

Liquor Warehouse Handbook



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LIQUOR WAREHOUSE HANDBOOK

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SUBJECT: INTRODUCTION

POLICIES

- 1.1.1 The Alberta Gaming, Liquor and Cannabis Commission (AGLC) is established under the *Gaming, Liquor and Cannabis Act* (GLCA) and is governed by the requirements of the Criminal Code, the GLCA and the Gaming, Liquor and Cannabis Regulation (GLCR).
- 1.1.2 The AGLC is the province's liquor authority, responsible for administering and regulating the liquor industry in Alberta.
- 1.1.3 Board policies are approved by the Board of the AGLC and signed by its Chair, on behalf of the Board.
- 1.1.4 These policies apply to agents of the Board authorized pursuant to Section 99 of the GLCR to warehouse and distribute liquor. This includes policies approved or amended after the warehouse operator's appointment is authorized.
- 1.1.5 Guidelines are best business practices designed to help warehouse operators meet operating requirements.
- 1.1.6 The Liquor Warehouse Handbook (Handbook), which contains Board policies and Guidelines, is available on the AGLC website at www.aglc.ca.
- 1.1.7 Warehouse operators are responsible for ensuring the Handbook is available to their staff.
- 1.1.8 An activity not specifically permitted in this Handbook is prohibited.

GUIDELINES

- 1.1.9 The purpose of this handbook is to provide information that will help warehouse operators in meeting AGLC requirements. This handbook does not replace the GLCA or GLCR.
- 1.1.10 The GLCA and GLCR may be accessed on the Queen's Printer website at gp.alberta.ca.

SUBJECT: DEFINITIONS

POLICIES

1.2.1 In this handbook:

- a) “AGLC” means the Alberta Gaming, Liquor and Cannabis Commission.
- b) “Board” means the Board of the AGLC.
- c) “cost” means the amount obtained by adding all amounts owing or paid to a liquor supplier or liquor agency, all amounts owing or paid to any third party to get the liquor to the warehouse and the customs and excise duties, as applicable.
- d) “GLCA” means the *Gaming, Liquor and Cannabis Act*.
- e) “GLCR” means the Gaming, Liquor and Cannabis Regulation.
- f) “handbook” means the Warehouse Handbook, the Board policies and guidelines applying to warehouses.
- g) “Inspector” means an Inspector of the AGLC, a police officer as defined in the Police Act, or someone designated by the AGLC as an Inspector under the GLCA.
- h) “licensee” means the individual, partnership or corporation holding a liquor licence.
- i) “liquor” means beverages that are intended for human consumption containing over 1% alcohol by volume (e.g., spirits, wine, liqueur, coolers, cider or beer).
- j) “liquor agency” (agency) means a corporation or individual who is in the business of representing a liquor supplier in the sale of the supplier’s liquor.
- k) “liquor supplier” (supplier) means:
 - i) a manufacturer;
 - ii) a person who operates an establishment for making liquor outside Alberta;
 - iii) a person, other than the AGLC, who is a distributor of liquor; and/or
 - iv) any person who has a connection, as specified in the GLCR, to a manufacturer or person described in ii) or iii), above.

SUBJECT: DEFINITIONS

- l) “manufacturer” means a person who operates or intends to operate an establishment for making liquor in Alberta.
- m) “warehouse” is an approved location operated by an authorized warehouse to store and distribute liquor in Alberta.
- n) “warehouse” means an agent appointed by the Board, authorized under Section 99 of the Gaming, Liquor and Cannabis Regulation, to store and distribute liquor in Alberta. ; and
- o) “warehouse (administrator)” means an AGLC employee located at the authorized warehouse to perform duties specified in this Handbook.
- p) “wholesale price” is the amount obtained by adding all amounts owing or paid to any third party to get the liquor to the warehouse, the applicable flat mark-up, customs duty (if applicable), excise duty (if applicable), container recycling fee, Goods and Services Tax and container deposit.



SECTION: GENERAL INFORMATION

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SUBJECT: CONTACTING THE AGLC

POLICIES

1.3.1 The administration and monitoring of activities related to warehousing is managed by the AGLC.

For more information on warehousing or related financial matters contact:

Manager, External Warehouse Administration

Phone: (780) 447-8600

Email: ExternalWarehouse@aglc.ca

Additional AGLC contact information can be found at www.aglc.ca.

