V BEVERAGES LTD.

V BEVERAGES, LTD. CORPORATE GOVERNANCE

These principles have been adopted by the Board of Directors (the "**Board**") of V Beverages, Ltd. (the "**Company**") for the purpose of establishing the corporate governance policies pursuant to which the Board intends to conduct its oversight of the business of the Company in accordance with its fiduciary responsibilities.

1. Role of the Board

The role of the Board of Directors at the Company is to oversee the performance of the Chief Executive Officer and other senior management and to assure that the best interests of shareholders are being served. To satisfy this responsibility, the directors are expected to take a proactive approach to their duties and function as active monitors of corporate management. Accordingly, directors provide oversight in the formulation of the long-term strategic, financial and organizational goals of the Company and of the plans designed to achieve those goals. In addition, the Board reviews and approves standards and policies to ensure that the Company is committed to achieving its objectives through the maintenance of the highest standards of responsible conduct and ethics and to assure that management carries out their day-to-day operational duties in a competent and ethical manner.

The day-to-day business of the Company is carried out by its employees, managers and officers, under the direction of the Chief Executive Officer and the oversight of the Board, to enhance the long- term value of the Company for the benefit of shareholders. The Board and management also recognize that considering the interests and concerns of other stakeholders, including the Company's employees, customers, creditors and suppliers as well as the community generally creates long-term enterprise value.

The Board understands that effective directors act on an informed basis after thorough inquiry and careful review, appropriate in scope to the magnitude of the matter being considered. The directors know their position requires them to ask probing questions of management and outside advisors. The directors also rely on the advice, reports and opinions of management, counsel and expert advisers. In doing so, the Board evaluates the qualifications of those it relies upon for information and advice and also looks to the processes used by managers and advisors in reaching their recommendations. In addition, the Board has the authority to hire outside advisors at the Company's expense if the Board deems doing so is appropriate.

2. Selection of Chair of the Board and Chief Executive Officer

The Board shall fill the positions of Chair of the Board and Chief Executive Officer based upon the Board's view of what is in the best interests of the Company at any point in time. The responsibilities of the Chair shall be as set forth in the Company's Bylaws and the statement of duties and responsibilities of the Chair to be approved by the Board, each as may be amended from time to time.

3. Committees

The Board has three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee ("**Governance Committee**"). The Board will continue to delegate substantial responsibilities to each committee, and each committee should consist solely of independent directors, as defined by the applicable rules of the NASDAQ or NYSE Stock Markets if the Company's Common Stock is listed for trading on such exchange ("**Exchange Rules**"), and in the case of the Audit Committee as defined by the rules and regulations of the Securities and Exchange Commission ("**SEC Rules**"). The Board should appoint a member of each committee as committee chair. The members of these committees shall also meet the other membership criteria specified in the respective charters for these committees. The Board may form new committees from time to time.

4. Assignment and Rotation of Committee Members

Annually, committees should be appointed (or re-appointed), and chairs of each committee designated, by the full Board, upon recommendation by the Governance Committee. While the Board should evaluate composition of committees annually to ensure that these committees are not stagnant or without fair representation, the Board believes that continuity of experience in the specific functions of these committees provides a significant benefit to the shareholders and to management.

5. Frequency and Length of Committee Meetings

Each committee chair, in consultation with committee members, will determine the frequency and length of meetings of his or her committee, considering all relevant factors such as the committee's mandate, charter, nature of current committee business to be discussed and the like. Moreover, the committee chair should feel free to call additional committee meetings at times other than the scheduled meetings of the full Board.

6. Committee Charters and Agendas

Each committee shall have its own charter, which will set forth the purpose, membership requirements, authority and responsibilities of the committee. Annually, each committee should review its respective committee charters and, in such committee's discretion, make recommendations to the Board for consideration. Committee charters should be within the scope of authority granted by the Board and should be approved by the Board. The chair of the committee, in consultation with appropriate members of management and staff, should develop the overall annual agenda to the extent foreseeable. In addition, each committee chair should prepare an agenda prior to each committee meeting and should consult with appropriate members of management for additional items that should be included in the agenda. Any committee of the Board is authorized to engage its own outside advisors at the Company's expense, including legal counsel or other consultants, as required, provided that the committee shall promptly advise the full Board of such engagement.

7. Code of Conduct, Conflicts of Interests, Related Party Transactions and Complaints Process

The Governance Committee shall review and approve the Company's code of conduct which is applicable to directors, officers and employees; consider questions of possible conflicts of interest of directors and corporate officers; review actual and potential conflicts of interest (including corporate opportunities) of directors and corporate officers; and approve or prohibit any involvement of such persons in matters that may involve a conflict of interest or corporate opportunity. Directors may be asked from time to time to leave a Board meeting when the Board is considering a transaction in which the director (or another organization with which the director is affiliated) has a financial or other interest.

The Audit Committee shall review and approve in advance any proposed related-party transactions in compliance with Exchange Rules and the Company's related-party transaction policy and must present material related-party transactions to the full Board for approval; monitor compliance with the Company's code of business conduct and ethics with respect to senior financial personnel; and review and approve the Company's procedures for handling complaints regarding accounting or auditing matters.

8. Board Meetings and Agenda Items

The Board shall have no less than four regularly scheduled meetings each year at which it reviews and discusses leadership continuity, management development, management reports on the performance of the Company, its plans and prospects, as well as more immediate issues facing the Company. The Chair of the Board will set the agenda for each Board meeting. Each director may suggest agenda items to the Chair of the Board. The Board will review the Company's long-term strategic plans during at least one Board meeting per year.

