

RETAIL CANNABIS STORE HANDBOOK

**RETAIL CANNABIS STORE
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 gaming, liquor and cannabis authority, responsible for administering and regulating the gaming, liquor, and cannabis industries in Alberta.
- 1.1.3 Board policies are approved by the Board of AGLC and signed by the Chair, on behalf of the Board.
- 1.1.4 Board policies related to cannabis licence activities are conditions of the licence. This includes policies approved after the cannabis licence is issued [Section 61(1) of the GLCA].
- 1.1.5 Retail cannabis store operators are responsible for becoming familiar with applicable legislation and the Retail Cannabis Store Handbook.
- 1.1.6 Guidelines are best business practices designed to help licensees meet operating requirements.
- 1.1.7 The primary purpose of the Board policies and guidelines in this handbook is to help licensees and their staff meet AGLC requirements.
- 1.1.8 The licensee is responsible for ensuring the Retail Cannabis Store Handbook, GLCA and GLCR are available to its staff. These documents are available on AGLC website at aglc.ca.
- 1.1.9 An activity not specifically permitted under these policies and guidelines is prohibited unless otherwise approved by AGLC.
- 1.1.10 All retail cannabis store operators will be required to sign a "Retail Cannabis Store - Acknowledgement and Undertaking" declaring full understanding of the legal requirements regarding cannabis purchases and sales.
- 1.1.11 If a licence applicant, licensee or manager involved in the daily operation of a licensed premises does not have a working knowledge of the English language sufficient to understand the legislation



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SUBJECT: INTRODUCTION

and/or these policies, AGLC will ask that the licensee have an interpreter present whenever:

- a) discussing details of the licence application;
- b) an Inspector visits the premises to review the licensee's responsibilities;
- c) the licensee acknowledges its responsibilities by signing the Operating Procedures form;
- d) the licensee attends a Board hearing.

DATE ISSUED: May 1, 2018

AUTHORITY: Original signed by Gael MacLeod

SUBJECT: DEFINITIONS

POLICIES

1.2.1 In this handbook,

- a) "AGLC" means Alberta Gaming, Liquor and Cannabis Commission.
- b) "Board" means the Board of AGLC.
- c) "Brand element" means a brand name, trademark, tradename, distinguishing guise, logo, graphic arrangement, design or slogan that is reasonably associated with, or that evokes:
 - i) cannabis, a cannabis accessory or a service related to cannabis; or
 - ii) a brand of cannabis, cannabis accessory or service related to cannabis.

(Added Nov 2019)

- d) "Cannabis" means any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not and any substance or mixture of substances that contains or has any part of such a plant. (Amended Nov 2019)
- e) "Cannabis accessories" has the meaning given to them in Section 2 of the *Cannabis Act* (Canada). (Amended Sept 2019)
- f) "Cannabis edibles" means products containing cannabis that are intended to be consumed in the same manner as food or beverage. (Added Nov 2019)
- g) "Cannabis extracts" means products that are produced from cannabis using extraction processing methods or by synthesizing phytocannabinoids. (Added Nov 2019)
- h) "Cannabis licence" means a licence under the *Gaming, Liquor and Cannabis Act* that authorizes the purchase, sale, transport, possession, storage of cannabis.
- i) "Cannabis product" means a product that contains cannabis.

SUBJECT: DEFINITIONS

- j) "Cannabis representative" means a corporation or individual registered with AGLC who is in the business of representing a cannabis supplier in the sale of the supplier's cannabis.
- k) "Cannabis supplier" means a person who holds a federal licence that authorizes the person to produce cannabis for commercial purposes or to sell cannabis to AGLC.
- l) "Cannabis topicals" means products that include cannabis and that are intended to be used exclusively on external body surfaces (e.g. skin, hair and nails). (Added Nov 2019)
- m) "Connect Logistics Services Inc." (CLS) means the current authorized cannabis warehouse pursuant to Section 130 of the GLCR.
- n) "GLCA" means the *Gaming, Liquor and Cannabis Act*.
- o) "GLCR" means the Gaming, Liquor and Cannabis Regulation.
- p) "Handbook" means the Retail Cannabis Store Handbook.
- q) "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.
- r) "Licensed premises" means all areas associated with the operations of the licensee, including, but not limited to:
 - i) areas cannabis may be sold; and
 - ii) any storage room, lobby, hallway or other service areas used by the licensee in support of the areas where cannabis may be sold.
- s) "Licensee" means the individual, partnership or corporation holding a cannabis licence.
- t) "Minor" means a person under the age of 18 years.
- u) "Qualified Cannabis Worker" means any person who is over the age of 18 years, has successfully completed the SellSafe Cannabis Staff Training program, has passed a criminal records check and has been deemed qualified by AGLC.



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SUBJECT: DEFINITIONS

- v) "Staff" means any person employed by the licensee or contracted by the licensee or a third party to perform assigned or delegated duties.

DATE ISSUED: November 28, 2019

AUTHORITY: _____

Original signed by
Len Rhodes



SECTION: GENERAL INFORMATION

NUMBER: 1.3

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SUBJECT: CONTACTING AGLC

GUIDELINES

1.3.1 Any inquiries regarding how to place a cannabis order, the status of an order, or any other purchase or return related questions may be directed to the Alberta Cannabis Call Centre:

Website: albertacannabis.org

Email: albertacannabis@aglc.ca

Telephone: 1-855-436-5677

1.3.2 There are five (5) AGLC offices in the province. Normal office hours are 8:15 a.m. to 4:00 p.m. Monday to Friday, excluding statutory holidays. Outside normal 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

655 WT Hill Blvd South
Lethbridge, Alberta Phone: 403-331-6500
T1J 1Y6 Fax: 403-331-6506

DATE ISSUED: October 1, 2018

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Original Signed by
Gael MacLeod



SECTION: GENERAL INFORMATION
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SUBJECT: CONTACTING AGLC

1.3.3 AGLC website address is: aglc.ca.

DATE ISSUED: October 1, 2018 **AUTHORITY:** Original Signed by Gael MacLeod

SUBJECT: LEGISLATION AND BOARD POLICIES

POLICIES

- 1.4.1 Licensees and their staff must comply with:
- a) The *Gaming, Liquor and Cannabis Act* (GLCA);
 - b) The Gaming, Liquor and Cannabis Regulation (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 Licensees or managers approved by AGLC must notify AGLC immediately if any of their qualified cannabis workers, key employees and/or directors/shareholders are 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) *Cannabis Act* (Canada)
 - f) the *Income Tax Act* (Canada);
 - g) a foreign Act or Regulation substantially similar to an offence under a), b), c), d) or e);
 - h) the GLCA; or
 - i) 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 cannabis 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 cannabis licence.



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SUBJECT: LICENSEE'S RESPONSIBILITIES

POLICIES

- 1.5.1 Licensees and their staff must ensure the licensed premises operate in accordance with all federal, provincial and municipal legislation.
- 1.5.2 All retail cannabis store licensees will be required to sign an Operating Procedures form declaring full understanding of the legal requirements of operating a Retail Cannabis Store.
- 1.5.3 A licensee shall:
 - a) ensure staff understand the legislation and policies, in accordance with SellSafe training as specified in Subsection 1.7; and
 - b) place a high priority on maintaining a safe premises.
- 1.5.4 A licensee and its staff with information about illegal activities related to cannabis is required to contact the nearest AGLC office (see Subsection 1.3). This includes:
 - a) illegal cannabis;
 - b) stolen cannabis; and
 - c) cannabis not marked for sale in Alberta.

GUIDELINES

- 1.5.5 Licensees should be aware that the sale of cannabis carries a risk of potential liability. Questions on liability should be directed to a lawyer.

DATE ISSUED: May 1, 2018

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Gael MacLeod

SUBJECT: QUALIFIED CANNABIS WORKER

POLICIES

- 1.6.1 The following individuals must be Qualified Cannabis Workers:
- a) retail licensees that are responsible for directly managing cannabis retail store(s);
 - b) managers, supervisors and all other employees working in retail cannabis stores (excluding cleaning staff);
 - c) security staff at retail cannabis stores (directly employed or contracted by the licensee); and
 - d) direct supervisors of employees of a company contracted to provide security at retail cannabis stores.
- 1.6.2 To become a Qualified Cannabis Worker, applicants must:
- a) complete and submit the Application for Qualified Cannabis Worker form;
 - b) provide a criminal records check from their local police service, dated within three months of the submission of the Application for Qualified Cannabis worker form; and
 - c) successfully complete the SellSafe Cannabis Staff Training program (see Section 1.7).
- 1.6.3 Licensees must ensure that all staff are Qualified Cannabis Workers prior to working in the licensed premises.
- 1.6.4 Qualification is valid for up to 5 years, at which time the worker must complete the procedures specified in 1.6.2 a) – c) above to requalify.
- 1.6.5 Being charged or convicted of a criminal offence may affect an individual's ability to qualify as a Qualified Cannabis Worker.
- 1.6.6 If at any time Qualified Cannabis Workers are charged with a criminal offence they are required to report the details within 72 hours to AGLC.
- 1.6.7 The licensee must supply Qualified Cannabis Workers with a laminated colour photo identification card as follows:
- a) company name or logo;
 - b) staff member's first name only - print size must be clearly visible with block style printing only;

SUBJECT: QUALIFIED CANNABIS WORKER

- c) position;
- d) current colour photo of worker – similar in size to a driver’s licence photo;
- e) Qualified Cannabis Worker number – print size must be clearly visible with block style printing only; and
- f) Qualified Cannabis Worker expiry date.

1.6.8 The laminated, colour photo identification card must be worn by all Qualified Cannabis Workers while on duty and be visible at all times.

1.6.9 Licensees must keep a log of all Qualified Cannabis Worker staff, including the following information:

- a) AGLC confirmation that the staff member is qualified;
- b) photo of the staff member; and
- c) qualification number and expiry date.

Note: The information listed above may be kept in the same log as the SellSafe log noted in Section 1.7.10. This log is subject to review by AGLC.

