

Liquor Manufacturer Handbook

LIQUOR MANUFACTURER 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 AGLC is the province's liquor authority, responsible for administering and regulating the liquor industry in Alberta.
- 1.1.3 All liquor products in Alberta must be sold through AGLC.
- 1.1.4 Board policies are approved by the Board of the AGLC and signed by its Chair, on behalf of the Board.
- 1.1.5 Board policies related to liquor licence activities are conditions of the licence. This includes policies approved after the liquor licence is issued [Section 61(1) of the GLCA].
- 1.1.6 Guidelines are best business practices designed to help manufacturers meet operating requirements.
- 1.1.7 The Manufacturer Handbook, containing Board policies and guidelines, is available on AGLC website at aglc.ca.
- 1.1.8 Manufacturers are responsible for ensuring the handbook, GLCA and GLCR are available to their staff.
- 1.1.9 An activity not specifically permitted under these policies is prohibited.
- 1.1.10 Where a manufacturer's contact person does not have a working knowledge of the English language sufficient to understand the legislation and/or these policies, AGLC will ask the manufacturer to have an interpreter present whenever:
- a) discussing details of an application;
 - b) discussing the manufacturer's operation with AGLC; and
 - c) the manufacturer's contact person attends a Board meeting.

GUIDELINES

- 1.1.11 The purpose of this handbook is to provide information that will help manufacturers and their employees meet AGLC requirements for

SUBJECT: INTRODUCTION

operating in accordance with the legislation and Board policies. The handbook does not replace the GLCA or the GLCR.

- 1.1.12 The GLCA and GLCR may be accessed on the Queen's Printer web site at gp.alberta.ca.

SUBJECT: DEFINITIONS

POLICIES

1.2.1 The following definitions apply:

- a) "AGLC" means the Alberta Gaming, Liquor and Cannabis Commission;
- b) "Board" means the Board of AGLC;
- c) "CALJ" means the Canadian Association of Liquor Jurisdictions;
- c) "CLS" means Connect Logistics Services Inc., the central AGLC authorized liquor warehouser pursuant to Section 99 of the GLR;
- d) "GLCA" means the *Gaming, Liquor and Cannabis Act*;
- e) "GLCR" means the Gaming, Liquor and Cannabis Regulation;
- f) "Handbook" means the Liquor Manufacturer Handbook;
- g) "Inspector" means an Inspector of AGLC, a police officer as defined in the *Police Act* or someone designated by AGLC as an Inspector under the GLCA;
- h) "licensed premises" means all areas associated with the operations of the licensee, including but not limited to:
 - i) areas liquor may be sold or consumed; and
 - ii) any store room, lobby, kitchen, hallway or other service areas used by the licensee in support of the areas where liquor may be sold or consumed;
- i) "licensee" means the individual, partnership or corporation holding a Class E liquor licence;
- j) "liquor" means beverages that are intended for human consumption containing over 1% alcohol by volume (e.g., spirits, wine, liqueur, coolers, cider or beer);
- k) "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;
- l) "liquor supplier" (supplier) means:

SUBJECT: DEFINITIONS

- i) a manufacturer;
- ii) a person who operates an establishment for making liquor outside Alberta;
- iii) a person, other than AGLC, who is a distributor of liquor; or
- iv) any person who has a connection, as specified in the regulations, to a manufacturer or a person described in subclause ii) or iii) above; and
- m) “licensed facility” means the facility that an AGLC licensed Class E Manufacturer or Small Manufacturer operates and has legal control of, for the purpose of manufacturing liquor;
- n) “manufacturer” means an AGLC licensed Class E liquor Manufacturer;
- o) “sampling” refers to liquor products being provided to licensees free of charge for the purpose of sampling an existing or new brand of product; and
- p) “staff” means any person employed by the licensee or contracted by the licensee or third party to perform assigned or delegated duties.

SUBJECT: CONTACTING AGLC

GUIDELINES

1.3.1 AGLC office hours are 8:15 a.m. to 4:00 p.m. Monday to Friday, excluding statutory holidays and between Christmas and New Year's Day. Outside office hours and when staff is unavailable, messages may be left on voice mail.

St. Albert (Head Office)

50 Corriveau Avenue	Phone:	780-447-8600
St. Albert, Alberta	Fax:	780-447-8911
T8N 3T5	Fax:	780-447-8912

Calgary

110 Deerfoot Atrium		
6715 - 8 Street NE		
Calgary, Alberta	Phone:	403-292-7300
T2E 7H7	Fax:	403-292-7302

Red Deer

#3, 7965 – 49 Avenue		
Red Deer, Alberta	Phone:	403-314-2656
T4P 2V5	Fax:	403-314-2660

Grande Prairie

100-11039 – 78 Avenue		
Grande Prairie, Alberta	Phone:	780-832-3000
T8W 2J7	Fax:	780-832-3006

Lethbridge

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

1.3.2 AGLC web site address is: aglc.ca

1.3.3 AGLC's Liquor Manufacturer Liaison:
Liquor Planning & Reporting,
Liquor Services Division

Phone:	780-447-8600
Email:	liquorservices@aglc.ca

SUBJECT: LEGISLATION AND COMPLIANCE

POLICIES

- 1.4.1 Manufacturers and their staff must comply with:
- a) the GLCA;
 - b) the GLCR;
 - c) Board policies; and
 - d) all federal, provincial and municipal legislation.
- 1.4.2 Non-compliance with the legislation or Board policies may result in disciplinary action by the Board pursuant to Part 4 of the GLCA.
- 1.4.3 The licensee or manager approved by AGLC must notify AGLC immediately if charged with or convicted of an offence under:
- a) the *Criminal Code* (Canada);
 - b) the *Excise Act* (Canada);
 - c) the *Food and Drugs Act* (Canada);
 - d) the *Controlled Drugs and Substances Act* (Canada);
 - e) a foreign Act or Regulation substantially similar to an offence under a), b), c) or d);
 - f) the GLCA; or
 - g) the GLCR.
- 1.4.4 If a licensee is at any time charged or convicted of an offence set out in any of the legislation listed in Subsection 1.4.3, the Board may take disciplinary action including, but not limited to, suspension or cancellation of the liquor licence.
- 1.4.5 If a licensee misleads AGLC, fails to provide information or provides inaccurate information, the Board may take disciplinary action including, but not limited to, suspension or cancellation of the liquor licence.

SUBJECT: PROSERVE LIQUOR STAFF TRAINING

POLICIES

- 1.5.1 A manufacturer must meet ProServe Liquor Staff Training certification requirements. Equivalency may be granted for programs offered in other provinces if the program was taken within the last five years. The person must apply to the SMART Training Programs at smartprograms.aglc.ca to have the certification recognized.
- 1.5.2 ProServe certification is mandatory for the following full time and part time staff:
- a) positions where liquor is provided under the authority of a Class A, B, C, D, E, F and Duty Free licence (excluding Class D - Sacramental Wine Resale licence): *(Amended Oct 2018)*
 - i) licensed premises owners, managers, supervisors, retailers, bartenders, servers, greeters, and hosts;
 - ii) security staff (directly employed or contracted by the licensee); and
 - iii) owners and managers of a company contracted to provide security.
 - b) positions where liquor is provided under the authority of a Commercial Public Resale Special Event licence:
 - i) managers, supervisors, bartenders, servers, and drink ticket sellers;
 - ii) security staff (directly employed or contracted by the licensee); and
 - iii) owners and managers of a company contracted to provide security.
 - c) persons registered with AGLC as a liquor agency and their employees whose duties include the sampling of liquor products.
- 1.5.3 ProServe certification is not required for staff working full time or part time:
- a) as kitchen staff, bus persons, and cleaning staff in licensed premises;

SUBJECT: PROSERVE LIQUOR STAFF TRAINING

- b) where liquor is provided under the authority of a Community Public Resale Special Event licence;
 - c) where liquor is provided under the authority of a Private Special Event licence;
 - d) where liquor is provided under the authority of a Class C licence (Note: the Board may require the licensee to meet ProServe training requirements if the Class C licensee has violated the GLCA, GLCR, or Board policies).
- 1.5.4 Persons requiring ProServe must be certified:
- a) within 30 days of the employment start date for all new hires to positions identified in Subsections 1.5.2a) and 1.5.2c) or;
 - b) before a Commercial Public Resale Special Event for staff in positions identified in Subsection 1.5.2b).
- 1.5.5 A minimum score of 80% on an AGLC administered examination is required for ProServe certification.
- 1.5.6 ProServe certification is valid for a period of five (5) years from the date of successfully completing the program.
- 1.5.7 Valid ProServe certification must be maintained by successfully repeating the ProServe course (including passing the exam) before the certification expiration date.
- 1.5.8 Licensee staff must provide proof of ProServe certification at the request of an AGLC Inspector. Failure to present proof of ProServe certification may result in disciplinary action. Proof of ProServe certification includes:
- a) paper printed versions that have a QR code;
 - b) the personal information page printed from the staff member's SMART account;
 - c) a plastic card (that does not have a QR code);
 - d) clear images of any of the above (i.e. image, photograph or screen shot) saved on the staff member's mobile device/phone.
- 1.5.9 It is the responsibility of the licensee to ensure:

SUBJECT: PROSERVE LIQUOR STAFF TRAINING

- a) all staff in their premises who are required to have ProServe certification (as per Subsection 1.5.2) are certified in accordance with the requirements identified in Section 1.5; and
- b) at least one (1) ProServe certified staff member is on shift at all times.

1.5.10 Licensees must keep a log of employees that are ProServe certified, including the following information:

- a) employee name as it appears on the certification card;
- b) SMART Training registration number; and
- c) expiry date.

Note: Logs are subject to review by AGLC.

1.5.11 An industry worker's ProServe certification will be placed into conditional status when an employee at a licensed premises is found to violate any of the following:

- a) Section 75 of the GLCA: give, sell, or supply liquor to a minor;
- b) Section 75.1 of the GLCA: sell or provide liquor to an intoxicated person, permit an intoxicated person to consume liquor or take part in a gaming activity or provincial lottery that is conducted in the licensed premises; and
- c) AGLC Board policy: failure to ask for proof of age for those persons who appear to be under 25 years of age.

Note: Subsection 1.5.11 applies only to ProServe certifications completed on or after January 1, 2014.

1.5.12 Industry workers whose ProServe certification is placed into conditional status may continue working at a licensed premises, however, they are required to successfully retake ProServe certification and pay all required fees within 30 days from the date of notification by AGLC. Failure to do so will cancel their ProServe certification.

1.5.13 Industry workers placed on conditional status may appeal the violation in writing to the Vice President, Regulatory Services, within 14 days of the date of notification by AGLC. The decision of the Vice President is final.

SUBJECT: PROSERVE LIQUOR STAFF TRAINING

1.5.14 Industry workers whose appeal of the violation is unsuccessful will have 30 days from the date of the appeal outcome to recertify.

1.5.15 If an industry worker incurs three violations within a five-year period they will be ineligible for further ProServe certification.

GUIDELINES

1.5.16 ProServe is a social responsibility training course designed to reduce:

- a) underage drinking;
- b) over-consumption of liquor;
- c) impaired driving; and
- d) liquor related harms and violence.

1.5.17 ProServe certification options are found on the SMART Training website. For more information on ProServe contact:

SMART Training Programs
Alberta Gaming, Liquor and Cannabis Commission
50 Corriveau Avenue
St, Albert, Alberta
T8N 3T5

Toll Free: 1-877-436-6336

Fax: 780-651-7626

1.5.18 Website: smartprograms.aglc.ca



SECTION: GENERAL INFORMATION

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SUBJECT: STAFF TRAINING SESSIONS

GUIDELINES

- 1.6.1 AGLC Inspectors are available to provide training sessions to licensee staff to help them gain a better understanding of their responsibilities and authority regarding liquor manufacturing, sales, and service; and the operation of a licensed premises.
- 1.6.2 To arrange a staff training session, contact your nearest AGLC office (see Section 1.3 for AGLC contact information).

DATE ISSUED: September 11, 2018

AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: LICENCE FEES & AGENCY REGISTRATION

POLICIES

- 2.1.1 A one-time, non-refundable fee of \$200 must be submitted with all new liquor licence applications, with the following exceptions:
- a) No application fee is required for a new licence following expiry of the existing licence.
 - b) A single fee of \$200 is required when an application is made for more than one (1) licence for the same premises at the same time.
- 2.1.2 An annual licence fee is due on the date of licence issue according to the following schedule:
- | | |
|-------------------------------------|-------|
| a) Class A | \$200 |
| b) Class D - Manufacturer Off Sales | \$100 |
| c) Class E | \$500 |
- 2.1.3 The applicable annual fee (see Subsection 2.1.2) must be received by AGLC before a licence is issued.
- 2.1.4 A manufacturer is automatically registered as a liquor agency; and not required to make a separate application to become registered.
- 2.1.5 If a manufacturer's liquor licence is terminated, the agency registration is also terminated.

SUBJECT: APPLICATION REVIEW

POLICIES

- 2.2.1 Liquor licence applications are subject to review and approval by AGLC.
- 2.2.2 When reviewing applications, AGLC considers:
- a) the appropriateness of the proposed premises;
 - b) the applicant's eligibility; and
 - c) the expressed views of the local community.
- 2.2.3 If AGLC does not support a licence application due to operational problems, operational style changes or major structural changes to the premises made by the applicant, the application will be referred to the Board for decision.
- 2.2.4 If a licence expires, the licensee must stop liquor manufacturing, sales and service until a new licence is issued.

Reasons for Licence Refusal

- 2.2.5 AGLC may refuse to issue a liquor licence if, within the five (5) years prior to the application date, the applicant, any of the applicant's employees, any of the applicant's associates or any person associated with the applicant fails to pass a records check (see Subsection 2.2.6).
- 2.2.6 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 Subsection 2.2.6a i),
 - b) has at any time been charged with or convicted of:

SUBJECT: APPLICATION REVIEW

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 Subsection 2.2.6b i),

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

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

2.2.7 AGLC may refuse to issue a liquor licence if the applicant, any of the applicant's employees or associates, or any person or entity connected to or associated with the applicant:

a) has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, based on their past conduct;

b) would be a detriment to the integrity or lawful conduct of liquor activities; or

c) has a background, reputation and/or associations that may cause adverse publicity for the liquor industry in Alberta.

2.2.8 AGLC may refuse to issue a liquor licence if, within the five (5) years prior to the application date, the applicant, any of the applicant's employees or any person associated with the applicant has contravened:

a) the GLCA or the GLCR;

b) a predecessor of the GLCA or the GLCR; or

c) a condition imposed on a licence or registration issued or made under the GLCA.

2.2.9 AGLC may also refuse to issue a liquor licence:

a) if the applicant is not eligible to receive the licence; and

b) if the requirements of the GLCA, GLCR and Board policies have not been met.

SUBJECT: APPLICATION REVIEW

GUIDELINES

- 2.2.10 First-time applicants should contact AGLC (see Section 1.3 for AGLC contact information).
- 2.2.11 A licensee should first consult this handbook and then contact AGLC when:
- a) seeking a new licence or a new class of licence;
 - b) seeking an endorsement to an existing licence (e.g., a patio or banquet room endorsement);
 - c) planning to renovate their premises; or
 - d) planning to relocate.
- 2.2.12 Licensees are sent a reminder notice six weeks prior to the expiry of their existing licence.

SUBJECT: OBJECTION(S) TO AN APPLICATION

POLICIES

New Class A, D or E Premises

2.3.1 AGLC will post all applications for the following types of licences on aglc.ca:

- a) Class A, D and E liquor licence(s) for new premises;
- b) existing licensed premises applying for additional Class A, D or E licence(s);
- c) changes to the class of liquor licence; and
- d) relocations of existing licensed premises.

2.3.2 The following information will be posted on AGLC website:

- a) name of the applicant;
- b) name of the proposed premises;
- c) municipal address of the proposed premises;
- d) licence(s) applied for; and
- e) the date that a written objection must be received by AGLC.

2.3.3 All objections must be submitted in writing and received by AGLC within 21 calendar days from the date the application is posted on AGLC website in order for the objection to be considered during the current licensing process (See Subsection 2.3.16).

2.3.4 The applicant will be notified in writing of all objections received.

2.3.5 The applicant will be given 14 days from the date of notification to respond in writing to the objection; an extension may be requested by the applicant. No licence(s) will be issued until the objection and the applicant's response, if any, have been considered by the Board.

2.3.6 The applicant and the person(s) filing the objection will be advised in writing of the Board's decision.

2.3.7 If no objections to the issue of a licence are received within the 21 calendar days AGLC will continue with the licensing process.

SUBJECT: OBJECTION(S) TO AN APPLICATION

Existing Licensed Premises/Facilities

- 2.3.8 For existing licensed premises, only written objections received by AGLC at least 90 days prior to the expiration of the current licence will be provided to the Board for consideration.
- 2.3.9 The applicant will be notified in writing of all objections received.
- 2.3.10 The applicant will be given 14 days from the date of notification to respond in writing to the objection; an extension may be requested by the applicant. No licence(s) will be issued until the objection and the applicant's response, if any, have been considered by the Board at the earliest possible date.
- 2.3.11 The applicant and the person(s) filing the objection will be advised in writing of the Board's decision.
- 2.3.12 If no objections to the issue of a licence are received within the 90 calendar days prior to the expiration of the current licence AGLC will continue with the licensing process.
- 2.3.13 The Board will not consider an objection for an existing licensed premises where there is a sale, transfer or change in control. Should an objection be received during a sale, transfer or change in control, the Board will deal with the objection at least 90 days before the expiration of the new licence term.

Other Liquor Licence(s)/Registrations

- 2.3.14 If any written objection to an application for a liquor licence not referred to above is received by AGLC, the following policies apply:
- a) The applicant will be notified in writing of all objections received.
 - b) The applicant for the licence will be given 14 days from the date of notification to respond to the objection; an extension may be requested by the applicant;
 - c) The objection and the applicant's response, if any, will be submitted to the President & Chief Executive Officer (CEO) of AGLC for consideration. Should an objection to the issue of a licence be received by AGLC without sufficient time to consider the objection, a new licence may be issued and the objection

SUBJECT: OBJECTION(S) TO AN APPLICATION

will be considered by the President & CEO at the earliest possible date.

- 2.3.15 Any objection to an application for a licence received after the specified time frames noted above will not be taken into consideration. The objector(s) will be advised accordingly.

GUIDELINES

- 2.3.16 A request may be made to view the floor plan/site plan of the applicant's proposed premises prior to submitting an objection. The person making the request will be given 21 days from the date the application is posted to view the plans and to submit a written objection.

- 2.3.17 Objections and/or requests to view the plans of proposed premises may be forwarded to:

Alberta Gaming, Liquor and Cannabis Commission
Director, Inspections
50 Corriveau Avenue
St. Albert, Alberta
T8N 3T5

Fax: 780-447-8913

Email: Inspections.Mailbox@aglc.ca

- 2.3.18 If a request to view the plans is received, AGLC will contact the stakeholder to arrange a time to view the floor plan/site plan at the nearest AGLC office to the proposed premises. See Section 1.3 for AGLC office locations.

SUBJECT: CHANGE OF STATUS (SALE, ASSIGNMENT, TRANSFER OR CLOSURE)

POLICIES

2.4.1 A manufacturer cannot sell, assign or transfer a liquor licence.

2.4.2 A manufacturer's licence is automatically cancelled when:

- a) a manufacturer sells, assigns or transfers a portion of the business in which activities authorized by the liquor licence are carried out; and
- b) the sale, assignment or transfer results in a change in control of the business.

2.4.3 A proposed sale, assignment or transfer of a portion of a business:

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

must be reported to AGLC by the licensee and must be approved by AGLC prior to the effective date of the sale, assignment or transfer.

2.4.4 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 liquor licence are carried out;

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

2.4.5 AGLC may, with respect to a sale, assignment or transfer as per Subsections 2.4.3 and 2.4.4:

- a) approve it without conditions;
- b) approve it with conditions;
- c) approve it with changes to or removal of existing conditions; or
- d) refuse to approve it.

SUBJECT: CHANGE OF STATUS (SALE, ASSIGNMENT, TRANSFER OR CLOSURE)

2.4.6 Where AGLC refuses to approve a sale, assignment or transfer, after the sale, assignment or transfer takes effect AGLC may treat the licensee as ineligible to hold a liquor licence and:

- a) cancel or suspend the licence;
- b) require a person to dispose of an interest in the business under which the activities authorized by the licensee are carried out; and/or
- c) require a person to dispose of an interest in a licensed premises.

2.4.7 When a licensed premises must be closed due to significant damage by fire or other natural events, the licence is cancelled by AGLC. However, the licensee may obtain a new licence if the premises is restored to an acceptable condition, complies with current policies and the licensee continues to qualify to hold a liquor licence.

2.4.8 Existing licences may remain in effect if a licensee is placed in receivership or bankruptcy. The licence may continue for a period determined by the Board of AGLC and is subject to any conditions imposed on the licence by the Board.

2.4.9 AGLC shall refuse to grant a licence to a new owner when an Incident Report or disciplinary action is in progress against the existing licensee until such time as the Incident Report or disciplinary action has been dealt with by AGLC.

2.4.10 A licence application fee will not be charged when:

- a) individual owners incorporate and a controlling interest in the business continues to be held by the original owners;
- b) the transfer or assignment of shares does not result in a transfer of control of the business; or
- c) only the name of the company or premises changes.

2.4.11 The seller of a licensed premises may apply for a refund of the annual licence fee when:

- a) the premises have been sold; and
- b) the licence certificate has been returned.

2.4.12 A refund will not be paid when:

SUBJECT: CHANGE OF STATUS (SALE, ASSIGNMENT, TRANSFER OR CLOSURE)

- a) the premises are destroyed by fire;
- b) the premises are closed or licence surrendered;
- c) the licence has been cancelled by the Board;
- d) there is a change of licence class; or
- e) the licence is seasonal.

2.4.13 Refunds are based on the original annual licence fee less:

- a) the prorated portion during which the licence was in effect; and
- b) a \$100 administration charge.

GUIDELINES

2.4.14 Prospective applicants wishing to purchase a licensed premises can find a list of the documents required by AGLC at: aglc.ca.

2.4.15 A licensee selling or closing their premises permanently may sell their remaining liquor stock to another licensee. The purchaser of the liquor stock is responsible to ensure the product is legal and of acceptable quality (i.e., not adulterated or contaminated).

SUBJECT: CLASS E LICENCE - SMALL MANUFACTURER

POLICIES

3.1.1 A Class E Small Manufacturer's licence may be issued to a qualified applicant to manufacture:

- a) less than 400,000 hectolitres (hl) of beer in total annual worldwide production (AWP);
- b) less than 20,000 hl of cider or ready-to-drink beverages (e.g. coolers) in total AWP (i.e. any combination of cider and ready-to-drink beverages below 20,000 hl);
- c) less than 10,000 hl of wine or mead in total AWP (i.e. any combination of wine and mead below 10,000 hl); or
- d) less than 1,500 hl of spirits in total AWP.

Note: If any of the above four thresholds are exceeded, (see Subsection 3.1.2 for explanation on AWP calculation), the manufacturer will no longer be considered a small manufacturer, and must comply with Section 3.3.

