

**UNITED STATES OF AMERICA  
DEPARTMENT OF TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

In the Matter of the Proposed	)	
Suspension of the Basic Permit Issued to	)	
	)	
Scholium Project, LLC	)	No. AF-97725
4185 E. 3rd Avenue	)	
Napa, California 94558	)	
Basic Permit CA-P-15162	)	

**SUSPENSION AGREEMENT**

1. Scholium Project, LLC ("Scholium Project") waives its right to file an answer and its right to a hearing before an administrative law judge, agrees to simultaneously accept service of the Order to Show Cause and suspension decision, and admits the violations set forth in the Order to Show Cause and the Initial Decision.
2. The Deputy Assistant Administrator (Field Operations), Alcohol and Tobacco Tax and Trade Bureau, and Scholium Project agree that Scholium Project's authority to operate under basic permit CA-P-15162 will be suspended for a period of one day.
3. Scholium Project's ability to operate under basic permit CA-P-15162 will be suspended by order of the Deputy Assistant Administrator (Field Operations). Scholium Project will serve its suspension on **June 28, 2019**.
4. During the period of suspension, Scholium Project cannot conduct those normal business activities that it otherwise would legally conduct through its basic permit. Activities that shall not be performed during the suspension include, but are not limited to:
  - a. Contracting to purchase wine for resale at wholesale;
  - b. Filling wine orders for customers;
  - c. Placing orders of wine for customers;
  - d. Contracting to sell or offering to sell wine products;
  - e. Shipping wine in interstate or foreign commerce;
  - f. Advertising or disseminating, or causing to be advertised or disseminated, in interstate or foreign commerce, any advertisements of wines.

- g. Scholium Project's web page should be disabled or taken down during the suspension period, so as to not cause any advertisements or offers for sale of wines to be placed in interstate or foreign commerce.
5. During the period of suspension, Scholium Project may conduct activities that would allow maintenance of its current stock or inventory. Such activities include, but are not limited to:
    - a. Taking inventory of warehoused goods;
    - b. Performing administrative activities such as bookkeeping;
    - c. Rearranging warehouse stock; or
    - d. Altering, changing, or creating, but not placing in interstate or foreign commerce, advertisements of your wine products
  6. The parties agree that the information in the Alcohol and Tobacco Tax and Trade Bureau's suspension decision is not return information under 26 U.S.C. § 6103 and is not subject to any other confidentiality provisions. As such, Scholium Project understands that the Alcohol and Tobacco Tax and Trade Bureau will publish information from the suspension decision on its public website and in its newsletter.
  7. Scholium Project agrees that this suspension agreement is valid regardless of the date the Deputy Assistant Administrator signs this agreement, the Order to Show Cause, the Decision, and the Order Suspending permit and expressly waives any objections if the Deputy Assistant Administrator signs any or all of those documents before Scholium Project signs this agreement.
  8. TTB will exercise its enforcement discretion and will not treat this suspension as a "first violation" under 27 U.S.C. § 204(e)(1), unless it discovers that Scholium Project engaged in conduct similar to the violations alleged in the Order to Show Cause on or after the date Scholium Project is ordered to serve its suspension. In other words, TTB will not take action to revoke (but reserves the right to suspend) Scholium Project's permit if it discovers, for example, recork keeping, tax or labeling-related violations that are separate and distinct from the conduct alleged in the attached Order. In contrast, TTB reserves the right to revoke Scholium Project's permit if it finds it engaged in conduct similar to that alleged in the attached Order.

Date: 5/30/19 \_\_\_\_\_  
 Scholium Project, LLC

Date: May 23, 2019 \_\_\_\_\_  
 Deputy Assistant Administrator, Field Operations  
 Alcohol and Tobacco Tax and Trade Bureau