

Licensee Retail Store Licence

TERMS and CONDITIONS

A GUIDE FOR
LIQUOR LICENSEES
IN BRITISH COLUMBIA

Updated
May 2014

This guide . . .

provides essential information for operating a licensee retail store. This information does not apply to all licence classes.

Separate guides are available for those holding food-primary, liquor-primary, catering, wine store, winery, UBrew/UVin, brewery and distillery licences. .

For copies of these other guides, please contact us or visit the provincial government website below:

Phone (toll free): **1 866 209 2111**

E-mail: **lclb.lclb@gov.bc.ca**

Website: **<http://www.pssg.gov.bc.ca/lclb>**

Update Summary

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Licensee Retail Store Licence Terms and Conditions

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Introduction

This Guide

This guide outlines the requirements of the Liquor Control and Licensing Act and Regulations for operating licensee retail stores. It also imposes further terms and conditions, in addition to those found in the Liquor Control and Licensing Act and Regulations.*

Like the requirements contained in the Act and Regulations, these additional terms and conditions – and any further terms and conditions that might be printed on the face of your licence or contained in letters issued to you by the general manager of the Liquor Control and Licensing Branch – must be followed at all times.

As a licensee, it is your responsibility to operate your business so that it complies with the law and with the terms and conditions of your licence.

Important!

Please take time to read this guide carefully and make sure your managers and staff are familiar with the information presented here, and with any additional terms and conditions printed on the face of your licence and/or in letters issued by the Liquor Control and Licensing Branch.

**Section 12 of the Liquor Control and Licensing Act provides the general manager with the authority to impose, in the public interest, terms and conditions on licences.*

Definitions Used in this Guide

“The Act” means the Liquor Control and Licensing Act, the provincial legislation that guides the licensing of establishments that manufacture, store or sell liquor in B.C.

“Agent” means a liquor manufacturer representing itself as an agent, a person hired by a liquor manufacturer to represent them as an agent or a person who represents a manufacturer of liquor outside of British Columbia as their agent.

An agent may advertise and promote liquor to licensees, liquor stores and the public, but can only sell liquor from any manufacturer they represent to the Liquor Distribution Branch in a manner authorized by the General Manager of the Liquor Distribution Branch. An agent cannot sell liquor directly to the public. An agent cannot sell liquor directly to licensees, unless authorized to do so by the General Manager of the Liquor Distribution Branch.

“Marketing Representative” means a person hired by a licensed agent to promote their products. These marketing representatives do not need to be registered with the Liquor Control and Licensing Branch. Agents must provide their marketing representatives with identification establishing them as representatives and must also ensure that they comply with provincial liquor laws.

“Blue-lined area” refers to the area within a licensee retail store where you may sell liquor and conduct consumer tastings.

“Branch” means the Liquor Control and Licensing Branch, the government agency that administers the Act.

“General manager” means the general manager of the Liquor Control and Licensing Branch.

“Licensee” refers to any individual, individuals or corporate body that holds a British Columbia liquor licence. The term covers both the licensee of record and any person acting in the place of the licensee, such as a manager or person in charge of an establishment in the licensee’s absence.

“Licensee Retail Store” is an establishment that is permitted to sell all types of packaged liquor.

“Liquor-primary” refers to a licensed establishment where the service of liquor, as opposed to food, is the primary focus of the business.

“Manufacturer” means a manufacturer of liquor products (i.e., beer, wine, spirits, cider and coolers) or the corporate official of a liquor manufacturer.

“Minor” refers to an individual who is under 19 years of age — 19 is the legal drinking age in British Columbia.

“Product Vouchers” or **“Vouchers”** is a certificate issued by a manufacturer. A customer may take the voucher to a participating licensee retail store and exchange it, at no charge, for the quantity of liquor (a bottle of wine or a six-pack of cider, for example) specified on the voucher.

“Terms and conditions of licence” are requirements of licensees that are set by legislation, regulation or branch policy. All licence terms and conditions must be followed. Not following them may result in enforcement action.

Updates

Licence terms and conditions change from time to time.

<http://www.pssg.gov.bc.ca/lclb/>

Help is Available

We know how difficult it can be to operate a licensed establishment, and understand the challenges you may face in consistently following B.C.'s liquor laws. You should always feel free to discuss potential enforcement problems with a liquor inspector or another branch employee.

If you have any concerns or questions, please contact your local liquor inspector or write, telephone or email the Liquor Control and Licensing Branch at:

Mailing Address

PO Box 9292 Stn Prov Govt,
Victoria, BC V8W 9J8

Office Address

4th Floor, 3350 Douglas St.
Victoria, BC V8Z 3L1

E-mail

lclb.lclb@gov.bc.ca

Phone

250-952-5787 in Victoria

Toll Free Phone

1-866-209-2111

A range of helpful information along with licensee guides, application forms and links to the Liquor Control and Licensing Act and Regulations can be found at:

<http://www.pssg.gov.bc.ca/lclb/>

Background: Who is Responsible for What

The Liquor Control and Licensing Branch

The Liquor Control and Licensing Branch is responsible for regulating and monitoring the sale of liquor in licensed establishments in British Columbia, and for protecting the public from the harm that may be caused by making and selling liquor or products that contain alcohol.

The branch issues and supervises liquor licences, and monitors the activities of all liquor licensees in British Columbia to make sure they are following the rules laid out in the Liquor Control and Licensing Act, its Regulations, and their licence terms and conditions.

To make sure the public has full access to information about liquor licensees in this province, we post summaries of all cases where the branch has recommended enforcement action on our branch web site. For those cases that go to an enforcement hearing, we post the complete text of the decision. (Names of individuals are removed to comply with the requirements of the Freedom of Information and Protection of Privacy Act.)

Your Role as a Licensee

As a licensee (someone who holds a liquor licence), you must let the branch know about any changes you make to your business or to the buildings you operate.

You are legally responsible for understanding how the Act, its Regulations, and the specific terms and conditions of your licence affect the operation of your establishment, and for complying with the Act, its Regulations, and the terms and conditions of your licence and all catering authorizations (if you have a catering endorsement).

You are also responsible for making sure your employees follow B.C.'s liquor laws and the terms and conditions of your licence, even when you are not on site.

You and your staff must fully cooperate with liquor inspectors and police, and ensure the actions of you and your staff do not put liquor inspectors, minor agents contracted to the branch, or police at risk or prevent them from carrying out their duties.

Drawing the attention of patrons to the fact that liquor inspectors, minor agents contracted to the branch, and/or police are present in your establishment may put the safety of the inspectors, minor agents contracted to the branch, and police at risk. Accordingly, your actions must not cause the attention or focus of patrons to shift towards inspectors, minor agents contracted to the branch, or police at any time; including at the time of entry, during an inspection, or when exiting your establishment. Actions such as announcing the arrival of inspectors, raising or flashing lights, turning down music, playing particular soundtracks (e.g. "Bad Boys"), using spotlights, or any other similar actions are not permitted. You may not save or distribute photographs of inspectors or minor agents contracted to the branch in any manner (e.g. on a staff bulletin board or the internet).

If you do not carry out your legal responsibilities, you could face serious penalties, including the suspension or loss of your licence.

The Role of the Liquor Inspector

Liquor Control and Licensing Branch liquor inspectors are located in regional offices across the province. They will regularly visit your licensed establishment – often arriving unannounced – to:

- explain the terms and conditions of your licence
- inspect the physical layout of your establishment
- inspect your legal, financial and business records
- observe and record your business practices, identifying gaps or weaknesses that are likely to lead to non-compliance (to you not following the Act, its Regulations and the terms and conditions of your licence), and
- identify any contraventions of the Act, Regulations or the terms and conditions of the licence occurring in your establishment.

Please note:

Liquor inspectors are a good resource. They can provide you with both help and advice, and we recommend you get to know your local liquor inspector as soon as possible.

If a liquor inspector finds you are contravening (not following) the Act, its Regulations or the terms and conditions of your licence, the inspector may issue a Contravention Notice and may recommend that the general manager take enforcement action against you.

The Role of Police

Police officers also make regular, unannounced visits to licensed establishments. The police consider these visits to be an important part of their routine patrols in the community.

When the police walk through your establishment, they will look for evidence of any liquor contraventions, especially those that could result in disturbances within the community or that could threaten public safety, such as drunkenness, overcrowding or minors in possession of alcohol. If the police notice a contravention, they will record it on a form called a Licensed Premises Check (LPC), leave one copy with you and send one to the Liquor Control and Licensing Branch.

The branch follows up on all LPCs, and may ask a liquor inspector to conduct a further inspection. If the inspector confirms the contravention, he or she will issue a Contravention Notice and may recommend enforcement action.

The Role of Local Government and First Nations

A liquor licence is only one requirement in opening a licensed establishment in British Columbia. Liquor licensees must also deal with local governments on such issues as zoning, building bylaws, business licensing requirements and health and fire Regulations.