3.1.2 **Annual Worldwide Production (AWP)**

AGLC includes the total AWP in the facility/facilities (based on the previous calendar year) where the liquor manufacturer is or was producing or obtaining its liquor products. This includes all liquor products and all contracted or leased volumes being produced for all manufacturers at other facilities. For the purpose of determining AWP, the following applies:

- a) the manufacturer must provide independent verification to AGLC that reported production volumes of all products are accurately reflected in the Declaration of Production (Form 456). This verification must be submitted to AGLC within 90 days of the previous calendar year;
- b) independent verification must be provided by an internal or external auditor/accountant, or through submission of assessed taxation reports. Those providing the verification must be independent of management and in good standing with their legislatively recognized accounting body;

SUBJECT: CLASS E LICENCE - SMALL MANUFACTURER

- c) if a manufacturer enters into a contract with another manufacturer to produce liquor products, both manufacturers must report the total production volume of the contracted products to AGLC and include it in their AWP;
- d) if a manufacturer or associate of the manufacturer [as defined in Section 1(7) of the GLCR] has controlling interest [as defined in Section 1(2) of the GLCR] in another manufacturing facility, the AWP of all products in all facilities will be added together to determine the AWP; and
- e) where manufacturers collaborate to manufacture liquor, they must report the total collaboration production volume to AGLC and include it in their AWP.

3.1.3 When applying for a Class E licence, a manufacturer must provide proof of application for a Federal Excise Licence (e.g. confirmation email from the Canada Revenue Agency).

3.1.4 Licensees must operate and have legal control of the manufacturing facility and equipment. The facility must be dedicated to the manufacture of liquor and be physically separate from other businesses (i.e. its own entrance and exit separate from the entrance and exit of other businesses; a floor to ceiling wall between the businesses; and its own receiving and storage area separate from other businesses). In addition, a residence, as defined in Section 1(1)(z) of the GLCA, is not an allowable location for a manufacturing facility.

3.1.5 Licensees must use raw materials (e.g. grain, juice or juice concentrate) and commercial manufacturing equipment to produce liquor. Blending neutral grain spirits with a flavouring agent is not considered manufacturing for the purpose of licensing eligibility.
Note: Blending, flavouring or packaging liquor in accordance with Section 3.4 is not considered manufacturing.

3.1.6 A licensee may manufacture alcoholic beverages allowed by the Food and Drug Regulation (Canada). Prior written approval of AGLC is required for the manufacture of products not specified in the Food and Drug Regulation (Canada).

SUBJECT: CLASS E LICENCE - SMALL MANUFACTURER

- 3.1.7 A licensee producing beer must manufacture all beer on site from raw materials (except as permitted in Section 6.2 Class E Licence-Collaboration and Contract Manufacturing).
- 3.1.8 A licensee producing wine and cider must vinify 80% of wine on site (except as permitted in Section 6.2 Class E Licence-Collaboration and Contract Manufacturing). “Vinify” means to convert a sugar-containing solution such as fruit juice or honey into wine through fermentation. This process can start with the fruit (e.g., grapes), the juice or a juice concentrate.
- 3.1.9 A licensee producing spirits must distill 80% of spirits on site (except as permitted in Section 6.2 Class E Licence – Collaboration and Contract Manufacturing).
- 3.1.10 A licensee that has been licensed for a minimum of six months may blend, flavour, or package (as defined in Section 3.4) liquor products obtained in bulk from other manufacturers/suppliers.

Note: “Bulk” means alcohol that is not packaged or sold to consumers.
- 3.1.11 The blended or flavoured products must not exceed 20% of the licensee’s annual (calendar year) production in the Alberta-based facility where the liquor is manufactured, blended, flavoured and/or packaged. For wineries, cideries and distilleries where 20% of the wine, cider and spirits may be vinified or distilled off-site, they must ensure 80% of their total annual production is not blended and/or flavoured, regardless of where the products are vinified or distilled.
Example: If a licensee produces 1,000 hl in a calendar year, the licensee may blend 200 hl. (20% of the 1,000 hl).

Note: the amount of liquor blended, flavoured or packaged for, or on behalf of a liquor manufacturer, by a contracted manufacturer, does count toward the contractor’s own 20% maximum for blended or flavoured product referred to above.
- 3.1.12 A licensee may provide packaging services in any amount to other Class E licensees.
- 3.1.13 Licensees must have a quality control program in place to ensure the health and safety of liquor produced.
- 3.1.14 Liquor products manufactured by a licensee are subject to periodic chemical analysis by AGLC.

SUBJECT: CLASS E LICENCE - SMALL MANUFACTURER

- 3.1.15 The licensee warrants that all products manufactured:
- a) are of merchantable quality, fit and intended for human consumption and free from defects or corruption of any kind;
 - b) fall within the maximum allowable limits as specified in the CALJ Quality and Health Standards and Alcohol Tolerances (as mentioned in the [Liquor Agency Portal](#));
 - c) comply with CALJ standards for Tamper Evident Packaging (as mentioned in the [Liquor Agency Portal](#)); and
 - d) are packaged and labelled in safe containers and packages and in compliance with the *Controlled Drugs and Substances Act* (Canada), the *Food and Drugs Act* (Canada) and any regulations passed under this legislation as may be amended from time to time.
- 3.1.16 AGLC retains the right to request a sample for analysis if required.
- 3.1.17 The licensee must 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 from the production, sale or consumption of goods produced by the Class E licensee or from any act or omission of the Class E licensee, its employees or agents, including without limiting the generality of the foregoing:
- a) infringement of copyrights, patents or trademark rights by the Class E licensee;
 - b) any defect, flaw, fault or corruption alleged or proven in any goods supplied by the Class E licensee;
 - c) any failure by the Class E licensee to package or label goods as warranted above;
 - d) non-compliance with the *Controlled Drugs and Substances Act* (Canada) and regulations;
 - e) non-compliance with the *Food and Drugs Act* (Canada) and regulations;
 - f) non-compliance with CALJ Quality and Health Standards and Alcohol Tolerances (as mentioned in the [Liquor Agency Portal](#)); and

SUBJECT: CLASS E LICENCE - SMALL MANUFACTURER

g) non-compliance with CALJ Standards for Tamper Evident Packaging (as mentioned in the [Liquor Agency Portal](#)).

3.1.18 A licensee is not permitted to produce vaporized alcoholic beverages.

3.1.19 A licensee must maintain records satisfactory to AGLC, including details of raw materials purchased and used and final production figures. Licensee records are subject to review and audit by AGLC. Contact AGLC for more information about record keeping (see Section 1.3 for AGLC information).

3.1.20 A licensee may not enter into a contract or any other relationship with another licensee that results in an exchange of money, benefits or services except as allowed under Subsections 3.1.10 and 6.2 and Section 9.

3.1.21 A licensee may provide or sell its product with the following conditions:

- a) the licensee is responsible to quote a price for each product it intends to manufacture;
- b) product tastings and sampling must comply with Sections 9.5 and 9.6;
- c) product delivery directly to another licensee requires the written authorization of AGLC; and
- d) a product may be exported subject to conditions set by the federal government and the jurisdiction receiving the product.

3.1.22 In addition to meeting Board policy requirements, a licensee is required to:

- a) comply with federal government standards for alcohol content, type of container and labelling of its products (for more information visit the Government of Canada website at: www.canada.ca/en/services/business/permits)
- b) ensure all production materials and end-products comply with Canadian Food and Drug Regulations (contact the Health Protection Branch, Health Canada in Edmonton or Calgary); and
- c) comply with federal and provincial construction and production standards and pay all required licence fees, taxes and duties.

SUBJECT: CLASS E LICENCE - SMALL MANUFACTURER

- 3.1.23 A licensee's products are subject to provincial markup. Markup rates depend on product type and alcohol percentage ([Markup Rate Schedule](#))
- 3.1.24 Small manufacturers are permitted to sell their products at farmers' markets and artisan markets (see Section 3.5).
- 3.1.25 One or more Class A liquor licences may be issued to a manufacturer holding a valid Class E Small Manufacturer's licence, or to a qualified applicant for a Class E Small Manufacturer's licence, if the Class A premises or proposed premises meets all Class A liquor licence requirements (see Sections 3.7 and 3.8).
- 3.1.26 A Class A Manufacturer's Taproom licence or Class A Manufacturer's Lounge licence may be issued to a manufacturer holding a valid Class E Small Manufacturer's licence, or to a qualified applicant for a Class E Small Manufacturer's licence if the license or applicant abides by the conditions in Sections 3.7 or 3.8.
- 3.1.27 If a Small Manufacturer exceeds the total AWP specified in Subsection 3.1.1 and also owns more than one Class A premises and/or Class A premises located on a different property than the Class E licensed premises, the manufacturer must divest itself of these Class A premises within a year of declaring its total annual worldwide production to AGLC.
- 3.1.28 If there is a sale, assignment or transfer of a portion of the small manufacturer's business to a manufacturer, the manufacturer must divest itself of any Class A premises located on different property than the Class E licensed premises within a year of the sale, assignment or transfer.
- 3.1.29 A Class D Manufacturer's Off Sales licence may be issued to a manufacturer holding a valid Class E Small Manufacturer's licence, or to a qualified applicant for a Class E Small Manufacturer's licence if the licensee or applicant abides by the conditions in Section 3.5.
- 3.1.30 If a licensee has a Class D Manufacturer's Off Sales licence (see Section 3.5), sales to licensees must be at the registered wholesale price.
- 3.1.31 A Class D Delivery Service Licence may be issued to a manufacturer holding a valid Class E Small Manufacturer's licence, or to a qualified

SUBJECT: CLASS E LICENCE - SMALL MANUFACTURER

applicant for a Class E Small Manufacturer's licence if the licensee or applicant abides by the conditions in Section 3.6.

GUIDELINES

3.1.32 A licensee may utilize a separate warehouse for aging purposes provided the warehouse is bonded and controlled and operated by the licensee.

3.1.33 Hospitality Rooms:

- a) A licensee may establish a hospitality room in a private reception area within the manufacturing facility;
- b) where a licensee supplies products to AGLC, the licensee may request authorization to use a hospitality room located within its corporate offices in Alberta for sampling purposes, under the authority of a Special Event Hospitality Licence; and
- c) all products served in a hospitality room must be purchased from AGLC.

SUBJECT: CLASS E LICENCE – ESTATE MANUFACTURER

POLICIES

- 3.2.1 "Estate Manufacturer" means a Small Manufacturer (see Section 3.1.1) that manufactures wine, beer, spirits, coolers, cider, mead and /or braggot on an Alberta-based farm site. Sales of the products occur through AGLC including through off sales at the facility (farm gate), farmers' markets or artisan markets.
- 3.2.2 A Class E Small Manufacturer licence may be issued to a qualified estate manufacturer to sell wine, beer, spirits, coolers, cider, mead and/or braggot produced on site only.
- 3.2.3 The estate manufacturing facility must be located on the farm site and the licensee must operate and have legal control of the manufacturing facility and equipment.
- 3.2.4 The Estate Manufacturer must meet the following production requirements:
- a) A minimum of five (5) acres of land in fruit, grain, vegetable, hops or other raw material production which is used to manufacture the estate's wine, beer, spirits, coolers, cider, mead and/or braggot. For honey operations, a minimum of 50 active bee colonies must be owned and managed.
 - b) Fruit wineries: A minimum of 75% of fruit needs to be harvested by the winery and a maximum of 25% may be from another Alberta grower.
 - c) Meaderies (including Braggot): A minimum of 75% of honey needs to be harvested by the meadery and a maximum of 25% may be from another Alberta grower.
 - d) Cideries: A minimum of 75% of apples needs to be harvested by the cidery and a maximum of 25% may be from another Alberta grower.
 - e) Breweries: A minimum of 75% of grains needs to be harvested by the brewery and a maximum of 25% may be from another Alberta grower.
 - f) Distilleries: A minimum of 75% of fermentable sugars need to be harvested by the distillery and a maximum of 25% may be from another Alberta producer.

SUBJECT: CLASS E LICENCE – ESTATE MANUFACTURER

Note: In case of crop failure or when no raw material is available in Alberta, the estate producer is allowed to source the raw material from other Canadian sources.

- 3.2.5 Estate Manufacturers must comply with the manufacturing policies specified in Subsections 3.1.2 – 3.1.22.
- 3.2.6 An Estate Manufacturer is permitted to sell its products at farmers' markets and artisan markets (see Section 3.5).
- 3.2.7 One or more Class A liquor licences may be issued to an Estate Manufacturer holding a valid Class E Small Manufacturer's licence, or to a qualified applicant for a Class E Small Manufacturer's licence, if the Class A premises or proposed premises meets all Class A Liquor licence requirements (see Sections 3.7 and 3.8).
- 3.2.8 If an Estate Manufacturer exceeds the total annual worldwide production specified in Subsection 3.1.1, the Estate Manufacturer will be considered a Manufacturer and will no longer be eligible to sell its products at farmers' markets or artisan markets.
- 3.2.9 If an Estate Manufacturer exceeds the total annual worldwide production specified in Subsection 3.1.1 and owns Class A Premises located away from the manufacturing facility, the Estate Manufacturer must divest itself of all Class A premises located away from the manufacturing facility within a year of declaring its total annual worldwide production to AGLC. In addition, the manufacturer will only be eligible for one Class A premises located within the same location as the manufacturing facility.
- 3.2.10 If there is a sale, assignment or transfer of a portion of the Estate Manufacturer's business to a Manufacturer, the Manufacturer must divest itself of any Class A premises located away from the manufacturing facility and only have one Class A premises located within the same location as the manufacturing facility.

SUBJECT: CLASS E LICENCE - MANUFACTURER

POLICIES

- 3.3.1 A Class E Manufacturer's licence may be issued to a qualified applicant to manufacture:
- a) 400,000 hectolitres (hl) or more of beer in total annual worldwide production (AWP);
 - b) 20,000 hl or more of cider or ready-to-drink beverages (e.g. coolers) in total AWP (i.e. any combination of coolers or cider or ready-to-drink beverages at or above 20,000 hl);
 - c) 10,000 hl or more of wine or mead in total AWP; (i.e. any combination of wine and mead at or above 10,000 hl); or
 - d) 1,500 hl or more of spirits in total AWP.
- 3.3.2 Manufacturers must comply with the manufacturing policies specified in Subsections 3.1.2 – 3.1.22.
- 3.3.3 Manufacturers are not permitted to sell their products at farmers' markets or artisan markets.
- 3.3.4 A Class A liquor licence may be issued to a manufacturer holding a Class E Manufacturer's licence, or to a qualified applicant for a Class E Manufacturer's licence, if both premises are located on the same property and a Class A premises meets all Class A licensing requirements (see Sections 3.7 and 3.8).
- 3.3.5 A Class A Manufacturer Taproom licence or a Class A Manufacturer Lounge licence may be issued to a manufacturer holding a valid Class E Manufacturer's licence or to a qualified applicant for a Class E Manufacturer's licence, if the licensee or applicant abides by the conditions in Sections 3.9 and 3.10.
- 3.3.6 A Class D Manufacturer's Off Sales licence may be issued to a manufacturer holding a valid Class E Manufacturer's licence or to a qualified applicant for a Class E Manufacturer's licence, if the licensee or applicant abides by the conditions in Section 3.5.
- 3.3.7 If a manufacturer has a Class D Manufacturer's Off Sales licence (see Section 3.5), sales to licensees must be at the registered wholesale price.

SUBJECT: CLASS E LICENCE - MANUFACTURER

3.3.8 A Class D Delivery Service Licence may be issued to a manufacturer holding a valid Class E Manufacturer's licence, or to a qualified applicant for a Class E Manufacturer's licence if the licensee or applicant abides by the conditions in Section 3.6.

GUIDELINES

3.3.9 An out-of-province manufacturer that supplies product to AGLC does not require a Class E licence.

3.3.10 A licensee may utilize a separate warehouse for aging purposes provided the warehouse is bonded and controlled and operated by the licensee.

3.3.11 Hospitality Rooms:

- a) a licensee may establish a hospitality room in a private reception area within the manufacturing facility;
- b) where a licensee supplies products to AGLC, the licensee may request authorization to use a hospitality room located within its corporate offices in Alberta for sampling purposes, under the authority of a Special Event Hospitality Licence; and
- c) all products served in a hospitality room must be purchased from AGLC.

SUBJECT: CLASS E LICENCE - PACKAGING

POLICIES

3.4.1 In Section 3.4:

- a) “blend” means to combine or mix liquor with other liquor or non-liquor ingredients;
- b) “finished product” means the final packaged product intended for human consumption;
- c) “flavour” means to deliberately alter the taste of; and
- d) “package” means to transfer liquor into a container such as a bottle, can, box or other receptacle used for holding liquor and/or into any package that holds the containers.

3.4.2 A Class E - Packaging licence will only be issued to blend, flavor and/or package liquor for, or on behalf of, a liquor supplier as approved by AGLC.

3.4.3 A Class E – Packaging licensee will be permitted to:

- a) blend, flavour and package liquor in its licensed premises;
- b) possess and store the liquor it blends, flavours and packages in its licensed premises; and
- c) deliver the liquor it blends, flavours and packages to:
 - i) AGLC on behalf of the liquor supplier; or
 - ii) the liquor supplier.

3.4.4 A Class E - Packaging licensee is prohibited from manufacturing or selling liquor.

3.4.5 Before a Class E - Packaging licence is issued, the applicant must obtain a Federal Excise Licence.

3.4.6 The Class E - Packaging licensee warrants that all goods supplied to AGLC:

- a) are of merchantable quality, fit and intended for human consumption and free from defects or corruption of any kind;
- b) fall within the maximum allowable limits as specified in the CALJ Quality and Health Standards and Alcohol Tolerances (as mentioned in the [Liquor Agency Portal](#));

SUBJECT: CLASS E LICENCE - PACKAGING

- c) comply with CALJ Standards for Tamper Evident Packaging (as mentioned in the [Liquor Agency Portal](#)); and
- d) are packaged and labelled in safe containers and packages and in compliance with the *Controlled Drugs and Substances Act* (Canada), the *Food and Drugs Act* (Canada) and any regulations passed under this legislation as may be amended from time to time.

3.4.7 Beverage containers in Alberta are governed by the *Environmental Protection and Enhancement Act* and the Beverage Container Recycling Regulation. This legislation requires all beverage containers to be registered. AGLC will accept liquor containers that are of a type (e.g., glass bottle, polyethylene terephthalate (PET) bottle, aluminum cans) that are currently registered with the Beverage Container Management Board (BCMB).

3.4.8 Requests for 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. AGLC will not list the product until the container is registered.

3.4.9 The Class E - Packaging licensee must 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 Class E – Packaging licensee or out of any act or omission of the Class E – Packaging licensee, its employees or agents, including without limiting the generality of the foregoing:

- a) infringement of copyrights, patents or trademark rights by the Class E – Packaging licensee;
- b) any defect, flaw, fault or corruption alleged or proven in any goods supplied by the Class E – Packaging licensee;
- c) any failure by the Class E – Packaging licensee to package or label goods as warranted above;
- d) non-compliance with the *Controlled Drugs and Substances Act* (Canada) and regulations;
- e) non-compliance with the *Food and Drugs Act* (Canada) and regulations;

SUBJECT: CLASS E LICENCE - PACKAGING

- f) non-compliance with the CALJ Quality and Health Standards and Alcohol Tolerances (as mentioned in the [Liquor Agency Portal](#)); and
- g) non-compliance with CALJ Standards for Tamper Evident Packaging (as mentioned in the [Liquor Agency Portal](#)).

3.4.10 AGLC retains the right to request a sample for analysis, if required.

3.4.11 A Class E - Packaging licensee must maintain records satisfactory to AGLC. Licensee records are subject to review and audit by AGLC.

GUIDELINES

3.4.12 Information on how to obtain a federal excise licence may be found on the Canada Revenue website.

3.4.13 CALJ Standards for Tamper Evident Packaging and Quality and Health Standards and Alcohol Tolerances (as mentioned in the [Liquor Agency Portal](#)).

3.4.14 For information on registering a container contact the BCMB at: 780-424-3193 or 1-888-424-7671, fax: 780-428-4620 or email: info@bcmb.ab.ca.

SUBJECT: CLASS D LICENCE - MANUFACTURER OFF SALES

POLICIES

3.5.1 A Small Manufacturer, Estate Manufacturer or Manufacturer holding a valid Class E licence may obtain a Class D Off Sales licence authorizing the sale of products made by the manufacturer for off-premises consumption with the following conditions:

- a) the licensee operates and has legal control of the facility in which the off sales outlet is located;
- b) unless otherwise approved by the Board, only products manufactured under the Class E licence may be sold through off sales;
- c) the licensee must pay AGLC per-litre flat markup, container deposit, environmental fees and applicable GST charges for all off sales;
- d) the licensee must maintain records of all off sales satisfactory to AGLC; and
- e) liquor sold under a Class D licence must be in sealed containers and removed from the premises by the patron for off-premises consumption.

3.5.2 A Small Manufacturer holding a Class D Manufacturer's Off Sales Licence may apply for an extension of the licence to allow the sale of product at farmers' markets approved by Alberta Agriculture and Forestry with the following conditions:

- a) all provisions of Subsection 3.5.1b) - e) must be met;
- b) a designated, self-contained area must be available for product storage, display and sales;
- c) minors must not be served or sold any liquor; and
- d) the small manufacturer must obtain approval from the desired farmers' market and responsible health authority.

3.5.3 A Small Manufacturer may also apply for an extension of the Class D Manufacturer's Off Sales Licence to allow the sale of product at artisan markets approved in advance by AGLC. In addition to meeting the conditions specified in Subsection 3.5.2a) – d), the artisan market

SUBJECT: CLASS D LICENCE - MANUFACTURER OFF SALES

must have a written jurying process (or similar show entry or vendor selection process) that ensures:

- a) the market focus is on high-quality, handmade goods;
- b) the market is composed entirely of vendors/manufacturers who sell market goods of their own making and not commercially produced goods;
- c) market vendors/manufacturers are permitted to only sell their own manufactured products;
- d) no used goods are permitted;
- e) each manufacturer has its own booth that must be staffed by the manufacturer or its direct employees;
- f) the market is comprised of a variety of artisan vendor types; and
- g) liquor products and/or work assembled from commercial kits or materials are not allowed.

3.5.4 No one under age 18 may be admitted to an off sales outlet unless accompanied by a parent, guardian or spouse who is an adult and who is on the licensed premises to purchase liquor for off-premises consumption.

3.5.5 A Class D – Manufacturer’s Off Sales licensee may deliver liquor subject to the conditions specified in Section 3.6.

3.5.6 In addition to these policies, a licensee must comply with Board policies for:

- a) advertising (see Section 8); and
- b) product promotions (see Section 9).

3.5.7 A licensee may designate a self-contained area within the off sales outlet for hospitality purposes. Products used for hospitality purposes must be purchased from AGLC.

3.5.8 A licensee is authorized to set their own prices for off sales, however sales to licensees must be at the registered wholesale price.

SUBJECT: CLASS D LICENCE - MANUFACTURER OFF SALES

3.5.9 For a list of non-liquor products a liquor store may sell, manufacturers/agencies should refer to Section 4.3 of the Retail Liquor Store Handbook.

SUBJECT: CLASS D LICENCE – DELIVERY SERVICE

POLICIES

3.6.1 A Class D Delivery Service licence may be issued to a manufacturer holding a valid Class E Small Manufacturer's licence, or to a qualified applicant for a Class E Small Manufacturer's licence.

3.6.2 A valid Class D Delivery Service licence authorizes the manufacturer to:

- a) deliver liquor manufactured by the Class E Small Manufacturer to an individual; and
- b) deliver liquor manufactured by the Class E Small Manufacturer to another licensee.

3.6.3 Liquor delivery to individuals is subject to the following conditions:

- a) liquor must only be delivered to locations within Alberta where liquor possession and consumption is legal (i.e., a private residence, temporary residence or office).
- b) the delivery person must be at least 18 years of age and either:
 - i) the licensee; or
 - ii) an employee of the licensee whose actions are the responsibility of the licensee.
- c) when an order is to be delivered to an individual who appears to be under age 25, the delivery person must check photo identification and record the following information:
 - i) the individual's name (as per the identification);
 - ii) age;
 - iii) date and time of delivery; and
 - iv) product delivered.