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SUBJECT: GENERAL

POLICIES

- 1.4.1 The AGLC appoints warehouseurs as agents to warehouse and distribute liquor. The appointment is a condition of authorization under Section 99 of the Gaming, Liquor and Cannabis Regulation.
- 1.4.2 The AGLC acts as the Importer of Record for all liquor and will continue to fulfill all of its statutory obligations including those relating to the:
- a) *Importation of Intoxicating Liquors Act;*
 - b) *Customs Act;*
 - c) *Excise Act;*
 - d) *Excise Act 2001;*
 - e) *Excise Tax Act;*
 - f) *Environmental Protection and Enhancement Act;*
 - g) *Gaming, Liquor and Cannabis Act;* and
 - h) Gaming, Liquor and Cannabis Regulation.
- 1.4.3 Warehouseurs are responsible for all aspects of warehousing and distribution of liquor contained within their warehouse. Warehouseurs may charge a fee(s) for such services to liquor suppliers, liquor agencies and liquor licensees.
- 1.4.4 The fee charged for services must be identical for all liquor suppliers, liquor agencies and liquor licensees. No volume discounts are allowed.
- 1.4.5 Warehouseurs are allowed to co-mingle other products with liquor in a warehouse, subject to approval by the AGLC.
- 1.4.6 A liquor supplier or liquor agency must notify the AGLC of which warehouseur(s) they have appointed to handle and distribute their liquor.
- 1.4.7 A liquor supplier or agency must provide to the Manager, External Warehouse Administration a minimum of 30 days' notice in writing or by email, of a change of warehouseur to handle and distribute their liquor.



SECTION: GENERAL INFORMATION
NUMBER: 1.4

SUBJECT: GENERAL

1.4.8 Where required, the AGLC will make application to the respective federal agency(ies)for customs and excise bonds in the name of the AGLC. The bonds will include the warehouse location of the warehouse if all of the requirements of these policies are met and the required approval is obtained from the federal agency(ies).

SUBJECT: LEGISLATION AND BOARD POLICIES

POLICIES

1.5.1 Warehousemen and their staff must comply with:

- a) the GLCA;
- b) the GLCR;
- c) Board policies; and
- d) all federal, provincial and municipal legislation.

1.5.2 Non-compliance with the legislation or Board policies may result in disciplinary action by the Board pursuant to Part 4 of the GLCA.

1.5.3 If a warehouseman misleads the AGLC, fails to provide information or provides inaccurate information, the Board may take disciplinary action including, but not limited to, fines, suspension or cancellation of the appointment as a warehouseman.



SECTION: GENERAL INFORMATION

NUMBER: 1.6

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SUBJECT: FACILITY REQUIREMENTS

POLICIES

- 1.6.1 Warehouse operators must comply with the requirements of every applicable statute, law, by-law, code, ordinance, regulation, or order with respect to the condition, maintenance, use or occupation of the warehouse or the liquor.

- 1.6.2 Warehouse operators must, within five days of receipt of written notice given by or on behalf of the AGLC, commence and thereafter proceed diligently, with the completion of the repairs, maintenance or other requirements referred to in the notice.

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SUBJECT: INSURANCE

POLICIES

- 1.7.1 Warehousers must indemnify and hold harmless the AGLC and the AGLC’s employees or agents from any and all third party claims, demands, actions and costs that may arise directly or indirectly, out of any act or omission of the warehouse or their employees or agents.
- 1.7.2 Warehousers must, without limiting their liabilities herein, and at their own expense, insure their operations under a contract of either comprehensive or commercial general liability insurance. The insurance must be in an amount of not less than \$2,000,000 inclusive per occurrence insuring against bodily injury, personal injury and property damage and including loss of use thereof.
- 1.7.3 Warehousers must provide fidelity coverage for all officers and employees in an amount of not less than \$1,000,000 for any one loss. Such coverage must extend to include all property and liquor entrusted to the warehouse and any property or liquor for which the warehouse may be legally liable.
- 1.7.4 Warehousers must, unless agreed to in writing by the AGLC, be responsible for insuring the liquor against all risks of loss or damage. Such insurance must be in an amount of not less than the cost of the liquor and must note the interest of the AGLC as loss payee, and all liquor suppliers or liquor agencies, as their interests may appear. Coverage for the liquor must apply from the time the liquor is accepted by the 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).
- 1.7.5 If the AGLC is responsible for insuring the liquor, warehouseers must, without limiting their liabilities herein and at their own expense, maintain all risks Warehouseman’s Legal Liability Insurance in an amount adequate to cover the cost of all liquor held in the warehouse. If the AGLC insures the liquor, it is understood and agreed that the insurance coverage will not provide a waiver of subrogation in favor of the warehouse for any loss or damage due to the negligence or willful acts of the warehouse, its directors, officers, employees, agents or others for whom the warehouse is at law responsible.