Local governments are responsible for protecting the peace and good order of their communities and are often the first to learn about problems relating to licensed establishments. The general manager takes complaints from local governments that licensed establishments are operating contrary to the public interest and are disturbing people in the surrounding area very seriously.

The Nature of Your Business

What You May Sell

You may sell beer, wine, cider, coolers and a full range of spirits at your licensee retail store. You may also sell B.C. lottery products, cigarettes, packaged snacks (i.e., chips and nuts) and liquor-related items such as glasses, bottle openers and corkscrews.

However, your store must not resemble a convenience store, and you may not stock other items, such as milk and newspapers.

Gift Cards and Gift Certificates

You may sell gift cards or certificates redeemable for liquor or non-liquor products at your store. You can only sell these gift cards or certificates from your licensed premises.

The cards or certificates may be redeemed at any licensed establishment that you operate or at places where you have an agreement to accept each other's gift cards.

Gift cards or certificates must not be sold to minors and they cannot be used as prizes in contests unless the certificate or card is specifically meant for non-liquor items. As a reminder, it is unlawful in BC to give away liquor as a prize.

You may use a gift card/certificate business to administer your card/certificate program.

Physical Layout

Your store must be located in:

- A permanent, free standing building that does not contain another business; or
- If in a building in which there are other businesses, your store must have its own entrance and exit separate from any other business and a solid floor-to-ceiling wall between your store and any other business.

The public must enter your store from a separate entrance in a public thoroughfare (a street or mall corridor, for example), and not through any other business.

You are permitted to be associated with an LP, LRS, or licensed hotel (including associated FP). Existing common staff doors with an associated business are grandfathered, but no new common staff doors will be approved. Common liquor storage areas with an associated business are grandfathered, providing the licensee ensures that the liquor purchased under each licence is physically separate, clearly labelled, and clearly identifiable. If you sell your LRS or relocate, a completely separate liquor storage area for each liquor licence may be required. You may use a common name and other visual identifiers of the associated business, and you may engage in joint advertising and promotions with the associated business. Associations with any other type of business that is not an LP, LRS or licenced hotel (including associated FP) are prohibited.

Games and Entertainment

Games and entertainment are not permitted in your store. However, you can hold contests either with a liquor manufacturer or your own. See the section “Relations with Liquor Manufacturers and Agents” for more details. In either case you may not offer liquor as a prize.

Drive-throughs

Some older licensee retail stores are set up for drive-through sales; while these stores are allowed to continue operating their drive-throughs, no new drive-throughs are permitted. Should these stores re-locate, the drive-through privilege will be revoked.

Liquor sales must take place in licensed premises

All of your business activities related directly or indirectly to the sale of liquor must be conducted inside your licensed establishment. The only exception is that you may advertise your business in accordance with the “Advertising Your Business” section of this Guide.

You must not take liquor off your premises for sampling or sale. You must not take orders for liquor or arrange for payment and delivery of liquor outside of your licensed premises.

You may set up a display table or booth off-site to display advertising materials which may include posters, leaflets or trade newsletters and similar items.

Managing Your Store

Posting Your Licence

You must post your liquor licence certificate in a prominent location in the licensed area of your store to ensure it is immediately available for review by liquor inspectors and police.

Storing Your Floor Plans

When you first applied for a licensee retail store licence, you submitted your store's floor plans for approval. Once they were approved by the general manager, these floor plans became part of your liquor licence. As with the licence certificate, liquor inspectors and the police must have quick and easy access to the information contained in your floor plans.

Your floor plans must be stored in the licensed area of your store, and must be immediately available for presentation to a liquor inspector or a police officer on request.

Renewing Your Licence

Licensee Retail Store licensees must renew their liquor licence before the licence expiry date each year and pay an annual licence fee. LCLB calculates the annual fee based on the amount of liquor the licensee purchased from the Liquor Distribution Branch in the previous calendar year*. These fees are effective as of 1 April, 2010. Please see below:

Annual Liquor Purchases from the Liquor Distribution Branch	FEE
\$12,500 or less	\$ 250
over \$12,500 and up to \$20,000	\$ 500
over \$20,000 and up to \$45,000	\$ 825
over \$45,000 and up to \$100,000	\$1,100
over \$100,000 and up to \$500,000	\$1,400
over \$500,000 and up to \$1,000,000	\$1,700
over \$1,000,000 and up to \$2,000,000	\$2,000
over \$2,000,000	\$2,200

*Calculation of calendar year when records not available: If the period on which the LCLB bases the calculation is less than 12 months, the LCLB uses a standard formula to determine the annual licence fee. Please contact the branch at 1 866 209-2111.

Fee Schedule for Licence Changes

All fees are subject to change without notice. Application and licence fees are not refundable. These fees are effective as of 1 April, 2010.

Transfer of Licence Ownership:

\$330 per licence. Use form LCLB001c.

Changes to a Liquor Licence:

\$110 per licence for the change below:

- Internal Transfer of Shares (private corporations, holding companies and third party operators). Use form LCLB005a.

\$220 per licence for these changes below:

- Change of Directors or Officers (corporations and societies). Use form LCLB005a.
- Name Change – Person. Use form LCLB005a.
- Name Change – Licensee (private or public corporation, partnership, society). Use form LCLB005a.
- Establishment or Licence Name Change. Use form LCLB005a.
- Addition of Receiver or Executor. Use form LCLB005a.
- Addition of a Resident Manager. Use form LCLB025.
- Addition of a Third Party Operator or Management Firm. Use form LCLB026.
- Permanent changes to a licence not requiring local government/First Nations involvement. Use LCLB005a.

\$330 per licence for these changes below:

- External Transfer of Shares (private corporations, holding companies and third party operators). Use LCLB005a.
- Transfer of Location of a Licensee Retail Store Licence. Use form LCLB092.

\$440 per licence for the change below:

- Structural Change. Use form LCLB012c.

Providing Information to the Branch

You must be forthright in providing information to the branch. Making a misleading statement or failing to disclose a material fact (such as the fact that a third party is using your licence, that shares have been transferred or that the lease on your property is about to run out), etc. are licensing contraventions.

Making Changes to Your Liquor Licence

The details of your liquor licence application — who you are, the name, location, size and layout of your store, etc. — are critical factors in the decision to grant a licence.

Any changes you intend to make to these factors after your licence is granted require the approval of the branch before you make the changes. Note that if there is enforcement action pending on your licence, change applications in progress will not be considered until enforcement action is concluded. (See Appendix 2 for detailed information about making changes to your licence.)

Selling Your Store and Transferring Your Licence to a New Owner

If you wish to transfer your store to a new owner, the new owner must apply to transfer the licence using the Licensee Retail Store Transfer of Ownership form (LCLB001c - available from the LCLB website at <http://www.pssg.gov.bc.ca/lclb/>). As the current licensee, you will need to sign the Agreement to Transfer Licence(s) section of that form — this is where you officially agree that when the general manager approves the transfer application you will relinquish all claims to your licence(s). You also acknowledge that you will continue to be held

responsible for any contraventions that occur until the transfer is approved. The application form explains the documentation and/or approvals required. If applicable, you must also give the new owner all records of liquor bought from the Liquor Distribution Branch in stock at the time of the sale.

The general manager may not approve a licence transfer if the branch is in the process of taking enforcement action against you as the current licensee.

Re-locating Your Store

You may apply to re-locate your licensee retail store to another location away from your store's existing site:

- anywhere within your local government or First Nations jurisdiction, or
- up to five kilometres away, as the crow flies, if you are re-locating to a neighbouring jurisdiction.

However, you cannot re-locate within 1.0 kilometres of another licensee retail store except under very specific circumstances. Please see the application form for more details:

<http://www.pssg.gov.bc.ca/lclb/docs-forms/LCLB092.pdf>.

The general manager will require confirmation that the proposed location complies with local zoning bylaws.

Buying, Storing, Selling & Delivering Liquor plus Taking Empty Container Returns

Buying and storing liquor

You must purchase your liquor from a designated Liquor Distribution Branch liquor store or other source authorized (in writing) by the general manager or the Liquor Distribution Branch.

Whenever you buy liquor, you must first identify yourself as a licensee. The liquor store will then record your purchase against your licence number. It is a serious contravention to buy liquor from an unauthorized source or to purchase liquor that is not recorded against your licence number.

The liquor stock you purchase must be stored at your establishment, or at an off-site storage area, if you have notified the branch of the off-site storage location. Off-site storage areas must be located in British Columbia, and may not be located in a residence.

If you store liquor for more than one licence in a common liquor storage area, the liquor that was purchased or manufactured under each licence must be clearly identifiable.

You must keep a list of storage areas with the liquor licence and produce it upon request by a liquor inspector or police. You must advise the branch if an off-site storage area is no longer being used.

