

Food Primary

TERMS and CONDITIONS

A GUIDE FOR
LIQUOR LICENSEES
IN BRITISH COLUMBIA

Updated
September 2011

This guide . . .

provides essential information for anyone holding a food-primary licence (a licence to serve liquor in a restaurant). This information does not apply to all licence classes.

Separate guides are available for those holding liquor-primary, licensee retail store, UBrew/UVin, manufacturers' and winery licences.

You can request copies of the other guides by contacting us or downloading them from the provincial government website:

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

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

Website: **www.pssg.gov.bc.ca/lclb**

Food Primary Licence - Terms & Conditions Guide

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**Food Primary Licence
Terms and Conditions**
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IN BRITISH COLUMBIA

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INTRODUCTION

This Guide

This guide outlines the requirements of the Liquor Control and Licensing Act and Regulations for serving and consuming liquor in food primary establishments (restaurants). 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.

**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.*

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.

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 or sell liquor in BC.

"**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.

"**Branch**" means the Liquor Control and Licensing Branch, the government agency that administers the Act.

Please Note:

Wherever definitions, words or expressions used in this guide differ from the wording of the Liquor Control and Licensing Act and Regulations, the legislation will prevail.

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"Buy-sell agreement" is a contract between a liquor manufacturer/agent and a bar, pub, restaurant or licensee retail store to promote the manufacturer/agent's products during a permitted promotion. A buy-sell agreement spells out what the licensees have agreed to and for how long that agreement is to remain in place (it may not exceed 36 months).

"Food primary" refers to a licensed establishment where the service of food, as opposed to liquor, is the primary focus of the business.

"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.

"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.

"Occupant load" means the number of persons, including staff, who may be in a licensed premises at one time. The number is calculated by local fire and building officials or other designated professionals, such as architects and engineers. The occupant load calculation must be the least number of people allowed under the relevant provincial regulations or municipal bylaws.

"Patron capacity" means the maximum number of persons, not counting staff, who may be in a licensed premises at one time.

"Patron-participation entertainment" refers to entertainment that patrons may participate in, such as karaoke or "dine and dance."

"Patron non-participation entertainment" refers to entertainment that patrons may watch, such as musicians or comedians.

"Person capacity" means the maximum number of persons, including staff, who may be in a licensed premises at one time.

"Red-lined area" refers to the area within a licensed establishment where you may sell, serve and consume liquor.

"Restaurant lounge" refers to a specially licensed area within the restaurant where customers may order a drink without ordering a meal.

"Serving It Right: The Responsible Beverage Service Program" 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.

"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. We will send out revisions to this guide periodically. In addition, an up-to-date copy is always available on the provincial government website at:

<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

Email

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 on the provincial government website under “Liquor Licensing”:

<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 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.

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

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. In addition, you must let the branch know about any changes you make to your business or to the buildings you operate. You must cooperate with liquor inspectors and police, and ensure the actions of you and your staff do not put liquor inspectors or police at risk or prevent them from carrying out their duties.

Drawing the attention of patrons to the fact that liquor inspectors and/or police are present in your establishment may put the safety of the inspectors and police at risk. Accordingly, your actions must not cause the attention or focus of patrons to shift towards inspectors or police at any time; including entry, during an inspection, or when exiting your establishment. Actions such as announcing the arrival of inspectors or police, raising or flashing lights, turning down music, playing particular soundtracks – e.g. “Bad Boys”, using spotlights, or any other action that causes the attention of patrons to shift towards inspectors or police is unacceptable.

Any act by you or your staff that puts the safety of inspectors, the police, your patrons, or your staff at risk will be treated very seriously and may result in 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 (i.e., 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.

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 may 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

Differences Between a Food Primary Licence and a Liquor Primary Licence

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The Liquor Control and Licensing Branch issues food primary licences to businesses (restaurants) where the primary purpose, through all hours and areas of operation, is the service of food. The branch issues liquor primary licences to businesses, such as bars, lounges, and night clubs, where the primary purpose is the service of liquor, as opposed to food.

The rules for each type of licence reflect the primary purpose of the establishment. For example, food primary establishments must offer both appetizers and main courses, while bars are required to offer hot or cold snacks and non-alcoholic beverages. They also reflect the fact that minors are allowed in restaurants but not in bars, which means that certain activities allowed in bars – such as adult entertainment – are prohibited in food primary establishments.

The approval process is also different for each type of licence. For example, in approving a liquor primary licence, the branch must consider the views of local residents and whether or not local government supports the application. With a food primary licence, however, local government support is needed only if the restaurant wants to serve liquor after midnight or to offer certain types of entertainment, such as karaoke. **Applying for a food primary licence and then operating any area of your business as a bar circumvents this approval process and is a serious contravention.**

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Making Sure You Operate Your Establishment as a Restaurant

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2011

As a food primary licensee, you are responsible for operating all areas of your establishment as a restaurant. That means you must meet the following requirements at all times:

- **Kitchen equipment:** The kitchen must be fully equipped (with commercial stoves and dishwashers, for example), and must be open and staffed *whenever* liquor is served.
- **Menu:** The menu must include a reasonable variety of appetizers and main courses, and must be available at all times that liquor is being served. Serving salsa, chips, peanuts and other types of "finger food" is not enough to meet this requirement.
- **Furnishings and lighting:** The décor must be suitable for dining and table service. There must be enough tables and chairs, and/or counters and stools to seat everyone. The tables must be big enough to hold the plates, cutlery and glassware associated with a full meal. You must have enough dishes and flatware (and other table accessories) for eating.

Important!

In determining whether an establishment is operating as a restaurant or a bar, the general manager does not have to establish that a licensee has failed to meet all of the requirements for operating as a restaurant.

Failing to meet any operating requirement is sufficient for the general manager to conclude that a licensee is operating his or her restaurant as a bar.

The general manager may also take into account any other relevant considerations in determining whether an establishment is operating as a restaurant or a bar.

