

LCBO

LCBO Wholesale Supply and Delivery Procedures Manual

Version 1.1 May 2026

Welcome!

Ontario's beverage alcohol marketplace continues to evolve with significant expansion and regulatory changes aimed at increasing consumer choice and convenience. The LCBO is transforming and scaling our wholesale business and strengthening the foundation of our IT infrastructure, systems and business processes to respond to the evolving needs of Ontario's marketplace.

As of April 1, 2026, the LCBO is the exclusive wholesaler of beverage alcohol to thousands of points of sale, including grocery, convenience, hospitality licensees, LCBO Convenience Outlets, and duty-free stores. Recognizing its critical role, LCBO is prioritizing efforts to build up capabilities and capacity to serve an expanded business-to-business (B2B) channel.

Marketplace changes and the new system creates more opportunities to partner with LCBO and bring more products to Ontario consumers. LCBO continues to work with and support our valued trade partners through this transformation and is focused on creating new opportunities in Ontario's beverage alcohol marketplace.

The LCBO Wholesale Supply and Delivery Procedures Manual sets out requirements for suppliers and agents who wish to list and distribute their products to LCBO wholesale customers. It is designed to provide the information you need to understand your obligations and explain how the marketplace operates in Ontario with LCBO, wholesale customers, suppliers and agents all having an important role to play. In addition, those who are eligible and approved for LCBO's Supplying Source Program and have entered into a Service Level Agreement with the LCBO, must comply with the applicable requirements in this manual, pursuant to the Service Level Agreement. The LCBO has prepared this manual to help you understand who to contact to help serve your needs and what to expect in terms of getting eligible products registered for sale to LCBO wholesale customers, wholesale pricing and fulfillment and delivery of orders to wholesale customers. This manual does not modify any of the content available at www.doingbusinesswithlcbo.com but sets out unique policies and procedures applicable to the sale of eligible products to wholesale customers.

Suppliers and agents must comply with the requirements of all applicable laws and regulations and carry on business in compliance with the standards prevailing in the industry. They must also comply with all applicable LCBO policies and procedures, as provided from time to time by the LCBO and adhere to the LCBO's Supplier Code of Business Conduct which is available at www.doingbusinesswithlcbo.com.

The LCBO in collaboration with wholesale market stakeholders, will be continually streamlining and evolving its processes and systems. Detailed and up-to-date information on specific programs, deadlines and the use of various web-based systems can be found on our trade website www.doingbusinesswithlcbo.com.

Please note that the applicable requirements in Ontario Regulation 746/21 (Licensing), Ontario Regulation 750/21 (Minimum Pricing of Liquor and Other Pricing Matters), and Ontario Regulation 745/21 (General) (collectively, "the Regulations") made under the Liquor Licence and Control Act, 2019 ("the LLCA") are set out in this manual for ease of reference. In the event of a conflict or inconsistency, the provisions of the Regulations will prevail over this manual.

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SECTION 1

INTRODUCTION

INTRODUCTION

The LCBO is the exclusive wholesaler of beverage alcohol to thousands of points of sale, including grocery, convenience, hospitality licensees, LCBO Convenience Outlets, and duty-free stores. We very much consider ourselves a conduit to opportunity by facilitating product registration, ordering, fulfillment and delivery that helps suppliers and agents of eligible products and wholesale customers pursue retail market sales for beverage alcohol products in Ontario. We help ensure a wide assortment of products make their way to Ontario consumers in a safe and responsible manner and we are committed to working collaboratively with all of our partners to do so.

LCBO Wholesale Supply and Delivery Procedures Manual

The Wholesale Supply and Delivery Procedures Manual provides suppliers and agents with the basic information required to conduct wholesale business with LCBO.

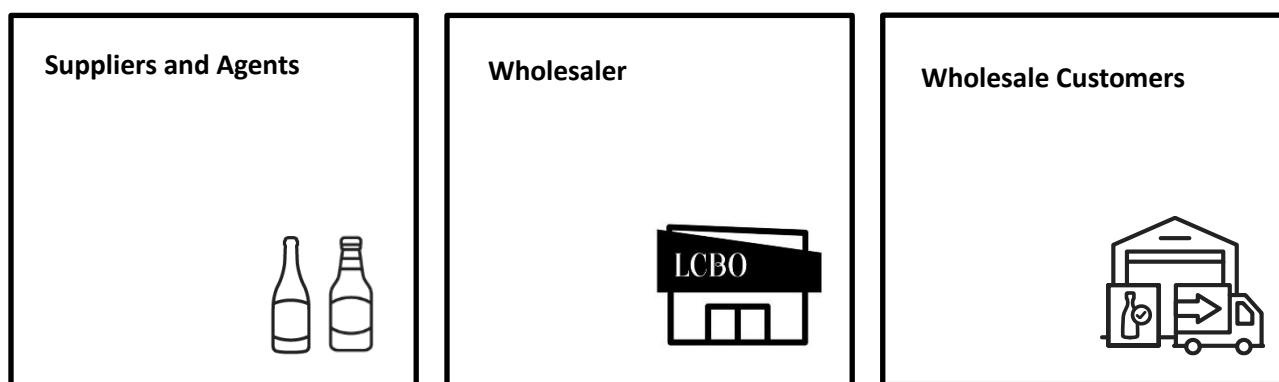
Communication/Notice of Change

Notice of any significant change in policy and/or procedures contained in this document will be communicated in advance.