GUIDELINES

1.6.10 AGLC will issue a letter to all successful Qualified Cannabis Worker applicants confirming they are qualified to work in a retail cannabis store.

SUBJECT: SELLSAFE CANNABIS STAFF TRAINING PROGRAM (SELLSAFE)

POLICIES

- 1.7.1 A licensee must meet SellSafe Cannabis Staff Training certification requirements.
- 1.7.2 SellSafe certification is mandatory for the following full time and part time staff:
- a) licensed premises owners that are responsible for directly managing a retail cannabis store; (Added Nov 2018)
 - b) licensed premises managers, supervisors, retailers, and cashiers;
 - c) security staff (directly employed or contracted by the licensee); and
 - d) direct supervisors of employees of a company contracted to provide security.
- 1.7.3 SellSafe certification is not required for staff working full time or part time as cleaning staff in licensed premises.
- 1.7.4 Persons must be SellSafe certified prior to applying for Qualified Cannabis Worker approval (see Section 1.6).
- 1.7.5 A minimum score of 80% on an AGLC administered examination is required for SellSafe certification.
- 1.7.6 SellSafe certification is valid for a period of five (5) years from the date of successfully completing the program.
- 1.7.7 Valid SellSafe certification must be maintained by successfully repeating the SellSafe program (including passing the exam) before the certification expiration date.
- 1.7.8 Licensee staff must provide proof of SellSafe certification at the request of an AGLC Inspector. Failure to present proof of SellSafe certification may result in disciplinary action. Proof of SellSafe 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) clear images of any of the above (i.e. image, photograph or screen shot) saved on the staff member's mobile device/phone.

DATE ISSUED: February 14, 2019

AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: SELLSAFE CANNABIS STAFF TRAINING PROGRAM (SELLSAFE)

1.7.9 It is the responsibility of the licensee to ensure that all staff in their premises who are required to have SellSafe certification (as per Section 1.7.2) are certified in accordance with the requirements identified in Section 1.7.

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

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

Note: The information listed above may be kept in the same log as the Qualified Cannabis Worker log noted in Section 1.6.7. This log is subject to review by AGLC.

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

- a) Section 90.05(a) GLCA: sell or provide cannabis to a person intoxicated by liquor or a drug;
- b) Section 90.05(b) GLCA: permit a person intoxicated by liquor or a drug to use cannabis;
- c) Section 90.03(2)(3) GLCA: failure to ask for proof of age for those persons who appear to be under 25 years of age;
- d) Section 90.03(1) GLCA: permit a minor to enter or be in the licensed premises; and (Added Feb 2019)
- e) Section 90.04 GLCA: give or sell or permit a person to give or sell cannabis to a minor in a licensed premises. (Added Feb 2019)

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

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

SUBJECT: SELLSAFE CANNABIS STAFF TRAINING PROGRAM (SELLSAFE)

- 1.7.14 Industry workers whose appeal of the violation is unsuccessful will have 30 days from the date of the appeal outcome to recertify.
- 1.7.15 If an industry worker incurs three violations within a five-year period they will be ineligible for SellSafe certification for a minimum of 5 years.
- 1.7.16 An industry worker's SellSafe certification will be immediately suspended if charged federally or provincially with the offence of giving, selling, or supplying cannabis to a minor.
- 1.7.17 An industry worker whose SellSafe certification is suspended is not permitted to continue working at a licensed premises.
- a) If found not guilty of the charges, the worker may reapply to AGLC for reinstatement of their SellSafe certification and their Qualified Cannabis Worker status; or
 - b) If found guilty of the charges, the worker's SellSafe certification will be cancelled and they will not be permitted to recertify or apply for Qualified Cannabis Worker status for a minimum of 5 years.

GUIDELINES

- 1.7.18 SellSafe is a social responsibility training program designed to help retail cannabis staff understand:
- a) the social responsibility policies that are important for their jobs;
 - b) how to prevent minors from purchasing cannabis; and
 - c) risks for cannabis related harms.
- 1.7.19 SellSafe certification options are found on the SMART Training website. For more information on SellSafe certification contact:

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

Toll Free: 1-877-436-6336
Fax: 780-651-7626
Website: smartprograms.aglc.ca



SECTION: APPLICATIONS

NUMBER: 2.1

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SUBJECT: LICENCE FEES

POLICIES

- 2.1.1 As per Schedule 1 of the Gaming, Liquor and Cannabis Regulation (GLCR), a one-time, non-refundable fee of \$400 must be submitted with all new retail cannabis store licence applications. No application fee is required for a new licence following expiry of the existing licence.
- 2.1.2 A retail cannabis store licensee wanting to open an additional store(s) must submit the \$400 application fee for each new location.
- 2.1.3 As per Schedule 1 of the GLCR, an annual licence fee of \$700 is due on the date of licence issue.
- 2.1.4 The licence application form and the applicable annual fee must be received by AGLC before a licence is issued.

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AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: APPLICATION REVIEW

POLICIES

2.2.1 Retail cannabis store 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;
- c) compliance with municipal requirements; and
- d) 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 cannabis service until a new licence is issued.

Reasons for Licence Refusal

2.2.5 AGLC may refuse to issue a cannabis licence if 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) at any time 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 *Income Tax Act* (Canada); or
 - ii) an offence under the *Controlled Drugs and Substance Act* (Canada), other than under Section 4(1) of that Act for possession of any substance included in Schedule II to that Act, or
 - iii) 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) or ii); and in the opinion of the Board, the offence is sufficiently serious that it

SUBJECT: APPLICATION REVIEW

may distract from the integrity of lawful cannabis, gaming, lottery and/or licensed liquor activities in Alberta, or a registration relating to cannabis or liquor; or

- b) 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 cannabis licence if satisfied 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 cannabis, gaming, liquor activities or provincial lotteries; or
- c) has a background, reputation and/or associations that may cause adverse publicity for the cannabis, gaming or liquor industry in Alberta.

2.2.8 AGLC may refuse to issue a cannabis licence if the applicant, any of the applicant's employees or any person associated with the applicant has contravened:

- a) the *Gaming, Liquor and Cannabis Act* (GLCA) or the *Gaming, Liquor and Cannabis Regulation* (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 refused to issue a cannabis 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.

2.2.10 An application for retail cannabis store licence will not be approved unless the primary purpose of the retail cannabis store is the sale of cannabis to the general public.

GUIDELINES



SECTION: APPLICATIONS

NUMBER: 2.2

RETAIL CANNABIS STORE HANDBOOK

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SUBJECT: APPLICATION REVIEW

- 2.2.11 First-time applicants should contact AGLC.
- 2.2.12 A licensee should first consult this handbook and then contact AGLC when:
- a) seeking a new licence;
seeking an endorsement to an existing licence;
 - b) planning to renovate the premises; or
 - c) planning to relocate.
- 2.2.13 Licensees are sent a reminder notice six to eight weeks before their existing licence expires.
- 2.2.14 The Board may take into account any of the following factors when making a decision respecting an application for a retail cannabis store:
- a) the extent and nature of opposition from community members or groups to establishment of a retail cannabis store in a particular location; and
 - b) the results of consultations with local authorities about the nature of the primary business of the applicant and the clientele that frequent it.

DATE ISSUED: February 14, 2018

AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: BACKGROUND CHECKS

POLICIES

- 2.3.1 A thorough background check is conducted on an applicant, the applicant's associates and any key employees of the applicant as defined by AGLC pursuant to Section 9 and 9.1 of the Gaming, Liquor and Cannabis Regulation (GLCR).
- 2.3.2 The background check is to ensure criminal interests, or those who otherwise would be a detriment to the lawful conduct of cannabis in the province, are prevented from operating, having a financial interest in or having an association with a cannabis licence.
- 2.3.3 The applicant is responsible to pay for the actual cost of the background checks pursuant to Section 127 of the GLCR.
- 2.3.4 The Licence Application Package consists of the following:
- a) Applicant Disclosure (form 8015);
 - b) Associated Applicant Disclosure (form 8016);
 - c) Personal Applicant Disclosure (form 8017); and
 - d) \$3,000 deposit or another specified amount to cover the cost of the background checks.
- 2.3.5 An applicant's key employees include individual(s) that exercise influence or control over day to day operations or decision-making and individuals who have the authority to hire or terminate the employment of qualified cannabis workers, and include but are not limited to:
- a) individuals employed in senior management positions such as CEO, CFO, controller and senior compliance officers;
 - b) the manager of the premises;
 - c) a person holding a position specified by AGLC as related to the business; and
 - d) any other person holding a key position as determined by AGLC.
- 2.3.6 An applicant's associates include:
- a) any person that has a financial interest in the applicant, in the applicant's business, or in the premises to which the

SUBJECT: BACKGROUND CHECKS

- application relates and the spouse of the person or a person with whom the person is living in a relationship of interdependence;
- b) if the applicant is an individual or partnership in which one (1) or more of the partners is an individual, this also includes:
 - i) the spouse of the individual or a person with whom the individual is living in a relationship of interdependence;
 - ii) any relative of the individual and of the spouse or person referred to in Subclause i) if the relative resides with the individual, spouse or person;
 - iii) any corporation controlled by the individual;
 - iv) an officer or director of, and any person with a financial interest in, a corporation controlled by the individual, and the spouse of the officer, director or person or a person with whom the officer, director or person is living in a relationship of interdependence; and
 - v) any corporation that is affiliated with the corporation referred to in Subclause iv), the affiliated corporation's officers and directors, and any person having a financial interest in the affiliated corporation, and the spouse of the officer, director or person or a person with whom the officer, director or person is living in a relationship of interdependence; and
 - c) if the applicant is a corporation or a partnership in which one (1) or more of the partners is a corporation,
 - i) an officer or director of the corporation;
 - ii) the spouse of the officer or director of the corporation or a person with whom the officer or director is living in a relationship of interdependence;
 - iii) any relative of the officer or director referred to in Subclause i) and any relative of the spouse or of a person referred to in Subclause ii), if the relative resides with the officer, director, spouse or person;
 - iv) any corporation affiliated with the applicant;

SUBJECT: BACKGROUND CHECKS

- v) an officer or director of an affiliated corporation and the spouse of the officer or director of an affiliated corporation or a person with whom the officer or director is living in a relationship of interdependence; and
- vi) any person who has a financial interest in the affiliated corporation and the spouse of the person or a person with whom the person is living in a relationship of interdependence.

