

LIQUOR SUPPLIERS

LIQUOR AGENCIES

LIQUOR REPRESENTATIVES

OPERATING GUIDELINES

December, 2005

**LIQUOR SUPPLIERS
LIQUOR AGENCIES
LIQUOR REPRESENTATIVES**

Operating Guidelines

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1.1 INTRODUCTION

- 1.1.1 Only those businesses and/or persons with a Class E manufacturer's licence pursuant to Section 55(a) of the *Gaming and Liquor Regulation* or who are registered as a liquor supplier or liquor agency or a liquor representative with the Alberta Gaming and Liquor Commission (AGLC) pursuant to Section 62 of the *Gaming and Liquor Act*, and Section 73 of the *Gaming and Liquor Regulation*, may conduct marketing, merchandising, and promotional activities of liquor in Alberta.
- 1.1.2 A copy of the *Gaming and Liquor Act* and the *Gaming and Liquor Regulation* are provided to each Class E licensee, registered liquor supplier or liquor agency and each registered liquor representative at the time of registration. Additional or replacement copies of the legislation may be obtained from the Queen's Printer Publication Services, in Edmonton at (780) 427-4952 and in Calgary at (403) 297-6251 or by e-mail at qp@gov.ab.ca. Copies of the legislation may also be accessed on the AGLC website at www.aglc.gov.ab.ca.
- 1.1.3 The purpose of this handbook is to provide information that will help the licensee and registrant meet AGLC requirements for operating in accordance with the legislation and Board policies. The handbook does not replace the *Gaming and Liquor Act* or the *Gaming and Liquor Regulation*.
- 1.1.4 Board policies respecting the activities authorized by a licence or registration, as detailed in this handbook, are conditions of the Class E licence pursuant to Section 61 of the *Gaming and Liquor Act* and are conditions of the registration pursuant to Section 17 of the *Gaming and Liquor Regulation*.
- 1.1.5 The Board may impose conditions in conjunction with a licence or registration that are in addition to the conditions referred to in this handbook.
- 1.1.6 Licensees and registrants are responsible for becoming familiar with the legislation and with these Liquor Suppliers,

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Liquor Agencies, Liquor Representatives Operating Guidelines.

- 1.1.7 Where an agency/supplier applicant, licensee, manager or representative involved in the daily operation of a registered liquor agency/supplier does not have a working knowledge of English sufficient to understand the legislation and policies, the Regulatory Division will request an interpreter be provided when discussing details of the agency/supplier application or representative registration.
- 1.1.8 The licensee and registrant is responsible to keep this handbook updated when new pages are received. A page titled "Record of Amendments" is located at the front of the handbook to record the insertion of updates.
- 1.1.9 An activity not specifically permitted under these guidelines is prohibited.
- 1.1.10 A copy of the handbook is available on the AGLC website at www.aglc.gov.ab.ca.

1.2 CLASSES OF REGISTRATION

- 1.2.1 The following classes of registration relating to liquor agencies, liquor suppliers and liquor representatives are established:
- a) liquor agency: authorizes a liquor agency or liquor supplier to act as the agent of a liquor supplier in the sale of the supplier's liquor;
 - b) liquor supplier: authorizes a liquor supplier to act as its own agent in the sale of the supplier's liquor;
 - c) liquor representative:
 - i) authorizes an employee of a liquor agency to act as a representative of a liquor supplier in the sale of the supplier's liquor; and

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- ii) authorizes an employee of a liquor supplier to act as a representative of the supplier in the sale of its liquor.

1.2.2 The following definitions apply:

- a) a "liquor supplier" means:
 - i) a manufacturer;
 - ii) a person who operates an establishment for making liquor outside of Alberta;
 - iii) a person, other than the AGLC, who is a distributor of liquor; and
 - iv) any person who has a connection, as specified in the regulations, to a manufacturer or a person described in subclause ii) or iii).
- b) a "liquor agency" means a corporation or individual who is in the business of representing a liquor supplier in the sale of the supplier's liquor.
- c) a "manufacturer" is a person who operates or intends to operate an establishment for making liquor in Alberta.

1.2.3 In accordance with Board policy, a liquor supplier shall:

- a) appoint a liquor agency, registered in Alberta, to conduct business on its behalf; or
- b) register as an Alberta liquor agency.

1.2.4 A liquor supplier that is licensed (Class E licensee) by the AGLC to manufacture liquor in Alberta will automatically be registered as a liquor supplier and is not required to make a separate application to become registered.

1.3 CONTACTING THE AGLC

1.3.1 The administration and monitoring of activities of liquor suppliers, liquor agencies and their representatives is managed by the AGLC's Regulatory Division.

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1.3.2 For information concerning these operating guidelines, contact the Regulatory Division:

St. Albert

50 Corriveau Avenue
St. Albert, Alberta
T8N 3T5
Phone: (780) 447-8600 Fax: (780) 447-8911

Calgary

110 Deerfoot Atrium
6715 - 8 Street N.E.
Calgary, Alberta
T2E 7H7
Phone: (403) 292-7300 Fax: (403) 292-7302

Red Deer

J5 Business Centre
13, 7895 - 49 Avenue
Red Deer, Alberta
T4P 2B4
Phone: (403) 314-2656 Fax: (403) 314-2660

Grande Prairie

10020 - 124 Avenue
Grande Prairie, Alberta
T8V 5L7
Phone: (780) 832-3000 Fax: (780) 832-3006

Lethbridge

3103 - 12 Avenue North
Lethbridge, Alberta
T1H 5P7
Phone: (403) 331-6500 Fax: (403) 331-6506

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1.4 HOSPITALITY ROOMS

1.4.1 A hospitality room for hosting individuals, groups or organizations where liquor is served for consumption may be provided at a manufacturer's facility or the offices of a liquor supplier or liquor agency as follows:

- a) the manufacturer designating an appropriate room in a private reception area which is registered and approved by the Regulatory Division; or
- b) the liquor supplier or liquor agency designating an appropriate room in a private reception area on their premises and obtaining a Hospitality Licence from the Regulatory Division.

1.4.2 A manufacturer (Class E licensee) must purchase all liquor product from the AGLC as follows:

- a) Report liquor transfers and submit cheques as prescribed below:
 - i) the manufacturer must maintain records of product transferred to the hospitality room;
 - ii) the manufacturer must report monthly product transfers to the AGLC by the 15th day following each month end;
 - iii) the report will include a calculation of the mark-up, GST, container deposit, and recycling costs for all product transferred; and
 - iv) the manufacturer must submit a cheque payable to the AGLC for the mark-up, GST, container deposit, and recycling costs with the report;

or

- b) the manufacturer purchases product through the Class D manufacturer's off sales licence prior to transfer to hospitality room; and

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c) the manufacturer maintains a written record of all transfers and the amount of product used at each hosting. The record must be made available for review upon request of the AGLC.

1.4.3 A liquor supplier or liquor agency with a Hospitality Licence may purchase liquor product as follows:

a) from a Class D licensee;

b) product they represent from the AGLC at wholesale prices when the product is used only for sampling licensees; and

c) a record must be maintained of all product purchased and the amount of product used at each hosting. The record must be made available for review upon request of the AGLC.

1.4.4 Liquor service may only take place between the hours of 10:00 a.m. and 2:00 a.m. and consumption of liquor is permitted until 3:00 a.m.

1.4.5 A licensee shall ensure no liquor service is provided to a minor.

1.4.6 A licensee shall ensure no liquor service is provided to an intoxicated person and no intoxicated person is permitted to consume liquor.

1.4.7 A licensee shall maintain a guest book and require all guests to sign in the book.

1.4.8 A licensee shall not advertise hosting activities or the providing of samples.

1.5 ALBERTA SERVER INTERVENTION PROGRAM (ASIP)

1.5.1 The AGLC endorses and supports the Alberta Server Intervention Program (ASIP). ASIP is a provincially recognized program; equivalency is not granted for programs offered in other provinces.

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1.5.2 Registration requirements are as follows:

- a) individuals who own, manage or work in a position responsible either directly or indirectly for the sale or service of liquor at licensed premises or venues must successfully complete ASIP training as per Section 1.5.3 a);
- b) registered representatives, including liquor merchandisers employed in full or part-time positions whose duties include the sampling or tasting of liquor products, must successfully complete ASIP training as per Section 1.5.3 b);
- c) individuals involved in the sale or service of liquor while working at public events where liquor is provided under the authority of a Special Event Licence – Public Resale, are required to successfully complete ASIP training as per Section 1.5.3 c);
- d) individuals involved in the sale or service of liquor at private events where liquor is provided under the authority of a Private Special Event Licence are not required to complete ASIP training; and
- e) individuals involved in the sale or service of liquor at functions where liquor is provided under the authority of a Class C Institution (residential) Licence are not required to complete ASIP training.

1.5.3 ASIP training will be phased in as follows:

- a) Class A, B, C, D, E and Duty Free licences (except as specified in Section 1.5.2 e) above):
 - i) one individual per licensed premises must successfully complete the program and be registered by June 30, 2006;
 - ii) each licensed premises must have a minimum of one ASIP-trained individual on duty at any given time during operating hours by January 1, 2007; and

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- iii) all individuals involved in the sale or service of liquor must have successfully completed ASIP training by January 1, 2010.
- b) Registered representatives, including liquor merchandisers, must successfully complete ASIP training by June 30, 2006.
- c) Special Event Licence – Public Resale:
 - i) each licensed premises must have a minimum of one ASIP-trained individual on duty at any given time during operating hours by January 1, 2007; and
 - ii) all individuals involved in the sale or service of liquor must have successfully completed ASIP training by January 1, 2010.
- d) Effective January 1, 2010 everyone working in licensed premises, either full or part time, with the exception of kitchen staff and bus persons, will have 30 days from their employment start date to successfully complete ASIP training.

1.5.4 ASIP Registration requirements are as follows:

- a) ASIP registration is valid for a period of five (5) years from the date of issue;
- b) Individuals who have successfully completed “It’s Good Business” (IGB) or “Techniques of Alcohol Management” (TAM) since September 2000 will be grandfathered for five (5) years from the date of successfully completing IGB or TAM;
- c) Sixty (60) days prior to expiry of the original registration, individuals will be required to successfully complete the course; and
- d) The mechanism chosen to complete the re-registration requirement is at the discretion of the individual.

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1.5.5 Individuals are required to provide proof of ASIP registration and produce identification cards as follows:

- a) proof of having successfully completed ASIP training must be in a person's possession at the place of employment;
- b) ASIP identification cards must be presented upon request for review by AGLC Inspectors;
- c) failure to provide the ASIP card may result in disciplinary action;
- d) on the dates identified in Section 1.5.3, licensees, including Special Event Licensees – Public Resale, must ensure each person involved in the sale or service of liquor is duly registered prior to assuming their duties; and
- e) valid ASIP identification cards will be recognized in all classes of licensed premises.

1.5.6 A central repository for the storage and retrieval of all ASIP data will be maintained as follows:

- a) the Examination Centre will receive and score all ASIP hard copy exams;
- b) minimum passing mark is 80%;
- c) individuals who fail the examination can re-write in accordance with ASIP written policy; and
- d) individuals who complete their training on-line will instantly receive confirmation (pass or fail). The results will be electronically transferred to the Examination Centre for issue of the appropriate certificate and identification card.

1.5.7 The "Train the Trainer" program will be made available to anyone who applies to AGLC to be a facilitator. All individuals who successfully complete the "Train the Trainer" program will be approved facilitators.

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1.5.8 Detailed information on ASIP may be obtained by contacting the AGLC at:

Alberta Server Intervention Program
Alberta Gaming and Liquor Commission
50 Corriveau Avenue
St, Albert, Alberta
T8N 3T5

Toll Free: 1-877-436-6336
Telephone: (780) 436-6335
Fax: (780) 447-7550
Website: www.asip.ca
e-mail: info@asip.ca

1.5.9 Program Fees are as follows:

PROGRAM		FEE	GST	TOTAL
Self-Directed: online	Website Instruction and Exam	\$25.00	\$1.75	\$26.75
Self-Directed: Manual (paper-based with video)	Participant Manual Video (DVD or VHS) Exam	\$50.00	\$3.50	\$53.50
Facilitated Seminar	Participant Manual Exam (Supplied by Trainer)	\$50.00	\$3.50	\$53.50

1.5.10 Trainer fees are as follows:

PRODUCT/PROGRAM		FEE	GST	TOTAL
Training Kit	Power Point with video-clips on CD Facilitator Guide Participant Manual	\$149.95	\$10.50	\$160.45
Train-The-Trainer Workshop	Trainers must also purchase the training Kit plus participant manuals	\$185.00	\$12.95	\$197.95
Participant Manuals	Participant Manual Exam	\$19.95 (1 – 19)	\$1.40	\$21.35
		\$17.95 (20 or more)	\$1.26	\$19.21

SECTION: 2. LIQUOR SUPPLIERS OR LIQUOR AGENCIES

2.1 APPLICATION FOR LIQUOR SUPPLIER OR LIQUOR AGENCY REGISTRATION

2.1.1 Persons interested in being registered as a liquor supplier or liquor agency may contact the Regulatory Division in St. Albert by telephone, by mail or by e-mail (see Subsection 1.3) and request a liquor supplier/liquor agency package be forwarded to them.

2.1.2 An application will be considered as a formal request to apply for a liquor supplier or liquor agency registration on receipt of the following documents which are included in the agency package:

- a) completed "Liquor Agency/Liquor Supplier Particulars of Incorporation of Company form (9.8) for the agency and each or any shareholding companies;
- b) "Particulars of Individual" form completed by each of the applicant's officers and shareholders (9.10);
- c) confirmation of liquor agency appointment by the liquor supplier, on the liquor supplier's letterhead (required wording provided in 9.6: "Letter of Authorization");
- d) Letter of Understanding, on the applicant's letterhead (required wording provided in 9.3: "Agency Letter of Understanding");
- e) proof of registration as a company with Alberta Corporate Registry (e.g., Certificate of Incorporation);
- f) a business plan illustrating:
 - i) an understanding of the liquor industry in Alberta;
 - ii) related experience; and
 - iii) a market plan with realistic expectations.
- g) completed "Acknowledgement and Undertaking" form (9.1);

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AUTHORITY:

Original signed by
NORM PETERSON

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- h) completed "Statutory Declaration" form (9.13) for all directors and individual shareholders; and
- i) non-refundable registration fee of \$200.00.

2.1.3 The Board may refuse to register an applicant if the applicant, any of the applicant's employees or any of the applicant's associates fail to pass a records check.

2.1.4 A person does not pass a records check if the person:

- a) has within the five years prior to the submission of the application been charged with or convicted of:
 - i) an offence under the *Criminal Code* (Canada), the *Excise Act* (Canada), the *Excise Act, 2001* (Canada), the *Food and Drugs Act* (Canada) or the *Controlled Drugs and Substances Act* (Canada), or
 - ii) an offence under a foreign Act or regulation that, in the Board's opinion, is substantially similar to an offence referred to in subclause i),
- b) has at any time been charged with or convicted of:
 - i) an offence under the *Criminal Code* (Canada), the *Excise Act* (Canada), the *Excise Act, 2001* (Canada), the *Food and Drugs Act* (Canada) or the *Controlled Drugs and Substances Act* (Canada), or
 - ii) an offence under a foreign Act or regulation that, in the Board's opinion, is substantially similar to an offence referred to in subclause i),

if in the Board's opinion the offence is sufficiently serious that it may be detrimental to the orderly or lawful conduct of activities authorized by a registration relating to liquor, or

- c) has within the five years prior to the submission of the application been serving a term of imprisonment of three years or more.

SECTION: 2. LIQUOR SUPPLIERS OR LIQUOR AGENCIES

2.1.5 The Board may refuse to register an applicant if the Board is satisfied that the applicant, any of the applicant's employees or any of the applicant's associates has within the five years prior to the submission of the application contravened

- a) the *Gaming and Liquor Act* or *Gaming and Liquor Regulation*;
- b) a predecessor of the *Gaming and Liquor Act* or *Gaming and Liquor Regulation*, or
- c) a condition imposed on the licence or registration issued or made under the *Gaming and Liquor Act* or a predecessor of the *Gaming and Liquor Act*.

2.1.6 The Board may refuse to register an applicant if the Board is satisfied that the applicant, any of the applicant's employees or associates or any other person with connections to the applicant:

- a) is a person who has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, having regard to the past conduct of the person; or
- b) would be a detriment to the lawful manufacture, import, purchase, sale, provision, transport, possession, storage, use or consumption of liquor.

2.1.7 On receipt of the required documents the application will be reviewed and the applicant will be notified in writing as to whether its application to become registered as a liquor supplier or liquor agency is approved.

2.2 REGISTRATION

2.2.1 Upon approval of the application, the Regulatory Division will complete the registration by:

- a) reviewing pertinent sections of the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* and Board policies with the applicant;

SECTION: 2. LIQUOR SUPPLIERS OR LIQUOR AGENCIES

- b) providing the applicant with a copy of the Liquor Suppliers, Liquor Agencies, Liquor Representative Operating Guidelines; and
- c) entering into the AGLC computer system the liquor supplier or liquor agency's name, address, telephone number and other relevant details.

2.2.2 A liquor supplier or liquor agency registration has a two (2) year term. The registration may be terminated if the liquor supplier or liquor agency has not shipped a liquor product to the Alberta market place for six months.

2.2.3 A liquor supplier or liquor agency is prohibited from selling liquor other than to the AGLC.

2.2.4 A liquor supplier or liquor agency is prohibited from selling liquor other than to the AGLC.

2.2.5 A liquor agency may contract or employ the services of a different registered liquor agency (sub-agent) to represent its products.

2.3 GENERAL REGISTRATION REQUIREMENTS

2.3.1 A liquor supplier or liquor agency must be registered before the liquor supplier or liquor agency's employees or affiliates may become liquor representatives (that is, serve as the liquor supplier or liquor agency's sales force or members).

2.3.2 A registered liquor supplier or liquor agency is responsible for notifying the Regulatory Division when any of its officers or shareholders are charged with or convicted of:

- a) an offence under the *Criminal Code* (Canada), the *Excise Act* (Canada), the *Excise Act, 2001* (Canada), the *Food and Drugs Act* (Canada) or the *Controlled Drugs and Substances Act* (Canada); or
- b) an offence under a foreign Act or regulation that, in the Board's opinion, is substantially similar to an offence referred to in clause a); or

SECTION: 2. LIQUOR SUPPLIERS OR LIQUOR AGENCIES

c) has contravened:

- i) the *Gaming and Liquor Act* or the *Gaming and Liquor Regulation*; or
- ii) a predecessor of the *Gaming and Liquor Act* or the *Gaming and Liquor Regulation*; or
- iii) a condition imposed on a licence or registration issued or made under the Act or a predecessor of the Act.

2.3.3 A registered liquor supplier or liquor agency may be required to notify the Regulatory Division of other matters from time to time, to ensure the records of the liquor agency are accurate and up to date (e.g., see Section 7. Product Promotion, Clauses E.2 and F.1.c).

2.3.4 A registered liquor supplier or liquor agency is required to provide the AGLC with reports and information specified by the AGLC for the purposes of determining if the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* and Board policies are being complied with.

2.3.5 Failure to comply with the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* and/or Board policies may result in disciplinary action up to and including suspension or cancellation of registration (See Section 8).

2.4 SALE OR CHANGE OF STATUS OF LIQUOR SUPPLIER OR AGENCY

2.4.1 A registration is not transferable.

2.4.2 A proposed sale, assignment or transfer of a portion of a liquor supplier or liquor agency

- a) that is a sole proprietorship, a partnership or a corporation, that is not a distributing corporation, as defined in the *Business Corporations Act*, and
- b) under which the activities authorized by a registration are carried out,

SECTION: 2. LIQUOR SUPPLIERS OR LIQUOR AGENCIES

must be reported to the AGLC and approved by the Board prior to the effective date of the sale, assignment or transfer. The Board may approve the sale, assignment or transfer of a portion of the business and may impose conditions on the registration.

2.4.3 A sale, assignment or transfer of 5% or more of a business:

- a) that is a distributing corporation as defined in the *Business Corporations Act*; and
- b) under which the activities authorized by a registration are carried out;

must be reported to the AGLC by the licensee within ten (10) business days after the effective date of the sale, assignment or transfer and must be approved by the Board.

2.4.4 The Board may, in respect of a sale, assignment or transfer requiring its approval,

- a) approve it without conditions;
- b) approve it subject to conditions;
- c) approve it subject to the variation or rescission of existing conditions; or
- d) refuse to approve it.

2.4.5 Where the Board refuses to approve a sale, assignment or transfer under Subsection 2.4.4d), after the effective date of the sale, assignment or transfer, the Board may treat the registrant as ineligible to hold a registration and apply sanctions as outlined in Section 92 of the *Gaming and Liquor Act*.

2.5 COMPETITIVE RELATIONSHIPS

2.5.1 The relationship between a liquor supplier, liquor agency or liquor representative and a liquor licensee, must be competitive in nature.

SECTION: 2. LIQUOR SUPPLIERS OR LIQUOR AGENCIES

- 2.5.2 A liquor licensee or employee or agent of the licensee is not permitted to own, operate or manage a liquor supplier or liquor agency.
- 2.5.3 Employment of a liquor licensee by a liquor supplier or liquor agency is not permitted.
- 2.5.4 An employee or agent of a liquor licensee is not permitted to be employed by a liquor supplier or liquor agency unless prior approval is obtained by the Board. The employee or agent cannot be an owner, supervisor or manager of the liquor licensee.
- 2.5.5 A liquor licensee or employee or agent of the licensee is not permitted to act as an advisor or provide financial support to a liquor supplier or liquor agency.
- 2.5.6 Where a prospective liquor supplier, liquor agency or liquor representative is related by blood or marriage to a licensee, the AGLC will ensure that the nature of the relationship between them is competitive.
- 2.5.7 If the AGLC believes the relationship between a liquor supplier, liquor agency or liquor representative and licensee who are related by blood or marriage is not competitive, the AGLC may request that the liquor supplier, liquor agency or liquor representative or licensee demonstrate that the relationship is competitive (for example, such belief may arise if a liquor supplier, liquor agency or liquor representative's dealings with a licensee in question is notably greater than with other licensees).
- 2.5.8 The AGLC may audit the business records of both a licensee and liquor supplier or liquor agency.
- 2.5.9 A liquor supplier or liquor agency cannot be set up to exclusively supply a licensee or group of licensees.