ROLES AND RESPONSIBILITIES

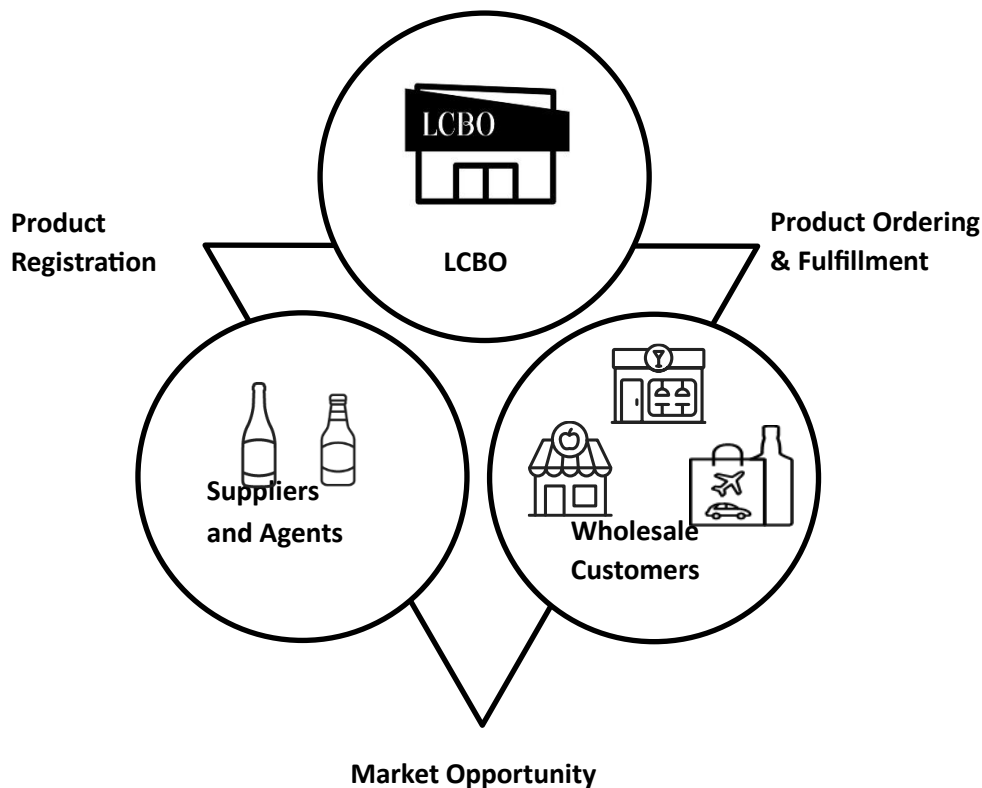
The Marketplace

The Ontario retail and hospitality marketplace comprises of interconnected relationships between the LCBO for wholesale operations, wholesale customers, and suppliers and agents of eligible products as a source of supply to the marketplace.



The Working Relationships

The basis of how the LCBO, wholesale customers and suppliers and agents of beverage alcohol connect and activate their business relationships is illustrated below. The core activity between LCBO and wholesale customers centers on ensuring a smooth-running product ordering and fulfillment process is established. To enable that, the LCBO provides suppliers and agents with the ability to register eligible products for purchase by wholesale customers. In addition, eligible suppliers can be approved by the LCBO as a supplying source and enter into a Service Level Agreement as a requirement of the Supplying Source Program. Supplying sources can fulfill and deliver orders of eligible products to wholesale customers. In turn, wholesale customers, suppliers and agents can maximize their shared market opportunities through constructive and ongoing working relationships focusing on products and sales opportunities.



It is important for suppliers and agents to build healthy working relationships directly with wholesale customers to maximize market opportunities. The LCBO is not party to go-to-market sales plans; those are to be pursued and developed directly between suppliers, agents and wholesale customers. In addition to development of sales and marketing plans, suppliers, agents and wholesale customers have direct control over the sharing of information related to forecasting and inventory reporting.