3.6.4 Liquor delivery to another licensee is subject to the following conditions:

- a) Liquor must only be delivered to a valid liquor licensee.
- b) The delivery person must be at least 18 years of age and either:
 - i) The licensee; or

SUBJECT: CLASS D LICENCE – DELIVERY SERVICE

- ii) An employee of the licensee whose actions are the responsibility of the licensee.
 - c) Only liquor the liquor licensee orders may be delivered to the licensee.
- 3.6.5 A customer or liquor licensee must pay for all liquor, either in advance or at the time the liquor is received, in accordance with Section 80(3) of the GLCA.
- 3.6.6 A licensee with a Class D – Delivery Service licence may institute minimum order thresholds for liquor licensee orders.
- 3.6.7 It is the responsibility of the licensee to produce the invoice to the liquor licensee for the liquor order. The invoice and payment shall be based on the product price in effect on the day the order is placed and this date shall be clear on the face of the invoice.
- 3.6.8 Deliveries of liquor may be made seven days per week.
- 3.6.9 The licensee is responsible for loss or damage to liquor until it is delivered to and accepted by the customer or liquor licensee.
- 3.6.10 The licensee shall be allowed to charge different distribution charges for different delivery points within the province and different rates for delivery based upon the quality of liquor licensee receiving and handling equipment.

SUBJECT: CLASS A LICENCE - MINORS ALLOWED

POLICIES

3.7.1 A Class A Minors Allowed licence may be issued for the sale and consumption of liquor on licensed premises open to the general public where food is the primary source of business.

3.7.2 The licensed premises must be located in a permanent facility and meet the requirements detailed below:

- a) The physical layout must include:
 - i) a suitably approved kitchen to meet food service requirements for quantity and quality of food, for the number of dining seats available (see Section 3.7.5);
 - ii) a dining area furnished with tables and chairs; and
 - iii) public washrooms in accordance with the Alberta Building Code.
- b) Food service must consist of a full-meal menu, approved by AGLC, and be available during all hours of liquor service.
- c) Liquor service must be provided from a suitably equipped bar (see Section 3.7.7).
- d) Staff must be:
 - i) available to prepare food, serve food and liquor and supervise patrons during all hours of liquor service; and
 - ii) at least 18 years of age to carry or serve liquor, or to manage the licensed premises.
- e) The licensed premises must appear to be a dining establishment (e.g. restaurant) and be operated as such (see Section 3.7.4), however:
 - i) A licensee may apply to AGLC to change the style of operation during evening hours (normally after 9 p.m.), to a Minors Prohibited licensed premises (adults only including staff). If approved, no one under age 18 is allowed to enter the licensed premises during these hours.

3.7.3 The licensee must post AGLC's Fetal Alcohol Spectrum Disorder poster in a prominent location in its licensed premises. The poster is

SUBJECT: CLASS A LICENCE - MINORS ALLOWED

available for download on AGLC website at: [responsible liquor service/posters and brochures](#)

GUIDELINES

3.7.4 Class A Minors Allowed licensed premises are typically called dining rooms, restaurants, cafeterias and coffee shops.

3.7.5 In a dining establishment:

- a) tables and chairs are available for patrons and the tables are set for dining (tablecloths, napkins and cutlery);
- b) patrons are served by a host or hostess and/or waiters/waitresses; and
- c) a food menu offers patrons a choice of full-meal items.

3.7.6 The kitchen should normally be equipped with commercial appliances including a range, deep fryer, convection oven, refrigerator and dishwasher, and also have a food storage area and a food preparation area. Alternate kitchen equipment may be considered for operations with a maximum occupant load of 100 or fewer.

3.7.7 The liquor service bar should include refrigeration, storage for backup stock and empty containers, a beverage preparation area and accurate measuring device(s), if spirits are sold. If a Class A – Minor Prohibited licensed premises is located next to a Minors Allowed premises, the liquor service bar in the Minors Prohibited premises may be used to provide service to the Minors Allowed premises.

3.7.8 Entertainment such as games, dancing (by patrons) and stage performances is allowed on a Class A – Minor Allowed licensed premises as long as it complies with Section 7.9.

3.7.9 A Class A Minors Allowed licensee may request:

- a) an extension to an adjoining patio area (see Section 7.13); or
- b) a Caterer's Extension to provide food and liquor to events away from the licensed premises (see Section 7.14).

SUBJECT: CLASS A LICENCE - MINORS PROHIBITED

POLICIES

- 3.8.1 A Class A Minors Prohibited licence may be issued for the sale and consumption of liquor on licensed premises that are open to the general public and where liquor is the primary source of business or a licensed gaming facility.
- 3.8.2 The licensed premises must be in a permanent facility and meet the requirements detailed below.
- a) The physical layout must include:
 - i) full-height solid walls enclosing the premises;
 - ii) a suitably equipped kitchen area (see Section 3.8.7); and
 - iii) public washrooms in accordance with the Alberta Building Code.
 - b) Food service must comprise a snack-type food menu, approved by AGLC (see Section 3.7). Food service is not required after 11 p.m.
 - c) Liquor service must be provided from a staffed and suitably equipped bar (see Section 3.8.2).
 - d) Staff must be:
 - i) available to provide liquor and food service and to supervise patrons during all hours of liquor service; and
 - ii) at least 18 years of age.
- 3.8.3 Minors may not be admitted to the premises except as allowed under Sections 7.4.13, 7.4.14 and 7.4.14.1.
- 3.8.4 The licensee must post one of AGLC's Fetal Alcohol Spectrum Disorder poster in a prominent location in its licensed premises. The poster is available for download on AGLC website at: [responsible liquor service/posters and brochures](#)
- 3.8.5 Licensees with occupant loads over 500 patrons must have commercial general liability insurance of at least \$2,000,000 inclusive against bodily injury and property damage including loss thereof.

SUBJECT: CLASS A LICENCE - MINORS PROHIBITED

GUIDELINES

3.8.6 Class A Minors Prohibited licensed premises are commonly called bars, taverns, lounges, nightclubs, sports bars, adult entertainment centres, VLT rooms, and Gaming Entertainment Centres (GECs).

3.8.7 The kitchen should be equipped with commercial appliances such as a convection oven, pizza oven and refrigerator and have a storage area and food preparation area. Alternate kitchen equipment may be considered:

- a) for operations with an occupant load of 400 or fewer; or
- b) where existing licensed premises with a shared kitchen are subdivided for operation by separate licensees.

Note: A common kitchen will be acceptable when a licensee operates two or more licensed premises in the same complex.

3.8.8 The liquor service bar should include refrigeration, storage for backup stock and empty containers, a beverage preparation area and accurate measuring device(s).

3.8.9 An adjacent Minors Allowed licensed premises may also share the liquor service bar.

3.8.10 Entertainment and games on the licensed premises must comply with Section 7.9.

3.8.11 A Class A Minors Prohibited licensee may request:

- a) an extension to an adjoining patio area (see Section 7.13); or
- b) a Caterer's Extension to provide food and liquor to events away from the licensed premises (see Section 7.14).

SUBJECT: CLASS A LICENCE - MANUFACTURER TAPROOM (COMMUNITY HUB)

POLICIES

3.9.1 A manufacturer holding a valid Class E licence may obtain a Class A Taproom licence authorizing the sale and consumption of liquor on licensed premises that are open to the general public and where manufacturing is the primary source of business.

Physical Requirements

3.9.2 The licensed premises must be in a permanent facility and the licensee must operate and have legal control of the premises where the sale of the product will occur.

3.9.3 The taproom must meet the following requirements:

- a) the taproom must be located on the premises of the associated Class E manufacturing facility and the manufacturer must be producing liquor;
- b) the premises must be suitably defined to separate the taproom from the manufacturing facility; patrons must not be able to freely access the manufacturing area (e.g. enclosed by a physical barrier, solid walls or glass partition);
- c) there must be a service bar;
- d) there must be public washrooms in accordance with the Alberta Building Code;
- e) there may be an adjoining outdoor patio that meets the patio requirements specified in Section 7.13.

Product Sales

3.9.4 Only liquor products manufactured under the Class E licence may be sold at the premises. However, other liquor products may be used with the manufacturer's primary liquor ingredient in drinks that showcases the manufacturer's products. These other products must not be sold exclusively on their own.

3.9.5 If the licensee has a Class D Manufacturer Off Sales licence, it may sell its manufactured products for off premises consumption. These products must be sold in sealed containers. Special considerations exist for draught beer and bulk wine sales, including:

SUBJECT: CLASS A LICENCE - MANUFACTURER TAPROOM (COMMUNITY HUB)

- a) the cap design should enable the purchaser to demonstrate that the container has not been opened during transportation;
- b) available quantities and related prices must be clearly displayed;
- c) disposable containers are acceptable, however, a container deposit may become necessary to ensure environmental concerns are addressed; and
- d) the federal government sets standards in areas such as acceptable container material and labelling content.

3.9.6 Tastings are permitted, but must comply with the Tastings policy listed under Section 9.5.

3.9.7 The licensee must maintain records of all sales satisfactory to AGLC.

Food Service

3.9.8 Food service is required in the taproom at all hours liquor service is available. Acceptable food service consists of 5-6 items suitable for a light meal. This may be a combination of hot and cold food items. A menu must be submitted to AGLC for approval.

3.9.9 Acceptable food service may be provided by:

- a) having suitable kitchen equipment within the premises capable of providing the appropriate food items listed in Subsection 3.9.8; or
- b) a third party, via a food service contract for the hours the premises is open to the public, with the approval of AGLC (e.g. food truck or local restaurant).

Note: Where a food service contract is not in place or honoured, the licensee must provide suitable kitchen equipment capable of providing hot or cold food items suitable for a light meal.

Entertainment and Events

3.9.10 Licensees may have private events within the taproom area. During an event, food service must be provided.

3.9.11 Licensees may provide entertainment and games in the taproom premises as listed under Section 7.9.

SUBJECT: CLASS A LICENCE - MANUFACTURER TAPROOM (COMMUNITY HUB)

Special Event Licences

3.9.12 The licensee has the option to suspend its Class A Taproom licence to hold private Special Event Licences (SEL). The following conditions must be met in order to conduct such an event:

- a) an SEL must be issued to a qualified applicant prior to the event taking place;
- b) all liquor purchases and sales are the responsibility of the SEL holder;
- c) the Class A taproom licence must be suspended for the duration of the SEL; and
- d) the SEL holder must comply to the SEL policies specified in Section 9.12.

3.9.13 The taproom licensee may charge a fee to the SEL holder for its services.

3.9.14 If the taproom licensee has a Class D Off Sales licence within the taproom premises where the SEL is occurring, the Class D licence must be suspended along with the Class A Taproom licence.

3.9.15 If the Class D Off Sales licence is in a separate and defined area with its own entrance/exit, and operates independently of the Class A Taproom licence, the Class D licence may remain in effect for that area only.

Minors

3.9.16 Minors are permitted in the premises, but must be accompanied by a parent, guardian or spouse who is an adult.

3.9.17 Minors are prohibited from working in the premises.
Note: Additional policies regarding minors may be found in Section 7.4.

SUBJECT: CLASS A LICENCE - MANUFACTURER LOUNGE

POLICIES

- 3.10.1 A manufacturer holding a valid Class E licence may obtain a Class A Manufacturer Lounge licence authorizing the sale of their products for on-premises consumption in order to provide customers the opportunity to assess the products. The manufacturer's lounge must not operate like other Class A premises (e.g. restaurant, bar, taproom).
- 3.10.2 The licensee may host functions at the premises directed at the education, tasting and promotion of the manufactured product (e.g. product launches, product anniversary events).

Physical Requirements

- 3.10.3 The licensed premises must be in a permanent facility and the licensee must operate and have legal control of the premises where the sale of the product will occur.
- 3.10.4 The manufacturer's lounge must meet the following requirements:
- a) the lounge must be located on the premises of the associated Class E manufacturing facility and the manufacturer must be producing liquor;
 - b) the premises must have a physically defined area acceptable to AGLC;
 - c) there must be a service bar in the premises;
 - d) there must be public washrooms in accordance with the Alberta Building Code; and
 - e) the premises may have an adjoining outdoor patio that meets the patio requirements, guidelines are available on AGLC website: aglc.ca.

Product Sales

- 3.10.5 Only liquor products manufactured under the Class E licence may be sold at the premises. However, other liquor products may be used with the manufacturer's primary liquor ingredient in drinks that showcase the manufacturer's products. These other products must not be sold exclusively on their own.

SUBJECT: CLASS A LICENCE - MANUFACTURER LOUNGE

3.10.6 If the licensee has a Class D Off Sales licence, it may sell its manufactured products for off premises consumption. These products must be sold in sealed containers. Special considerations exist for draught beer and bulk wine sales, including:

- a) the cap design should enable the purchaser to demonstrate that the container has not been opened during transportation;
- b) available quantities and related prices must be clearly displayed;
- c) disposable containers are acceptable, however, a container deposit may become necessary to ensure environmental concerns are addressed; and
- d) the federal government sets standards in areas such as acceptable container material and labelling content.

3.10.7 Tastings are permitted, but must comply with the Tastings policy listed under Section 9.5.

3.10.8 The licensee must maintain records of all sales satisfactory to AGLC.

Minors

3.10.9 Minors are permitted in the premises, but must be accompanied by a parent, guardian or spouse who is an adult.

3.10.10 Minors are prohibited from working in the premises.

Note: Additional policies regarding minors may be found in Section 7.4.

SUBJECT: GENERAL INFORMATION

POLICIES

- 4.1.1 All liquor products in Alberta must be registered with AGLC and sold through AGLC.
- 4.1.2 Liquor manufacturers must complete, sign and submit a “Letter of Authorization” regarding product registrations. See Subsection 4.1.12a) for more information.
- 4.1.3 In addition, if a manufacturer acts as its own liquor agency, the manufacturer must complete, sign and submit a “Letter of Understanding.” See Subsection 4.1.12b) for more information.
- 4.1.4 Each particular product brand must not be represented by more than one (1) liquor agency at the same time.
- 4.1.5 If a manufacturer enters into a representation agreement with a agency other than the manufacturer’s own company, the following will apply: if a manufacturer and the registered agency that the manufacturer has designated to represent its products in Alberta become involved in a dispute regarding the ownership of, payment for, or representation of liquor products or any sort of conflict, AGLC will not become involved in resolving the dispute. AGLC will rely upon direction agreed to by the parties involved or by court order.
- 4.1.6 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 (allocation is through the central AGLC authorized warehouse).
- 4.1.7 The product description must be an accurate reflection of the actual product.
- 4.1.8 A liquor manufacturer/agency must advise AGLC immediately if it becomes aware of changes to sales units per case or alcohol by volume on registered products.

CENTRAL AGLC AUTHORIZED WAREHOUSE

- 4.1.9 All products must be registered with AGLC before CLS will accept an advanced shipping notice. A “New Product Registration” (located on AGLC’s [Liquor Agency Portal](#)) must be completed and submitted to

SUBJECT: GENERAL INFORMATION

AGLC Product & Pricing Team (product@aglc.ca) in order to register each new product being introduced into the Alberta market (see Subsection 4.1.11c).

Note: It may take AGLC up to two (2) weeks to process a product registration.

- 4.1.10 If the product has an attached on-pack (liquor either originating from the manufacturer or assembled by CLS for sale to licensees), the product description must indicate the inclusion of the on-pack.
- 4.1.11 Manufacturers/agencies are not permitted to impose a minimum order quantity per product per licensee.

GUIDELINES

- 4.1.12 The following forms may be found on the: [Liquor Agency Portal](#) or (contact AGLC at: liquorservices@aglc.ca for a USERID and PASSWORD):
- a) Letter of Authorization: For a manufacturer's first product registration, the manufacturer will locate the Letter of Authorization in the [Liquor Agency Portal](#), save it on the manufacturer's computer, revise the letter as applicable and download it in the online application as part of the first new product registration.
 - b) Letter of Understanding: For a manufacturer's first product registration, the manufacturer will locate the Letter of Understanding in the [Liquor Agency Portal](#), save it on the manufacturer's computer, revise the letter as applicable and download it in the online application as part of the first new product registration.
 - c) New Product Registration Form: The majority of product registrations are completed online through the [Liquor Agency Portal](#) but manufacturers will need to complete a manual form if the manufacturer is registering a mixed pack or variety type pack type of product and submit that to: product@aglc.ca)

- 4.1.12 Liquor manufacturers/agencies are encouraged to read "Guide to the Labelling of Alcoholic Beverages" in order to be familiar with Canadian labelling requirements. Contact the Canadian Food

SUBJECT: GENERAL INFORMATION

Inspection Agency for a copy of this document or visit its website at inspection.gc.ca.

- 4.1.13 Case configuration changes (e.g. change from 12 bottles per case to six (6) bottles per case) will be allowed for products at “New Listing” status; however case configuration changes will not be allowed for products already at “Active” status. For products at Active status, the manufacturer/agency must register a new product.
- 4.1.14 Manufacturers/agencies may impose a maximum order quantity per product per licensee.



SECTION: PRODUCT REGISTRATION
NUMBER: 4.2

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SUBJECT: PRODUCT CODE ASSIGNMENT

POLICIES

- 4.2.1 AGLC will assign a unique six-digit Product Code to new products.
- 4.2.2 Manufacturers/agencies must use the assigned Product Codes when quoting price changes to AGLC or requesting any product information updates

CENTRAL AGLC AUTHORIZED WAREHOUSE

- 4.2.3 CLS 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 CLS – Customer Service at 1-800-265-6784, or 780-418-6500; or e-mail: exel-ca-clc-cs@exel.com.

GUIDELINES

- 4.2.4 AGLC does not require the Product Code or the Universal Product Code (UPC) be printed on the product’s packaging or label.

DATE ISSUED: September 11, 2018 AUTHORITY: Original signed by Gael MacLeod

SUBJECT: NON-STANDARD SIZES (APPLIES TO WINES ONLY)

POLICIES

4.3.1 Wine may only be offered for sale by AGLC to liquor licensees 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 36 1(c) of the Federal Consumer Packaging and Labelling Regulation. Non-standard size wine may only be sold by AGLC to liquor licensees:

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

SUBJECT: CONTAINERS

POLICIES

- 4.4.1 Beverage containers in Alberta are governed by the *Environmental Protection and Enhancement Act* and the Beverage Container Recycling Regulation.
- 4.4.2 This legislation requires all beverage containers to be registered. AGLC will accept liquor containers that are of a type (e.g., glass bottle, polyethylene terephthalate (PET) bottle, aluminum cans) that are currently registered with the Beverage Container Management Board (BCMB).
- 4.4.3 Liquor manufacturers/agencies 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. AGLC will not list the product until the container is registered.

GUIDELINES

- 4.4.4 For de-alcoholized beverages, and other non-liquor beverages, where a container deposit and recycling costs are applicable, the agency is responsible for reporting sales to the BCMB.
- 4.4.5 For information on registering a container contact the BCMB at: 1-888-424-7671 or 780-424-3193; fax: 780-428-4620; or email: info@bcmb.ab.ca.

SUBJECT: ARCHIVING AND REACTIVATING PRODUCTS

POLICIES

- 4.5.1 Products may be placed into “Archive” status or reactivated at any time by the manufacturer/agency that represents the product.
- 4.5.2 Liquor manufacturers/agencies 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 AGLC (product@aglc.ca) with the following information:
- a) the Product Code; and
 - b) the product description.
- 4.5.3 In order to reactivate an inactive (“Archive” status) product, manufacturers/agencies must submit a written request to AGLC (product@aglc.ca) with the following information:
- a) the Product Code;
 - b) the product description; and
 - c) the liquor manufacturer/agency invoice price.
- 4.5.4 Products with no activity for one (1) year will automatically be updated by AGLC to “Archive” status.

CENTRAL AGLC AUTHORIZED WAREHOUSE

- 4.5.5 Once a product is archived by AGLC, it is not deleted from CLS reporting until 91 days after the Archive status is set by AGLC.

GUIDELINES

- 4.5.6 Manufacturers/agencies are encouraged to contact AGLC (product@aglc.ca) when a product becomes inactive or discontinued.
- 4.5.7 For excise reporting purposes, if there is activity against a product a manufacturer/agency has requested to archive within the previous three (3) months and/or there is an open advanced shipping notice record, the archive request will be delayed until such time as there is no activity.

SUBJECT: ADVANCED SHIPPING NOTICE REGISTRATION

POLICIES

AGLC AUTHORIZED WAREHOUSE

- 4.6.1 A liquor manufacturer/agency is required to provide the warehouse operator [e.g. Connect Logistics Services Inc. (CLS)] with a detailed advanced shipping notice, including the liquor manufacturer/agency advanced shipping notice number, supplier name, liquor manufacturer/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 advanced shipping notice. Advanced shipping notices must be faxed to: CLS at 780-458-4515, or e-mail: CLS-PO@exel.com at least 48 hours prior to scheduling a receiving appointment.
- 4.6.2 All liquor advanced shipping notices are on a consignment basis only.
- 4.6.3 All shipments must be made to the consignee (the liquor manufacturer/agency) in care of AGLC and shipped to an AGLC liquor warehousing agent (e.g. CLS). Consignees must ensure the freight forwarder has their liquor manufacturer/agency name for third party liability (AGLC is not liable).

GUIDELINES

- 4.6.4 In order to process an advanced shipping notice the same business 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.
- 4.6.5 Advanced shipping notice amendments should be forwarded to CLS (see Subsection 4.6.1) at least 24 hours prior to the receiving appointment.
- 4.6.6 Any questions regarding registration of advanced shipping notices should be directed to CLS at: 1-800-265-6784 or 780-418-6500; or email: CLS-PO@exel.com

SUBJECT: PRODUCT PRICING

POLICIES

- 5.1.1 The price of liquor must be the same, at any one time, for all licensees regardless of the quantity purchased.
- 5.1.2 Price changes are permitted on a weekly basis. Deadlines for the weekly price quotes are 4:00 p.m. Wednesday for implementation on the Friday of the following week. 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 the Product Code, new invoice price and specific effective date. They must be entered through the [Liquor Agency Portal](#) or email: pricing@aglc.ca or fax: 780-447-8919.
- 5.1.3 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 can then be implemented (see Subsection 5.1.2).
- 5.1.4 The liquor manufacturer/agency must ensure the price of a product’s single unit is equal to the price of the same product’s single unit when the same product is packaged in a different case configuration, a mixed case or any such variation. If a product’s single unit is contained in an enclosed package for sale to the consumer (e.g. beer/cooler packs) then the pricing per single unit may be different.
- 5.1.5 The liquor manufacturer/agency must ensure its liquor component(s) of a gift pack is listed at a wholesale price equal to or greater than the price of the liquor’s base sales unit.

GUIDELINES

- 5.1.6 It is the manufacturer/agency’s responsibility to review AGLC’s confirmation of the price change to verify its accuracy. If an error/omission is found, the manufacturer/agency must contact AGLC immediately by email: pricing@aglc.ca or by calling: 780-447-8675.
- 5.1.7 Manufacturers/agencies having submitted their changes through [Liquor Agency Portal](#) will receive an automatic confirmation through the report function on the application. During the week following the price change deadline, agencies who submitted price changes via



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NUMBER: 5.1

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SUBJECT: PRODUCT PRICING

email or fax will receive written confirmation of the price change submission.

