

TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

Minutes
October 26, 2012
1:30 pm

The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Friday, October 26, 2012, in Nashville, Tennessee at 1:30 p.m. Chairperson Mary McDaniel, Commissioner John Jones and Commissioner Bryan Kaegi were present. Executive Director Danielle Elks, Assistant Director Keith Bell, CLEO Mark Hutchens and Attorney Ginna Winfree were present.

1. The Minutes for September 21, 2012 Commission Meeting were approved.

2. RETAIL

A. NEW BUSINESS

**1. GATLINBURG BARRELHOUSE
GATLINBURG, TENNESSEE (SEVIER COUNTY)**

Applicant: Gatlinburg Barrelhouse, LLC

Members: Virginia Baker

Before the Commission is a request for a new retail store to be located on a manufacturer's premises at 630 Parkway in Gatlinburg, Tennessee. (Gatlinburg Barrelhouse Distillery was approved at last month's meeting.) Ms. Baker intends to initially invest \$75,000 to operate the retail store. Financing is based upon existing personal funds. The applicant LLC is sub-leasing the property from Gatlinburg Distilling, LLC (who is leasing the Charlynn Maxwell Porter, leasing property from TAO Enterprises, Inc.) for a period of twenty years. All documentation has been submitted.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission and recommended approval

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**2. EPI'S FINE WINE AND SPIRITS
GATLINBURG, TENNESSEE (SEVIER COUNTY)**

Licensee: A.E. Farmer, Inc.
Stockholders: Andrew Farmer
Applicant: AMCH, Inc.
Stockholder: Mariah Lee Farmer

Before the Commission is a request for a change of ownership of the retail store located 1359 E. Parkway in Gatlinburg, Tennessee. Ms. Farmer is purchasing the business from her husband by assuming the various current debts of the business (as established in the original bill of sale between Epifanio Bordes and Andrew Farmer). AMCH, Inc. has assumed the lease of EPI's Liquor and Fine Wines with base rent at \$6887.50/month. Financing is based upon existing personal funds. All documentation has been submitted.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission and recommended approval.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**3. MAGNOLIA PACKAGE STORE
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Licensee: Juma, Inc.
Stockholder: Amin Juma

Before the Commission is a request for a transfer of location for the retail store currently located at 3122 East Magnolia Avenue in Knoxville, Tennessee. Mr. Juma wishes to move to 3017 East Magnolia Avenue in Knoxville, Tennessee based upon additional space and parking at the proposed new location. Juma, Inc. will be leasing the property from Amin and Mumtaz Juma for a period of five years at \$1200/month. All documentation has been submitted with the exception of the following.

- a. TABC Inspection;
- b. Use and Occupancy permit.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission and recommended approval upon submission of the following information:

- a. TABC Inspection; and
- b. Use and Occupancy permit.

Commissioner Jones made a motion to approve upon submission of the pending documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**4. KNOXVILLE WINE AND SPIRITS
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Applicant: Turkey Creek Partners
Partners: James Turner, Stanley Griffin, Amelia Maddox and Tommye Working

Before the Commission is a request for a new retail store to be located at 10741 Kingston Pike in Knoxville, Tennessee. Ms. Maddox, Ms. Working, Mr. Turner and Mr. Griffin wish to initially invest a total \$390,000 to operate the business. If approved, Ms. Maddox and Ms. Working would each own 40% based upon their \$150,000 investment, and Mr. Turner and Mr. Griffin would each own 10% based upon their \$45,000 investment. Financing is based upon existing personal funds and a home equity loan. The partnership would sub-lease the property from Santa Cruz Realty, Inc. (who is leasing the property from Costco Wholesale Corporation for a period of three years with monthly rent at \$4612.00) for a period of three years at 9225.00/month. All documentation has been submitted with the exception of the following:

- a. Affidavits from partners that store will not be operated in conjunction with any other retail store;
- b. Affidavit from Ron Hermann that neither he or any of his representatives will have any interest in the business—except as landlord--and will not assist in any business decision of the store;

- c. TABC Inspection when building complete;
- d. Use and Occupancy permit;
- e. Bank statements indicating Ms. Maddox's personal funds of \$150,000.