SECTION: 3. LIQUOR REPRESENTATIVES

3.1 APPLICATION FOR LIQUOR REPRESENTATIVE REGISTRATION

- 3.1.1 A liquor supplier or liquor agency must submit a letter, on the company letterhead, to the Regulatory Division requesting the AGLC register a prospective liquor representative (applicant) as a member of its sales force or team. The letter is to include the name of the applicant.
- 3.1.2 The prospective representative shall contact the Regulatory Division in St. Albert or Calgary to make arrangements for registration.
- 3.1.3 The prospective representative will be required to submit the following:
- a) a non-refundable registration fee of \$50.00;
 - b) a Liquor Representative's Information Sheet (9.11);
 - c) a Particulars of Individual form (9.10);
 - d) an Acknowledgment and Undertaking form (9.2); and
 - e) a Licensee List Terms and Conditions form (9.7).
- 3.1.4 A liquor representative must be:
- a) at least 18 years of age; and
 - b) a Canadian citizen or landed immigrant; or
 - c) a citizen of a foreign country who has received a work visa from federal authorities to work as a liquor representative in Alberta.
 - i) The appropriate documents from federal authorities must be provided as part of the registration process.
- 3.1.5 An applicant for registration may not qualify to be registered if he or she
- a) has within five years prior to the submission of the application been charged with or convicted of:

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- i) an offence under the *Criminal Code* (Canada), the *Excise Act* (Canada), the *Excise Act, 2001* (Canada), the *Food and Drugs Act* (Canada) or the *Controlled Drugs and Substances Act* (Canada); or
 - ii) an offence under a foreign Act or regulation that, in the Board's opinion, is substantially similar to an offence referred to in clause a) i); or
 - iii) has contravened;
 - the *Gaming and Liquor Act* or the *Gaming and Liquor Regulation*; or
 - a predecessor of the *Gaming and Liquor Act* or the *Gaming and Liquor Regulation*; or
 - a condition imposed on a licence or registration issued or made under the Act or a predecessor of the Act.
- b) has within the five years prior to the submission of the application been serving a term of imprisonment of three years or more.

3.1.6 On receipt of the appropriate documents (see Subsection 3.1.3) the application will be reviewed and the applicant will be notified as to whether their application is approved. If the application is approved, the applicant will be registered.

3.1.7 A liquor representative may be employed full-time or part-time.

3.1.8 A liquor representative may be employed by more than one agency at a time, providing the representative makes each agency aware of the other employer(s).

3.1.9 A registered liquor representative may not be a liquor licensee.

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3.2 REGISTRATION

3.2.1 As part of the registration, the liquor representative will be required to visit, in person, the Regulatory Division in St. Albert or Calgary and will be provided with:

- a) a list of the liquor representatives registered by the AGLC;
- b) a photographic identification card which is the property of the AGLC and must be returned to the AGLC when the person is no longer a liquor representative;
- c) a licensee list (additional copies or later issues may be purchased for the fee charged at the time of purchase);
- d) copies of the Special Event Licence Authorization Letter (Bearer Order Form) (9.12);
- e) a copy of the Liquor Suppliers, Liquor Agencies, Liquor Representatives Operating Guidelines;
- f) a list of the Retail Liquor Stores in Alberta;
- g) a copy of the Registered Agencies, Liquor Representatives, and Suppliers list; and
- h) a copy of the *Gaming and Liquor Act* and *Gaming and Liquor Regulation*.

3.2.2 The registration of a liquor representative is effective:

- a) for an indefinite period of time, subject to the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* and Board policies;
- b) until it is withdrawn by the AGLC; or
- c) until the liquor representative is terminated by the liquor supplier or liquor agency, which has notified the AGLC in writing, or whichever occurs earlier.

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3.2.3 A liquor representative that has had their registration cancelled due to terminating their employment with a liquor supplier or liquor agency, must apply for registration as a liquor representative and be re-registered before acting as a representative for another liquor supplier or liquor agency. The liquor representative is not required to submit an additional registration fee of \$50.00 if the commencement of employment with the new supplier or agency is within one month from the termination of employment with the previous supplier or agency.

3.2.4 It is the responsibility of the liquor supplier or liquor agency to notify the AGLC when a liquor representative has left their employ.

3.3 AUTHORIZED ACTIVITIES

3.3.1 The activities of a liquor representative include promoting, in compliance with this handbook, the brand(s) the liquor supplier or liquor agency represents. This may involve:

- a) sampling liquor brand(s) to customers or patrons of licensed premises;
- b) sampling liquor brand(s) to licensees or licensee staff;
- c) sampling liquor brand(s) to the general public;
- d) distributing added value items to retail liquor outlets;
- e) purchasing liquor and special event licences for private functions, with the prior authorization of the function organizer;
- f) customer service telemarketing; and
- g) engaging in other related activities as may be approved from time to time by the AGLC.

3.3.2 Liquor representatives are prohibited from selling liquor directly to licensees or the general public. All liquor products must be sold through the AGLC.

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3.4 GENERAL REGISTRATION REQUIREMENTS

- 3.4.1 The liquor supplier or liquor agency is responsible for all activities undertaken by a liquor representative on their behalf.
- 3.4.2 Failure to comply with the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, and/or Board policies, or disqualification as outlined in Subsection 3.1.5, may result in sanctions including one or more of the following: warning, fine, suspension or cancellation of the liquor representative's registration.
- 3.4.3 If a liquor representative is convicted, as described under Subsection 3.1.5, the representative must immediately notify the liquor supplier or liquor agency who in turn must immediately notify the AGLC.
- 3.4.4 A liquor representative must carry their AGLC identification card at all times while doing business and produce it for a licensee or official of the AGLC upon request.
- 3.4.5 A liquor representative may have a new identification card produced to update a card. The previous card must be returned to the AGLC.
- 3.4.6 Upon request of the AGLC, liquor suppliers or liquor agencies will be required (at least annually) to provide updated information about their liquor representatives to the AGLC, including current mailing address, telephone number, fax number, and brands represented.
- 3.4.7 A liquor supplier or liquor agency must immediately notify the AGLC upon the termination of a liquor representative and return the AGLC identification card to the AGLC.
- 3.4.8 A registered liquor representative is required to provide the AGLC with reports and information specified by the AGLC for the purposes of determining if the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation* and Board policies are being complied with.

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3.5 LIQUOR REPRESENTATIVE ASSISTANTS (MERCHANDISERS)

3.5.1 A liquor supplier or liquor agency may hire a private company or person to assist a liquor representative for routine tasks. Such routine tasks include:

- a) building or dismantling merchandising displays in retail liquor outlets;
- b) delivering added value materials, excluding liquor products, to retail liquor stores; and
- c) sampling patrons in a Class A, B, C or D licensed premises as permitted in Section 7.

3.5.2 Assistants must be at least 18 years of age.

3.5.3 Under no circumstances may an assistant conduct the regular activities or duties of a liquor representative.

3.5.4 The liquor supplier or liquor agency must be prepared to provide the AGLC with documents which identify an assistant and their tasks.

3.6 ASSISTING SPECIAL EVENT LICENSEES

3.6.1 A liquor representative may provide assistance to the convenor of a special event licence function as follows:

- a) advise on variety, brands and quantities of liquor required for the function;
- b) the availability, price range and nature of the recommended liquor; and
- c) the procedure and information required to obtain the special event licence.

3.6.2 A liquor supplier or liquor agency or its liquor representative may provide a licensee with corporate or brand identified items subject to any restrictions set by the AGLC.

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- a) The following is a list of items which may be given to licensees:

Coasters, place mats, tent cards, swizzle sticks, menu clips, serviettes, drip mats, bar towels, signs, posters, quick pourers (speed spouts), champagne corkers, flags/pennants/banners, ashtrays, serving trays, bottle openers, corkscrews, and plastic glasses.

- b) A selection of prizes or giveaway items of modest value (e.g., t-shirts, golf umbrellas) may be donated to the function.

3.6.3 It is the responsibility of the liquor representative not to suggest excessive quantities of liquor for the number of people expected to be in attendance at the function.

3.6.4 A liquor representative may make arrangements for delivery of liquor and pay for the delivery fees, however, a liquor representative may not pick up and deliver liquor from the point of purchase nor return it to the point of purchase for refund.

3.6.5 If the special event licensee wishes the liquor representative to act on his/her behalf, the representative will obtain a signed Special Event Licence Authorization Letter (Bearer Order Form) (9.12) available at any retail liquor store, completed by the special event licensee which provides authorization to purchase the required licence and liquor. The liquor representative must obtain payment in advance from the convenor to cover the full cost of the licence, the liquor, and associated expenses.

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4.1 SALE OF LIQUOR PRODUCTS IN ALBERTA

- 4.1.1 All liquor products in Alberta must be sold through the AGLC. The AGLC is the purchaser (importer of record) while the liquor supplier or liquor agency is the consignee.
- 4.1.2 All liquor purchase orders are on a consignment basis only.
- 4.1.3 All shipments must be made to the consignee (the liquor agency or liquor supplier) in care of the AGLC and shipped to a AGLC liquor warehousing agent. Consignees should ensure the freight forwarder has their agency name for third party liability (the AGLC is not liable).
- 4.1.4 An agency is required to provide the warehouse operator with a detailed purchase order including agent/supplier purchase order number, supplier name, agency name, Product Code, product description, size, quantity shipped and the estimated date of arrival. Freight carriers are required to schedule unloading at the warehouse facility. No appointments will be scheduled without a registered purchase order. Purchase orders must be faxed to Connect Logistics Services Inc. at (780) 458-4515 at least forty-eight (48) hours prior to scheduling a receiving appointment. In order to process your purchase order the same day, requests must be received before 2:00 p.m. Any requests received after the 2:00 p.m. deadline will be processed the next business day. Purchase order amendments should be faxed to Connect Logistics twenty-four (24) hours prior to receiving appointment. If you have any questions regarding Registration of Purchase Orders, please contact Connect Logistics at 1-800-265-6784 or (780) 418-6500 or e-mail: exel-ca-clc-cs@exel.com. All products must be registered with the AGLC before Connect Logistics can accept a purchase order.
- 4.1.5 All liquor suppliers must complete, sign and submit a "Letter of Authorization" that designates the appointed liquor agency for their particular product brands and identifies the party who will receive consignment payment. This letter cannot be altered unless it is to specify the particular product brand(s) being represented (9.6).

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- 4.1.6 All liquor agencies must complete, sign and submit a “Letter of Understanding” that confirms their agreement with the liquor supplier and identifies the party who will receive consignment payment. This letter cannot be altered unless it is to specify the particular product brand(s) being represented (9.3).
- 4.1.7 Each particular product brand may not be represented by more than one liquor agency at the same time.
- 4.1.8 If a registered liquor agency or direct source has a signed agreement on file with the AGLC with a supplier/manufacture for a particular product, the AGLC will not honour any agreements with other importers/sources for the same product.
- 4.1.9 A “New Product Registration” form (9.9) must be completed and submitted to the AGLC Product and Pricing Section [Fax (780) 447-8919] in order to register each new product being introduced into the Alberta market. **Note:** It will take the AGLC up to two (2) weeks to process a product registration.
- 4.1.10 Liquor suppliers or liquor agents are responsible for obtaining and providing a “Certificate of Origin” form (9.4) in order to qualify for preferential tariff treatment under the North American Free Trade Agreement. A blanket certificate is acceptable for all products manufactured by a specified supplier, as long as the dates are for the current calendar year, beginning January 1 and ending December 31. “Certificates of Origin” forms are available at bookstores, libraries or Revenue Canada, Customs, Excise and Taxation. **Note:** A “Certificate of Origin” form must be resubmitted with each new calendar year.
- 4.1.11 All product labelling must meet Canadian Labelling Requirements. The only exemption is for Duty Free products, but only if the product is meant specifically for Duty Free stores. In order to qualify for this exemption, products will have to be allocated only to Duty Free stores.
- 4.1.12 Agents are encouraged to read “Guide to the Labelling of Alcoholic Beverages” in order to be familiar with Canadian

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labelling requirements. Contact the Canadian Food Inspection Agency for a copy of this document or visit its website at www.inspection.gc.ca.

4.1.13 One sample, for laboratory analysis, of each new product being introduced into the Alberta market, must be sent to the AGLC, Attention: Sample Room. A sample does not have to be in the same container or size that will be sold under the consignment program, however, a sample must be a minimum of 200 ml. If a separate sample is not received, one bottle of the product will be pulled from inventory upon receipt of the initial shipment. For a list of Quality and Health Standards, as permitted by the *Controlled Drugs and Substances Act* (Canada), see 9.19.

4.1.14 Payments for consignment orders will be made weekly for all product sold the previous week. (**Note:** Agents are to advise their supplier(s) that invoices for consignment shipments are not required. Invoices received will be discarded).

4.1.15 The liquor supplier warrants that all goods supplied to the AGLC:

- a) are of a kind and quality represented to the AGLC by sample or otherwise and that the goods are of merchantable quality, fit and intended for human consumption, for the use the AGLC intends and free from defects or corruption of any kind; and
- b) are manufactured, packaged and labelled in safe containers and packages and in compliance with the *Controlled Drugs and Substances Act* (Canada) and any regulations passed under it as may be amended from time to time (see 9.20). The AGLC has agreed to enforce these standards for all beverage alcohol products imported into Alberta.

4.1.16 The liquor supplier shall indemnify and hold harmless the AGLC, its employees and agents from any claims, demands, actions, liability, loss, expense or damage that may arise directly or indirectly out of the production, sale or consumption of goods produced by the liquor supplier or out of any act or omission of the liquor supplier, its employees or

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agents, including without limiting the generality of the foregoing:

- a) infringement of copyrights, patents or trademark rights arising out of the sale by the AGLC of goods supplied by the liquor supplier;
- b) any defect, flaw, fault or corruption alleged or proven in any goods supplied by the liquor supplier;
- c) any failure by the liquor supplier to manufacture, package or label goods supplied by the liquor supplier as warranted above; and
- d) non-compliance with the *Controlled Drugs and Substances Act* (Canada).

4.1.17 All warranties and indemnifications shall survive this agreement and any purchase made by the AGLC pursuant to this agreement.

4.2 ALLOCATED PRODUCT

4.2.1 Allocation of a product means a product which has been specifically held for select customers upon request of a Liquor Agency or Liquor Supplier.

4.2.2 Allocation of a product will be limited to 1,000 cases per Product Code in a calendar year.

4.2.3 If the total on hand inventory is fully allocated and the calendar year-to-date total allocations do not exceed 1000 cases (excluding allocations to the product's liquor agency) the product will not appear in the Wholesale Price List. If the total inventory exceeds the total current allocation, the product will appear in the Wholesale Price List. **Note:** Products must also be at "Active" status, have stock on hand or on order at the time the price list file is captured in order to be printed.

4.2.4 Board to Board transfers to other liquor jurisdictions in Canada will not be included in the 1000 case maximum.

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- 4.2.5 The AGLC, at its sole discretion, may approve exceptions to the limit of 1,000 cases for special and/or unique products or circumstances (e.g. Beaujolais Nouveau).
- 4.2.6 Requests for exceptions must be made in writing to the Manager, Purchasing, Product & Pricing and shall include the wholesale price of the product and the reason for the exception.
- 4.2.7 Only those customers who have been designated by the Agent, through the allocation process, will be allowed to purchase the product through the Order Desk or Electronic Order Desk.
- 4.2.8 The AGLC will not be responsible for the unauthorized purchase of product (at any price) if it is left unallocated.
- 4.2.9 In order to set up product allocations, a liquor supplier/liquor agent should contact Connect Logistics, Inventory Control, Allocations Clerk at (780) 458-4509 or via fax at (780) 458-4515.

4.3 INSURANCE

- 4.3.1 The AGLC will be responsible for insuring the liquor under the terms of its all risk property insurance coverage in force at the time of the loss. Coverage for the liquor shall apply from the time the liquor is accepted at the St. Albert warehouse by the issuance of a signed delivery receipt until such time as it has been loaded for outbound shipment and accepted by the carrier for transport by the issuance of a bill of lading.
- 4.3.2 In the event of loss or damage to liquor, the basis of settlement under the AGLC insurance coverage shall be the AGLC cost price.

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4.4 SAMPLING LICENSEES

- 4.4.1 Liquor products purchased at wholesale prices by liquor suppliers or liquor agencies may be used to sample consumers and licensed premises as listed in Section F of the "Product Promotions in Licensed Premises Policy Guidelines" (see Section 7).
- 4.4.2 Liquor suppliers or liquor agencies who purchase liquor at wholesale prices are not permitted to sell the liquor under any circumstances.
- 4.4.3 Liquor suppliers or liquor agencies may buy product to sample licensees from retail liquor stores, general off-sales or general merchandise liquor stores. The liquor supplier or liquor agency may negotiate the purchase price with the retail liquor store, general off-sale, or general merchandise liquor store, subject to AGLC policy guidelines.
- 4.4.4 Each liquor supplier or liquor agency wanting to purchase liquor at wholesale prices will be given an Agency Registration Number which must be used when placing an order. Also required when placing an order are the product's Product Code and case quantity.
- 4.4.5 A liquor supplier or liquor agency may only place one order per day. If applicable, liquor suppliers or liquor agencies must determine how best to accommodate orders on the same day for different liquor representatives. It is recommended that one individual from each liquor supplier or liquor agency place all orders.
- 4.4.6 Ordering procedure:
- a) All orders must be placed through the Connect Logistics order desk. To order, call the Connect Logistics order desk at 1-800-661-8943 (Edmonton and area (780) 458-4500) between 6:00 a.m. and 2:30 p.m. Monday through Friday and between 8:00 a.m. to 2:30 p.m. Sunday or fax 1-800-727-8960 / (780) 458-4502.

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Note: Since Mondays and Tuesdays are heavy order days for licensees, please restrict placing orders to Wednesdays, Thursdays or Fridays.

- b) Orders may be picked up from Connect Logistics Services Inc. at the St. Albert Warehouse on the work day following the placement of the order (between 1:00 p.m. and 3:00 p.m. Monday through Thursday and between 10:00 a.m. and 2:00 p.m. Friday).
- c) Liquor representatives designated by the liquor supplier or liquor agency to pick up the liquor must show their AGLC identification card to the Licensee Cashier at this location and pay for the liquor under the terms outlined.
- d) If it is requested that the order be shipped through Connect Logistics to Calgary, the liquor agency must contact the Licensee Cashier at (780) 447-8673 to finalize the details for payment and shipping. This procedure must be followed each time an order is to be shipped to Calgary.

4.4.7 Payment for orders from the St. Albert Warehouse must be made before the product is picked up. Payment options are as follows:

- a) liquor supplier or liquor agency cheque;
- b) personal cheque from a registered representative; and
- c) IVR (Interactive Voice Response); for details about this method of payment, contact the AGLC at (780) 447-8668.

4.4.8 Any alternative forms of payment must be approved by the AGLC before ordering product.

4.4.9 The AGLC will not accept returns of product.

4.4.10 All liquor suppliers or liquor agencies are required to keep detailed records of each bottle or container or product purchased from the AGLC as follows:

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- a) name of product purchased;
- b) Product Code;
- c) quantity purchased;
- d) name of liquor supplier or liquor agency and liquor representative(s) sampling the product;
- e) name and address of licensee (that is, licensed premises and employee or staff) receiving product, date of receipt, and quantity of product provided as a sample on this date; and
- f) amount of the product provided to the licensee in the past.

4.4.11 Information for each bottle or container purchased must be made available upon request from the AGLC.

4.5 PROCUREMENT OF SAMPLES FROM LIQUOR SUPPLIERS OR LIQUOR AGENCIES

4.5.1 The AGLC will authorize liquor suppliers or liquor agencies to acquire product samples from manufacturers in order to support a purchase proposal or for other promotional purposes.

4.5.2 Samples will be permitted on a one-time basis for each product. New vintages of wine are considered acceptable as new product samples. The following per product amounts are allowed free of the AGLC's mark-up:

- 4 (750 ml) bottles of spirits or equivalent amount;
- 8 (750 ml) bottles of wine or equivalent amount;
- 36 (355 ml) bottles of beer, coolers or ciders or equivalent amount; and
- 1 keg of beer.

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Note: Keg samples may be provided in an approved container in the smallest keg size utilized by the liquor supplier or liquor agency.

4.5.3 Liquor suppliers or liquor agencies shall be responsible to pay the following costs for all product received as samples (including the quantities that are free of the AGLC's mark-up):

- all applicable freight charges (if the samples are not shipped "Free Domicile");
- all applicable duty and taxes; and
- GST on all duty and taxes.

4.5.4 Liquor suppliers or liquor agencies shall request samples directly from the manufacturer and shall advise the manufacturer of all procedural requirements as follows:

- a) If sample shipments are destined for St. Albert they are to be consigned to the AGLC, Attention: Sample Room, care of the liquor supplier / liquor agency name, at the AGLC's address as listed in Subsection 1.3.2.
- b) If sample shipments are destined for Calgary they are to be consigned to the liquor supplier/liquor agency, care of the AGLC, at the liquor supplier's/liquor agency's address. The shipment is held at the bonded carrier's facility until commercial invoices and a manifest/air waybill are received at the AGLC's office in St. Albert. Once the AGLC clears the shipment, it can be sent directly to the liquor supplier/liquor agency.
- c) All samples are to be shipped directly from the manufacturer to the AGLC for customs clearance and verification. Commercial invoices indicating break down for distribution and ultimate consignee (e.g., 1 bottle for analysis and 2 bottles for liquor supplier or liquor agency) shall be attached, including liquor supplier or liquor agency's name, address and telephone number.

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d) All sample shipments must be shipped "Free Domicile." "Free Domicile" means all charges are pre-paid by the supplier (freight, removal in-bond charges, ICX, terminal and handling fees)

4.5.5 Freight arrangements are the responsibility of the liquor supplier or liquor agency.

4.5.6 Any samples not shipped "Free Domicile" may be refused by the AGLC. If the AGLC accepts the shipment, all charges incurred, not paid for by the shipper, will be charged to the liquor supplier or liquor agency.

4.5.7 The AGLC shall not be liable for any charges incurred through the shipment of samples, and shall not bear any responsibility for the quality content of any product received as a sample.

4.5.8 The liquor supplier or liquor agency that has requested samples shall forward written notification of all sample requests to the AGLC, Customs & Excise Supervisor.

4.5.9 The liquor supplier or liquor agency shall make use of the samples in accordance with all conditions defined in this handbook.

4.6 PRIVATE LABELS

4.6.1 Private label means a product with a label which bears a premise-specific or co-operative name on the principal display panel (front label). Stickers or strip labels that bear the premise or co-operative name are not acceptable. All co-operatives must be previously approved by the AGLC prior to requesting registration of a private label product.

4.6.2 Private label products will automatically be excluded from printing in the Wholesale Price List, however they are not automatically allocated. Arrangements to allocate product should be made through Connect Logistics. For further information please refer to Subsection 4.2.9.

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- 4.6.3 Private label products that comply with Subsections 4.6.4 to 4.6.8 of this Handbook may exceed the allocation limit of 1,000 cases of sales per Product Code.
- 4.6.4 For new product registrations, liquor agencies or liquor suppliers must indicate to the AGLC if the product is a private label. An example of the private label must be submitted with the registration form of the new product. All private label products must be approved by the AGLC, Product and Pricing, prior to being registered.
- 4.6.5 The liquor supplier or liquor agency shall ensure private label products are listed at a wholesale price equal to or greater than the lowest general listed products that the liquor supplier has in the same category and product type.
- 4.6.6 The liquor supplier or liquor agency shall ensure the lowest general listed product is available at all times (see Subsection 4.6.5). If the product is out of stock for more than a two month period, the agent will be contacted and advised to comply with the private label policy.
- 4.6.7 Liquor suppliers or liquor agencies may supply licensees with private labelled liquor products subject to the following:
- a) all federal labelling requirements must be met;
 - b) any licensee wanting a private labelled product who will meet the minimum order quantity, as set by the liquor supplier or liquor agency, will receive equal consideration from the liquor supplier or liquor agency; and
 - c) private labels cannot be used by liquor suppliers or liquor agencies as an inducement to licensees whereby they receive a premium product at a discounted price.
- 4.6.8 There are no restrictions on package sizes for private labelled products other than wine, noted in Subsection 4.12.
- 4.6.9 Private labelled products are subject to all applicable taxes and mark-ups applicable to liquor products in that category.