Maintaining a liquor register

You must keep a detailed, written record of every liquor purchase made under your licence by date, in a liquor register. (A liquor register is usually a book or binder where you keep your copies of the documentation you receive every time you buy liquor.)

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Your liquor register must be available for inspection by a liquor inspector or police at any time. The inspector or police officer may look at your register and compare it to your liquor stock to make sure you have purchased your liquor in the proper way. It is not sufficient to simply store receipts of your liquor purchases and call these your record or your register.

Illicit or private liquor

You may not buy, keep, sell or give illicit liquor to anyone. Illicit liquor is defined as:

- liquor purchased or otherwise obtained from a source other than your designated liquor outlet
- stolen liquor
- smuggled liquor
- liquor intended for export
- home manufactured or UBrew/UVin liquor
- liquor purchased as a medicinal, confectionery or culinary product that is being used as beverage alcohol
- liquor that has been adulterated or watered-down, or
- samples that may have been left by an agent.

You are accountable for any illicit alcohol found anywhere on your premises (service or storage area). It is not acceptable to say that illicit liquor made its way into your stock by accident, that it was a gift for personal use, or that an employee left it there.

If you recently purchased your establishment and acquired your licence through a transfer, you must conduct a thorough audit of all liquor on the premises to ensure none is illicit. You also may not keep, serve or sell liquor bought for private consumption in your establishment or liquor storage area.

Selling liquor

You are restricted to selling liquor to retail customers. You may not sell liquor to other licensed establishments (including your own if you have one), to anyone buying liquor for events held under a special occasion licence, or to other types of establishments authorized to sell liquor.

When selling kegs of beer, you are restricted to selling kegs that are 30 litres or less.

Hours of sale

You may sell liquor at your establishment between the hours of 9:00 a.m. and 11:00 p.m., or as indicated on the face of your licence. Customers may not enter your store after 11:00 p.m. If you have customers in your store at 11:00 p.m. who have not yet purchased liquor, you should encourage these patrons to make their purchases within as short a reasonable time as possible. If you have line ups or plenty of patrons in your store when you close doors at 11 p.m., as before a holiday for example, you should consider having a strategy in place for how to deal with serving them as quickly as possible.

Pricing

You may adjust your prices at any time throughout the day provided your prices are not lower than the price you would pay to purchase the same liquor from the Liquor Distribution Branch or authorized source on the same day (exclusive of sales tax).

You may offer reward, loyalty, or other incentive programs to regular customers. These programs may be structured as points system, a progressive scale of discounts, the awarding of gifts at predetermined purchasing thresholds, etc.

Price lists

You must have a list available showing the size of each liquor item or package you sell and its price. The price must indicate whether or not taxes are included.

You may post the price list as a printed list or on a board. At a minimum, it must be available to customers on request.

Delivery

Licensee retail stores may deliver liquor to customers under the following terms and conditions:

- Deliveries must be made by and to people legally able to consume liquor, or only to a place where liquor may be legally possessed and consumed
- Liquor can only be sold and delivered to individuals 19 years of age or older. When proof of age is required, customers must show two pieces of identification at the time of delivery. One of those pieces must be a government issued identification card such as a driver's licence with photo, name and birth date. The other piece must contain the person's name along with a signature or picture
- You may not deliver to an intoxicated person or someone under the influence of drugs
- You may deliver no later than one half hour after your store's closing time
- The products that you deliver must be products that you regularly stock and have available for purchase by walk in customers
- Your charge for the liquor must be your regular retail price of the liquor plus a separate delivery charge. You must inform customers of both charges when they place an order
- You may deliver from your licensee retail store only
- You must keep delivery transaction records for at least three years. These must include the date, time and address of each delivery, the products purchased, the prices charged, delivery fees, total amount paid and the name of the purchaser, and
- You are responsible for making sure that anyone delivering for you follows these rules. You are liable for any contraventions of the Act, Regulation, or the terms and conditions of your licence committed by your delivery service. (This is because the delivery service is simply delivering for you - the liquor sale is between you and your customer.)

If you offer a delivery service for your customers, you must take the order, complete the sale (including the cost of delivery) and make the arrangements for delivery by either your staff or an outside delivery service. You are responsible for the actions of the delivery service that you use until the product is handed over to your customer.

Taking Empty Container Returns

The recycling regulation under the authority of the Ministry of Environment stipulates that you must accept up to 24 empty container returns per person per day for the product brands and sizes you sell (The 24 container return limit refers to the combined number of all containers returned by a person). However, for the health and safety of your staff there is no obligation to accept for refund any container that is rusty, dirty or contaminated.

You must refund the full amount of the applicable container deposits. This refund must be given in cash and cannot be given as store credit. Persons contravening the Ministry of

Environment regulation commit an offence. LCLB will forward complaints about bottle returns to the Ministry of Environment.

For more information about the bottle return program, contact the Ministry of Environment at 250-387-9933.

Providing Safe and Responsible Service

Serving It Right™: B.C.'s Responsible Beverage Service Program

Serving It Right is a self-study course that educates licensees, managers and servers about their legal responsibilities when serving liquor, and provides effective techniques to prevent problems related to over service.

Serving it Right must be completed by all licensees, managers, sales staff, and servers. If you are licensed as a public or private corporation, the licensee portion of this requirement is met if any director, officer or employee responsible for controlling the sale of liquor completes the Serving it Right program.

You are responsible for making sure your employees take Serving It Right. You must keep photocopies of their Serving It Right certificates, ready for inspection by a liquor inspector or police officer at all times.

Controlling Your Store

You and your employees are responsible for managing and controlling the behaviour of your customers. You must ensure that other customers, your staff and members of the community are not harmed as a result of liquor misuse or criminal activity in your store, and you are required to take steps to ensure your business does not disturb the surrounding community.

If your staff, customers or members of the community have reason to be concerned that there is a threat to their safety, you must act on these concerns. If criminal or riotous conduct has occurred, or you suspect it may, then you must notify police immediately.

An individual who has been asked to leave, or has been barred from entering your store, must not return for at least 24 hours. If a person does this, he or she is committing an offence and may be arrested.

Section 22 of the Act allows the general manager to suspend a liquor licence for 24 hours and order the immediate removal of customers where there is an imminent threat to people's safety. In this situation, you are required to take all reasonable steps to ensure that customers vacate the premises immediately.

In extraordinary circumstances, the general manager may suspend a licence or impose terms and conditions for up to 14 days without a hearing. While rarely exercised, section 23 of the Act provides this power for situations where there are public interest or safety concerns, for

Serving It Right:

The course packages, exams and certificate numbers may be obtained from the program:

Phone:

604-633-9798

Fax:

604-633-9796

E-mail: info@servingitright.com

or downloaded from website:

www.servingitright.com

The *Serving it Right* program is administered by go2 — B.C.'s tourism industry human resources association.

example when there has been violence or extensive criminal activity, there is the risk of retaliatory gang violence or the possibility of public unrest.

With the exception of consumer tastings (see the section on Relations with Liquor Manufacturers and Agents), you must not permit consumption on the premises.

Preventing disturbances

You must take reasonable measures to make sure your business is not operating contrary to the public interest and does not disturb people near your establishment. Examples of reasonable measures include installing adequate lighting outside your establishment and in the parking lot, supervising your parking areas, and posting signs asking your patrons not to disturb your neighbours.

Important!

If a liquor inspector believes you are not taking reasonable measures to prevent disturbances - or if we receive a number of complaints from the public about disturbances that can be linked back to your establishment - you will be required to attend a compliance meeting. (Please see the section on Enforcement for more about compliance meetings.)

Minors

Minors are allowed in a licensee retail store only when accompanied by a parent or guardian who is shopping. Minors may not be employed in a licensee retail store.

It is against the law to sell, serve, or supply liquor to a minor. It is expected that you and your staff will put in place effective systems to meet this objective. If you or an employee allow a minor to purchase liquor, your licensing privileges could be jeopardized, and you risk prosecution.

ID requirements

When you verify a customer's age, you and your employees must ask for two pieces of identification.

The first piece of identification must:

- be issued by a government agency (e.g. a passport or driver's licence), and
- include the person's name, birth date and picture.

The second piece must:

- include the holder's name (e.g. a credit card or Care Card), and
- include the person's signature and/or picture.

To verify identification, ask the person for:

- A sample signature to compare to the signature on the photo identification.
- His or her zodiac sign – people with false identification often will be unable to answer quickly.
- His or her middle name and how to spell it.
- Information that is on the identification, such as the person's address or postal code.

The purpose of this second piece of ID is to verify the authenticity of the first.

Examples of ID issued by a government agency include state or provincial driver licences, passports, citizenship cards, First Nations status card, the federal firearms possession and acquisition licence, National Defence ID – essentially any government issued ID that includes the person's name, birth date and picture. Any of these ID cards can be used as a secondary piece of identification as well. It must also be noted that the law does not require that an expiry date be checked for any of these ID.

