



September 16, 2020

Sroeum Sroeun
Compliance Administrator
The Wine Group
4596 South Tracy Boulevard
Tracy, CA 95377
on behalf of The Wine Group, LLC
VIA E-MAIL

RE: The 7 Deadly Sin City Sweepstakes

Dear Sroeum:

ISSUE: This correspondence is in response to your e-mail of August 31, 2020, in which you request legal review of a sweepstakes promotion to be conducted in Pennsylvania.

According to the official rules you provided, “The 7 Deadly Sin City Sweepstakes” promotion was scheduled to begin on September 1, 2020, and runs until November 8, 2020. To participate in the sweepstakes, interested individuals may enter at www.SinCitySweeps.com or by text message, as further described in the official rules.¹

Five grand prize winners will each receive a trip for two people to Las Vegas, Nevada. The trip includes airfare, ground transfers, and hotel accommodations. The total approximate retail value of all the prizes is \$12,500.00. No purchase is necessary to enter the sweepstakes, and the sweepstakes is open only to adults who are at least twenty-one years of age at the time of entry. The official rules indicate that alcohol is not part of the prize.

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board’s (“PLCB”) Regulations states that a manufacturer, manufacturer’s representatives, or licensee may sponsor sweepstakes promotions subject to the following conditions:

¹ The official rules have been attached to this Advisory Opinion for your convenience.

- i. No purchase is necessary to enter.
- ii. Entrants shall be twenty-one years of age or older.
- iii. Retail licensed premises may only be involved as pick-up or drop-off points for entry forms and not for the conducting of drawings or the awarding of prizes.
- iv. Alcoholic beverages may not be part of the prize.

40 Pa. Code § 5.32(h).

This office has reviewed the proposed sweepstakes promotion and determined that it comports with applicable liquor laws and regulations, specifically section 5.32(h) of the PLCB's Regulations, 40 Pa. Code § 5.32(h), so long as alcohol is not included in the prize.

While the official rules indicate that alcohol is not part of the prize, please be advised that to the extent that any part of the prize being awarded involves sampling, taste testing, or the provision of alcoholic beverages at no additional cost to the winner and/or his/her guest(s), this would be construed as awarding alcoholic beverages as part of the prize and is not permitted.

Please be advised that prior approval of malt or brewed beverages point-of-sale ("POS") material and retail licensed premises POS material is no longer required. However, the requirement for prior approval of POS material intended for use in the PLCB's Fine Wine & Good Spirits stores from the Bureau of Product Selection remains. The total cost of all POS advertising material relating to any one brand of any one manufacturer at any one time may not exceed \$300.00 on a retail licensed premises. 47 P.S. § 4-493(20)(i).

Therefore, as long as alcohol is not included in the prize, it is permissible to conduct this promotion in the Commonwealth in reference to the areas checked below:

- retail licensed premises.
- distributor licensed premises.
- both retail and distributor licensed premises.
- The PLCB's Fine Wine & Good Spirits stores, subject to approval of the Bureau of Product Selection (POS only).

X other – Internet, text messaging.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD.

Sincerely,



RODRIGO J. DIAZ
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement
Michael Demko, Executive Director
Elizabeth Brassell, Director of Policy & Communications
Stacy Kriedeman, Director, Marketing Communications
Thomas Bowman, Director, Bureau of Product Selection
Ra-lbpromo@pa.gov

LCB Advisory Opinion No. 20-221

THE 7 DEADLY SIN CITY SWEEPSTAKES

OFFICIAL RULES

NO PURCHASE OF ALCOHOL OR PURCHASE OF ANY KIND NECESSARY TO ENTER OR WIN. A PURCHASE DOES NOT INCREASE YOUR CHANCES OF WINNING. MUST BE 21 OR OLDER TO ENTER. ALCOHOL IS NOT INCLUDED AS PART OF THE PRIZE.

BY PARTICIPATING IN THE PROMOTION VIA ONE OR MORE OF THE METHODS DESCRIBED HEREIN, YOU REPRESENT AND WARRANT THAT YOU HAVE READ, UNDERSTOOD, AND FULLY AGREE TO, AND COMPLY WITH, THESE OFFICIAL RULES. DO NOT PARTICIPATE IN THE PROMOTION WITHOUT FIRST REVIEWING THESE OFFICIAL RULES.