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SUBJECT: INSURANCE

- 1.7.6 All required insurance must be endorsed to provide the AGLC with 30 days advance notice of cancellation or material reduction in coverage.
- 1.7.7 Warehouseurs must provide to the AGLC evidence of all required insurance in the form of a detailed certificate of insurance acceptable to the AGLC. All insurance must be placed with insurers in accordance with the *Alberta Insurance Act*.
- 1.7.8 If the AGLC is responsible for insuring liquor, the warehouseur will not do or permit anything to be done, nor make or permit any omission to be made, which will result in a nuisance, or which will cause the rate of insurance upon the liquor to be increased. If the rate of insurance is increased, the warehouseur must pay the AGLC the amount by which the insurance premiums increased. If notice of cancellation must be given respecting any insurance policy or if any insurance policy upon the liquor must be cancelled or refused by an insurer by reason of the warehouseur's use of or occupation of the warehouse or any part thereof, or if in the opinion of the AGLC's insurers acting reasonably, the warehouseur's use or occupation of the warehouse is not in compliance with these policies, the warehouseur must forthwith remedy or rectify such use or occupation upon being requested to do so in writing by the AGLC. If the warehouseur fails to do so forthwith, the AGLC, at its option, may either remedy or rectify the nuisance at the warehouseur's sole cost, or terminate the warehouse appointment.



SECTION: GENERAL INFORMATION

NUMBER: 1.8

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SUBJECT: ILLEGAL LIQUOR

POLICIES

- 1.8.1 Warehouses must not possess, keep or distribute any liquor product at or from their warehouse not received from a liquor supplier or a AGLC registered liquor agency.

- 1.8.2 Liquor adulterated in any manner, purchased or possessed illegally, brought into Alberta illegally or manufactured illegally, is subject to immediate seizure by Inspectors. Warehouses involved in such activities are subject to prosecution and penalties imposed by the Board.

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SUBJECT: BACKGROUND CHECKS

POLICIES

- 1.9.1 Warehousemen must pass a background check for the AGLC to appoint them as an agent of the AGLC.
- 1.9.2 As part of the background check, warehousemen must consent to having a criminal record check completed.
- 1.9.3 Criminal record checks are required as follows:
- a) for a partnership:
 - i) all members of the partnership; and
 - ii) the designated warehouse manager;
 - b) for a privately held company:
 - i) all directors and shareholders; and
 - ii) the designated warehouse manager; and
 - c) for a publicly traded company:
 - i) all directors; and
 - ii) the designated warehouse manager.
- 1.9.4 A person will fail to pass a records check if the person has:
- a) within the five (5) years prior to the application date, been charged with or convicted of:
 - i) an offence under the *Criminal Code* (Canada), the *Excise Act* (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 described in Section 1.9.4a i); or
 - b) at any time been charged with or convicted of:
 - i) an offence under the *Criminal Code* (Canada), the *Excise Act* (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 described in Section 1.9.4b i);

SUBJECT: BACKGROUND CHECKS

that, in the opinion of the Board, is sufficiently serious to detract from the integrity of lawful gaming, lottery and/or licensed liquor activities in Alberta; or

- c) within the five (5) years prior to the application date, been in prison serving a term of three (3) years or more.

1.9.5 In accordance with the above, a “Particulars of Individual Form” (Form LIC/5013) must be completed for each person requiring a records check.