DATE ISSUED: September 11, 2018 **AUTHORITY:** Original signed by Gael MacLeod

SUBJECT: PRIVATE LABELS

POLICIES

- 5.2.1 Private label means a product with a label which bears a premises-specific or a trademarked name on the principal display panel (front label). Stickers or strip labels that bear the premises or trademarked name are not acceptable.
- 5.2.2 Private label products that comply with Subsection 5.2 of this Handbook may exceed the allocation limit of 1,000 cases of sales per Product Code (see Subsection 3.10 of the [Liquor Agency Handbook](#) for more information regarding allocated products).
- 5.2.3 For new product registrations, the liquor manufacturer/agency must indicate to 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 AGLC, Product & Pricing, prior to being registered.
- 5.2.4 The liquor manufacturer/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 manufacturer/agency has in the same category and product type. If a liquor supplier or liquor agency has only one (1) product in a category and product type, the wholesale price must be equal to or greater than the lowest general listed product of all liquor suppliers or liquor agencies in the same category and product type.
- 5.2.5 The liquor manufacturer/agency shall ensure the lowest general listed product is available at all times (see Subsection 5.2.4). If the product is out of stock for more than a two (2) month period, the manufacturer/agency will be contacted and advised to comply with the private label policy.
- 5.2.6 There are no restrictions on package sizes for private labelled products other than wine, as noted in Subsection 4.4.1.
- 5.2.7 Private labelled products are subject to all applicable taxes, duties and markups applicable to liquor products in that category.
- 5.2.8 Private labelled products cannot be sold by a Class D licensee to other Class D licensees.
- 5.2.9 AGLC will not be responsible for the unauthorized purchase of product (at any price) if it is left unallocated at CLS.

SUBJECT: PRIVATE LABELS

5.2.10 Liquor manufacturers/agencies supplying licensees with private labelled liquor products are subject to the following:

- a) all federal labelling requirements must be met;
- b) any licensee wanting a private labelled product that will meet the minimum order quantity, as set by the liquor manufacturer/agency, will receive equal consideration from the liquor manufacturer/agency; and
- c) private labels cannot be used by liquor manufacturers/agencies as an inducement to licensees whereby they receive a premium product at a discounted price.

GUIDELINES

5.2.11 Private label products will automatically be excluded from printing in the CLS online product catalogue; however, they are not automatically allocated. Arrangements to allocate product should be made through CLS. For further information please refer to Subsection 3.12 of the [Liquor Agency Handbook](#).



SECTION: PRODUCT SALES

NUMBER: 5.3

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SUBJECT: CONSIGNMENT PAYMENT

POLICIES

- 5.3.1 For products warehoused at CLS, payments for consignment orders will be made weekly for all product sold the previous week.
- 5.3.2 If consignment payments are returned to AGLC, the manufacturer will be notified by letter requesting proper information to allow the consignment payment to be made. If the manufacturer does not respond to the letter within the time period specified in the letter, the remaining product related to this manufacturer will be deemed abandoned and may be destroyed. The unclaimed consignment payments will be offset against any amounts owing to AGLC or CLS related to this product, with the remaining amount transferred to AGLC miscellaneous revenue one (1) year after destruction of the product, or, if there is no inventory, one (1) year after the point when product would have been deemed abandoned.

DATE ISSUED: September 11, 2018

AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: SELF-DISTRIBUTION (NON-CONSIGNMENT) PAYMENT

POLICIES

- 5.4.1 Payments to manufacturers for self-distributed liquor product will be made weekly based on the manufacturer's transmission of sales.
- 5.4.2 A licensee buying the manufacturer's liquor product will pay AGLC the wholesale price. From the wholesale price received AGLC will deduct:
- a) excise duty – if applicable;
 - b) deposit fee – if applicable;
 - c) recycling fee – if applicable;
 - d) markup;
 - e) GST; and
- pay the manufacturer the invoice price.
- 5.4.3 When a Class E manufacturer sells to its Class A or D, AGLC deems that the sale has taken place when the liquor product is moved physically, and/or on paper, from the Class E to its Class A or D.



SECTION: PRODUCT SALES

NUMBER: 5.5

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SUBJECT: INSURANCE

POLICIES

- 5.5.1 AGLC will be responsible for insuring the liquor at the Central AGLC authorized warehouse 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 Central AGLC authorized 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.
- 5.5.2 In the event of loss or damage to liquor, the basis of settlement under AGLC insurance coverage will be the liquor manufacturer/agency's invoice price.

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AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: WAREHOUSE CHARGES

POLICIES

CENTRAL AGLC AUTHORIZED WAREHOUSE

- 5.6.1 All warehousing charges are determined by CLS as indicated in the CLS Liquor Agency Handbook ([link](#)). The Non-Registered Advanced Shipping Notice Surcharge and the Non-Registered Product Listing Surcharge will be incurred when a liquor manufacturer/agency does not follow the procedures referred to in Subsections 4.1.1 and 4.1.3 of this handbook. All warehousing charges are automatically deducted from the designated consignment payee's account (see Subsection 5.3.2).
- 5.6.2 The New Product Listing Set-up charge is applied by CLS not only to products received in the province for the first time, but also to products which had been inactive for two years and have since been re-activated. If the product is re-activated within the two (2) year period, the set-up charge is waived.
- 5.6.3 Consignment payments made to a liquor manufacturer/agency are net of warehouse charges. If the consignment payments do not equal or exceed warehouse charges, the liquor manufacturer/agency must pay the outstanding difference directly to CLS.
- 5.6.4 Manufacturers/agencies will be notified by letter of any outstanding warehouse charges. If a liquor manufacturer/agency does not pay the outstanding warehouse charges within the time period specified in the notification letter, the liquor manufacturer/agency's remaining product will be deemed abandoned by AGLC and may be destroyed.

GUIDELINES

- 5.6.5 CLS will fax or email the Receiving Reports and Receiving Surcharges the night the product is received, to a valid fax number or email address CLS has on file. All other warehousing charge details will accompany the consignment payment detail a manufacturer/agency receives once each week.

SUBJECT: PRODUCT RETURNS AND RECALLS

POLICIES

5.7.1 Product Returns are allowed for the following reasons:

- a) recalled product (either issued by the Canadian Food Inspection Agency, AGLC or the liquor manufacturer/agency);
- b) stale-dated product (Note: Stale-dated product refers to a product that has surpassed a “best before” date or “stale-date” as indicated on the product label and/or container. Stale-dated does not refer to older/out-dated vintages of wine); or
- c) faulty product.

CENTRAL AGLC AUTHORIZED WAREHOUSE

5.7.2 Return of inventory to CLS for reasons other than outlined in Subsection 5.7.1 will not be allowed.

GUIDELINES

Returns to CENTRAL AGLC AUTHORIZED WAREHOUSE:

5.7.3 The manufacturer/agency is responsible for approving all product returns from licensees. If the liquor manufacturer/agency approves a return, the manufacturer/agency must provide written authorization to CLS Customer Service via email to: connectcs@exel.com; or fax: 780-458-4502. The authorization must specify which party (either the liquor manufacturer/agency or the licensee) will be responsible for the freight and re-stocking charges. Re-stocking charges apply even if the product will be returned to the supplier or destroyed.

5.7.4 Once the manufacturer/agency has provided written authorization, CLS Customer Service will make arrangements for completion of a CLS Product Return Authorization form and the actual return of the product.

Returns To Other Warehouse

5.7.5 The warehouse is responsible for approving all product returns from licensees.

5.7.6 Licensees must comply with each warehouse’s specified procedures.

SUBJECT: PRODUCT RETURNS AND RECALLS

Product Recalls

5.7.7 A liquor manufacturer/agency may voluntarily recall a product. Before the product is recalled the manufacturer/agency will:

- a) advise AGLC of the recall and the reason for the product recall;
- b) contact CLS Customer Service (via email: connectcs@exel.com; or fax: 780-458-4502) to arrange for the product to be returned to the CLS warehouse; and
- c) advise licensees of the procedures to follow for returning the product.

SUBJECT: REFUNDS FOR FAULTY PRODUCT

POLICIES

- 5.8.1 Licensees that purchase products directly from AGLC through Connect Logistics Services Inc. (CLS) may request a refund from AGLC for the following types of faulty products handled by CLS:
- a) products returned due to customer complaint;
 - b) a sealed bottle(s) which:
 - i) is partially filled;
 - ii) has a damaged cap or cork; or
 - iii) is contaminated with a foreign material; and
 - c) bottle(s) that are missing from a sealed case, with no imprint in the case.
- 5.8.2 AGLC validates all faulty product claims.
- 5.8.3 Faulty product claims will be automatically deducted from consignment payments based on the product's duty paid price (invoice price plus any applicable customs duty/excise duty).
- 5.8.4 A claim for a refund must be received by AGLC within 30 days of product delivery, except for products returned by customers. Customer returns may be refunded up to one (1) year from the date of invoice. If a product has been discontinued AGLC may decline to provide a refund.
- 5.8.5 Requests for refunds beyond 30 days, excluding product returned by customers, will be allowed if the claim request includes written approval from the liquor manufacturer/agency.
- 5.8.6 Faulty bottles, and cases that are missing bottles, must be kept by the licensee until AGLC approves disposition.
- 5.8.7 Faulty products approved for credit by AGLC must immediately be destroyed. The product must not be made available for resale.
- 5.8.8 Refund amounts are based on the original wholesale price paid by the licensee to AGLC.
- 5.8.9 Licensees purchasing product from a retail liquor store must report faulty product claims to the retailer. The retailer may then initiate a claim with AGLC for those products purchased directly from AGLC.

SUBJECT: REFUNDS FOR FAULTY PRODUCT

- 5.8.10 Faulty kegs returned to a brewery are assessed by AGLC. Only kegs at least 80% full by weight are eligible for refund.
- 5.8.11 Replacement of faulty product by a liquor supplier or agency for products purchased from warehouse other than Connect Logistics must be properly documented, and include the following:
- name of licensee;
 - date replacement was made;
 - product and quantity replaced;
 - specific reason for replacement; and
 - acknowledgement of replacement by the retail liquor store (a copy of the acknowledgement must be kept by the liquor store).
- Note:** Records must clearly distinguish between:
- product used for promotions or sampling; and
 - product used to replace faulty product.
- 5.8.12 If AGLC confirms a contaminated product has been distributed, licensees will receive specific instructions regarding removing the product from sale and making a claim for refund.
- 5.8.13 When AGLC issues a product recall, the licensee must immediately suspend sales of these products and remove them from store shelves, segregating them and marking them with: "Do Not Sell – Recalled Product."
- 5.8.14 Licensees must deal with the recalled product as directed by AGLC, which may include returning it to the warehouse for a full refund (see Subsections 5.7.3 – 5.7.7).

GUIDELINES

- 5.8.15 To make a claim for refund, a licensee must complete a Faulty Product Claim Request form. The form can be found at aglc.ca. Completed forms must be sent to FaultyProduct@aglc.ca.
- 5.8.16 The following information must be included for all claims:
- licensee name, contact information and licence number;
 - invoice number and date;

SUBJECT: REFUNDS FOR FAULTY PRODUCT

- c) the 6-digit product code, brand name (description) and size of the faulty product(s);
 - d) reason for the claim; and
 - e) price paid for the faulty product(s).
- 5.8.17 If the faulty product is a customer return, the licensee must also provide:
- a) the person's name, address and phone number; and
 - b) nature of their complaint.
- 5.8.18 Refund claims are normally processed within 30 days of receipt of the claim, even if not validated by AGLC within that timeframe. However, the licensee must keep all bottles and cases listed on the form until AGLC approves disposition. Should any of the product be missing or otherwise ineligible, the licensee will be required to repay the refund.
- 5.8.19 Product analysis by AGLC for faulty product claims may be required.
- 5.8.20 If a product listed on a Faulty Product Claim Request is ineligible for refund, AGLC will advise the licensee and explain why. Possible reasons include:
- a) product was not purchased directly from AGLC;
 - b) product was damaged by licensee staff, customers or during delivery;
 - c) product has been discontinued;
 - d) the claim period has expired; or
 - e) insufficient information provided to approve the claim.
- 5.8.21 Dry breaks (no product spilled) should not be reported on a Faulty Product Claim Request form. Licensees are compensated annually (see Subsection 6.7.5 of Licensee Handbook).



SECTION: PRODUCT SALES

NUMBER: 5.8

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SUBJECT: REFUNDS FOR FAULTY PRODUCT

Products Causing Illness

5.8.22 Customer allegations of injury or illness resulting from a faulty product must be reported immediately to AGLC Product and Pricing Department:

Alberta Gaming, Liquor and Cannabis Commission
50 Corriveau Avenue
St. Albert, Alberta T8N 3T5
Attention: Product and Pricing
Telephone: 780-447-8832
Email: Product@aglc.ca

DATE ISSUED: September 11, 2018

AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: ON-SITE STORAGE

POLICIES

- 6.1.1 Licensees may only store and distribute liquor products that:
- a) they manufacture;
 - b) are manufactured in collaboration with another Class E licensee (see Subsection 6.2.2); or
 - c) are manufactured with another Class E licensee or for a registered agency through a contract (see Subsection 6.2.3).
- 6.1.2 Licensees may also store liquor products that were obtained from another licensee or AGLC approved warehouse for blending, flavoring and packaging purposes (see Section 3.1).
- 6.1.3 Additional policies (Liquor Warehouse Handbook) apply to licensees that have received authorization by the Board to warehouse liquor under Section 99 of the [GLCR](#). If a licensee is authorized as a warehouse by the Board, the Liquor Warehouse Handbook takes precedence over the policies that relate to storage and distribution.
- 6.1.4 Licensees will be responsible for all aspects of on-site storage of their liquor products.
- 6.1.5 Licensees will be allowed to commingle other products with liquor in the on-site storage.

Illegal Liquor

- 6.1.6 Licensees shall not possess, keep or distribute any liquor products at or from the licensed premises which have not been received from a supplier or liquor manufactured in accordance with their manufacturing licence.
- 6.1.7 Liquor adulterated in any manner, purchased or possessed illegally, brought into Alberta illegally or manufactured illegally, is subject to immediate seizure by AGLC Inspectors. Licensees involved in such activities may be prosecuted and face severe penalties by the Board, including cancellation of their licence.

Inventory Requirements

- 6.1.8 Licensees shall be responsible for adequate physical security over inventory.
- 6.1.9 Licensees shall immediately report to AGLC all loss or damage to liquor occurring while the liquor is being held by the licensee.

SUBJECT: COLLABORATION & CONTRACT MANUFACTURING

POLICIES

6.2.1 For the purposes of this section, the following definitions apply:

- a) “collaboration manufacturing” means two or more manufacturers work together to produce liquor at a single AGLC licensed Class E manufacturing facility;
- b) “contract manufacturing” means a contract exists between a manufacturer or an AGLC registered agency and another manufacturer, to manufacture liquor;
- c) “contractee” means the entity that enters into a contract with a manufacturer that produces the liquor;
- d) “contractor” means the manufacturer that produces the liquor;
- e) “manufacturer” means an AGLC licensed Class E Manufacturer, Small Manufacturer or Estate Manufacturer; and
- f) “manufacturing facility” means the facility that an AGLC licensed Class E Manufacturer, Small Manufacturer or Estate Manufacturer operates and has legal control of, for the purpose of manufacturing liquor.

Collaboration Manufacturing

6.2.2 Collaboration manufacturing must meet the following requirements:

- a) all participants must be licensed manufacturers. Entities registered solely as liquor agencies are not eligible for collaboration manufacturing;
- b) the manufacturing must take place at a licensed Class E manufacturing facility where the host manufacturer operates and has legal control of the manufacturing facility and equipment;
- c) a manufacturing representative of the host manufacturer must be present at all times during the collaboration process;
- d) the host manufacturer and all participating manufacturers must report the total collaboration production volume to AGLC and include it in their AWP;
- e) the product must be registered with AGLC, separately, by each manufacturer that will be selling the product. If the

SUBJECT: COLLABORATION & CONTRACT MANUFACTURING

manufacturers are selling the product under the same name, they must include their own brewery, winery, distillery or cidery name in brackets, in the name of the collaboration product;

- f) distribution of collaboration liquor products must meet the following requirements:
 - i) the resultant product may be sold by all manufacturers involved in the collaboration;
 - ii) the product may be sold in the manufacturers' related Class A premises as long as no more than four collaboration products manufactured at a different licensed Class E manufacturing facility are offered, at one time;

Note: liquor that is contract brewed at another Class E manufacturing facility and then transferred back to the contractee's premises does not count toward this number;

- iii) the product may be sold in the manufacturers' related Class D premises; and
- g) supporting documentation must be kept on-site and available for

Contract Manufacturing

6.2.3 Contract manufacturing must meet the following requirements:

- a) the contractee must be licensed as a manufacturer or registered as a liquor agency, with AGLC;
- b) the contractor must have a Class E Manufacturer, Small Manufacturer or Estate Manufacturer licence issued by AGLC;
- c) the manufacturing must take place at the contractor's licensed Class E manufacturing facility where the contractor operates and has legal control of the manufacturing facility and equipment;
- d) a manufacturing representative of the contractor must be present at all times during the manufacturing process;
- e) if contracted spirits require aging:
 - i) and the contractee is another manufacturer, the product may be aged at either the contractee or contractor's manufacturing facility; or

SUBJECT: COLLABORATION & CONTRACT MANUFACTURING

ii) If the contractee is a registered agency, the product must be aged at the contractor's licensed Class E manufacturing facility;

Note: in either case above, the contractee must notify AGLC of the address where the product will be aged, on which dates, and the name, type and amount of the product;

f) the contractor and contractee must report the total contracted production volume to AGLC and include it in their AWP;

g) the product must be registered with AGLC, by the contractee;

h) the contractor cannot distribute or deliver any of the product to other licensees or to the public;

i) distribution of contract liquor products must meet the following requirements:

i) when the contractee is a registered agency:

- all resultant liquor product must be shipped to and distributed through CLS;
- the product cannot be self-distributed by the contractor or the agency;
- the contractor has no claim to market the product; and
- ownership of the product must remain fully with the contractee;

ii) when the contractee is another Class E Manufacturer:

- all resultant liquor product must be distributed through CLS or returned to the contractee's facility;
- the product cannot be self-distributed by the contractor;
- the contractor has no claim to market the product; and
- ownership of the product must remain fully with the contractee;

SUBJECT: COLLABORATION & CONTRACT MANUFACTURING

- j) supporting documentation must be kept on-site and available for inspection for two years.

Notes:

- 1) Blending, flavoring or packaging liquor in accordance with Section 3.4 of this Handbook – Packaging is not considered manufacturing.
- 2) The amount of liquor blended, flavored or packaged for, or on behalf of a liquor supplier, by a contracted manufacturer, does count toward the contractor's own 20% maximum for blended or flavored product referred to in Subsection 3.1.11

SUBJECT: HOURS OF LIQUOR SALES & CONSUMPTION

POLICIES

7.1.1 The maximum hours of liquor sales or service are as follows:

Class A Licence

- a) Minors Allowed, Minors Prohibited,
Taproom and Lounge licences 10:00 a.m. - 2:00 a.m.

Class D Licence

- a) Retail liquor store licence 10:00 a.m. - 2:00 a.m.
 b) Manufacturer's Off Sales licence 10:00 a.m. - 2:00 a.m.
 c) Delivery service licence 10:00 a.m. – 1/2 hour
after last purchase
was made

7.1.2 Where on-premises consumption is authorized, liquor consumption may continue for a maximum of one (1) hour after liquor service ends. All liquor must be cleared from patron areas by 3:00 a.m.

7.1.3 All patrons must leave a Class A Minors Prohibited licensed premises at the end of the one (1) hour consumption period. The only persons allowed to remain are the licensee's spouse and staff, and workers maintaining or making repairs to the licensed premises.

7.1.4 Subsection 7.1.3 applies equally to a Class A Minors Allowed licensed premises with a condition on the licence prohibiting minors during evening hours. The premises may not reopen to patrons for food service before 6 a.m. the next business day.

7.1.5 A Class A Minors Prohibited licensed premises must be closed:

- a) Christmas Day (December 25), unless AGLC has granted prior approval to be open (see Subsection 5.5.16 of the Licensee Handbook); and
 b) all times other than the hours endorsed for liquor service and consumption on the licence.

7.1.6 A Class D licensed premises must be closed:

- c) Christmas Day (December 25); and

SUBJECT: HOURS OF LIQUOR SALES & CONSUMPTION

d) all times other than the hours endorsed for liquor sales on the licence, unless the premises is also a Class A licensed premises.

7.1.7 On the date Daylight Savings Time takes effect or ends, liquor sales or service must end before clocks are adjusted and may not re-start until the next business day.

7.1.8 Maximum hours of liquor sales or service are the same under a licence and a licence extension, unless otherwise specified by the Board.

GUIDELINES

7.1.9 "Last call" must be timed to ensure patrons who order liquor are served within the hours of liquor service specified on the licence.

SUBJECT: LIQUOR PRICING

POLICIES

7.2.1 For on-premises consumption, the amount of liquor in a drink (i.e., # of ounces or millilitres) and the price must be specified on a menu or price list.

7.2.2 Licensees may set their own liquor prices for on-premises consumption, subject to the minimum prices specified below.

7.2.3 Class A licensees, may not sell, or offer to sell, liquor at less than the following minimum prices:

Spirits and liqueurs: \$2.75 / 28.5 ml (1 oz) or less;

Wine: \$0.35 / 28.5 ml (1 oz);

Draught beer: \$0.16 / 28.5 ml (1 oz); and

Bottled/Canned Beer,

Coolers or Cider: \$2.75 /341 ml bottle or 355 ml can.

Note: GST is not included in the above prices.

7.2.4 If a serving of spirits or liqueurs exceeds 28.5 ml, the minimum price of the drink must be based on the single serving menu price and increase in direct proportion to the volume served based on the minimum price of \$2.75. For example, if a single serve drink has a menu price of \$5.00, the following minimum prices apply to similar drinks containing more than 28.5 ml of spirits or liqueurs:

a) drinks containing 43 ml (1.5 oz) of spirits or liqueurs – the minimum price required is \$6.37 (\$5.00 + \$1.37);

b) drinks containing 57 ml (2 oz) of spirits or liqueurs – the minimum price required is \$7.75 (\$5.00 + \$2.75); and

c) drinks containing 85.5 ml (3 oz) of spirits or liqueurs – the minimum price required is \$10.50 (\$5.00 + \$2.75 + \$2.75).

7.2.5 A Class A licensee is not allowed to offer:

a) free liquor specials;

b) more than one (1) drink for a single price (e.g., “2 for 1” specials, or “triples for the price of a single”); and

c) “all you can drink” specials for a fixed cost.

SUBJECT: LIQUOR PRICING

7.2.6 “Buckets of Beer” pricing are permitted under the following conditions:

- a) the price of a single beer is posted and available for consumption;
- b) the price of the “bucket” is equal to the total price of the singles (i.e., a bucket of 4 beer is \$12.00 and the singles are \$3.00 each); and
- c) prices are not below the minimum prices specified in Subsection 7.2.3.

7.2.7 Liquor sale activities must not promote intoxication.

7.2.8 Gift certificates may only be redeemed for liquor if they are purchased at face value (for example, in order to redeem a \$10 gift certificate for liquor, the gift certificate must be purchased for at least \$10).

7.2.9 Discount liquor coupons are only permitted if:

- a) the selling price after redemption of the coupon does not fall below the minimum prices specified in Subsections 7.2.3 and 7.2.4.

SUBJECT: LIQUOR SERVICE

POLICIES

7.3.1 For the purposes of this section, the following definitions apply:

- a) "Aging" refers to a pre-mixed drink stored over time in a storage vessel.
- b) "Drink machine" means a machine approved by AGLC to store and serve mixed drinks.
- c) "Infusion" means adding ingredients such as spices, herbs, fruit, vegetables, candy, flavouring agents or other substances intended for human consumption.

(Added Oct 2018)

7.3.2 The liquor licence must be prominently posted on the licensed premises.

7.3.3 Liquor not allowed on a licensed premises includes:

- a) homemade liquor of any kind;
- b) duty free liquor;
- c) liquor brought by a patron (except wine, see Subsection 5.3.4); and
- d) liquor from any source other than:
 - i) an AGLC-approved warehouse;
 - ii) a licensed Alberta manufacturer; or
 - iii) a Class D licensee.