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4.6.10 Private labelled products cannot be sold by a Class D licensee to other Class D licensees.

4.6.11 The AGLC will not be responsible for the unauthorized purchase of product (at any price) if it is left unallocated.

4.7 CONTAINERS

4.7.1 Beverage containers in Alberta are governed by the *Environmental Protection and Enhancement Act* and the *Beverage Container Recycling Regulation*.

4.7.2 This legislation requires all beverage containers to be registered. The AGLC will accept liquor containers that are of a type (e.g., glass bottle, pet plastic bottle, aluminum cans) that are currently registered with the Beverage Container Management Board (BCMB).

4.7.3 Liquor suppliers or liquor agents requesting products to be listed which are not in a container of a type currently registered in Alberta, must have the container registered with the BCMB. The AGLC will not list the product until the container is registered. For information on registering a container contact the BCMB at (780) 424-3193 or 1-888-424-7671. Fax number is (780) 428-4620.

4.8 PRODUCT PRICING

4.8.1 Price changes are permitted on a bi-weekly basis. Deadlines for the bi-weekly price quotes are 4:00 p.m. Friday for implementation on the Friday two weeks later. If a price change deadline falls on a statutory holiday, the date of the holiday still remains the deadline date. All price submissions should include Product Code, new Cost Insurance Freight (CIF) price and specific effective date. They should be faxed to the AGLC at (780) 447-8919 or e-mail: pricing@aglc.gov.ab.ca. During the week following the price change deadline, you will receive written confirmation of your price change submission.

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- 4.8.2 One copy of the AGLC Price Change Schedule is forwarded to all liquor agencies at regular intervals. It is the agency's responsibility to distribute copies of the schedule to all concerned parties within their organization. A schedule normally covers a six month period.
- 4.8.3 Pricing of a product that is at "New Listing" status may be changed at any time up until the time of the initial release of the first shipment. At that time, the status is updated to "Active." After a product has been updated to "Active" status and released for sale, price changes may only be submitted and implemented on a bi-weekly basis as per the AGLC Price Change Schedule in effect at the time (refer to Subsection 4.8.1).
- 4.8.4 The price of liquor must be the same, at any one time, for all licensees regardless of the quantity purchased.
- 4.8.5 Information regarding the wholesale pricing of products is provided in the attached documents:
- a) Mark-up Rates (9.21);
 - b) Recycling Costs – Non Beer (9.22);
 - c) Recycling Costs – Beer only (9.23);
 - d) Container Deposit Schedule (9.24);
 - e) Customs & Excise Rates (9.25);
 - f) Customs & Excise Tax/Duty Sample Calculations (9.26);
and
 - g) Wholesale Pricing Sample Calculations (9.27).
- 4.8.6 Liquor suppliers/liquor agencies must use the AGLC's Price Change Request form when submitting CIF price changes on a bi-weekly basis (9.18).

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4.8.7 Liquor manufacturers/liquor agents involved in beer manufacturing are responsible to complete and submit a "Declaration of Production" form (9.15, 9.16 and 9.17) in order to qualify their products for a reduced mark-up rate (9.21).

4.8.8 In order to determine the appropriate mark-up rate for beer products, the AGLC will include the total annual worldwide production in the facility/facilities (based on previous calendar year), where the liquor manufacturer/supplier is or was producing or obtaining its beer products. This shall include all liquid products (containing liquor and non liquor products) and all contracted or leased volumes being produced for all manufacturers and suppliers at other facilities. If a manufacturer or supplier enters into a contract with another manufacturer or supplier to produce beer products, the annual worldwide hectolitre production for all manufacturers and suppliers and for all products at other facilities will be added together to determine the mark up rate of the contracting party.

a) Transition Mark-up rates

A manufacturer/supplier qualifies for the transition mark-up rates if the manufacturer/supplier has an annual worldwide production of all products of 200,000 hl or less as of, or subsequent to, September 1, 2004. The transition rates are \$0.40 per litre on the first 200,000 hl sold in Alberta and \$0.98 per litre on the next 200,000 hl sold in Alberta.

Once a manufacturer/supplier exceeds 400,000 hl of annual worldwide production of all products, the mark-up rate will be \$0.98 per litre on all Alberta sales.

b) Production Decreases

If a manufacturer/supplier's yearly production of all products has previously been over 200,000 hl but its production of all products decreases to less than 200,000 hl for the calendar year, the manufacturer/supplier qualifies for both the \$0.40 mark-up and the transition mark-up rates. The

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manufacturer/supplier must complete and submit the appropriate Declaration of Production form to qualify for the \$0.40/litre mark-up rate. Under these conditions, the manufacturer/supplier would then qualify for the transition mark-up rates if they subsequently exceed the 200,000 hl production level of all products.

c) Independent Verification of Annual Worldwide Production

The manufacturer/supplier must provide independent verification to the AGLC that its reported production volumes of all products are accurate. This verification must be submitted to the AGLC within 90 days of the previous calendar year. If the verification has not been received within the 90 day period the AGLC will change the mark-up rate to \$0.98 until the appropriate verification has been received. The AGLC will not be responsible for any retroactive reimbursement of funds as a result of the change in mark-up rate.

d) Shareholder Interests

If a manufacturer/supplier (or associate of the manufacturer/supplier as defined in Section 1(7) of the Gaming and Liquor Regulation) has controlling interest (as defined in Section 1 (2) of the Gaming and Liquor Regulation) in another manufacturing facility, the annual worldwide production of all products in all facilities will be added together to determine the applicable mark-up rate.

e) Facility/Equipment Sharing/Renting/Leasing

Where one manufacturer/supplier rents, shares, leases, etc. a facility/facilities from another manufacturer/supplier, the annual worldwide production of all products in both facilities will be used in determining each of the manufacturer/supplier's worldwide production.

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f) New Brewery

The mark-up rates for a new manufacturer/supplier (with no previous year's hectolitre production), will be based on the estimated production of all products from the manufacturers/supplier's business plan (as submitted to the AGLC).

g) Agency Product Representation

If a liquor agency has arranged to have their own product(s), under a brewing contract agreement produced in various facilities, the annual worldwide production of all products for all manufacturers and suppliers at other facilities will be added together to determine the mark-up rate.

4.8.9 If a manufacturer/supplier has any doubt about the interpretation of policies within this handbook, and in particular Subsections 4.8.7 to 4.8.8 inclusive, they are to contact the AGLC for a ruling.

4.9 PRODUCT CODE ASSIGNMENT

4.9.1 Effective September 1, 2002, National Canadian Standard Product Codes (CSPCs) are no longer available. The AGLC will continue to assign its own internal Product Code to new products. If there is an existing National CSPC for the product, the AGLC will register the product in Alberta using that number. If there is an existing Product Code from another province the AGLC will attempt to register that number providing it is not already in use in the AGLC data base.

4.9.2 Agents must use the Product Code when quoting price changes to the AGLC or requesting any product information updates. The agent must advise the AGLC immediately if he/she becomes aware of changes to sales units per case or alcohol by volume on registered products.

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4.9.3 The AGLC does not require the Product Code or the Universal Product Code (UPC) be printed on the product's packaging or label.

4.9.4 Connect Logistics Services requires the Shipping Container Code (SCC) be printed on the outer shipping carton/case on two (2) adjacent sides. Further details may be obtained by contacting Connect Logistics – Customer Service at 1-800-265-6784 or (780) 418-6500 or e-mail: exel-ca-clc-cs@exel.com.

4.10 ADDED VALUE LIQUOR

4.10.1 Provincial mark-up is assessed on all added value liquor products.

4.10.2 If the added value liquor product is a registered product and there is inventory on hand, the liquor agency may order the product and do its own on-packing. When the order is picked up, the wholesale price is paid, therefore, mark-up is collected.

4.10.3 If, a) the added value liquor product is attached by the supplier prior to shipment to the AGLC; or b) the agency contracts Connect Logistics Services to attach the added value liquor products, then a listing application must be submitted in order to assign the added value liquor product (i.e., the 750 ml plus the 50 ml) a separate Alberta-only product code. This ensures the added value liquor product is included in the pricing calculation and, therefore, mark-up is collected. **Note:** Please refer to the "Product Promotions in Licensed Premises Policy Guidelines" (see Section 7) for further details regarding added value liquor products.

4.10.4 If, a) the added value liquor product is attached by the supplier prior to shipment to the AGLC; or b) the agency contracts

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Connect Logistics Services to attach the added value liquor products, there must be one added value liquor product attached to every base unit in each case.

- 4.10.5 A liquor supplier's representative may attach added value liquor products in any quantity at a Class D licensed premises. The liquor licensee is prohibited from attaching the added value liquor products.
- 4.10.6 All Canadian labelling requirements must be met on the added-value liquor product.
- 4.10.7 All added value liquor products must be labelled with either of the following phrases: "Sample" or "Not For Resale."
- 4.10.8 The liquor supplier or liquor agent shall ensure added value liquor products are listed at a wholesale price equal to or greater than the price of the base sales unit.

4.11 WAREHOUSE CHARGES

- 4.11.1 All warehousing charges are determined by Connect Logistics Services. Please refer to the Connect Logistics Agent Information Package. Please make note of the charges for a) Non Purchase Order SKU and b) Non Registered SKU. These two charges will be incurred when the agency does not follow the procedures referred to in Subsections 4.1.4 and 4.1.9. All warehousing charges are automatically deducted from the designated consignment payee's account. Connect Logistics will fax the designated consignment payee a copy of Receiving Reports and Receiving Surcharges as they are incurred. All other warehousing charge details will accompany the consignment payment detail you normally receive once each week.
- 4.11.2 The New Product Listing Fee is applied not only to products received in the province for the first time, but also to products which have been inactive for two years.

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4.12 NON-STANDARD SIZES (APPLIES TO WINE ONLY)

4.12.1 Wine may only be offered for sale directly to the consumer if the container size has a net quantity of 50ml, 100ml, 200ml, 250ml, 375ml, 500ml, 750ml, 1L, 1.5L, 2L, 3L, or 4L (litres). Wines that do not fall within these parameters are in violation of Section 6 of the *Federal Consumer Packaging and Labelling Act*. If you import a non-standard size wine, it can only be sold to:

- a) licensees for the food service industry;
- b) special event licensees; or
- c) used for promotional purposes (this does not include on-packing or added-value promotions).

4.13 ARCHIVING AND REACTIVATING PRODUCTS

4.13.1 Products may be placed into "Archive" status or reactivated at anytime by the agent/supplier who represents the product.

4.13.2 Agents/suppliers may request to archive the products they represent at any time, however, the product must have no on hand inventory at the time of the request. In order to have a product updated to "Archive" status a written request must be submitted to the AGLC with the following information:

- a) the product code; and
- b) the product description.

4.13.3 In order to reactivate an inactive ("Archive" status) product, agents/suppliers must submit a written request to the AGLC with the following information:

- a) the Alberta product code;
- b) the product description; and

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c) the CIF price.

4.13.4 Products with no activity for two years will automatically be updated by the AGLC to "Archive" status.

4.14 TRANSFER OF AGENCY REPRESENTATION

4.14.1 Agency representation transfers must be implemented on Mondays to be consistent with the consignment payment schedule.

4.14.2 There are several different scenarios which occur when a transfer of agency representation is pending. In order for the AGLC to implement an agency transfer the AGLC requires certain documentation. The documentation differs depending on the scenario:

a) If there is inventory on hand and the current agent is the consignment payee because he owns the inventory, the AGLC requires:

- a Letter of Authorization from the supplier indicating the new agency as its representative (9.6)
- a letter from the supplier cancelling its current agency/supplier agreement (as per the Letter of Authorization)
- an Agency Letter of Understanding from the new agency acknowledging its relationship with the supplier (9.3)
- a letter from the current agency releasing the inventory on hand to the new agency (this letter is normally received after the new agent/supplier has purchased the inventory from the current agency and payment has actually been received)

b) If there is inventory on hand and the supplier is the consignment payee because it owns the inventory, the AGLC requires:

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- a Letter of Authorization from the supplier indicating the new agency as its representative (9.6)
 - a letter from the supplier cancelling its current agency/supplier agreement (as per the Letter of Authorization)
 - an Agency Letter of Understanding from the new agency acknowledging its relationship with the supplier (9.3)
- c) If there is no inventory on hand, regardless of who the consignment payee or owner of the product is, the AGLC requires:
- a Letter of Authorization from the supplier indicating the new agency as its representative (9.6)
 - a letter from the supplier cancelling its current agency/supplier agreement (as per the Letter of Authorization)
 - an Agency Letter of Understanding from the new agency acknowledging its relationship with the supplier (9.3)

4.15 EXCLUSIVITY AGREEMENTS

4.15.1 The AGLC will only consider exclusivity agreements at locations (venues/premises) where the primary purpose of public attendance is not for the consumption of liquor. Examples include events or activities such as:

- a) community-based entertainment;
- b) professional or semi-professional sporting events; or
- c) a broad-based cultural event.

4.15.2 Each proposed agreement must specifically identify the following:

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- a) the type of event or activity taking place at the location;
- b) the class of liquor licence in effect during the event(s);
- c) the commencement date and termination date of the proposed agreement; and
- d) the dollar value for each type of support;

4.15.3 Proposed agreements shall be submitted to the AGLC for approval. The proposed agreement must be a certified true copy which has been signed and dated by an authorized individual from both parties.

4.15.4 Proposed agreements in which the commencement date predates its referral to the AGLC will not be entertained or considered for any reason.

4.15.5 The total dollar value of support being provided determines the deadline for submitting the proposed agreement to the AGLC:

<u>Value of Agreement</u>	<u>Due Date for Submission</u>
Less than \$5000	15 days prior to start date
\$5001 to \$10,000	20 days prior to start date
\$10,001 to \$100,000	30 days prior to start date
\$100,001 to 1,000,000	45 days prior to start date
Over \$1,000,000	60 days prior to start date

Note: Values shown are yearly within an agreement; and “days prior” refer to actual work days, not calendar days.

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4.16 "BOARD TO BOARD" TRANSFERS ORIGINATING IN ALBERTA

- 4.16.1 In this subsection, "Board to Board " transfers mean transfers of liquor product from Alberta to other Canadian liquor jurisdictions.
- 4.16.2 A liquor supplier/liquor agent may initiate a transfer of product from Alberta to another provincial liquor jurisdiction at any time.
- 4.16.3 The liquor supplier/liquor agent shall obtain a purchase order from the liquor jurisdiction buying the product. The other liquor jurisdiction must indicate whether they are shipping the product "In Bond" or "Duty Paid." "In Bond" means the Excise Tax/Duty has not been paid prior to shipment. "Duty Paid" means that Excise Tax/Duty has been paid prior to shipment by the liquor jurisdiction warehousing the product.
- 4.16.4 The liquor supplier/liquor agent shall then submit a written request for the Board to Board transfer to Connect Logistics along with a copy of the purchase order. The request and purchase order shall be faxed to the Manager, Inventory Control at (780) 418-6511.
- 4.16.5 Designated consignment payees are not paid for Board to Board transfers through the consignment payment program, as the product is not sold in Alberta. Instead the liquor supplier/liquor agent must invoice and receive payment for the product(s) from the liquor jurisdiction buying the product.
- 4.16.6 For an "In Bond" transfer, the normal charge to the other liquor jurisdiction is the agent's current CIF price plus the Customs Duty. The Customs Duty must be added to the price for the other liquor jurisdiction because in Alberta (upon receipt of inventory) the Customs Duty is paid to Canada Customs & Revenue Agency (CCRA) and then deducted from the liquor supplier/liquor agent's account. The liquor supplier/liquor agent will not recover the Customs Duty amount unless the Customs Duty is added to the price for the other liquor jurisdiction. The liquor supplier/liquor agent is not limited to charging only the CIF

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price. The liquor supplier/liquor agent can negotiate a different price with the other liquor jurisdiction if desired.

- 4.16.7 For a "Duty Paid" transfer, the normal charge to the other liquor board is the agent's current CIF price plus the Excise Tax/Duty and GST. If the AGLC is responsible to pay these taxes in order to ship the product "Duty Paid then the AGLC must, in turn, deduct the taxes from the designated consignment payee's account in order to recover them (including the GST). The liquor supplier/liquor agent must also add the Customs Duty to the price for the other liquor jurisdiction because in Alberta (upon receipt of inventory) the Customs Duty will be paid to CCRA and then deducted from the liquor supplier/liquor agent's account. The liquor supplier/liquor agent will not recover the Customs Duty amount unless the Customs Duty is added to the price to the other liquor jurisdiction. The liquor supplier/liquor agent is not limited to charging only the CIF price. The liquor supplier/liquor agent can negotiate a different price with the other liquor jurisdiction if desired.

4.17 "BOARD TO BOARD" TRANSFERS ORIGINATING IN OTHER CANADIAN JURISDICTIONS

- 4.17.1 In this subsection, "Board to Board " transfers mean transfers of liquor products from other Canadian liquor jurisdictions to Alberta.
- 4.17.2 A liquor supplier/liquor agent may initiate a transfer of product from another provincial liquor jurisdiction to Alberta at any time.
- 4.17.3 The liquor supplier/liquor agent must submit a purchase order to Connect Logistics as outlined in Subsection 4.1.4. The liquor supplier/liquor agent must indicate on the purchase order that the shipment is a Board to Board transfer.
- 4.17.4 The liquor supplier/liquor agent must identify how the other liquor jurisdiction is shipping the product – "In Bond" or "Duty Paid." The liquor supplier/liquor agent should then

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determine if the current product registration/inventory is at the same status. The AGLC's Product & Pricing Section may be contacted [(780) 447-8935] to assist in this determination. If the Board to Board transfer is at a different status than that of the current registration/inventory then a new product must be registered in order for Connect Logistics to receive the shipment.

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SECTION: 5. LEGISLATION

5.1 INTRODUCTION

- 5.1.1 Liquor suppliers, liquor agencies and liquor representatives are governed by the provisions of the Gaming and Liquor Act, Gaming and Liquor Regulation and Board policies made under the legislation.
- 5.1.2 Liquor suppliers, liquor agencies and liquor representatives are responsible for ensuring that they are aware and knowledgeable of the legislation and Board policies.
- 5.1.3 The attachments included in this section represent key elements of the legislation.

LEGISLATION

Excerpts from: The *Gaming and Liquor Act*

Definition - Section 1 (1)

- r) “Liquor Agency” means a corporation or individual who is in the business of representing a liquor supplier in the sale of the suppliers’ liquor.
- t) “Liquor Supplier” means
 - i) a manufacturer,
 - ii) a person who operates an establishment for making liquor outside of Alberta,
 - iii) a person, other than the Commission, who is a distributor of liquor, and
 - iv) any person who has a connection, as specified in the regulations, to a manufacturer or a person described in subclause (ii) or (iii).
- u) “Manufacturer” means a person who operates or intends to operate an establishment for making liquor in Alberta.

Liquor Control - Section 50

No person may, except in accordance with this Act or in accordance with a liquor licence, manufacture, import, purchase, sell, transport, give, possess, store, use or consume liquor.

Conditions - Section 61(1)

The board’s policies respecting the activities authorized by a liquor licence are conditions of the licence, including policies made after the licence is issued.

Representative of Liquor Supplier - Section 62

- (1)** No liquor supplier may authorize a liquor agency to be its representative in the sale of its liquor unless the liquor agency is registered for that purpose.
- (2)** No liquor agency may act as the representative of a liquor supplier in the sale of the supplier's liquor unless the liquor agency is registered for that purpose.
- (3)** No liquor agency may authorize a person to act as a representative of a liquor supplier in the sale of the supplier's liquor unless the person is registered for that purpose.
- (4)** No employee or agent of a liquor agency may act as a representative of a liquor supplier in the sale of the supplier's liquor unless the employee or agent is registered for that purpose.
- (5)** No liquor supplier may sell liquor unless the liquor supplier is registered for that purpose.
- (6)** No liquor supplier may authorize its employees to represent the supplier in the sale of the supplier's liquor unless the employees are registered for that purpose.
- (7)** No employee of a liquor supplier may act as the supplier's representative in the sale of the supplier's liquor unless the employee is registered for that purpose.

Agreements with Liquor Suppliers and Agencies - Section 66

- (1) Unless the regulations provide otherwise, no liquor supplier or liquor agency may enter into an agreement with a liquor licensee whose licence authorizes the sale of liquor to customers for their own consumption in which the licensee agrees to sell the liquor of the supplier or agency.
- (2) Unless the regulations provide otherwise, no liquor licensee whose licence authorizes the sale of liquor to customers for their own consumption may enter into an agreement with a liquor supplier or liquor agency in which the licensee agrees to sell the liquor of the supplier or agency.
- (3) Unless the regulations provide otherwise, an agreement entered into in contravention of subsections (1) and (2) is void.

Advertising and Promotion of Liquor - Section 67

- (1) The board may make policies respecting the advertising and promoting of liquor or products that contain liquor.
- (2) Every liquor licensee, liquor supplier, liquor agent and registrant under this Part must comply with the policies.

Importation - Section 77

No person may import liquor into Alberta unless

- a) the liquor has been purchased by or on behalf of the Commission and the liquor is consigned to the Commission,

- b) the person is a manufacturer and the board has authorized the manufacturer to import the liquor for the purposes of blending with and flavouring liquor made by the manufacturer, or
- c) the importation is authorized by this Act or a federal Act.

Sales to Commission - Section 79

- (1) No manufacturer may sell the liquor it makes to any person other than the Commission unless the manufacturer's liquor licence provides otherwise.
- (2) Subsection (1) does not apply to liquor that a manufacturer exports from Alberta.
- (3) No person who imports liquor under Section 77(b) or (c) may sell the liquor to any person other than the Commission unless the board provides otherwise.

Prohibited Sales - Section 81

Unless authorized by this Act or a liquor licence, no person may through the person's own actions or through the person's employees or agents

- a) display liquor for sale,
- b) store liquor for sale, or
- c) directly or indirectly sell or offer to sell liquor.

Suspension, Cancellation - Section 91

- (1) The board may do one or more of the things referred to in subsection (2) if the board is of the opinion that

- a) a licensee or registrant has failed to comply with this Act, an order of the board or a condition imposed on a licence or registration;
 - b) a liquor licensee has failed to comply with stadium bylaws;
 - c) a licensee has failed with respect to licensed premises or a licensed facility to comply with the *Safety Codes Act*, orders under the *Public Health Act* or any municipal bylaw;
 - d) an owner of licensed premises or facilities or a manager of licensed premises or facilities or, if the licensee is a corporation, an employee or agent of the corporation who is in charge of the licensed premises or facilities has been charged with or convicted of an offence under this Act, the *Criminal Code* (Canada) or stadium bylaws;
 - e) if the licensee or registrant is a corporation, a shareholder, director, officer or employee of the corporation has been charged with or convicted of an offence under this Act or the *Criminal Code* (Canada).
- (2) If subsection (1) applies, the board may, by order, with respect to a licensee or registrant do any one or more of the following, with or without a hearing:
- a) issue a warning;
 - b) impose conditions on the licence or registration or rescind or amend existing conditions on the licence or registration;

- b) require a person to dispose of an interest in the business under which the activities authorized by the licence or registration are carried out;
 - c) require a person to dispose of an interest in licensed premises or facilities.
- (3) If the ineligibility referred to in subsection (1) is caused by a conviction of an offence under this Act or a federal Act specified in the regulations, the board may not make an order under subsection (2) until the conviction becomes final.