As of February, 2013, a new BC Services card has come into circulation. This card replaces and combines the original BC driver licence and health care cards into one identification card. The transition will be complete by 2018. There will be a separate BC Services card for those

individuals that choose not to drive. The Care Card has been cited as the most used form of secondary ID, raising concerns about its loss in this regard.

However, in addition to the types of cards listed above there are numerous other forms of secondary ID available that include the person's name, signature and/or picture. Some examples include many types of bank cards, pleasure craft operator's card, Aeroplan cards (but not airmiles), many university or college student IDs, credit cards, BC Transit Pro Passes, Canadian Blood Services plastic blood donor cards and more.

If the person cannot produce two pieces of acceptable identification that proves they are 19 or older, you must refuse service.

You must cooperate with a liquor inspector if the inspector asks you or your staff to determine whether a person is a minor.

You are encouraged (but not required) to retain identification that is clearly false and to turn it over to your liquor inspector. If you suspect that a passport is fake please provide details to police, but do not take possession of it from the customer. Holding back a valid passport is a federal offence. Where possible, the inspector will return the identification to the agency that issued it. (If the patron insists you return the ID, you should do so, but we encourage you to take a photocopy of it first to give to your liquor inspector.)

Intoxicated patrons

You must not let a person who is intoxicated or apparently under the influence of alcohol or drugs enter or remain in your store. You must refuse the person service, have the person removed and see that he or she departs safely.

You also must write down all incidents of intoxicated patrons and the action you took in an incident log, and have the information available for the liquor inspector or police officers.

Disorderly or riotous conduct

You must not allow violent, quarrelsome, riotous or disorderly conduct or unlawful activities to take place in your store. This includes behaviour that might cause a reasonable person to believe his or her safety is threatened. If you know or suspect that this kind of behaviour has taken place, is currently taking place or may take place, then you must notify the police immediately.

Physical signs of intoxication:

- red or bloodshot eyes
- dishevelled appearance
- odour of liquor
- unsteadiness on feet
- staggering
- exaggerated care in walking
- slurred speech
- fumbling with small objects such as money

Mental signs of intoxication:

- lack of alertness
- exaggerated emotions
- aggression
- irrationality

Advertising Your Business

All your advertising must comply with the Canadian Radio-television and Telecommunications Commission's Code for Broadcast Advertising of Alcoholic Beverages and Liquor Control and Licensing Regulations (please see Appendix 3 for more on the broadcast code).

What You May Advertise

You may advertise:

- the name and location of your store
- your liquor licence category
- your hours of sale
- that you sell beer, wine, cider, coolers and spirits, and
- manufacturer names, brand names and prices

Your ads cannot:

- encourage liquor consumption or irresponsible drinking
- use pictures of minors, or personalities, images or activities that may appeal to minors
- show people drinking or anyone who is either intoxicated or behaving irresponsibly or illegally, or
- suggest that customers will be provided with free liquor, or liquor below the price you would pay as a licensee for the same product through the Liquor Distribution Branch.

Where You May Advertise

You may advertise your store in newspapers, magazines and periodicals, or on television, radio or the Internet. You can put up signs, and print pamphlets or brochures, including graphics and pictures of your store.

Store Name and Signs

To avoid confusion with Liquor Distribution Branch stores, you may not call your store a "B.C. liquor store," or "government liquor store"

Any signs, including a sign bearing the name of your establishment, must comply with local government bylaws. Signs are considered to be advertisements and must comply with the advertising terms and conditions outlined in the preceding section on advertising. All signs, whether inside or outside your store, must be approved by the branch before you put them up.

Your signs may display:

- the name of your establishment
- the kind of liquor you offer (including manufacturer and brand names)
- your liquor prices
- your hours of sale

Internet Group Discounts

The Liquor Control and Licensing Act prohibits a person from selling liquor, advertising the availability of liquor or advertising liquor pricing without a liquor licence. Therefore companies like Groupon.com or ethicalDeal.com cannot legally include liquor as part of a promotion. When we hear of internet companies doing so we request that they stop the promotion. Licensees participating in promotions that include liquor are contravening the terms and conditions of their licence.

Relations with Liquor Manufacturers and Agents

What You May and May Not Do

The Liquor Control and Licensing Act and its Regulations set out strict rules regarding how you can work with liquor manufacturer/agents, hired agents and independent agents to promote their products.

Agents

There are three kinds of liquor agents in British Columbia:

- liquor manufacturers representing themselves in marketing and promoting the manufacturer's products off the manufacturer's site (an agent's licence is not required for liquor manufacturers who promote their products on-site only within a retail store or sampling room)
- agents hired by liquor manufacturers to represent the manufacturer inside British Columbia in marketing and promoting the manufacturer's products off the manufacturer's site, and*
- agents who market and promote imported products from outside British Columbia.*

*These two categories of agents use the same LCLB application form.

All agents must be licensed by the Liquor Control and Licensing Branch and must comply with the Act, its Regulations and the terms and conditions of their agent's licence when promoting and representing liquor products.

Agents may hire employees to promote and market the manufacturer's liquor products the agent is authorised to represent. Agents are responsible for making sure their employees follow B.C.'s liquor laws and the terms and conditions of the agent's licence. The agent must also provide their employees with identification establishing them as the agent's marketing representative.

Activities Not Permitted

Inducements

The Act prohibits you from asking for or receiving benefits for selling a particular liquor product. You may not, for example, demand that a manufacturer or agent supply additional product at either no cost or at a reduced cost, in return for purchasing their product.

You may accept information and ideas to help you improve your business, but this information must come directly from the manufacturer or agent, and not through an outside consultant. You may not accept advice about borrowing money or locating financing.

You are also prohibited from accepting any items, products or services from a manufacturer or agent that are necessary for the operation of your business. This includes money, credit or

other forms of financial assistance, as well as fixtures, furnishings, products, repair costs, draught lines, glassware, games, refrigerators, shelving or permanent display structures.

In addition:

- A liquor manufacturer or agent may not rent rooms from you, then leave them unoccupied for you to rent again.
- You must always pay for your own advertising. A liquor manufacturer or agent may not pay all or a portion of your advertising costs (or vice versa). With permission from a manufacturer or agent, you can include the manufacturer's logo in your ads, but you cannot demand or receive financial compensation or other consideration in return.

Activities Permitted With Approval

Tied houses

A tied house is a business that has an association - financial or otherwise - with a liquor manufacturer or its agent that is likely to lead to the manufacturer's products being favoured. This includes relationships where there is direct common ownership (i.e. where the same legal entity owns a manufacturer and a licensed establishment), indirect ownership (i.e. where a manufacturer is a shareholder in an entity that owns a licensed establishment), and relationships with a third party operator or a family member. Small and medium sized manufacturers (a winery, brewery, or distillery) are permitted to apply for tied house relationships with up to three licensed establishments.

If you are in a permitted tied house relationship with a manufacturer, this means you are allowed to promote that manufacturer's products, but unless you are located on the manufacturer site you must also offer a range of other products from different manufacturers. If you have been permitted a tied house association with one or more liquor manufacturers, you may feature their products, but you must also make a selection of products from other manufacturers available to your customers.

Without this tied house permission, you must not agree to sell only one manufacturer's products in your establishment or at an event, or to promote a particular product because of your association with a particular liquor manufacturer or agent. You are similarly prohibited from having an association, financial or otherwise, with a UBrew or UVin. You must carry a representative selection of liquor products from a variety of manufacturers.

For full details on how to qualify and apply for this exception, please see section 3.2 of the [Licensing Policy Manual](#).

Activities Permitted

Promotional items

You may accept promotional items of nominal value, such as posters, from a liquor manufacturer or agent, provided it does not appear that you are promoting a particular liquor product or the products of a particular manufacturer (brand-identified or corporately identified items of a particular liquor manufacturer must not predominate).

You may buy clothing and novelties – such as shirts, caps, key chains, etc. – with the name or brand of a particular liquor or liquor manufacturer at fair market value, and re-sell them to your customers or employees. These items may display the name of your licensee retail store.

A liquor manufacturer or agent may loan you more expensive promotional items with the manufacturer's name or brand, such as signs or mirrors. The manufacturer may also loan you temporary display structures and related promotional items (all displays and promotional items remain the property of the manufacturer). You may also accept T-shirts, hats and other promotional clothing items with a manufacturer's name or brand on them to give away to your customers. You may not take any promotional items for personal use or future promotions, and you cannot sell them.

Value-added promotional items approved for government liquor stores

If a liquor manufacturer or agent has received approval from the Liquor Distribution Branch to offer value-added promotional items in B.C. government liquor stores, he or she may also provide those same promotional items to your store for the same promotion period.