2.3.7 A corporation is controlled by a person, if he or she has indirect influence over the corporation or if:

- a) securities of the corporation to which are attached more than 50 per cent of the votes that may be cast to elect directors of the corporation are controlled, other than by the way of security only, directly or indirectly by the person or entity; and the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the corporation; or
- b) the person has in relation to the corporation any direct or indirect influence which, if exercised, would result in control in fact of the corporation.

2.3.8 A corporation is affiliated with another corporation if:

- a) one (1) of the corporations controls the other; or
- b) both of the corporations are controlled by the same person or group of persons.

2.3.9 A relative of a person means any other person who is connected to that person:

- a) by blood relationship;
- b) by adoption;
- c) by marriage;
- d) by virtue of an adult relationship of interdependence (as defined in the *Adult Interdependent Relationships Act*).

SUBJECT: BACKGROUND CHECKS

- 2.3.10 AGLC may refuse to allow an applicant to have a cannabis licence if, in its opinion, the applicant has misled AGLC or provided inaccurate or incomplete information.
- 2.3.11 The applicant shall ensure that it, and all other parties to the application for a cannabis licence submit all documents or provide information as requested by AGLC and deemed necessary to complete the background checks. Failure to submit the documents or information may result in sanctions as determined by the Board up to and including the termination of the cannabis licence.
- 2.3.12 AGLC may refuse to issue a cannabis licence, or may terminate a cannabis licence if AGLC is satisfied the applicant, any of the applicant's key employees or associates, or any person or entity connected to or associated with the applicant:
- a) is a person who has not acted or may not act in accordance with the law, with honesty and integrity or in the public interest, having regard to the past conduct of the person;
 - b) is a person whose background, reputation and associations may result in adverse publicity for the cannabis industry in Alberta;
 - c) has at any time prior to being notified by AGLC of their eligibility for a cannabis licence:
 - i) contravened the Gaming, Liquor and Cannabis Act (GLCA) or the GLCR;
 - ii) contravened a predecessor of the GLCA or the GLCR;
 - iii) contravened a condition imposed on a licence or registration issued or made under the GLCA or a predecessor of the GLCA; or
 - iv) fails to pass a records check as outlined in Section 10 of the GLCR.
 - d) if at any time prior to being notified by AGLC of eligibility for a cannabis licence, a licence or registration issued or made under the GLCA or predecessor of the GLCA or a foreign licence or registration of the applicant, any of the applicant's key employees or any of the applicant's associates has been cancelled by the issuing authority.



SECTION: APPLICATIONS

NUMBER: 2.3

RETAIL CANNABIS STORE HANDBOOK

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SUBJECT: BACKGROUND CHECKS

2.3.13 Notwithstanding Subsections 2.3.1 through 2.3.12 AGLC may refuse to allow an applicant to have a cannabis licence.

DATE ISSUED: February 14, 2018

AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: OBJECTION TO AN APPLICATION

POLICIES

New Premises

2.4.1 AGLC will post all applications for cannabis licences on its website

- a) cannabis licence(s) for new premises; and
- b) relocations of existing licensed premises.

Note: The application must meet the preliminary requirements for a licence prior to the application being posted. These requirements include, but are not limited to, the application fee, application form, floor plan, site plan and Particulars of Individual Form.

2.4.2 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 applied for; and
- e) the date that a written objection must be received by AGLC.

2.4.3 All objections must be submitted in writing and received by AGLC within 7 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. *(Amended Apr 2020)*

2.4.4 AGLC may not consider objections of the following nature as they are considered the responsibility of the municipality:

- a) number of licensees in a community;
- b) location;
- c) space between licensed premises;
- d) matters involving retail competition, community image and property values; and
- e) objections of a social/moral concern regarding the sale of cannabis, generally.

(Added Aug 2019)

2.4.5 The applicant will be notified in writing of all objections received, other than those described in Section 2.3.4. *(Amended Aug 2019)*

SUBJECT: OBJECTION TO AN APPLICATION

2.4.6 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.

2.4.7 The objector(s) will be contacted to obtain detailed information regarding the objection. The municipality, local law enforcement and any other applicable agencies may also be contacted to make inquiries as to the potential impact, specific to the objection, of the licence being issued in that community. *(Added Aug 2019)*

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

2.4.9 If no objections to the issue of a licence are received within the 7 calendar days AGLC will continue with the licensing process. *(Amended Apr 2020)*

Existing Licensed Premises

2.4.10 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.

2.4.11 AGLC may not consider objections of the following nature as they are considered the responsibility of the municipality:

- a) number of licensees in a community;
- b) location;
- c) space between licensed premises;
- d) matters involving retail competition, community image and property values; and
- e) objections of a social/moral concern regarding the sale of cannabis, generally.

(Added Aug 2019)

2.4.12 The applicant will be notified in writing of all objections received, other than those described in Section 2.4.11. *(Amended Aug 2019)*

2.4.13 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

SUBJECT: OBJECTION TO AN APPLICATION

the applicant's response, if any, have been considered by the Board at the earliest possible date.

2.4.14 The objector(s) will be contacted to obtain detailed information regarding the objection. The municipality, local law enforcement and any other applicable agencies may also be contacted to make inquiries as to the potential impact, specific to the objection, of the licence being issued in that community. *(Added Aug 2019)*

2.4.15 The applicant and the person(s) filing the objection will be advised in writing of the Board's decision. *(Amended Aug 2019)*

2.4.16 If no objections to the issue of a licence are received before the 90 calendar days prior to the expiration of the current licence AGLC will continue with the licensing process.

2.4.17 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.

Appearances Before the Board

2.4.18 Section 94 of the *Gaming, Liquor and Cannabis Act* (GLCA) provides the right to request a hearing only to a licensee or applicant. A person who objects to the issuance of a licence does not have the right to request a hearing before a Panel. *(Added Aug 2019)*

2.4.19 If an application is to be heard by a Panel of the Board under Section 94 of the GLCA, AGLC may, at its discretion, call an objector as a witness before such a hearing. *(Added Aug 2019)*

Other Licence(s) Registrations

2.4.20 If any written objection to an application for a cannabis licence or registration 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 will be given 14 days from the date of notification to respond to the objection; an extension may be requested by the applicant. and

SUBJECT: OBJECTION TO AN APPLICATION

c) The objection and the applicant's response, if any, will be submitted to the President and 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 will be considered by the CEO at the earliest possible date.

2.4.21 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

2.4.22 A request may be made to view the site plan of the applicant's proposed premises prior to submitting an objection. The person making the request will be given 7 days from the date the application is posted to view the plans and to submit a written objection.

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

Alberta Gaming and Liquor Commission
Director, Compliance
50 Corriveau Avenue
St. Albert, AB. T8N 3T5
Fax: 780-447-8911
Email: Inspections.Mailbox@aglc.ca

2.4.24 If a request to view the plan is received, AGLC will contact the stakeholder to arrange a time to view the site plan at the nearest AGLC office to the proposed premises.

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

POLICIES

2.5.1 A cannabis licensee cannot sell, assign or transfer a cannabis licence.

2.5.2 A cannabis licence is automatically cancelled when:

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

2.5.3 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) in which the activities authorized by a cannabis licence are carried out;

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

2.5.4 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 cannabis licence are carried out;

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

2.5.5 AGLC may, with respect to a sale, assignment or transfer as per Sections 2.5.3 and 2.5.4:

- 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)

- 2.5.6 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 cannabis 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.
- 2.5.7 When a licensed premises must be closed due to significant damage by fire or other natural event, 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 cannabis licence.
- 2.5.8 Existing licenses 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.
- 2.5.9 AGLC may 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.
- 2.5.10 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.
- 2.5.11 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.
- 2.5.12 A refund will not be paid when:



SECTION: APPLICATIONS

NUMBER: 2.5

RETAIL CANNABIS STORE HANDBOOK

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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; or
- d) there is a change of licence class.

2.5.13 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.

2.5.14 (Deleted Mar 2020)

2.5.15 As outlined in Section 95.1(2) of the GLCA, if a cannabis licence is suspended or cancelled, and AGLC does not approve of the licensee selling its remaining cannabis to another licensee, the cannabis is forfeited to AGLC.

DATE ISSUED: March 27, 2020

AUTHORITY: Original signed by
Len Rhodes

SUBJECT: SEPARATE BUSINESS REQUIREMENTS

POLICIES

3.1.1 A retail cannabis store licence will not be issued to an applicant unless the business, under which activities authorized by the licence will be carried out, is separate from any other business. The following factors are used to determine whether a retail cannabis store is a separate business from any other commonly-owned or affiliated business (non- cannabis store): (Amended Apr 2020)

- a) The retail cannabis store will operate as a separate business in accordance with Part 2 of Schedule 2 of the Gaming, Liquor and Cannabis Regulation (GLCR).
- b) The retail cannabis store will operate as a separate viable business to make a reasonable profit for itself and will not be operated solely as a loss-leader in support of any commonly-owned or affiliated business.
- c) The retail cannabis store licensee is incorporated as a separate company (unless it is a sole proprietorship, a co-operative, or is prohibited by legislation).

Note: Multiple retail cannabis stores may be operated by the separate company.

- d) Separate financial records are maintained for the retail cannabis store.
- e) A commercial relationship exists between the retail cannabis store and any other commonly-owned or affiliated business for the purposes of leasing space, purchasing equipment, product or supplies, or other necessary services.
- f) Employees are hired by, and work for, the retail cannabis store.
- g) The retail cannabis store has management separate from that of any other commonly-owned or affiliated business.

Note: For the purpose of this policy, a business would be affiliated with another business if one controls or operates the other or if they are commonly controlled or operated.