1. SPONSOR: The 7 Deadly Sin City Sweepstakes (the "Sweepstakes") is sponsored by The Wine Group LLC 4596 Tesla Road Livermore, CA 94550 (the "Sponsor").

2. ADMINISTRATOR: The Sweepstakes is administered by Avid Marketing Group, 100 Corporate Place, Suite 200, Rocky Hill, CT 06037 (the "Administrator").

3. ELIGIBILITY: Sweepstakes participation is open only to legal residents of the 50 United States and the District of Columbia who are 21 years of age or older at the time of entry. No purchase of alcohol or purchase of any kind is necessary to enter or win. A purchase does not increase your chances of winning. Void where prohibited or restricted by law. The Sweepstakes is being conducted as a consumer sweepstakes in accordance with California Business and Professions Code Sections 17539.15 and 25600.2. All federal, state and local laws and regulations apply. The following individuals are not eligible to participate in the Sweepstakes: employees, contractors, directors and officers of Sponsor and each of its respective parent, subsidiaries and affiliated companies, alcohol beverage distributors, importers,, retailers, other alcoholic beverage suppliers, and any agencies involved in the administration, development and fulfillment of the Sweepstakes including, but not limited to, web design, advertising, marketing, public relations, and prize fulfillment companies, and the immediate family members (spouse, domestic partner, parent, child, sibling and spouse or "step" of each) and those living in the same households of each such individual.

4. SWEEPSTAKES ENTRY PERIOD: The Sweepstakes begins at 12:01:01 a.m. Pacific Time ("PT") on September 1, 2020 and ends at 11:59:59 p.m. PT on November 8, 2020 (the "Entry Period").

5. HOW TO ENTER: There are two (2) ways to enter.

Via the Sweepstakes Website: Either on a mobile device or a laptop/desktop computer, use your preferred browser to visit www.SinCitySweeps.com (the "Website") and complete the required fields of the onscreen registration form (including entering one of the following words: "7DEADLY", "SINCITY", "VEGAS", "TEMPTATION", or "SPOOKY") to be entered into the Sweepstakes drawing (the "Entry"). All Entries become the property of Sponsor. The Website Terms of Use and Privacy Policy apply to your use of the Website. Please read them carefully.

Text Messaging Entry: During the Entry Period, using your cellular phone or a two-way text-messaging capable device (each a "Device"), text one of the following words: "7DEADLY", "SINCITY", "VEGAS", "TEMPTATION", or "SPOOKY" to (646) 553-5726. Follow the prompts to confirm your eligibility to participate in the Sweepstakes, and to receive one (1)

entry into the random drawing. Upon texting one of the following words: "7DEADLY", "SINCITY", "VEGAS", "TEMPTATION", or "SPOOKY" to (646) 553-5726, if you are eligible, you will receive up to two messages from an automated telephone dialing system per entry attempt (excluding error messages). To opt out of receiving texts following sweepstakes entry, text "STOP" to (646) 553-5726.

NOTE ABOUT ENTERING SWEEPSTAKES VIA A DEVICE: When you use a Device and/or transmit data via a Device, standard data/text messaging rates may apply according to the terms and conditions of your service agreement with your wireless carrier and are your responsibility to pay. Other charges may apply (such as normal airtime and carrier charges) and may appear on your mobile phone bill or be deducted from your prepaid account balance and are your responsibility to pay. Wireless carriers' rate plans may vary, and you should contact your wireless carrier for more information on rate plans and charges relating to your participation in this Sweepstakes if you have any questions or concerns. Not all carriers will participate. Check your Device's capabilities for specific instructions. Response text messages to you will be sent from an automated system. Multiple entrants are not permitted to enter from the same Device. Each individual may submit up to one (1) Entry per email address and/or mobile telephone number during the Entry Period regardless of method of entry.

Mass entry attempts (other than as permitted above) may result in disqualification of all entries by such person. Entries must be manually key stroked by the entrant; use of automated entry devices or programs, or entries by third parties, are prohibited. Incomplete entries will be disqualified.