WHOLESALER OF RECORD

LCBO is the exclusive wholesaler of record for alcohol in Ontario. All wholesale customer purchases go through the LCBO or an authorized entity who facilitates sales on LCBO's behalf. Wholesale customers have different options to purchase eligible alcohol products depending on their licence or authorization.

| Wholesale Customer Group | LCBO | | LCBO Authorized Entity (The Beer Store) | |
|-------------------------------|--------|---------------|--|----------------|
| | Online | Shop in Store | Online | Cash and Carry |
| Convenience | ✓ | | | ✓ |
| Duty Free | ✓ | | | |
| Grocery | ✓ | | | |
| Hospitality Licensee | ✓ | ✓ | ✓ | ✓ |
| LCBO Convenience Outlet (LCO) | ✓ | | | |

The Beer Store

The Beer Store (TBS) plays a unique role in the wholesale marketplace and is authorized to facilitate sales to some wholesale customers on LCBO's behalf. As per the Early Implementation Agreement, the LCBO has enabled cash and carry for both hospitality licensees and convenience retailers to December 31, 2030. The eligible products sold to convenience retailers and hospitality licensees by TBS must be registered with LCBO and listed on the eligible product catalogues for these wholesale customers groups. LCBO is responsible for administering wholesale pricing and communicating wholesale prices and eligible products to TBS.

SUPPLYING SOURCE PROGRAM

As the exclusive wholesaler, the LCBO has developed system functionality in its online ordering system that allows for product registration for wholesale by suppliers and agents and drop shipping of orders by approved supplying sources. This means that an approved supplying source fulfills and delivers wholesale customer orders for registered eligible products placed on LCBO's ordering system. Supplying sources include Domestic manufacturers, authorized agents, and entity authorized by LCBO (e.g., TBS). If the product is supplied by a supplying source and not the LCBO, the supplying source of each product is identified in the eligible product catalogue so that wholesale customers have visibility as to who is fulfilling and delivering their orders. Wholesale customers place orders with LCBO, and one or more supplying sources may fulfill and deliver the order themselves or using third-party logistics companies.

Domestic manufacturers, authorized agents and any entity that is authorized by the LCBO and permitted under the LLCA to facilitate sales on LCBO's behalf, are eligible to participate in the Supplying Source Program. In order to participate, the eligible party must: (a) complete onboarding and registration as a supplying source with the LCBO in accordance with LCBO policies and procedures as set out in this manual; (b) provide proof of required insurance coverages upon the request of the LCBO; and (c) enter into and agree to the terms of the LCBO's Service Level Agreement.

The terms and conditions of the LCBO's Service Level Agreement include, but are not limited to, the following:

- Compliance with this LCBO Wholesale Supply and Delivery Procedures Manual
- Obligations for eligible product listing and delisting policy for wholesale
- Order management, shipping, delivery and insurance requirements
- Obligations with respect to product quality complaints, product recalls and product traceability
- Permitted delivery related services fees for shipments to wholesale customers
- Penalties for non-compliance in accordance with the Supplying Source Program Non-Compliance Fee Schedule
- Compliance with all applicable legislation, LCBO Supplier Code of Conduct, LCBO Purchase Order Terms & Conditions, and all related LCBO policies and procedures

Suppliers and agents can choose to have wholesale customer orders for its eligible products fulfilled and delivered by TBS under the Supplying Source Program.

Any eligible wholesale products must be registered with the LCBO by the Domestic manufacturer or before they are available for purchase by a wholesale customer via the eligible product catalogue.

Domestic Manufacturer

A Domestic manufacturer of alcohol is a person or business that is licensed under a Canadian provincial or territorial regulatory authority to store and sell beverage alcohol products. In Ontario the Alcohol and Gaming Commission of Ontario (AGCO) is the regulatory agency that licenses manufacturers of beverage alcohol.

Agent

An agent is a Manufacturer's Representative that has been licensed by the AGCO and is an individual or company authorized to act on behalf of a beverage alcohol manufacturer.

Agents may only canvas for, receive, take or solicit an order for the sale of eligible products on behalf on a manufacturer but cannot sell eligible products to wholesale customers. Agents can be in contact with wholesale customers as part of their ongoing business relationships with manufacturers related to sales, marketing, product strategies and plans.

Authorized Agent

An authorized agent is an agent that has been authorized by the LCBO to participate in the Supplying Source Program. More information on how to become an authorized agent will be communicated by LCBO in the coming months.

SPECIFIC RESPONSIBILITIES

LCBO Responsibilities:

1. Exclusive wholesaler of all eligible beverage alcohol products to wholesale customers in the Province of Ontario.
2. Reviews and approves Supplying Source Program participants entering into the Service Level Agreement with LCBO.
3. Responsible for registering all eligible products made available to wholesale customers by suppliers and agents.
4. Responsible for ongoing administration and maintenance of the eligible product catalogue for wholesale customers, receiving wholesale customer orders and coordinating fulfillment and delivery.
5. Responsible for receiving payment from wholesale customers.
6. Responsible for providing payment to supplying sources for eligible products purchased by wholesale customers.
7. Responsible for administering and communicating wholesale pricing to wholesale customers and The Beer Store.
8. Responsible for processing wholesale customer claims.
9. Responsible for issuing product recall notices to wholesale customers.