- **Entertainment and games:** The type and hours of entertainment and games offered must not distract from the primary purpose of the service of food. For example, adult entertainment and games that cannot be played while you are seated and require diners to get up from the dining area, such as billiards and foosball, are not permitted in a licensed area. (You may, however, apply to provide games or adult entertainment in an unlicensed area; please see below. Please also see the section on Entertainment for more information about what is permitted in licensed areas.)
- **Name:** The name of your restaurant must accurately reflect the service you provide.
 - If you do not have a restaurant lounge endorsement (see below), you may call your business a "pub-style restaurant," but may use the word "bar" only if it is associated with a type of food – "pasta bar" or "oyster bar" for example (but you may not highlight the words, as in "O'Malley's PUB-style Restaurant" or "Nico's Oyster BAR"). "Taverna" is also acceptable, because it means "eating house" in the original Greek, and you may call your establishment a "dining lounge" if yours is a formal restaurant, offering full-course meals.
 - If you do have a restaurant lounge endorsement, you may use the words lounge, bar, cocktail lounge or cocktail bar in your name, provided you also include a reference to food – for example, "Bar and Grill" is acceptable, but just "Nico's Bar" is not. (Please see the section on Advertising for more information.)
- **Operating hours:** You must operate as a restaurant at all times. Restaurants cannot shift their operation to become a bar during certain hours of the day, such as between 4 p.m. and 6 p.m., or in the late evening hours.
- **Financial records:** You must make all financial records available and provide receipts for the liquor inspector to review upon request. (Please see the section on Inspections for a complete list of the records you are required to keep.)
- **Food-to-liquor ratio:** The ratio of receipts from food sales to receipts from liquor sales in the restaurant must support the fact that your primary focus is food. As a general rule, liquor sales should not exceed food sales in the dining area.

Serving liquor without food:

As long as you are running your business properly, as a restaurant, you may occasionally serve liquor to a customer, without food, at any table within the dining area.

Remember, though, your liquor inspector will look closely at exactly how many people are being served liquor without food, and how often.

Physical Layout of Your Restaurant

If you hold both a food primary and a liquor primary licence

You may hold licences for both a food primary and a liquor primary establishment at the same time but, if the two establishments are located next to each other, you must ensure that there is a physical separation between the two.

This separation must be sufficient:

- for a building official to determine a separate occupant load for each of the licensed establishments
- to prevent the food primary establishment from becoming an extension of the liquor primary establishment, and
- to control access to the liquor primary establishment.

In addition:

- the physical separation must be permanent to ensure the size of the liquor primary establishment does not change
- if your liquor primary establishment offers adult entertainment, the divider between the two establishments must prevent diners from being able to see into the bar
- restaurant patrons must be able to access the washrooms without having to walk through the bar, and
- while patrons may enter the bar through the restaurant, you must make sure they do not enter the restaurant through the bar.

If you hold a restaurant lounge endorsement

A restaurant lounge is a separate area within a restaurant where patrons may order a drink without the intent of ordering a meal. Restaurants with a person capacity of 50 or more may apply to the branch for a lounge endorsement.

If you have been approved for a restaurant lounge:

- Your total lounge area may accommodate 40 persons or 20 per cent of the person capacity of the restaurant (whichever is less).
- You may have two lounges – one indoor and one outdoor – provided the total number of people in both areas does not exceed the number allowed for your restaurant as a whole.
- Both lounges may open at the same time, provided the total number of people in both areas does not exceed the number allowed for your restaurant as a whole.
- The face of your licence states how many seats you are allowed to have in your lounge (or lounges, if you have two). For example, if your licence states you can have 40 seats, and you have only one lounge, that means you cannot have more than 40 people in your lounge at all times. If your licence states you can have 40 seats, and you have two lounges, that means you can have 40 seats in the indoor lounge and 40 seats in the outdoor lounge (or 20 and 20, or 30 and 10, or any other combination), but the total number of people in both of your lounges must not exceed 40 at all times.
- The floor area set aside for your interior lounge should not exceed 20 per cent of the interior licensed area of the restaurant.
- Any individual sitting in a lounge seat counts toward the licensed limit of your lounge area, regardless of whether he or she orders a drink. This applies equally to minors, who are allowed in the lounge area if accompanied by an adult, but may not consume liquor.
- The interior lounge may be located anywhere in the licensed floor area, but must be visibly distinct from the main dining area. This can be done with a physical separation like a wall, or different floor surfaces and style of furniture. (A separating wall is not required as long as the area is visibly distinct.)

- The rules for entertainment in a lounge area are the same as in the main dining area (please see the section on Entertainment for more information).
- Hours of liquor service in the lounge area(s) may not go beyond the hours of liquor service in the main dining area.
- You may advertise that your establishment has a lounge, bar, cocktail lounge or cocktail bar.
- Your kitchen must be open and the full menu available whenever the lounge is open.
- There must be a sign either at the entry to, or within the lounge(s), explaining that it is a lounge and that adults must accompany minors. The sign must be visible to all lounge patrons.
- As in the rest of the restaurant, minors may serve drinks in the lounge if they are under adult supervision, but may not open bottles, pour or mix drinks.

If you offer games or adult entertainment

Adult entertainment and games that require customers to stand or move around, such as darts, billiards or foosball, are not allowed in the licensed area of a restaurant. Food primary licensees may, however, apply to have an unlicensed area where adult entertainment or games are allowed, provided building officials are able to calculate a separate occupant load for the licensed area indicated on the restaurant's floor plans. Please see the section on Entertainment for a definition of adult entertainment.

If you have been approved for an unlicensed area:

- there must be sufficient separation between the licensed and unlicensed areas to ensure patrons do not take liquor into the unlicensed area,
- the physical separation must be fixed and immovable to ensure the size of the licensed area is maintained, and
- you must be able to control access to the licensed area.

Also, if you offer adult entertainment in an unlicensed area or in an adjacent liquor primary establishment, you must make sure customers in the main dining area cannot see into the unlicensed area or adjacent bar.

Managing Your Business

Posting Your Licence

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

Storing Your Floor Plans

When you first applied for a food primary licence, you submitted the floor plans for your restaurant 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 the establishment and must be immediately available for presentation to a liquor inspector or a police officer on request.

Renewing Your Licence

Food primary licensees must renew their liquor licence before the licence expiry date each year and pay an annual licence fee. These fees are effective as of 1 April, 2010.

Application fee: \$475

First Year Fee: \$475

After the first year 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* (see the chart 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.