7.3.4 Class A, B and C (Club) licensees may request a licence endorsement from AGLC to allow patrons to bring commercially manufactured, sealed bottle(s) of wine onto the licensed premises. The following conditions apply:

- a) The licensee must post a schedule of corkage fees.
- b) The patron must hand over the wine to licensee staff immediately upon entering the premises.
- c) Licensee staff are responsible to bring the wine to the patron's table, and to open and serve the wine.

SUBJECT: LIQUOR SERVICE

- 7.3.5 A licensee must:
- a) offer a reasonable variety of liquor (i.e., different brands of beer, wine, spirits, etc.);
 - b) maintain an accurate system for measuring and dispensing liquor to ensure patrons are provided with the correct amount purchased;
 - c) ensure patrons receive the type and brand of liquor being purchased.
- 7.3.6 In addition to liquor, a variety of non-alcoholic beverages must be available to patrons.
- 7.3.7 The following restrictions apply to Class A, B and C licensed premises, as well as at Commercial Public Special Events:
- a) A maximum of two (2) standard servings may be sold or served to a patron after 1 a.m. (see Subsection 5.3.8).
 - b) No patron may have more than two (2) standard servings in their possession after 1 a.m. For example, a patron cannot be served more than two (2) standard size drinks after 1:00 a.m. even if the drinks are for himself/herself and another person.
 - c) Liquor consumption may continue for a maximum of one hour after liquor service ends. All liquor must be cleared from patron areas by 3 a.m.
- 7.3.8 For the purpose of Subsection 5.3.7, a standard liquor serving is:
- a) spirits and liqueurs – 28.5 ml (1 oz);
 - b) wine – 142 ml (5 oz);
 - c) bottled/canned beer – 341/bottle or 355 ml/can;
 - d) draught beer – 341 ml (12 oz); and
 - e) cider/coolers – 341 ml/bottle or 355 ml/can.

Liquor Dispensing

- 7.3.9 All liquor must be served to patrons by licensee staff except:
- a) on a Class B or C licensed premises where self-service is specifically allowed; or

SUBJECT: LIQUOR SERVICE

- b) on a Class A, B or C licensed premises where automated self-service beer and wine dispensing systems have been approved in advance by AGLC's Inspections Branch.

7.3.10 Automated self-service beer and wine dispensing systems (system) must comply with the following minimum requirements:

- a) The system must retain records of the date, time, type and amount of beer or wine dispensed for each table or patron, as well as which licensee staff accepted payment and authorized liquor service, for a period of 30 days. This information must be available to licensee staff, AGLC Inspectors and police officers at all times.
- b) The master system must only be activated or unlocked by the on-duty manager or supervisor.
- c) The system must begin in an inactive state whereby patrons are unable to pour beer or wine. The system must be turned on only by licensee staff.
- d) Licensee staff must set the system to shut off when a certain amount of beer or wine has been dispensed or a certain dollar value has been reached, for each table or patron.
- e) The system must not accept any kind of direct payment from patrons. Payment must be made to the licensee staff. (Deductive and accumulative beer or wine cards are allowed if the requirements of this section are met.)
- f) Once the maximum amount of beer or wine or dollar amount has been reached, the system must be shut off and beer or wine service must cease. Patrons must not have the ability to reactivate the system.
- g) Licensee staff must be able to shut off beer and wine service to a table or patron at any time.
- h) The system must shut off by 1:00 a.m. No service from the system is permitted after that time.
- i) The beer and wine must be securely stored within the unit or in a secure area that is not accessible by patrons.
- j) Systems dispensing spirits are prohibited.

SUBJECT: LIQUOR SERVICE

- 7.3.11 The beer in a table top dispensing system must be dispensed by the patron into a glass, mug, jug or carafe.
- 7.3.12 A Class A, B or C licensee's staff may sell a bottle of spirits to a customer for on-premises consumption under the following conditions:
- a) patron self-service is prohibited;
 - b) all liquor must be dispensed from its original container into a glass, mug, jug or carafe, by the licensee's staff;
 - c) pursuant to Subsection 5.2.1, all bottle service options must be stated on the liquor menu;
 - d) pursuant to Subsection 5.2.3, the price of each bottle must meet the minimum drink prices [i.e. a 26 ounce bottle must be priced at a minimum of \$71.50 (26 x \$2.75)];
 - e) an accurate measuring device must be used to dispense liquor to the patron (no free pouring);
 - f) pursuant to Subsection 5.3.7, no patron may be in possession of more than two (2) standard size drinks after 1 a.m. This includes liquor that has been dispensed under this subsection for patron consumption; and
 - g) the liquor container and its contents must remain in the possession and control of the licensee's staff at all times; if a bottle of liquor is left at a patron's table and is unattended by the licensee, it must be secured and only accessible by the licensee.
- 7.3.13 All liquor containers (i.e., bottles, cans and kegs) must stay sealed until required for direct sale to a patron or for replenishing supplies in a service bar or liquor dispensing system with the exception of liquor opened or transferred to another container for the purpose of aging, infusion or preparing pre-mixed drinks. *(Amended Oct 2018)*
- 7.3.14 All liquor containers (e.g., cans, bottles, etc.) must be opened by licensee staff before being served.
- a) Wine, beer (except beer in kegs), coolers and "miniatures" of spirits must be served to patrons in their original containers or dispensed into a glass, mug, jug or carafe.

SUBJECT: LIQUOR SERVICE

- b) Spirits (except miniatures) and beer in kegs must be dispensed from their original containers into a glass, mug, jug or carafe, either directly or with the use of an approved liquor dispensing system or measuring device.
 - c) Licensees and their staff are prohibited from dispensing liquor directly into a patron's mouth.
- 7.3.15 Liquor from one (1) container cannot be mixed with liquor from another container unless it:
- a) is mixed at the request of a patron and served to that patron in a glass, mug, jug or carafe; or
 - b) is the same brand and type of liquor (e.g., a 1.75 litre bottle is used to refill a 750 ml bottle of identical product); or
 - c) meets the requirements for pre-mixed drinks, aging or infusion (see Subsections 5.3.20 - 5.3.24). *(Added Oct 2018)*
- 7.3.16 All liquor dispensing systems require AGLC approval in advance and must:
- a) provide consistent pours;
 - b) have secured adjustment mechanisms (automatic dispensing systems);
 - c) contain only one type or brand of liquor in each product line, from the reserve holding tank/bottle rack/keg to the dispensing head. There can be no mixing of liquor in a product line unless the brand or type of liquor is being changed (see Subsection 5.3.30); and *(Amended Oct 2018)*
 - d) not adulterate the liquor in any way (see Subsection 5.3.18). *(Added Oct 2018)*
- 7.3.17 Machines which mix liquor with pressurized oxygen, commonly called "alcohol without liquid vaporizer," are prohibited.
- 7.3.18 A licensee must not adulterate liquor. Adulterating liquor means taking legally purchased liquor products and making the product impure or inferior by adding foreign substances and includes:
- a) diluting product with water;

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AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: LIQUOR SERVICE

- b) purposely putting product into new containers to conceal their true origin; or
- c) adding any substance that is toxic, noxious, not fit or intended for human consumption or affects the liquor content of the drink.

(Added Oct 2018)

Mixed Drinks, Aging and Infusion

7.3.19 Pre-mixing of liquor in a drink machine is permitted so long as:

- a) the ingredients and the amount of liquor contained in each drink (i.e., # of ounces or millilitres) are listed on the drink menu or price list;
- b) perishable ingredients contained in the drink machine (e.g. fruit juices) are handled and stored in a manner consistent with provincial and municipal health standards; and
- c) the drink machine is cleaned and maintained in a manner consistent with provincial and municipal health and safety standards.

Note: a drink machine is not considered a liquor dispensing system for the purposes of this section.

(Added Oct 2018)

7.3.20 Pre-mixing drinks, by hand or using a device such as a drink machine, is permitted as long as:

- a) the liquor comes from the original containers purchased from AGLC;
- b) the pre-mixed drinks do not exceed what can reasonably be forecast to be sold in a day;
- c) any unsold pre-mixed drinks are disposed of at the end of the business day;
- d) the bottle, package or container used to store the pre-mixed drinks is labeled to identify:
 - i) when the mixed drink was prepared;
 - ii) who the mixed drink was prepared by;

SUBJECT: LIQUOR SERVICE

- iii) the amount of liquor in each drink (i.e., # of ounces or millilitres) contained in the mixed drink;
- iv) the ingredients of the drink; and
- v) in the case the pre-mixed drinks are shooters, a logbook containing the same details as above is maintained onsite and made available for review upon request (see also Subsection 5.3.22).

(Added Oct 2018)

7.3.21 A licensee is permitted to infuse or age liquor on the licensed premises under the following conditions:

- a) the infusion does not cause additional fermentation resulting in an increase in the alcoholic content of the drink;
- b) the drink's ingredients and the infusion or aging agents are identified on the drink menu or price list;
- c) cannabis is prohibited from being an infusion or aging agent;
- d) infusions or aging involving perishable ingredients (e.g. fruit, juices or other consumable food items) must be stored in a manner consistent with provincial and municipal health and safety standards;
- e) each bottle, package or container used for infusing or aging liquor is clearly labeled with the following information:
 - i) the date the infusion or aged liquor was prepared or the date the infusion or aging agent was placed in the container;
 - ii) the type, brand and quantity of liquor used;
 - iii) the non-liquor ingredients used; and
 - iv) the name of the person who prepared the liquor for infusion or aging.
- f) infusing and aging liquor occurs at the establishment and is not removed from the establishment at any time.

(Added Oct 2018)

7.3.22 The licensee must maintain a detailed record for each batch of pre-mixed drinks, infused or aged liquor produced within the facility.

SUBJECT: LIQUOR SERVICE

Records must be retained onsite for at least two years, and be provided to AGLC upon request. Records must include the following information:

- a) type and quantity (in litres) of beverage produced (pre-mixed, infused or aged) in the batch;
- b) the date the batch was prepared;
- c) the type, brand and quantity of liquor used;
- d) the non-liquor ingredients used including infusing or aging agents;
- e) the name of the person who prepared the batch; and
- f) the retail price paid by the customer.

(Added Oct 2018)

7.3.23 Pursuant to Subsection 5.2.1, the amount of liquor in a drink (i.e., # of ounces or millilitres), along with the ingredients, infusion or aging agents and the price must be specified on a menu or price list.

(Added Oct 2018)

7.3.24 A licensee must request permission for any pre-mixing, aging or infusions not outlined in these policies.

(Added Oct 2018)

Liquor Service Areas

7.3.25 All liquor must be consumed on the licensed premises except:

- a) liquor purchased for off premises consumption under a Class D licence (off sales);
- b) a partially consumed bottle(s) of wine in a Class A, B or C (Club) licensed premises that is sealed by licensee staff and placed in a bag; and
- c) liquor provided under a Caterer's Extension (see Section 4.3).

7.3.26 Liquor cannot be sold, served or consumed in a storage room, vestibule, kitchen, hallway or other "back room" area of a licensed premises.

7.3.27 A licensee may provide liquor from a private office for guests between the hours of 10 a.m. and 2 a.m.

SUBJECT: LIQUOR SERVICE

Liquor Consumption by Licensee Staff

- 7.3.28 Licensee staff may not consume liquor or be under the influence of liquor or drugs while on duty. However, it is acceptable for staff to consume an alcoholic beverage after their shift ends and for the Board-approved manager/owner of the licensed premises to consume an alcoholic beverage while entertaining a client.
- 7.3.29 Liquor consumed by off-duty licensee staff must be purchased during normal hours of liquor service, as specified on the licence.

GUIDELINES

- 7.3.30 When changing a brand of liquor in a product line, care must be taken to minimize the mixing of old and new brands. Bottles of a new brand should be added only when:
- a) all the bottles of the old brand are empty (bottle rack); or
 - b) the holding tank, reservoir or well is completely empty.
- 7.3.31 A licensee must be prepared to inform AGLC of the type and brand of liquor contained in each product line, upon request.
- 7.3.32 AGLC Inspectors will conduct periodic tests on measuring and dispensing equipment and open liquor stocks, including liquor contained in dispensing systems and drink machines, to ensure all equipment is operating appropriately and that liquor on the premises is legal and unadulterated. *(Amended Oct 2018)*
- 7.3.33 A licensee who fails to comply with Board policies for a liquor dispensing system may be required to have the system removed from the licensed premises, in addition to other penalties.
- 7.3.34 A keg of beer is any container with a capacity of more than five (5) litres.

SUBJECT: MINORS**POLICIES**

- 7.4.1 It is an offence under the GLCA to sell or provide liquor to anyone under 18 years of age. Management and staff of a licensed premises are responsible to ensure liquor is not sold or provided to minors.
- 7.4.2 No minor may enter a Class A Minors Prohibited licensed premises or any other licensed premises where minors are prohibited, except as specified in Subsections 7.4.11 and 7.4.12.
- 7.4.3 Licensee staff shall telephone police whenever a minor attempts to purchase liquor, is found consuming liquor or is found in a licensed premises where minors are prohibited.
- 7.4.4 No minor may enter a Class D licensed retail liquor store, manufacturer's off-sales outlet or hotel off-sales room unless accompanied by a parent, guardian or spouse who is an adult and who is in the licensed premises to purchase liquor for off-premises consumption.
- 7.4.5 No minor may enter a Class E licensed premises unless accompanied by a parent, guardian or spouse who is an adult and who is in the licensed premises to purchase liquor for off-premises consumption and/or tours.
- 7.4.6 No minor may enter a licensed premises where nude entertainment is being performed.
- 7.4.7 No minor may work as staff in a Class A Minors Prohibited licensed premises; a Class D licensed retail liquor store, a hotel off-sales room, a manufacturer's off-sales room, a duty free store; or any other premises where a "minors prohibited" condition has been imposed on the licence.
- 7.4.8 No minor may be employed in a Class E licensed premises.
- 7.4.9 Licensee staff are required to obtain valid identification and verify proof of age whenever a person who appears to be under 25 years of age attempts to buy liquor or to enter a licensed premises where minors are prohibited. If unsatisfied that a person is at least 18 years of age, licensee staff must refuse entry or ask the person to leave.



SECTION: PREMISES MANAGEMENT - CLASS A LICENCES

NUMBER: 7.4

MANUFACTURER HANDBOOK

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SUBJECT: MINORS

- 7.4.10 A minor child or spouse of a Class A Minors Prohibited licensee or manager may enter and remain on the licensed premises during hours of no liquor service.
- 7.4.11 Under the supervision of the licensee, a minor may enter a Class A Minors Prohibited licensed premises to repair or service equipment or furnishings and remain on the premises for the time required to complete the service.
- 7.4.12 A Class A Minors Prohibited licensee, or other licensee of the premises where minors are prohibited, wishing to employ a minor as an entertainer must seek the approval of AGLC prior to contracting the individual in question. The minor cannot be employed as a nude entertainer.

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SUBJECT: SUPERVISION OF PATRONS

POLICIES

- 7.5.1 Licensed premises must be adequately staffed and supervised during all operating hours. Staff must be trained and capable, and be under the supervision of competent and approved management (see Section 1.5).
- 7.5.2 A licensee is required to maintain a high level of supervision and control to protect the health and safety of all persons on the licensed premises (see Section 1.6).
- 7.5.3 All areas of the licensed premises where liquor may be sold and/or consumed must be clearly visible to staff at all times.

GUIDELINES

- 7.5.4 Licensees should consider:
- a) training staff in ways to deal with unruly patrons and establishing consistent policy, and prominently displaying the policy in the staff room;
 - b) having staff wear highly visible apparel that identifies them as on-duty employees; and
 - c) requiring management and staff to constantly monitor the behaviour of patrons, maintain a log or record of problems and notify replacement staff of any potential problems at the start of their shift.
- 7.5.5 A potentially unruly patron may be identified by their:
- a) clothing (e.g., gang member colours, t-shirt with insulting or derogatory wording or graphics);
 - b) reputation as a “trouble-maker;”
 - c) loud and obnoxious behaviour;
 - d) confrontational or angry attitude;
 - e) threatening language and/or gestures; and/ or
 - f) aggressive or defiant stance, actions and/or facial expressions.
- 7.5.6 Suggestions for dealing with unruly patrons:

SUBJECT: SUPERVISION OF PATRONS

- a) display signs at all entrances clearly communicating management policy to maintain a safe premises (e.g., no knives, no gang colours and unruly patrons will be barred).
- b) support the police “walk-through” program.
- c) hire supervisors and door control staff who can deal with patrons with diplomacy and tact.
- d) to diffuse a problem situation, calmly but firmly talk to the patron. Ask for help from the patron's friends.
- e) separate fighting patrons (i.e., remove them from the premises at different times, or use different exits).
- f) request police assistance if charges are warranted and if prepared to proceed with charges.
- g) record all disturbances in a log book, with as much detail as possible.

7.5.7 Licensee staff need to be cautious when using physical force to deal with unruly patrons. Under the Criminal Code, anyone can be charged for the use of excessive force. Licensees may wish to seek legal advice or ask local police for help in determining the appropriate level of force to use in specific situations.

7.5.8 Also see Sections 7.7 and 7.8 for policies related to identifying and dealing with intoxicated persons and illegal drug activities on a licensed premises.

SUBJECT: COLLECTION OF PERSONAL INFORMATION**POLICIES**

- 7.6.1 Pursuant to Section 69.2(1) of the GLCA, a licensee may, but is not required to, collect a patron's name, age and photograph. No other information may be collected.
- 7.6.2 Licensees using electronic scanning systems must develop written procedures for:
- how the equipment will be used;
 - how the data will be used;
 - how the data will be retained;
 - who will have access to the data; and
 - how the data will be provided to other licensees and the police.
- 7.6.3 These written procedures must be available upon request for inspection by AGLC.
- 7.6.4 Licensees must comply with the guidelines established by the Office of the Information and Privacy Commissioner (OIPC) (see Subsection 7.6.6).

GUIDELINES

- 7.6.5 Licensees may wish to consider the use of an electronic scanning system if there are:
- incidents of violence, or otherwise unacceptable behaviour, in or around the licensed premises;
 - attempts by gang members, gang associates or drug dealers to enter the licensed premises; or
 - attempts by minors to enter the licensed premises.
- 7.6.6 The OIPC has established guidelines for collecting personal information. The key guidelines include:
- Should a licensee use scanning technology to collect a patron's name, age and photograph, the technology must be programmed to only collect this limited, specific information. Otherwise, it is against the law to scan or photocopy the entire face of a patron's driver's licence or other identification as a

SUBJECT: COLLECTION OF PERSONAL INFORMATION

condition of allowing them to enter the licensed premises: *Personal Information Protection Act (PIPA)*.

- b) A licensee may examine identification to confirm the age of a patron.
- c) A licensee can deny a person entry if the person refuses to produce identification verifying his/her name and age, or if a person refuses to allow a photograph to be taken.
- d) If a licensee does collect personal information, it may only be used to decide whether to let a person into the premises. Use for any other purpose would have to be reasonable and would require consent from the patron.
- e) A licensee can disclose the information they collect:
 - i) to other licensees, if the licensee reasonably believes a patron has broken a law;
 - ii) to other licensees, if a patron is a threat to others; and
 - iii) to a police officer, upon request.
- f) Other licensees may then use the information to decide whether or not to allow a specific person onto their premises, and for no other purpose.
- g) A licensee must tell patrons why the information is being collected. This can be done using a sign.
- h) Once it is collected, the licensee is responsible for protecting the information against loss, theft, or improper use. Access to the information should be restricted to those who need to know.
- i) A licensee must give a person access to the information it has collected about that person. If someone asks, they should be directed to an employee of the licensee who can assist them.

7.6.7 For more information on the collection, storage, and disclosure of personal information see the OIPC website:
<https://www.oipc.ab.ca/about-us/about-the-oipc.aspx> or contact the OIPC at: 403-297-2728, or: 1-888-878-4044.

SUBJECT: INTOXICATED PERSONS**POLICIES**

7.7.1 Licensees and licensee staff are prohibited from providing liquor to anyone who appears to be intoxicated by liquor or a drug.

GUIDELINES

7.7.2 A person who is intoxicated by liquor or under the influence of a drug may:

- a) stagger (have an unsteady walk);
- b) have poor coordination;
- c) slurred words;
- d) have bloodshot eyes and/or breath that smells of alcohol;
- e) be messy in appearance; or
- f) behave in an overly bold, disruptive manner.

7.7.3 If licensee staff are aware an apparently intoxicated person drove to the licensed premises, the staff should suggest the person take a taxi and offer to call for one.

7.7.4 If an apparently intoxicated person leaves a licensed premises and gets into a motor vehicle to drive, licensee staff should note the licence plate number, model and colour of the vehicle and the direction the vehicle is travelling, and notify police immediately.

SUBJECT: ILLEGAL DRUGS**POLICIES**

- 7.8.1 It is an offence to permit any activity on licensed premises that is contrary to any municipal bylaw or any Act or regulation of Alberta or Canada (e.g., illegal drug activities). Violations may result in disciplinary or other action being taken against the licensee, up to and including suspension or cancellation of the liquor licence.
- 7.8.2 If suspected illegal drug activities are taking place on the licensed premises, staff must report the activity to management and licensees must report it to police.
- 7.8.3 Anyone identified by a police officer as a person convicted of trafficking in illegal drugs or possession for the purpose of trafficking under the *Controlled Drugs and Substances Act* within the previous two (2) years must be barred from licensed premises.

GUIDELINES

- 7.8.4 A licensee should:
- a) be aware of the type of clientele visiting the premises and the character of its staff members;
 - b) have a security check done on all new staff;
 - c) establish a policy of immediate dismissal for any staff involved in a failure to control the premises or to report drug activities to management and/or police;
 - d) develop a training program to assist staff in becoming "drug wise" (i.e., able to identify illegal drug activities);
 - e) observe and document any suspicious activities by staff or patrons;
 - f) ensure adequate lighting in all areas of the licensed premises, including washrooms, hallways, entrances and exits, as well as the parking lot and back lane areas;
 - g) support police "walk through" programs;
 - h) ban drug users and traffickers from the premises and post signs stating they will be banned;
 - i) record all drug-related incidents in a log book, including names, date, time, offence and actions taken; and

SUBJECT: ILLEGAL DRUGS

j) consider installing video cameras to monitor key areas if a drug problem is identified.

7.8.5 Licensees and their staff are expected to be knowledgeable about illegal drug activities. This involves:

- a) recognizing illegal drugs and paraphernalia, knowing how they are used and what symptoms drug users may exhibit (see Subsections 7.8.6 and 7.8.7);
- b) recognizing the traits and behaviours of drug dealers (see Subsection 7.8.8); and
- c) monitoring washrooms and other areas on the licensed premises for drug-related activities.

7.8.6 Some of the more common illegal drugs and their uses are as follows:

- a) Cocaine, heroin and other powdered substances may be placed on a hard surface and divided into thin lines using a sharp-edged object (razor blade or credit card). A user inhales the drug by placing a straw or rolled up piece of paper on a line and sniffing the powder into their nose. These drugs may also be injected directly into a vein with a needle.
- b) Methamphetamines (crystal meth, speed, crank, ice) come in tablets and capsules which can be taken orally, or they can appear as off-white crystals, chunks and powders, which may be sniffed or injected. In addition, there is a methamphetamine that looks like shaved glass slivers or clear rock salt that can be smoked.
- c) Drug-facilitated sexual assault drugs (“date rape” or “club” drugs) can be found in liquid, powder or pill form (e.g., Rohypnol (flunitrazepam or “roofies”), GHB (Gamma Hydroxybutyric or “liquid ecstasy”), Ketamine (“Special K”) and sometimes MDMA (methylenedioxymethamphetamine or “ecstasy”).
- d) Other illegal drugs can be found in tablet and capsule form and are taken orally (e.g., fentanyl, ecstasy, barbiturates, amphetamines, LSD, mescaline, MDA).