3.1.2 (Deleted Apr 2020)

SUBJECT: SEPARATE BUSINESS REQUIREMENTS

3.1.3 A commercial relationship must exist between the retail cannabis store and any other commonly-owned or affiliated business as per Subsection 3.1.1).

3.1.4 Applicants must have a written agreement/contract in effect clearly stating the terms and conditions between the applicant and the commonly-owned or affiliated business for the purposes of leasing space, purchasing equipment, product or supplies or any other necessary services. A copy of the written agreement/contract:

- a) must be submitted to AGLC for review if:
 - i) the cannabis store is a new premises;
 - ii) the cannabis store is an existing licensed premises where a new licence is required as a result of a sale, assignment or transfer of the business; and
 - iii) the existing agreement/contract has amendments.
- b) does not have to be submitted to AGLC:
 - i) for existing licensed premises when an application is being made for the issue of a new licence upon expiration of a current licence; and
 - ii) there are no changes to the existing agreement/contract.

SUBJECT: PREMISES REQUIREMENTS

POLICIES

- 3.2.1 Retail cannabis store premises must meet the conditions set out in Part 2 of Schedule 2 of the Gaming, Liquor and Cannabis Regulation (GLCR) (see Section 3.1).
- 3.2.2 A retail cannabis licence will not be issued if the premises is located within 100 meters of:
- a) a provincial health care facility, or a boundary of the parcel of land on which the facility is located, or
 - b) a building containing a school or a boundary of the parcel of land which the facility is located, or
 - c) a boundary of a parcel of land that is designated as a school reserve or municipal and school reserve under the *Municipal Government Act*.
- 3.2.3 A municipality may:
- a) make bylaws varying the distance specified in Subsection 3.2.2, and if considered appropriate, the Board may issue a licence.
 - b) make an application to AGLC to vary the distance specified in Subsection 3.2.2 if no bylaw exists; and if considered appropriate, the Board may issue a licence.
- 3.2.4 The design and construction of retail cannabis stores must meet local municipal building code and zoning requirements.
- 3.2.5 Premises requirements include:
- a) a sales area;
 - b) a separate entrance/exit;
 - c) product receiving capability;
 - d) mandatory AGLC social responsibility material posted in a prominent location;
 - e) secure storage room and display for cannabis and accessories(see Section 3.3); and
 - f) no access from any area of the premises to another business.



SECTION: BUSINESS/FACILITY REQUIREMENTS

NUMBER: 3.2

RETAIL CANNABIS STORE HANDBOOK

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SUBJECT: PREMISES REQUIREMENTS

- 3.2.6 It is prohibited to have cannabis products, accessories or any other cannabis related item or material visible from the exterior of the premises.
- 3.2.7 Drive-through windows are prohibited.
- 3.2.8 A retail cannabis store cannot undertake major structural changes or be relocated without the prior approval of AGLC (see Section 3.5).
- 3.2.9 The licensee must have the legal right to occupy and control the facility or premises in which it is located.
- 3.2.10 The primary sales of a retail cannabis store must be cannabis product sales.

DATE ISSUED: October 1, 2018

AUTHORITY:

Original signed by
Gael MacLeod

SUBJECT: PHYSICAL SECURITY

POLICIES

- 3.3.1 A retail cannabis store licence will not be issued to an applicant who has not met the physical security requirements for the premises.
- 3.3.2 A retail cannabis store must be protected by a professionally installed and monitored alarm system that contains:
- a) detectors to indicate unauthorized attempts to tamper with, open, enter or penetrate perimeter entry points, perimeter windows and secure cannabis storage room;
 - b) detectors to indicate unauthorized movement within the premises including the secure cannabis storage room;
 - c) capability to detect any attempts to tamper with the system or malfunctions with the system which must be immediately repaired by a professional technician;
 - d) panic/robbery button(s) installed at all point of sale positions; and
 - e) plan identifying system compliance must be submitted to AGLC for approval along with any changes to the approved plan or system.
- 3.3.3 A retail cannabis store must have a digital camera security system that contains:
- a) cameras that are enclosed in the ceiling or domes and linked to a monitor and recording system located in a secure area within the premises;
 - b) cameras and lighting must be positioned to clearly capture 24 hour coverage of activity identifying all individuals entering/exiting the premises, including staff areas, and all individuals within the premises including the:
 - i) point of sale area(s);
 - ii) receiving area(s);
 - iii) customer area(s); and
 - iv) the secure cannabis storage room.

SUBJECT: PHYSICAL SECURITY

- c) system must have on premises 60 day minimum recording retention in a common format that is easily accessible, captured, viewed and capable of producing real time digital colour video and still images that clearly identify individuals and contain a time/date stamp not obscuring the image;
- d) recording and viewing system must be located in a secure location within the premises along with a maintained surveillance plan showing camera numbers, locations, coverage, authorized users list and operating instructions;
- e) recorded data and relevant information must be provided to AGLC and police upon request and are not to be destroyed if the licensee has knowledge, or should have had knowledge, of any pending criminal or regulatory investigation;
- f) plan identifying system compliance must be submitted to AGLC for approval along with any changes to the approved plan or system;
- g) system must be tested weekly to ensure all cameras and recording equipment are functioning properly and a log of the test results must be kept and available to AGLC upon request; and
- h) all malfunctions must be immediately repaired.

3.3.4 A retail cannabis store must secure perimeter entry points against unauthorized access by:

- a) the use of 1.5mm (16 gauge) hollow metal doors with 1.9mm (14 gauge) metal frame and tamper proof hinges at all entry points other than the customer entrance;
- b) commercial grade non-residential locks on all access points with secured tamper proof strike plate and locking device must penetrate the door frame at minimum 1.25cm;
- c) customer entrance constructed of commercial grade material sufficient to secure against unauthorized access;
- d) overhead receiving door constructed of commercial grade material and locking device sufficient to secure against unauthorized access; and

SUBJECT: PHYSICAL SECURITY

- e) perimeter locking devices not on a master key system.
- 3.3.5 All cannabis or cannabis accessories displayed in a customer area must be within a secure showcase (this includes refrigeration units) that is locked at all times and accessible only by authorized staff.
- 3.3.6 All cannabis displayed within the locked showcase must be in its original sealed package or an approved container.
- 3.3.7 All cannabis accessories not displayed in a customer area must be stored in a locked storage room accessible only by authorized staff.
- 3.3.8 All cannabis not displayed in a customer area, and after operating hours all displayed cannabis, must be stored in a locked secure cannabis storage room accessible only by authorized staff.
- 3.3.9 The secure cannabis storage room must meet the following:
 - a) constructed of Flattened Metal Mesh, EMMA 557-99 style ¾-9F, nominal strand thickness of 0.120" (0.108" to 0.132") diamond opening of 0.563" x 1.688" or sheet steel 16ga, A1008/A1008M (cold rolled) or A1011/A1011M (hot rolled) or equivalent;
 - b) mount steel or steel mesh on the outside (attack side) of the room in the following manner:
 - i) support all edges by anti-spread bracing, studs or corners;
 - ii) align sheet edges at every vertical and horizontal seam on centre-line of stud or anti-spread bracing; and (Amended Nov 2019)
 - iii) secure all sheets with screws, welds or rivets.
 - c) 16 gauge (1.6mm) steel sheet, HR Commercial quality, ASTM A366, matte finish, shall extend 1200mm around door frame on inside of room and attached to the door frame with screws, welds or rivets;
 - d) minimum 1.5mm (16 gauge) hollow metal door not exceeding 36 inches width with 1.9mm (14 gauge) metal frame;
 - e) commercial grade door lock with locking device that penetrates door frame at least 1.25cm and tamper proof hinges; and



SECTION: BUSINESS/FACILITY REQUIREMENTS

NUMBER: 3.3

RETAIL CANNABIS STORE HANDBOOK

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SUBJECT: PHYSICAL SECURITY

f) 16mm gypsum wall boards on both sides of the wall (interior optional) attached with drywall screws.

3.3.10 The secure cannabis storage room cannot be used for any other purpose than the storage of cannabis, no other items or equipment (except equipment essential to the operation of the premises and approved by AGLC) may be present in the room. (Amended Nov 2019)

3.3.11 A plan for the secure cannabis storage room must be submitted to AGLC for approval along with any changes to the approved plan.

DATE ISSUED: November 28, 2019

AUTHORITY:

Original signed by
Len Rhodes

SUBJECT: STORE NAME AND SIGNS

POLICIES

- 3.4.1 Each retail cannabis store must have a distinct business name, approved by AGLC, reflecting the nature of the business, and is not registered by another business interest.
- 3.4.2 Use of the term "Alberta" or "AGLC" is prohibited in a store name.
- 3.4.3 The business name is to be prominently displayed in signage at all public access points of the retail cannabis store.
- 3.4.4 Signage and contents must comply with all federal, provincial and municipal requirements.
- 3.4.5 Signage must be in good taste and not depict a lifestyle, endorsement, person, character or animal.
- 3.4.6 Signage may not promote intoxication. Terms and images such as, but not limited to, "chronic," "stoned" or "high" are not permitted.
- 3.4.7 Signage that claims beneficial health effects, or makes a statement regarding increased potency or concentration are not permitted.
- 3.4.8 Use of any term, symbol or graphic normally associated with medicine, health or pharmaceuticals are prohibited in a store name or signage. Examples include, but are not limited to:
- a) use of the term Pharmacy, Dispensary, Apothecary, Rx or Drug Store, med, medi or clinic;
 - b) use of the term Medicine, Medicinal, Health or Therapeutic; or
 - c) use of graphics or symbols that would denote the above.
- 3.4.9 Sign(s) or identification may not include graphics which:
- a) appeal to minors;
 - b) show the use of cannabis;
 - c) display intoxication;
 - d) display or identify a cannabis product or accessory;
 - e) display a price or indicate a price advantage; or
 - f) display any sporting or cultural event or activity.