Prorated Fee Schedule

Prorated licence fees may apply to food primary licensees who already hold a liquor licence and are used to calculate licence fees for a term of less or more than a year in the following situation: A licensee who already holds a liquor licence may request that a second or third licence be issued for a period of six to 18 months in order to coordinate the previously granted

licence with the new licence to a common expiry date. Subsequent renewals will occur annually on this common date.

1 month	\$ 40	4 months	\$ 158	7 months	\$ 277	10 months	\$ 396
2 months	\$ 79	5 months	\$ 198	8 months	\$ 317	11 months	\$ 435
3 months	\$ 119	6 months	\$ 238	9 months	\$ 356	12 months	\$ 475

Fee Schedules 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 these changes below:

- Internal Transfer of Shares (private corporations, holding companies and third party operators). Use form LCLB012 to report changes to voting and/or non-voting shares.
- Temporary changes to a licence not requiring local government/First Nations involvement. Use LCLB023.

\$220 per licence for these changes below:

- Change of Directors or Officers (corporations and societies). Use form LCLB012.
- Name Change – Person. Use form LCLB012.
- Name Change – Licensee (private or public corporation, partnership, society). Use form LCLB012.
- Establishment or Licence Name Change. Use form LCLB012.
- Addition of Receiver or Executor. Use form LCLB012.
- 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 form LCLB012.
- Other change in Terms and Conditions, not listed above. Use form LCLB012.

\$330 per licence for these changes below:

- External Transfer of Shares (private corporations, holding companies and third party operators). Use form LCLB012 to report changes to voting and/or non-voting shares.
- Temporary changes to a licence requiring local government/First Nations involvement. Use form LCLB023.
- Permanent changes to a licence requiring local government/First Nations involvement. Use form LCLB012.
- Change to Hours of Sale. Use form LCLB012.
- Transfer of Location of a Food Primary Licence. Use form LCLB096.

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, or that the lease on your property is about to run out) are licensing contraventions.

Making Changes to Your Liquor Licence

The details of your liquor licence application – who you are, the location, size and layout of your establishment, 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. (Please see Appendix 3 for detailed information about making changes to your licence.)

Selling Your Business and Transferring Your Licence to a New Owner

To transfer your liquor licence to a new owner, the new owner must apply to transfer the licence using the Application for a Food Primary Licence form (available from the branch's website on page 9). 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 new owner can also request a change in the name of the business. 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 action against you as the current licensee.

Buying, Storing, Selling and Serving Liquor

Buying liquor

You must purchase your liquor from a Liquor Distribution Branch liquor store, or other outlet designated (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 another source, or to purchase liquor that is not recorded against your licence number.

Maintaining a liquor register

You must keep a detailed, written record of every liquor purchase made under your licence, by date and by storage location, 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.)

You must also keep a record in your liquor register of all faulty or damaged kegs of beer or cider or kegs containing spoiled product that you receive and replace.

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, and
- 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.

Because the risk of internal theft is high in licenced establishments, you must put safeguards in place to make sure staff or others do not water down or otherwise adulterate your liquor supply. The extent of the safeguards required will vary depending on the circumstances.

Culinary product containing alcohol that you keep for cooking must stay in the kitchen and separate from liquor kept for sale.

You also may not keep or serve liquor bought for private consumption in your establishment.

Hours of sale

You may sell or serve liquor only during the hours indicated on the face of your licence. All liquor (in bottles or glasses) must be removed from patrons within half an hour of liquor service ending (i.e., the time specified on your licence). Consumption of liquor is not permitted after this point.

You may not serve liquor after midnight, unless you apply for, and the general manager approves, late night hours. The only exception is New Year's Eve, when you may serve liquor until 4:00 a.m. on January 1 regardless of your normal closing hour (and provided food is available to customers) unless the general manager has directed otherwise or local bylaws prohibit it.

On the night of a time change (spring or fall), you must operate according to the hours in effect at the start of the Saturday business day, and wait to change your clocks (forward or back) until after your liquor service hours have ended for that business day.

Dispensing liquor and mixing drinks

You are permitted to pre-mix drinks by hand or by using devices such as a Bellini machine in anticipation of patrons ordering drinks, provided that the liquor used comes from the original containers purchased from the Liquor Distribution Branch. You cannot refill original containers purchased from the Liquor Distribution Branch with anything. Doing so would make monitoring illicit liquor difficult.

As you cannot refill original containers purchased from the Liquor Distribution Branch with anything, you are not permitted to make what is commonly known as barrel oaked or aged liquor (not aged in its original container) or infused liquor in which substances (e.g. herbs, spices, or fruit) are added to the liquor to create customized spirits.

Please note that you are not permitted to circulate trays of pre-mixed or pre-poured drinks that have not been ordered by patrons. You must not permit the self-service of liquor by patrons. An exception is permitted if you operate as a cafeteria-style restaurant. In these situations, patrons may self-select sealed liquor beverages to take to the cashier for payment.

Price lists

You must have a list available showing the types of liquor available, the size of each drink you sell, and its price. Your price list should also include any drink specials you are currently offering.

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

Where customers may consume liquor

Customers may not bring their own bottles of liquor to consume in your establishment, and you may only sell and serve liquor in the licensed area of your establishment (commonly referred to as the "red-lined area" of your floor plans).

Patrons may stand or walk around within the red-lined area with their drinks, but you may not permit customers to consume liquor outside of the red-lined area, or to take liquor from the red-lined area to other parts of your establishment, except:

- Patrons may take liquor into the washroom as long as they are not walking through an unlicensed area (such as a hotel lobby), and you are properly supervising the washrooms.
- Professional entertainers may consume liquor while on stage provided they do not become intoxicated; however, patrons are prohibited from consuming liquor on an unlicensed stage even when they are providing entertainment such as during an amateur or karaoke night.
- Customers may take away unfinished bottles of wine. Your staff must put a new cork in the bottle and tell customers who are driving that they must store the wine behind the rear seat, in the trunk, or in an exterior compartment – it must be out of reach of people in the car.

Your price lists:

- Must indicate whether the price includes taxes, and what the applicable taxes are.
- Must indicate the size of each drink (you may use common names, such as "a sleeve of beer," which is 14 oz).
- Do not have to include a complete list of all available mixed drinks, provided you clearly list the price and amount of liquor (e.g., "mixed drinks contain 1 oz of liquor, and cost 'x' for bar brands, and 'y' for premium").