7.8.7 A drug user may be observed:

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SUBJECT: ILLEGAL DRUGS

- a) in possession of drug paraphernalia such as a miniature spoon, small smoking pipe, rolling papers or needles;
- b) seeking a quieter, more private space to use drugs (e.g., a washroom, an alleyway or inside a parked vehicle);
- c) putting drugs in a drink;
- d) showing physical symptoms of drug use, such as dilated pupils, drowsiness, rapid breathing, sweating, paleness, twitching, staggering and/or slurred speech; and
- e) behaving in an erratic or abnormal manner (e.g., sudden mood swings, extreme self-confidence, being overly talkative, having outbursts of laughter).

7.8.8 Typical traits and behaviours of a drug dealer include:

- a) meeting frequently with a variety of people and making frequent trips to the washroom or outside of the building;
- b) carrying large amounts of cash;
- c) hiding drugs in washrooms behind ceiling tiles, light fixtures, fans, switch covers, on or in the back or tank of a toilet, or under the sink;
- d) creating hiding places in service areas by cutting into the chair padding or taping drugs under tables or chairs;
- e) hiding drugs outside the building (e.g., under garbage dumpsters, buried in loose earth or in and around vehicles);
- f) hiding small quantities of drugs in their mouth, often contained in condoms or balloons, in order to swallow the drugs if approached by police; and
- g) passing drugs to buyers in cigarette packages to avoid suspicion.

SUBJECT: GENERAL ENTERTAINMENT, GAMES AND DANCING

POLICIES

- 7.9.1 Entertainment, games and dancing by patrons are acceptable activities on a Class A licensed premises, as long as the activities:
- a) comply with Board policies; and
 - b) do not contravene the *Criminal Code* (Canada) or other federal, provincial, or municipal bylaws.
- 7.9.2 Billiard (pool) tables are allowed based on the following:
- a) a Class A Minors Allowed licensed premises may have a maximum of five (5) pool tables.
- 7.9.3 A "casino night" with play money may be held in a banquet room for a private function with a Class A licence.
- 7.9.4 A licensee must submit a written proposal to the Board for approval, in advance, of any entertainment or games:
- a) that may be considered bizarre, grotesque or offensive (e.g., entertainment involving live animals, excluding magic acts); or
 - b) not specifically addressed in this handbook.
- 7.9.5 The following are prohibited in a licensed premises:
- a) activities involving physical contact between staff, entertainers and patrons other than patron dancing; (e.g., arm wrestling, crowd and stage diving);
 - b) any machine or gaming device which provides a pay-out or prize of any kind, other than video lottery terminals (VLTs);
 - c) illegal gaming activities or devices, including card games for money;
 - d) entertainment or games which are degrading or dehumanizing, or which cause anyone involved or watching to be distressed, embarrassed or concerned for their safety;
 - e) inappropriate staff clothing while on-duty (i.e., clothing with offensive or derogatory wording or graphics); and
 - f) patron nudity.

SUBJECT: GENERAL ENTERTAINMENT, GAMES AND DANCING

GUIDELINES

- 7.9.6 Participation by patrons must be voluntary; no one can be forced or coerced into taking part.
- 7.9.7 Games played on electronic video devices that are linked to other electronic devices (e.g., National Trivia Network) are allowed with the following conditions:
- a) no gambling can be associated with the games;
 - b) no prizes can be offered with the games;
 - c) no tournaments can be organized with the games; and
 - d) electronic video devices must be approved in advance by AGLC.
- 7.9.8 The use of a mechanical bull is allowed but not endorsed by AGLC. The following conditions apply:
- a) a trained operator is required to manage the machine;
 - b) the operator must use discretion and judgement as to who can ride;
 - c) the machine must be surrounded by adequate padding to prevent injury to a falling rider; and
 - d) a one (1) metre separation is required between the machine and patrons.
- 7.9.9 AGLC will consider a request to host occasional boxing, wrestling, arm wrestling or martial arts matches for Class A Minors Prohibited premises, with the following conditions:
- a) participants must be professionals or members of a recognized amateur association or organization; patrons cannot participate;
 - b) the activities must take place within clearly defined boundaries (i.e., a ring); and
 - c) a one (1) metre separation is required between the ring and patrons.
- 7.9.10 Licensees should refer to the attached Entertainment and Games Schedule for a listing of allowed/prohibited activities.

SUBJECT: GENERAL ENTERTAINMENT, GAMES AND DANCING

- 7.9.11 A licensee may charge an admission fee (cover charge) for entertainment.
- 7.9.12 A licensee offering dancing to patrons should set aside an area of the licensed premises as a dance floor.
- 7.9.13 Licensees should be aware of the use of a punch board (i.e., a device with numerous holes, each with a tightly wrapped paper inside marked with a prize number). Use of these devices is illegal under the *Criminal Code* (Canada).
- 7.9.14 Criminal charges may be laid if illegal activities are found to be taking place in a licensed premises.
- 7.9.15 An electronic “digger” machine (i.e., a coin-operated machine that allows a player to use a crane-like device to try to clutch a prize) could be considered an illegal gaming device under the *Criminal Code* (Canada). A licensee should obtain legal advice before installing.
- 7.9.16 Nude entertainment is prohibited in Class A Manufacturer Lounge and Class A Manufacturer Taproom premises.

SUBJECT: GENERAL ENTERTAINMENT, GAMES AND DANCING

ACTIVITY	Class A Minors Prohibited	Class A Minors Allowed/Manufacturer Lounge/Taproom (Community Hub)
Air Hockey	Yes	Yes
Basketball (Free Throw only)	Yes	Yes
Bingo (No Charge)	Yes	No
Card Games (1)	(1)	(1)
Casino Night (Play Money)	No	No
Contests	Yes	Yes
Darts	Yes	Yes
Drinking Games (played with or without liquor)	No	No
Foosball	Yes	Yes
Gyro Machine	Yes	Yes
Hot Tubs	No	No
Mud Wrestling (2)	No	No
Nude Entertainment (minors prohibited)	Yes	No
Paint Ball Shoot Games	No	No
Ping Pong	Yes	Yes
Pool Table	Yes	Yes
Pull Tickets (if involving liquor price reduction or liquor as a prize)	No	No
Skee-ball	Yes	Yes
Sumo Wrestling	Yes	Yes
Boxing/Wrestling/Martial Arts	Yes	No
Tele-Theatre Betting	Yes	Yes
Tournaments	Yes	Yes
TV, Internet, NTN	Yes	Yes
Velcro Wall	No	No
Vertical Bungee	No	No
Volleyball	Yes	No
Video Games	Yes	Yes
Wet T-Shirt or Boxer Short Contests (minors prohibited)	Yes	No

(1) Cared games in which customers or staff plays cards for money (gambling) are prohibited. Card games such as crib which do not involve the exchange of money are allowed. Note that all casino games such as poker, baccarat and blackjack are prohibited even if no money is exchanged.

(2) Mud wrestling includes the use of any substances other than water.

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SUBJECT: SEPARATION OF A LICENSED PREMISES

POLICIES

- 7.10.1 Class A Minors Prohibited premises must be enclosed with full height solid walls, unless otherwise approved by AGLC. "Full height wall" means a wall at least 2.44 metres [eight (8) feet] high, normally floor to ceiling.
- 7.10.2 All licensed premises must be suitably defined by a permanent or portable barrier such as planters, ropes, railings or similar items, unless otherwise approved by AGLC.
- 7.10.3 The physical separation between the manufacturing area and a Class A licensed area in the same premises must be suitably defined by a permanent barrier, of minimum one metre, such as a half wall, railing, or similar items, unless other approved by AGLC.
- 7.10.4 The physical separation between a licensed premises and another licensed or unlicensed area must be suitably defined by a permanent or portable barrier such as planters, ropes, railings or similar items, unless otherwise approved by AGLC.
- 7.10.5 A wall separating two (2) licensed premises may have a single opening for access to the other licensed premises if both premises are operated by the same licensee.
- 7.10.6 Full height solid walls are required for any premises providing nude entertainment. Nude entertainment must not be visible from outside the premises.

SUBJECT: OCCUPANT LOAD

POLICIES

- 7.11.1 Licensees must ensure they comply with all municipal safety codes (e.g. occupant load, fire code).
- 7.11.2 The maximum occupant load of a licensed premises is normally established under the Fire Code and must not be exceeded at any time.
- 7.11.3 The maximum occupant load for premises licensed under a Patio Extension may be determined by AGLC and endorsed on the licence. The Fire Code supersedes the maximum occupant load determined by AGLC, if more restrictive.

GUIDELINES

- 7.11.4 The maximum occupant load includes all persons on the licensed premises (i.e., patrons, staff, management and any other individual).
- 7.11.5 A licensee must prominently display the Certificate of Occupant Load in a public area of the licensed premises.
- 7.11.6 Any proposed change to the maximum occupant load must be approved in advance by AGLC.

SUBJECT: STRUCTURAL CHANGES

POLICIES

7.12.1 The written approval of AGLC is required before making any major structural changes to a licensed premises.

7.12.2 Major structural changes are:

- a) alterations or additions that create a larger floor plan of the licensed room;
- b) removal or relocation of the walls enclosing a licensed room or separating one licensed room from another; and
- c) renovations that result in the premises no longer meeting minimum licensing requirements (e.g., removal of kitchen, washrooms, guest rooms, storage areas).

GUIDELINES

7.12.3 A licensee planning major structural changes should contact AGLC in advance and arrange to present plans of the proposed changes.

SUBJECT: PATIO EXTENSION

POLICIES

- 7.13.1 If a Class E licensee has a Class A licence, patios may be endorsed off the Class A licence.
- 7.13.2 An outdoor patio that is approved for a Class A licence is considered part of the licensed premises and is subject to all of the conditions of the licence.
- 7.13.3 An application for a patio extension must be approved by AGLC in advance, including a plan or a line drawing showing the layout and the location of the licensed areas, entrances, kitchen and washrooms in relation to the proposed patio.
- 7.13.4 The following requirements apply, based on licence classification:
- a) Class A – Minors Allowed Licensed Premises:
 - i) the patio must be on the same property as the licensed premises;
 - ii) the patio must be under the control of the licensee;
 - iii) the patio must be suitably defined (e.g., enclosed by planters, a rope, railing or similar barrier); and
 - iv) the patio may be accessed from the public areas and/or from within the premises.
 - b) Class A – Minors Prohibited Licensed Premises
 - i) the patio must be on the same property as the licensed premises;
 - ii) the patio must be under the control of the licensee;
 - iii) the patio must be suitably defined (e.g., enclosed by planters, a rope, railing or similar barrier);
 - iv) the patio may be accessed from public areas and/or from within the premises; and
 - v) signage prohibiting minors must be prominently displayed.
- 7.13.5 A Class A Minors Allowed licensed patio adjacent to a Class A Minors Prohibited licensed patio must be separated as follows:

SUBJECT: PATIO EXTENSION

- a) Railings, wall or similar barriers must be a minimum of three feet high separating the two patios.
- b) A “Staff Only” sign must be posted at any service gate between the two licensed patios.
- c) A “No Minors” sign must be posted between the two patios, clearly identifying the Minors Prohibited side.

Sidewalk Patios

7.13.6 Where licensees want liquor service for tables directly on a public sidewalk, next to or directly in front of their premises:

- a) the patio must be suitably defined (e.g., enclosed by planters, a rope, railing or similar barrier); and
- b) the licensee must have municipal approval, including granting care and control of any unlicensed space the licensee may have to cross with the liquor.

7.13.7 For Minors Allowed sidewalk patios where the licensed space is very small and cannot reasonably accommodate the defined area specified in Subsection 7.13.6a), AGLC may consider signage clearly indicating the number of licensed tables and total seating capacity (e.g. “Two tables with a total seating capacity of 4 persons are licensed for liquor consumption”).

7.13.8 For all licensed patios, licensees must ensure patrons do not depart the patio space while in possession of liquor, with the exception of properly corked wine.

7.13.9 A temporary patio to accommodate 201 to 2,000 people may be considered for a community event if the capacity of the patio does not exceed double the capacity of the indoor licensed area (two to one ratio).

GUIDELINES

7.13.10 A temporary patio may be considered for a community event (a festival; activity such as a fair, rodeo or sports day; or celebration conducted and sponsored by a non-profit organization) or a one (1) day customer appreciation day. The temporary patio must be on the same property as the licensed premises.

SUBJECT: PATIO EXTENSION

- 7.13.11 The request for a temporary patio must be submitted at least three (3) weeks prior to the event, with the following information:
- a) date and hours of the event;
 - b) a line drawing of the proposed patio layout and description of how it will be defined;
 - c) patio capacity;
 - d) food service;
 - e) supervision; and
 - f) authorization of the municipality and/or the host of the community event, if requested by AGLC.
- 7.13.12 A Class A licence may be extended to a swimming pool area under the same conditions as a patio extension.
- 7.13.13 In addition to meeting Board policy requirements, applicants may need to obtain the approval of municipal, police, health, fire and landlord authorities.

SUBJECT: CATERER'S EXTENSION

POLICIES

- 7.14.1 If a Class E licensee has a Class A Minors Allowed, Class A Minors Prohibited or Class A Taproom licence, the licensee may be eligible for a Caterer's Extension if the licensee offers food service from its premises.
- 7.14.2 The Class A licence (Minors Allowed, Class A Minors Prohibited or Class A Taproom) may be extended to provide liquor service at a function away from the licensed premises.
- 7.14.3 If the extension is under a Class A Minors Prohibited licence, the catered function is also Minors Prohibited.
- 7.14.4 Only liquor purchased under the Class A licence may be transported to a catered function for sale and consumption at that location. All unused liquor must be returned to the licensed premises for use in accordance with the licence conditions.
- 7.14.5 Under a Caterer's Extension, a licensee must:
- a) ensure a selection of food items is available;
 - b) provide liquor service only during the hours endorsed on the licence unless otherwise approved by the Board;
 - c) ensure liquor is not included in the admission price of the function and follow Board policy with respect to liquor pricing (see Section 7.2);
 - d) ensure a separate Special Event licence is obtained by the convener of the event for wine served during the meal, if the wine is supplied by the convener of the event;
 - e) ensure the function is properly staffed and supervised; and
 - f) post a copy of the licence and a letter of approval from AGLC at the function location.
- 7.14.6 Licensees may request approval from AGLC to cater liquor at a public function held in conjunction with a community event (i.e., a festival; activity such as a fair, rodeo, or sports day; or a celebration conducted and sponsored by a non-profit organization).

SUBJECT: CATERER'S EXTENSION

7.14.7 Co-sponsorship of a public function with a promoter or other group is acceptable provided that all proceeds from liquor sales go to the licensee.

7.14.8 Attendance at a function catered by a licensee will normally be limited to the lesser of 2,000 patrons or the maximum occupant load under the Fire Code.

GUIDELINES

7.14.9 To request a Caterer's Extension, a licensee is required to submit an Application for Public Function or Caterer's Extension (Form REG/5041) to AGLC at least three (3) weeks before the event, providing the following information:

- a) type of function;
- b) third party that is holding the function;
- c) date and hours of the function;
- d) food service to be provided;
- e) location of the function;
- f) expected attendance at the function;
- g) a line drawing of the layout of the licensed area; and
- h) security details.

7.14.10 In addition to meeting Board policy requirements, applicants may need to obtain the approval of municipal, police, health, fire and landlord authorities.

7.14.11 Except for functions in private residences and special "one time" extensions, locations included in a Caterer's Extension may be inspected before approval.

7.14.12 Class A licensee may advertise "fully licensed catering of functions available."

7.14.13 Class A licensee that request a Caterer's Extension to a function not considered to be family-oriented may be required by AGLC to prohibit minors.

SUBJECT: GENERAL INFORMATION**POLICIES**

8.1.1 For all of Section 8:

- a) "advertising" means the use of media to communicate a message to an off-premises audience through words and/or images and includes television, radio, internet, email, signs, newspapers, magazines, flyers, billboards, transit shelters, inflatables, commercial vehicles and corporate vehicles;
- b) "liquor agency" includes all associated shareholders, directors, management, agents and employees of liquor manufacturers/agencies and suppliers; and
- c) "records" are electronic or paper documents that summarize a transaction and include the documents to support these transactions. These documents include, but are not limited to, financial statements, invoices, receipts, vouchers, contracts, cancelled cheques, credit card receipts and emails.

8.1.2 Only those businesses and/or persons with a Class E Small Manufacturer's, Estate Manufacturer's or Manufacturer's licence or who are registered as a liquor agency with AGLC may conduct marketing, merchandising, and promotional activities of liquor in Alberta.

8.1.3 A liquor manufacturer/agency, a licensee or a third party acting on their behalf (i.e., marketing company) may advertise in any medium not specifically prohibited, as long as the advertising complies with these policies, the Canadian Radio-television and Telecommunications Commission (CRTC) and any other regulator with jurisdiction.

8.1.4 All advertising must be:

- a) accurate and verifiable; and
- b) within the limits of good taste and propriety (i.e., not offensive to the general population).

8.1.5 Advertising must not:

- a) be targeted at minors;
- b) encourage non-drinkers to consume liquor;

SUBJECT: GENERAL INFORMATION

- c) promote irresponsible liquor consumption or service;
- d) show heavy or prolonged liquor consumption;
- e) give the impression liquor benefits a person's health;
- f) disparage (put down) another company, business or product.

8.1.6 Brand advertising is allowed by a liquor supplier or a manufacturer's off-sales licensee. Brand advertising by Class A licensees must comply with Subsection 8.2.3 and brand advertising by Class D licensees must comply with Subsection 8.3.3.

8.1.7 Co-operative advertising (advertising by licensees that includes the specific mention of liquor manufacturers/suppliers/agencies), is permitted under the following conditions:

- a) the licensee must pay all costs pertaining to the advertising; and
- b) all records for advertising must be kept by the licensee for a period of two years and provided to AGLC on request.

8.1.8 A liquor manufacturer/agency is not allowed to pay any advertising costs for a licensee, either directly or indirectly.

8.1.9 A manufacturer's/agency's advertising must not be directed to a particular licensee /chain of licensees.

8.1.10 Advertising not specifically addressed in this section requires the prior approval of AGLC.

GUIDELINES

8.1.11 Advertising which promotes the responsible consumption of liquor (i.e., legal, moderate and safe) is highly recommended and supported by AGLC.

8.1.12 Advertising may be of any size, frequency and duration, within the limits set by the CRTC and other regulators.

8.1.13 References to brand advertising do not apply to Special Event licensees.

8.1.14 Corporate or brand identification may be used in public service or community advertising.

SUBJECT: GENERAL INFORMATION

- 8.1.15 Liquor agencies and licensees are responsible to ensure their advertising complies with these policies, including any advertising conducted by a third party.
- 8.1.16 A licensee and a manufacturer of non-liquor products may advertise jointly, as long as the advertising complies with these policies.

SUBJECT: ADVERTISING BY CLASS A LICENSEES**POLICIES**

- 8.2.1 A licensee may advertise the name of the licensed premises and the services offered according to the type of licence(s) held.
- 8.2.2 Brand advertising is acceptable, with the following conditions:
- a) the licensee must receive permission in advance from the liquor manufacturer/agency (or whoever owns/controls the brand identification) to use the brand logo, typeset or trademark; and
 - b) the licensee is prohibited from receiving or requesting any benefit (money or other) from a liquor manufacturer/agency for advertising its brands.
- 8.2.3 A licensee may advertise:
- a) liquor at reduced or discounted prices as long as the prices are not below the minimum prices specified in Subsections 7.2.3 and 7.2.4;
 - b) "Happy Hours", as long as they comply with Subsection 7.2.5;
 - c) daily specials, as long as the prices are in effect for all hours of liquor service on a specified day; and
 - d) "Buckets of Beer," providing the pricing complies with Subsection 7.2.6.
- 8.2.4 Advertising for packages which include liquor in the price (e.g., Champagne Brunch, Mother's Day special, New Year's Eve special) are allowed, as long as the ad specifies the amount of liquor to be provided and it complies with the minimum drink prices specified in Subsections 7.2.3 and 7.2.4.

GUIDELINES

- 8.2.5 A licensee may use a television remote unit to broadcast live entertainment from its licensed premises as long as patrons are aware they may be televised.
- 8.2.6 Television broadcasts from licensed premises should focus on the entertainment, although some shots may include portions of the audience.



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SUBJECT: ADVERTISING BY CLASS A LICENSEES

8.2.7 A licensee may use a radio remote unit to broadcast live music from its licensed premises and promote the premises' name and location (or a specific room within the premises).

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AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: ADVERTISING BY CLASS D LICENSEES

POLICIES

- 8.3.1 The Class D licensee may advertise the:
- a) premises' name and location;
 - b) hours of operation;
 - c) products available, including sizes; and
 - d) product prices, including discount prices.
- 8.3.2 Comparative price advertising is allowed, but must not disparage a competitor or competitor's product (see Subsection 8.1.5(f)).
- 8.3.3 Advertising may promote a liquor brand, with the following conditions:
- a) the licensee must receive permission in advance from the liquor manufacturer/agency (or whoever owns/controls the brand identification) to use the brand logo, typeset or trademark; and
 - b) the licensee may not request or receive any benefit (money or other) from a liquor manufacturer/agency for advertising its brands.
- 8.3.4 A licensee who also owns or operates a separate company or business may not:
- a) conduct common/joint advertising featuring both business interests in the same advertising (joint advertising); or
 - b) use one business to promote the other (cross-market advertising/promotions).
- 8.3.5 Pursuant to Section 50 of the [GLCR](#), a licensee that also owns or operates another company or business cannot:
- a) offer customers 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



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SUBJECT: ADVERTISING BY CLASS D LICENSEES

wholesale purchase by other licensees and are not referred to by the other business's name.

8.3.6 Class D liquor delivery service advertising must not promote the use, sale or consumption of liquor.

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SUBJECT: ADVERTISING CONTENT RESTRICTIONS**POLICIES**

8.4.1 Drinking Scenes (applies to brand advertising by liquor manufacturers/agencies):

- a) Drinking scenes depicted in advertising must be legal (i.e., the situation shown must not contravene any federal, provincial or municipal laws).
- b) The quantity of a liquor product shown in a social setting must not exceed one (1) drink per person.
- c) Any scene showing a person with liquor before or while operating a vehicle (motorized or not) or doing any activity considered dangerous or requiring care is prohibited; the advertising must be clear the liquor is being consumed only after the activity has ended.

8.4.2 Minors:

- a) Advertising must not appeal to minors or be placed in any medium targeted specifically at minors.
- b) No minor or anyone who may reasonably be mistaken for a minor may appear in advertising for a liquor product.
- c) No well-known personality or look-alike with strong appeal to minors may be featured in liquor advertising (e.g., an athlete or youth-oriented music group).
- d) The use or imitation of children's fairy tales, jingles, nursery rhymes, songs, musical themes or fictional characters from children's books is prohibited in liquor advertising.

GUIDELINES

8.4.3 Drinking Scenes (applies to brand advertising by liquor manufacturers/agencies):

- a) A liquor product may be shown in a setting where consumption is not normally allowed only:
 - i) if no people are present to suggest liquor had been or was about to be consumed.
- b) Activities shown within a bar or lounge setting must reflect the type of activities normally seen in licensed premises in Alberta.

SUBJECT: ADVERTISING CONTENT RESTRICTIONS

- c) The presence of food is encouraged.
- 8.4.4 A product endorsement by a well-known personality or look-a-like should not imply that drinking liquor contributed to their success.
- 8.4.5 The age of a personality and their public image should be taken into account when assessing their appeal to minors.