All value-added promotions must follow the Liquor Distribution Branch guidelines outlined in their booklet, *In-Store Marketing Programs*.

Please note:

Other promotions that require the purchase of a liquor product as a condition of participation are not allowed. For example, you may not offer cigarettes at a reduced price when a customer buys a certain quantity of liquor.

Under the Liquor Distribution Branch guidelines, value-added promotional items must be of nominal value (they may not exceed 20 per cent of the retail price of the base product), and must be liquor or liquor-related or branded. Items may include:

- "on-packs," where a small bottle of liquor or an item such as a corkscrew is attached to a bottle or case of liquor
- "in-packs," where an item, such as a T-shirt, is included inside a case of liquor, and
- "near-packs," where an item, such as a bag of chips with a manufacturer's brand, is placed near or alongside a liquor product and is given away whenever that product is purchased.

Value-added promotions may also include third-party coupons attached to a liquor product by a neck tag or back label, or placed inside a case. These coupons may not be for a rebate or reduction on the purchase price of a liquor product, for a free liquor product of any kind, or for cash.

You may keep any leftover items at the end of the promotional period and continue to offer them to your customers until they are gone; however, you may not take any promotional items for personal use or future promotions.

Promotional items are not transferable. You may not transfer items to another licensee or to another establishment, even if you own it (a bar or pub, for example).

The liquor manufacturer or agent must give you a copy of the Liquor Distribution Branch's letter of approval, and you must then keep the copy on-site.

You and the manufacturer or agent may advertise these promotions.

Value-added promotional materials for licensee retail stores (not supplied to government liquor stores)

You may accept value-added promotional items from a manufacturer/agent that he or she is not supplying to government liquor stores, provided you follow rules set out in the Liquor Distributions Branch booklet, *In-Store Marketing Programs*, and provided the items do not

contain liquor. (Please see the above section on value-added promotional materials approved for government liquor stores for further rules about value-added promotional materials.)

Product samples

As a way of introducing their products, a manufacturer or agent may give you product samples, but the amount you receive must not be more than one bottle of the smallest available size per product (or, for beer, cider and coolers, one dozen bottles or cans) in any one year.

You must keep a record of all samples received in your liquor register, including the date, name of the manufacturer or agent, name of the product and volume of the product. You or your staff only, in a private place outside the licensed area, may consume this product. It is not intended for your patrons and must not be served to them.

Size limits for product samples:

- **Distilled spirits:** One bottle of the smallest available size per product (750 ml. or greater).
- **Wine:** The smallest available size per product per vintage (not exceeding two litres).
- **Beer, Cider, Coolers:** One dozen of the smallest available size bottles or cans (total not exceeding four litres).

Consumer tastings

You and a liquor manufacturer or agent may agree to conduct tastings of products that are available for sale in your store.

When a consumer tasting event will take place, and how long it will run, is up to you and the manufacturer or agent. However, all tasting must end 30 minutes before your store closes, and you can only have one consumer tasting event going on in your store at a time.

- You and the liquor manufacturer or agent may advertise the tasting within or outside the store, using promotional materials supplied by the liquor manufacturer or agent.
- You may not charge the manufacturer or agent a rental fee for demonstration space.
- You must make sure all servers are familiar with the rules governing consumer tastings at liquor stores. Servers may not serve minors or anyone who is apparently under the influence of alcohol, and may not leave open containers unattended.
- The liquor manufacturer or agent must purchase all products to be tasted from you. The price you charge must be no less than what you paid for the product and no more than the price you normally charge your customers.
- You must issue (and the liquor manufacturer or agent must retain) a countersigned receipt for the dollar value of sampled product.
- At the end of the consumer tasting:
 - you or the liquor manufacturer/ agent must destroy any poured samples, and destroy the contents of any unfinished bottles
 - the liquor manufacturer or agent may not remove any opened bottles.
- You may also serve food samples that compliment a particular alcoholic beverage. You can install kitchen equipment to accommodate these events, and you may charge an attendance fee.

Maximum quantities per patron at a consumer tasting:

	SINGLE PRODUCT	MULTIPLE PRODUCT
Wines	20 ml.	30 ml.
Spirits	10 ml.	20 ml.
Beer/cider/coolers	30 ml.	45 ml.

The quantities for multiple product tasting apply only where you are presenting more than one product at a single tasting. The quantity for multiple products is a total of all products offered. For example, if you present three kinds of wine, you may offer a maximum quantity of 10 ml. of each wine to taste.

However:

- neither the food ingredients nor the final product may be offered for sale, but you may charge those attending the event a fee
- the focus of your business must not shift to that of a restaurant or food store, and
- you must obtain approval from the local Environmental Health Officer before installing kitchen equipment and serving food samples.

Contests (that are running in government liquor stores)

If a liquor manufacturer or agent is running a contest in government liquor stores, he or she may also hold that same contest in your store (and other licensee retail stores) for the same period and with the same promotional materials on display.

If you agree to hold a contest in your store, the liquor manufacturer or agent must conduct the contest, install all promotional items, and remove all promotional items within 10 days after the contest has ended. The manufacturer/agent must also record the name of anyone who wins a prize valued at over \$100.00.

You may include contest entry forms in your print ads, and may mention where entry forms are available in any of your advertising.

Contests (that are not running in government liquor stores)

You may hold contests in conjunction with a liquor manufacturer or agent that are not running concurrently in government liquor stores, provided the manufacturer/agent follows the Liquor Distribution Branch guidelines outlined in their booklet, *In-Store Marketing Programs*. The liquor manufacturer or agent must conduct all contests, install all promotional items, and remove all promotional items within 10 days of the contest ending. The manufacturer/agent must also record the name of anyone who wins a prize valued at over \$100.00

You may include contest entry forms in your print ads, and may mention where entry forms are available in any of your advertising.

Product vouchers

You may enter into an agreement with a liquor manufacturer or agent to honour their product vouchers (certificates for a specific quantity of liquor that customers can redeem at participating licensee retail stores at no charge).

The manufacturer or agent only may distribute vouchers.

Once a voucher is redeemed, the liquor manufacturer or agent must pay you the full retail price for the quantity of liquor specified on the voucher. You may not ask for, or receive, an additional "redemption fee" for accepting a product voucher.

Sponsorships

Manufacturers and agents may not sponsor events or activities at your licensee retail store.

You may sponsor events, activities, or organizations using your corporate name or the name of your licensed establishment. The sponsored event may be held off-site at an unlicensed venue or catered event. You may not sponsor minors' events, activities, and organizations.

Size limits for product vouchers:

Distilled spirits: One bottle of the smallest available size per product (750 ml. or greater).

Wine:
The smallest available size per product per vintage (not exceeding two litres).

Beer, Cider, Coolers:
One dozen of the smallest available size bottles or cans (total not exceeding four litres).

Educational events and activities

You may attend educational events or activities – such as an all-day "wine school" – put on by a liquor manufacturer or agent. You may accept payment from the liquor manufacturer or agent for legitimate travel, meal, accommodation, and entertainment expenses associated with the educational event, up to \$1,000 per licensee location per year. If you have multiple licensed establishments - a chain of licensee retail stores, for example - you may also accept expenses of \$1,000 per person to a maximum of \$3,000 per head office per year.

Hospitality

A liquor manufacturer or agent may pay for your hospitality expenses not associated with an educational event, at a rate of up to \$1,000 per licensee location per year.

Relations with Liquor Manufacturers and Agents: A Summary

(Please review chapter for exact details)

Activities not permitted:

- Accept a benefit, including money, items, products or services, from a manufacturer/agent for selling a particular liquor product.
- Operate as a tied house (unless approved by the branch)

Activities permitted at any time:

- Accept promotional items of nominal value from a manufacturer/agent, such as coasters or tent cards
- Buy promotional items such as branded shirts, caps or key chains from a manufacturer/agent at fair market value and re-sell them to patrons
- Accept product samples from a manufacturer/agent
- Honour product vouchers from a manufacturer/agent.
- Accept value-added promotional items from a manufacturer/agent that are not also available at government liquor stores (provided you follow liquor Distribution Branch guidelines)
- Conduct a contest with a manufacturer/agent (provided you follow Liquor Distribution Branch guidelines)
- Conduct a consumer tasting with a manufacturer/agent
- Borrow from a manufacturer/agent more expensive promotional items, such as umbrellas, mirrors or menu boards, and temporary display structures and related promotional items
- Accept from a manufacturer/agent T-shirts, hats and other promotional clothing items to give away to patrons
- Attend educational events and activities put on by a manufacturer/agent and accept payment from the liquor manufacturer for your travel and other costs
- Accept payment from a manufacturer/agent for hospitality costs not associated with an educational event or activity

Inspections

Why We Inspect Licensed Establishments

Branch liquor inspectors conduct regular, unannounced inspections of licensed establishments to make sure licensees are following the Act and Regulations and their licence terms and conditions, and to make sure there are timely consequences when they don't.