By entering, you represent and warrant that you have fully complied with all aspects of these Official Rules. By entering, you agree to indemnify and hold harmless the Sweepstakes Entities (as defined below) from any action or liability resulting from your participation in the Sweepstakes and/or any other information included in any entry. Normal internet access and usage charges imposed by entrant's internet service provider may apply and are entrant's sole responsibility. If entering via mobile device, normal phone/data and usage charges imposed by entrant's phone service provider may apply and are entrant's sole responsibility.

6. PRIVACY POLICY: Provision of information online is governed by 7 Deadly Wines Privacy Policy, accessible at www.7deadlywines.com/privacy-policy/. If you do not agree with the policies, do not participate in the Sweepstakes.

You are providing your information to Sponsor. All personal information collected by Sponsor will be used for administration of the Sweepstakes. In addition, Entrants may receive email correspondence from, or on behalf of Sponsor, subject to Sponsor's privacy policy. Sponsor uses reasonable commercial efforts to comply with Federal CAN-SPAM guidelines, and Entrants may subsequently opt-out of receiving further emails by following the opt-out instructions contained in the email. Please refer to Sponsor's privacy policy located at www.7deadlywines.com/privacy-policy/ for important information regarding the collection, use and disclosure of personal information by Sponsor.

7. ODDS OF WINNING: Odds of winning are dependent upon the number of eligible entries received.

8. SWEEPSTAKES GRAND PRIZE: Five (5) Grand Prizes will be awarded. Each Grand Prize consists of a three (3) day, two (2) night trip for two (2) people to Las Vegas, Nevada. All elements of the Grand Prize are to be determined by Sponsor in its sole discretion. The Grand Prize includes round trip coach class air transportation within the United States from a major airport near the Grand Prize winner's home city to Las Vegas, Nevada, round trip ground transfers between Las Vegas International Airport and hotel and two (2) night accommodations at a hotel in the City of Las Vegas or surrounding area (based on double occupancy). The approximate retail value ("ARV") of the Grand Prize is \$2,500.00. The total ARV of all prizes is \$12,500.00.

The actual value of the Grand Prize depends on market conditions at time of fulfillment. Any difference between ARV and actual value will not be awarded. All prize details will be determined by Sponsor in its sole discretion.

9. GRAND PRIZE TRAVEL PROVISIONS: The winners of the Grand Prize (the "Winner") and one (1) guest must share accommodations of one (1) hotel room as selected by Sponsor. The Winner and his/her guest must travel on the same itinerary.

The Grand Prize consists only of those items expressly specified in these Official Rules as being part of the prize. All other expenses and costs not expressly listed above, including, but not limited to, taxes, insurance, telephone charges, room service, laundry services, personal expenses, gratuities, entertainment, transfers (excluding those referenced above), incidental charges, meals, or any other items not specifically described in these Official Rules, any transportation not mentioned within such Grand Prize descriptions, and all expenses for any of the foregoing, are the sole responsibility of the Winner and his/her guest. The Winner's guest must be at least 21 years of age at time of travel.

The Grand Prize is non-transferable, non-refundable, may not be resold, and cannot be used as partial payment toward airfare or a hotel room category other than that assigned. The Winner(s) is not entitled to exchange or transfer prizes or to obtain other substitutes, provided, however, Sponsor reserves the sole right to substitute prizes or portions thereof of equal or greater value if a prize listed or any portion thereof is unavailable for any reason. The Grand Prize will be awarded if properly claimed. The Grand Prize is awarded "as is" and without any warranty, except as required by law. All taxes on the Grand Prize value are the sole responsibility of the Winner(s). An Internal Revenue Service form 1099 reflecting the actual value of the Grand Prize will be issued in the Winner's name if required by law.