EXCERPTS FROM THE *GAMING AND LIQUOR REGULATION*

Interpretation - Section 1(1)

- e) “financial interest” includes any direct, indirect or contingent interest
 - (i) whether as owner, partial or otherwise, of an interest, beneficial owner, owner of shares or owner through trusteeship, investment or otherwise,
 - (ii) in management, whether by management agreement, partnership agreement or other agreement, or
 - (iii) because of having loaned or advanced or caused to be loaned or advanced money or any thing of value, with or without security.

Conditions - Section 17(1)

The board's policies respecting the activities authorized by a registration are conditions of the registration, including policies made after a person is registered.

Eligibility of Liquor Supplier and Liquor Agency - Section 72

- (1) No Class A, B, C or D liquor licence or duty free store licence may be issued to a liquor supplier or liquor agency.
- (2) Nothing in subsection (1) prevents
 - a) a Class A liquor licensee from being issued a brew pub licence, or
 - b) a Class E liquor licensee from being issued a manufacturer's off sales licence.

Classes of Registration - Section 73

The following classes of registration relating to liquor agencies and liquor suppliers are established:

- a) liquor agency: authorizes a liquor agency to act as a representative of a liquor supplier in the sale of the supplier's liquor;
- b) liquor representative: authorizes an employee or agent of a liquor agency to act as a representative of a liquor supplier in the sale of the supplier's liquor and authorizes an employee of a liquor supplier to act as a representative of the supplier in the sale of its liquor.

Requirements - Section 74

- (1)** No person may be registered as a liquor agency to represent a liquor supplier unless the board is satisfied that the liquor supplier has agreed to the person representing them.
- (2)** No person may be registered as a liquor representative of a liquor agency unless the board is satisfied that the person is an employee or agent of the liquor agency.

Prohibited Relationships - Section 81

No liquor supplier or officer, director or employee of a liquor supplier and no liquor agency or representative of a liquor agency required to be registered under Section 62 of the Act may

- a)** have any financial interest in a liquor licensee or the licensee's business;
- b)** have a financial interest in any of the real or personal property used in a liquor licensee's business;
- c)** directly or indirectly sell, give, rent or lend any furniture, furnishings, refrigeration equipment, dispensing equipment, fixtures, decorations, paintings, signs, supplies or other equipment to a liquor licensee;
- d)** have a financial interest in any business that supplies furniture, furnishings, refrigeration equipment, dispensing equipment, fixtures, decorations, paintings, signs, supplies or other equipment to a liquor licensee;
- e)** directly or indirectly make or offer to make a loan or advance or give or offer to give money, a

rebate, a concession or anything of value to a liquor licensee or to an employee or agent of that licensee.

Liquor Suppliers or Liquor Agencies Relationships to Class A, B, C and D liquor licensee - Section 82, 83, 84, 85.

- 82(1)** No liquor licensee may
- a)** have a financial interest in a liquor supplier or liquor agency;
 - b)** sell or give a liquor supplier or liquor agency any financial interest in the licensee's business;
 - c)** carry on the licensee's business on real property in which a liquor supplier or liquor agency has a financial interest or use in the licensee's business personal property in which a liquor supplier or liquor agency has a financial interest;
 - d)** buy, receive as a gift, rent or borrow any furniture, furnishings, refrigeration equipment, dispensing equipment, fixtures, decorations, paintings, signs, supplies or other equipment from a liquor supplier or liquor agency.
- (2)** No liquor licensee or employee or agent of the licensee may
- a)** directly or indirectly borrow or receive as a gift from any liquor supplier or liquor agency money, an advance of money or any thing of value;
 - b)** request or accept a rebate or concession from a liquor supplier or liquor agency.

- 83(1)** Despite this Division, the board may allow a liquor supplier or a liquor agency to have a specified financial interest in a Class A, B or C liquor licensee's business.
- (2)** If the board allows a liquor supplier or liquor agency to have a financial interest in a Class A, B or C liquor licensee's business, the licensee may not possess, keep, provide, sell or allow in the licensed premises any liquor made or distributed by the liquor supplier or liquor agency whose financial interest has been approved, or any liquor produced or distributed by any person in whose business that liquor supplier or liquor agency has a financial interest.
- 84(1)** Sections 81 and 82 do not apply to the relationship between a liquor supplier who is a manufacturer and a licensee who holds a manufacturer's off sales licence if the manufacturer and licensee are the same person.
- (2)** Sections 81 and 82 do not apply to the relationship between a liquor supplier who manufactures beer for the purpose of a brew pub and a licensee who holds a Class A liquor licence for a brew pub if the manufacturer and licensee are the same person.
- 85** Despite this Division, the board may approve an arrangement between a liquor licensee and a liquor supplier or liquor agency to promote a particular type or brand of liquor.

SECTION: 6. ADVERTISING

6.1 INTRODUCTION

6.1.1 Advertising shall be conducted in accordance with the attached policy guidelines.

POLICY GUIDELINES

**LIQUOR ADVERTISING
FOR LIQUOR SUPPLIERS, LIQUOR AGENCIES
AND LICENSEES**

Revised May 1, 2004



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A. INTRODUCTION

1. Advertising refers to the use of media (e.g., newspapers, magazines, radio, internet, including E-Mail messaging, signage) to communicate a message to a wider audience. Advertising also refers to the wording and/or depictions on all forms of liquor packaging. It does not refer to menus, displays, posters, or other forms of product promotion within the licensed premises; these are covered under the policy guidelines "Product Promotions in Licensed Premises."
2. The purpose of these guidelines is to provide policy parameters under which legitimate advertising activities take place in accordance with the legislative authority provided the Board under Section 67(1) of the Gaming and Liquor Act.
3. For the purposes of this policy, references to:
 - a) a liquor supplier includes liquor agency and liquor representative; and
 - b) licensed premises include all Class A, B, C, D and Duty Free licensed premises unless a specific type of licensed premises is referred to.
4. The policies established by these guidelines shall be considered conditions applying to liquor suppliers, liquor agencies, liquor representatives and licensees.
5. In this policy:
 - a) a Class A licence refers to licensed premises open to the public (e.g., lounge, restaurant, tavern);
 - b) a Class B licence refers to licensed premises which require a fee or ticket to gain admission (e.g., recreation facility, race track, convention centre, theatre);
 - c) a Class C licence refers to private licensed premises (e.g., clubs);
 - d) a Class D licence refers to retail liquor stores, general merchandise liquor stores, general off sales (hotel), manufacturer off sales, delivery service licensees and commercial caterers. Duty free stores must adhere to the same legislation as all other Class D licensees;
 - e) a Class E licence refers to liquor manufacturers licensed in Alberta;
 - f) a licensee includes the owner, operator/manager and employees of the licensee;
 - g) "liquor" refers to all categories of beverage alcohol including spirits, beer, wine, liqueurs, and coolers.
6. Unless specifically covered or referred to in these guidelines, advertising is not permitted without the prior approval of the AGLC Regulatory Division.
7. Liquor suppliers and licensees are responsible for ensuring that their advertising is in compliance with these policy guidelines, including any advertising conducted by a third party, e.g., promotion company or media.

B. BASIC PRINCIPLES

1. Advertising must be within the limits of good taste and propriety.
2. It is the licensee's responsibility to ensure that all advertising is accurate and verifiable.
3. Advertising should encourage the legal, moderate and safe consumption of liquor and discourage abusive drinking patterns.
4. Advertising must not encourage non-drinkers to consume.
5. Advertising may not:
 - a) encourage or promote the irresponsible use, consumption or service of liquor;
 - b) depict excessive or prolonged consumption of liquor;
 - c) promote the consumption of liquor as being beneficial to health or personal well being; or
 - d) convey the impression that the consumption of liquor will improve an individual's status or standing.
6. Advertising must not be targeted at minors.
7. Advertising may not be used to disparage another company, business or product.
8. Except as specifically prohibited by these policy guidelines, advertising in any medium will be permitted (including television, radio, Internet, newspapers, magazines, flyers, billboards, transit shelters, inflatables, commercial vehicles or corporate vehicles).
9. Advertising must comply with the requirements of the Canadian Radio-Television and Telecommunications Commission (C.R.T.C.) and any other regulatory body having related jurisdiction.
10. Subject to B.9., the advertiser has discretion over the size and frequency of print advertisements and the length and frequency of television and radio commercials.
11. Advertising may refer to price unless otherwise stated elsewhere in these guidelines.
12. Brand advertising may only be undertaken by a liquor supplier, or a manufacturer's off-sale licensee. References to brand advertising are not applicable to special event licensees.
13. Advertising campaigns which promote the "responsible use" of liquor are highly recommended and supported by the AGLC.
14. Public service or community advertising which uses corporate or brand identification is permitted.
15. Cooperative advertising between a liquor supplier or liquor agency and a licensee is not permitted.
16. A liquor supplier or liquor agency is not permitted to pay any of the advertising costs incurred by a licensee, either directly or indirectly.

C. ELEMENTS OF ADVERTISING

Drinking Scenes (Applicable to brand advertising by liquor suppliers)

1. A legal drinking situation must be clearly presented according to relevant federal, provincial and local legislation.
2. Liquor product may be shown in a setting where consumption is not permitted if it is clearly a beauty shot and no people are shown, which would suggest prior or imminent consumption.
3. Liquor product may not exceed one drink per person in a social setting.
4. The activities shown in a commercial using licensed premise as a setting must be within the normal bounds of those which are permitted in the province.
5. The inclusion of food is encouraged.
6. Advertising may not show persons with liquor before or while operating a vehicle (motorized or other) or while engaging in any activity which requires care or involves elements of physical danger. The advertising must clearly show that the activity has been completed before the product is introduced.

Minors

1. Advertising must not appeal to minors or be placed in any medium that is targeted specifically to minors.
2. Minors or persons who may reasonably be mistaken for minors may not be depicted in liquor advertisements.
3. The use or imitation of children's fairy tales, jingles, nursery rhymes, children's songs, musical themes, or children's fictional characters is not permitted.

Personal Endorsement

1. No well-known personality (for example, an athlete or a youth-oriented musical group) or look-alike with strong appeal to minors may be used in liquor advertising.
2. The age of personalities and their current standing in the public eye should be taken into account when assessing appeal to minors.
3. Product endorsement by a well-known personality or look-alike should not imply that the consumption of liquor has contributed to the individual's success.

Third Party Advertising

1. Joint advertising between a licensee and a manufacturer of non-liquor products may be undertaken only if the advertising conforms to these policy guidelines.

D. ADVERTISING BY CLASS D LICENSEES AND DUTY FREE STORES

1. A Class D licensed premises may be advertised by indicating:
 - a) name of licensed premises;
 - b) location;
 - c) hours of operation;
 - d) products available, including sizes; and
 - e) product price (discount prices may be advertised).
2. Comparative price advertising is permitted subject to the requirements of B.7.
3. A Class D licensee may advertise brands of liquor providing the advertisement includes a price list and a featured product. Use of a liquor supplier's logo, typeset or trademark is permissible providing the owner/controller of the logo, typeset or trademark has given their prior permission. The following conditions must be met:
 - a) none of the advertising expenses of the licensee may be paid either directly or indirectly by a liquor supplier; and
 - b) the licensee is prohibited from receiving or requesting from a liquor supplier any consideration, benefit or inducement whatsoever for advertising a liquor supplier's brands.
4. Class D licensees may not redeem a liquor supplier's coupons for money off the price of liquor. A liquor supplier may, however, offer refund coupons whereby the consumer must mail the coupon to the manufacturer to receive a refund.
5. The common owner/operator who holds a Class D licence and another business or company may not conduct joint advertising of any kind, or participate in cross-market advertising or promotions between the Class D licensee and the other business or company.

- NOTES:**
- "Commonly owned" refers to those situations in which a retail liquor store and another business or company are owned or controlled in whole or in part by the same person.
 - These restrictions also apply to any retail liquor store that is using the trademark name of another business or company that is not commonly owned.
 - The following related activities are also prohibited under Section 50 Gaming and Liquor Regulation:
 - a) offer discounts on purchases in one business based on purchases in the other business;
 - b) operate a customer loyalty program in one business which recognizes purchases made in the other business; or

- c) sell trademark or brand name products of the other business in the retail liquor store unless these products are also available for wholesale purchase by other licensees and are not referred to by the other business' name.
6. A liquor delivery service approved by the AGLC Regulatory Division may be advertised.
 7. A hotel with a separate off-sales room approved by the Board and operated under the authority of a Class D licence may refer to that room as a "store".

E. ADVERTISING BY CLASS A, B AND C LICENSEES

1. A licensee may advertise the name of the premises and the services that are offered according to the type of licence(s) held.
2. A licensee may advertise brands of liquor providing the advertisement includes a price list and a featured product. Use of a liquor supplier's logo, typeset or trademark is permissible providing the owner/controller of the logo, typeset or trademark has given their prior approval. The following conditions must be met:
 - a) none of the advertising expenses of the licensee may be paid for either directly or indirectly by a liquor supplier; and
 - b) the licensee is prohibited from receiving or requesting from a liquor supplier any consideration, benefit or inducement whatsoever for advertising a liquor supplier's brand, except as permitted in accordance with policy guidelines.
3. A licensee may advertise liquor at reduced or discounted prices except as noted in E.4 below.
4. Free liquor specials, multiple drink specials (e.g., "2 for 1"), pour size specials (e.g., "doubles for the price of singles"), or "all you can drink" for a fixed cost promotions are not permitted and may not be advertised. "Buckets of Beer" may be advertised providing the actual price for a single beer product is posted and the purchase or ordering of a bucket of beer (regardless of the number of beer within a bucket) does not constitute a "special".
5. Happy hours may be advertised. There are no restrictions as to the duration of this activity.
6. A licensee may advertise feature drinks during named nights or days (e.g., Tequila Monday, shooter night, draught night, etc.). Reduced or discounted prices may be mentioned in the advertising.
7. A licensee may advertise an all-inclusive package which includes liquor in the price (e.g., "champagne brunch", Mother's Day special, New Year's Eve special). The amount of liquor to be provided must be specified.
8. A licensee may have a "radio remote unit" broadcast live music from the premises. The broadcaster may say on air the name and location of the premises or of any specific room within the premises in accordance with Section B – Basic Principles.
9. A licensee may have a "television remote unit" broadcast live entertainment from their licensed premises, if the patrons are aware they may be televised. The coverage should focus on the entertainment, although shots including portions of the audience are acceptable. Any advertising must be in accordance with Section B – Basic Principles.

10. A club (Class C licensee) may advertise a function for its members and bona fide invited guests if the restricted admittance is clearly indicated in the advertisement.

F. ADVERTISING BY SPECIAL EVENT LICENSEES

Public Resale Licence

1. Licensee guidelines (Section E.) apply to the advertising for special event functions.

Private Non-sale and Private Resale Licences

1. Advertising of the function may be undertaken if it is directed to members and bona fide invited guests only and not to the public at large. "Members and guests only" must be clearly shown in all advertising.
2. The licensee may display posters on community billboards.
3. The licensee may place an advertisement in the community news section of the local paper or on the TV cable community news channel.
4. A community league with its own hall may advertise a function on a sign including a free-standing illuminated sign located on community league property.

G. SPONSORSHIPS

1. The sponsorship or co-sponsorship of an event, activity or team which does not involve minors or is not otherwise geared towards minors may be undertaken using the corporate or brand name. A Class A, B, C or D licensee may sponsor an event involving minors if the references to the establishment do not mention liquor in any way.
2. A sponsorship may be supported by an unconditional donation, or by the provision of a trophy or prize.
3. Exclusive sponsorship is permitted, however, exclusivity of a specific brand of product in a Class A, B, or C premises is only permitted with Board approval.
4. Off site support advertising before and during the event, and on site signs during the event, are permitted if they follow these policy guidelines.
5. Where a licensed area is operated with a sponsored event, approved promotional material may be displayed in the licensed area. (See "Policy Guidelines - Product Promotions in Licensed Premises").
6. Sponsorships conducted on campus must have the prior approval of the institution's administration.
7. Corporate or brand identified items, other than liquor, may be given to charitable organizations which hold a Revenue Canada registered charities number, for their use as prizes, raffle items, etc. Liquor may be donated to a non-profit or charitable organization for auction purposes in conjunction with an auction authorized under the authority of a Special Event Licence - Private Resale.

8. Owning a sports franchise is permitted.
9. In sponsorship advertising, the ad should focus on the event or activity being sponsored, not on liquor or liquor suppliers.

H. CORPORATE VEHICLE

1. Corporate or brand name and logo may be displayed on a corporate vehicle.
2. A corporate vehicle may appear at the site of a sponsored event.

I. ARENA SIGNS

1. Corporate or brand identified signs (for example, scoreboard panels, rinkboards) may be rented in an arena or stadium used primarily for structured sporting or entertainment events.
2. Temporary signs (for example, banners) may be displayed in a community arena only during a sponsored event.
3. Signs which advertise liquor may not be used at events involving minors (for example, minor hockey week).

J. CONTESTS

1. Sponsorship or co-sponsorship of a publicly advertised contest may be undertaken.
2. A contest sponsored by a liquor supplier must be directed towards persons of legal drinking age.
3. An individual must not be required to purchase or consume liquor to participate in or qualify for a contest or draw.
4. If any portion of a contest is conducted on licensed premises, the activity must follow "Policy Guidelines - Product Promotions in Licensed Premises".
5. All applicable provincial and federal regulations must be followed.

K. LIQUOR INDUSTRY TRADE SHOWS

1. Participation in a liquor trade show may be undertaken with a display or display and sampling booth.
2. Liquor suppliers are permitted to sell or provide samples of their liquor at a liquor related trade show subject to both the requirements for participation set by the trade show operator and these guidelines.
3. A trade show operator may request that a retail liquor store be permitted to sell liquor products for off premises consumption at the location of the trade show.
4. All categories of liquor may be sampled. Maximum sample sizes are as follows:

beer	-	112 ml	(4 oz.)
coolers	-	112 ml	(4 oz.)
wine	-	56 ml	(2 oz.)
spirits	-	14 ml	(1/2 oz.)
liqueurs	-	14 ml	(1/2 oz.)

5. Liquor samples may only be offered from a display booth.
6. The booth must always be staffed during the show when liquor is involved. Agents/Representatives shall not serve liquor products while under the influence of liquor. Adequate measures must be taken to secure liquor supplies when the show is closed.
7. Minors are not permitted to serve or handle liquor.
8. Liquor samples may only be served to persons of legal drinking age.
9. An exhibitor may participate in a cooking demonstration at the booth or a designated cooking area. The products on display or being sampled may be used. Tasting of the prepared dishes is permitted.
10. An exhibitor may decorate his booth with related support advertising, and staff may wear promotional clothing. Promotional or educational advertising material may be given away.
11. An exhibitor's participation in a show may be advertised.
12. A retail liquor store may be permitted to sell liquor for off premises consumption at a non-liquor industry trade show. Participation requires the approval of the AGLC and is subject to any conditions imposed as part of the approval.

L. CONSUMER MARKET RESEARCH

1. An independent group or organization may be appointed to conduct consumer market research.
2. The research may include a survey of members of a target group. Such a survey must not be a promotional scheme designed to obtain direct or indirect advertising for a product, nor may the results form part of a public advertising program.
3. The survey may not be used to impart potentially disparaging information about another company or product.
4. All participating respondents must be of legal drinking age if the survey is liquor related.
5. A survey limited to a one-on-one question and answer situation may be conducted by telephone, in a private area or in a public area (for example, shopping mall, on the street).
6. Respondents may be invited to a market research office, hotel meeting room, or other location closed to the general public and acceptable to the AGLC for a product audit (taste test).
7. The organization conducting a product audit or packaging audit must ensure any licensing requirements are met. A packaging audit conducted in a non-licensed area will require a private non-sale licence. The licence will include the words "Not for Consumption" on it.

This licence authorizes transportation of the liquor to and from the site and possession of liquor at the site of the survey.

8. A product audit must be conducted blind, that is, no identification of the samples other than by number or letter.
9. A product audit may be conducted using a product not available for sale in the province.
10. Respondents participating in a product audit must not be permitted to consume samples to the point of intoxication.
11. The organization conducting the survey may compensate the respondents for participating in the survey.

M. HOSTING NO SALE FUNCTIONS

1. A no sale function may be hosted by liquor suppliers or licensees at which invited guests may sample liquor.
2. Attendance must be by invitation only. There may be no advertising of the event.
3. The host is responsible for ensuring the licensing requirements are met, i.e. a special event licence has been obtained for unlicensed locations.
4. A liquor supplier, other than a manufacturer must be in possession of a hospitality licence issued by the AGLC to host no sale functions at their office premises.

N. INTERPRETATION AND ENFORCEMENT

1. The interpretation and enforcement of these policy guidelines are the responsibility of the AGLC Regulatory Division.
2. The advertiser (liquor supplier and/or licensee) is responsible for ensuring that their advertising meets the requirements of these policy guidelines. Any concerns about interpretation should be reviewed with the AGLC Regulatory Division.
3. An advertiser may submit advertising and related material covered by these guidelines to the AGLC Regulatory Division for approval before undertaking the advertising or activities.
4. Advertising will be checked for the message conveyed by all aspects of the advertisement whether expressed or implied.
5. Failure to comply with the spirit and intent of these policy guidelines will result in sanctions by the Board. Sanctions include, but are not limited to:
 - a) warnings;
 - b) the requirement that the advertiser remove advertising or withdraw from an activity;
 - c) the requirement that all further advertising and other activities covered by these guidelines be submitted for approval;
 - d) suspension of liquor supplier in-store advertising privileges for specified periods;
 - e) suspension of advertising and promotional support privileges for specified periods; and
 - f) any other sanction as determined by the Board consistent with the Gaming and Liquor Act.