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Gift cards/certificates

You may also sell gift cards/certificates redeemable for liquor or food products but only from your licensed premises. The cards/certificates may be redeemed at another licensed establishment. This would allow your gift cards/certificates to be redeemed at any of your licensed outlets or at places where you have an agreement to accept each other's gift cards.

Gift cards/certificates must not be sold to minors.

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

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 and managers, and any staff who may be left in charge. 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. If you have a licensed lounge, all bartenders and wait staff must have Serving It Right.

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.

Serving it Right:

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

Phone:
604-633-9798

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.

Controlling Your Establishment

Your responsibilities

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

Effective November 1, 2009, staff or contractors providing door security in licensed establishments are required to be licensed under the Security Services Act. For more information, contact the Ministry of Public Safety and Solicitor General at <http://www.pssg.gov.bc.ca/securityindustry>. You and your employees or contractors are prohibited from using handcuffs in the course of maintaining order in and around your licensed establishment.

If your staff, patrons 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 who has been barred from entering your restaurant, must not return for at least 24 hours. If a person does this, he or she is committing an offence and may be arrested.

Training exemption for out-of-province employees

Effective April 1, 2009, servers relocating to British Columbia from other Canadian jurisdictions who have a certificate showing completion of a recognized responsible beverage service program in another Canadian jurisdiction are exempt from the requirement to take Serving It Right training. A full list of recognized programs is available on our website.

Section 22 of the Act allows the general manager to suspend a liquor licence for 24 hours and order the immediate removal of patrons 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 example when there has been violence or extensive criminal activity, there is the risk of retaliatory gang violence or the possibility of public unrest.

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, adding sound proofing, making approved structural changes to allow indoor line-up areas, and posting signs at the exit doors asking your patrons not to disturb your neighbours. (Please see Appendix 2 for further examples of reasonable measures.)

Minors

Minors (in B.C., that is anyone under 19 years of age) are allowed in food primary establishments on their own, and in a restaurant lounge if accompanied by an adult. However, it is against the law for you or your employees to sell, serve, or supply liquor to a minor. You and your staff are expected to put in place effective systems to meet this obligation.

Minors employed in food primary establishments who are 16 or older may serve liquor but may not open bottles, pour or mix liquor. Minors serving liquor must be under the supervision of adult staff.

ID requirements

You must demonstrate that you are preventing minors from obtaining liquor. You must do an initial assessment of every patron before selling or serving them liquor. 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, signature, 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.

Steps you can take to ensure responsible service:

- Hold regular staff meetings to discuss liquor issues
- Let your staff know that you will support them when they cut a patron off or refuse service
- Be familiar with "drive home" programs offered in your community
- Monitor the entry and exit of guests for signs of intoxication and
- Give "last call" toward the end of the night and do not allow patrons to buy excessive amounts.

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.)

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.)

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, and
- Information that is on the identification, such as the person's address or postal code.

Overcrowding

Your liquor licence tells you the maximum number of patrons or the maximum number of persons (patrons and staff) that you may allow in your premises at one time (see the definitions of "patron capacity" and "person capacity" at the beginning of this guide).

It is important for you to know the type of capacity for which your establishment is licensed, and to make sure you stay within this limit. You must have controls at each entry point to your establishment, and you must be able to count the number of people entering and leaving.

Local building/fire authorities also establish a maximum capacity or occupant load that may differ from your liquor licence maximum capacity. (In most cases, the occupant load maximum capacity will be greater than the liquor licence maximum capacity.) You may apply to the branch to increase your liquor licence maximum capacity so that it matches the occupant load maximum capacity set by building and/or fire authorities. If fire and building officials have each calculated an occupant load for your establishment, or if an engineer or architect has, and the numbers are not the same, the lower number is the one you must use.

Drink sizes

You must encourage moderate consumption at all times and follow strict limits on the maximum size of servings.

Distilled liquor: Each drink containing distilled liquor (spirits) shall not contain more than three fluid ounces (85 ml) of distilled liquor. This applies regardless of whether the drink is served in one, or more than one, glass or container (for example, a single patron may not be served four one-ounce shooters or two two-ounce "doubles" at one time). Drinks that two or more patrons intend to share may be served in larger containers, but the maximum of three fluid ounces per person must be maintained. You may not sell or serve whole bottles of distilled liquor. This includes what is commonly known as bottle service or hosted bottle service, where a bottle of spirits is sold to patrons for consumption at their table, and includes the storage of these bottles behind the bar or in another secured location.

Maximum drink sizes per person:

Distilled liquor(spirits) . . .	3 oz (85 ml)
Draught beer . . .	24 oz (680 ml)
Bottled beer . . .	2 standard-size bottles or 1 large-size bottle (up to 24 oz - 680 ml)
Wine	10 oz (285 ml)

Draught beer: You may serve draught beer in single servings of no more than 24 oz (680 ml) or smaller servings of multiple brands, provided the total served at one time is no more than 24 oz (680 ml). For reference, a Canadian pint is 568ml. Pitchers or other multiple serving containers shared by two or more patrons may contain no more than 1.5 litres of draught beer.

Bottled beer: You may serve a maximum of two standard-sized or one large-sized (up to 24 oz or 680 ml) bottle of beer to a single patron at one time.

Wine: You may serve wine in single servings of 10 oz (285 ml) or in smaller servings of multiple brands provided the total served at one time is no more than 10 oz (285 ml). Wine may also be served by the standard 750 ml bottle if it is to be consumed by at least 2 people and with food. You may serve wine by the bottle, in non-refillable containers of .75 litre to 1.5 litres, or in refillable containers of no more than 1.5 litres, provided you apply for and receive approval for the container from the Public Health Protection Branch of the Ministry of Health (the container must be one that prevents product contamination) and subject to these serving size rules.