In addition, a liquor inspector may conduct an inspection:

- in response to a complaint from a member of the public, another licensee, a local government/First Nation, police or any other agency, or
- to follow-up on a Licensed Premises Check (LPC) issued by a police officer.

Entry of Liquor Inspectors and Police Officers

It is your responsibility as a licensee to fully cooperate during inspections. You must give liquor inspectors and police officers immediate access to all areas of your establishment or liquor storage area on request. A liquor inspector will show you their official identification if you request; however, you must not do anything to impede a liquor inspector's or peace officer's entry into your establishment or liquor storage area. You must not request personal identification, scan identification, photograph, wand, pat down, or search inspectors or police. It is a serious contravention to refuse or delay in any way providing access to an inspector or police officer, and may result in your liquor licence being cancelled.

Producing Documents and Records

You must allow the general manager (or a designated person such as a liquor inspector) to inspect documents and records associated with your establishment, including:

- liquor sales, purchase and disposal records
- sales records, invoices and purchase receipts
- any agreements and contracts with liquor manufacturers and agents
- lease and management contracts related to your licensed establishment
- employee records
- records of the quantity and price of liquor servings
- records of any incidents or events that occurred on or near the licensed premises, and
- any court orders or judgements against you.

Liquor Seizures and Sampling

Both liquor inspectors and the police have the authority to seize liquor they believe might be illicit from any licensed establishment or liquor storage area. They will either destroy the liquor immediately or hold it in storage for 30 days.

If you believe your liquor was wrongly seized, you must apply in writing to the General Manager of the Liquor Control and Licensing Branch for either the return of the liquor or monetary compensation within 30 days from the date of seizure. The claim must demonstrate to the General's Manager's satisfaction that the liquor was lawfully possessed or kept for lawful purposes.

If the General Manager is satisfied that the liquor was lawfully possessed, the liquor will either be returned to you or you will be compensated for the LDB retail list price of the destroyed liquor.

If no application is made within 30 days, or if the General Manager is not satisfied on a claim for return of seized liquor that the liquor was lawfully possessed or kept, the liquor and packages containing it will be forfeited to the government.

Liquor inspectors may also take reasonable samples of liquor found in a licensed establishment or liquor storage area to determine whether the liquor is illegal, unauthorized, adulterated or contaminated. An inspector does not need evidence that the Act or Regulations have been breached to take a sample.

Enforcement

Contravention Notice

If a liquor inspector believes that you or your staff are contravening the Act, its Regulations or the terms and conditions of your licence, the inspector may issue a Contravention Notice to you, that identifies the alleged contravention.

The inspector will then review the evidence and circumstances of the contravention in conjunction with the Liquor Control and Licensing Branch's file for your establishment. Based on that review, the inspector will decide whether to recommend that the general manager take enforcement action against you, as the licensee.

If the inspector does not recommend enforcement action, he or she will keep the Contravention Notice in the branch's file on your establishment, and may require you to attend a Compliance Meeting.

Compliance Meeting

A compliance meeting is a meeting between you and the inspector – and possibly others, such as members of your staff, local police, government and fire officials.

The purpose of the meeting is to promote voluntary compliance with the liquor licensing rules and to assist you in anticipating, and creating solutions for, potential problems. The inspector will prepare a written record of what is discussed including any procedures you intend to put in place to deal with the problem, and when they will come into effect. Once you and the inspector have signed it, you will receive a copy, and a second copy will be placed in your establishment's file at the branch.

Compliance meetings are not a required step before the branch takes enforcement action.

Notice of Enforcement Action

If a liquor inspector recommends enforcement action, and the regional manager concurs, the licensee will receive a Notice of Enforcement Action. The Notice of Enforcement Action will include details of the allegation, the proposed penalty, why the branch is recommending enforcement action, and the reasons for the recommended penalty.

Enforcement Options

After receiving the Notice of Enforcement Action, you will be sent a letter outlining three available options to proceed. You must select one of the following options:

1. Waiver

Signing a waiver means that you:

- agree that the contravention occurred
- accept the penalty proposed in the Notice of Enforcement Action
- agree the contravention and penalty will form part of the compliance history of the licensed establishment, and
- waive the opportunity for an enforcement hearing

You may sign a waiver at any time prior to the hearing.

2. Written Submissions Hearing

In general, a written submissions hearing is used in cases where the only issue in dispute is the penalty. A hearing delegate, who is a delegate of the general manager, will consider the written submissions and evidence put forward by you and the branch and will issue a written decision regarding the penalty.

3. Oral Hearing

Oral hearings may be conducted in-person, via teleconference or any combination of the two. At an oral hearing, the hearing delegate will consider the evidence and argument presented by you and branch. The hearing delegate will decide whether the alleged contravention(s) occurred and what penalty, if any, is warranted. The hearing delegate issues a written decision after the hearing.

You may represent yourself at a hearing, be represented by a lawyer, or be represented by someone with written authority to act on the licensee's behalf.

Pre-hearing Conference

The licensee may be required to participate in a pre-hearing telephone conference conducted by the branch's registrar. At a pre-hearing conference, the registrar will:

- confirm the licensee's response to the allegations
- set the date of any enforcement hearing
- clarify the issues that will be addressed at any hearing
- identify and discuss the evidence that both the licensee and the branch plan to present at a hearing (this includes the names of any witnesses who will testify)
- arrange for the exchange of any documents or other evidence that will be introduced at the hearing
- explain the hearing process

Note:

You may represent yourself at a hearing, be represented by a lawyer or you may be represented by someone with written authority to act on your behalf.

Where the registrar sets a pre-hearing conference and the licensee does not participate, the licensee may lose the opportunity for an oral hearing, and the general manager may make a decision based on the written submissions only.

Possible Enforcement Action

Once an enforcement hearing is concluded, if the hearing delegate decides the contravention occurred, they may:

- suspend the liquor licence for a period of time
- impose a monetary penalty
- cancel a liquor licence
- impose, rescind or amend the terms and conditions of a licence
- order a licensee to transfer a licence

If the hearing delegate finds that either a licence suspension or monetary penalty is warranted, they may not impose a penalty less than the minimum penalty set out in Schedule 4 of the Regulation. The hearing delegate may impose higher penalties when it is in the public interest to do so. They are not bound by the penalties proposed in the Notice of Enforcement Action.

The type of penalty imposed will depend on a number of factors, including: the nature of the contravention, the circumstances of the contravention, and the compliance history.

Suspensions and monetary penalties will include the requirement to post signs demonstrating the enforcement action. Signs will be posted by either the police or branch staff in a prominent location in the establishment. You must not remove, alter, obscure or otherwise diminish the prominence of these signs during the period they are required to be posted. Doing so may result in further enforcement action.

Any enforcement action imposed will form part of the compliance history of the licensed establishment.

Selling Liquor While Under Suspension

If the enforcement process results in your licence being suspended, your store must close. Failure to abide by your suspension, including allowing branch officials to post suspension signs, is a serious contravention that could lead to an extended licence suspension, cancellation or transfer of your liquor licence.

Judicial Review

If you are dissatisfied with an enforcement hearing decision, you may apply to the B.C. Supreme Court for a judicial review.

APPENDIX 1: Penalty Schedule

Schedule 4 Enforcement Actions

Interpretation

1 (1) For the purposes of this Schedule,

- (a) a contravention is of the same type as another contravention if each contravention is described by the same Item of this Schedule, and
- (b) a contravention by a licensee is
 - (i) a first contravention if the contravention was committed at or in respect of an establishment and the licensee has not committed a contravention of the same type at or in respect of that establishment within the 12 month period preceding the commission of the contravention,
 - (ii) a second contravention if the contravention was committed at or in respect of an establishment and the licensee has committed one contravention of the same type at or in respect of that establishment within the 12 month period preceding the commission of the contravention, and
 - (iii) a subsequent contravention if the contravention was committed at or in respect of an establishment and the licensee has committed a second contravention of the same type at or in respect of that establishment within the 12 month period preceding the commission of the contravention.
- (c) a contravention by a caterer with a catering licence is
 - (i) a first contravention if the contravention was committed at or in respect of an event catered by the caterer and the licensee has not committed a contravention of the same type at or in respect of an event catered by the caterer within the 12 month period preceding the commission of the contravention,
 - (ii) a second contravention if the contravention was committed at or in respect of an event catered by the caterer and the licensee has committed one contravention of the same type at or in respect of an event catered by the caterer within the 12 month period preceding the commission of the contravention, and
 - (iii) a subsequent contravention if the contravention was committed at or in respect of an event catered by the caterer and the licensee has committed a second contravention of the same type at or in respect of an event catered by the caterer within the 12 month period preceding the commission of the contravention.