SECTION: 7. PRODUCT PROMOTIONS

7.1 INTRODUCTION

7.1.1 Product promotion activities shall be conducted in accordance with the attached policy guidelines.

DATE ISSUED: February 28, 2005 **AUTHORITY:** Original signed by
NORM PETERSON

POLICY GUIDELINES

PRODUCT PROMOTIONS

IN

LICENSED PREMISES

Revised: May 16, 2005



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A. INTRODUCTION

1. Product promotion refers to activities within licensed premises to promote specific brands of liquor produced by a manufacturer. (For the purposes of this policy, references to liquor suppliers include liquor agencies and registered liquor representatives).
2. The purpose of these guidelines is to provide policy parameters whereby legitimate promotional activities may take place in licensed premises. (For the purposes of this policy, references to licensed premises include all Class A, B, C, and D premises, unless specifically referred to in these guidelines).
3. The policies established by these guidelines shall be considered conditions applying to licensees, liquor suppliers, liquor agencies and registered liquor representatives.
4. In this policy:
 - a) a Class A licence refers to licensed premises open to the public (e.g., lounge, restaurant, tavern);
 - b) a Class B licence refers to licensed premises which require a fee or ticket to gain admission (e.g., recreation facility, race track, convention centre, theatre);
 - c) a Class C licence refers to private licensed premises (e.g., clubs);
 - d) a Class D licence refers to retail liquor stores, general merchandise liquor stores, duty free stores, general off sales, manufacturer off sales, delivery service licensees and commercial caterers. Duty Free Stores are required to adhere to the same legislation and policies as all Class D licensees;

- e) a Class E licence refers to liquor manufacturers licensed in Alberta;
 - f) a licensee includes the owner, operator/manager and employees of the licensee;
 - g) "liquor" refers to all categories of beverage alcohol including spirits, beer, wine, liqueurs, and refreshment beverages.
5. Product promotions may not encourage the irresponsible use, consumption or service of liquor.
 6. Promotional activities between a liquor supplier and a licensee are primarily aimed at on-premises activities.
 7. Unless specifically covered or referred to in these guidelines, a promotion is not permitted without the prior approval of the AGLC Regulatory Division.
 8. The Board of the Alberta Gaming and Liquor Commission may approve exclusivity agreements between liquor suppliers/liquor agencies and licensees for community events and select sporting venues.
 9. Liquor suppliers and licensees are responsible for ensuring that their product promotions are in compliance with these policy guidelines.

B. INDUCEMENTS

1. Liquor suppliers and licensees shall familiarise themselves with the provisions of Sections 80 to 85 of the Gaming and Liquor Regulation and are responsible for compliance with all of the provisions of this legislation.
2. Liquor supplier's promotional activities must be directed to consumers or patrons of licensed premises (excludes provision of samples as stated in Section E).
3. A liquor supplier is prohibited from directing promotional activities to licensees, whereby the licensees benefit directly

from the activity (e.g., contest for licensee's staff based on sales of the liquor supplier's product).

4. A liquor supplier is prohibited from participating in any way in the customer loyalty program of a licensee and no licensee shall request such participation.
5. A licensee is prohibited from requesting or accepting, and a liquor supplier or liquor agency is prohibited from underwriting licensees' expenses, either directly or indirectly, for any travel, whether or not it is for business purposes, a vacation, or a combination of both. Travel expenses refer to, but are not limited to, airfare (or other similar transportation costs), accommodation costs, ground transportation costs, or meal costs. A liquor supplier or liquor agency is not permitted to provide reduced rate accommodation to a licensee at a winery, brewery, distillery or other venue that they own, represent or are otherwise associated with.
6. A liquor supplier is prohibited from paying the registration, tuition, conference fees, or similar costs for a licensee (excluding that seminar or training events organised by a liquor supplier, within the province, which are open to all licensees or certain classes of licensees).
7. A liquor supplier or a countries representative body (political and non-political) can not subsidize any of the expenses (includes travel by any means, accommodation costs and/or meals) incurred by a licensee, his employees or agents to attend seminars, conventions, meetings or exhibitions conducted outside of Alberta or Canada.
8. A liquor supplier may provide a licensee with tickets to sporting, cultural or entertainment events. If the value of an individual ticket exceeds \$450.00 Canadian, then prior approval must be obtained from the AGLC. Season tickets to any event may not be provided to the licensee by the liquor supplier.
9. A licensee is prohibited from requesting or accepting any promotional items from a liquor supplier and keeping them for the licensee's own use or providing them to the licensee's staff.

10. A liquor supplier may provide a licensee with items which are not essential to operating the licensed premises as approved by AGLC Regulatory Division.

C. LIQUOR SUPPLIER/LICENSEE BUY/SELL AGREEMENTS (BSA)

1. A liquor supplier and a liquor licensee may enter into a buy/sell agreement which allows the liquor supplier to give items to a licensee in return for the promotion of specific brands or types of liquor by the licensee. Promotional items must conform to existing legislation and these guidelines, and must be directed to the consumer.
2. All agreements between a liquor supplier and a liquor licensee must be documented, verifiable and include the following (a buy/sell agreement format is attached):
 - a) Name and registration number of liquor supplier;
 - b) Name, licence number and class of licensed premises;
 - c) duration of agreement; (may not exceed a 12-month period)
 - d) list of items and/or services provided including their retail value; and
 - e) the terms of the agreement, e.g., the applicable brands or products and any quantities must be stipulated.
 - f) **extensions to buy/sell agreements are permissible providing both parties initial and date the original agreement.**
 - g) **the use of the term “while supplies last” or words to that affect are not acceptable when identifying quantity.**
3. Liquor Suppliers are permitted to provide retailers with liquor products as a draw or give-away item. No cash (cheques, etc.) may form part of a buy/sell agreement.

4. A buy/sell agreement between a liquor supplier and a liquor licensee (including all shareholders, directors, management and staff), may not exclude, bar or otherwise prohibit any competitor's product(s), unless specifically approved by the Board of the AGLC.
5. All promotional items provided to a licensee by a liquor supplier must be subject of a buy/sell agreement with the exception of value added items to promote existing inventory and Tasting sessions.
6. Buy/sell agreements complying with these guidelines do not have to be submitted to the AGLC for approval.
7. True copies of all buy/sell agreements must be retained in the licensed premises and provided to the AGLC immediately upon request. Liquor Suppliers must also retain true copies of all buy/sell agreements to which they are party and must be provided to the AGLC immediately upon request. Buy/sell agreements between liquor suppliers and licensees with multiple licensed premises (locations) are to be held in the provincial offices of the liquor supplier and at each location in which the actual liquor licence is posted.
8. All other AGLC policy guidelines pertaining to Product Promotion in Licensed Premises and Liquor Advertising for Liquor Suppliers, Liquor Agencies and Licensees must be met.
9. An acceptable buy/sell agreement format is attached. Each element within this format shall be adopted by all liquor suppliers and licensees.
10. Buy/Sell Agreements may not contain a condition requiring a licensee to confirm the purchase of a given supplier's product prior to the customer give-away items(s) being provided.

D. LICENSEE PROMOTIONS IN LICENSED PREMISES

1. A Class A, B, or C licensee shall not permit free liquor to be offered or given to a patron as a prize.
2. A Class D licensee may provide sealed bottles of liquor as a prize for consumption off the licensed premises.
3. A licensee shall not permit competitions, contests, draws, giveaways or similar promotions in the licensed premises which require the purchase and/or the consumption of a drink containing alcohol. Entrants to any contest must be verbally advised there is no requirement to purchase or consume any type or amount of alcoholic beverage(s). A licensee may require a person to be present at time of draw to receive a prize, however, the time, date and place of the draw must be prominently posted within the premises
4. A liquor supplier may participate in a licensee's promotion aimed at a bonafide charitable activity and must be subject of a buy/sell agreement.
 - a) for a charitable fundraising event, the liquor supplier may provide merchandise and/or liquor without a maximum limit.
 - b) the entire profits generated as the result of any charitable event must be turned over to the charity being advertised and promoted. The actual donor and the beneficiary of any financial support must be in possession of verifiable receipts.

E. SAMPLING BY LIQUOR SUPPLIERS IN CLASS A, B, OR C LICENSED PREMISES

1. A liquor supplier may provide an individual serving of liquor to a patron in a Class A, B or C licensed premises in order for the

patron to sample the liquor supplier's product. The following conditions must be met:

- a) The liquor product must be purchased from the licensee;
 - b) The licensee is responsible for serving the product to the patron, ensuring that the patron is of legal drinking age and is not being served to the point of intoxication; and
 - c) The tasting provisions of Sections G.1 through G. 8 apply.
2. The liquor supplier must maintain a written record of the sampling activities conducted under this section of the guidelines. The record must include the date, name and location of the licensed premises where the sampling took place, and the dollar cost of the sampling activity. These records must be made available for review upon the request by the AGLC.
 3. A representative of a liquor supplier/liquor agency must be present, on premises, at the time the samples are provided to patrons.

F. PROVISION OF SAMPLES TO LICENSED PREMISES

1. A liquor supplier may provide liquor products to operators of licensed premises for the purpose of sampling an existing or new brand of product. The following conditions apply:
 - a) The sample is for consumption by the licensee and cannot be sold to patrons of the licensed premises.

NOTE: The licensee may, however, provide free samples of the product to selected patrons of the licensed premises for their assessment of the product.

- b) The size of samples per brand of liquor provided will be a maximum of:
 - i) beer - 36 x 355 ml bottles, or equivalent;
 - ii) coolers - 36 x 355 ml bottles, or equivalent;
 - iii) wine - 4 x 750 ml bottles, or equivalent;
 - iv) spirits - 2 x 750 ml bottles, or equivalent; and
 - v) liqueurs - 2 x 750 ml bottles or equivalent.

NOTE: Keg samples may be provided in an approved container in the smallest keg size used by the liquor supplier.

- c) The liquor supplier must maintain a written record of the sampling activities conducted under this section of the guidelines. The record must include the date, name and location of the licensed premises where the samples were provided, type, size and quantity of sample provided and the dollar cost of the samples. These records must be made available for review upon request by the AGLC.
2. Samples given to a licensee must be purchased from the AGLC to qualify for the wholesale price. Samples may also be purchased from a Class D licensee at a price negotiated directly with the licensee.
 3. A licensee may only be sampled with the same product once during a calendar year period. This provision does not apply if the licensed premises changes ownership.

G. TASTINGS BY LIQUOR SUPPLIERS

1. A liquor supplier may provide free tastings of liquor to customers. The liquor used for tastings must be purchased by the liquor supplier from the licensed premises in which it is to be sampled at a price negotiated with the licensee.
2. Maximum tasting sizes are as follows:

beer	-	56 ml	(2 oz.)
coolers	-	56 ml	(2 oz.)
wine	-	28 ml	(1 oz.)
spirits	-	14 ml	(½ oz.)
liqueurs-		14 ml	(½ oz.)
3. The booth or area from which tastings are being offered must be staffed.
4. Liquor may only be served to those of legal drinking age and both the liquor supplier and licensee must ensure that no person is provided liquor to the point of intoxication.
5. Minors are not permitted to be involved in any manner in activities associated with the tasting of liquor products.
6. Food items complementary to the liquor product being tasted may be provided.
7. Licensees may conduct their own liquor product tasting independent of the liquor supplier at their own discretion and expense. Any tasting charges shall be based on the licensee's cost recovery for the product tasted. Licensees must maintain a written record of the tasting activities conducted and must include the date, name of product tasted and quantity provided to customers.
8. A liquor supplier and a licensee may enter into a written agreement where the licensee agrees to conduct tasting

session(s) on behalf of the supplier. Such activities are subject to the following conditions:

- a) activities of this nature must be recorded on a Buy Sell Agreement (BSA);
 - b) the BSA must be signed and in place prior to the tasting sessions commencing;
 - c) product names, dates and times for such “Tastings” must be recorded on the BSA;
 - d) no tasting charges for the customer are permitted under such agreements; and
 - e) total cost for a single “Tasting” may include:
 - i) the actual cost of the staff including wages, benefits, and administrative costs to a maximum of \$20.00 per hour.
 - ii) the negotiated cost of the product.
9. The liquor supplier must maintain a written record of the tasting activities conducted under this section of the guidelines. The record must include the date, name and location of the licensed premises where the tasting took place, the type and quantity of liquor purchased from the licensee and the dollar cost of the samples. These records must be made available for review upon request by the AGLC.
10. Class D licensees may provide customers with a sealed 50 ml bottle of spirits for off premises assessment of a given product.
11. Licensees are not permitted to charge back the costs of their own tasting to a particular liquor supplier.

H. GENERAL PRODUCT PROMOTIONS

1. A licensee may participate in a liquor supplier's local, regional, provincial or national corporate or brand promotion. The promotion must be directed to the customers of licensed premises.
2. A contest, competition or draw may form part of any promotion and may be administered by the licensee on behalf of the liquor supplier subject to the following:
 - a) there is no limit to the value of the prize;
 - b) no liquor purchase is required to enter the contest, competition or draw, however only those customers who have properly entered are eligible, as per the conditions stipulated by the liquor supplier;
 - c) minors may not participate;
 - d) the licensee must use each promotional item provided by the liquor supplier in the specific contest, competition or draw sponsored by the liquor supplier. No promotional item provided under this section may be used by the licensee in support of the licensee's own promotional activities or some other promotional activity not specifically identified by the liquor supplier.
 - e) the closing date of the contest, competition or draw must be posted in the licensed premises; and
 - f) unless the draw is conducted by the liquor supplier, all draws must take place in the licensed premises on the advertised date and time.
3. Liquor suppliers providing promotional items specifically for customer give-aways and the licensee receiving the items must ensure that these items are reaching the customer and not

remaining with the licensee. The liquor supplier and the licensee must maintain records of each promotion held in a licensed premise where the wholesale value of an individual give-away is in excess of \$100.00. The records must include the name of the licensed premises, the give-away provided and the wholesale value; and these records must be made available to the AGLC upon request.

4. Licensees conducting a promotion on behalf of a liquor supplier must record the name, address and telephone number of each recipient of an individual give-away which has a wholesale value in excess of \$100.00. The records must be made available to the AGLC upon request.
5. Clothing with corporate logos may be given to the licensee to wear during the promotion (for example, T-shirts, aprons, sweatshirts). The clothing may be kept by the licensee at the end of the promotion event. The clothing items provided may only be of a nominal value (e.g., \$20 maximum wholesale cost). The item provided can not become a mandatory "uniform".
6. The presence of the liquor supplier is not required during a promotion.
7. Co-sponsorship of a promotion by a third party (for example, airline company) is permitted.
8. A licensee may discount liquor prices on one or more products as part of a promotion.
9. A liquor supplier may provide the general public with liquor vouchers for the purpose of promoting a specific brand of liquor.
10. The decision to participate in such promotional schemes remains that of the retail liquor licensee.

11. The redemption of such vouchers must not be directed to a single licensee or chain of licensees.
12. A liquor supplier must not provide licensees with a redemption fee.
13. A maximum amount of liquor associated to a voucher is as follows:
 - Beer – 6 x 355 ml bottles or equivalent;
 - Refreshment Beverages – 4 x 355 ml bottles or equivalent;
 - Wine – 1 x 750 ml bottle or equivalent;
 - Spirits – 1 x 375 ml bottle or equivalent; and
 - Liqueurs – 1 x 375 ml bottle or equivalent.
14. Vouchers may not be included with or provided to a consumer through any in pack, on-pack or near-pack promotion.
15. Consumers shall not be provided with or receive a voucher based on the requirement to purchase a Supplier's product(s).

I. ADDED VALUE PROMOTIONS

1. A liquor supplier may conduct added value promotions for its brands of liquor in Class D liquor premises and at Duty Free Stores.
2. A liquor supplier's added value promotion is defined as a promotion of a specific brand of liquor in which the liquor supplier of the brand gives away an item to the customer who purchases that brand at Class D liquor premises or at Duty Free Stores.
3. The actual cost of an added value item shall not exceed 15 percent of the wholesale price of the liquor brand being promoted. Promotions will not be approved if it is proposed

that a redemption rate percentage be factored in when calculating the cost of an added value item. Promotions complying with those guidelines do not need the prior approval of AGLC Regulatory Division.

4. Any added value item supplied by a third party for a liquor supplier's promotion must not exceed 15% of the wholesale price of the liquor brand being promoted.
5. Cumulative added value promotions are prohibited.
6. A single added value item may only be provided with the purchase of a single container/unit.
7. Added value items may include:
 - a) Liquor:
 - i) must be provided only to Class D licensed premises and not to Class A, B or C licensees.
 - ii) must be clearly and plainly identified as "SAMPLE" or "NOT FOR RESALE". Either one of these wording options must appear on the container and be:
 - permanent using either a non-removable ink directly on the label of the container or appearing on a non-removable label affixed to the container other than on the label; and
 - clearly visible and legible (that is, no smaller than the largest type used on the product's container.
 - iii) normally, may be no more than a single serving of the liquor (e.g., 50 ml of distilled spirits, 200 ml of wine, or 355 ml of beer) and may not exceed the value requirement under 1.3, unless approved in writing by the AGLC Regulatory Division.

b) Non-liquor items:

i) Coupons:

- for money off liquor products - must be redeemed from the liquor supplier or third party (e.g., coupon clearing house);
- for non-liquor products - may be redeemed from the liquor supplier of the product or non-liquor retailer carrying the product.

ii) Non-perishable food or food-related item: for example, packaged snack food, food seasoning, powdered drink mix, etc.

iii) Item of nominal value: for example, key ring, golf ball, decal, figurine, music tape/disc, etc.

iv) Liquor-related item: for example, corkscrew, bottle opener, wine glass, beer mug or shot glass, etc.

v) Tobacco: pursuant to The Tobacco Act (Sections 11 and 29) no tobacco product may be used as part of an added value promotion.

8. Added value items may be promoted in any of the following ways:

On-Pack

a) An on-pack added value item may be attached directly to the liquor product by a plastic ring, elastic, shrinkwrap, etc.

b) An on-pack item may be placed on the liquor product by:

i) the liquor supplier at its plant;

- ii) the liquor supplier's liquor representative;
- iii) Connect Logistics Services Ltd. at the Liquor Distribution Centre in St. Albert (a fee will be charged for this service).

NOTES: ●A non-liquor on-pack may be placed on the liquor product by the staff of a retail liquor outlet by arrangement with the liquor supplier.

- The liquor supplier must maintain a record of all added value liquor provided to retail outlets.

Near-Pack

- a) A near-pack item shall normally be located immediately adjacent to the liquor product being promoted.
- b) A near pack item must be purchased, supplied and delivered to the retail liquor outlet by the liquor supplier or the supplier of the item.

In-Pack

- a) An in-pack valued added item is within the packaging that contains the liquor product (e.g., case of beer, liquor tin, wine box, etc.).
9. The provincial mark-up is not waived on added value liquor products (on-packs). The regular mark-up will be assessed on added value products.
10. The Board reserves the right to impose limits on the quantity of liquor provided to a licensee as added value items.

11. A liquor supplier shall not use any aspect of a licensee's business, either directly or indirectly, as an added value item (e.g., coupon for money off a purchase at a licensed premises; coupon for money off a ski lift ticket at a ski hill operated by a licensee), unless approved by the Board.
12. Added value items must not be provided to licensees, or to the staff of licensees.
13. Added value items provided by the liquor supplier may not be offered for sale or resold by the licensee.
14. Licensees shall not remove from a liquor product any added value item (on-pack or in-pack) provided by a liquor supplier. If the added value item is a near-pack, it must be utilized only in conjunction with the liquor product specified by the liquor supplier.
15. Licensees shall not deface, remove or attempt to remove, the "SAMPLE" or "NOT FOR RESALE" designation from any added value item.
16. Class D licensees may conduct their own added value promotions provided:
 - a) the items provided are of a nominal value;
 - b) the items are those included on the list of acceptable non-liquor products approved for sale in the retail outlet; or
 - c) the items may identify the retail outlet (e.g., key chains, T-shirt, ball hats, corkscrew).

NOTE: The use of coupons for "cents off" purchases (including liquor) is acceptable as an added value promotion.

17. A supplier may not purchase, order or obtain any article(s) planned or intended for use as an added value promotion item from a business entity in which there is any direct or indirect relationship between the Class D licensee and the other commonly owned business.

J. INTERPRETATION AND ENFORCEMENT

1. The interpretation and enforcement of the guidelines are the responsibility of the AGLC Regulatory Division.
2. Failure to comply with the spirit and intent of the guidelines will result in sanctions limiting the liquor suppliers' and the licensees' ability to participate in product promotions in licensed premises. Sanctions include, but are not limited to:
 - a) warnings;
 - b) suspension of product promotion privileges for a specified period;
 - c) cancellation of product promotion privileges; and
 - d) any other sanction as determined by the Board consistent with the Gaming and Liquor Act and the Gaming and Liquor Regulation.

ATTACHMENT

BUY/SELL AGREEMENT

Between

Parties: _____ and _____
 (Liquor Supplier/Liquor Agency) (Licensee)

 (Registration/Licence Number) (Licence Number and Class of Licence)

Purpose: The contractual obligation stated below are agreed to and will be adhered to by both Parties throughout the duration of this agreement.

Duration: Commencing: _____
 Terminating: _____

Terms:
 1. _____ hereby agrees to the following:
 (Licensee)

A. _____ Of _____
 (Volume) (Product Name and CSPC Number)
 Will be either purchased or ordered over the duration period mentioned above.

(Option: Agreements could contain a clause identifying a requirement to maintain a certain level of inventory).

B. Placement of displays, merchandise, Point-of-Sale Material etc. within the premises located at:

 (Common Premise Name) (Actual Location)

and shall be situated within the named premise(s) as shown below:

2. In return for the considerations noted above
agrees to: _____ (Liquor Supplier/Liquor Agency)

A. Provide _____
_____ RETAIL VALUE: _____

B. Conduct _____
_____ RETAIL VALUE: _____

C. Attach _____
_____ RETAIL VALUE: _____

D. Other (specify) _____
_____ RETAIL VALUE: _____

Conditions and Understanding:

Both Parties to this agreement acknowledge and agree that all benefits realized by way of this Agreement must be directed at and received by customers/consumers only.

This Agreement shall not, whether written or implied, exclude the purchase, sale, storage or displaying of a competitors similar type or class of liquor product(s).

Both Parties agree to maintain, on site, certifiable copies of this Buy/Sell Agreement and any related documents. All such documents must be available and provided, without delay, when requested by an employee of the Alberta Gaming and Liquor Commission.

This Agreement and its contents have been read and are fully understood.

Authorized Signatory:

_____ and _____
(Liquor Supplier/Liquor Agency) (Licensee)

_____ (Position or Title) _____ (Position or Title)

Registration Number _____

Dated this _____ day of _____ 20____
at _____, Alberta.

SECTION: 8. ENFORCEMENT OF LEGISLATION

8.1 INCIDENT REPORTS AND HEARINGS

- 8.1.1 Where an Inspector has reasonable and probable grounds for believing that a violation of the *Gaming and Liquor Act* (GLA), the *Gaming and Liquor Regulation* or Board policy has occurred, the Inspector has, under legislation, authority to request the registrant to correct the situation.
- 8.1.2 An Incident Report setting out the circumstances of an alleged violation will be submitted to the Chief Executive Officer. A copy shall be given to the registrant within seventeen working days of the Incident Report being completed.
- 8.1.3 The Chief Executive Officer may refer an Incident Report to the Board for review and decision where circumstances warrant.
- 8.1.4 The Board shall decide whether to hold a hearing based on the Incident Report.
- 8.1.5 The Hearing File will be available for review by the registrant on the day of the hearing. Advance viewing may be arranged with the Board Office.

8.2 DISCIPLINE WITHOUT A HEARING

- 8.2.1 Pursuant to Section 91(2) of the GLA, the Board may do any one or more of the following without a Board Hearing:
- a) issue a warning;
 - b) impose conditions on a registration or rescind or amend existing conditions on the registration;
 - c) impose a fine of not more than \$200,000 and refuse to issue or reinstate a registration until the fine is paid; and/or
 - c) suspend or cancel a registration.