Drink prices

To help encourage moderate consumption:

- You must charge at least as much as the original Liquor Distribution Branch purchase price.
- You must set your liquor prices at the start of the business day, and you cannot change them until the next business day.
- Happy Hours are not permitted. If you are going to offer a special or reduced price, it must be available all day and may not be offered on a brand or type of liquor for which you know you don't have enough stock.
- You may occasionally treat your customers to a free drink; however, you cannot give away multiple drinks that could lead to over-consumption.
- You may offer an all-inclusive package that includes liquor in the price (for example, "champagne brunch," Mother's Day special, New Year's Eve special). The amount of liquor to be provided must be specified and not unlimited.
- You must not provide unlimited or unspecified quantities of liquor for a single price or use a sales strategy that is likely to promote or encourage over-consumption.

For example, you may not:

- sell drinks "two for one"
- allow staff to circulate with trays of pre-mixed drinks, such as shooters that are not pre-ordered, and
- serve any drinks greater than the maximum drink sizes – by the "tray load", for example.

The general manager has also expressly prohibited the practice of pouring drinks into the mouths of customers. Establishments that permit such activities to occur can expect enforcement action.

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

Over-service and intoxicated patrons

It is your responsibility to make sure patrons do not become intoxicated while in your establishment.

You must not let a person who is apparently under the influence of alcohol or drugs enter or remain in your establishment. 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 establishment. 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.

Weapons

A weapon is defined as anything used or intended for use:

- in causing death or injury to persons whether designed for that purpose or not, or
- in threatening or intimidating any person.

You are responsible for making sure a person with a weapon does not enter or remain in your establishment.

If you know or suspect that one of your customers has a weapon, you should notify the police immediately.

Gaming

Gaming (also called gambling) is defined as playing or gaming, for money or other stakes, on an uncertain event; it involves chance and the hope of gaining something more than the amount paid to participate.

You may not allow gaming in your establishment except for ticket raffles licensed by the Gaming Enforcement and Policy Branch. You must not permit any other type of gaming. You are responsible for exercising care and vigilance so gaming does not take place without your knowledge.

Employee conduct

Liquor consumption – You and your employees, including your employees who provide entertainment, may not consume liquor in your establishment during working hours. This includes breaks, meal periods and between shifts on the same day.

After work, you and your employees may consume liquor, provided:

- You do not offer liquor to employees at a reduced price, or in lieu of wages or as a bonus.
- Your employees are of legal drinking age.
- You are serving and consuming the liquor during the hours of sale indicated on the face of your licence.
- You – as the licensee – are not treated differently than a regular patron.

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Staff parties – You may hold a staff party in your licensed establishment, provided you are able to comply with the Regulations and the terms and conditions of your licence for the duration of the party. Staff, for example, may not consume liquor while on duty. If you cannot meet these conditions, you must apply for a Special Occasion Licence and a temporary suspension of your liquor primary licence.

Dress – Servers must wear clothes. Servers must not wear brand-identified clothing where the size of the advertising is so prominent that it would result in your establishment promoting a specific brand of liquor.

Advertising Your Restaurant

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 5 for more on the broadcast code.)

What You May Advertise

You may advertise:

- what kind of liquor you offer in general, such as domestic or imported wine
- what kind of liquor you offer specifically (you may use manufacturer and brand names)
- how much you charge for liquor (your liquor prices, including specials)
- your hours of sale, and
- any entertainment or food featured at your restaurant.

You may also use the words “lounge”, “bar”, “cocktail lounge”, or “cocktail bar” if you have a restaurant lounge.

Your ads may not:

- encourage people to drink liquor or to drink irresponsibly (you must take this into account if you mention price in your advertising; if your price advertising encourages or results in patrons drinking to excess, we can prevent you from including liquor prices in future advertising)
- show people drinking liquor, or anyone who is either intoxicated or behaving irresponsibly or illegally
- associate liquor with driving;
- be directed at minors or placed in locations used or visited mostly by minors, such as video arcades or playgrounds (ads without liquor-related words, graphics or pictures may be directed at minors and placed anywhere)
- depict liquor as:
 - one of life's necessities
 - key to social acceptance or personal success
 - central to the enjoyment of an activity, or
 - a status symbol
- show people with liquor, but without food (they must always have food in front of them).

Where You May Advertise

You may advertise your establishment in newspapers, magazines and periodicals, and on television, radio or the internet. You can put up signs and print and distribute pamphlets or brochures that include graphics or pictures of your establishment and licensed areas.

Signs

Any signs, including signs bearing the name of your establishment, are considered to be advertisements and must comply with the advertising terms and conditions outlined in this guide. Your signs must also comply with local government bylaws.

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. Offers or deals that do not include liquor – such as food, or an entertainment admission discount, etc., are fine. Licensees participating in promotions that include liquor are contravening the terms and conditions of their licence.

Entertainment

What You May Offer

Any entertainment you offer must conform to local bylaws and be suitable for viewing by minors. It must also conform to any restrictions imposed by the general manager on hours or type of entertainment allowed (these restrictions, if any, will appear on the face of your licence).

Television, recorded music, and live radio/television broadcasts are permitted in food primary establishments, as are computers that offer Internet access, card games, board games and games such as cribbage, provided they do not alter the primary focus on the service of food and if they can be played while customers are seated.

You may show movies, provided the primary focus of your establishment does not shift from the service of food and the movies are shown in accordance with the Motion Picture Act and its Regulations. You may not show movies that are restricted, adult rated, or not rated.

You may offer contests and draws, provided:

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- you do not charge an entry fee (except if the draw is a licensed ticket raffle)
- anyone in your restaurant is entitled to enter the contest, without having to order something to eat or drink
- you do not offer or give liquor as a prize
- winners are not required to be present to collect their prize
- your event does not involve the consumption of liquor, and
- it does not alter the primary focus of your restaurant which is the service of food.

You must apply to the general manager to offer any other types of entertainment. This includes patron-participation entertainment (such as dine and dance), which is usually permitted until midnight, and patron non-participation entertainment (such as musicians or comedians), which is usually permitted until 1:00 a.m. Your local government must support your application for patron-participation entertainment.

What You May Not Offer

Games that require the patron to get up from the food service area – such as darts, shuffleboard, foosball, billiards, pool, video arcade style games, basketball, ice or roller hockey, curling, and bowling – and which are likely to shift the primary focus of the establishment away from the service of food are not permitted in the licensed portion of the restaurant (you may, however, offer these games in an unlicensed area).

