine premises.

THE PRINCIPAL/OBLIGOR MUST:

- Comply with all requirements of law and regulations, now or hereafter in force, relating to the activities covered by this bond.
- Pay all penalties incurred and fines imposed for violations of law or regulations, now or hereafter in force, relating to the activities covered by this bond.
- Pay all taxes (including any penalties and interest in respect of failure to file a timely return or to pay such tax when due) on wine removed from bonded premises:
 - Provided that up to \$500 of the operations coverage of a \$1,000 bond (\$1,000 operations coverage of a bond of \$2,000 or more) may be applied to taxes that have been determined, but not paid on wine removed from premises;
 - Pay all taxes (including any penalties and interest) for which the principal/obligor may become liable with respect to the operation of the bonded wine premises. Whether the transaction or operation on which liability is based occurred on or off the bonded wine premises, and on all wine, spirits, and volatile fruit-flavor concentrate, or any other commodity subject to law under 26 U.S.C. Chapter 51, in transit to, or on the bonded wine premises;
 - Comply with all requirements now or hereafter in force, pertaining to all wine or wine spirits received at, removed from, or returned to the bonded premises free of tax;
 - With respect to wine withdrawn from the bonded wine premises without payment of tax as authorized by law:
 - comply with all requirements of law and regulations,

now or hereafter in force relating thereto; and (b) as to the said wine or any part thereof withdrawn, for example, for exportation or for use on vessels or aircraft, or for transfer to a foreign trade zone, or for transfer to a Customs Bonded Warehouse (CBW), and not exported, used or transferred, or otherwise lawfully disposed of or accounted for, pay the tax imposed thereon by law, now or hereafter in force, together with penalties and interest.

(7) As the proprietor of an adjacent wine vineyard plant, pay all taxes, now or hereafter in force (including any penalties or interest), for which the principal/obligor may become liable with respect to the operation of the wine vineyard plant, and all wine now or hereafter in transit or on the premises of the wine vineyard plant.

ADDITIONAL WINE BOND CONDITIONS

CHANGE OF PREMISES: All stipulations, covenants, and agreements of this bond will extend to and apply to any change in the business address of the wine premises, the addition or collocation of the premises, including the buildings thereon, or any equipment or any other change which requires the principal/obligor to file a new or amended application or notice, except where the change constitutes a change in the proprietorship of the business, or in the location of the premises. Further, this bond will continue in effect whenever operation of the wine premises is required from time to time following suspension of operations by an alternate proprietor.

TREASURY COLLATERAL BONDS: If this bond is filed as a collateral bond secured by a Treasury Note or Bond in an approved Ownership of the Treasury holding account, the bond is secured by the Treasury collateral identified on the face of the bond and any Treasury collateral resulting from rollover of the previous Treasury collateral. The Treasury collateral identified in this bond will automatically roll over upon maturity unless the obligor notifies the National Revenue Center at least 45 days prior to maturity.

DEFAULT: If the Principal/Obligor of a surety bond fails to fulfill any of the terms or conditions of this bond, the United States may seek compensation and pursue its remedies independently from either the principal/obligor or surety, or jointly from both. The surety waives any right or privilege it may have of requiring, upon notice, or otherwise, that the United States will first commence action, interfere in any action of any nature whatsoever already commenced, or otherwise exhaust its remedies against the principal/obligor.

If the obligor of a collateral bond fails to fulfill any of the terms or conditions of this bond, the United States may apply any outstanding tax liability (including any penalties or interest) against the collateral deposited.

EFFECTIVE DATE: If accepted by the United States, the bond will be effective according to its terms on and after the date without notice to the obligors. Provided that if no effective date is inserted in the space provided, the date of execution will be the effective date of the bond.

I/We acknowledge the terms and conditions of this bond.
 Principal/Obligor (print) _____ Date _____
 Surety (initial) _____ Date _____

TTB F 5120.36 (03/2008) Page 2 of 3



Alternating Premises

27 CFR 24.135:

- A winery requesting to qualify an additional operation (DSP, Brewery, TPWBH).
- Reported on:
 - TTB Form 5120.25, with attachments to curtail a portion of bonded premises
 - TTB Form 5000.18

The new operation must qualify before beginning operations.

Alcohol and Tobacco Tax and Trade Bureau



Alternating Proprietors

27 CFR 24.136:

- When two or more wineries alternate the use of a bonded wine premises.
- “Host” is a bonded winery.
- “Tenant” (alternating proprietor) is also a bonded winery.
- Use of production equipment and space is alternated.

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Alternating Proprietors (Cont'd)

- **Host** files:
 - TTB F 5120.25, with attachments
 - Alternating Proprietorship (AP) Agreement
- **Tenant** files:
 - Original Application (New Industry Member)
 - OR**
 - Change of location documents (Existing Industry Member)
 - AND**
 - AP Agreement

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Alternating Proprietors (Cont'd)

- Each proprietor is responsible for:
 - Production
 - Recordkeeping
 - Labeling
 - Excise tax
 - Operation reports
- Benefits:
 - Minimal start-up investment for tenant
 - Rental income for host

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Custom Crush Arrangements

- Custom crush customers contract with a winery to make wine to their specifications with the intent of wholesaling the end product.
- A custom crush client may or may not take possession of the wine.

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Change in Officers and/or Directors

27 CFR 24.123, 24.124:

- A change of corporate personnel without a change in control of corporation.
- Reported on:
 - Letterhead notice (if approved variance on file) with Personnel Questionnaire, TTB Form 5000.9 for each new officer/director.

OR

- TTB Form 5120.25 with attachments

AND

- TTB Form 5100.18

**Must be filed
within 30 days
of change.**

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Change in Proprietorship

27 CFR 24.125, 24.126, 24.140:

- A change in your business structure (e.g., Sole Proprietor to LLC) is a change of proprietorship.
- New Owner files—Original qualification documents.
- Old Owner files—Termination documents.

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Termination of Operation

27 CFR 24.140:

- Letterhead notice stating:
 - Date of discontinuance.
 - Name of successor — if applicable.
- And a statement of certification that:
 - All wine has been lawfully removed.
 - No wine is in transit.
 - All exports have been cleared.
- Final excise tax return operations report.

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Signing Authority

27 CFR 24.116:

- Power of Attorney, TTB F 5000.8
 - For individuals
 - May be limited to certain duties/forms
- Signing Auth. for Corp. Officials, TTB F 5100.1
 - For certain offices or positions
 - May be limited to certain duties/forms
- Organizational Documents
- Meeting Minutes
- Resolution

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Wine Bonds

27 CFR 24.146, 24.153, 24.154

- Superseding bond — change of location or insolvency of a corporate surety.
- New original bond — change in proprietorship occurs.
- Strengthening or superseding bond — if it is determined that your bond coverage is insufficient.

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Wine Bond Categories

- **Surety** — a policy purchased through an insurance broker and/or agent.
- **Cash** — personal funds held by TTB (no interest accrues).
- **Treasury Note/Bond** — purchased from the Federal Reserve Bank, through a broker (interest accrues).

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Resources

- National Revenue Center:
 - Toll-Free Number: 1-877-TTB-FAQS (1-877-882-3277)
 - Main Number: 513-684-6124
 - Wine Unit: 513-684-6124
 - Web site: www.ttb.gov

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