SECTION: GENERAL INFORMATION

NUMBER: 1.10

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SUBJECT: AUDIT

POLICIES

- 1.10.1 Warehouse records are subject to review and audit by the AGLC and the Canada Revenue Agency.
- 1.10.2 Warehouse must maintain records in a manner acceptable to the AGLC, AGLC appointed auditors and the Canada Revenue Agency.
- 1.10.3 Warehouse must permit the AGLC, its employees and agents and the Canada Revenue Agency, to enter the warehouse at all reasonable times during normal business hours, and upon prior reasonable notice to the warehouse, for the purpose of viewing the condition of the warehouse and the liquor.

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SUBJECT: GENERAL

POLICIES

- 2.1.1 Warehouseurs must satisfy the AGLC that they can directly, or through an agreement with a carrier, service the entire province in response to customer demand.
- 2.1.2 Warehouseurs may institute minimum order thresholds, but may not unreasonably, as determined by the AGLC, refuse to service licensees at any location, in any part of the province.
- 2.1.3 Warehouseurs must have an operational computer system and software that will provide, on a timely basis, and in the form specified by the AGLC, all information requirements as specified in these policies.
- 2.1.4 Warehouseurs may not be a liquor agency as defined in the GLCA or the holder of a Class A, B, C, D or duty free liquor licence, unless otherwise approved by the Board.
- 2.1.5 Once a warehouseur has been approved by the AGLC, the warehouseur must:
- a) receive and store liquor ordered and delivered by the liquor supplier or liquor agency or someone designated by either, and issue a signed delivery receipt for all liquor received;
 - b) process licensee orders in accordance with requirements established by the AGLC;
 - c) assemble and consolidate orders for shipping and delivery throughout the province; and
 - d) make records and related documentation available upon request of the AGLC, in accordance with the provisions of the GLCA, GLCR and AGLC policies.
- 2.1.6 Warehouseurs are required to provide the AGLC with satisfactory office space that permits AGLC staff to carry out responsibilities as determined by the AGLC. The AGLC will maintain staff on-site to carry out responsibilities associated with these policies and related federal and provincial legislation. AGLC staff at warehouse locations will be provided at the discretion of the AGLC. AGLC staff working in the warehouse will comply with facility policies and procedures provided by the warehouse.

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SECTION: WAREHOUSING REQUIREMENTS

NUMBER: 2.1

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SUBJECT: GENERAL

- 2.1.7 The AGLC will, at all times, be the Importer of Record of all liquor imported into Alberta. The AGLC must clear all liquor imported into Alberta from outside of Canada through the Canada Border Services Agency and pay all necessary duty to the Government of Canada.
- 2.1.8 The AGLC is responsible for reporting and paying excise duty on domestic in-bond goods.
- 2.1.9 For any liquor deliveries to a warehouse that have broken seals, seals that have been tampered with, or seal number(s) that do not correspond with the paperwork, the warehouse must contact the AGLC Warehouse Administrator (Email: ExternalWarehouse@aglc.ca).

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SECTION: WAREHOUSING REQUIREMENTS

NUMBER: 2.2

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SUBJECT: MINORS

POLICIES

- 2.2.1 A minor (a person under 18 years of age) must not be employed in a warehouse in any position that involves the physical handling of liquor. This includes the receiving and storage of liquor, assembling liquor orders or shipping liquor orders from the warehouse.
- 2.2.2 Minors may be employed in a warehouse office performing administrative functions (e.g. order taking).

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SECTION: WAREHOUSING REQUIREMENTS

NUMBER: 2.3

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SUBJECT: INVENTORY REQUIREMENTS

POLICIES

- 2.3.1 Liquor suppliers, agencies and warehouseurs must bear the cost of maintaining liquor inventory to service the Alberta market.
- 2.3.2 Warehouseurs are responsible for adequate physical security of inventory. Security measures are subject to approval by the AGLC and the Canada Revenue Agency.
- 2.3.3 Warehouseurs must immediately report to the AGLC, all loss or damage to liquor occurring while under its care.