Games of chance, including card games, are permitted for amusement only – payoffs or prizes of any kind are not permitted. Also not permitted are:

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- any form of gaming (except for licensed raffle tickets)
- tournaments
- liquor manufacturer/agent theme nights
- live, on premises prize fighting, kickboxing and all other similar contact sports
- adult entertainment

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Adult entertainment includes:

- *exotic dancers* – entertainers who remove clothing during a performance and/or perform in a sexually suggestive manner;
- *adult-oriented performers* – entertainers who present dramatic, musical, artistic, comedic or any other types of performances not suitable for viewing by minors characterized by nudity, actual or simulated sexual content, actual or simulated violence and/or abusive, hateful or obscene language;
- *adult-oriented activities* – activities not suitable for viewing by minors characterized by full or partial nudity, actual or simulated sexual content and/or actual or simulated violence, degradation or abuse.

Belly dancing, unless performed completely or partially nude, is not adult entertainment.

Entertainer Conduct

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While professional entertainers may consume liquor in the establishment, employees who provide entertainment (such as a house DJ or house band) may not do so during working hours. As with patrons, it is the responsibility of the licensee to ensure that professional entertainers do not become intoxicated. If an entertainer becomes intoxicated they must be refused service, removed from the premises and the licensee must see that they depart safely from the establishment. An intoxicated entertainer must not be allowed into the licensed establishment.

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 manufacturers and their agents and independent agents to promote their products.

Some promotional activities are prohibited outright; others are permitted at any time; still others are permitted only if you document them in a "buy-sell agreement" - a contract between you and a liquor manufacturer/agent to promote his or her liquor products.

A buy-sell agreement spells out what you and the other licensee have agreed to and for how long that agreement is to remain in place (it may not exceed 36 months). For example, you and a winery enter into a three-month buy-sell agreement where you agree to purchase a specified number of cases of the winery's best wine in exchange for the winery running a contest in your restaurant, with the prize of a weekend ski getaway for two.

A buy-sell agreement must not exclude, restrict or otherwise prohibit you from carrying or selling the products of the liquor manufacturer's competitors.

IMPORTANT!

Please see Appendix 4 for a sample buy-sell agreement. You must follow this format or similar, and both you and the liquor manufacturer/agent must keep a copy of the buy-sell agreement at your place of business for two years after the agreement expires. All buy-sell agreements must include:

- your name and licence number
- the liquor manufacturer's/agent's name and licence number
- start and end dates of your agreement (may not exceed 36 months)
- the terms of the agreement - what you and the manufacturer have agreed to, including the type, number and retail value of any promotional activities or items conducted or supplied by the manufacturer or agent.

The buy-sell agreement may be signed by you, your manager or other person in charge, and by the manufacturer/agent or his or her sales staff.

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.

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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

Tied houses

Your restaurant may not operate as a "tied house." A tied house is an establishment that has an association - financial or otherwise - with a liquor manufacturer or its agent, that is likely to lead to its products being favoured.

That means you must not agree to sell only one manufacturer's products in your establishment, 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/UVin.)

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), or advertise your entertainment line-up, drink specials, or menu items. 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.
- A liquor manufacturer or agent may not pay for or provide entertainment in your establishment.

Activities Permitted At Any Time, Without a Buy-Sell Agreement

Promotional items

You may accept promotional items of nominal value, such as coasters, tent cards, signs and posters from liquor manufacturers and agents, provided:

- Your menu already lists the brand of liquor identified in the promotional materials, and
- 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, and re-sell them to your customers or employees. These items may display the name of your restaurant.

You may not place bottles of liquor on tables as a promotional or point-of-sale device. You may use brand-identified glassware, provided you purchase it at fair market value and you retain proof of purchase for two years for audit purposes.

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 size available size per product (750ml 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).

Visits

There are strict limits on how liquor manufacturers and agents may act when they visit your restaurant.

Mass treating or "buying drinks for the house" is not permitted, and manufacturers and agents may not leave money for this purpose. They may, however, purchase drinks for your patrons, provided you ensure that:

- The liquor serving provided to each customer at one time is not greater than the normal serving for your establishment
- Each order is paid for at the time it is served (the order may be put on a "tab" provided the account is settled before the agent leaves the establishment), and that drink prices are the same as you would charge regular patrons
- The manufacturer or agent does not treat more than one table at a time, except where it involves a bona fide sporting team, arts or cultural club

- You issue a countersigned receipt for the dollar value of purchased product to the manufacturer or agent (both parties should retain a copy), and
- The manufacturer or agent does not bring liquor products into your restaurant for the purpose of sampling.

Consumer tastings

Consumer tastings (also called taste trials) in licensed restaurants are an opportunity for a liquor manufacturer to promote particular products. If you and a liquor manufacturer or agent agree to put on a consumer tasting, you must have food available during the event, and ensure the event does not shift the focus away from food.

The requirements are:

- You or the manufacturer or agent may advertise the event outside the restaurant
- You may not charge the agent a fee for conducting the consumer tasting, and all liquor product used in the tasting must be purchased from you
- The price paid by the agent must be no less than the price you normally pay for the product and no more than the price you normally charge your customers
- You must issue a countersigned receipt for the dollar value of sampled product to the agent. You should also retain a copy for audit purposes
- All point-of-purchase show material used to support the consumer tasting must be provided by the manufacturer or agent
- The manufacturer or agent must be present during the entire period of the consumer tasting; however, you or your staff must dispense all liquor product
- You must not leave open containers of liquor unattended at any time
- You must not serve drinks by the tray load
- You may not serve minors or anyone who is apparently under the influence of alcohol, and
- At the end of the consumer tasting, you must refund the manufacturer or agent for the cost of any wine, cider, beer, coolers or spirits left unopened. You may return any leftover liquor (opened or unopened) to stock.

Maximum sample quantities you may serve per patron:

	SINGLE PRODUCT	MULTIPLE PRODUCT
Wines	30ml.	45ml.
Beer/Cider/Coolers	30 ml.	45 ml.
Spirits	10 ml.	20 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 beer, you may offer a maximum quantity of 15 ml. of each to taste.

Hospitality

You may accept hospitality from a liquor manufacturer or agent without a buy-sell agreement, if the cost of the hospitality is less than \$25. (Liquor manufacturers may pay additional hospitality costs - up to \$1,000 - but you must ensure this is included in a buy-sell agreement.)