SECTION: 8. ENFORCEMENT OF LEGISLATION

8.2.2 The Chief Executive Officer may do any one or more of the following without a Board hearing:

- a) issue a warning;
- b) impose conditions on a registration or rescind or amend existing conditions imposed by the Regulatory Division on the registration;
- c) offer specified penalties for the registrant's consent; or
- d) refer the Incident Report to the Board for review and decision.

8.2.3 Where a Board action is taken without a hearing, and a hearing is requested, the hearing will be scheduled within 60 days (Section 94(6) GLA).

8.3 WAIVER OF BOARD HEARING WITNESSES

8.3.1 The Board shall determine whether witnesses are required, or whether the registrant will be offered an opportunity to waive the requirement for witnesses to attend a specific Board hearing.

8.3.2 If provided the opportunity by the Board, for the registrant to have a Waiver of Board Hearing Witnesses (Form LIC 5191), the registrant has complete discretion to sign and accept Waiver of Board Hearing Witness.

8.3.3 Where there is no dispute as to the contents of the Incident Report and the registrant signs the Waiver of Board Hearing Witnesses form, the registrant is agreeing to the facts in the Incident Report, and witnesses will not be called to the Board Hearing.

8.3.4 Witnesses may be called by either party to deal with matters not covered in the Incident Report, regardless of the waiver decision.

8.3.5 When a signed Waiver of Board Hearing Witnesses form is received, the registrant may determine if he or she wishes to

SECTION: 8. ENFORCEMENT OF LEGISLATION

be present and make representations at the Board hearing or if he or she wishes to submit a written presentation to the Board and not personally attend the hearing.

8.4 CONSENT TO PROPOSED BOARD DECISION

8.4.1 A registrant may accept a proposed Board decision respecting disciplinary action (penalty) without a Board Hearing, when the registrant does not dispute the circumstances in the Incident Report and is prepared to accept the proposed disciplinary action.

8.4.2 Where the Board establishes a proposed disciplinary action the registrant shall be advised by written notice including:

- a) Notice of Proposed Board Decision;
- b) Consent to Proposed Board Decision;
- c) Incident Report;
- d) Penalty Guidelines; and
- e) Waiver of Board Hearing Witnesses.

8.4.3 Upon receipt of the Notice of Proposed Board Decision the registrant shall review the material and complete the Consent to Proposed Board Decision (Form LIC/5198) electing to:

- a) admit to the violation(s) contained in the Incident Report, accept the penalty offered on the Notice of Proposed Board Decision; or
- b) admit to the violation(s) contained in the Incident Report but proceed with a Board Hearing as directed by the Board. The registrant may elect to waive the requirement for witnesses by also completing the Waiver of Board Hearing Witnesses form; or
- c) not admit to the violation(s) contained in the Incident Report and proceed with a Board Hearing as directed by the Board with witnesses to be available.

SECTION: 8. ENFORCEMENT OF LEGISLATION

8.4.4 The Consent to Proposed Board Decision must be completed and returned to the Regulatory Division in St. Albert, within seven calendar days from the date the notice was received by the registrant. A hearing will be convened if consent is not received within the specified time frame.

8.4.5 When a penalty decision involves a fine and/or a suspension, the dates for the suspension, the amount of the fine and the date the fine is to be paid by, shall be included in the Notice of Proposed Board Decision and forwarded to the registrant.

8.4.6 Where a registrant accepts a proposed Board decision respecting disciplinary action (penalty) any seized liquor will be forfeited to the AGLC for destruction.

8.4.7 Where the Board stipulates that a Board Hearing is to be held, the Board shall also determine whether witnesses are required or whether the registrant will be offered an opportunity to waive the requirement for witnesses to attend the Board Hearing.

8.5 CONSENT TO PROPOSED SPECIFIED PENALTY

8.5.1 A registrant may accept a proposed specified penalty respecting disciplinary action (penalty) without a Board Hearing when the registrant does not dispute the circumstances in the Incident Report and is prepared to accept the proposed disciplinary action.

8.5.2 Where the Chief Executive Officer establishes a proposed disciplinary action, the registrant shall be advised by written notice including:

- a) Notice of Proposed Specified Penalty;
- b) Consent to Proposed Specified Penalty;
- c) Incident Report;
- d) Penalty Guidelines; and
- e) Waiver of Board Hearing Witnesses.

SECTION: 8. ENFORCEMENT OF LEGISLATION

8.5.3 Upon receipt of the Notice of Proposed Specified Penalty, the registrant shall review the material and complete the consent to Proposed Specified Penalty form, electing to:

- a) admit to the violation(s) contained in the Incident Report, accepting the penalty offered on the Notice of specified Penalty; or
- b) admit to the violation(s) contained in the Incident Report but proceed with a Board Hearing as directed by the Board. The registrant may elect to waive the requirement for witnesses by also completing the Waiver of Board Hearing Witnesses form; or
- c) not admit to the violation(s) contained in the Incident Report and proceed with a Board Hearing as directed by the Board with witnesses to be available.

8.5.4 The Consent to Specified Penalty form must be completed and returned to the Regulatory Division in St. Albert within fourteen calendar days from the date that the Notice of Proposed Specified Penalty is dated.

8.5.5 When a Notice of Proposed Specified Penalty involves a fine and/or suspension, the date(s) of the suspension, the amount of the fine(s) and the due date of the fine payment shall be included in the Notice of Proposed Specified Penalty.

8.6 PENALTY GUIDELINES

8.6.1 The Board shall establish guidelines that will provide a framework for penalty decisions regarding registrant violations of the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* and Board policies.

8.6.2 The circumstances of each individual case shall be considered in the Board Hearing and penalties may vary and fall outside the guidelines.

8.6.3 The AGLC Penalty Guidelines are specified in the table listed on the next page (Attachment 8.6.3).

SECTION: 9. SAMPLE FORMS / STANDARDS / RATES / SCHEDULES

- 9.1 Acknowledgement and Undertaking (Liquor Supplier or Liquor Agency) (Form LIC/5228-1)
- 9.2 Acknowledgement and Undertaking (Liquor Representative) (Form LIC/5229-1)
- 9.3 Agency Letter of Understanding
- 9.4 Certificate of Origin (B 232E)
- 9.5 Consent to Proposed Board Decision
- 9.6 Letter of Authorization
- 9.7 Licensee List Terms and Conditions (Form LIC/5210)
- 9.8 Liquor Agency/Liquor Supplier Particulars of Incorporation of Company (Form LIC/5231)
- 9.9 New Product Registration (Form MO/454)
- 9.10 Particulars of Individual (Form LIC/5013)
- 9.11 Liquor Representative's Information Sheet (MO\PL4079)
- 9.12 Special Event Licence Authorization Letter (Bearer Order Form) (Form LIC/P/793)
- 9.13 Statutory Declaration (Form LIC/5214)
- 9.14 Waiver of Board Hearing Witnesses (Form LIC/5191-1)
- 9.15 Declaration of Production For Production Less Than 10,000 HL (Form FIN/456-1)
- 9.16 Declaration of Production For Production Greater Than 10,000 HL and Less Than or Equal to 200,000 HL (Form FIN/456-1)
- 9.17 Declaration of Production For Production Greater Than 200,000 HL and Less Than or Equal to 400,000 HL (Form FIN/456-2)
- 9.18 Price Change Request (Form FIN/459)

DATE ISSUED: Oct. 10, 2006 **AUTHORITY:** Original signed by
NORM PETERSON

SECTION: 9. SAMPLE FORMS / STANDARDS / RATES / SCHEDULES

- 9.19 Quality And Health Standards
- 9.20 Standards For Tamper Evident Packaging
- 9.21 Mark-up Rates
- 9.22 Recycling Costs Schedule – Non-Beer
- 9.23 Recycling Costs Schedule – Beer
- 9.24 Container Deposit Schedule
- 9.25 Customs & Excise Rates Schedule
- 9.26 Customs & Excise Tax/Duty Sample Calculations
- 9.27 Wholesale Pricing Sample Calculations

DATE ISSUED: Oct. 10, 2006 **AUTHORITY:** Original signed by
NORM PETERSON

ACKNOWLEDGEMENT AND UNDERTAKING

TO: THE ALBERTA GAMING AND LIQUOR COMMISSION (AGLC)

1. The liquor supplier or liquor agency named below understands his or her legal obligations under:
 - a) the *Gaming and Liquor Act*, specifically Sections 62, 66(1) and 67(2);
 - b) the *Gaming and Liquor Regulation*, specifically Sections 72-74, 80-85, and 87; and
 - c) AGLC Policy Guidelines: Product Promotions in Licensed Premises.
2. The liquor supplier or liquor agency acknowledges responsibility to ensure its staff becomes aware of the requirement contained in this Acknowledgement and Undertaking.
3. The liquor supplier or liquor agency confirms that it has not entered into any verbal or written, express or implied agreement with a licensee or licensee staff (hereafter referred to as "licensee") to sell any particular brand, class, kind or type of liquor, whether beer, spirits or wine except as authorized by the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, AGLC Policies and/or agreements which have been approved by the Board of the AGLC..
4. The liquor supplier or liquor agency confirms that it has not offered or given to a licensee any bonus, concession, consideration, discount, money, money's worth, rebate, thing of value or promise of any consideration whatsoever, except as authorized by the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, AGLC Policies and/or agreements which have been approved by the Board of the AGLC.

Inducements or benefits include: money, free liquor, paid vacations, furniture, equipment, services (such as painting or decorating), items considered essential to the licensee's operation, staff incentives, paid entertainment, paid advertising, or any other thing prohibited under the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or AGLC policy.
5. The liquor supplier or liquor agency understands that failure to follow the requirements of the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or AGLC policy (includes handbooks and operating guidelines) may result in prosecution under the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or other legislation, or appearance before the Board of the AGLC.
6. This Acknowledgement and Undertaking is being made to the AGLC to ensure that the requirements of the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation*, and AGLC policies governing prohibited relationships between liquor suppliers or liquor agencies and licensees are fully supported by the hospitality industry.
7. The liquor supplier or liquor agency agrees to advise the AGLC each time a licensee or employee of the licensee requests a benefit or inducement from the liquor supplier or liquor agency.

Witness Signature

Liquor Supplier or Liquor Agency Officer Signature

(Please Print Name)

Name of Officer and Title

Location (City, Town, Village)

Liquor Supplier or Liquor Agency

Date (Month, Day, Year)

APPENDIX A
LISTING OF PROHIBITED INDUCEMENTS

The following describes monetary (or monetary value) inducements which liquor suppliers, liquor agencies, liquor representatives, or employees or agents of liquor suppliers or liquor agencies, are prohibited from providing to licensees.

1. Payments, rebates or credits of any monetary value to licensees.
2. Deposits into licensee accounts in any direct or indirect manner.
3. Any liquor products other than nominal liquor product samples permitted under policy guidelines, "Product Promotions in Licensed Premises".
4. Interior decorating (e.g. painting, draperies, carpeting) and renovations or maintenance to the licensed premises or other property owned, rented, or leased by a licensee or anyone directly or indirectly involved with the licensee in a business relationship.
5. Furniture, equipment, signs, fixtures, or decorations normally required in the operation of a licensed premises.
6. All forms of entertainment (e.g. musical and other) that would normally be paid for by the licensee.
7. Refrigeration or dispensing equipment.
8. Underwriting licensees' expenses, either directly or indirectly, for any travel, whether or not it is for business purposes, a vacation, or a combination of both.
9. Seasons tickets to sporting or other events.
10. Full menu printing.

This is a summary only. A relationship between a liquor supplier or liquor agency and licensee, or any product promotion, must comply with the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or policy guidelines.

Any product promotion not specifically permitted is prohibited. For further information, contact the Regulatory Division, Alberta Gaming and Liquor Commission:

St. Albert Office	(780) 447-8600	Lethbridge Office	(403) 331-6500
Calgary Office	(403) 292-7300	Red Deer Office	(403) 314-2656
Grande Prairie Office	(780) 832-3000		

References: *Gaming and Liquor Act*, Sections 62, 66 and 67
Gaming and Liquor Regulation, Sections 72-74, 80-85 and 87
Product Promotions in Licensed Premises (Rev. May 1, 2004)

Please retain Appendix A and Appendix B for your records.



APPENDIX B

SUMMARY OF ALLOWABLE PRODUCT PROMOTIONS OR SERVICES

The following are allowable product promotions or services which liquor suppliers or liquor agencies may provide to licensees. These are permitted under the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* or the policy guidelines titled "Product Promotions in Licensed Premises".

1. Liquor product samples as allowed under policy guidelines, "Product Promotions in Licensed Premises".
2. Non-essential merchandise which includes product brand or corporate name.

Examples:

Aprons for staff	Flags, pennants, banners	Quick pourers (speed spouts)
Ashtrays	Hats for staff	Serviettes/napkins
Bar towels	Inflatables	Serving trays
Bottle openers	Lapel pins	Signs (not identifying the licensee)
Change trays/tab trays	Menu clips	Special schedules on display for patrons
Champagne corks	Mirrors/clocks	T-shirts
Coasters	Patio umbrellas	Tent cards
Corkscrews	Place mats	Sweatshirts
Draught tap handles	Plastic glasses	Swizzle sticks
Drip mats	Posters	

3. Other non-essential items sold to licensee at or above wholesale cost.

This is a summary only. A relationship between a liquor supplier or liquor agency and licensee, or any product promotion, must comply with the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or policy guidelines.

Any product promotion not specifically permitted is prohibited. For further information, contact the Regulatory Division, Alberta Gaming and Liquor Commission:

St. Albert Office	(780) 447-8600	Lethbridge Office	(403) 331-6500
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References: *Gaming and Liquor Act*, Sections 62, 66 and 67
Gaming and Liquor Regulation, Sections 72-74, 80-85 and 87
 Product Promotions in Licensed Premises (Rev. May 1, 2004)

ACKNOWLEDGEMENT AND UNDERTAKING

TO: THE ALBERTA GAMING AND LIQUOR COMMISSION (AGLC)

1. The liquor representative named below (hereafter referred to as the “representative”), and acting on behalf of a liquor supplier or liquor agency, understands his or her legal obligations under:
 - a) the *Gaming and Liquor Act*, specifically Sections 62, 66(1) and 67(2);
 - b) the *Gaming and Liquor Regulation*, specifically Sections 72-74, 80-85, and 87; and
 - c) AGLC Policy Guidelines: Product Promotions in Licensed Premises.

2. The representative acknowledges responsibility for becoming aware of the requirement contained in this Acknowledgement and Undertaking.

3. The representative confirms that it has not entered into any verbal or written, express or implied agreement with a licensee or licensee staff (hereafter referred to as “licensee”) to sell any particular brand, class, kind or type of liquor, whether beer, spirits or wine except as authorized by the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, AGLC Policies and/or agreements which have been approved by the Board of the AGLC.

4. The representative confirms that it has not offered or given to a licensee any bonus, concession, consideration, discount, money, money’s worth, rebate, thing of value or promise of any consideration whatsoever, except as authorized by the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, AGLC Policies and/or agreements which have been approved by the Board of the AGLC.

Inducements or benefits include: money, free liquor, paid vacations, furniture, equipment, services (such as painting or decorating), items considered essential to the licensee’s operation, staff incentives, paid entertainment, paid advertising, or any other thing prohibited under the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or AGLC policy.

5. The representative understands that failure to follow the requirements of the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or AGLC policy (includes handbooks and operating guidelines) may result in prosecution under the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or other legislation, or appearance before the Board of the AGLC.

6. This Acknowledgement and Undertaking is being made to the AGLC to ensure that the requirements of the *Gaming and Liquor Act*, the *Gaming and Liquor Regulation*, and AGLC policies governing prohibited relationships between liquor suppliers or liquor agencies and licensees are fully supported by the hospitality industry.

7. The representative agrees to advise the AGLC each time a licensee or employee of the licensee requests a benefit or inducement from the liquor supplier or liquor agency.

Witness Signature

Representative Signature

(Please Print Name)

Name of Representative

Location (City, Town, Village)

Liquor Supplier or Liquor Agency

Date (Month, Day, Year)

APPENDIX A

LISTING OF PROHIBITED INDUCEMENTS

The following describes monetary (or monetary value) inducements which liquor suppliers, liquor agencies, liquor representatives, or employees or agents of liquor suppliers or liquor agencies, are prohibited from providing to licensees.

1. Payments, rebates or credits of any monetary value to licensees.
2. Deposits into licensee accounts in any direct or indirect manner.
3. Any liquor products other than nominal liquor product samples permitted under policy guidelines, "Product Promotions in Licensed Premises".
4. Interior decorating (e.g. painting, draperies, carpeting) and renovations or maintenance to the licensed premises or other property owned, rented, or leased by a licensee or anyone directly or indirectly involved with the licensee in a business relationship.
5. Furniture, equipment, signs, fixtures, or decorations normally required in the operation of a licensed premises.
6. All forms of entertainment (e.g. musical and other) that would normally be paid for by the licensee.
7. Refrigeration or dispensing equipment.
8. Underwriting licensees' expenses, either directly or indirectly, for any travel, whether or not it is for business purposes, a vacation, or a combination of both.
9. Seasons tickets to sporting or other events.
10. Full menu printing.

This is a summary only. A relationship between a liquor supplier or liquor agency and licensee, or any product promotion, must comply with the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or policy guidelines.

Any product promotion not specifically permitted is prohibited. For further information, contact the Regulatory Division, Alberta Gaming and Liquor Commission:

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Gaming and Liquor Regulation, Sections 72-74, 80-85 and 87
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Please retain Appendix A and Appendix B for your records.



APPENDIX B SUMMARY OF ALLOWABLE PRODUCT PROMOTIONS OR SERVICES

The following are allowable product promotions or services which liquor suppliers or liquor agencies may provide to licensees. These are permitted under the *Gaming and Liquor Act*, *Gaming and Liquor Regulation* or the policy guidelines titled "Product Promotions in Licensed Premises".

1. Liquor product samples as allowed under policy guidelines, "Product Promotions in Licensed Premises".
2. Non-essential merchandise which includes product brand or corporate name.

Examples:

Aprons for staff	Flags, pennants, banners	Quick pourers (speed spouts)
Ashtrays	Hats for staff	Serviettes/napkins
Bar towels	Inflatables	Serving trays
Bottle openers	Lapel pins	Signs (not identifying the licensee)
Change trays/tab trays	Menu clips	Special schedules on display for patrons
Champagne corks	Mirrors/clocks	T-shirts
Coasters	Patio umbrellas	Tent cards
Corkscrews	Place mats	Sweatshirts
Draught tap handles	Plastic glasses	Swizzle sticks
Drip mats	Posters	

3. Other non-essential items sold to licensee at or above wholesale cost.

This is a summary only. A relationship between a liquor supplier or liquor agency and licensee, or any product promotion, must comply with the *Gaming and Liquor Act*, *Gaming and Liquor Regulation*, or policy guidelines.

Any product promotion not specifically permitted is prohibited. For further information, contact the Regulatory Division, Alberta Gaming and Liquor Commission:

St. Albert Office	(780) 447-8600	Lethbridge Office	(403) 331-6500
Calgary Office	(403) 292-7300	Red Deer Office	(403) 314-2656
Grande Prairie Office	(780) 832-3000		

References: *Gaming and Liquor Act*, Sections 62, 66 and 67
Gaming and Liquor Regulation, Sections 72-74, 80-85 and 87
Product Promotions in Licensed Premises (Rev. May 1, 2004)

(MUST BE ON AGENCY LETTERHEAD)

Date: _____

AGENCY LETTER OF UNDERSTANDING

Alberta Gaming and Liquor Commission
50 Corriveau Avenue
St. Albert, Alberta
Canada T8N 3T5

Dear Sirs:

We wish to participate in the Alberta Gaming and Liquor Commission Consignment Program with products from (***name of supplier***). We have an understanding of the program and agree to abide by the rules and regulations of the program as may be set out from time to time.

We understand that payment for the product will be made only as it is sold to retailers. Payment should be made to:

a) Supplier (Name and Address and Method of Payment)

OR

b) Agent (Name and Address)

WE AGREE THAT CANCELLATION OF THIS AGREEMENT IS OUR RESPONSIBILITY AND THAT SUCH CANCELLATION MUST BE MADE IN WRITING.

(signed by agent)

NORTH AMERICAN FREE TRADE AGREEMENT CERTIFICATE OF ORIGIN

(Instructions Attached)

Please print or type

1 Exporter's Name and Address: <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 10px;"></div> Tax Identification Number: ►	2 Blanket Period: From <table style="display: inline-table; border-collapse: collapse;"><tr><td style="border: 1px solid black; width: 20px; text-align: center;">DD</td><td style="border: 1px solid black; width: 20px; text-align: center;">MM</td><td style="border: 1px solid black; width: 20px; text-align: center;">YY</td></tr></table> To <table style="display: inline-table; border-collapse: collapse;"><tr><td style="border: 1px solid black; width: 20px; text-align: center;">DD</td><td style="border: 1px solid black; width: 20px; text-align: center;">MM</td><td style="border: 1px solid black; width: 20px; text-align: center;">YY</td></tr></table>	DD	MM	YY	DD	MM	YY
DD	MM	YY					
DD	MM	YY					
3 Producer's Name and Address: <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 10px;"></div> Tax Identification Number: ►	4 Importer's Name and Address: <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 10px;"></div> Tax Identification Number: ►						

5 Description of Good(s)	6 HS tariff Classification Number	7 Preference Criterion	8 Producer	9 Net Cost	10 Country of Origin

11 I certify that: <ul style="list-style-type: none"> – the information on this document is true and accurate and I assume the responsibility for proving such representations. I understand that I am liable for any false statements or material omissions made on or in connection with this document; – I agree to maintain, and present upon request, documentation necessary to support this Certificate, and to inform, in writing, all persons to whom the Certificate was given of any changes that would affect the accuracy or validity of this Certificate; – the goods originated in the territory of one or more of the Parties, and comply with the origin requirements specified for those goods in the North American Free Trade Agreement, and unless specifically exempted in Article 411 or Annex 401, there has been no further production or any other operation outside the territories of the Parties; and – this Certificate consists of pages, including all attachments. 					
Authorized Signature:	Company:				
Name:	Title:				
Date: <table style="display: inline-table; border-collapse: collapse;"><tr><td style="border: 1px solid black; width: 20px; text-align: center;">DD</td><td style="border: 1px solid black; width: 20px; text-align: center;">MM</td><td style="border: 1px solid black; width: 20px; text-align: center;">YY</td></tr></table>	DD	MM	YY	Telephone:	Fax:
DD	MM	YY			

**NORTH AMERICAN FREE TRADE AGREEMENT
CERTIFICATE OF ORIGIN INSTRUCTIONS**

For purposes of obtaining preferential tariff treatment, this document must be completed legibly and in full by the exporter and be in the possession of the importer at the time the declaration is made. This document may also be completed voluntarily by the producer for use by the exporter. Please print or type.

