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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL

LIC. NO.: 3402-23-728-001
AGENCY NO.: S-13-37034, H-DIVISION;

DIVISION OF ALCOHOLIC BEVERAGE)
CONTROL,)
)
Petitioner,)
)
v.)
)
Hunterdon Brewing Co LLC,)
)
Respondent.)

NOTICE OF CHARGES

Take Notice that under the authority of the Director, as set forth in Division of Alcoholic Beverage Control Act, N.J.S.A 33:1-1, et seq; and the regulations promulgated pursuant thereto, the New Jersey Division of Alcoholic Beverage Control ("Division") will seek to suspend plenary retail license 3402-23-728-001 held by Hunterdon Brewing Co LLC, issued by The Alcoholic Beverage Control, Mercer County, for premises located at 12 Coddington Road, Whitehouse Station, NJ, 08889 for violation of the aforementioned statute and/or regulations. The Division hereby prefers the following charges and will seek the noted penalty to wit:

- | | | |
|----|--|-------------------|
| 1. | On or about various dates 2013-2016, extension of credit to retailers beyond 30 days; in violation of N.J.A.C. 13:2-24.4(a)(1). | 15-day suspension |
| 2. | On or about various dates 2013-2016, failure to maintain information transmittals and other credit records for a period of two years including Notices of Obligation; in violation of N.J.A.C. 13:2-24.4(e)(1). | 15-day suspension |
| 3. | On or about various dates 2013-2016, failure to maintain a marketing manual that accurately describes the equipment, services and repayment programs offered to retailers; in violation of N.J.A.C. 13:2-24.6(a)(2). | 15-day suspension |
| 4. | On or about various dates 2013-2016, you allowed, permitted or suffered or were, directly or indirectly, a party to or assisted in the sale of alcoholic beverages on terms of sale offered in a discriminatory manner, viz., Provided unequal financing for retailers repayment of draft tap systems; in violation of N.J.A.C. 13:2-24.1. | 15-day suspension |

5. On or about various dates 2013-2016, provided retailers inaccurate and misleading invoices containing "misc. draft charges" which did not accurately reflect that charges went towards the repayment of installed draft tap systems; in violation of N.J.A.C. 13:2-20.4(b) and 23.32. you failed to produce upon demand, and did not produce same within seven (7) days thereof, original or true, complete and accurate copies of delivery slips, invoices, manifests, waybills or similar documents at your licensed premises for a period of one (1) year from the date of delivery of alcoholic beverages to you in violation of N.J.A.C. 13:2-20.4(b) or -23.32. 30-day suspension
6. On or about various dates 2013-2016, you failed to keep or maintain books of account which were true, complete and accurate in all respects on your licensed premises or failed to produce same for inspection upon demand and did not produce same within seven (7) days thereof, in violation of N.J.A.C. 13:2-23.32. 30-day suspension

The total penalty sought by the Division is 120 days suspension of your license.

The licensee must enter a plea to the charges within 30 days of its receipt. Failure to do so will result, pursuant to N.J.A.C. 13:2-19.3(c), in the entry of a non-vult plea on your behalf and the Director upon certification by the Division may impose the penalty stated in this Notice of Charges without further notice.

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY

By: Kevin Marc Schatz
Kevin Marc Schatz
SENIOR DEPUTY ATTORNEY GENERAL

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STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL

LICENSE NO. 3402-23-728-001

AGENCY DKT. NO. H-DIVISION

DIVISION OF ALCOHOLIC)
BEVERAGE CONTROL,)
)
Petitioner,)
)
v.)
)
HUNTERDON BREWING COMPANY,)
LLC,)
)
Respondent.)