SECTION: BUSINESS/FACILITY REQUIREMENTS

NUMBER: 3.4

RETAIL CANNABIS STORE HANDBOOK

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SUBJECT: STORE NAME AND SIGNS

GUIDELINES

3.4.10 A common business name may be used when a number of retail cannabis stores are operated by the same owner.

DATE ISSUED: March 2, 2018

AUTHORITY: Original signed by

Gael MacLeod



SECTION: BUSINESS/FACILITY REQUIREMENTS

NUMBER: 3.5

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: STRUCTURAL CHANGES

POLICIES

3.5.1 The written approval of AGLC is required before making any structural changes to a retail cannabis store.

3.5.2 Structural changes include:

- a) removal or relocation of the walls enclosing a licensed premises; and
- b) renovations that result in a change to the premises floor plan previously submitted to, and approved by, AGLC.

GUIDELINES

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

DATE ISSUED: May 25, 2018

AUTHORITY: Original signed by Gael MacLeod



SECTION: PREMISES MANAGEMENT
NUMBER: 4.1

RETAIL CANNABIS STORE HANDBOOK

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SUBJECT: HOURS OF SERVICE

POLICIES

- 4.1.1 The retail cannabis store may set its hours of operation between the maximum allowable hours of 10:00 a.m. and 2:00 a.m., Monday through Sunday. Stores may operate reduced hours or hours set by municipal bylaws.
- 4.1.2 The Board has the authority to reduce or increase hours of operation.
- 4.1.3 A retail cannabis store must be closed:
 - a) *(Deleted Dec 2019)*
 - b) at all times other than the hours endorsed for cannabis sales on the licence.
- 4.1.4 The maximum hours of cannabis sales will be noted on the retail cannabis store licence, which must be prominently displayed in the cannabis sales area at all times.
- 4.1.5 On the date Daylight Savings Time takes effect or ends, cannabis sales must end before clocks are adjusted and may not re-start until the next business day.

DATE ISSUED: December 13, 2019 AUTHORITY: Original signed by Len Rhodes

SUBJECT: CANNABIS PRODUCTS AND PRICING

POLICIES

4.2.1 A retail cannabis store shall not possess, keep, sell or provide any cannabis product at or from the store which has not been purchased directly from AGLC under the authority of the retail cannabis store licence unless the product has been approved by AGLC for purchase or transfer from another store (see Section 5.5). (Amended Mar 2020)

4.2.2 (Deleted Nov 2019)

4.2.3 Cannabis products purchased or possessed illegally, brought into Alberta illegally or manufactured illegally, are subject to immediate seizure by Inspectors. Licensees involved in such activities are subject to prosecution and to penalties imposed by the Board. (Amended Nov 2019)

4.2.4 AGLC may establish a minimum price for cannabis products sold in a retail cannabis store. Licensees are not permitted to sell below the minimum price or provide cannabis to customers free of charge. (Amended Nov 2018)

4.2.5 Available quantities and related prices must be clearly displayed.

4.2.6 Purchases cannot exceed 30 grams of cannabis or equivalent to one individual per visit. Equivalencies are outlined as per Schedule 3 of the *Canada Cannabis Act*:

Class of Cannabis	Quantity Equivalent to 1 gram of dried cannabis
dried cannabis	1 gram
fresh cannabis	5 grams
solids containing cannabis	15 grams
non-solids containing cannabis	70 grams
cannabis plant seeds	1 seed
cannabis concentrates	.25 grams

(Amended Nov 2019)

4.2.7 Receipts must be provided for all cannabis products sold.

4.2.8 The Health Canada Consumer Information brochure must be made available to each customer (see Subsection 4.2.12). Copies of the brochure are to be located on the counter near the cash register. (Amended Nov 2019)

DATE ISSUED: March 27, 2020

AUTHORITY: Original signed by
Len Rhodes

SUBJECT: CANNABIS PRODUCTS AND PRICING

4.2.9 Cannabis products must be sold in its original sealed packaging as received from AGLC.

4.2.10 If it is reasonable to believe a sales transaction will place an individual in possession of more than 30 grams of cannabis, the sales transaction must not be completed.

4.2.11 Retail Cannabis Stores cannot offer on-line or off-site sales.

GUIDELINES

4.2.12 Copies of the Health Canada Consumer Information brochure may be obtained:

- a) by printing the brochure located at the following link: [Consumer Information Sheet](#); or
- b) by placing an order through AGLC's Call Centre at:
 - i) Phone: 1-855-436-5677; or
 - ii) Email: albertacannabis@aglc.ca.

(Added Nov 2019)

SUBJECT: NON-CANNABIS PRODUCTS

POLICIES

4.3.1 Only cannabis or cannabis accessories may be sold in a licensed premises.

Note: While not an exhaustive list, the following products are not considered cannabis accessories and may not be sold in a licensed premises:

- a) consumable products other than cannabis authorized under the Retail Cannabis Store Licence;
- b) products intended to be mixed, applied or consumed with cannabis;
- c) organic solvents; an organic solvent is any organic compound that is explosive or highly or extremely flammable, including petroleum naphtha and compressed liquid hydrocarbons such as butane, isobutane, propane and propylene (lighters are not considered organic solvents and are allowed to be sold in a licensed premises); and
- d) products and promotional materials related to the medical use of cannabis.

(Amended Sept 2019)

4.3.2 Any cannabis accessory that is intended to conceal cannabis or the use of cannabis are prohibited.

4.3.3 Licensees are required to provide the following cannabis accessory for purchase: child-proof lockable containers for cannabis storage. (Amended Sept 2019)

4.3.4 Online or off-site sales of non-cannabis products or accessories are prohibited.

4.3.5 The majority of sales of the Retail Cannabis Store must be cannabis.

SUBJECT: MINORS

POLICIES

- 4.4.1 As per Section 90.04 of the *Gaming, Liquor and Cannabis Act* (GLCA), it is an offence to give, sell, or provide cannabis to anyone under 18 years of age. Management and staff of a licensed cannabis premises are responsible to ensure cannabis is not sold or provided to minors.
- 4.4.2 As per Section 90.03(1) GLCA, no minor may enter a licensed retail cannabis store.
- 4.4.3 As per Section 90.03(3) GLCA, licensee staff are required to obtain valid identification and verify proof of age if a person who appears to be under 25 years of age attempts to enter a licensed retail cannabis store.
- 4.4.4 As per Section 90.03(2) GLCA, 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 cannabis.
- 4.4.5 If unsatisfied a person is at least 18 years of age, licensee staff must refuse entry or ask the person to leave.
- 4.4.6 For the purposes of Subsection 4.4.4, valid primary identification must:
- a) have a photo;
 - b) have a name;
 - c) (Deleted Nov 2019)
 - d) be Government issued;
 - e) include date of birth;
 - f) not be expired;
 - g) have a unique identifier number; and
 - h) be an original (not a copy).
- 4.4.7 If the identification appears not to be genuine or the licensee staff is unfamiliar with the identification provided (e.g. out-of-province or out-of-country identification), licensee staff must request a second piece of identification. Valid secondary identification must:
- a) have a name;

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AUTHORITY:

Original signed by
Len Rhodes

SUBJECT: MINORS

- b) be Government issued;
- c) have a unique identifier number; and
- d) include date of birth.

4.4.8 If uncertain of the authenticity of the identification provided, licensee staff must refuse entry or ask the person to leave.

4.4.9 A "No Minors" sign must be posted at all entrances to a licensed premises where minors are prohibited.

4.4.10 Selling cannabis to a minor may disqualify a Qualified Cannabis Worker and may affect the worker's ability to continue to work in the industry.

4.4.11 No minor may work as staff in a licensed retail cannabis store.

GUIDELINES

4.4.12 Identification should be carefully examined under good lighting and/or a black light should be used to ensure the:

- a) photograph is a true likeness and has not been substituted;
- b) the plastic laminate has not been tampered with; and
- c) the lettering of the name, date of birth and other data have not been altered (lettering that has been altered will show up under a black light).

4.4.13 (Deleted Nov 2019)

SUBJECT: INTOXICATED PERSONS

POLICIES

4.5.1 As per Section 90.05 of the *Gaming, Liquor and Cannabis Act (GLCA)*, licensees and staff are prohibited from providing or selling cannabis to anyone who appears to be intoxicated by liquor or a drug.

GUIDELINES

4.5.2 A person who is intoxicated may:

- a) stagger (have an unsteady walk);
- b) have poor coordination;
- c) slur their 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.

4.5.3 If licensee staff is 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.

4.5.4 If an apparently intoxicated person leaves a licensed premise 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.



SECTION: PREMISES MANAGEMENT
NUMBER: 4.6

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: STAFFING REQUIREMENTS

POLICIES

- 4.6.1 A retail cannabis store must be staffed at all times it is open for business. It cannot be staffed by a person who is working in another adjacent business nor can another adjacent business be staffed by an employee working in a retail cannabis store.
- 4.6.2 Minors are prohibited from working in a retail cannabis store (see Subsection 4.4.3).
- 4.6.3 Retail cannabis store owners and employees must not use or be under the influence of liquor, recreational cannabis or illegal drugs while on duty. Any use of prescription (including cannabis for medical purposes) or off-the-shelf medications while on duty must not interfere with the ability of workers to perform their work duties.
- 4.6.4 Workers using prescription (including cannabis for medical purposes) or off-the-shelf medications must follow the retail cannabis store licensee’s policies and procedures regarding their use while at work.

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SECTION: PREMISES MANAGEMENT
NUMBER: 4.7

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: ACTIVITIES IN RETAIL CANNABIS STORES

POLICIES

- 4.7.1 Activities in a Retail Cannabis Store must be directly related to the responsible sale of cannabis or cannabis accessories with the exception of charitable activities and campaigns (see Section 4.13).
- 4.7.2 No cost may be charged to the public either directly or indirectly to attend an activity in a retail cannabis store.
- 4.7.3 Activities that provide product knowledge and the responsible use of cannabis and cannabis accessories are permitted.
- 4.7.4 The simulated or actual mixing, application or consumption of cannabis with other ingredients or substances is prohibited.
- 4.7.5 Activities that involve or provide information on the medical use or health benefit of cannabis is prohibited.

GUIDELINES

- 4.7.6 Licensees are encouraged to contact AGLC Inspections Branch at inspections.mailbox@aglc.ca if they are unsure an activity is permitted.