- Field 1: State the full legal name, address (including country) and legal tax identification number of the exporter. Legal tax identification number is: in Canada, employer number or importer/exporter number assigned by Revenue Canada; in Mexico, federal taxpayer's registry number (RFC); and the United States, employer's identification number or Social Security Number.
- Field 2: Complete field if the Certificate covers multiple shipments of identical goods as described in Field 5 that are imported into a NAFTA country for a specified period of up to one year (blanket period). "FROM" is the date upon which the Certificate becomes applicable to the good covered by the blanket Certificate (it may be prior to the date of signing this Certificate). "TO" is the date upon which the blanket period expires. The importation of a good for which preferential tariff treatment is claimed based on this Certificate must occur between these dates.
- Field 3: State the full legal name, address (including country) and legal tax identification number, as defined in Field 1, of the producer. If more than one producer's good is included on the Certificate, attach a list of the additional producers, including the legal name, address (including country) and legal tax identification number, cross referenced to the good described in Field 5. If you wish this information to be confidential, it is acceptable to state "Available to Customs upon request". If the producer and the exporter are the same, complete field with "SAME". If the producer is unknown, it is acceptable to state "UNKNOWN".
- Field 4: State the full legal name, address (including country) and legal tax identification number, as defined in Field 1, of the importer. If importer is not known, state "UNKNOWN", if multiple importers, state "VARIOUS".
- Field 5: Provide a full description of each good. The description should be sufficient to relate it to the invoice description and to the Harmonized System (HS) description of the good. If the Certificate covers a single shipment of a good, include the invoice number as shown on the commercial invoice. If not known, indicate another unique reference number, such as the shipping order number.
- Field 6: For each good described in Field 5, identify the HS tariff classification to six digits. If the good is subject to a specific rule of origin in Annex 401 that requires eight digits, identify to eight digits, using the HS tariff classification of the country into whose territory the good is imported.
- Field 7: For each good described in Field 5, state which criterion (A through F) is applicable. The rules of origin are contained in Chapter Four and Annex 401. Additional rules are described in Annex 703.2 (certain agricultural goods), Annex 300-B, Appendix 6A (certain textile goods) and Annex 308.1 (certain automatic data processing goods and their parts). **Note: In order to be entitled to preferential tariff treatment, each good must meet at least one of the criteria below.**

Preference Criteria

- A The good is "wholly obtained or produced entirely" in the territory of one or more of the NAFTA countries, as referred to in Article 415. Note: The purchase of a good in the territory does not necessarily render it "wholly obtained or produced". If the good is an agricultural good, see also criterion F and Annex 703.2. (Reference: Article 401(a) and 415)
- B The good is produced entirely in the territory of one or more of the NAFTA countries and satisfies the specific rule or origin, set out in Annex 401, that applies to its tariff classification. The rule may include a tariff classification change, regional value-content requirement or a combination thereof. The good must also satisfy all other applicable requirements of Chapter Four. If the good is an agricultural good, see also criterion F and Annex 703.2. (Reference: Article 401(b))
- C The good is produced entirely in the territory of one or more of the NAFTA countries exclusively from originating materials. Under this criterion, one or more of the materials may not fall within the definition of "wholly produced or obtained", as set out in Article 415. All materials used in the production of the good must qualify as "originating" by meeting the rules of Article 401(a) through (d). If the good is an agricultural good, see also criterion F and Annex 703.2. (Reference: Article 401(c))
- D Goods are produced in the territory of one or more of the NAFTA countries but do not meet the applicable rule of origin, set out in Annex 401, because certain non-originating materials do not undergo the required change in tariff classification. The goods do nonetheless meet the regional value-content requirement specified in Article 401(d). This criterion is limited to the following two circumstances:
1. the good was imported into the territory of a NAFTA country in an unassembled or disassembled form but was classified as an assembled good, pursuant to HS General Rule of Interpretation 2(a); or
 2. the good incorporated one or more non-originating materials, provided for as parts under the HS, which could not undergo a change in tariff classification because the heading provided for both the good and its parts and was not further subdivided into subheadings, or the subheading provided for both the good and its parts and was not further subdivided.
- Note: This criterion does not apply to Chapters 61 through 63 of the HS (Reference: Article 401(d))**
- E Certain automatic data processing goods and their parts, specified in Annex 308.1, that do not originate in the territory are considered originating upon importation into the territory of a NAFTA country from the territory of another NAFTA country when the Most-Favoured-Nation Tariff rate of the good conforms to the rate established in Annex 308.1 and is common to all NAFTA countries. (Reference: Annex 308.1)
- F The good is an originating agricultural good under preference criterion A, B or C above and is not subject to a quantitative restriction in the importing NAFTA country because it is a "qualifying good" as defined in Annex 703.2, Section A or B (please specify). A good listed in Appendix 703.2.B.7 is also exempt from quantitative restrictions and is eligible for NAFTA preferential tariff treatment if it meets the definition of "qualifying good" in Section A of Annex 703.2. **Note 1: This criterion does not apply to goods that wholly originate in Canada or the United States and are imported into either country. Note: A tariff rate quota is not a quantitative restriction.**

- Field 8: For each good described in field 5, state "YES" if you are the producer of the good. If you are not the producer of the good, state "NO" followed by (1), (2), or (3), depending on whether this certificate was based upon: (1) your knowledge of whether the good qualifies as an originating good; (2) your reliance on the producer's written representation (other than a Certificate of Origin) that the good qualifies as an originating good; or (3) a completed and signed Certificate for the good, voluntarily provided to the exporter by the producer.
- Field 9: For each good described in Field 5, where the good is subject to a regional value content (RVC) requirement, indicate "NC" if the RVC is calculated according to the net cost method; otherwise, indicate "NO". If the RVC is calculated according to the net cost method over a period of time, further identify the beginning and ending dates (DD/MM/YY) of that period. (Reference: Articles 402.1, 402.5)
- Field 10: Identify the name of the country ("MX" or "US" for agricultural and textile goods exported to Canada; "US" or "CA" for all goods exported to Mexico; or "CA" or "MX" for all goods exported to the United States) to which the preferential rate of customs duty applies, as set out in Annex 302.2, in accordance with the Marking Rules or in each Party's schedule of tariff elimination.

For all other originating goods exported to Canada, indicate appropriately "MX" or "US" if the goods originate in that NAFTA country, within the meaning of the NAFTA Rules of Origin Regulations, and any subsequent processing in the other NAFTA country does not increase the transaction value of the goods by more than 7%; otherwise indicate as "JNT" for joint production. (Reference: Annex 302.2)

- Field 11: This field must be completed, signed and dated by the exporter. When the Certificate is completed by the producer for use by the exporter, it must be completed, signed and dated by the producer. The date must be the date the Certificate was completed and signed.

(MUST BE ON SUPPLIER LETTERHEAD)

Date: _____

LETTER OF AUTHORIZATION

Alberta Gaming and Liquor Commission
50 Corriveau Avenue
St. Albert, Alberta
Canada T8N 3T5

Dear Sirs:

We authorize (***name and address of agency***) to handle our products in Alberta. All product will be shipped to Alberta on a consignment basis. For customs purposes, the Alberta Gaming and Liquor Commission (AGLC) will be the Purchaser (Importer of Record) while the Agency will be the Consignee. Shipment should be made to the consignee in care of the AGLC. Price quoted to the AGLC will be C.I.F. St. Albert warehouse in Canadian dollars.

We understand (***name of agency***) is totally responsible for ordering and marketing of the product in the Alberta market. This agency will be responsible for placing orders with us and arranging the delivery to the Alberta Gaming and Liquor Commission designated warehouse facility.

The AGLC will make payment to:

a) Supplier (Name and Address and Method of Payment)

OR

b) Agent (Name and Address)

Without limitation we confirm and agree that:

- Payment by the AGLC for product we supply under the consignment program shall not be due until the product is sold. Our product is delivered to you with intent that it is held by you for sale to the retailer or licensee. The AGLC will not be our agent for sale or owe us any other fiduciary or agency duty. Upon sale as aforesaid our product will be deemed first purchased by you at the quoted C.I.F. price and then resold by you.
- Our agency has plenary authority to incur and assume responsibility on our behalf for costs of maintaining inventory to serve the market, and to settle such costs and prices.

We remain solely responsible for the quality of our product, will supply only product free of defect, safe for human consumption and of quality acceptable to the AGLC; and we will (and do hereby) indemnify and save harmless the AGLC and its servants and agents from and against any and all losses, damages, claims, demands, liabilities, costs and harm whatsoever arising out of any defects or other faults whatsoever with any of our products.

**WE UNDERSTAND THAT CANCELLATION OF THIS AUTHORIZATION IS OUR RESPONSIBILITY.
WE MUST NOTIFY THE AGLC IN WRITING.**

(Signed by the Supplier)

Liquor Representative: _____
(Please Print)

Company Name: _____

1. The Licensee List (booklet) is provided by the Alberta Gaming and Liquor Commission (AGLC) exclusively to the Liquor Representative named in the document and will not be resold, reproduced or distributed to other business by the Liquor Representative
2. This document must be completed before the AGLC releases the booklet to the Liquor Representative.
3. The Liquor Representative will hold all information acquired through the booklet in confidence, and the Liquor Representative will not divulge this information to any unauthorized person except as approved in writing by the AGLC.
4. The booklet is provided without warranties of any kind, either expressed or implied, including those for quality or fitness for a particular purpose. The AGLC assumes no liability or obligation for the booklet, including but not limited to:
 - a) a completeness or accuracy of any information; and/or
 - b) where loss or damage is alleged to be due to the negligence of AGLC, its employees, or agents.
5. The AGLC will not be liable for any losses or damage whatsoever, including but not limited to any financial loss or indirect, consequential, or incidental damages arising out of or in connection with the use of the booklet.
6. The AGLC may refuse to provide an updated copy of the booklet at a predetermined price, or of the list in any other form (e.g., diskette) if the Liquor Representative does not comply with the terms and conditions described in this document, or if the AGLC is for any reason dissatisfied with the Liquor Representative's use of the booklet.

THE LIQUOR REPRESENTATIVE ACKNOWLEDGES THAT HE/SHE HAS READ AND UNDERSTANDS THESE TERMS AND CONDITIONS, AND AGREES TO BE BOUND BY THEM.

Liquor Representative

Date

LIQUOR AGENCY/LIQUOR SUPPLIER PARTICULARS OF INCORPORATION OF COMPANY

PLEASE CHECK ONE: Liquor Agency Liquor Supplier

Agency/Supplier Operating Name:	_____			
Address:	_____			
	_____	_____	()	()
	City/Town	Postal Code	Telephone	Fax
Name of Registered Corporation:	_____			
	_____		_____	
	Date of Incorporation		Date of Registration in Alberta (if applicable)	

DIRECTORS:

Name	Residence Address	Phone Number	Executive Position

SHAREHOLDERS: (both voting and non-voting, and the number and class of shares that each holds)
as of the _____ day of _____, 20_____

Name	Address	No. of Shares Held at Date of Report

CERTIFIED CORRECT by an authorized Director of the Corporation, and by a Barrister, CA, CGA, or CMA, as of the _____ day of _____, 20_____

_____ Signature BARRISTER, CA, CGA, or CMA	_____ Signature of Director
_____ Firm	

NEW PRODUCT REGISTRATION FORM

AGLC Use Only

Letter of Authorization Date: _____ Letter of Understanding Date: _____
 Registration _____ System Updates _____ Reviewed by _____

PLEASE PRINT

1. LIQUOR SUPPLIER INFORMATION (if you have already registered products from this supplier, only the company name is necessary)

Company Name: _____
 Address: _____
 Po Box: _____ Province/State: _____
 City: _____ Postal Code/Zip: _____
 Country: _____ Telephone: _____ Fax: _____

2. LIQUOR AGENCY INFORMATION

Company Name: _____ Contact Name: (Person who completed form) _____
 Telephone: _____ Fax: _____ Email: _____

3. PRODUCT DESCRIPTIONS / VINTAGE

Long Name: _____
 (Forty (40) character description including spaces & punctuation - for price list)
 Short Name: _____ Vintage: _____ (wine only)
 (Fifteen (15) character description including spaces & punctuation - for inventory reporting) (if the vintage will "roll over" from year to year, a "V" can be specified)

NOTE: *If this product is for on-packing only, please include that note in the description.*

4. ALCOHOL BY VOLUME: _____ % (specify percentage)

5. PRODUCT CATEGORY/TYPE (place a "check mark" or an "X" in the applicable space)

SPIRITS: Armagnac Brandy Cognac Bitter Grappa
 Liqueur - specify flavour _____ Mescal Miscellaneous Liquor
Gin: Dry Flavoured Holland
Rum: White Light (Amber) Dark Flavoured
Tequila: White Gold
Vodka: Regular Flavoured
Whisky: Canadian Scotch Irish American Other **If Scotch:** Single Malt Blended

WINE: Table: Red White Blush
 Champagne Sparkling Crackling Vermouth Aperitif
 Fruit Wine Mead (Honey) Kosher Wine-Based Liqueur Other - specify _____

Dessert (Fortified): Sherry Port Madeira Montilla Other - specify _____

BEER **SAKE** **CASSIS** If Beer, have you submitted a Declaration of Production if applicable?

REFRESHMENT BEVERAGE: (specify base of product) Liquor Wine Malt

CIDER: Sparkling Still

Cont'd on next page

6. PRODUCT ORIGIN / EXPORT

Country of Origin (Production) _____ Region of Origin _____
Country of Export (Shipped from) _____ Region of Export _____

7. RESIDUAL SUGAR (expressed in grams/litre) _____ (must be completed for WINE, LIQUEURS & REFRESHMENT BEVERAGES)

8. CONTAINERS / PACKAGING / PRESENTATION

- a) Individual Container Size: _____ (expressed in ml) b) Total number of containers per case: _____
- c) Closure: Cork Cap Other (please specify) _____
- d) Is the product sold in packs? Yes No If YES: Bottles Per Pack: _____ Packs Per Case: _____
- e) What is the container made of (i.e. glass, plastic, can, keg): _____
- f) If BEER BOTTLE, specify bottle type: Industry Standard Other Refillable Non-Refillable
- g) Is this a beverage gift pack (consisting only of beverage alcohol)? Yes No
If yes, specify the individual products within the gift pack and provide their Product Codes / CSPCs if available: _____
- h) Is this a non-beverage gift pack (consisting of beverage alcohol and non-alcohol products (i.e., glasses, corkscrews)? Yes No
If yes, specify the non-alcohol portion: _____
- i) Does this product have a: Gift Box Gift Tin Gift Decanter
- j) Does this product include a beverage alcohol on-pack? Yes No
If yes, specify Product Code / CSPC and Product Name of on-pack: _____ Size: _____
Also, specify Product Code / CSPC of base bottle: _____ Size: _____
Is this on-pack being assembled by: Supplier Warehouse
Is this on-pack being shipped: In Bond Duty Paid

9. PRODUCT CODES

- a) If there is an existing national CSPC (Canadian Standard Product Code), provide it: _____
- b) If there is a Product Code from another liquor jurisdiction we could use, provide it: _____
- c) If neither a) or b) are completed, we will assign an internal AGLC 6-digit Product Code _____
- d) Universal Product Code (UPC):

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 (normally 13 digits long)
Shipping Container Code (SCC):

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 (normally 14 digits long)
- e) Is this product a line extension? (a different size of an already registered product: Yes No
If yes, specify Product Code / CSPC _____

10. PRIVATE LABEL Is this product a private label?: Yes (ensure a label is attached to this application) No

If yes, advise which of the suppliers other general list products will be used for price comparison:

Product Code/CSPC: _____ Description: _____

11. PRODUCT PRICING

Provide the C.I.F. price (cost, insurance & freight) Per Case: \$ _____ Is this price: In Bond Duty Paid

12. WAREHOUSER INFORMATION (check one or specify)

Indicate the warehouser for this product: Connect Logistics Services; or Other (specify): _____

13. LABEL REVIEW

The Label must comply with Canadian labeling requirements. If you submit a label with your application, we will review it and provide our comments. If you do not submit a label with this application, it is your responsibility to ensure the label complies.

14. SAMPLE FOR LABORATORY ANALYSIS

One sample for each new product is required for laboratory analysis (a minimum of 200 ml). The sample should be shipped PREPAID. If a separate sample is not received, one (1) bottle will be pulled from inventory upon receipt of the first shipment.

The information collected on the face of this document is for the sole use of the Alberta Gaming and Liquor Commission in determining the eligibility of the applicant for issuance of a licence, registration or participation in the Video Lottery program.

The specific legal authority for the collection of this information from the applicants is the *Alberta Gaming and Liquor Act*, and Regulations pursuant to the Act.

Enquiries regarding the collection of information in accordance with the *Freedom of Information and Protection of Privacy Act* should be directed to:

F.O.I.P. Coordinator
Alberta Gaming and Liquor Commission
50 Corriveau Avenue
St. Albert, Alberta
T8N 3T5

Telephone: (780) 447-8600

**SPECIAL EVENT LICENCE
AUTHORIZATION LETTER
(BEARER ORDER FORM)**

THIS FORM MUST BE COMPLETED IF SOMEONE OTHER THAN THE LICENCE APPLICANT IS OBTAINING:

- A. A PRIVATE NON-SALE LICENCE AND LIQUOR; OR
- B. A PRIVATE RESALE LICENCE AND LIQUOR

This form must be completed and signed by the licence applicant authorizing the liquor supplier or liquor agency representative or other second party to obtain a Special Event Licence and/or liquor. The Special Event Licence will be made out in the name of the organization or individual hosting the licensed function.

PART ONE - SPECIAL EVENT LICENCE INFORMATION

NAME: _____
(Individual or Organization)

ADDRESS: _____

TELEPHONE: Business _____ Residence _____

DETAILS OF LICENCE FUNCTION

PLEASE CHECK ONE: Private Non-Sale Licence Private Resale Licence

TYPE OF FUNCTION: _____
(e.g., Wedding, Club Dance, School Reunion, etc.)

LOCATION: _____
(name of building)

ADDRESS: _____

_____ DAY OF _____,	_____ LIQUOR SERVICE _____	_____ A.M. TO _____ A.M.	CONSUMPTION TO _____ A.M.
		_____ P.M. _____ P.M.	_____ P.M.
_____ DAY OF _____,	_____ LIQUOR SERVICE _____	_____ A.M. TO _____ A.M.	CONSUMPTION TO _____ A.M.
		_____ P.M. _____ P.M.	_____ P.M.
_____ DAY OF _____,	_____ LIQUOR SERVICE _____	_____ A.M. TO _____ A.M.	CONSUMPTION TO _____ A.M.
		_____ P.M. _____ P.M.	_____ P.M.
_____ DAY OF _____,	_____ LIQUOR SERVICE _____	_____ A.M. TO _____ A.M.	CONSUMPTION TO _____ A.M.
		_____ P.M. _____ P.M.	_____ P.M.

MAXIMUM NUMBER OF PEOPLE ATTENDING: _____

PART TWO - LIQUOR REPRESENTATIVE, OR OTHER PARTY, INFORMATION

PLEASE ISSUE TO: _____
Name (Please Print)

ADDRESS: _____

NOTE TO RETAILER:
Please attach this Special Event Licence Authorization Letter to the AGLC (yellow) copy of the licence issued.

Signature
(Special Event Licence Applicant)

STATUTORY DECLARATION

In the Matter of Section 81 of the Gaming and Liquor Regulation

I, _____, of _____, in the
Province of Alberta, do solemnly declare that:

1. I do not have any financial interest in any licensed premises in Alberta, and I have not received and will not be receiving funding or financing in any manner from a licensee or the operator of licensed premises in Alberta.
2. No company in which I am a shareholder, director, employee or investor has any financial interest in any licensed premises in Alberta; nor has it received or will be receiving funding or financing from a licensee or the operator of licensed premises in Alberta.

And I made this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of The Canada Evidence Act.

DECLARED before me at the _____

of _____

in the Province of Alberta, this _____

day of _____, 20_____

Applicant Signature

A Commissioner for Oaths in and for the Province of Alberta

WAIVER OF BOARD HEARING WITNESSES

Premises Name:	_____
Address:	_____ _____ _____ _____
Licensee/Registrant:	_____
Date of Board Hearing:	_____
Date of Incident(s):	_____
Date of Incident Report(s):	_____

On behalf of the licensee/registrant, I confirm that:

1. I have been provided with a copy of the Incident Report.
2. I have read and understood the contents of the Incident Report.
3. Information contained in the Incident Report is factual as stated.
4. The licensee/registrant admits and confirms the violation(s) as presented.

I understand that as a result of the licensee/registrant's admission to all the stated facts, no witnesses are required at the Board Hearing to substantiate the information contained in the Incident Report(s) and no stated facts in the Incident Report(s) will be contested. Subject to the panel Chairman's discretion, the licensee/registrant may make submissions to deal with matters not covered in the Incident Report(s), regardless of the waiver.

The undersigned is, or is authorized to act on behalf of, the above-noted licensee/registrant.

Date

Print Name

Signature

NOTE: This form must reach the Office of the Board at least three (3) working days prior to the scheduled hearing date.

Board Secretary
Alberta Gaming and Liquor Commission
50 Corriveau Avenue
St. Albert, Alberta
T8N 3T5

Fax: 780/447-8916
Phone: 780/447-8605

2005 DECLARATION OF PRODUCTION For Production Less Than or Equal to 10,000 HL

(APPLICABLE TO BEER MANUFACTURERS ONLY -- ONE MANUFACTURER PER FORM)

PLEASE PRINT OR TYPE

DATE: _____

Please accept this declaration of production to certify that:

Name of Manufacturer

Annual worldwide production of product* was less than or equal to 10,000 HL in 2005.

**PLEASE NOTE: in order to determine the appropriate mark-up rate for beer products, the AGLC will include the total annual worldwide production in the facility/facilities (based on previous calendar year) where the liquor manufacturer/supplier is or was producing or obtaining its beer products. This shall include all liquid products (containing liquor and non liquor products) and all contracted or leased volumes being produced for all manufacturers and suppliers at other facilities. If a manufacturer or supplier enters into a contract with another manufacturer or supplier to produce beer products, the annual worldwide hectoliter production for all manufacturers and suppliers and for all products at other facilities will be added together to determine the mark-up rate of the contracting party.*

Detailed Statistical Information for 2005 Production (please provide these figures in hectolitre volumes)

Production of your own product within your own production facilities	
Production of all other liquor products and non-liquor products within your own production facilities	
Contracted "OUT" (production for another company)	
Contracted "IN" (production from another company)	
Co-Packaging "OUT" (for another company)	
Co-Packaging "IN" (from another company)	
TOTAL	

I certify that:

- a) The information on this document is true and accurate, and I assume the responsibility for proving such representations. I understand that I will be held accountable for any false statements or material omissions made on or in connection with this Declaration.
- b) I agree to maintain and present upon request, documentation necessary to support this Declaration and to inform, in writing, the AGLC of any changes that would affect the accuracy or validity of this Declaration.
- c) Pursuant to Section 100 of the *Gaming and Liquor Act*, every licensee or registrant must, when required in writing by the Commission, provide the Commission with reports and information specified by the Commission for the purposes of determining if this Act and the conditions imposed on the licensee's licence or registrant's registration are being complied with.

If the information you provided is not true and accurate, both yourself and the agency representing your products in Alberta may be subject to sanctions by the Commission pursuant to Part 4 of the *Gaming and Liquor Act*.