Suppliers and/or Agents of Eligible Products Responsibilities:

1. Responsible for adhering to the LCBO's Supplier Code of Business Conduct.
2. Responsible for adhering to the LCBO Wholesale Supply and Delivery Procedures Manual.
3. Responsible for adhering to the LCBO Purchase Order Terms and Conditions where applicable.
4. Responsible for adhering to the LCBO's Service Level Agreement for the Supplying Source Program, if applicable.
5. Registering with LCBO all eligible products available to wholesale customers.
6. Responsible for pursuing sales and marketing business relationships and opportunities directly with wholesale customers.
7. Responsible for manufacturing quality products that are compliant with all applicable legislation and LCBO standards for product composition, labelling packaging and shipping.
8. Responsible for informing the LCBO in advance of any product changes in manufacturing location, composition, labelling or packaging or change in agent representation.
9. Responsible for informing the LCBO promptly of any product deficiencies that may require a product withdrawal or recall from the market. In the event that a product withdrawal or recall from

the market is required, the supplier or agent is responsible for following all regulatory and LCBO requirements for the execution of a product recall and ensuring appropriate corrective action has been taken to address the product deficiency.

10. Responsible for maintaining adequate product traceability records, compliant with regulations and LCBO standards for product traceability and supplying these records to LCBO upon request.

Wholesale Customer Responsibilities:

1. Responsible for complying with all applicable legislation for the sale of eligible beverage alcohol products.
2. Responsible for complying with the terms and conditions of their Master Supply Agreement with the LCBO and/or applicable authorization issued by LCBO.
3. Responsible for adhering to the applicable LCBO wholesale customer manual.
4. Responsible for placing all beverage alcohol orders with the LCBO's online order management system or with LCBO authorized entities only.
5. Responsible for all purchasing decisions on brand and quantity of eligible beverage alcohol products ordered from LCBO for final sale by the wholesale customer.
6. Responsible for choosing product assortment.
7. Responsible for paying the LCBO for eligible products ordered through the LCBO's online order management system. Responsible for paying invoices for delivery related service fees issued by supplying sources, if applicable.
8. Responsible for disposing of any defective product in an environmentally responsible manner, compliant with all applicable federal, provincial and/or municipal legislation.

LCBO WHOLESALE SERVICES

To fully support suppliers, agents, and wholesale customers, the LCBO has a dedicated Wholesale Services department comprising of all the most important functional roles related to facilitating wholesale operations.

Wholesale Services

Responsible for wholesale general administration, customer onboarding, account inquiries, order processing, claims and returns processing and managing the Supplying Source Program.

| | |
|---------------------------------------|--|
| Convenience | groceryandconvenience@lcbo.com |
| Duty Free | dutyfree@lcbo.com |
| Grocery | lcbogroceryoperations@lcbo.com |
| Hospitality | licensee@lcbo.com |
| LCBO Convenience Outlets - LCO | ConvenienceOutlets@lcbo.com |

Account Management

Responsible for establishing and building productive working relationships and delivering value-added services to wholesale customers. The account management team supports wholesale customers' business objectives including sales targets.

Eligible Product Catalogue Registration and Administration

Responsible for overall administration of the eligible product catalogue. Team responsibilities include working with suppliers and agents, administering product information details and applying product updates.

Wholesale Pricing Administration and Communication

Responsible for overall administration of wholesale pricing for all wholesale customers. LCBO is responsible for communication wholesale pricing to all wholesale customers. LCBO is also responsible for communication of wholesale pricing to The Beer Store for the purpose of facilitating beer sales to convenience retailers and hospitality licensees.

Inventory Management

Responsible for logistics related to orders placed via the LCBO including transfer of information to supplying sources, coordination of delivery information and for orders shipped from LCBO warehouses and receiving wholesale customer demand forecasts.

Financial Administration

Responsible for issuing invoices to wholesale customers, processing payments to supplying sources for orders shipped to wholesale customers, resolving any discrepancies between wholesale customers receipts and shipments from supplying sources, and processing debit/credit notes related to claims, returns and product quality issues.

Doing Business with LCBO Website

The LCBO has established a website specifically for trade partners and wholesale customers. It is designed to provide the most up-to-date information as well as access to web-based systems used to conduct business with the LCBO.

The website serves as the primary form of communication between LCBO and trade partners. We strongly encourage all suppliers and agents who conduct business with the LCBO, to review [LCBO Wholesale | Doing Business with LCBO](#) regularly, as it is updated often and contains the most up-to-date version of this manual, forms, program information, planning tools, and other business information.

SECTION 2

ELIGIBLE PRODUCTS

ELIGIBLE PRODUCTS FOR WHOLESALE CUSTOMERS

The LCBO offers a dynamic assortment of beer, cider, ready-to-drink (RTD) beverages, spirit and wine products for purchase by wholesale customers. Suppliers apply to product calls and if accepted by the LCBO, may opt-in to channel specific catalogues. All customers within the channel can order the product from the catalogue.