SUBJECT: EXCLUSIVITY AGREEMENTS & SPONSORSHIPS**POLICIES****EXCLUSIVITY AGREEMENTS**

- 8.5.1 Pursuant to Section 85 of the GLCR, the Board of AGLC may approve an arrangement, such as an exclusivity agreement, between a liquor licensee and a liquor manufacturer or agency to promote a particular type of liquor.
- 8.5.2 Exclusivity Agreement (“EA”) means a document establishing the terms and conditions under which a licensee agrees to the exclusive use of a liquor manufacturer’s/agency’s or supplier’s products during a specified event or at a specified venue. Exclusive use means only the liquor manufacturer’s/agency’s or supplier’s products will be used for that product category (beer, wine, spirits or refreshment beverages) during the event or at the venue.
- 8.5.3 All events and/or venues involving the exclusive use of liquor require an EA approved by AGLC. A liquor manufacturer/agency or supplier may not enter into an agreement, directly or indirectly, with a liquor licensee, where the licensee agrees to exclusively sell the liquor of the manufacturer/agency or supplier, unless approved by way of an EA in accordance with this section.
- 8.5.4 EAs apply to the licensed area(s) only.
- 8.5.5 AGLC will consider EAs for the following types of events which are open to the general public and where the primary purpose of public attendance is not for the consumption of liquor:
- a) community-based entertainment (community-based means it is available to a significant segment of the community); or
 - b) professional or semi-professional sports teams or sporting events; or
 - c) a broad-based cultural event (broad-based means representative of the larger community).
- 8.5.6 Eligible locations for these events are:
- a) convention centres;
 - b) ski hills;

SUBJECT: EXCLUSIVITY AGREEMENTS & SPONSORSHIPS

- c) the home arena or sports stadium of the team, or the venue where the professional or semi-professional sporting event takes place;
- d) municipally approved public areas with the licensed area located within a tent or fenced area; or
- e) other locations approved in advance by AGLC.

8.5.7 Licensed premises where food and liquor are the primary source of business do not qualify for EAs. This restriction does not apply to licensed premises located within a premises conducting an event mentioned in Subsection 8.5.6 (e.g. lounge within a team's arena).

8.5.8 Each proposed agreement must specifically identify the following:

- a) all parties participating in the agreement, including the name and registration number of the manufacturer/agency or supplier and the name, licence number and class of licensed premises;
- b) the type of event(s) taking place;
- c) the location of the event(s) including identification of the licensed area(s);
- d) the type of liquor licence in effect during the event(s);
- e) the commencement and termination dates of the proposed agreement;
- f) the date(s) of the event(s); and
- g) the specific dollar value being paid, the type of liquor products, brand and quantity of liquor products and the type and value of services offered.

8.5.9 Draft EAs must be submitted to AGLC for review and approval before both parties sign the agreement. If approved, an executed (signed) copy of the EA must be submitted to AGLC prior to the start date of the agreement.

SUBJECT: EXCLUSIVITY AGREEMENTS & SPONSORSHIPS

8.5.10 The total dollar value of support, products or services being provided determines the deadline for submitting the draft agreement to AGLC:

<u>Value of Agreement</u>	<u>Due Date for Submission</u>
Less than \$5,000	15 days prior to start date
\$5,001 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

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

SPONSORSHIPS

8.5.12 Sponsorship may only involve the unconditional donation of cash or merchandise, a trophy, and/or a prize, by a licensee, manufacturer/agency or supplier, directly to an event or team.

8.5.13 A licensee, manufacturer/agency or supplier may sponsor or co-sponsor an event or team with the following conditions:

- a) a liquor supplier or brand name may be used only if the event or team is adult-oriented and not geared toward minors; and
- b) a Class A or D licensee may sponsor an event involving minors as long as liquor is not mentioned in any way.

8.5.14 Sponsorship or co-sponsorship of a publicly advertised contest is allowed with the following restrictions:

- a) participation in a contest must not be conditional on the purchase or consumption of liquor;
- b) a contest sponsored by a liquor supplier must be directed only towards persons of legal drinking age; and
- c) if the contest is conducted on licensed premises, the licensee must also comply with Subsection 9.4.1

8.5.15 Sponsorship promoting a specific brand of liquor in a Class A licensed premises requires the prior approval of AGLC. All other eligible sponsorships do not require the approval of AGLC.

SUBJECT: EXCLUSIVITY AGREEMENTS & SPONSORSHIPS

8.5.16 A sponsored event held on-campus at an educational institution must have the prior approval of the institution's administration.

8.5.17 Corporate or brand names and logos may:

- a) be displayed on a permanent sign in an arena or stadium used primarily for sporting or entertainment events (e.g., scoreboard panel, rink board);
- b) be displayed on a temporary sign in a community arena or in a stadium during a sponsored event (e.g., banner); and
- c) not be displayed on signs at events involving minors (for example, Minor Hockey Week).

8.5.18 A corporate or brand name and logo may be displayed on a corporate vehicle and the vehicle may appear at a sponsored event.

8.5.19 A liquor manufacturer/agency, supplier or licensee may own a sports franchise.

8.5.20 Sponsorship advertising is allowed before and during a sponsored event with the following conditions:

- a) if the event has a licensed area, approved promotional materials may be displayed within the licensed area; and
- b) all advertising and promotional materials must comply with Sections 8 and 9.

8.5.21 The focus of sponsorship advertising shall be on the event or activity being sponsored, and not a liquor manufacturer/agency, supplier or brand.

GUIDELINES

8.5.22 Proposed agreements may be submitted to AGLC by mail, fax or email at the following.

50 Corriveau Avenue
c/o Inspections Branch
St. Albert, Alberta
T8N 3T5
Fax: 780-447-8912
Email: inspections@aglc.ca

SUBJECT: EXCLUSIVITY AGREEMENTS & SPONSORSHIPS

8.5.23 Items displaying a corporate or brand logo may be donated to a registered charity for use as give-away prizes.

SUBJECT: LIQUOR INDUSTRY TRADE SHOWS**POLICIES**

8.6.1 Participation in a liquor industry trade show may be undertaken with a display booth. The following conditions apply:

- a) Participation in a liquor industry trade show may be advertised.
- b) The display booth may advertise liquor and related products and staff may wear promotional clothing. Promotional and educational materials may be given away.
- c) A liquor manufacturer/agency is allowed to sell or provide tastings of liquor products as follows:
 - i) Liquor tastings may be provided only to persons eighteen (18) years or older. Minors are not allowed to serve or to handle liquor.
 - ii) Liquor tastings must be provided from a display booth. The booth must be staffed at all times liquor is available.
 - iii) Liquor manufacturers/agencies or their employees must not provide liquor while under the influence of liquor. Adequate measures must be taken to secure liquor supplies after-hours.
- d) All categories of liquor may be provided as tastings. Maximum tasting sizes are:
 - beer and ciders - 112 ml (4 oz.)
 - refreshment beverages (e.g. coolers/premixed - 112ml (4oz.)
 - wine - 56 ml (2 oz.)
 - spirits - 14 ml (1/2 oz.)
 - liqueurs - 14 ml (1/2 oz.)

GUIDELINES

8.6.2 A licensee participating in a trade show must also comply with the trade show operator's requirements for display booths and liquor tasting.

8.6.3 Cooking demonstrations featuring liquor products on display or offered as tastings may be conducted at the display booth or in a designated cooking area. Tasting of the prepared dishes is allowed.

SUBJECT: MARKET RESEARCH**POLICIES**

8.7.1 A liquor manufacturer/agency may appoint an independent group or organization to conduct market research on its behalf.

8.7.2 Market research surveys are subject to the following conditions:

- a) A survey must not be:
 - i) used to directly or indirectly advertise a product, nor may the results be used in a public advertising program;
 - ii) used to communicate potentially damaging information about another company or product; and
 - iii) directed to or involve minors, if the survey is liquor-related.
- b) A survey with a person-to-person, question-and-answer format may be conducted by telephone, in a private location or in a public area (e.g., in a shopping mall, on the street).
- c) A survey which includes a product audit (taste test) may be conducted only in a private location acceptable to AGLC (e.g., market research office, hotel meeting room or other location closed to the general public).
- d) A market research organization conducting a taste test or a packaging audit (test of consumer response to a product's packaging) must meet all licence requirements (see Subsection 8.7.3).
- e) A taste test:
 - i) may include liquor products not currently available for sale in Alberta, but have been processed by AGLC (see Subsection 9.6.1c); and
 - ii) must not allow participants to consume more than a single serving of the liquor.

GUIDELINES

8.7.3 A taste test conducted in a non-licensed area requires a Private Non-Sale Special Event licence. This licence, which includes the words "Not for Consumption," authorizes transportation of the liquor to



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SUBJECT: MARKET RESEARCH

and from the location of the taste test and possession of liquor at the location.

8.7.4 A market research organization conducting a survey may pay participants to take part.

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SUBJECT: HOSTING A NO SALES FUNCTION

POLICIES

- 8.8.1 A no sale function may be hosted by liquor manufacturers/agencies or licensees at which invited guests may sample liquor.
- 8.8.2 Attendance at a no sale function must be by invitation only. There may be no advertising of the event.
- 8.8.3 If the event is to be held in an unlicensed location, the host must obtain a Special Event Licence beforehand.

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SUBJECT: GENERAL INFORMATION**POLICIES**

- 9.1.1 For all of Section 9:
- a) "product promotion" means activities within licensed premises designed to encourage the sale of specific brand(s) of liquor;
 - b) "liquor agency" includes all associated shareholders, directors, management, agents, and employees of liquor manufacturer/agencies and suppliers; and
 - c) "records" are electronic or paper documents that summarize a transaction and include the documents to support these transactions. These documents include, but are not limited to, financial statements, invoices, receipts, vouchers, contracts, cancelled cheques, credit card receipts, and emails.
- 9.1.2 Only those businesses and/or persons with a Class E manufacturer's licence or who are registered as a liquor agency with AGLC may conduct marketing, merchandising, and promotional activities of liquor in Alberta
- 9.1.3 A product promotion must not encourage the irresponsible use, consumption or service of liquor.
- 9.1.4 A licensee may participate in a liquor manufacturer's/agency's local, regional, provincial or national corporate or brand promotion, with the following conditions:
- a) Product promotions must be directed to consumers or patrons of a licensed premises, with the exception of tasting (see Section 9.5) and sampling (see Section 9.6).
 - b) The promotion must take place in licensed premises.
- 9.1.5 An exclusivity agreement between a liquor manufacturer/agency and a licensee for promotional activities at a community event or sporting venue requires the prior approval of AGLC.
- 9.1.6 A product promotion may be co-sponsored by a third party.
- 9.1.7 Product promotions not specifically addressed in Section 9.4 require the prior approval of AGLC.

SUBJECT: PROHIBITED INDUCEMENTS AND BENEFITS

POLICIES

- 9.2.1 A liquor manufacturer/agency is prohibited from directing any promotional activity or items to a licensee that could directly benefit the licensee or their staff, unless the manufacturer and licensee are the same entity pursuant to Section 84 of the GLCR, and a licensee may not request or accept any such inducements.
- 9.2.2 A liquor manufacturer/agency is prohibited from participating in any way in a licensee's customer loyalty program, and a licensee may not request that a liquor manufacturer/agency participate in such a program.
- 9.2.3 A liquor manufacturer/agency is prohibited from providing a licensee with a reduced rate for accommodation at a winery, brewery or distillery, or any other place they own, represent or have an interest.
- 9.2.4 A liquor manufacturer/agency is prohibited from paying:
- a) a licensee's registration fees, conference fees, tuition or similar costs, except for a seminar or training event which is:
 - i) organized by the liquor manufacturer/agency;
 - ii) held within Alberta; and
 - iii) open to all licensees, or specified class(es) of licensees.
 - b) any portion of a licensee's travel expenses, either directly or indirectly, whether for business, vacation or a combination of both; except for local transportation costs (e.g. taxi) to and from a manufacturing facility.
- Note: Travel expenses include, but are not limited to, any costs associated with air or ground transportation and accommodation while away from home; except for local transportation costs (e.g. taxi) to and from a manufacturing facility.
- 9.2.5 A liquor manufacturer/agency may not offer or provide to a licensee:
- a) cash, rebates, coupons or credits of any monetary value;
 - b) a deposit into any account held by the licensee, directly or indirectly;

SUBJECT: PROHIBITED INDUCEMENTS AND BENEFITS

- c) free liquor products, other than for sampling purposes as specified in Section 9.6; or
- d) compensation for expenses related to:
 - i) interior decorating (e.g., painting, draperies, carpeting, decor), renovations or maintenance to a licensed premises, or any other property owned, rented or leased by a licensee or anyone directly or indirectly involved with the licensee;
 - ii) furniture, equipment, or fixtures (except racks noted in Subsection 9.2.10b);
 - iii) refrigeration or dispensing equipment (except tap handles and refrigerators noted in Subsections 9.2.10a) and 9.2.11);
 - iv) menu printing; or
 - v) other items considered essential to operating a licensed premises (see Subsection 9.2.10).

9.2.6 A liquor manufacturer/agency may provide interior signs displaying the manufacturer's/agency's brand to licensees. However, a manufacturer/agency is not permitted to provide signs that display the licensee's business name or signs necessary for the operation of the business (e.g. entry/exit signs and bathroom signs).

9.2.7 A liquor manufacturer/agency may offer a licensee tickets to sporting, cultural or entertainment events, with the following conditions:

- a) tickets must be for events not normally paid for by the licensee;
- b) tickets with an individual value of more than \$500 require the prior approval of AGLC; and
- c) no season tickets may be provided.

9.2.8 A licensee may not accept any offer from a liquor manufacturer/agency or a country's representative (political or non-political) to pay travel expenses specified in Subsection 9.2.4 or any

SUBJECT: PROHIBITED INDUCEMENTS AND BENEFITS

other costs for the licensee, their staff or agents to attend a seminar, convention, meeting or exhibition outside Alberta.

9.2.9 Liquor agencies and licensees are also responsible to comply with related requirements in the GLCR, Sections 80 to 85.

9.2.10 Liquor agencies may provide a Class D Retail Liquor Store licensee with promotional refrigeration and racking that is portable and standalone. The following specifications regarding the equipment must be met:

a) Refrigerators:

- i) a maximum size of 12 cubic feet;
- ii) a maximum of two refrigerators from one particular manufacturer/agency;
- iii) a maximum of four, manufacturer/agency provided refrigerators in a licensed premises;
- iv) ownership of the refrigerators must remain with the manufacturer/agency(s); and
- v) services associated with the installation or maintenance of the refrigerators (i.e. electrical and power) must be the sole responsibility of the licensee.

b) Racks:

- i) a maximum size of 36 inches x 48 inches x 72 inches;
- ii) a maximum of two racks from one particular manufacturer/agency;
- iii) a maximum of four, manufacturer/agency-provided racks in a licensed premises
- iv) ownership of the racks must remain with the manufacturer/agency; and
- v) services associated with the installation of the racks (i.e. electrical and power) must be the sole responsibility of the licensee.

9.2.11 Proprietary owned branded dispensing units and towers may be loaned to a licensee. A loan agreement must be in place and specify the type of equipment being loaned and the term of the agreement.

SUBJECT: PROHIBITED INDUCEMENTS AND BENEFITS

Loan agreements can take any form as long as they contain the aforementioned information. The loan agreement must be provided to AGLC on request. A Buy/Sell Agreement is not to be used as a loan agreement.

9.2.12 A liquor manufacturer/agency may provide a licensee with non-essential items, including:

- aprons or hats for staff
- bar towels
- bottle openers and corkscrews
- interior branded signs (must not contain or display the licensee's business name)
- clocks
- coasters
- condiment caddies
- draught tap handles
- drip mats
- flags, pennants and banners
- fruit slicers
- glasses and mugs
- ice buckets
- inflatables
- lapel pins
- mirrors
- napkins
- patio umbrellas
- place mats
- posters
- promotional fridges (see Section 9.2.10a)
- promotional racks (see Section 9.2.10b)
- sandwich boards
- tent cards and inserts

9.2.13 The following conditions apply to the non-essential items listed in Subsection 9.2.12:

- a) branding and co-branding of these items is permitted;
- b) if liquor pricing is stated on any of these items, the prices must match those on the menu or the posted price and must be determined by the licensee; and
- c) they cannot be sold to customers.

GUIDELINES

9.2.14 Liquor manufacturers/agencies and licensees may contact AGLC (see Section 1.3), if unsure whether an item is considered essential or non-essential.

SUBJECT: BUY/SELL AGREEMENTS (BSA)**POLICIES**

- 9.3.1 A Buy/Sell Agreement (BSA) refers to a document establishing the terms and conditions under which a liquor manufacturer/agency will provide a licensee with promotional items for its customers in exchange for the licensee promoting a specific brand(s) of liquor.
- 9.3.2 All promotional items provided by a liquor manufacturer/agency to a licensee must be part of a BSA, except liquor for tastings conducted by the liquor manufacturer/agency (see Section 9.5) and added-value items for existing inventory (see Section 9.8). The following conditions apply:
- a) All promotional items included in a BSA can only be directed to consumers and conform to applicable legislation and Board policies.
 - i) Liquor products may be provided as a draw prize or give-away item in Class D Retail and General Merchandise Liquor Stores.
 - ii) A licensee conducting a promotion on behalf of a liquor manufacturer/agency must keep a written record of the name, address and telephone number of every person who receives a give-away item with a wholesale value of more than \$100.
 - iii) Cash, cheques, gift cards or prepaid credit cards are prohibited as promotional items and cannot form any part of a BSA.
 - b) A BSA cannot exclude or prohibit any competitor's product(s), unless specifically approved by the Board.
 - c) A BSA must be documented, verifiable and include all of the following information:
 - i) name and registration number of liquor manufacturer/agency;
 - ii) name, licence number and class of licensed premises;
 - iii) duration of agreement (maximum 12 months);

SUBJECT: BUY/SELL AGREEMENTS (BSA)

- iv) list of promotional items, the value of each item and/or services provided and their retail value; and
- v) the terms of the agreement, specifying product brands and quantities (i.e., "while supplies last" or words to that effect are not acceptable).

9.3.3 A copy of the BSA must be kept by the liquor manufacturer/agency and by the licensee on the licensed premises, and provided to AGLC immediately on request. If the liquor manufacturer/agency or licensee have multiple locations, a copy of the BSA must be kept at each manufacturer/agency location and each licensed premises (original to be provided on request).

9.3.4 A BSA that complies with these policies does not require AGLC approval.

9.3.5 A BSA must be kept for a minimum of two (2) years after the expiry of the agreement.

GUIDELINES

9.3.6 The effective period of a BSA may be extended if both parties agree. The change of date must be initialled by both the liquor manufacturer/agency and the licensee on the original document, and must not exceed 12 months.

SUBJECT: LICENSEE PROMOTIONS**POLICIES**

9.4.1 A licensee may conduct promotional activities in the licensed premises with the following conditions:

- a) Free liquor may not be awarded as a prize in a Class A licensed premises.
- b) A sealed bottle of liquor may be awarded as a prize on a Class D licensed premises, for off premises consumption.
- c) The purchase or consumption of liquor cannot be required in order to participate in a competition, contest, draw, giveaway or similar promotion, and participants must be told that there is no such requirement.
- d) Participants may be required to be present at the time of a draw in order to receive a prize. However, the time, date and place of the draw must be clearly displayed on the premises.

9.4.2 A liquor manufacturer/ agency may donate liquor or merchandise for a bona fide charitable fundraising event or activity on a licensed premises, with the following conditions:

- a) the liquor manufacturer/ agency and licensee must have a written Buy/Sell agreement (see Section 9.3);
- b) all liquor purchased must be from a Class D licensee or otherwise approved by AGLC;
- c) charitable receipts cannot be issued; and
- d) all profits from the event or activity must be turned over to the charity.

GUIDELINES

9.4.3 There is no limit to the quantity of merchandise and/or liquor that may be donated in support of charitable fundraising.

SUBJECT: LIQUOR TASTINGS

POLICIES

9.5.1 A liquor tasting is an activity that allows patrons the opportunity to taste featured liquor products. Liquor tastings may be conducted on a Class A, D or E licensed premises under the following conditions:

- a) minors are not provided liquor;
- b) no one is served the product to the point of intoxication;
- c) the server has valid ProServe certification;
- d) tasting records are provided to AGLC on request.

9.5.2 Maximum tasting sizes are as follows:

beer and ciders - 112 ml (4 oz.);

refreshment beverages (e.g. coolers/premixed - 112 ml (4 oz.);

wine - 56 ml (2 oz);

spirits - 14 ml (1/2 oz); and

liqueurs - 14 ml (1/2 oz).

9.5.3 A liquor manufacturer/ agency may provide free individual tastings of liquor to patrons on a Class A, D or E licensed premises with the following conditions:

- a) the liquor used for the tastings:
 - i) must be purchased from the licensee, at the licensee's cost of the product, or
 - ii) may be an unfinished product from a previous tasting(s) at another location(s), if the licensee permits the agency to use the product;
- b) the liquor manufacturer/ agency or its employee must be present on the licensed premises;
- c) the booth or area from which the tastings are offered must be staffed;
- d) the tastings may be served by the liquor manufacturer's/ agencies employee or the licensee;

SUBJECT: LIQUOR TASTINGS

- e) there can be no charge to patrons for the tastings;
- f) the liquor manufacturer/ agency must maintain a written record of the tasting including:
 - i) the date, time and location; and
 - ii) the liquor product(s) along with the quantity and cost.

9.5.4 A Class D licensee may conduct free tastings of liquor to patrons on behalf of a liquor manufacturer/ agency, with the following conditions:

- a) the liquor manufacturer/ agency and the licensee must have a written buy/sell agreement (BSA) (see Section 9.3). The BSA must:
 - i) specify the date, time and location of the tasting;
 - ii) identify the liquor product(s) that will be offered along with the quantity and the licensee's cost for the product(s);
 - iii) identify staffing costs specific to the tasting (i.e., wages, benefits and administrative costs to a maximum of \$25/hour); and
 - iv) be signed by both the liquor manufacturer/agency and licensee before the tasting can take place.
- b) there can be no charge to patrons for the tasting;
- c) the liquor manufacturer/agency representing the product(s) being tasted may not be involved in the tasting; and
- d) items charged by the licensee to the liquor manufacturer/agency are limited to staffing costs and the licensee's cost of the product(s) being tasted.

9.5.5 A Class D licensee may conduct its own liquor tastings, independent of a liquor manufacturer/agency, and charge a fee to its customers, with the following conditions:

- a) any fees or ticket charges to customers must be based on cost recovery only. Cost recovery items are limited to the cost of the

SUBJECT: LIQUOR TASTINGS

liquor product(s) being tasted, allowable food items (see Subsection 9.5.7) and educational and staffing costs (i.e. wages, benefits, and administrative costs to a maximum of \$25/hour);

- b) experts on the liquor product may be involved in the tasting for consumer education;
- c) the licensee is not allowed to charge back the costs of a tasting to a liquor agency;
- d) the manufacturer/agency representing the product(s) being tasted may not be involved in the tasting;
- e) the licensee must maintain a written record of the tasting, including:
 - i) the name of the liquor product(s) tasted, the quantity and licensee's cost of the product(s);
 - ii) date and time of the tasting;
 - iii) fee to customers; and
 - iv) itemized list of staffing, educational and food costs.

9.5.6 The licensee's cost for the liquor products(s) includes costs associated with transportation, warehousing and associated costs incurred to provide the product for sale at retail. This cost is reflected in the average retail cost of the product. Prices may not be artificially inflated to create a profit.

9.5.7 Allowable food items in a Class D premises are appetizer-sized portions that complement the liquor being tasted. Full course meals (catered or otherwise) and food items exceeding appetizer-sized portions are not permitted.