Print Name

Position in Company

Signature

Witness Signature

**** Completion and submission of this document qualifies the supplier's product for a reduced markup rate ****



2005 DECLARATION OF PRODUCTION For Production Greater Than 10,000 HL and Less Than or Equal to 200,000 HL

(APPLICABLE TO BEER MANUFACTURERS ONLY -- ONE MANUFACTURER PER FORM)

PLEASE PRINT OR TYPE

DATE: _____

Please accept this declaration of production to certify that:

Name of Manufacturer

Annual worldwide production of product* was greater than 10,000 HL and less than or equal to 200,000 HL in 2005.

**PLEASE NOTE: in order to determine the appropriate mark-up rate for beer products, the AGLC will include the total annual worldwide production in the facility/facilities (based on previous calendar year) where the liquor manufacturer/supplier is or was producing or obtaining its beer products. This shall include all liquid products (containing liquor and non liquor products) and all contracted or leased volumes being produced for all manufacturers and suppliers at other facilities. If a manufacturer or supplier enters into a contract with another manufacturer or supplier to produce beer products, the annual worldwide hectoliter production for all manufacturers and suppliers and for all products at other facilities will be added together to determine the mark-up rate of the contracting party.*

Detailed Statistical Information for 2005 Production (please provide these figures in hectolitre volumes)

Production of your own beer product within your own production facilities	_____
Production of all other liquor products and non-liquor products within your own production facilities	_____
Contracted "OUT" (production for another company)	_____
Contracted "IN" (production from another company)	_____
Co-Packaging "OUT" (for another company)	_____
Co-Packaging "IN" (from another company)	_____
	TOTAL _____

I certify that:

- a) The information on this document is true and accurate, and I assume the responsibility for proving such representations. I understand that I will be held accountable for any false statements or material omissions made on or in connection with this Declaration.
- b) I agree to maintain and present upon request, documentation necessary to support this Declaration and to inform, in writing, the AGLC of any changes that would affect the accuracy or validity of this Declaration.
- c) Pursuant to Section 100 of the *Gaming and Liquor Act*, every licensee or registrant must, when required in writing by the Commission, provide the Commission with reports and information specified by the Commission for the purposes of determining if this Act and the conditions imposed on the licensee's licence or registrant's registration are being complied with.

If the information you provided is not true and accurate, both yourself and the agency representing your products in Alberta may be subject to sanctions by the Commission pursuant to Part 4 of the *Gaming and Liquor Act*.

Print Name

Position in Company

Signature

Witness Signature

**** Completion and submission of this document qualifies the supplier's product for a reduced markup rate ****



2005 DECLARATION OF PRODUCTION For Production Greater Than 200,000 HL and Less Than or Equal to 400,000 HL

(APPLICABLE TO BEER MANUFACTURERS ONLY -- ONE MANUFACTURER PER FORM)

PLEASE PRINT OR TYPE

DATE: _____

Please accept this declaration of production to certify that:

Name of Manufacturer

Annual worldwide production of product* was greater than 200,000 HL and less than or equal to 400,000 HL in 2005.

**PLEASE NOTE: in order to determine the appropriate mark-up rate for beer products, the AGLC will include the total annual worldwide production in the facility/facilities (based on previous calendar year) where the liquor manufacturer/supplier is or was producing or obtaining its beer products. This shall include all liquid products (containing liquor and non liquor products) and all contracted or leased volumes being produced for all manufacturers and suppliers at other facilities. If a manufacturer or supplier enters into a contract with another manufacturer or supplier to produce beer products, the annual worldwide hectoliter production for all manufacturers and suppliers and for all products at other facilities will be added together to determine the mark-up rate of the contracting party.*

Detailed Statistical Information for 2005 Production (please provide these figures in hectolitre volumes)

Production of your own beer product within your own production facilities _____

Production of all other liquor products and non-liquor products within your own production facilities _____

Contracted "OUT" (production for another company) _____

Contracted "IN" (production from another company) _____

Co-Packaging "OUT" (for another company) _____

Co-Packaging "IN" (from another company) _____

TOTAL _____

I certify that:

- a) The information on this document is true and accurate, and I assume the responsibility for proving such representations. I understand that I will be held accountable for any false statements or material omissions made on or in connection with this Declaration.
- b) I agree to maintain and present upon request, documentation necessary to support this Declaration and to inform, in writing, the AGLC of any changes that would affect the accuracy or validity of this Declaration.
- c) Pursuant to Section 100 of the *Gaming and Liquor Act*, every licensee or registrant must, when required in writing by the Commission, provide the Commission with reports and information specified by the Commission for the purposes of determining if this Act and the conditions imposed on the licensee's licence or registrant's registration are being complied with.

If the information you provided is not true and accurate, both yourself and the agency representing your products in Alberta may be subject to sanctions by the Commission pursuant to Part 4 of the *Gaming and Liquor Act*.

Print Name

Position in Company

Signature

Witness Signature

**** Completion and submission of this document qualifies the supplier's product for the transition markup rates****

QUALITY AND HEALTH STANDARDS

COMPONENT	MAXIMUM CONCENTRATION ALLOWED IN:			
	Wine	Beer	Cider	Spirit
ARSENIC (ppb)	100	100	100	100
COPPER (ppm)	1.0 - Table			
DIETHYLENE GLYCOL (ppm)	10	10	10	10
DYES	As Permitted by Canada Food & Drugs Act & Regulations			
ETHYL ALCOHOL - Found vs Label (% alc./vol.)	± 1.0 if < 14% alc. ± 0.5 if ≥ 14% alc. ± 0.5 (coolers)	± 0.3%	± 1.0	± 0.2%
ETHYL CARBAMATE (ppb)	30 - Table 100 - Fortified 200 - Sake			150 - Spirit 400 - Fruit Spirit
FREE SO ₂ (ppm) COMBINED SO ₂ (ppm) TOTAL SO ₂ (ppm)	70 350 350	15	70 350 350	
IRON	15 - White 20 - Red	0.5		1.0
LEAD (ppm)	0.2	0.2	0.2	0.2
METHYL ALCOHOL (ppm)	420	420	420	8000 - Fruit Spirit
MISC. ADDITIVES	As Permitted by Canada Food & Drugs Act & Regulations			
SODIUM (ppm)	500			
SORBIC ACID (ppm)	500		500	
SUGAR (G/L)	NO LIMIT	NO LIMIT	NO LIMIT	NO LIMIT
VOLATILE ACIDITY (%w/v)	0.13		0.20	
ALL AGRICULTURAL CHEMICALS (ppm)	0.1			

ppm - parts per million
ppb - parts per billion



STANDARDS FOR TAMPER EVIDENT PACKAGING

1.0 INTENT

The AGLC is responsible for the sale of products meeting the requirements of the *Food and Drug Act* and Regulations and the *Consumer Packaging and Labelling Act* and Regulations. Products offered for sale in Alberta must be done with the knowledge that there are no known hazards or contaminants in the products. All efforts must be made to ensure that once products are packaged, seals and tamper-evident packaging are in place for products to be sold.

2.0 DEFINITIONS

2.1 Tamper-Evidence: The degree to which tampering is apparent to the observer.

2.2 Tamper-Resistance: The degree to which it is difficult to tamper (and repair) without leaving evidence. A tamper-resistant package has an indicator or barrier to entry which, if breached or missing, can (reasonably) be expected to provide visible evidence to consumers that tampering has occurred.

3.0 KINDS OF TAMPERING

3.1 Casual Tampering or Grazing: This situation may happen in the store. The tamperer wants to taste or smell, or change the price by changing caps. He/she does not intend to do harm.

Note: The current method of tamper-resistant packaging serves well against this form of tampering.

3.2 Malicious, Surreptitious Tampering: This tampering occurs outside the store, e.g., at home, or in a workshop. The tampered package may be returned to the store shelf. This method damages or destroys significantly the integrity of the product, and/or may cause severe illness or even death.

4.0 ACCEPTABLE TYPES OF TAMPER-EVIDENT PACKAGING

4.1 All products sold by the AGLC must have effective tamper-evident packaging to ensure product integrity. Listed below are the various types of packaging, description of tamper-proof closures where the product is saleable, and the description of closures which have been tampered with and where the product is unsaleable.

A. BOTTLED PRODUCT

Paper Strip Seals: The seal must extend below the bottom of the cap on both sides of the cap. The seal must be firmly attached to both the cap and the sides of the bottle's neck.

Note: In most cases, the seal extends on both sides of the cap; however, sometimes and for aesthetic and functional reasons, it is acceptable that the seal extends below the bottom of the cap on only one side.

Product with the seal missing, torn, or loose is unsaleable.

Tamper-Evident Rings With Bridge Seals: The metal or plastic ring is attached just under the cap on the bottle and is designed to break when the cap is removed. Plastic caps with hidden bridge seals require paper strip-seals to make them tamper evident. Product with the bridge ring broken or the strip seal missing, torn or loose is unsaleable.

Non-Twist Off Crowns: These are (typically) found on imported beer products and require the use of an opener to remove. Once removed, the crown cap is deformed and cannot be put back on the bottle.

Shrinkable Seals Over the Caps: These seals are frequently found on twist-off caps. These seals extend below the cap to the sides of the bottle. These seals must be firmly attached to both the cap and the bottle's neck. Product with the seals missing or torn (enough to allow access to the bottle) is unsaleable.

Foil Overwrap: The foil overwrap is frequently found on beer and coolers with twist-off caps. The foil overwrap extends up the neck of the bottle over the bottle cap. The foil overwrap must be firmly attached to both the cap and the bottle's neck. Product with the foil overwrap missing, loose or torn (enough to allow access to the bottle) is unsaleable.

Cork Finish: Cork finish is used mostly in wine, but also in some premium spirits, fruit brandies, or liqueurs. Cork finish is used together with an over-covering capsule, seal or disc made (normally) of paper, plastic, wax or metal foil.

Note: Paper discs inserted directly on top of corks must adequately adhere to the cork and must provide visible evidence of tampering when removed.

If the capsule is absent or loose and removable or there is visible evidence that the cork or seal has been tampered with or damaged, the product is unsaleable.

B. OTHER PACKAGING

Bag-In-A-Box (BIAB): All BIAB products must be winery sealed. The opening in the box for the valve must be sealed shut. Product cannot be sold if the opening for the valve in the box has been opened.

Cans: Pull Tabs: The metal pull tab is intact. If the can shows any evidence of having been opened, the product is unsaleable.

Screw Caps: A metal or plastic ring is attached just under the cap and is designed to break when the cap is removed. Product is unsaleable if the bridge ring is broken.

Enclosed Packages: Enclosed packages, e.g., beer packages, where the package completely encloses the product and the package seal must be broken to remove a product. Product where the seal is broken and the enclosed package is open is unsaleable. Product where there is evidence that the package was resealed is unsaleable.

Kegs: Since kegs are (normally) a licensee package under direct control of the Liquor Jurisdiction or Brewery until the delivery of the kegs, the risk of tampering with kegs is minimal. Packaging standards are not set at this time.



MARKUP RATES

Effective June 1, 2006

Spirits, Refreshment Beverages & Wines

Mark-up Per Litre

Spirits GT 60% (greater than 60%)	\$17.87
Spirits – GT 22% & LTE 60% (greater than 22% and less than or equal to 60%)	\$13.30
Spirits – LTE 22% (less than or equal to 22%)	\$9.90
Refreshment Beverages – GT 8% & LTE 16% (greater than 8% and less than or equal to 16%)	\$4.05
Refreshment Beverages – GT 1% & LTE 8% (greater than 1% and less than or equal to 8%)	\$1.35
Wine & Sake – GT 16% (greater than 16%)	\$6.10
Wine & Sake – LTE 16% (less than or equal to 16%)	\$3.45

Beer

Annual Worldwide Production*

Markup on Alberta Sales Per Litre

LTE 10,000 HL (hectolitres) (small brewer mark-up) (less than or equal to 10,000 HL)	\$0.20**
GT 10,000 HL & LTE 200,000 HL (small brewer mark-up) (greater than 10,000 HL & less than or equal to 200,000 HL)	\$0.40**
GT 200,000 HL & LTE 400,000 HL (transition mark-up rates)*** (greater than 200,000 HL & less than or equal to 400,000 HL)	\$0.40 on sales in Alberta up to and and including the first 200,000HL \$0.98 on sales in Alberta for the next 200,000 HL up to and including 400,000 HL
GT 400,000 HL	\$0.98

* Annual worldwide production includes the volume of all liquor and non-liquor products manufactured where the beer is produced, as well as all contracted or leased volumes.

** All manufacturers/liquor suppliers/liquor agencies are subject to the standard mark-up rate of \$0.98 per litre. A qualified manufacturer may be eligible for the small brewer mark-up if it satisfies, to the satisfaction of the AGLC, the following criteria:

1. A qualified manufacturer, under the beer mark-up policy, is defined as:
 - a) An Alberta licensee holding a Class E Manufacturer (Brewery) Licence issued in accordance with the Gaming and Liquor Act, Gaming and Liquor Regulation and related AGLC policies; or
 - b) A person who owns/leases, operates and controls an establishment for making liquor outside of Alberta who meets the following requirements of a class E Manufacturer (Brewery) in Alberta:
 - i) 5000 hectolitres minimum annual production capacity;
 - ii) all beer must be manufactured on site;
 - iii) fermentation, maturation and storage tanks with a minimum of 10 hectolitres capacity each;
 - iv) there must be a weekly minimum of 50 hectolitres overall fermentation, maturation and storage capability and there must be space available to add additional tanks to achieve overall annual capacity, and
 - v) The person must have the continuous right to solely occupy and control the facility whether or not the facility is owned or leased by the person.
2. A qualified manufacturer is eligible for the small brewer rates on products for distribution in Alberta only if it is either:
 - a) the owner of the trade/brand names it manufactures; or
 - b) the registered agency in Alberta of the products it manufactures.
3. A registered agency that has a product produced at only one qualified manufacturer, that qualified Manufacturer having annual world-wide production of all products less than 10,000hl, is eligible for the small brewer rate.

*** Only those beer manufacturers and suppliers that currently, or subsequent to, qualify for the markup rate of \$0.40 per litre will qualify for this transition markup rate.



RECYCLING COSTS SCHEDULE NON-BEER

Effective August 1, 2006

<u>Container Type</u>	<u>Recycling Cost</u>
-----------------------	-----------------------

Aluminum

Cans up to 1 litre	.0000
Aerosol up to 1 litre	.0800

Plastics

Up to 1 litre	.0100***
Over 1 litre	.0200***

Glass

0 – 500 ml	.0500***
501 – 1 litre	.0500***
Over 1 litre	.0700***

Polycoat

Tetra Brik up to 1 litre	.0100***
Bag in a Box	.0000
Drink Pouch	.0200

***indicates rate changes



RECYCLING COSTS SCHEDULE BEER ONLY

Effective October 27, 2006

Container Type

Recycling Cost

CANS

Aluminum / Bi-Metal

Up to 1 litre	*(.0147)
***Over 1 litre	.0000

* this reflects a negative cost

GLASS BOTTLES

Refillable Industry Standard Bottles

(you should include the recycling cost in your C.I.F. price)

Up to 1 litre	.0578
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Refillable Non Standard Bottles

(you should include the recycling cost in your C.I.F. price)

Up to 1 litre	.0578
***Over 1 litre	.1000

Non-Refillable Bottles

Up to 1 litre	.0552
***Over 1 litre	.1000

PLASTIC BOTTLES

***Up to 1 litre	.0000
***Over 1 litre	.0000

*** these beer containers are recycled through the Alberta Beverage Container Recycling Corp. (ABCRC), not the Alberta Beer Container Corp. (ABCC)



CONTAINER DEPOSIT SCHEDULE

**Deposit included in
wholesale price
per container**

Liquor, Wine, Coolers & Ciders

refundable to consumer

Less than or equal to 1 litre	.05
Greater than 1 litre	.20

Beer

Less than or equal to 1 litre	.10
Greater than 1 litre	.20

Customs & Excise Rates Schedule - Effective July 1, 2006

** Free with valid, current year NAFTA or Chile Free Trade Certificate only

CUSTOMS RATES

Australia/ New Zealand	Most Favoured	**Chile/U.S. /Mexico
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EXCISE RATES

All Countries

Beer - Lager, Porter, Stout, Ginger Beer

Rate	Australia/ New Zealand	Most Favoured	**Chile/U.S. /Mexico
Up to 1.2%	See	Free	Free
1.21% TO 2.5%	Most	"	"
Over 2.5%	Favoured	"	"

2.591/hl
15.61/hl
31.22/hl

Sparkling Wine & Champagne

Rate	Australia/ New Zealand	Most Favoured	**Chile/U.S. /Mexico
Up to 1.2%	See	.374/litre	Free
1.21% to 7%	Most	"	"
Over 7%	Favoured	"	"

.0205/litre
.2459/litre
.5122/litre

Still Wine

Rate	Australia/ New Zealand	Most Favoured	**Chile/U.S. /Mexico
Less than 1.2%	See	0.0374	Free
1.21% to 7%	Most	"	"
7.1% to 13.7%	Favoured	"	"
13.71% to 14.9%	0.0275	0.0935	"

.0205/litre
.295/litre
0.62/litre
0.62/litre

Dessert/Fortified Wines - Sherry, Madeira, Port, Other

13.71% to 14.9%	0.0275	\$0.0935	Free
14.91% to 15.9%	0.0258	\$0.1033	"
15.91% to 16.9%	0.024	\$0.1131	"
16.91% to 17.9%	0.0223	\$0.1229	"
17.91% to 18.9%	0.0206	\$0.1328	"
18.91% to 19.9%	*** See	\$0.1425	"
19.91% to 20.9%	*** Below	\$0.1524	"
20.91% to 21.9%	0.0594	\$0.1622	"
21.91% to 22.9%	0.0576	\$0.1720	"
22.91% & Up	0.172	\$0.1720	"

0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre

***** Australian Only**

18.91% to 19.49%	0.0188
19.5% to 19.9%	Free
19.91% to 20.6%	Free
20.61% to 20.9%	0.061

***** New Zealand Only**

18.91% to 19.9%	0.0188
19.91% to 20.9%	0.061

All wine rates shown are for containers holding 2 litres or less

Customs & Excise Rates Schedule - Effective July 1, 2006

** Free with valid, current year NAFTA or Chile Free Trade Certificate only

CUSTOMS RATES

Australia/ New Zealand	Most Favoured	**Chile/U.S. /Mexico
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EXCISE RATES

All Countries

Vermouth - Red, White, Other

Up to 18.3%	See Most	0.0211	Free
18.31% to 22.9%	Favoured	16%	"

0.62/litre
"

Cider, Perry, Mead

Sparkling Cider	See Most	0.2816	Free
Other Cider (Still)	Favoured	3%	"

0.62/litre
"

Sake/Kosher Wine

7% to 13.7%	See	0.0282	Free
13.71% to 14.9%	Most	0.0704	"
14.91% to 15.9%	Favoured	0.0778	"
15.91% to 16.9%	"	0.0852	"
16.91% to 17.9%	"	0.0925	"
17.91% to 18.9%	"	0.1000	"
18.91% to 19.9%	"	0.1073	"
19.91% to 20.9%	"	0.1148	"
20.91% to 21.9%	"	0.1221	"
21.91% to 22.9%	"	0.1295	"

0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre
0.62/litre

Spirits (per litres of PURE alcohol)

Brandy	Free	Free	Free
Whisky, Bourbon, Scotch, Rye, Irish, Other	See Most	"	"
Rum	Favoured	0.2456	"
Gin	"	0.0492	"
Vodka	"	0.1228	"
Tequila	"	Free	"
Liqueurs	"	0.1228	"
Miscellaneous Liquor	"	"	"
Spirit Base Coolers - not greater than 7%	"	"	"

11.696/litre
"
"
"
"
"
"
"
.295/litre

All wine rates shown are for containers holding 2 litres or less

Customs Rates

Australia / New Zealand	Most Favoured	U.S./Mexico/ Chile
------------------------------------	--------------------------	-------------------------------

Excise Rates

All Countries

Vermouth – Red, White, Other

Up to 18.3%	See Most Favoured	0.0211	Free
18.31% to 22.9%		16%	“

0.5122/litre
“

Cider, Perry, Mead

Sparkling Cider	See Most Favoured	0.2816	Free
Other Cider (Still)		3%	“

Free
“

.5122/litre
“

Sake/Kosher Wine

7% to 13.7%	See Most Favoured	0.0282	Free
13.71% to 14.9%		0.0704	“
14.91% to 15.9%		0.0778	“
15.91% to 16.9%		0.0852	“
16.91% to 17.9%		0.0925	“
17.91% to 18.9%		0.1000	“
18.91% to 19.9%		0.1073	“
19.91% to 20.9%		0.1148	“
20.91% to 21.9%		0.1221	“
21.91% to 22.9%		0.1295	“

0.5122/litre
“
“
“
“
“
“
“
“
“

Spirits (per litres of PURE alcohol)

Brandy	Free	Free	Free
Whisky, Bourbon, Scotch, Rye, Irish, Other	See Most Favoured	“	“
Rum		0.2456	“
Gin		0.0492	“
Vodka		0.1228	“
Tequila		Free	“
Liqueurs		0.1228	“
Miscellaneous Liquor		“	“
Spirit Base Coolers – not greater than 7%		“	“

11.066/litre
“
“
“
“
“
“
0.2459/litre

Wholesale Pricing Calculations

September 14, 2006

Pricing Components	Import Spirit (Glass Bottle) 020362	Domestic Spirit (Plastic Bottle) 447920	Import Wine Glass Bottle) 002147	Domestic Wine (Glass Bottle) 016311	Import Beer (Can) 071126
	(12 x 750 ml)	(12 x 750 ml)	(12 x 1000 ml)	(12 x 750 ml)	(24 x 330 ml) 4 x 6-packs
C.I.F. Invoice Price	\$61.55	\$46.27	\$43.44	\$36.51	\$25.28
Add Customs & Excise (calculate to 4 decimal places)	42.5477	42.1056	7.8888	5.58	2.4726
= Sub Total	104.0977	88.3756	51.3288	42.09	27.7526
Add Flat Markup Per Case	13.30 x 9 litres = 119.70	13.30 x 9 litres = 119.70	3.45 x 12 litres = 41.40	3.45 X 9 litres = 31.05	.98 x 7.92 litres = 7.7616
= Sub Total	223.7977	208.0756	92.7288	73.1400	35.5142
Add Recycling Cost	.05 x 12 = .6	.01 x 12 = .12	.05 x 12 = .60	.05 x 12 = .60	0
= Sub Total	224.3977	208.1956	93.3288	73.7400	35.5142
Divide by Sales Units Per Case	18.6998	17.3496	7.7774	6.145	8.8786
Rounded UP to 2 decimal places	18.70	17.35	7.78	6.15	8.88
Add GST (6%) (standard rounding to 2 decimals)	1.12	1.04	.47	.3687	.53
= Sub Total	19.82	18.39	8.25	6.51	9.41
Add Container Deposit	.05	.05	.05	.05	.60
= Wholesale Price Per Sales Unit	19.87	18.44	8.30	6.56	10.01
Multiply by Sales Units Per Case	12	12	12	12	4
= Wholesale Price Per Case	\$238.44	\$221.28	\$99.60	\$78.72	\$40.04