CONSENT ORDER

Kevin Marc Schatz, Senior Deputy Attorney General
Attorney for the Division of Alcoholic Beverage Control
(Christopher S. Porrino, Attorney General, Attorney)

Nicholas J. Bergman, Esquire
Attorney for Respondent
Hunterdon Brewing Company, LLC

BY THE ACTING DIRECTOR:

This matter having been brought before the Acting Director of the Division of Alcoholic Beverage Control, by the Division of Alcoholic Beverage Control ("Division") represented by Christopher S. Porrino, Attorney General of New Jersey (Kevin Marc Schatz, Senior Deputy Attorney General, appearing) and with notice to Respondent, holder of License No. 3402-23-728-001, represented by Nicholas J. Bergman, Esquire, and this matter having amicably settled prior to hearing;

IT IS on this 31 day of May, 2017, hereby ORDERED with consent of the parties that:

1. Respondent hereby enters a plea of non-vult to the Notice of Charges under Agency Dkt. No. H-DIVISION, thereby waiving the right to any hearing or appeal whatsoever in connection with these charges. The Notice of Charges is attached to this Order as Exhibit A.

2. In return for this non-vult plea, the Director hereby suspends the above-listed license for a total of 72 days, subject to the following:
3. Respondent shall participate in annual instructional compliance seminars, provided by the Buchman Law Firm.
4. Respondent shall hire a third-party certified public accounting firm ("CPA") approved by the Division to audit of Respondent's business records as required by N.J.A.C. 13:2-23.32, invoices, billing, credit, draught beer tap installation, marketing and promotional practices, etc. as directed by the Enforcement Bureau to ensure compliance with the Alcoholic Beverage Control Act, N.J.S.A. 33:1-1, et seq., and the regulations promulgated pursuant thereto. The CPA shall report its findings directly to the Enforcement Bureau in accordance with Paragraph 5 herein, with no copy to Respondent or its attorneys. Respondent shall be billed by, and shall pay, the CPA for these audits.
5. In addition, Respondent has made application, which the Director hereby accepts, to pay a monetary compromise offer in lieu of suspension as follows: \$500,000 on or before June 15, 2017; \$500,000 on or before September 15, 2017; \$500,000 on or before September 15, 2018. A final payment of \$500,000 shall be due on or before August 15, 2019. However, if the compliance audit reports due to the Division on October 1, 2017 and August 1, 2018, show no substantial violations similar in nature to those in this matter, the Division will waive \$250,000 of the final payment.

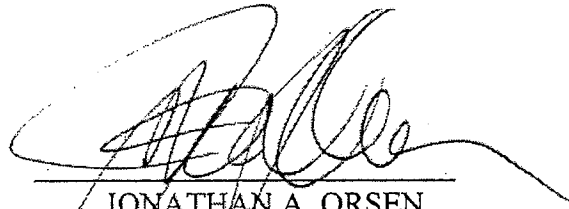
These amounts are payable by certified check or attorney's trust account check to "Division of Alcoholic Beverage Control" bearing Agency Dkt. No. H-DIVISION and sent to:

Division of Alcoholic Beverage Control
Attn: Denise Farfalla, Office of Counsel to the Director
140 E. Front Street, P.O. Box 087
Trenton, New Jersey 08625-0087

6. If Respondent fails to make any payment, the Division shall notify Respondent or its attorney and Respondent shall be given five (5) business days to submit the payment. Failure to timely cure non-payment shall, in the Director's discretion, result in: (a) the suspension of Respondent's license by ex parte Order of the Director in proportion to the amount of the compromise offer yet unpaid or (b) the indefinite

suspension of Respondent's license by ex parte Order until such time as the entire unpaid balance is paid in full.

7. Respondent hereby waives all rights to further hearings and appeals and to the repossession or return of any alcoholic beverages or evidence, as well as any cash or any other personalty seized in connection with the investigation of this matter, excluding books and records of the licensed business, and Respondent consents to the forfeiture of same and disposition by the Director in accordance with the provisions of N.J.S.A. 33:1-66 and/or N.J.S.A. 2C:64-1, et seq.
8. This Consent Order, terms thereunder, and conditions imposed are hereby attached to this license. Hence, the existing license and any prospective or subsequent transferee of this license takes and are bound by the terms and conditions imposed herein.



JONATHAN A. ORSEN
ACTING DIRECTOR

We are authorized to, and do hereby, consent to the entry,
form and substance of the above order.

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY

By: Kevin Marc Schatz
Kevin Marc Schatz, SDAG
On Behalf of Petitioner

Dated: 5/31/17

By: Nicholas J. Bergman
Nicholas J. Bergman, Esq.
On Behalf of Respondent

Dated: May 30, 2017