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SECTION: WAREHOUSING REQUIREMENTS

NUMBER: 2.4

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SUBJECT: PRICING

POLICIES

- 2.4.1 The AGLC calculates the wholesale price based upon the factors set out in 1.2.1p).
- 2.4.2 The wholesale price charged to liquor licensees must be the same at any one time for all liquor licensees holding the same class of licence.
- 2.4.3 Warehouseurs must have an electronic means of receiving price lists and updates from the AGLC, as well as a method to electronically acknowledge receipt of this information. Warehouseurs must be able to implement new prices on the date indicated by the AGLC.
- 2.4.4 Warehouseurs may issue price catalogues, however, the product description and wholesale price of the product must be accurate and agree with the information provided by the AGLC, as at the date of publication.

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SECTION: WAREHOUSING REQUIREMENTS

NUMBER: 2.5

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SUBJECT: LICENSEE ORDERS

POLICIES

- 2.5.1 Warehouseurs are responsible for establishing and operating an order desk to receive liquor licensee orders.
- 2.5.2 Warehouseurs may take orders for liquor seven days per week, 24 hours per day.
- 2.5.3 The AGLC will provide a list of valid liquor licensees and other authorized parties to warehouseurs electronically on a nightly basis. Warehouseurs must only provide liquor to valid liquor licensees and other authorized parties.
- 2.5.4 Liquor may not be sold:
 - a) to special event licensees; or
 - b) directly to the public.
- 2.5.5 Liquor licensees must pay for all liquor prior to the order being released from the warehouse in accordance with Section 80(3) of the GLCA.
- 2.5.6 The warehouseur may institute minimum order thresholds for liquor licensee orders. The minimum order thresholds must be identical for all areas of the province and are subject to the approval of the AGLC.
- 2.5.7 No individual bottle sales are allowed from the warehouse. All sales must be in full case units. The AGLC may authorize, in writing, a procedure for selling less than full cases or cases containing a combination of liquor products.
- 2.5.8 Only liquor the liquor licensee orders through the warehouse's order desk may be delivered to the licensee.
- 2.5.9 Warehouseurs must provide invoices for liquor orders to liquor licensees.

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SUBJECT: LIQUOR DELIVERIES

POLICIES

- 2.6.1 Warehousers must ensure satisfactory arrangements with carriers to deliver product from the warehouse to liquor licensees.
- 2.6.2 Deliveries of liquor may be made to liquor licensees seven days per week in accordance with delivery schedules established by the warehouse.
- 2.6.3 Warehousers are responsible for loss or damage to liquor until it is delivered to, and accepted by, the liquor licensee.
- 2.6.4 Warehousers must not deliver liquor to someone other than a valid liquor licensee without the prior approval of the AGLC. Delivery to someone other than a valid liquor licensee may require separate reporting (see Section 3.2.3).
- 2.6.5 Warehousers contracting with a carrier providing delivery from the warehouse to liquor licensees, must provide the carrier with an invoice or bill of lading and must ensure the carrier:
- a) obtains the liquor licensee's signature on the invoice or bill of lading as acknowledgement of receipt of the liquor;
 - b) retains the invoice or bill of lading for subsequent AGLC review; and
 - c) provides the liquor licensee with a copy of the invoice which must include the wholesale price of the liquor delivered.
- 2.6.6 Warehousers may be allowed, subject to the written approval of the AGLC, to charge different distribution charges for different delivery points within the province. Different rates for delivery may also be charged based on the efficiency of the liquor licensee's receiving and handling equipment.
- 2.6.7 Warehousers of draught beer in kegs are responsible for:
- a) distributing kegs to customers throughout the province;
 - b) maintaining quality control over keg product;
 - c) replacing faulty keg product in accordance with Section 2.7;
 - d) recovering empty kegs from licensees;



SECTION: WAREHOUSING REQUIREMENTS

NUMBER: 2.6

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SUBJECT: LIQUOR DELIVERIES

- e) storing empty kegs;
- f) returning empty kegs to point of origin;
- g) all missing kegs; and
- h) any other responsibilities related to keg product as determined by the AGLC.