(2) In section 20 (1) (c.1) of the Act and in Item 13 of this Schedule, "**reasonable measures**" means, in respect of a licensee, measures that are

- (a) reasonable in the circumstances, and
- (b) reasonably within the capacity of the licensee to effect.

2 (1) Despite section 68 (1) of this regulation. the enforcement actions under section 64 (2) (a) or referred to in section 65(1) of this regulation that apply to the contravention set out in subsection (2) of this section include a monetary penalty for each contravention, and the amount of the monetary penalty that may be imposed for each contravention may be up to \$25,000.

(2) The failure by the manufacturer to comply with the terms and conditions of the manufacturer's licence to comply with an agreement under section 5 [*agreements*] of the *Liquor Distribution Act* is a contravention.

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
OPERATING OUTSIDE OF LICENCE PURPOSE					
1	Operation of a licensed establishment, other than the site of a catered event, in a manner that is contrary to the primary purpose of the licence	10-15	20-30	30-60	\$7,500-\$10,000
1.1	Operation of a catering business if (a) the preparation and service of food is not the primary purpose of the business, or (b) the caterer does not have the personnel or infrastructure necessary to prepare and serve food at events hosted by others	10-15	20-30	30-60	\$7,500-\$10,000
MINORS					
2	A breach of section 33 of the Act <i>[Selling liquor to minors]</i>	10-15	20-30	30-60	\$7,500-\$10,000
3	A breach of section 35 of the Act <i>[Minors on licensed premises]</i>	4-7	10-14	18-20	\$5,000-\$7,500
4	Repealed (February 2007)	N/A	N/A	N/A	N/A
GAMBLING					
5	Repealed (June 2012)	N/A	N/A	N/A	N/A
6	Repealed (June 2012)	N/A	N/A	N/A	N/A
DISORDERLY OR RIOTOUS CONDUCT					
7	A breach of section 36 (2) (a) of the Act by authorizing or permitting, in a licensed establishment, drunkenness or violent, quarrelsome, riotous or disorderly conduct	10-15	20-30	30-60	\$7,500-\$10,000
8	A breach of section 36 (2) (b) of the Act by authorizing or permitting, in the licensed establishment, any unlawful activities or conduct	10-15	20-30	30-60	\$7,500-\$10,000
INTOXICATED PERSONS					
9	A breach of section 43 (1) of the Act by selling or giving liquor to an intoxicated person or a person apparently under the influence of liquor	4-7	10-14	18-20	\$5,000-\$7,000
10	A breach of section 43 (2) (a) of the Act by permitting a person to become intoxicated	4-7	10-14	18-20	\$5,000-\$7,000
11	A breach of section 43 (2) (b) of the Act by permitting an intoxicated person to remain in that part of the licensed establishment where liquor is sold or served	4-7	10-14	18-20	\$5,000-\$7,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
WEAPONS					
12	A breach of section 47 of the Act [<i>Licensee's duty - dangerous weapons</i>]	4-7	10-14	18-20	\$5,000-\$7,000
LICENSEE RESPONSIBLE FOR DISTURBANCE OF PERSONS IN THE VICINITY					
13	A failure to take reasonable measures to ensure that the operation of the licensed establishment is not contrary to the public interest and does not disturb persons in the vicinity of the establishment	10-15	20-30	30-60	\$7,500-\$10,000
OVERCROWDING					
14	Permitting more persons in the licensed establishment, other than the site of a catered event, than the patron or person capacity set by the general manager and the number of persons in the licensed establishment in less than or equal to the occupant load	1-3	3-6	6-9	\$1,000-\$3,000
15	Permitting more persons in the licensed establishment, other than the site of a catered event, than the patron or person capacity set by the general manager and the number of persons in the licensed establishment is more than the occupant load	4-7	10-14	18-20	\$5,000-\$7,000
15.1	Permitting more persons at the site of a catered event than the lesser of (a) the maximum number of people that, under the catering authorization, may be in attendance at the event, and (b) the occupant load for the site of the event	4-7	10-14	18-20	\$5,000-\$7,000
ILLICIT LIQUOR					
16	A breach of section 38 of the Act [<i>Unlawful sale of liquor</i>]	10-15	20-30	30-60	\$7,500-\$10,000
17	A breach of section 38.1 of the Act [<i>Unlawful to dilute or adulterate liquor</i>]	4-7	10-14	18-20	\$5,000-\$7,000
18	A breach of section 39 of the Act [<i>Unlawful purchase of liquor</i>]	10-15	20-30	30-60	\$7,500-\$10,000
19	A breach of section 35 (3) of this regulation by failing to keep and maintain a register of all liquor purchased and received	1-3	3-6	6-9	1,000-\$3,000
20	A breach of section 35 (1) of the regulation by purchasing liquor other than from a liquor store designated in writing by the general manager or designated by the Liquor Distribution Branch, or without identifying the licensee as a licensee	1-3	3-6	6-9	\$1,000-\$3,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
21	A breach of section 36 of this regulation by selling or providing under one licence liquor that is purchased under another licence without authorization of the general manager	10-15	20-30	30-60	\$7,500-\$10,000
LIQUOR SERVICE					
22	A breach of section 43 of this regulation by the licensee failing to complete the required training program	4-7	10-14	18-20	\$5,000-\$7,000
23	A breach of section 43 of this regulation by a manager or server failing to complete the required training program	1-3	3-6	6-9	\$1,000-\$3,000
24	A breach of section 44 (1) (a) of this regulation by a licensee with a liquor primary licence or liquor primary club licence failing to clear the licensed establishment of patrons within ½ hour after the time stated on the licence for the hours of liquor service, or other time authorized by the general manager	1-3	3-6	6-9	\$1,000-\$3,000
25	A breach of (a) section 44 (1) (b) of this regulation by a licensee with a food primary licence failing to ensure that liquor is taken from patrons within ½ hour after the time stated on the licence for the hours of liquor service, or other time authorized by the general manager (b) section 44 (2.2) (a) of this regulation by a caterer failing to ensure that liquor is taken from patrons within ½ hour after the time stated on the catering authorization for the hours of liquor service, or other time authorized by the general manager, or (c) section 44 (2.2) (b) of this regulation by a caterer failing to ensure that all unused liquor, purchased under the caterer's licence, is returned to the caterer's business location at the conclusion of a residential event catered by the caterer, or other time authorized by the general manager	4-7	10-14	18-20	\$5,000-\$7,000
26	A breach of section 44 (3) of this regulation by allowing a person to consume liquor in the licensed establishment beyond ½ hour after the time stated on the licence for the hours of liquor service, or other time authorized by the general manager	4-7	10-14	18-20	\$5,000-\$7,000
27	A breach of section 42 (3) of this regulation as a result of an employee or the licensee consuming liquor while working on the licensed premises	1-3	3-6	6-9	\$1 000 - \$3 000
28	A breach of section 42 (2) of this regulation by permitting liquor not purchased from the licensee to be consumed in the licensed establishment	4-7	10-14	18-20	\$5,000-\$7,000

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
29	A breach of section 42 (4) of this regulation by permitting liquor sold in the licensed establishment to be taken from the establishment	1-3	3-6	6-9	\$1,000-\$3,000
30	A breach of section 41 (2) of this regulation by providing unlimited or unspecified quantities of liquor for a single price, using a sales strategy that is likely to promote or encourage intoxication, or altering the price of liquor during a day after it has been set for that day or during an event after it has been set for that event	4-7	10-14	18-20	\$5,000-\$7,000
PRODUCTION OF RECORDS					
31	A breach of section 73 (1) (a), 73 (2) (a) or 73 (2) (b) of the Act [<i>Failure to produce a document or record or thing</i>]	10-15	20-30	30-60	\$7,500-\$10,000
ADVERTISING					
32	A breach of section 49 of the Act [<i>Display of signs</i>]	1-3	3-6	6-9	\$1,000-\$3,000
33	A breach of section 51.1 of the Act [<i>Advertising liquor</i>] or section 57 of this regulation	1-3	3-6	6-9	\$1,000-\$3,000
ENTERTAINMENT					
34	Permitting in the licensed establishment entertainment by one or more exotic dancers or strippers that is prohibited or restricted under section 50 of the Act	4-7	10-14	18-20	\$5,000-\$7,000
35	Permitting in the licensed establishment any other entertainment that is prohibited or restricted under section 50 of the Act	1-3	3-6	6-9	\$1,000-\$3,000
LICENSING CONTRAVENTION					
36	A breach of section 13.06 (3) of this regulation or section 15 (2) of the Act	10-15	20-30	30-60	\$7,500-\$10,000
36.1	Selling or serving liquor at a catered event without holding a catering authorization for that event	4-7	10-14	18-20	\$5,000-\$7,000
37	A breach of section 18 of the Act [<i>Tied houses</i>] by failing to disclose to the general manager the information that must be disclosed under that section	10-15	20-30	30-60	\$7,500-\$10,000
38	Repealed (June 2012)	N/A	N/A	N/A	N/A