The Grand Prize trip must be taken during any weekend dates by November 8, 2021. Other restrictions may apply. If any potential Winner is unable to travel on dates specified, the Grand Prize will be forfeited and an alternate winner will be selected, time permitting. Sponsor will determine airline and flight itinerary and all other travel-related aspects included in the Grand Prize in its sole discretion. The regulations, conditions and terms of use of any transportation or accommodation provider apply. No refund or compensation will be made in the event of the cancellation or delay of any flight. Travel and accommodations are subject to availability. Travel is subject to the terms and conditions set forth in this Sweepstakes, and those set forth by the Sponsor's airline carrier of choice as detailed in the passenger ticket contract. The trip may not be combined with any other offer and travel may not qualify for frequent flyer miles. In the event any Winner lives within one-hundred eighty (180) miles of the destination, round-trip ground transportation may, in Sponsor's sole discretion, be provided in lieu of air transportation and no additional compensation will be provided. The Winner's guest must execute the liability/publicity release (where legal) provided by Sponsor before Sponsor will issue or cause to be issued, the travel documents. Any Winner and the Winner's guest must each possess a valid

government-issued photo I.D. in order to travel. Travel restrictions, conditions and limitations may apply. Sponsor will not replace any lost, mutilated, or stolen tickets, travel vouchers or certificates. Actual value may vary based on airfare fluctuations and distance between departure and destination.

10. GRAND PRIZE RANDOM DRAWING: On or about November 11, 2020, five (5) potential Grand Prize winners will be selected in a random drawing from among all eligible entries received during the Entry Period.

Drawing will be conducted by Administrator on behalf of Sponsor. Sponsor's interpretation of these rules and decisions related to the sweepstakes shall be final.

11. WINNER NOTIFICATION: The potential Grand Prize winners will be notified by email/phone and will be required to sign and return, via email, an Affidavit of Eligibility and Liability and Publicity release (except where prohibited by law) ("Affidavit") within two (2) days of receipt of Affidavit or the prize will be forfeited and an alternate winner may be chosen, time permitting. The Affidavit will be sent via email from Administrator. The return of prize notification as undeliverable may result in disqualification and alternate selection, time permitting.

Personally identifiable information, including entry information received, will be used to verify eligibility and award the prize.

In the event of any dispute concerning the identity of any entrant of an entry, the Entry will be deemed submitted by the natural person who is the authorized holder of the transmitting account. Sponsor and its agencies are not responsible for notifications that are misdirected because contact details as provided by the entrant are no longer correct, or for any other reason beyond the exclusive control of the Sponsor.

12. GENERAL RULES/VERIFICATION: By acceptance of the prize, the Winner grants permission to the Sponsor and its agencies to use his/her name, city, state, photos, and likeness for purposes of advertising, promotions, and trade without further compensation, except where prohibited by law. By entering, entrants/Winner hereby agree, release, discharge, and hold harmless Sponsor and its parent, subsidiary and affiliated companies, advertising and promotional agencies and prize suppliers and their respective officers, directors, shareholders, owners, employees, agents, attorneys and representatives (collectively, the "Sweepstakes Entities") from any and all injuries, loss, claims or damages arising out of an entrant's participation in the Sweepstakes and/or entrant's and Winner's acceptance or use or misuse of prize. By participating in the Sweepstakes, entrants agree that the Sweepstakes Entities will have no liability whatsoever for, and that entrant shall defend and hold the Sweepstakes Entities harmless against, any liability for any claims based on publicity rights, defamation, or invasion of privacy as well as injuries, damages, or losses of any kind, whether or not foreseeable, including, without limitation, direct, indirect, incidental, consequential or punitive damages to persons or to property arising out of the prize awarded hereunder. Without limiting the foregoing, everything regarding the Sweepstakes, including the Website/any websites used in connection therewith and the prize awarded hereunder, are provided "as is" without warranty of any kind, either express or implied, including, but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement, all of which are expressly disclaimed by the Sweepstakes Entities.