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SUBJECT: FAULTY KEG PRODUCT

POLICIES

- 2.7.1 The AGLC warehouse must assess all faulty draught beer product prior to return to the manufacturer (or the production plant) by the warehouse.
- 2.7.2 A faulty keg is a keg containing draught beer product that is of a quality below the standard established by the brewer of that product.
- 2.7.3 The AGLC warehouse administrator weighs all returned kegs and may approve a credit if the keg contains a minimum of 80% of its full weight.
- 2.7.4 The AGLC warehouse administrator may approve the granting of credit to a customer for faulty draught beer kegs. The Administrator marks each keg to indicate it is approved for credit and to ensure that only one credit is granted per keg. The credits must be paid back immediately or used against the next a subsequent order.
- 2.7.5 The AGLC warehouse administrator keeps a log of all faulty kegs returned to production plants. For each keg returned for a credit, the following information is recorded:
- a) the customer's name;
 - b) the date it was returned;
 - c) the date it was purchased;
 - d) the reason for the return;
 - e) the name of the Warehouse Administrator who approved the credit; and
 - f) the weight of the keg.
- The AGLC warehouse administrator reconciles credits approved, with credits processed by the manufacturer, warehouse or distributor.
- 2.7.6 Once faulty kegs have been assessed, warehouse may return them to the respective manufacturer.
- 2.7.7 The AGLC warehouse administrator may observe the dumping of faulty kegs and obtain samples of the contents for subsequent laboratory analysis.



SECTION: WAREHOUSING REQUIREMENTS
NUMBER: 2.8

SUBJECT: PAYMENT

POLICIES

- 2.8.1 Warehousers must provide invoices to liquor licensees for liquor purchases. The invoice and payment must be based on the product price in effect on the day the licensee placed the order. This date must be clear on the face of the invoice.

- 2.8.2 Warehousers must not ship liquor to liquor licensees until the AGLC has received payment in full and approved the shipment. Shipment prior to AGLC receiving full payment is not authorized.

- 2.8.3 The AGLC’s revenue collection staff collect all payments. Warehousers are required to provide suitable office space for these individuals, if required.

- 2.8.4 Where there are no payments due to a liquor supplier, warehousers must collect their charges for warehousing services, directly from the liquor supplier or liquor agency.

SUBJECT: QUALITY CONTROL

POLICIES

- 2.9.1 AGLC approval is required before liquor products may be sold in Alberta.
- 2.9.2 Warehouseurs must have labeling and quality control procedures in place to ensure adherence with provincial and federal product standards. The AGLC must be advised immediately of any problems or concerns associated with product labels or product quality.
- 2.9.3 All stock replacements and faulty product must be fully documented.
- 2.9.4 From time to time the AGLC may draw random samples of liquor from licensed premises or warehouses, for the purpose of organoleptic and chemical analysis. The cost of this analysis is the responsibility of the liquor agency or supplier. The AGLC will advise of any negative results and the liquor agency or supplier will be required to furnish replacement product.
- 2.9.5 Liquor deemed by the AGLC or another regulatory body as unfit for human consumption will be recalled. Recalled liquor and inventories of identical liquor remaining in the warehouse may be required to be destroyed or returned to the liquor supplier (at the liquor supplier's request).
- 2.9.6 The AGLC is not responsible for costs associated with the return of liquor to its source, the destruction of faulty liquor or liquor abandoned by a liquor agent or supplier.



SECTION: WAREHOUSING REQUIREMENTS

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SUBJECT: RESPONSIBILITY FOR LOSS OR DAMAGE TO LIQUOR

POLICIES

- 2.10.1 Warehousers must ensure loss and damage to liquor is minimized through reasonable care and diligence.
- 2.10.2 The AGLC establishes a tolerance level for lost and damaged liquor. Warehousers are responsible for any loss or damage that exceeds this tolerance.
- 2.10.3 Subsection 2.10.2 does not apply to loss or damage which is the result of the negligent or willful acts or omissions of a warehouser, its directors, officers, employees, agents or others for whom it is at law, responsible.
- 2.10.4 Warehousers are liable for liquor damaged or destroyed in their warehouses due to the negligent or willful acts or omissions of the warehouser, its directors, officers, employees, agents or others for whom the warehouser is by law, responsible.
- 2.10.5 Warehousers are liable for all loss of liquor products caused by the theft or dishonest acts of a warehouser's employees. The value of any such losses are calculated based on the wholesale price, less any such excise or other taxes recoverable by the AGLC, included in the wholesale price.