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 restaurant for the same period and with the same promotional materials on display.

If you agree to hold a contest in your restaurant, 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.

Activities Permitted With a Buy-Sell Agreement Only

More expensive promotional materials

Under a buy-sell agreement, a liquor manufacturer or agent may loan you more expensive promotional items with the manufacturer's name or brand, such as signs, patio umbrellas, ceramic draught beer towers, mirrors, menu boards, etc. 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.

All promotional items and displays must be individually listed in your buy-sell agreement. The agreement must also identify a specific time for the loan or promotion (six months, for example), and the manufacturer must remove all promotional materials at the end of the identified time period.

Joint promotions/brewmaster's or winemaker's dinners

You may enter into a joint promotion with a liquor manufacturer or agent to feature a manufacturer's products during a special event, such as a brewmaster's or winemaker's dinner, provided the event includes a full meal and you purchase the liquor served at the event from your regular Liquor Distribution Branch liquor store or other designated outlet.

You and the manufacturer or agent may advertise the event. There are no limits to the number of joint promotions you may hold.

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 after the contest has ended. The manufacturer/agent must also record the name of anyone who wins a prize valued at over \$100.

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

Sponsorships

Manufacturers and agents may not sponsor events or activities at your restaurant.

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 year per licensee location. If you have multiple licensed establishments - a chain of restaurants, 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. The manufacturer/agent may also pay for any legitimate in-province travel costs related to the event. You may accept hospitality from a liquor manufacturer or agent without a buy-sell agreement, worth up to \$25, at any time.

Relations with Liquor Manufacturers and Agents: A Summary

(Please review chapter for exact details)

Activities not permitted

You may not:

- Operate as a tied house
- Accept a benefit, including money, items, products or services, from a manufacturer/agent for selling a particular liquor product.

Activities permitted at any time, without a buy-sell agreement

Without a buy-sell agreement you may:

- 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 your customers
- Accept hospitality (e.g., drinks or meal) from a manufacturer/agent worth up to \$25 at any one time
- Accept product samples from a manufacturer/agent
- Allow a manufacturer/agent to visit your restaurant and purchase drinks for your patrons.
- Conduct a consumer tasting with a manufacturer/agent
- Conduct a contest with a manufacturer/agent, provided the manufacturer/agent is running the same contest at the same time in government liquor stores.

Activities permitted with a buy-sell agreement only

With a buy-sell agreement you may:

- 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 your customers
- Hold a joint promotion (such as a brewmaster's or winemaker's dinner) with a manufacturer/agent
- Conduct a contest with a manufacturer/agent that is not also running in government liquor stores (provided you follow Liquor Distribution Branch guidelines)
- 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
- Hold a theme night with a manufacturer/agent.

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

You must give liquor inspectors and police officers immediate access to all areas of your establishment on request. A liquor inspector will show you their official identification upon request; however, you must not do anything to impede a liquor inspector's or peace officer's entry into your establishment. 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 records, invoices, purchase and disposal records
- food sales records, invoices and purchase receipts
- any agreements and contracts with liquor manufacturers and agents, such as a buy-sell agreement
- 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. 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.

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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 must, in some circumstances, 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.

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 his or her regional manager concurs, you will receive a Notice of Enforcement Action. The Notice of Enforcement Action will include the details of the allegation, the proposed penalty, why the branch is recommending enforcement action, and the reasons for recommending this particular penalty.

You have the option of disputing the branch's allegations at an enforcement hearing or signing a waiver notice.

If enforcement action is pending and you have applied for a change to your licence — a temporary extension to your hours, for example — the general manager may decide to wait for the outcome of the enforcement action before making a decision on the change request.

Please note:

As a licensee, you are legally responsible for understanding and complying with the requirements of the Act, its Regulations and the terms and conditions of your licence, and for any contraventions committed against your licence.

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.

As the licensee, you are responsible for any contraventions against your licence.

Waiver

Signing a waiver means that you

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

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

Pre-hearing Conference

After receiving the Notice of Enforcement Action, you will be asked to participate in a pre-hearing telephone conference conducted by the branch's registrar of enforcement hearings. At the pre-hearing conference, the registrar will:

- obtain your response to the allegations and determine if an enforcement hearing is required
- clarify the issues that will be addressed at the enforcement hearing
- identify and discuss the evidence that both you and the branch plan to present at the enforcement hearing (this includes the names of any witnesses who will testify on your or the branch's behalf)
- arrange for the branch and you to exchange copies of any documents or other evidence that will be introduced at the hearing
- explain the enforcement hearing process
- set a date for the enforcement hearing.

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.

If you do not participate in the pre-hearing conference, you may lose the opportunity for an oral hearing, and the general manager may make a decision based on the written submissions only.

Enforcement Hearing

Enforcement hearings may be conducted in-person, via teleconference, written submission, or any combination of these.

At an enforcement hearing, an adjudicator, who is a delegate of the general manager, will consider the evidence and argument presented by you and the branch. The adjudicator will decide whether the alleged contravention(s) occurred and what enforcement action, if any, is warranted. The adjudicator issues a written decision several weeks after the hearing.

Possible Enforcement Action

If the adjudicator 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, and
- order a licensee to transfer a licence.

If the adjudicator finds that either a licence suspension or monetary penalty is warranted, they may not impose a penalty less than the minimums set out in Schedule 4 of the Regulation. They 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 enforcement action imposed will depend on a number of factors, including the nature of the contravention, the circumstances of the contravention, your establishment's compliance history, and your compliance history as a licensee.

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Suspensions and monetary penalties will include the requirement to post signs demonstrating the enforcement action. Signs will be posted by either 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 licence and the licensee.

Serving Liquor While Under Suspension

If the enforcement process results in your food primary licence being suspended, your restaurant may remain open, but you must not serve liquor during the suspension period. You must not allow liquor sales or service under a special occasion licence in your establishment or in or on any adjacent property which is under your control.

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.

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.