The eligible alcohol products a wholesale customer can sell varies based on licence or authorization type. The chart below provides a summary of the eligible products the LCBO makes available to each wholesale customer group:

| Wholesale Customer Group | Beer | Cider | RTD | Spirits | Wine |
|--|------|-------|-----|---------|------|
| Convenience | ✓ | ✓ | ✓ | | ✓ |
| Duty Free | ✓ | ✓ | ✓ | ✓ | ✓ |
| Grocery ¹ | ✓ | ✓ | ✓ | | ✓ |
| Grocery ² a) With Wine Boutique Sales Agent Endorsement; or b) Section 86(4) of O.Reg. 746/16 Licensing applier | ✓ | ✓ | ✓ | | |
| Grocery ³ Offsite Winery Retail Store with a Wine Boutique Endorsement | | | | | ✓ |
| Hospitality Licensee | ✓ | ✓ | ✓ | ✓ | ✓ |
| LCBO Convenience Outlet (LCO) | ✓ | ✓ | ✓ | ✓ | ✓ |

Note:

¹Eligible products for purchase from LCBO include beer, cider, RTD and wine as per O. Reg 746/21 Licensing

²Eligible products for purchase from LCBO include beer, cider and RTD as per O. Reg 746/21 Licensing

³Eligible products for purchase from LCBO include non-owner VQA wine only

Products made available to convenience and grocery customers must also meet the product eligibility and product display requirements pursuant to the Regulations and as set out in this manual.

LCBO has established five (5) product categories: beer, cider, ready-to-drink, wine and spirits for the purposes of identification and wholesale pricing:



International Domestic Blend (IDB) products submitted into this call must adhere to Ontario’s standard and contain a minimum of 25 per cent provincial grape content.

“Bottled in Canada” products are not permitted.

ELIGIBLE PRODUCT DEFINITIONS - CONVENIENCE & GROCERY

Alcohol products eligible for sale by convenience and grocery retailers and Offsite Winery Retail Stores with a Wine Boutique Endorsement are identified in O. Reg 746/21 Licensing. The summary below is provided for information purposes and does not change or amend any requirements of the Regulations. Suppliers and agents should review the Regulations carefully and ensure they become aware of any amendments or changes as required.

Beer, Cider and Ready-to-Drink (RTD) Beverages

- The Licence holder must not sell or offer to sell beer, cider, or RTD beverages in containers having a volume more than five (5) litres.
- The Licence holder must not sell or offer to sell beer, cider, or RTD beverages if the total alcohol content of the product exceeds 7.1 per cent by volume.
- The Licence holder must sell units of beer, cider and RTD beverages in the format it was purchased.
- The Licence holder must not sell or offer to sell a brand of beer, cider, or RTD beverages if the licensee or any of its affiliates has a direct or indirect financial interest in the brand or a trademark under which the product is marketed.

Wine

- The Licence holder must not sell or offer to sell wine in containers with a volume of more than five (5) litres.
- The Licence holder must not sell or offer to sell wine with alcohol content greater than 18 per cent by volume.
- The Licence holder must sell units of wine in the format it was purchased.
- The Licence holder must not sell or offer to sell a brand of wine if the licensee or any of its affiliates has direct or indirect financial interest in the brand or a trademark under which the wine is marketed.

Wine: Wine Boutique Endorsement

- The Licence holder must not sell or offer to sell wine with alcohol content greater than 18 per cent by volume.
- The Licence holder must not sell or offer ready-to-drink (RTD) beverages.
- The Licence holder must not sell or offer to sell cider with an alcohol content greater than 7.1 per cent by volume.

PRODUCT DISPLAY REQUIREMENTS – CONVENIENCE & GROCERY

O. Reg 746/21 Licensing stipulates a number of product display requirements for specific convenience and grocery retailers and Offsite Winery Retail Stores with a Wine Boutique Endorsement. It is the retailer's responsibility to meet these display requirements. The eligible product catalogue provides identifying product attributes to assist in meeting these statutory display requirements. It is the responsibility for the supplier and/or agent to identify and provide the product attributes as requested during product registration with LCBO. Annually at the start of each fiscal year, the LCBO will confirm with all suppliers and agents that eligible products continue to satisfy the display requirements convenience and grocery retailers.

Beer

- Minimum 20% of the containers of beer on display to consumers is beer produced by **small breweries**.
- Beer manufacturers are required to self-identify as small manufacturer at the time of product listing in New Item Submission System (NISS).
- A small brewer is defined as one with less than 400,000 hectolitres annual worldwide production of beer.

Cider

- Minimum 20% of the containers of cider on display to consumers is cider produced by **small cideries**.
- Cider manufacturers are required to self-identify as small manufacturer at the time of product listing in New Item Submission System (NISS).
- A small cidery is defined as one with less than 25,000 hectolitres of annual worldwide production of cider.