DATE ISSUED: May 11, 2020 AUTHORITY: Original signed by Len Rhodes

SUBJECT: SENSORY DISPLAY CONTAINERS

POLICIES

- 4.8.1 Licensees are permitted to use approved sensory display containers for the purposes of allowing patrons to examine cannabis products by sight and smell.
Note: Sensory display containers are known as display pods or sniff jars.
- 4.8.2 An approved sensory display container must:
- a) be transparent;
 - b) be secured (affixed or tethered) to the showcase/counter;
 - c) have a tamper-proof container that prevents access to the cannabis product contained within; and
 - d) have a maximum volume no more than 500 ml.
- 4.8.3 Licensees are prohibited from allowing patrons to physically or directly handle cannabis products.
- 4.8.4 Licensees are only permitted to use a maximum of 15 sensory display containers containing cannabis product on display at any given time.
- 4.8.5 Licensees are only permitted to use a maximum of 2 grams of cannabis product in each sensory display container.
- 4.8.6 Licensees must purchase cannabis products from their inventory to be used in sensory display containers.
- 4.8.7 Cannabis products used for display purposes are at cost to the licensee and must be purchased through their point-of-sale system.
- 4.8.8 Cannabis products used for display purposes must immediately be secured in sensory display containers.
- 4.8.9 Once a licensee has purchased cannabis products from their inventory for display purposes, those cannabis products are deemed to be unsaleable, no longer eligible to be sold.
- 4.8.10 All sensory display containers must be stored in the secure cannabis storage room outside of operating hours.
- 4.8.11 Licensees are responsible for maintaining accurate records of all cannabis products used for display purposes. The sales

SUBJECT: SENSORY DISPLAY CONTAINERS

receipts/invoice indicating all product purchases must be retained by the licensee.

4.8.12 Licensees must maintain a sensory display log and record the following:

- a) product code/Lot#/SKU;
- b) name of product;
- c) quantity of product;
- d) AGLC invoice number;
- e) AGLC invoice date;
- f) date cannabis products purchased from inventory; and
- g) date cannabis products removed from approved container.

4.8.13 The sensory display log must be retained on the licensed premises by the licensee for a period of two years.

4.8.14 Licensees must ensure cannabis products remain in sensory display containers until no longer used for display purposes.

4.8.15 Cannabis products that are removed from sensory display containers must either be rendered unfit for use or consumption, as specified in Section 4.12 or removed from the premises on the same business day.

4.8.16 When cannabis products are disposed of, they must be rendered unfit for use or consumption as specified in Section 4.12.



SECTION: PREMISES MANAGEMENT
NUMBER: 4.9

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: CANNABIS PRODUCT INVENTORY

POLICIES

- 4.9.1 Licensees must maintain a perpetual inventory system for the tracking of cannabis products. The system must include:
 - a) point-of-sale tracking;
 - b) track by both AGLC product and lot number; and
 - c) data backed up weekly and stored in a secure manner.
- 4.9.2 Licensees must complete full inventory counts of all cannabis products on a monthly basis or upon the request of AGLC. A log of the results must be maintained and all discrepancies found must be reported to AGLC Inspections Branch within 10 business days.
- 4.9.3 All inventory records and supporting documents must be stored for a minimum of six (6) years with the records of the last two (2) years being kept on the licensed premises.
- 4.9.4 Inventory records and supporting documents must be provided to AGLC or police upon request.
- 4.9.5 Cannabis products that are outdated, recalled, damaged, deteriorated, misbranded or adulterated must be kept in a secure cannabis storage room separate from other cannabis products.

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SUBJECT: RECORD KEEPING SYSTEMS

POLICIES

- 4.10.1 A licensee must ensure its record keeping system creates, maintains, securely stores, and retrieves all records. The system must meet the following requirements:
- a) track cannabis inventory perpetually in real time;
 - b) point-of-sale that records:
 - i) time and date of the transaction;
 - ii) the method of payment; and
 - iii) cannabis product(s) description and AGLC SKU(s).
 - c) software systems relating to the sale of cannabis products must be backed up weekly;
 - d) back-up data stored in a secure location; and
 - e) sales records and supporting documentation must be stored for a minimum of six (6) years with the last two (2) years being kept on the licensed premises.
- 4.10.2 Upon request, a licensee must make available to AGLC or a police agency:
- a) any files, books, records or documents related to cannabis product orders, inventory, sale, destruction and recall; and
 - b) copies of extracts from such files, books, records or documents related to cannabis product orders, inventory, sale, destruction and recall.
- 4.10.3 Licensees are required to cooperate and assist AGLC in any audit of the licensees' records.

SUBJECT: REPORTING

POLICIES

- 4.11.1 In order to meet the Government of Canada's requirements for Federal Compliance Reporting, licensees must properly track, report, and submit cannabis transactional data to AGLC on a monthly basis.
- 4.11.2 Licensees are required to:
- a) capture & track cannabis transaction and product data (this includes the setup and configuration of Point of Sale (POS) and inventory systems); and
 - b) complete and submit data to AGLC via digital template(s) on a monthly basis, according to a defined schedule and format(s) as outlined in the Federal Compliance Reporting Technical Specifications Document (link: [Legislation and AGLC Policies](#)).
- 4.11.3 Licensees must accurately complete and submit a Cannabis Retailer Monthly Federal Compliance Report to AGLC by midnight on the tenth (10th) day of each calendar month.
- 4.11.4 Licensees whose licence has been suspended by AGLC are required to continue to comply with the Cannabis Retailer Monthly Federal Compliance Report as outlined in 4.11.3.
- 4.11.5 Licensees whose licence has been terminated or cancelled by AGLC are required to complete a final report and submit to AGLC by midnight on the tenth (10th) day of the following calendar month.
- 4.11.6 Non-compliance with Section 4.11.3 will result in an incident report and the licensee will be subject to administrative sanctions.

GUIDELINES

- 4.11.7 For additional information on monthly reporting requirements, please refer to Section 4 (Tracking & Reporting) of the Cannabis Retailer Operational Manual (link: [Legislation and AGLC Policies](#)).

SUBJECT: DESTRUCTION OF CANNABIS PRODUCTS

POLICIES

- 4.12.1 A licensee is authorized to destroy cannabis products only through a method that:
- a) complies with all federal, provincial and municipal environmental protection legislation applicable to the location where it is being destroyed;
 - b) complies with Retail Cannabis Store Handbook policy; and
 - c) does not result in any individual being exposed to cannabis smoke or cannabis vapour.
- 4.12.2 Cannabis product destruction must be performed by a Qualified Cannabis Worker (QCW) employed by the licensee on the licensed premises and in the presence of at least one witness. Witnesses may be:
- a) the licensee;
 - b) the manager; or
 - c) another QCW employed by the licensee.
- 4.12.3 The product destruction process must be clearly visible and captured on the premises' CCTV security surveillance system and be retained for a minimum of 60 days.
- 4.12.4 Any customer product returns accepted at the discretion of the licensee and any damaged or defective product ineligible for return to AGLC must be destroyed by the end of the month in which the cannabis product was received by the licensee.
- 4.12.5 Licensees are required to keep a product destruction log of all destroyed product and record the following information:
- a) name and address of the licensed retail cannabis store;
 - b) time and date of the destruction;
 - c) names and QCW number of the individuals conducting and witnessing the destruction;
 - d) product category, SKU and lot number; (Amended Nov 2019)
 - e) amount of product;

SUBJECT: DESTRUCTION OF CANNABIS PRODUCTS

- f) purpose for the destruction of the cannabis product (i.e., recalled, returned, damaged or sensory display product); and
- g) method of destruction.

Note: This log is subject to review by AGLC.

- 4.12.6 All cannabis product destruction must be captured and accounted for in the premises cannabis product inventory system.
- 4.12.7 All cannabis product destruction records and associated documents must be made available to an AGLC Inspector or police upon request.
- 4.12.8 All cannabis product destruction video footage must be made available to an AGLC Inspector or police upon request within 60 days of destruction.

GUIDELINES

- 4.12.9 For additional information and guidelines on appropriate forms of cannabis destruction, please refer to the [Health Canada Guidelines](#) and the [Alberta Cannabis Waste Management Fact Sheet](#). (Amended Nov 2018)

SUBJECT: CHARITABLE ACTIVITIES/CAMPAIGNS

POLICY

4.13.1 A retail cannabis store may allow charitable organizations to conduct fund raising activities within the premises (premises includes areas where cannabis is sold and stored, entrances, exits, hallways, etc.) as follows:

- a) the selling of non-food items, which are recognized as part of a large national campaign, either through honour boxes or personal attendant supplied by the organization, such as:
 - i) Royal Canadian Legion Poppy Fund;
 - ii) Salvation Army Christmas kettles;
 - iii) daffodil sales by Cancer Society; and
 - iv) S.P.C.A. lapel pins.
- b) displaying cash boxes for donations;
- c) food and gift bank depositories; and
- d) the selling of raffle tickets by a personal attendant of the organization.

GUIDELINES

4.13.2 A retail cannabis store may allow all types of charitable activity to take place outside the store premises.

4.13.3 Charitable activities may not be used for promotional purposes (see Subsection 6.2.6).



SECTION: CANNABIS PURCHASES AND RETURNS

NUMBER: 5.1

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: PURCHASES FROM AGLC

POLICIES

- 5.1.1 AGLC is the sole wholesaler of all recreational cannabis in Alberta.
- 5.1.2 All cannabis offered for sale in a cannabis retail store must be purchased by the licensee from AGLC eCommerce website: www.albertacannabis.org. The only exception is product that has been approved by AGLC for purchase or transfer from another store (see Section 5.5). (Amended Mar 2020)
- 5.1.3 AGLC eCommerce customer service will confirm pickup or delivery arrangements at the time of ordering.
- 5.1.4 Licensees must keep a record of all cannabis purchases (i.e., invoices and receipts) to prove the source of all cannabis in the licensed premises for at least six (6) years.
- 5.1.5 All cannabis products must meet the Government of Canada labelling standards. AGLC ensures federal labelling standards are met before releasing a product for retail sale.
- 5.1.6 Cannabis labels shall not be removed, altered or tampered with in any way.