Discussion/Action Taken:

Rob Pinson was present. Director Elks reviewed the matter to the Commission and recommended approval upon receipt of the additional documentation requested. Director Elks requested the additional documentation based on an investigation that took place in the past, several years ago on some properties located in Memphis, TN. Two retail stores located at Cosco properties. Mr. Ron Herman was involved and Santa Cruz realty was involved and the TABC made a determination that Mr. Herman and Santa Cruz realty were involved in partner or on behalf of Cosco. It was an extended investigation that lasted several months. The TABC ended up settling the two investigations for \$30,000 (thirty thousand dollars) each, which at the time was the highest amount of the fines that were assessed by this agency. The family members at one store, it was a husband and wife. At the other store it was their three children that were operating the store. They assured the agency that Mr. Herman would no longer have any operations in/or with the store. To Director Elks knowledge the stores are still operating and are in compliance with the Tennessee Alcoholic Beverage Commissions rules and regulations. Subject to the receipts of the additional documentation requested on the agenda, Director Elks would recommend approval. Chairperson McDaniel had questions pertaining to the affidavits; Rob Pinson assured Chairperson McDaniel that they should be received by early the next week. Ms. Maddox and Ms. Working (two of the partners) have already signed their affidavits. The affidavit has been sent to Mr. Herman's lawyer for signature. Chairperson McDaniel inquired about bank statements. Mr. Pinson acknowledged that he has bank records for submittal. Director Elks stated they could be submitted with the other pending documents. Commissioner Kaegi asked if it is an existing Cosco or if it was new. Mr. Pinson stated that the Cosco and retail store will be opening on November 9, 2012. The Commissioners inquired about the entrances. Mr. Pinson said that there are separate entrances to each the retail store and the Cosco with no door way from the retail store leading into the Cosco. The retail store entrance is approximately 50 (fifty) or so feet away from the Cosco entrance.

Commissioner Jones made a motion to approve upon submission of the pending documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**5. HUNDEHAUS WINE AND SPIRITS
LORETTO, TENNESSEE (LAWRENCE COUNTY)**

Applicant: Hundehaus, Inc.
Stockholders: Jonathan and Leigh Ann Pettus

Before the Commission is a request for a new retail store to be located at 315 Church Street in Loretto, Tennessee. Mr. and Mrs. Pettus wish to initially invest \$210,000 to operate the store. Financing is based upon promissory notes with First Farmers and Merchants Bank and existing personal funds. The corporate applicant will be leasing the property from Mr. Pettus. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations.

Discussion/Action Taken:

Jonathan Pettus and Jeff Pettus were present. The city of Loretto has just recently passed retail sales as of April 2012. Mr. Pettus asked that there be corrections made to the address of the retail store referenced in the agenda. 315 Church Street is the mailing address; the retail store is located at 216 South Military in Loretto, Tennessee. The corporate applicant will not be leasing the property from Mr. Pettus, Hundehause, Inc. owns the property where the retail store will be located. Mr. Pettus will provide the Warranty Deed to the TABC. Director Elks reviewed the matter to the Commission and recommended approval upon submission of the following documentation:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations.

Commissioner Jones made a motion to approve upon submission of the TABC Inspection and the Acknowledgement of the rules/regulations. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**6. THE SPIRITS SHOPPE
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Licensee: Edi Pacini
Applicant: Roland Conner

Before the Commission is a request for a change in ownership of the retail store located at 4848 Poplar Avenue in Memphis, Tennessee. Mr. Conner wishes to purchase the business from the Edi Pacini Revocable Living Trust for \$500,000. Financing is based upon a line of credit in the amount of up to \$450,000 from BankTennessee and a loan from an insurance policy. Mr. Conner has been assigned the remainder of the lease (three years remaining) from Cynthia Oashem, Trustee, with rent beginning at \$4790/month and increasing to \$5081/month. All documentation has been submitted.