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
39	A breach of section 7 of this regulation by making structural alteration of or change to the size of any area of the licensed establishment without first receiving the written permission of the general manager	1-3	3-6	6-9	\$1,000-\$3,000
INDUCEMENTS					
40	A breach by the licensee or an employee of the licensee of section 45 of the Act [<i>Licensee not to give or accept gifts for promoting liquor</i>]	10-15	20-30	30-60	\$7,500-\$10,000
PROMOTIONAL ACTIVITY					
40.1	Repealed (March 2013)	N/A	N/A	N/A	N/A
U-BREW / U-VIN					
41	A breach of section 23 of this regulation by failing to ensure that the customer performs the listed tasks	4-7	10-14	18-20	\$5,000-\$7,000
42	A breach of section 22 [<i>Payment, acknowledgment and invoice required</i>], 24 [<i>Licensee or employee production</i>], 25 [<i>Storage requirements</i>], 26 [<i>No consumption other than tasting</i>], 27 [<i>Customer required to bottle own product</i>], 28 [<i>Removal of finished product required</i>], 30 [<i>Minors</i>], 31 [<i>Record keeping and reporting requirements</i>], 32 [<i>Advertisements</i>] or 33 [<i>Hours of operation</i>] of this regulation	1-3	3-6	6-9	\$1,000-\$3,000
43	A breach of section 29 of this regulation by failing to ensure that beer or cider is not kept, offered or produced for sale at a U-Brew or U-Vin	10-15	20-30	30-60	\$7,500-\$10,000
DEFAULT IN MONETARY PENALTIES					
44	A breach of section 20 (2.6) of the Act [<i>Failure to pay monetary penalty within 30 days or period specified by the general manager</i>]	10-15	20-30	30-60	
OTHER					
45	A breach of section 20 of the Act by permitting the sale, service or consumption of liquor while the licensee's licence is under suspension, <u>or</u> A breach of section 67 (3) of the Act, by (a) obstruction or attempting to obstruct an entry or search by a peace officer under section 67 (3) of the Act, or (b) refusing or failing to admit immediately a peace officer demanding entry anywhere under section 67 (3) of the Act,				

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
	<p><u>or</u> A breach of section 73 (1) (b) (ii) or (iii) of the Act by neglecting or refusing to allow storage premises or an establishment licensed under the Act to be inspected,</p> <p><u>or</u> A breach of section 73 (2) (b) of the Act by neglecting or refusing to immediately allow premises to be inspected</p>	If the licence is not cancelled or transferred in accordance with section 69 of this regulation, at least 15 days			
45.1	A breach of the Act by selling liquor at an event catered by the licensee while the licensee's licence is under suspension, the licensee's catering endorsement is under suspension or the licensee's catering authorization is under suspension or cancelled	If the licence is not cancelled or transferred in accordance with Section 69 of this regulation, at least 15 days.			
GENERAL					
46	Any breach of any provision of the Act, the regulations or the terms and conditions of the licence not specifically referred to in Items 1 to 45	1-3	3-6	6-9	\$1,000-\$3,000

APPENDIX 2: Making Licence Changes to Your Liquor

Changes that Require Approval from the General Manager

Permanent change

You must apply for a permanent change if you want to:

- change the name of your business
- change your hours of sale
- change anyone or any company – owners, partners, shareholders, corporations or holding companies
- transfer shares either externally to new shareholders, or internally between current shareholders, if you are a private corporation
- add a receiver or executor

Structural change

You must apply for a structural change if you want to:

- change the layout or size of your store.

Transfer of location

You must apply for a transfer of location if you want to:

- re-locate your business

Third-party or resident manager change

You must apply for a third-party operator or resident manager change if you want to:

- change (or add) a third-party lessee or management firm operating within your licensed establishment
- change your resident manager, if you are a non-resident private corporation

Temporary change

You must apply for a temporary change if you want to: make a change or changes for a relatively short period – usually for a special event or to allow time for renovations or structural alterations.

Application Forms, Documentation and Other Required Approvals

The application form, documentation and approvals you will need depend on the type of change you are asking for. For example:

- To alter the structure or layout of your building, you will need an Application for a Structural Change, and to supply large scale floor plans.
- To change or add a third-party lessee or management firm, you will need an Application for a Third-Party Operator or Resident Manager, and to supply a range of company

Application Forms:

Forms are available under "Liquor Licensing" on the provincial government's website:

http://www.pssq.gov.bc.ca/lclb/forms_fees/index.htm

or call our toll free line:

1 866 209 2111

or e-mail us at:

lclb.lclb@gov.bc.ca

documents and a completed criminal record search form for each new person.

- To transfer shares, you will need an Application for a Permanent Change to a Licensee, and all shareholders will need to agree to a criminal record check.

The individual application forms explain the documentation and/or approvals required for each type of change. The Fee Schedule for Licence Changes lists the fee charged for each type of change. See page 16 of this Guide for more information.

Criminal record checks

Some changes will require that you consent to a criminal record check. To do so, you must complete both the Personal History Summary and Consent to Criminal Record Search form and the RCMP Consent for Disclosure of Criminal Record Information.

Applicants who have applied for a liquor licence and consented to a criminal record search within the previous 12 months are exempt, unless requested to consent to another search by the general manager.

Applicants living outside of Canada, refugees and permanent residents who have been in Canada for less than five years and anyone who has been charged or convicted of a crime must also provide a statutory declaration – signed by a lawyer, Notary Public, or Commissioner for Taking Affidavits – stating that they have not been charged or convicted of a crime, or providing details of any past charges, convictions or sentences. In addition, permanent residents who have been in Canada less than five years must attach a copy of their “Record of Landing” (Form IMM 1000, Permanent Resident Card or equivalent documentation) as provided by Citizenship and Immigration Canada when they entered the country.

Once we have the required documents, we will send them on to the RCMP. They will check the person's name and birth date and other information against criminal records across Canada, and report back to us with the final results:

- If the search reveals no criminal record, we will continue to process your change request.
- If the RCMP are unable to confirm the information you provided on the statutory declaration and the search reveals a possible relevant criminal record, we will ask you to go to the local police or RCMP station to provide fingerprints. (The police may charge you a fee for this service.) Specially trained analysts will compare these fingerprints to the prints associated with the criminal record.

Even if it turns out that an applicant does have a criminal record, however, it does not mean we will automatically turn down the application. We will look carefully at the circumstances of the individual case - the severity of the crime and when it was committed, for example, and what the applicant has done to change his or her behaviour since then - and how the type of crime committed relates to the responsibilities that go with holding a liquor licence.

APPENDIX 3: CRTC Code For Broadcast Advertising of Alcoholic Beverages

Commercial messages for alcoholic beverages shall not:

- attempt to influence non-drinkers of any age to drink or purchase alcoholic beverages;
- be directed at persons under the legal drinking age, associate any such product with youth or youth symbols, or portray persons under the legal drinking age or person who could reasonably be mistaken for such persons in a context where any such product is being shown or promoted;
- portray the product in the context of, or in relation to, an activity attractive primarily to people under the legal drinking age;
- contain an endorsement of the product, personally or by implication, either directly or indirectly, by any person, character, or group who is or is likely to be a role model for minors because of a past or present position of public trust, special achievement in any field of endeavour, association with charities and/or advocacy activities benefiting children, reputation or exposure in the mass media;
- attempt to establish the product as a status symbol, a necessity for the enjoyment of life or an escape from life's problems, or attempt to establish that consumption of the product should take precedence over other activities;
- imply directly or indirectly that social acceptance, social status, personal success, or business or athletic achievement may be acquired, enhanced, or reinforced through consumption of this product;
- imply directly or indirectly that the presence or consumption of alcohol is, in any way, essential to the enjoyment of an activity or an event;
- portray any such product, or its consumption, in an immoderate way;
- exaggerate the importance or effect of any aspect of the product or its packaging;
- show or use language that suggests, in any way, product misuse or product dependency, compulsive behaviour, urgency of need or urgency of use;
- use imperative language to urge people to purchase or consume the product;
- introduce the product in such a way or at such a time that it may be associated with the operation of any vehicle or conveyance requiring skill;
- introduce the product in such a way or at such a time as may associate the product with any activity requiring a significant degree of skill, care or mental alertness or involving an obvious element of danger;
- contain inducements to prefer an alcoholic beverage because of its higher alcoholic content;
- refer to the feeling and effect caused by alcohol consumption or show or convey the impression, by behaviour or comportment, that the people depicted in the message are under the influence of alcohol;
- portray persons with any such product in situations in which the consumption of alcohol is prohibited; or
- contain scenes in which any such product is consumed, or that give the impression, visually or in sound, that it is being or has been consumed.

NOTES:

A large rectangular area with a thin red border, containing numerous horizontal red lines for writing notes.