If for any reason the Sweepstakes is not capable of running as planned, including without limitation infection by computer virus, bugs, tampering, unauthorized intervention, fraud,

technical failure, epidemic/pandemic, natural disaster, civil commotion, riot, strike or other causes which corrupt or affect the administration, security, fairness, integrity or proper conduct of the Sweepstakes, Sponsor reserves the right at its sole discretion, to cancel, terminate, modify and/or suspend the Sweepstakes and to disqualify any individual who tampers with the entry process, violates these Official Rules, or acts in a disruptive manner. In the event the Sweepstakes is cancelled, terminated or suspended for any reason, Sponsor, at its sole discretion, reserves the right and may choose to award the Grand Prize from among all eligible entries received prior to cancellation. Any attempt by an entrant to deliberately damage the Website/any website involved in the Sweepstakes or undermine the legitimate operation of the Sweepstakes may be a violation of criminal and/or civil laws and should such an attempt be made, the Sponsor reserves the right to seek all available remedies, including, without limitation, criminal prosecution, and damages, including, without limitation, attorneys' fees and expenses, from any such entrant to the fullest extent of the law. No responsibility is assumed by Sponsor for any error, omission, interruption, deletion, defect, delay in operation or transmission, communications line failure, theft or destruction or unauthorized access to or alteration of entries; or any problems or technical malfunctions of any telephone network or lines, typographical or other errors, computer online systems, servers or providers, computer equipment, software, failure of any email sent, any text message sent/received or electronic entry to be received on account of technical problems or traffic congestion on the internet or on any website or any combination thereof, including, without limitation, any injury or damage to an entrant's or any other person's computer, tablet or mobile device related to, or resulting from, participation in or downloading any materials related to this Sweepstakes. Sponsor is not responsible for any typographical or other error in the printing of the Sweepstakes materials, administration of the Sweepstakes, or in the announcement of the prize. Sponsor reserves the right, at its sole discretion, to disqualify any individual it determines to be tampering with an entry, to be violating these Official Rules, or to be acting in a disruptive manner. In no event will the Sponsor be obligated to award more than the Grand Prize described herein.

13. RULES/NAME OF WINNER: A copy of these Official Rules can be found on the Website. For the name of the Winner, available for a period of at least 30 days after November 11, 2020, send a self-addressed-stamped envelope to: 7 Deadly Sin City Sweepstakes, 100 Corporate Place, Suite 200, Rocky Hill, CT 06037.

14. DISPUTES: To the fullest extent permitted by law, Entrant agrees that: (1) Any and all disputes, claims and causes of action brought by him/her arising out of or connected with this Sweepstakes or the prize awarded (collectively, "Dispute") shall be resolved individually, without resort to any form of class action; (2) Entrant shall attempt, in good faith, to resolve any and all Disputes via amicable discussions between the Entrant and Sponsor. If any Dispute cannot be resolved in such manner, before resorting to any other legal remedy, Entrant and Sponsor shall enter into arbitration proceedings in San Francisco, California before one (1) Judicial Arbitration and Mediation Services, Inc. ("JAMS") arbitrator agreed upon by the parties. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Judgment on the arbitration award may be entered in any court having jurisdiction. This clause shall not preclude the parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction; (3) Any and all claims, judgments, and awards to Entrant shall be limited to actual out-of-pocket costs incurred, including costs associated with entering this Sweepstakes, but in no event attorneys' fees or expenses or other costs related to litigation; (4) Under no circumstances will Entrant be permitted to obtain awards for, and Entrant hereby waives all rights to claim, indirect, punitive, incidental and consequential damages and any other

damages other than for actual out-of-pocket expenses, and waives any and all rights to have damages multiplied or otherwise increased.

15. CHOICE OF LAW: All issues and questions concerning the construction, validity, interpretation and enforceability of these Official Rules, or the rights and obligations of entrants and Sponsor in connection with the Sweepstakes shall be governed by, and construed in accordance with, the laws of the State of California, without giving effect to any choice of law or conflict of law rules (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of California.

16. SEVERABILITY: If any provision of these Official Rules becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, invalid or void, portions of such provision or such provision in its entirety, to the extent necessary, shall be severed from these rules and such court (or, if such court refuses to do so, the Sponsor) will replace such illegal, void or unenforceable provision of these Official Rules with a valid and enforceable provision that will achieve, to the greatest extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of these Official Rules shall remain in place and enforceable in accordance with their terms.

17. NO WAIVER: The failure of Sponsor to assert any right hereunder, or to insist upon compliance with any term or condition of these Official Rules shall not constitute the waiver of that right or excuse the subsequent performance or non-performance of any such term or condition by entrant or constitute a waiver of Sponsor's right to enforce these Official Rules.

Sponsor: The Wine Group, Livermore, CA

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