Discussion/Action Taken:

Ronald Conner was present. Director Elks reviewed the matter to the Commission and recommended approval.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**7. LAVERTE'S LIQUORS
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Licensee: Charles David Sigler
Applicant: Laverte's Liquors, LLC
Members: Mary Sigler

See letter from attorney regarding the Estate of Charles Sigler

Before the Commission is a request for change in ownership of the retail store located at 1313 51st Avenue North, in Nashville, Tennessee. The licensee, Mr. Sigler passed away on July 29, 2012. Prior to his passing, he transferred his interest in the business to his wife—who now wishes to hold the license as a LLC with herself as the sole member. The applicant LLC will be leasing the property

from Ms. Sigler for a period of ten years at \$1000/month. All documentation has been provided with the exception of the following:

- a. TABC Inspection
- b. Acknowledgement of the rules/regulations;
- c. Assignment of lease to LLC – **Received**
- d. Document transferring Mr. Sigler's interest to Ms. Sigler.

Discussion/Action Taken:

Director Elks stated that this is a little bit different than what was listed on the agenda when she first reviewed the application. Director Elks has been in contact with attorneys for both the estate and Mrs. Sigler. What happened was, Charles David Sigler was the sole proprietor of the retail store that is located at 1313 51st Avenue North in Nashville, Tennessee. Mr. Sigler passed away July 29th of this year. Based on conversations with attorneys with Mrs. Sigler, Director Elks said it is her understanding that the attorneys set up an LLC, Laverte's Liquor Store, LLC to operate the store and Mr. Sigler gave his interest to his wife. The problem with that is there is no documentation of the transfer. Mrs. Sigler has confirmed that she is not aware of any documentation to that affect. After talking to the estate attorney we have come to the conclusion that based on the Will, the Will gives everything to a trust, and the trust gives everything to the beneficiary, Mrs. Sigler. But to give them some time to reflect everything, the best way to proceed is to put the license in the name of the estate. That will give them time to figure out what they want to do. I have requested a letter from the attorney to amend the application so that the applicant would not be Laverte's Liquor Store, LLC but the Estate of Charles David Sigler, with Mrs. Sigler the trustee of the trust and the executor of the Will. Mrs. Sigler will be leasing the property to the estate for a period of ten years at \$1000/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection
- b. Acknowledgement of the rules/regulations;
- c. Letter from the Estate Attorney

Mary Sigler was present. Director Elks reviewed the matter to the Commission and recommended approval of the license being held by the Estate of Charles David Sigler upon submission of the missing documentation:

Commissioner Jones made a motion to approve subject to the receipt of the missing documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**8. ALCOA HIGHWAY LIQUORS
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Licensee: Alcoa Highway Liquors, Inc.
Stockholders: Andrea Davis

Before the Commission is a request for a transfer of location of the retail store currently located at 2913 Alcoa Highway, in Knoxville, Tennessee. Ms. Davis wishes to move to 3105 Alcoa Highway in Knoxville because a local church has purchased the current location and does not wish to renew the lease. The licensee corporation will be leasing the proposed new property from Chu Brothers Partnership for a period of five years with monthly rent at \$2200/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection; - **Received**
- b. Use and Occupancy Permit. - **Received**

Discussion/Action Taken:

Andrea Davis was present at the meeting. Director Elks reviewed the matter to the Commission stated that all documentation has been received and recommended approval.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**9. NATALIE’S LIQUOR WAREHOUSE
CORDOVA, TENNESSEE (SHELBY COUNTY)**

Licensee: Natalie’s Liquor Warehouse, LLC
Members: Raymond Frank Quinn, Jr.
New Proposed Member: Jerry Burrell

Before the Commission is a request for a change in stock ownership of the retail store located at 1009 N. Germantown Parkway in Memphis, Tennessee. Mr. Burrell wishes to purchase Mr. Quinn’s 100% interest in the LLC licensee for \$150,000 plus the value of inventory. Financing is based upon a loan with Compass Financial. All documentation has been submitted with the exception of the following:

- a. Signature of seller on Bill of Sale;
- b. Loan agreement with Compass Financial.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission stated that all documentation has been received with the exception of the Signature of seller on Bill of Sale and Loan agreement with Compass Financial and recommended approval subject to the receipt of the documents.