9. Board Materials Distributed in Advance

To the extent possible, information and data which is important to the Board's understanding of matters to be discussed at the meeting and the current status of the Company's business should be distributed in writing to the Board prior to the meeting to enable sufficient time for the directors to read and prepare.

10. Board Presentations and Discussions

Generally, preparation material should be sent to directors in advance of meetings so that Board meeting time may be conserved and discussion time focused on questions that directors have about the material. On those occasions when the subject matter is too sensitive to be distributed, the related materials will have to be introduced at the meeting. Directors are expected to prepare for, attend and actively participate in all Board and applicable Committee meetings. The Company encourages directors to attend the annual meeting of shareholders.

11. Regular Attendance of Non-Directors at Board Meetings

Some members of management (e.g., the Chief Financial Officer and such other members of the executive staff as the Chief Executive Officer may from time to time designate), representatives of the Company's outside counsel and Board advisors will regularly attend Board meetings. Other members of management and staff will attend meetings and present reports from time to time. Specifically, the Board encourages managers to be present at Board meetings who can provide additional insight into the items being discussed because of personal involvement in these areas. Company personnel and others attending Board meetings may be asked to leave meetings for the Board to meet in executive session.

12. Meetings of Independent Directors and with Outside Auditors

The Board will have separate meeting times for independent directors to meet without management present. Such meetings should be held as a part of every scheduled Board meeting and at such other times as requested by any independent director. In addition, the Audit Committee should meet periodically at such times as it deems appropriate with the Company's outside auditors without management present.

13. Board Access to Company Employees

Directors should have full access to members of senior management, either as a group or individually, and to Company information that they believe is necessary to fulfill their obligations as directors. The directors should use their judgment to ensure that any such contact or communication is not disruptive to the business operations of the Company.

14. Board Compensation Review

The Governance Committee should conduct an annual review of director compensation. This review will include input from such sources as the Governance Committee may be deem appropriate to compare director compensation with other companies of like size in the industry. Any change in Board compensation should be approved by the full Board.

15. Size of the Board

The Board determines its size in accordance with the Company's Bylaws. The size of the Board may vary based upon the size of the business and the availability of qualified candidates. Board size should facilitate active interaction and participation by all directors. The Board will review from time to time the appropriateness of its size.

16. Composition of Board

The Board believes that as a matter of policy the majority of its members should be independent. Within that policy, the mix of directors should provide a range of expertise and perspectives in areas relevant to the Company's business. The Board believes that directors should serve on the boards of not more than six other companies.

17. Board Definition of "Independence" for Directors

A director shall be considered "independent" for purposes of serving on the Board if they meet the criteria for independence established by Exchange Rules. A director shall be considered "independent" for purposes of serving on a Board committee based on the definition of independence used in that committee's charter, which shall conform to any requirements established for such a committee by Exchange Rules and any applicable SEC Rules.

18. Board Membership Criteria and Selection

The Governance Committee should review annually, in the context of recommending a slate of directors for stockholder approval, the composition of the Board, including issues of character, judgment, diversity, age, expertise, corporate experience, length of service, independence, other commitments and the like. Selection of new directors requires recommendation of a candidate by the Governance Committee to the full Board, which has responsibility for naming new members in the event of a vacancy or expansion of the Board between annual meetings of shareholders.

19. Extending the Invitation to Join the Board to a New Director

An invitation to join the Board should be extended by the Chair, on behalf of the entire Board.

20. Assessing the Board's Performance

The Governance Committee should annually review the Board's performance during the prior year. This assessment should focus on areas in which the Board can increase its effectiveness. As part of this process directors will evaluate the progress and effectiveness of the Board and its committees and submit comments to the Governance Committee. The Governance Committee will then report back to the Board, and the full Board will consider and discuss the committee's report.

21. Director Orientation and Continuing Education

Meetings of the Board shall be designed to provide orientation for new directors to assist them in understanding the Company's business as well as an introduction to the Company's senior management. Further, the Company encourages directors to participate in continuing education programs focused on the business, Company's industry, and legal and ethical responsibilities of directors.

22. Formal Evaluation and Compensation of the Chief Executive Officer and Other Executive Officers

The formal evaluation of the Chief Executive Officer and the other executive officers should be made in the context of annual compensation review by the Compensation Committee, with appropriate input from other directors and should be communicated to the Chief Executive Officer by the chair of the Compensation Committee. The evaluation should be based on objective criteria, including performance of the business and accomplishment of long-term strategic objectives in accordance with the principles established by the Compensation Committee. The Board encourages and will review ownership of stock by executive officers of the Company.

23. Board Advisors

The Board may, from time to time, request outside advisors to participate in Board meetings and other Board activities. The selection of Board advisors requires a candidate to be recommended by the Governance Committee to the full Board, which has responsibility for approving the Board advisors. In general, the Board will choose advisors based on the judgment and expertise that their participation will bring to the Board. The Governance Committee shall maintain a Board Advisor Agreement which all advisors shall sign, and which the Governance committee shall review and update on an as-needed basis.

24. Board Interaction with Investors, the Press, Customers, etc.

The Board believes that management speaks for the Company. Directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but directors should have such communication with knowledge of management and, in most instances, only at the request of management.

The Company's directors should not accept any gift of value that indicates an intent to influence the normal business relationship between the Company and any supplier, customer or competitor.

25. Formulation of Strategy

The Board should provide oversight to management in formulating corporate strategy.

25. Periodic Review of Guidelines

The Governance Committee and the Board should review these guidelines no less frequently than on an annual basis.