Ready-to-drink (RTD) beverages

- Minimum 20% of the containers of ready-to-drink on display to consumers is product by **small breweries, small wineries, or small distillers**.
- Ready-to-drink (RTD) manufacturers are required to self-identify as small manufacturer at the time of product listing in New Item Submission System (NISS).
- A small brewer is defined as one with less than 400,000 hectolitres annual worldwide production of beer.
- A small winery is defined as one whose worldwide annual sales did not exceed 375,000 litres of wine.
- A small distillery is defined as one whose worldwide annual sales did not exceed 2 million litres of spirit.

Wine

- Minimum of 10% of the containers of wine (excluding cider) on display in the store must contain wine manufactured by **small wineries**.
- At least 40% of the containers of wine (excluding cider) on display contains wine produced using grapes from a single country and where at least one of the following applies:
 - The wine is **quality assurance wine**
 - The wine was produced by a **small winery**
 - The **country** where the grapes were grown produces, in the aggregate, less than 150 million litres of wine annually from grapes grown in that country

A small wine manufacturer must submit proof of small winery status with the product submission as per the Wine Catalogue Committee requirements detailed in the next section. A small winery is one whose worldwide annual sales did not exceed 375,000 litres of wine. Wine products must meet specific product parameters based on type of wine, size of winery and country production limits to be eligible for and to meet the 40% display requirements. Refer to the Regulations for specific product parameters required under each licence.

To identify as a **small** brewer, cidery, winery, or distiller a document issued by a government body or independent auditor must accompany the product submission. Acceptable documents to identify a product as **Quality Assurance Wine** must be issued by an Appellation Regime Governing Body. To identify as a **country** production level of less than 150 million litres of wine annually, a document issued by a government body or independent auditor must accompany the product submission (see chart).

| Requirement | Document Issued by | | |
|--------------------------------|------------------------|---------------------|-----------------------------------|
| | Government Institution | Independent Auditor | Appellation Regime Governing Body |
| Producer Size | ✓ | ✓ | |
| Quality Assurance (wine only) | | | ✓ |
| Country Production (wine only) | ✓ | ✓ | |

Upon review, the LCBO will notify suppliers and /or agents in writing (either by email or NISS notification) as to the assessment of the submission. Suppliers/agents who do not agree with the results of the assessment can apply to the LCBO for a reconsideration of the decision. Requests for reconsideration must be received in writing within thirty (30) days of the receipt of this notice, and must include:

- The name and LCBO number of the product(s) for which reconsideration is sought;
- Reasons for requesting a reconsideration;
- Any additional documentation to support the request for reconsideration; and,
- All of the material originally submitted in the initial application.

Requests and supporting materials may be sent to wholesalecatalogue@lcbo.com with “Product Display Consideration” in the subject line, or mailed to:

LCBO Wholesale Services
Attention: Product Display Consideration
100 Queens Quay East, 9th Floor
Toronto, ON M5E 0C7

Decisions of the LCBO may be appealed to the LCBO’s Listings Appeal Committee provided that the supplier/agent has exhausted its right to seek reconsideration. Appeals must be requested in writing thirty (30) days from the day the reconsideration decision is received or deemed to have been received by the supplier/agent.

An appeal to the Listings Appeal Committee shall be made by the unsuccessful applicant in writing and shall state the reasons for requesting an appeal. The appeal shall include all of the material that was submitted to the LCBO for consideration on the original application, and such additional evidence as the unsuccessful applicant believes to be relevant.

Requests and supporting materials may be sent to wholesalecatalogue@lcbo.com with “Wholesale Catalogue Listing Appeal” in the subject line, or mailed to:

LCBO Wholesale Services
Attention: Wholesale Catalogue Listing Appeal
100 Queens Quay East, 9th Floor
Toronto, ON M5E 0C7