Commissioner Jones made a motion to approve subject to the receipt of the missing items. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

3. WINERIES

**A. PLEASANT HILL VINEYARDS
MARYVILLE, TENNESSEE (BLOUNT COUNTY)**

Applicant: Pleasant Hill, LLC

Members: Karen Henry and Barbara Pullen

Before the Commission is a request for a new FARM WINERY to be located at 2728 Wilkerson Pike in Maryville, Tennessee. Ms. Henry wishes to invest \$40,000 and will own 51% interest, while Ms. Pullen will invest \$25,000 for 49% interest. Ms. Henry owns the property where the farm winery is located and will lease to the LLC applicant for a period of 10 years at \$500/month. The applicant has a custom crush agreement with Blue Slip Winery. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission and recommended approval upon submission of the following documentation:

- a. TABC Inspection;

- b. Acknowledgement of the rules/regulations;

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

4. WHOLESALERS

**A. WEST TENNESSEE BEVERAGE
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Seller: West Tennessee Beverage, LLC
Members: John and Eugene Barzizza
New Proposed Members: Charles W. Hand, Sr.; Charles W. Hand, Jr.; Raymond Hand

Before the Commission is a request for purchase the membership interest of the wholesale business currently located at 7625 Appling Center Drive in Memphis, Tennessee. As the Commission is aware, West Tennessee Beverage was conditionally approved for a wholesale license at the August, 2012 Commission meeting—subject to the receipt of certain documentation (deed to Crown Logistics; Updated Use and Occupancy Permit; TTB permit; TABC Inspection with acknowledgment of the rules and regulations). This license has been issued.

Hand Family Wine & Spirits, LLC now wishes to purchase the membership interests of West Tennessee Beverage from John and Eugene Barzizza. If approved, the applicant wishes to transfer location to 45 EH Crump Boulevard in Memphis, Tennessee. At the proposed new location, the licensee will be leasing the property from Hand Family Realty, LLC for a period of ten years at \$2500/month. All documentation has been submitted with the exception of the following:

Discussion/Action Taken:

Rob Pinson, Attorney was present. Mr. Pinson stated that there had been a change since the agenda. Hand Family Wine & Spirits, LLC referenced on the agenda has been removed from the picture for customer perception and assignment of brands. Instead of doing an asset purchase, his clients, the three owners; Charles W. Hand, Sr., Charles W. Hand, Jr., and Raymond Hand are doing a

membership interest purchase of West Tennessee Beverage. The issue that occurred in last month's commission meeting was that neither side obtained a Federal Basic Permit ("TTB"). It was discussed and acknowledged that obtaining a TTB can take time. It was understood between them that as soon as one of the parties, either the sellers or the buyers obtained a TTB they could move forward with the transaction. The parties felt it worked better this way because it is the seller's on the basic permit in the name of West Tennessee Beverages, LLC. This is a change of control; changing ownership, which under TTB regulations does not require a basic permit on the purchaser's part in advance. They will have up to thirty (30) days after the transfer to apply for a TTB. Direct Elks stated that West Tennessee Beverage was able to obtain their permit after requesting some assistance. Henry Hildebrand, Attorney, was present representing the sellers, West Tennessee Beverage. He explained that it is taking approximately 60 days to 110 days to obtain a TTB. The seller's obtained their permit a few days after last month's commission meeting. They would like to sell the entire business to Mr. Pinson's clients. This is an important transaction and he feels it is important to Memphis. Director Elks reviewed the matter to the Commission and recommended approval.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**B. HOLSTON BEVERAGES, LLC
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Applicant: Holston Beverages, LLC
Members: Stuart Franklin Wood

Before the Commission is a request for a new wholesale license to be located at 3501 Workman Road, Suite D in Knoxville, Tennessee. Mr. Wood wishes to initially invest \$10,000 to operate the business. The LLC applicant will be leasing property from Vista LP for a period of two years at \$1,400/month. All documentation has been submitted.