GUIDELINES

- 5.1.7 Detailed information regarding the process of obtaining a retailer cannabis account and ordering wholesale product through AGLC can be found in the Cannabis Retailer Operational Manual ([link](#)).
- 5.1.8 Product pricing information is available on the e-commerce business website: www.albertacannabis.org.

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Len Rhodes



SECTION: CANNABIS PURCHASES AND RETURNS

NUMBER: 5.2

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: PRODUCT RETURNS AND CLAIMS

POLICIES

5.2.1 A licensee that experiences a problem related to product may make a claim for refund. A claim for a refund must be received by AGLC within 30 days of product delivery. Any claims regarding shipping errors must be reported to AGLC within 48 hours. *(Amended May 2020)*

5.2.2 The following types of claims will be considered:

- a) faulty products;
- b) recalled products; and
- c) shipping errors (refer to section 5.6).

5.2.3 To report a claim a licensee must call AGLC Customer Service (1-855-436-5677).

5.2.4 AGLC will confirm the claim against the invoice and, if valid, process the claim and issue a refund.

- a) Refund amounts are based on the original wholesale price paid by the licensee to AGLC.
- b) Refunds for claims under \$20 may be deferred for up to 90 days.

5.2.5 If a product listed is ineligible for refund, AGLC will advise the licensee and explain why. Possible reasons may include:

- a) product was not purchased directly from AGLC (except for recall);
- b) product was damaged by licensee staff or customers;
- c) the claim period has expired; or
- d) insufficient information provided to approve the claim.

GUIDELINES

5.2.6 For additional information on the process for submitting refund claims, refer to the Cannabis Retailer Operational Manual.

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Len Rhodes



SECTION: CANNABIS PURCHASES AND RETURNS

NUMBER: 5.2

RETAIL CANNABIS STORE HANDBOOK

PAGE 2 OF 2

SUBJECT: DAMAGED/DEFECTIVE PRODUCTS

5.2.5 AGLC will confirm the claim against the invoice and, if valid, process the claim and issue a refund.

- a) Refund amounts are based on the original wholesale price paid by the licensee to AGLC.
- b) Refunds for claims under \$20 may be deferred for up to 90 days.

5.2.6 A claim for a refund must be received by AGLC within 30 days of product delivery.

5.2.7 If a product listed 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.

GUIDELINES

5.2.8 For additional information on the process for submitting refund claims, refer to Section 2.5 (Product Returns & Claims) of the Cannabis Retailer Operational Manual (link to be provided upon availability).

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Gael MacLeod



SECTION: CANNABIS PURCHASES AND RETURNS

NUMBER: 5.3

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: PRODUCT RECALLS

POLICIES

- 5.3.1 If a recalled cannabis product(s) has been distributed to retail cannabis stores, AGLC will issue a Product Recall Notice to all licensees providing specific information of the recalled product(s).
- 5.3.2 When AGLC issues a Product Recall Notice, 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.”
- 5.3.3 Licensees are responsible for ensuring that all staff (Qualified Cannabis Workers) are aware and comply with the Product Recall Notice.
- 5.3.4 Licensees must post Product Recall Notices in prominent locations in the store and at every point of sale for a minimum of 30 days, so that customers are aware of the recall.
- 5.3.5 Licensees must accept customer returns of recalled product and provide a full refund for any product the licensee currently carries or has carried in the past. *(Amended May 2020)*
- 5.3.6 Licensees must establish and maintain a system of control that permits the rapid and complete recall of every lot or batch of cannabis product that is in possession of the licensee and that have been returned to the licensee.
- 5.3.7 Licensees must maintain a log of all recalled cannabis products (See Cannabis Retail Operations Manual). *(Amended May 2020)*
- 5.3.8 Licensees must deal with the recalled product as directed by AGLC, which may include returning it to the warehouse for a full refund.

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Len Rhodes



SUBJECT: CUSTOMER RETURNS

POLICIES

- 5.4.1 As per Section 5.3.5, licensees must accept customer returns of recalled product.
- 5.4.2 Cannabis product returns by customers for reasons other than recalls are at the discretion of the licensee.
- 5.4.3 AGLC will not issue refunds to licensees or customers for cannabis product that is not faulty or has not been recalled. *(Amended May 2020)*
- 5.4.4 Should a licensee accept a customer return, all cannabis products accepted from the return must be destroyed if the product is ineligible for return to AGLC (see Section 4.12). *(Amended May 2020)*

Products Causing Adverse Reactions

- 5.4.5 Licensees that receive a complaint or report of adverse reactions resulting from a cannabis product by a customer must:
 - a) recommend the customer seek medical attention;
 - b) direct the customer to consult the [Health Canada website](#) for information on adverse reactions; and
 - c) call AGLC Customer Service (1-855-436-5677). *(Added May 2020)*

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Len Rhodes

SUBJECT: PRODUCT TRANSFERS

(Added Mar 2020)

POLICY

5.5.1 In this section:

- a) “chain store” or “corporate store” means a group of retail stores licensed under the same legal entity; and
- b) “common carrier” is an entity whose business transports people or goods from one place to another for a fee.
- c) “retail store” is a distinct entity with a street address and unique licence number; and
- d) “franchise” includes retailers that share a common operating name, but each store has its own individual ownership structure.

5.5.2 Transferred products and products sold due to store closure cannot be returned to AGLC (unless there is a recall as per Section 5.3).

5.5.3 Prior to a product transfer being approved, a [Cannabis Product Transfer Form](#) must be submitted to AGLC’s Regulatory Division at inspections.mailbox@aglc.ca.

5.5.4 A common carrier must be used to transport product between stores.

Store Closures

5.5.5 As outlined in Section 95.1(1) of the GLCA, a licensee selling or closing its premises permanently may, upon approval of AGLC, sell its remaining cannabis product to another licensee. The purchaser of the cannabis product is responsible to ensure the product is legal and of acceptable quality (i.e., not adulterated or contaminated).

Chain Store Transfers

5.5.6 Transfer of outgoing cannabis products from one licensee chain store to one or more stores within the same chain is permitted once every 120 days and must be detailed on a Cannabis Transfer-Closure Record (see Subsection 5.5.3).

5.5.7 Transfer of cannabis product between retail stores licensed under separate legal entities (i.e. independent retailers or franchise locations) is not permitted.



SECTION: CANNABIS PURCHASES AND RETURNS

NUMBER: 5.6

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: PRODUCT DELIVERIES

POLICIES

(Added May 2020)

- 5.6.1 When receiving an order from AGLC, a licensee is required to:
- a) count and sign for the number of sealed master cases;
 - b) ensure the proof of delivery document has been marked with the count of master cases received and initialed;
 - c) store master cases in a secured area that is visible under a camera; and
 - d) ensure master cases are opened and product cases counted under a camera.

NOTE: Failure to complete these steps will nullify and void any related product delivery shortage claims.

5.6.2 Retailers must report to AGLC if they receive too much product in error. Failing to act on shipping errors that result in an over-delivery of product may result in the revocation of the retailer's cannabis licence.

5.6.3 Order shipping errors at master/product case level (e.g. product overage/shortage/breakage or picking errors) must be reported to AGLC within 48 hours of receiving the product.

GUIDELINES

5.6.4 Licensees should flatten, store, and prepare empty master cases for return via the carrier on the next delivery.

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Len Rhodes

SUBJECT: GENERAL INFORMATION - ADVERTISING

POLICIES

6.1.1 For all of Section 6, "advertising" means the use of media to communicate a message to an audience through words, audio and/or visuals. It is communicated through various mass media, including but not limited to:

- a) traditional media such as television, radio, newspapers, magazines, outdoor advertising, flyers, billboards, transit shelters, inflatables, commercial and corporate vehicles or direct mail; and
- b) new media, including but not limited to digital and social media advertising, organic social media posts on newsfeeds and/or profiles, email, search results, blogs, websites or short message service (SMS).

(Amended Nov 2019)

6.1.2 Licensees must ensure that all advertising complies with:

- a) the GLCA;
- b) the GLCR;
- c) the *Cannabis Act*;
- d) the Cannabis Regulations; and
- e) all other federal, provincial and municipal legislation.

(Added Nov 2019)

6.1.3 Cannabis suppliers, cannabis representatives and retail cannabis store licensees are permitted to advertise cannabis products and accessories to persons 18 years of age or older with the following conditions:

- a) advertisements are only permitted in places where persons under the age of 18 are prohibited from entering;
- b) advertisements must not be audible or visible from outside a place where persons under the age of 18 years are prohibited from entering; (Added Nov 2019)
- c) advertisements outside of places where persons under the age of 18 are prohibited from entering must:

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Len Rhodes

SUBJECT: GENERAL INFORMATION - ADVERTISING

- i) be directly communicated (i.e. mail-outs, e-mail, etc.) to an individual, by name, who is 18 years of age or older; or
- ii) include reasonable steps to ensure that persons under the age of 18 years cannot access the advertisement (i.e. age verification).

6.1.4 Advertising cannot:

- a) be false, misleading or deceptive; or
- b) give an erroneous impression about the characteristics of cannabis products (i.e. strength, purity, safety, health effects).

6.1.5 The following is prohibited in the advertising of cannabis products and accessories :

- a) prices;
- b) advertising that may appeal to minors;
- c) use of testimonials or endorsements;
- d) associating cannabis, a cannabis accessory or service with an alcoholic beverage or tobacco product; (Added Nov 2019)
- e) create the impression health and cosmetic benefits may be derived from the service or the use of cannabis or cannabis accessory; (Added Nov 2019)
- f) energy value and amount of nutrients beyond the nutrition facts table that is required to be included on the label of any container in which edible cannabis or accessory is packaged in; (Added Nov 2019)
- g) create the impression that cannabis edibles or accessories are intended to meet the particular dietary requirements of an individual; (Added Nov 2019)
- h) depiction of a person, character or animal, whether real or fictional;
- i) claims of positive or negative impact as a result of usage (i.e. glamorous, vitality, recreation, etc.);
- j) showing the consumption of cannabis;
- k) encouraging non-cannabis users to consume cannabis; and
- l) promoting irresponsible cannabis consumption or service.