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SUBJECT: GENERAL REQUIREMENTS

POLICIES

- 3.1.1 The AGLC may amend information requirements from time to time, at its sole discretion. The AGLC will specify the manner and timelines in which warehouseurs must provide the information. The AGLC will consult with warehouseurs in determining the detail and technical requirements of the information required.
- 3.1.2 Warehouseurs must provide, in electronic format, all information required by the AGLC in fulfilling its statutory obligations under the *Importation of Intoxicating Liquors Act, Customs Act, Excise Act, Excise Act 2001, Excise Tax Act, Gaming, Liquor and Cannabis Act, Gaming, Liquor and Cannabis Regulation, Environmental Protection and Enhancement Act* and Beverage Container Recycling Regulation.
- 3.1.3 Warehouseurs must process required information daily and transmit or receive, in an electronic format acceptable to the AGLC, all information specified in this policy. Warehouseurs must have the following, at a minimum, for the purposes of communicating with the AGLC:
- a) a computer with an internet account that runs FTP software for data transmission;
 - b) communication software enabling industry-standard communication, encryption, protocols and sessions; and
 - c) courier or delivery services for all critical documents (e.g. Customs and Excise documents).
- 3.1.4 Warehouseurs are responsible for the following:
- a) external audit requirements;
 - b) back-up recovery and disaster recovery measures;
 - c) the maintenance and management of documents; and
 - d) data security.

SUBJECT: SPECIFIC REQUIREMENTS

POLICIES

3.2.1 Warehouseurs must process on a daily basis and deliver to the AGLC by 3:00 A.M. of the next calendar day, the following reconciled information in an electronic format, acceptable by the AGLC:

- a) beginning inventory (must equal previous day's ending inventory);
- b) shipments (must equal invoiced quantities);
- c) details of each receipt of liquor into the warehouse;
- d) adjustments, including an explanation of all adjustments and details of returned, faulty or broken liquor;
- e) transfers of liquor into the warehouse from other warehouses;
- f) transfers of liquor out of the warehouse to other warehouses; and
- g) ending inventory (must equal beginning inventory, plus receipts/transfers in, minus shipments/transfers out, plus/minus adjustments).

Warehouseurs must supply the information in six digit product code, shipping container code or unit product code detail and specify units of measure.

3.2.2 Warehouseurs must report shipments to the AGLC and meet the specifications defined by the "Warehouse Inventory and Revenue Management System Overview (WIRM)" document. (To receive a copy of the document, contact the AGLC Manager, External Warehouse Administration at ExternalWarehouse@aglc.ca or 780-447-8600.)

3.2.3 Warehouseurs may be required to report separately, shipments of liquor to:

- a) duty free customers;
- b) diplomats;
- c) exports and out-of-province sales;
- d) British Army Training Unit Suffield (BATUS);

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- e) airlines; and
- f) any other authorized parties.

3.2.4 Warehouseurs must provide information as required by federal legislation for any liquor received in-bond.

3.2.5 Warehouseurs must be able to electronically receive, acknowledge and process information from the AGLC relating to new liquor products and liquor prices. Warehouseurs must meet the specifications defined in the “Warehouse Inventory and Revenue Management System Overview” document for these purposes. (To receive a copy of the document, contact the AGLC Manager, External Warehouse Administration at ExternalWarehouse@aglc.ca or 780-447-8600.)

3.2.6 Warehouseurs must be able to receive, acknowledge, and process information relating to new licensees or changes to licensees.

3.2.7 Warehouseurs must give the AGLC free and unrestricted access to the warehouse and all records including, but not limited to, the following:

- a) shipping reports;
- b) bills of lading;
- c) invoices;
- d) adjustments; and
- e) receiving reports.

The AGLC has the right to examine and make copies of all records and if necessary, to remove records from the warehouse for further review.

3.2.8 Warehouseurs must allow the AGLC and the Canada Revenue Agency, free and unrestricted access to the warehouse, for the following functions:

- a) counts of liquor being shipped;
- b) counts of liquor being received; and
- c) inventory counts.