Discussion/Action Taken:

Rob Pinson, Attorney, was present at the meeting. Director Elks reviewed the matter to the Commission and recommended approval.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**C. SAACHI IMPORTS, INC.
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Licensee: Saachi Imports, Inc.
Stockholders: Kevin Patel, Nathan Edwards, and Rodney Shelton
Proposed New Stockholders: Rodney Shelton and Kevin Patel

Before the Commission is a request for a partial change in ownership of the wholesale business located at 475 Metroplex Drive, Suite 110 in Nashville, Tennessee. Kevin Patel (34%), Rodney Shelton (33%) and Nathan Edwards (33%) currently own all the stock. Mr. Edwards wishes to divest himself of his one third interest in the business and give the shares to the remaining stockholders at no cost so that Mr. Patel would own 50.5% and Mr. Shelton would own 49.5% interest. All documentation has been submitted with the exception of the following:

- a. Verification of amount of transfer (discrepancy between bill of sale and stockholder percentages list)

Discussion/Action Taken:

Rodney Shelton, owner, was present at the meeting. Director Elks reviewed the matter to the Commission and recommended approval. Director Elks mentioned though, that there was some question as to the documents provided pertaining to the division of the shares. One document said for the remaining people to have equal shares and then on the other it said that one person was getting all of the shares. Director Elks asked Rodney Shelton to explain to the commission about the shares of the stockholders and which way the transfer is going. Rodney Shelton said that in the beginning of the process they felt that it would be necessary to at least offer Nathan Edwards the opportunity to buy back his portion after he acquired the necessary funding to do so. They decided to redirect the shares in a way that only one person would be affected in the retransfer of the shares, so they kind of structured it that way. Then when the documents were written for the agenda, it came in reflecting the agreement that Nathan Edwards made with Kevin Patel and himself for them to distribute the shares equally amongst them. Mr. Shelton stated that it does not matter to either Mr. Patel or himself. He said that he talked to Mr. Patel about that, which at the time was out of town on personal business matters. Mr. Shelton stated that they did redo a contract if that is something that is necessary. They just felt like the way they had it structured, it was better for them if Nathan was able to acquire the necessary funding to redirect the shares back toward him. Director Elks asked Mr. Shelton how much

he and Mr. Patel will own. Mr. Shelton said that if they keep it the way it is now, he will own 33% and Kevin Patel will own the rest of the shares. Then Nate would have the opportunity to buy back his 33% after he acquires the necessary funding. That is the way they would like to keep the arrangement. Chairperson McDaniel asked if there is a document that states this arrangement. Director Elks replied that they have two inconsistent documents. A list of stockholders that show Mr. Patel with 67% of the shares and Mr. Shelton with 33% of the shares but then the transfer document actually said that the shares will be divided equally between two. Chairperson McDaniel asked Mr. Shelton which way they would like the agreement. Mr. Shelton said the reason why they want it the way they are requesting it this way (Mr. Patel 67% and Mr. Shelton 33%) is that they really want to extend Mr. Edwards an opportunity to buy back his shares and that would be the easiest way to do so. Mr. Shelton said that Mr. Edwards will have an opportunity whether they do it a 49.5 – 50/5 split or however, it works either way. They feel it would be easier just to have one person involved in the money transfer as opposed to having two people involved. Director Elks asked Mr. Shelton if it is his wish that Kevin Patel own 67% and he own 33%, his response was yes, and that is how they prefer it be divided. Commissioner Jones asked Mr. Shelton why Mr. Edwards is stepping away and Mr. Shelton replied that Mr. Edwards is having funding problems.