SECTION 3

ELIGIBLE PRODUCT CATALOGUE AND PRODUCT REGISTRATION

ELIGIBLE PRODUCT CATALOGUE

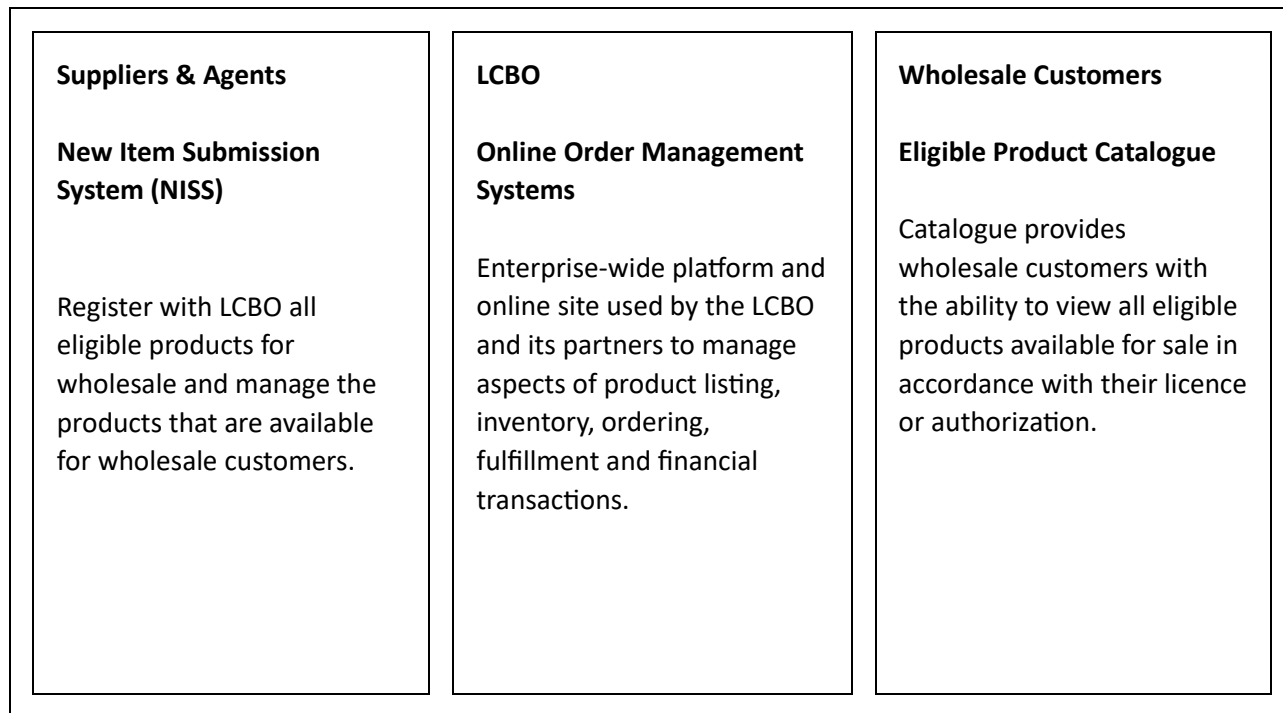
The LCBO has designed a system that connects the products that a supplier and/or agent wants to list for sale with a product catalogue functionality used by wholesale customers to purchase eligible alcohol products. Suppliers and agents must register all eligible products with LCBO in order for the product to be available to wholesale customers.

This system facilitates the following functions:

1. Suppliers and agents register eligible products to be listed for wholesale through LCBO's New Item Submission System (NISS).
2. Wholesale customers can view available products and place their orders via a catalogue of eligible products for their wholesale customer group.
3. All eligible products are to be made available to all customers in the wholesale customer group which was chosen to make the product available, no exclusive products, nor private label brands.

| Wholesale Customer Group | Product Catalogue | | |
|-------------------------------|-------------------|---|--|
| Convenience | Convenience | | |
| Duty Free | Duty Free | Duty Free Pearson | |
| Grocery | Grocery | Grocery: a) With Wine Boutique Sales Agent Endorsement; or b) Where section 86(4) of O.Reg 746/16 Licensing applies | Offsite Winery Retail Store with a Wine Boutique Endorsement |
| Hospitality Licensee | Hospitality | | |
| LCBO Convenience Outlet (LCO) | LCO North | LCO South | |

All products are presented fairly and uniformly across all wholesale customers, according to the standardized product details provided in NISS. The following illustration demonstrates how this system coordinates the registration and ordering of products.



Eligible Product Catalogue Details

The eligible product catalogue is accessed by wholesale customers via LCBO's online order management system and is available for download on Doing Business with LCBO website.

- Eligible products contained and presented in the catalogue will include information on item details, operational attributes (including supplying source) and wholesale pricing.
- The catalogue contains eligible products that suppliers and agents have chosen to make available for sale to wholesale customer groups and are registered with LCBO through the product listing process.
- The catalogue identifies product attributes to assist convenience and grocery retailers in meeting regulatory display requirements.
- The product catalogue is updated daily.
- The product specifications in the catalogue are reflective of what is provided in NISS at the time of product registration. It is the responsibility of the supplier/agent to provide the LCBO with accurate and complete product information to maximize data integrity.

PRODUCT REGISTRATION

All eligible products available to wholesale customers must be registered with the LCBO and available on the eligible product catalogue for the specific wholesale customer group. The LCBO's New Item Submission System (NISS) is used to register eligible products for wholesale. To register for NISS, visit [New Item Submission System \(NISS\) | Doing Business with LCBO](#).