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 in a manner that is contrary to the primary purpose of the licence	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	Rescinded (February 2007) <i>A breach of section 45(2) of this regulation [Failure to request identification from person appearing to be under 25]</i>	N/A	N/A	N/A	N/A
GAMBLING					
5	A breach of section 36(2)(a) of the Act by authorizing or permitting gambling in the licensed establishment	4-7	10-14	18-20	\$5,000-\$7,000
6	A breach of section 36(2)(c) of the Act by authorizing or permitting a device used for gambling to be placed, kept or maintained in the licensed establishment	10-15	20-30	30-60	\$7,500-\$10,000
DISORDERLY OR RIOTOUS CONDUCT					
7	A breach of section 36(2)(c) 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

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
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
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 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 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
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

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
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
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 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	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	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 58 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 15 (2) of the Act [<i>Failure to disclose a material fact or false or misleading statement in application</i>]	10-15	20-30	30-60	\$7,500-\$10,000
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

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
38	A breach of section 19 (3) of the Act by transferring shares of the licensee's capital stock without first receiving the general manager's approval for that transfer	1-3	3-6	6-9	\$1,000-\$3,000
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	A breach of section 50.1 (3)(d) of this regulation by engaging in promotional activity if that promotional activity is required to be, but is not, documented in a appropriate buy-sell agreement	1-3	3-6	6-9	\$1,000-\$3,000
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, wine 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

Item	Contravention	Period of Suspension (Days)			Monetary Penalty
		First Contravention	Second Contravention	Subsequent Contravention	
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 of the Act, or (b) refusing or failing to admit immediately a peace officer demanding entry anywhere under section 67 of the Act, <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, <u>or</u> A breach of section 73 (2) (b) of the Act by neglecting or refusing to allow premises to be inspected	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: Taking Reasonable Measures to Prevent Disturbances

Types of disturbances	What you can do to reduce these disturbances
Noise caused by people talking on the street in the line-up	<ul style="list-style-type: none"> • Limit the length of your line-up • Put up signs by the line-up and monitor the line-up to remind people of noise issues. • Make structural changes to accommodate indoor line-up areas
Noise caused by people leaving your establishment throughout the day	<ul style="list-style-type: none"> • Put up signs by your exit doors • Conduct staff training sessions to review “Serving It Right” principles
Noise caused by people leaving your establishment at closing time	<ul style="list-style-type: none"> • Put up signs by your exit doors • In the hour before you close, issue an announcement reminding people to be aware of your "good neighbour" policy • Post staff by exits to remind customers to be considerate of nearby residents, and keep noise to a minimum • Apply to the branch for permission to extend the time period within which customers must vacate the premises at closing time (It is normally half-an-hour but you can apply to extend that time up to one hour to reduce the size of departing groups.)
Noise from music and other forms of entertainment that is ongoing and can be heard by nearby residents from within their homes	<ul style="list-style-type: none"> • Close windows and upgrade ventilation systems • Upgrade to double-sealed windows • Reduce music volumes and monitor noise levels • Eliminate bass frequencies that penetrate concrete and other structural materials • Meet with neighbours to discuss options - strive to cooperate
Noise of music that is intermittent and can be heard by nearby residents from within their homes, when customers open the door to go in or out of your establishment	<ul style="list-style-type: none"> • Install a second door • Reduce music volumes • Meet with neighbours to discuss options - strive to cooperate
Indecent or illegal behaviour (e.g., urinating in public, sex in public, drinking in parked cars in adjacent parking lot) in and around the entrance to your establishment and in controlled parking areas.	<ul style="list-style-type: none"> • Put up extra lights on the side of your building, directed to problem areas • Install video cameras directed at parking lot vehicles • Assign security staff to patrol parking lots • Cooperate with local police to set up more parking lot patrols • Refuse entry to customers who go frequently to and from cars

APPENDIX 3: Making Changes to Your Licence or Appointment

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
- hold live contact sports events

Structural change

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

- change the layout of your establishment
- change (or add to) the structure of your building
- increase your capacity to the occupant load of the building as determined by fire/building officials
- add an outdoor patio
- change (or add) a designated smoking room
- if you own a golf course and would like to serve liquor from a cart or kiosk.

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, or not involved in the day-to-day operation of your establishment.

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, such as an unlicensed event for minors, or to allow time for renovations or structural alterations. These changes may include temporarily extending your normal hours of sale, your usual capacity, and/or the area that is covered by your liquor licence, or temporarily moving your business to another location entirely.

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 extend your hours of sale, you will need an Application for Permanent Change to a Liquor Licence, and a resolution from your local government of First Nation.
- 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 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 Liquor Licence, and all shareholders will need to agree to a criminal record check.

Application Forms:

Forms are available under “Liquor Licensing” on the provincial government’s website:

<http://www.gov.bc.ca/lclb/forms-fees/index.htm>

call our toll free line:

1 866 209 2111

or e-mail us at:

lclb.lclb@gov.bc.ca

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.

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’s 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 landed immigrants 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 either that they have not been charged or convicted of a crime, or providing details of any past charges, convictions or sentences. In addition, landed immigrants who have been in Canada less than five years must attach a copy of their “Record of Landing” (Form IM1000, 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. The agency 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 if 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 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 4: Sample Buy-Sell Agreement

Liquor Control and Licensing Form LCLB 300



Ministry of
Housing and
Social Development

Buy-Sell Agreement BETWEEN

Parties: _____ and _____
 Liquor Manufacturer/Agent Licensee
(licence name as shown on face of licence) *(licence name as shown on face of licence)*

_____ and _____
 Liquor Manufacturer/Agent Licence Number Licensee Licence Number

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

Duration *(must not exceed 36 months):*

Start Date: _____ End Date: _____

Terms Agreed to by Licensee:

1. _____ hereby agrees to:
 Licensee

A. Purchase or order over the duration period:

Product Name	UPC	Size	Quantity/Volume

B. Placement of promotional items, product displays, point-of-sale or similar material:

_____ over the duration period.

Terms Agreed to by Liquor Manufacturer/Agent:

2. In return for the considerations noted above _____ agrees to:
 Liquor Manufacturer/Agent

A. Provide (promotional items such as mirrors, ceramic draft beer towers, menu boards, patio umbrellas, or T-shirts, hats, etc):

 _____ RETAIL VALUE: \$ _____

B. Conduct (theme night, manufacturer's dinner, or non-LDB approved contest):

 _____ RETAIL VALUE: \$ _____

APPENDIX 5: 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:

Lined area for notes, containing 30 horizontal lines.



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