GUIDELINES

9.5.8 A Class D licensee may provide a patron with a sealed 50 ml bottle of spirits for off premises tasting.

SUBJECT: PRODUCT SAMPLING**POLICIES**

9.6.1 A liquor manufacturer/agency may provide a licensee with liquor products for sampling, with the following conditions:

a) Product samples are for consumption by the licensee and cannot be sold to patrons of the licensed premises.

b) The maximum sample size for each brand of liquor is:

beer and ciders – 36 X 355 ml bottles, or the smallest keg used by the supplier (approved container), or equivalent

refreshment beverages (e.g. coolers/premixed) - 36 X 355 ml bottles, or equivalent

wine – 4 X 750 ml bottles, or equivalent

spirits – 2 X 750 ml bottles, or equivalent

liqueurs – 2 X 750 ml bottles, or equivalent

c) Liquor products for sampling must be purchased from AGLC to qualify for the wholesale price. Product samples may also be purchased from a Class D licensee at a price that is equivalent to the licensee's cost. See Section 9.10

d) The liquor manufacturer/agency must keep a written record of sampling activities, including the date, name and location of the licensed premises where the products for sampling were provided, the type, size and quantity of the products and the cost. These records must be provided to AGLC on request.

e) A licensee may be provided with samples of a specific product only twice per calendar year.

9.6.2 A liquor manufacturer/agency or licensee may host a no-sale function for liquor sampling, with the following conditions:

a) Attendance must be by invitation only.

b) No public advertising is allowed.

c) A no-sale function at an unlicensed location requires a Private Non-Sale Special Event licence.



SECTION: PRODUCT PROMOTIONS

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SUBJECT: PRODUCT SAMPLING

- d) A no-sale function at a licensee's office premises requires a hospitality licence from AGLC, unless the host is a liquor manufacturer.

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Gael MacLeod

SUBJECT: GENERAL PRODUCT PROMOTIONS**POLICIES**

9.7.1 A product promotion may involve a contest, competition or draw, and may be administered by a licensee on behalf of a liquor manufacturer/agency with the following conditions:

- a) all patrons who enter a contest, competition or draw must be eligible under the conditions set by the liquor manufacturer/agency. Minors are not eligible.
- b) participation cannot be conditional on the purchase or consumption of liquor.
- c) all promotional items provided to a licensee by a liquor manufacturer/agency must be used only for the specified contest, competition or draw.
- d) the closing date of a contest, competition or draw must be posted in the licensed premises.
- e) all draws must take place in the licensed premises on the date and time advertised (except draws conducted by the liquor manufacturer/agency).

9.7.2 Both the liquor manufacturer/agency and the licensee providing promotional give-away items must ensure the items reach patrons as intended and must meet the following conditions:

- a) both the liquor manufacturer/agency and the licensee must maintain records of every promotional activity in a licensed premises involving a give-away item with an individual wholesale value of more than \$100. The records must include the name of the licensed premises, a description of the give-away item and its wholesale value. The records must be provided to AGLC on request;
- b) a licensee conducting a promotion on behalf of a liquor manufacturer/agency must keep a written record of the name, address and telephone number of every person who receives a give-away item with a wholesale value of more than \$100. The records must be provided to AGLC on request; and
- c) all records regarding promotions must be kept for a minimum of two (2) years.

SUBJECT: GENERAL PRODUCT PROMOTIONS

- 9.7.3 A liquor manufacturer/agency may provide a licensee with clothing items with corporate or brand logos for staff to wear during a promotion (e.g., t-shirts, aprons, sweatshirts). The clothing items:
- must have a maximum \$50 wholesale cost per item);
 - cannot become a mandatory “uniform”; and
 - may be kept by the licensee when the promotion ends.
- 9.7.4 A licensee may reduce the price of one or more products as part of a promotion, as long as the price complies to the minimum prices specified in Section 7.2.
- 9.7.5 A liquor manufacturer/agency may provide the general public with liquor vouchers redeemable only at Class D licensed premises for the purpose of promoting a specific brand, with the following conditions:
- The maximum amount of liquor that can be exchanged for a voucher is as follows:
Beer or Ciders – 6 x 355 ml bottles, or equivalent;
Refreshment Beverages (e.g. coolers/premixed) – 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.
 - A liquor manufacturer/agency may not provide a licensee with a redemption fee.
 - Vouchers may not be distributed on-pack, in-pack or near-pack as an added-value item (see Section 9.8).
 - Receipt of a voucher must not be conditional on the purchase of a liquor manufacturer’s/agencies product.
 - Voucher recipients must not be directed to a specific licensee or to a specific chain of retail liquor stores to redeem their vouchers.

GUIDELINES

- 9.7.6 There is no limit to prize value.

SUBJECT: GENERAL PRODUCT PROMOTIONS

- 9.7.7 The liquor manufacturer/agency is not required to be present during these types of product promotions.
- 9.7.8 A licensee has the right to decide whether or not to participate in a voucher promotion.

SUBJECT: ADDED-VALUE PROMOTIONS**POLICIES**

9.8.1 An "added-value promotion" promotes a specific brand of liquor by offering consumers who purchase the brand at a retail liquor outlet a second item at no charge.

9.8.2 Acceptable added-value items include:

- a) Liquor
 - i) A liquor manufacturer/agency may provide liquor added-value items to Class D licensees only. The liquor manufacturer/agency must maintain a record of all added-value liquor provided.
 - ii) The words "Sample" or "Not For Resale" must be clearly and permanently marked on the container of the added-value item, either in non-removable ink on the label or on a non-removable tag affixed to the container, in a type size the same or larger than the largest type used on the product label. A licensee may not deface, remove or attempt to remove the label or tag.
 - iii) The quantity of liquor provided as an added-value item must normally be no more than a single serving (i.e., 50 ml of distilled spirits, 200 ml of wine, or 355 ml of beer), and its value may not exceed the 15% maximum value allowed under Subsection 9.8.4b), unless otherwise approved in writing by AGLC.
 - iv) Added-value liquor items are subject to regular provincial mark-ups.
- b) Money-off coupons for:
 - i) a liquor product, redeemable only by the liquor manufacturer/agency or a third party (i.e., coupon clearing house); or
 - ii) a non-liquor product, redeemable by the liquor manufacturer/agency or by a non-liquor retailer of the product.
- c) Non-perishable food items (e.g., packaged snack food, food seasoning, powdered drink mix).

SUBJECT: ADDED-VALUE PROMOTIONS

- d) Objects of nominal value, either:
 - i) liquor-related (e.g., corkscrew, bottle opener, wine glass, beer mug or shot glass); or
 - ii) not liquor-related (e.g., key ring, golf ball decal, figurine, CD, etc.).

9.8.3 An added-value promotion may be conducted as an on-pack, in-pack or near-pack promotion:

a) On-Pack

A liquor on-pack item must be attached to the liquor product with a plastic ring, elastic band, shrink wrap or similar method by:

- i) the liquor manufacturer/agency, at its plant;
- ii) the liquor manufacturer's/agencies employee;
- iii) Connect Logistics Services Inc., at the Liquor Distribution Centre (a fee is charged for this service); or
- iv) the staff of a retail liquor store by arrangement with the liquor manufacturer/agency.

b) In-Pack

An in-pack item must be placed within the packaging of the liquor product (e.g., a case of beer or wine box) by the liquor manufacturer/agency at its plant.

c) Near-Pack

- i) A near-pack item must be purchased, supplied and delivered to the retail liquor outlet by the liquor manufacturer/agency or the manufacturer/agency of the item.
- ii) The item must be offered only with the purchase of the specified product.

9.8.4 A liquor manufacturer/agency may conduct an added-value promotion in a retail liquor outlet (i.e., a Class D licensed premises or Duty Free Store), with the following conditions:

- a) The promotion must be directed at consumers.

SUBJECT: ADDED-VALUE PROMOTIONS

- b) The cost of an added-value item must not exceed 15 per cent of the wholesale price of the liquor product being promoted, whether provided by the liquor manufacturer/agency or by a third party. A redemption rate may not be factored in when calculating cost.
- c) Only one added-value item may be offered with the purchase of each bottle or unit (e.g., case of beer) of the liquor being promoted.
- d) Added-value items cannot be changed based on the amount of liquor purchased. For example, if an added-value item associated with a particular liquor product is a bottle opener and a customer buys 3 bottles of the product, a customer is entitled to three bottle openers, not another value-added item of a higher value.
- e) Added-value items provided by a manufacturer/agency may not be:
 - i) removed from a liquor product by a licensee;
 - ii) offered for sale separately; or
 - iii) provided to a licensee or licensee staff for their personal use or benefit (see Subsection 9.8.10).
- f) A liquor manufacturer/agency may not purchase, order or obtain any item to be used in an added-value promotion from any business in which a participating Class D licensee has a direct or indirect interest.

9.8.5 A Class D licensee may conduct its own added-value promotion, independent of a liquor manufacturer/agency, with the following additional conditions:

- a) The items provided are of nominal value;
- b) The items are those included on the list of acceptable non-liquor products approved for sale in the retail outlet (see Subsection 3.6.14 of the Licensee Handbook);
- c) The items may identify the licensee's premises; and
- d) Money-off coupons for liquor purchases are acceptable.

SUBJECT: ADDED-VALUE PROMOTIONS

- 9.8.6 Tobacco products are prohibited as an added-value item, pursuant to Sections 11 and 29 of the *Tobacco Act*.
- 9.8.7 No aspect of a licensee's business may be used as an added-value item, either directly or indirectly, without the prior approval of the Board (e.g., coupon for money off a purchase at a licensed premises operated by the licensee; coupon for money off a ski lift ticket at a ski hill operated by the licensee).
- 9.8.8 Added-value promotions which do not comply with all of the policies in this section require the prior approval of AGLC.
- 9.8.9 AGLC reserves the right to set limits on the quantity of liquor provided to a licensee for an added-value promotion.
- 9.8.10 Added-value items may not be taken by licensees for their personal use or provided to staff.

SUBJECT: ADDED-VALUE LIQUOR ("ON-PACKS")

POLICIES

- 9.9.1 Provincial markup is assessed on all added value liquor products (on-packs).
- 9.9.2 A liquor manufacturer/agency representative may attach added value liquor products in any quantity at a Class D licensed premises. The liquor licensee may only attach the on-packs by arrangement with the liquor manufacturer/agency.
- 9.9.3 All Canadian labelling requirements must be met on the added-value liquor product.
- 9.9.4 All added value liquor products must be labelled with either of the following phrases: "Sample" or "Not For Resale."
- 9.9.5 The liquor manufacturer/agency shall ensure added value liquor products are listed at a wholesale price equal to or greater than the price of the base sales unit.

CENTRAL AGLC AUTHORIZED WAREHOUSE

- 9.9.6 If the added value liquor product is attached by the liquor manufacturer/agency prior to shipment to AGLC, or the liquor manufacturer/agency contracts CLS 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 Product Code. This ensures the added value liquor product is included in the pricing calculation and, therefore, markup is collected. Note: Please refer to the "Product Promotions in Licensed Premises Policy Guidelines" (see Section 9.8) for further details regarding added value liquor products.
- 9.9.7 If the added value liquor product is attached by the liquor manufacturer/agency prior to shipment to AGLC, or the liquor manufacturer/ agency contracts CLS to attach the added value liquor products, there must be one (1) added value liquor product attached to every base unit in each case.
- 9.9.8 If the added value liquor product is a registered product and there is inventory on hand, the liquor manufacturer/agency may order the product and do its own on-packing. When the order is picked up, the wholesale price is paid, therefore, markup is collected.

SUBJECT: SAMPLING LICENSEES**POLICIES**

- 9.10.1 Liquor products purchased at wholesale prices by liquor manufacturers/agencies must only be used as follows:
- a) The product is for the personal use of licensees or their staff;
 - b) The product is donated to a special event licensee for a private non-sale or resale function approved by AGLC;
 - c) The product cannot be sold to patrons in any licensed premises; and
 - d) The product cannot be shipped out of Alberta.
- 9.10.2 Liquor manufacturers/agencies that purchase liquor at wholesale prices are prohibited from selling the liquor under any circumstances.
- 9.10.3 Each liquor manufacturer/agency wanting to purchase liquor at wholesale prices will be given an Agency Registration Number, which must be used when placing an order. When placing an order the Product Code and case quantity are required.
- 9.10.4 Payment for orders from the Central AGLC Authorized Warehouse must be made before the product is picked up. Payment options are as follows:
- a) certified cheque;
 - b) bank draft;
 - c) bank money order; or
 - d) an AGLC approved electronic payment option [e.g. electronic bank transfer or IVR (Interactive Voice Response)]. For details about electronic methods of payment, see: [liquor-licences](#) or contact AGLC at: 780-447-7554.
- 9.10.5 AGLC will not accept returns of product.
- 9.10.6 All liquor manufacturers/agencies are required to keep detailed records of each bottle or container or product purchased from AGLC as follows:
- a) name of product purchased;
 - b) product code;

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SUBJECT: SAMPLING LICENSEES

- c) quantity purchased;
- d) name of liquor manufacturer/agency and employee 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.

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

CENTRAL AGLC AUTHORIZED WAREHOUSE

9.10.8 Ordering procedures are as follows:

- a) All orders must be placed through the CLS order desk via liquorconnect.com or call the CLS 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.
- b) Orders may be picked up from CLS at the St. Albert Warehouse two (2) working days following the placement of the order (between 1:00 p.m. and 3:00 p.m. Tuesday through Thursday; and between 10:00 a.m. and 2:00 p.m. Friday).
- c) The liquor manufacturer/agency must contact the Liquor Payment Collection Office at: liquor.payment@aglc.ca to finalize the details for payment.

GUIDELINES

9.10.9 Liquor manufacturers/agencies may buy product to sample from retail liquor stores, general off-sales or general merchandise liquor stores at a price that is equivalent to the licensee's cost.

SUBJECT: GENERAL INFORMATION

POLICIES

- 10.1.1 A licensee must give AGLC Inspectors full and unrestricted access to the licensed premises at any reasonable time (i.e., during regular business hours or at another time when people are present).
- 10.1.2 A licensee and its staff must not interfere in any way with AGLC Inspectors performing their duties. The licensee is required to cooperate fully, including answering all reasonable questions regarding the management and operation of the licensed premises.
- 10.1.3 A licensee must allow AGLC Inspectors and officials to examine and make copies of all liquor and gaming records, and if necessary, to remove records from the licensed premises for further review.
- 10.1.4 When an AGLC Inspector finds a licensee in contravention of the GLCA, the GLCR or Board policy, the Inspector may request the licensee take appropriate steps to comply with the legislation or policy.
- 10.1.5 Any alleged violation observed by an AGLC Inspector, or a report of potential problems received from police, fire, health, other government official or the general public, will be investigated and may result in an Incident Report.

GUIDELINES

- 10.1.6 AGLC Inspectors visit licensed premises to:
- a) check for compliance with the GLCA, GLCR and Board policies;
 - b) confirm no structural changes have been made to the premises affecting compliance with the licence;
 - c) advise licensees that want to apply for a new class of licence, a licence endorsement or a licence extension;
 - d) investigate complaints;
 - e) conduct audits on licensee books and records;
 - f) conduct training seminars; and
 - g) respond to licensee concerns about the operation of the licensed premises.

SUBJECT: GENERAL INFORMATION

- 10.1.7 Inspections provide licensees with an opportunity to discuss with AGLC Inspectors:
- a) proposed structural changes;
 - b) sale of the licensed premises;
 - c) change in shareholders or management; and/or
 - d) any questions they might have about the GLCA the GLCR and Board policies.
- 10.1.8 All AGLC Inspectors carry photo identification while on duty. A licensee may ask to see an Inspector's identification before providing any information.
- 10.1.9 AGLC Inspectors are available to meet with licensees to assist them in the interpretation of legislation and Board policies; however, Inspectors may report any violations they observe to the Board.
- 10.1.10 AGLC supports and encourages police "walk through" programs. Every police officer is considered an Inspector under the GLCA, and licensees and their staff are required to cooperate fully with police officers who enter the licensed premises.

SUBJECT: LIQUOR SEIZURE AND ANALYSIS

POLICIES

10.2.1 Unauthorized or illegal liquor is not permitted in a licensed premises.

10.2.2 Unauthorized or illegal liquor includes, but is not limited to, liquor that has been:

- a) obtained from an unauthorized source;
- b) adulterated (diluted with water or mixed with another liquor product or substance not requested by a patron);
- c) re-labelled by a licensee; or
- d) provided to a licensee as an added-value item then offered for sale.

10.2.3 Any unauthorized or illegal liquor products found in a licensed premises will be seized immediately.

10.2.4 An Inspector will submit an Incident Report which may result in disciplinary action, up to and including suspension or cancellation of licence.

GUIDELINES

10.2.5 Seized liquor is noted by the Inspector on a Liquor Seizure Receipt form (REG/5154) and removed from the licensed premises. The licensee is required to witness the form.

10.2.6 The liquor may be analyzed to confirm it has not been adulterated and that "short pouring" of mixed drinks is not taking place.

10.2.7 An Inspector may occasionally take liquor samples from a licensed premises for analysis. If tests suggest the liquor has been adulterated, additional samples will be taken.

SUBJECT: AUDIT

POLICIES

- 10.3.1 Licensee records are subject to review and audit by AGLC and the Canada Revenue Agency.
- 10.3.2 Licensee records must include details of raw materials purchased and used, and final production figures.
- 10.3.3 Records must be maintained in a manner acceptable to AGLC, AGLC appointed auditors and the Canada Revenue Agency.
- 10.3.4 An auditor or person employed or working on behalf of AGLC at a licensee's premises has been designated by AGLC as an Inspector pursuant to Section 98(1) of the [GLCA](#) for the purpose of carrying out his or her job duties.
- 10.3.5 The licensee will permit AGLC, its employees and agents, and the Canada Revenue Agency to enter the premises at all reasonable times during normal business hours and upon prior reasonable notice for the purpose of viewing the condition of the premises and the liquor.



SECTION: LICENSEE DISCIPLINE

NUMBER: 11.1

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SUBJECT: INCIDENT REPORTS

POLICIES

- 11.1.1 An AGLC Inspector who observes an alleged violation may prepare an Incident Report detailing the circumstances.
- a) The Incident Report will be dated when all evidence has been obtained and the investigation is finalized.
 - b) A copy of the Incident Report will be hand-delivered or mailed to the licensee within 17 working days of the date it is finalized.
 - c) If a licensee or manager is not on the licensed premises when an Inspector observes the alleged violation, or when a covert undercover (secret) inspection is carried out, the Inspector will attempt to notify the licensee, manager or employee in charge within two (2) working days of completing the Incident Report.
- 11.1.2 The President & Chief Executive Officer or delegate may propose a penalty or refer the Incident Report to the Board for review and decision where circumstances warrant.
- 11.1.3 On reviewing an Incident Report, the Board may decide to impose a penalty with or without a hearing (see Sections 11.2 and 11.3).

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SUBJECT: NOTICE OF PENALTY

POLICIES

Board – Imposed Penalties

11.2.1 The Board may discipline a licensee for alleged violation(s) by imposing a penalty. Under Section 91(2) of the [GLCA](#), the Board may do any of the following without a Board hearing:

- a) issue a warning;
- b) impose conditions on a licence or remove or change the existing conditions on a licence;
- c) impose a fine on a licensee of up to \$1,000,000 and refuse to issue or reinstate a licence until the fine is paid; and/or
- d) suspend or cancel a licence.

11.2.2 Where the Board imposes a penalty without a hearing, the licensee will receive written notice and related documentation including, but not limited to:

- a) a copy of the Incident Report;
- b) the Penalty Guidelines; and
- c) a Waiver of Board Hearing Witnesses form.

11.2.3 Where the Board imposes a penalty without a hearing and the licensee requests a hearing, it will be scheduled within 120 days.

11.2.4 Where the Board determines a hearing is warranted, the licensee will receive written notice and related documentation including, but not limited to:

- a) the Notice of Hearing letter;
- b) a copy of the Incident Report;
- c) the Penalty Guidelines; and
- d) the Waiver of Board Hearing Witnesses form.

Penalties Imposed by the President & CEO

11.2.5 Under Section 17(1) of the [GLCA](#), the Board may delegate the President & Chief Executive Officer (CEO) to:

- a) issue a warning;

SUBJECT: NOTICE OF PENALTY

- b) impose conditions on a licence or remove or change the existing conditions on a licence; or
- c) impose administrative sanctions, including fines and suspensions.

11.2.6 The President & CEO may sub-delegate authority to:

- a) issue a warning;
- b) impose conditions; or
- c) impose administrative sanctions.

11.2.7 Where the President & CEO imposes an administrative sanction, the licensee will receive:

- a) a Notice of Administrative Sanction including, as applicable, the amount of the fine and payment due date(s);
- b) a Consent to Administrative Sanction form;
- c) a copy of the Incident Report;
- d) the Penalty Guidelines (attached); and
- e) the Waiver of Board Hearing Witnesses.

11.2.8 On receiving a Notice of Administrative Sanction and supporting materials, a licensee may respond in one of the following ways:

- a) Accept the Incident Report as written and the administrative sanction. The licensee must return the completed consent form (see Subsection 11.2.7b) to AGLC within fourteen (14) calendar days of the date on the notice (no Board hearing will be held).
- b) Accept the Incident Report, but proceed with a Board hearing to dispute the administrative sanction (see Section 11.3). The licensee must sign and return the Waiver of Board Hearing Witnesses.
- c) Dispute the Incident Report and proceed with a Board hearing (see Section 11.3).

Seized Liquor

11.2.9 A licensee that consents to a penalty imposed by the Board or the President & CEO forfeits (gives up) any seized liquor to AGLC for destruction.



SECTION: LICENSEE DISCIPLINE

NUMBER: 11.2

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SUBJECT: NOTICE OF PENALTY

11.2.10 The Board has established administrative sanctions for specific violations (Administrative Sanction Summary). Penalties may vary from the listed sanctions at the discretion of the Board, depending on the circumstances of the violation.

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AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: BOARD HEARINGS

POLICIES

11.3.1 A Board will schedule a hearing when:

- a) the Board decides to convene a hearing rather than proceeding to consider the matter without a hearing;
- b) a licensee receives notice of a penalty imposed by the Board or the President & CEO, and the licensee requests a hearing; or
- c) a licensee receives notice of a proposed administrative sanction from the President & CEO and the licensee does not return a completed Consent to Proposed Specified Penalty form within 14 calendar days.

11.3.2 A licensee may waive a requirement for AGLC witnesses by completing a Waiver of Hearing Witnesses form (REG/5191):

- a) By signing the Waiver form, the licensee accepts the Incident Report as written and waives the need to call AGLC witnesses (see Subsection 11.2.7). After a waiver is signed, the licensee may not call any witnesses with respect to facts in the Incident Report. The licensee may, however, call witnesses on the subject of the penalty.
- b) A licensee that signs the waiver form is not required to personally attend the Board hearing. The licensee may submit a written presentation to the Board.
- c) Whether or not the licensee signs the waiver form, witnesses may be called by the Hearing Panel, licensee and/or the Regulatory Division on matters not covered in the Incident Report.

11.3.3 As a result of a hearing, the Board may decide to:

- a) find the alleged infraction occurred and impose a penalty;
- b) dismiss the allegations;
- c) confirm a previous imposed penalty;
- d) amend or alter the original decision with a new decision; or
- e) cancel the original decision.

SUBJECT: BOARD HEARINGS

11.3.4 The Hearing Panel must provide the licensee with a written copy of the hearing results and its reasons for confirming, changing or cancelling the original decision.

Non-Disciplinary Matters

11.3.5 Under Section 91(4) of the [GLCA](#), any licensee that disagrees with a Board decision has the right to request a hearing before the Board. This includes a Board decision unrelated to a disciplinary matter, such as an application for a licence extension or conditions imposed on a licence. The licensee must apply for the hearing in writing within 30 days of receiving notice of the Board's decision. The application must describe the issue and provide the licensee's reasons for requesting the hearing. A Board hearing will be scheduled within 120 days of receiving a licensee's application. The licensee may attend the hearing and make representations to the Hearing Panel.