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SUBJECT: CONFIDENTIALITY

POLICIES

- 3.3.1 Warehousers and the AGLC have access to and receive information relating to each other, the Government of Alberta, liquor suppliers, liquor agencies and liquor licensees. All of this information is the property of the respective person and confidential unless the person specifically states otherwise in a written consent or notice.
- 3.3.2 The AGLC is bound by the *Freedom of Information and Protection of Privacy (FOIP) Act*. Warehousers must treat all information they receive or have access to, with the strictest confidence. The warehouse must not divulge any information in its possession, or to which it has access, to anyone, without the prior written consent of the other party, the AGLC, or an affected liquor supplier, liquor agency or liquor licensee.
- 3.3.3 Warehousers acknowledge the *FOIP Act* and must protect any information they possess, receive or have access to under these policies to a standard at least as high as the requirements of the *FOIP Act*.
- 3.3.4 In addition to their obligations above, warehousers must undertake whatever steps are reasonably necessary to ensure any information given to or accessible by one of its employees, agents, contractors or other person working under its direction or control will abide by the undertaking given in 3.3.3.
- 3.3.5 In the event of a data breach, the warehouse must immediately inform AGLC of when the data breach was first identified.

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SECTION: ENFORCEMENT OF LEGISLATION

NUMBER: 4.1

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SUBJECT: INCIDENT REPORTS

POLICIES

- 4.1.1 When an Inspector, Auditor or AGLC warehouse administrator has reasonable grounds for believing that a violation of the *Gaming, Liquor and Cannabis Act*, the Gaming, Liquor and Cannabis Regulation or AGLC policy has occurred, that person has the authority to ask the warehouse owner to correct the situation.
- 4.1.2 Incident Reports set out the circumstances of an alleged violation. A copy is hand-delivered or mailed to the warehouse owner within seventeen (17) working days from the date of completion of the Incident Report.
- 4.1.3 The provisions of Sections 97 through 101 and 103 of the *Gaming, Liquor and Cannabis Act* apply to the warehouse owner as if the warehouse owner is a liquor licensee.

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NUMBER: 4.2

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SUBJECT: BOARD ACTION

POLICIES

- 4.2.1 The Board decides whether to hold a hearing with the warehouse based on circumstances contained in the Incident Report.
- 4.2.2 The Board may impose any of the following with or without a hearing:
 - a) a warning;
 - b) new conditions or the cancellation or amendment of existing conditions; and
 - c) the suspension or cancellation of the appointment of the warehouse as an agent of the AGLC.
- 4.2.3 When the Board takes action without a hearing and the warehouse requests one, a hearing will be scheduled as soon as possible, by the AGLC.

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NUMBER: 4.3

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SUBJECT: FORCE MAJEURE

POLICIES

4.3.1 If, due to circumstances beyond its control such as, but not limited to, the non-availability of liquor, a computer breakdown, hidden or transit damages to liquor, an act of God, a fire, storm, strike, lock-out or other labour dispute, any law, regulation or order by any governmental body or authority of competent jurisdiction, insurrection, riot or other civil disturbance, or any other cause beyond its reasonable control, or beyond the control of any person directly or indirectly engaged by it (any such event being referred to as “force majeure”), the warehouse is not able to perform its obligations under these policies, the warehouse will not be liable for its failure to so perform, provided, upon suffering the force majeure, the warehouse gives notice in writing to AGLC of such fact.

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SUBJECT: RELEASE OF BOARD DECISIONS

POLICIES

- 4.4.1 The Board releases information on disciplinary decisions to the public. The purpose of this policy is to allow the public, interested stakeholders and licensees, access to information on disciplinary decisions made by the Board of the AGLC.
- 4.4.2 The information made available includes the following:
- a) warehouse name and location of premises;
 - b) licence number (if applicable);
 - c) the section of the Act, Regulation or Board policy involved; and
 - d) the penalty.
- 4.4.3 The AGLC posts disciplinary information on the AGLC website at www.aglc.ca.
- 4.4.4 Disciplinary information will not be posted until the warehouse has:
- a) paid or agreed to the offered penalty; or
 - b) had a hearing before a panel of the Board and the Hearing panel has rendered a decision.
- 4.4.5 The publication of disciplinary information is at the discretion of the Board and may be extended to other forms of communication to the public, e.g. press release, web page, etc.