SUBJECT: GENERAL INFORMATION - ADVERTISING

- 6.1.6 Subject to Subsection 6.1.4a), licensees are permitted to advertise the price of cannabis products and accessories inside a licensed Retail Cannabis Store.
- 6.1.7 Co-operative advertising (advertising by licensees that includes the specific mention of cannabis supplier/representative), 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 upon request.
- 6.1.8 Cannabis suppliers and cannabis representatives are not allowed to pay any advertising costs for a retail cannabis licensee, either directly or indirectly.
- 6.1.9 Cannabis supplier and cannabis representative advertising must not be directed to a particular licensee/chain of licensees.
- 6.1.10 It is prohibited to use a brand of cannabis or cannabis accessories, or the name of an entity that is authorized to produce, sell or distribute cannabis in the sponsorship of a person, entity, event, activity or facility.
- 6.1.11 Advertising not specifically addressed in this section requires the prior approval of AGLC.

GUIDELINES

- 6.1.12 Advertising which promotes the responsible consumption of cannabis (i.e. legal, moderate and safe) is recommended and supported by AGLC.
- 6.1.13 Cannabis suppliers, cannabis representatives and licensees are responsible to ensure their advertising, including any advertising conducted by a third party, complies with these policies and all legislation.
- 6.1.14 A licensee and a manufacturer of non-cannabis products and accessories may advertise jointly, as long as the advertising complies with these policies and all legislation.

SUBJECT: GENERAL INFORMATION – PRODUCT PROMOTIONS

POLICIES

- 6.2.1 “Product Promotion” means activities within a licensed premises designed to encourage the sale of specific brands of cannabis products or accessories.
- 6.2.2 Cannabis representatives and retail cannabis store licensees are permitted to promote cannabis products and accessories in places where persons under the age of 18 are prohibited.
- 6.2.3 The following is prohibited in the promotion of cannabis products and accessories:
- a) use of testimonials or endorsements;
 - b) depiction of a person, character or animal, whether real or fictional; or
 - c) claims of positive or negative impact as a result of usage (i.e. glamorous, vitality, recreation, etc.).
- 6.2.4 Product promotions cannot:
- a) be false, misleading or deceptive; or
 - b) give an erroneous impression about the characteristics of cannabis products (i.e. strength, purity, safety, health effects).
- 6.2.5 Product promotions must not encourage the irresponsible use, consumption or sale of cannabis products or accessories.
- 6.2.6 It is prohibited to use a brand of cannabis or cannabis accessories, or the name of an entity that is authorized to produce, sell or distribute cannabis in the sponsorship of a person, entity, event, activity or facility.
- 6.2.7 Programs or activities that offer or provide any added compensation with the purchase of a cannabis product or accessory are prohibited.
- 6.2.8 Programs or activities that offer or provide a cannabis product or accessory or discounts on those items based on the purchase of any other item or thing or service are prohibited.
- 6.2.9 The requirement to purchase a cannabis product or accessory for the right to participate in a game, lottery, contest, or any other activity is prohibited.



SECTION: PRODUCT PROMOTIONS
NUMBER: 6.2

SUBJECT: GENERAL INFORMATION – PRODUCT PROMOTIONS

6.2.10 Product promotions not specifically addressed in this section requires the prior approval of AGLC.

SUBJECT: PROHIBITED INDUCEMENTS AND BENEFITS

POLICIES

- 6.3.1 A cannabis supplier or representative is prohibited from directing any services, items or activities to a licensee that could directly benefit the licensee or their staff, and a licensee may not request or accept any such inducements.
- 6.3.2 Licensees are prohibited from asking for or receiving items of value from a cannabis supplier or representative as an inducement to stock a product in return for improved display case positioning or for any other consideration.
- 6.3.3 A cannabis supplier or representative is prohibited from participating in any way in a licensee's customer loyalty program, and a licensee may not request that a cannabis supplier or representative participate in such a program.
- 6.3.4 A cannabis supplier or representative is prohibited from providing a licensee with travel costs and a reduced rate for accommodation at any place they own, represent or have an interest in.
- 6.3.5 A cannabis supplier or representative may not offer, provide or pay for the following on behalf of 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;
 - c) free cannabis products or accessories; or
 - d) compensation for expenses related to but not limited to:
 - i) construction, interior decorating (e.g. painting, window coverings, flooring, décor etc.), 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, display cases, sensory display containers or fixtures;
 - iii) physical security equipment, construction, installation or services;

SUBJECT: PROHIBITED INDUCEMENTS AND BENEFITS

- iv) product price displays, electronic devices (e.g. television screens, computer monitors, tablets, etc.);
- v) point of sale systems; or
- vi) other items considered essential to operating a licensed premises.

6.3.6 A cannabis supplier or representative may not offer, provide or pay for the following on behalf of the licensee:

- 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 cannabis supplier or representative, and;
 - 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 (costs associated with air or ground transportation and accommodations while away from home), 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 production facility.

6.3.7 A cannabis supplier or representative is not permitted to provide signs that display a licensee's business name or signs necessary for the operation of the business (e.g. entry/exit signs, bathroom signs etc.).

6.3.8 A licensee may not accept any offer from a cannabis supplier, representative or country's representative (political or non-political) to pay travel expenses specified in Subsection 6.3.4 or any other costs for the licensee or their staff to attend a seminar, convention, meeting or exhibition outside Alberta.

6.3.9 The above policies do not apply where the cannabis supplier has a financial interest in the cannabis licensee as its subsidiary and the loan of money or other things is given or offered in the normal course of financing the subsidiary. Each corporation must be operated as a separate business in accordance with Schedule 2, Part 2 of the GLCR.



SECTION: ADVERTISING AND PRODUCT PROMOTIONS
NUMBER: 6.3

RETAIL CANNABIS STORE HANDBOOK

PAGE 3 OF 3

SUBJECT: PROHIBITED INDUCEMENTS AND BENEFITS

6.3.10 Cannabis suppliers, representatives and licensees are required to comply with the requirements of Division 4 of the GLCR.

DATE ISSUED: May 1, 2018 **AUTHORITY:** Original signed by Gael MacLeod

SUBJECT: GENERAL INFORMATION

POLICIES

- 7.1.1 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).
- 7.1.2 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.
- 7.1.3 A licensee must allow AGLC Inspectors and officials to examine and make copies of all records, and if necessary, to remove records from the licensed premises for further review.
- 7.1.4 When an AGLC Inspector finds a licensee in contravention of the GLCA, the GLCR or Board policy, the Inspector may request the licensee to take appropriate steps to comply with the legislation or policy.
- 7.1.5 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 or possible criminal charges by police or AGLC investigations.

GUIDELINES

- 7.1.6 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 who 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.



SECTION: INSPECTIONS

NUMBER: 7.1

RETAIL CANNABIS STORE HANDBOOK

PAGE 2 OF 2

SUBJECT: GENERAL INFORMATION

- 7.1.7 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.
- 7.1.8 All AGLC Inspectors carry photo identification while on duty. A licensee may ask to see an Inspector's identification before providing any information.
- 7.1.9 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.
- 7.1.10 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.

DATE ISSUED: May 25, 2018

AUTHORITY:

Original signed by
Gael MacLeod



SECTION: INSPECTIONS

NUMBER: 7.2

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: CANNABIS SEIZURE AND ANALYSIS

POLICIES

- 7.2.1 Unauthorized or illegal cannabis is not permitted in a licensed premises.
- 7.2.2 Unauthorized or illegal cannabis includes, but is not limited to, cannabis that:
 - a) has been obtained from an unauthorized source;
 - b) has been altered in any manner;
 - c) is not contained in its original sealed package or AGLC approved container;
 - d) is contained in a package that has been tampered with; or
 - e) is contained in a package with an altered or unauthorized label.
- 7.2.3 Any unauthorized or illegal cannabis products found in a licensed premises will be seized immediately by an Inspector.
- 7.2.4 If cannabis is seized, an Inspector will submit an Incident Report (see Subsection 8.1) which may result in disciplinary action up to and including suspension or cancellation of licence and/or provincial or federal charges.

GUIDELINES

- 7.2.5 Seized cannabis is noted by the Inspector on a Cannabis Seizure Receipt form with a copy being provided to the licensee.

DATE ISSUED: May 25, 2018

AUTHORITY: Original signed by
Gael MacLeod



SECTION: ENFORCEMENT OF LEGISLATION

NUMBER: 8.1

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: INCIDENT REPORTS

POLICIES

- 8.1.1 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 (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.
- 8.1.2 The President & Chief Executive Officer or delegate may propose an administrative sanction or refer the Incident Report to the Board for review and decision where circumstances warrant.
- 8.1.3 On reviewing an Incident Report, the Board may decide to impose an administrative sanction with or without a hearing.

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Gael MacLeod



SECTION: ENFORCEMENT OF LEGISLATION
NUMBER: 8.2

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: NOTICE OF ADMINISTRATIVE SANCTIONS

(DELETED NOV 2019)

PLEASE SEE THE BOARD HEARING PANEL RULES AND PROCEDURES DOCUMENT AT AGLC.CA FOR INFORMATION ON NOTICE OF ADMINISTRATIVE SANCTIONS.

DATE ISSUED: November 28, 2019

**AUTHORITY: Original signed by
Len Rhodes**



SECTION: ENFORCEMENT OF LEGISLATION
NUMBER: 8.3

RETAIL CANNABIS STORE HANDBOOK

PAGE 1 OF 1

SUBJECT: BOARD HEARINGS

(DELETED NOV 2019)

PLEASE SEE THE BOARD HEARING PANEL RULES AND PROCEDURES DOCUMENT AT AGLC.CA FOR INFORMATION ON BOARD HEARINGS.

DATE ISSUED: November 28, 2018 AUTHORITY: Original signed by Len Rhodes