Director Elks again reviewed the matter to the Commission and recommended approval stating that she has the documentation reflecting the division of the stock, Mr. Patel will own 67% of the stock and Mr. Rodney Shelton will own 33% of the stock.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**D. DELIRIUM WINE AND SPIRITS, INC.
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Licensee: Delirium Wine and Spirits, Inc.
Stockholders: Stan Dibin
Proposed Stockholder: Stan Dibin and Simon Sarkixov

Before the Commission is a request for a partial change in ownership of the wholesale business locate at 409 Harding Industrial Drive in Nashville, Tennessee. Mr. Dibin currently owns 100% of the business and wishes to sell 50% of his interest to Mr. Sarkixov for \$13,750. All documentation has been submitted.

Discussion/Action Taken:

Simon Sarkixov was present at the meeting. Director Elks again reviewed the matter to the Commission and recommended approval.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**E. B.A.R. BEVERAGES, LLC APPLICATION WITHDRAWN
MURFREESBORO, TENNESSEE (RUTHERFORD COUNTY)**

Licensee: B.A.R. Beverages, LLC
Stockholder: Robert Hennigan

Before the Commission is a request for a new wholesale business to be located at 1505 Sarah Court, Suite A in Murfreesboro, Tennessee. Mr. Hennigan wishes to initially invest \$20,000 to operate the business. The applicant LLC will be leasing the property from Charitable Remainder Unitrust for a period of one year at \$611.75/month. (Mr. Hennigan also owns L and H Distributing, a Budweiser distributor) in Tullahoma, Tennessee. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules/regulations;
- c. TTB permit.

Discussion/Action Taken:

Director Elks put on record that B.A.R. Beverages, LLC has requested a continuance to next month's commission meeting. The continuance was approved by the Commissioners.

5. DISTILLERY

**A. TENN SOUTH DISTILLERY
LYNNVILLE, TENNESSEE (GILES COUNTY)**

Applicant: Tenn South Distillery, LLC
Member: James Butler and Clayton Cutler

Before the Commission is a request for a new distillery to be located at 1800 Abernathy Road in Lynnville, Tennessee. Mr. Butler

and Mr. Cutler wish to initially invest \$325,000 to operate the distillery as a LLC. The applicant LLC is leasing the property from James Butler for a period of three years at \$2000/month. (The city of Pulaski is in Giles County and has passed both liquor-by-the drink and retail sales.) All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgment of the rules/regulations.

Discussion/Action Taken:

Clayton Cutler was present at the meeting. Director Elks reviewed the matter to the Commission and recommended approval subject to the submission of the TABC Inspection and the Acknowledgment of the rules/regulations.

Commissioner Jones made a motion to approve pending the receipt of the missing documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**8. EAST TENNESSEE DISTILLERY
PINEY FLATS, TENNESSEE (SULLIVAN COUNTY)**

Licensee: RMRH Enterprises, LLC
**Members: Neil Roberson, Gary Melvin, Darrel Hunt and
Byron Reece**

Before the Commission is a request for a partial change in ownership of the distillery located at 220 Piney Flats Road in Piney Flats, Tennessee. Mr. Roberson, Mr. Melvin, Darrel Hunt and Byron Reece currently own 25% ownership interest each. Mr. Hunts seeks approval to exchange 24% of his ownership interest for 1% of net alcohol sales in Tennessee and becoming Chairman of the Board. As a result, Mr. Roberson, Mr. Melvin and Mr. Reece would each own 33% interest, and Mr. Hunt would own 1% interest.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission and recommended approval.

Commissioner Jones made a motion to approve. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

6. **BUDGET**
7. **CONSENT ORDERS**
8. **PENDING MATTERS LIST**
9. **PERSONNEL**
10. **MISCELLANEOUS**
 - A. **Monthly Summary of TABC Activity**
 - B. **Presentation from NIC related to new software application for Server Training program. Discussion will include the three phases of the new application and the two funding choices for this new application.**
11. **DATE OF NEXT MEETING** – The date of the next meeting is set for Monday, November 26, 2012 at 1:30 p.m. The date of the December meeting was also set for Wednesday, December 18, 2012 at 1:30 p.m.

Mary McDaniel
Chairperson

E. Keith Bell
Interim Executive Director