All eligible products available to wholesale customers must complete the product listing process prior to inclusion on the eligible product catalogue. The chart below illustrates the product submission and registration process.

| 1 | 2 | 3 | 4 | 5 |
|---|---|---------------------------------------|--|--|
| Product Submission | Submission Review | Product Set-up | Compliance Review | Wholesale Pricing and Activation |
| Supplier or Agent | LCBO | | | |
| Applies for access to NISS (New Item Submission System) | Reviews submission for accuracy and eligibility | Sets up new supplier | Label and shipping carton review including UPC and SCC confirmation. | Final lab analysis passed Wholesale pricing completed |
| Enters product submission in NISS wholesale product call with complete and accurate information | Accepts submission to proceed | Assigns an LCBO SKU/item # to product | Certificates, product case quote for pricing, and date coding | Activates product and adds to eligible product catalogue |
| Completes the Expanded Product Detail Form and submits | | Completes product set up | Requests final lab sample | Product is available to wholesale customers |

PRODUCT CALLS

Product registration begins with submitting eligible products to a product call in NISS. There are product calls in NISS by product category, beer, cider, wine, spirits and ready-to-drink beverages, and channel, retail and wholesale. Suppliers and agents decide which products and which product calls to apply to in NISS. If the product is accepted by the LCBO, the supplier/agent may opt-in to wholesale customer group specific catalogues during product listing.

Eligible Domestic Products

Eligible domestic products are submitted to the appropriate product category product call to make Canadian products available for wholesale customers.

| | New Products | Current Products | Fulfillment |
|--|--|--|----------------------------------|
| Eligible domestic beer, cider, wine, spirits and RTD | <p>1. Opt-in to wholesale customer catalogues during product listing.</p> <p>2. Open product calls exclusively for wholesale channel</p> | Apply to wholesale product call in NISS for applicable product category. Opt-in to wholesale customer catalogues during product listing. | LCBO or supplying source program |

New Eligible Domestic Products

Suppliers and agents with new eligible products that have been accepted by LCBO for the retail channel can opt in to wholesale customer catalogues. As part of the product listing process, the Expanded Product Detail Form will provide the opportunity to select which wholesale customer group(s) the product will be available to. When the listing process is complete, the product will be added to the selected wholesale customer group eligible product catalogue.

Current Eligible Domestic Products

A product call for currently listed eligible domestic products is available in NISS for all product categories. This product call is for a product that exists or was previously available (for example a seasonal product) and the supplier or agent wishes to make available to wholesale customers. When completing the Expanded Product Detail Form select the wholesale customer group(s) the product will be available to.

- **Fulfillment Method** During the listing process, suppliers/agents determine the fulfillment method by wholesale customer group for eligible domestic products. There are two options, LCBO supplied, or the Supplying Source Program: LCBO: The LCBO warehouse distribution system is available to distribute to wholesale customers:
 - Eligible Ontario products that are available in the LCBO warehouse the wholesale customer is assigned to;
 - Any eligible Ontario product a supplier or agent has elected, and the LCBO has agreed to fulfill and deliver.

This is referred to as LCBO supplied product. A six (6) month sales forecast for the wholesale channel is required in NISS for LCBO supplied product.

- **Supplying Source Program:** An approved supplying source can fulfill and deliver wholesale customer orders:
 - Supplier/agent indicates supplying source of the product during the listing process
 - Eligible domestic products manufactured outside of Ontario submitted and registered through the open calls process for wholesale are only available to be delivered to wholesale customers through the Supplying Source Program and the Domestic manufacturer will be onboarded as a supplying source.

Delivery flexibility is available to Ontario manufacturers making eligible products available to wholesale customers. Ontario manufacturers can work with the LCBO or The Beer Store to come to agreed upon options to manage some or all fulfillment and delivery for each product, by region, by wholesale customer group. At the time of product registration Ontario manufacturers will be required to provide this information when completing the Expanded Product Detail Form as part of the listing process.

| Product (SKU) | Customer Group | Region | Fulfillment |
|---------------|---|--|--|
| 12345 | Convenience Duty Free Grocery Hospitality Licensee LCBO Convenience Outlet | Central East Southwest Northeast Northwest | LCBO Manufacturer The Beer Store |

Fulfillment options are LCBO or Supplying Source including by the manufacturer or The Beer Store. The LCBO has established five (5) regions within Ontario. The delivery regions are available at [FSA Guide for Delivery Regions | Doing Business with LCBO](#).

Eligible Import Products

Suppliers and agents of import products can apply to have eligible products available to wholesale customers.

| | New Products | Current Products | Fulfillment |
|--|--|--|-------------|
| Eligible imported beer, cider, wine, spirits and RTD | 1. Opt-in to wholesale customer catalogues during product listing. 2. Open product calls for Wholesale channel will be issued June 29, 2026 | Apply to wholesale product call in NISS for applicable product category. Opt-in to wholesale customer catalogues during product listing. | LCBO |

New Eligible Import Products

Suppliers and agents with new eligible products that have been accepted by LCBO for the retail channel can opt in to wholesale customer catalogues. As part of the product listing process, the Expanded Product Detail Form will provide the opportunity to select which wholesale customer group(s) the product will be available to. When the listing process is complete, the product will be added to the selected wholesale customer group eligible product catalogue. Suppliers and agents must include their six (6) month sales forecast in cases for the wholesale channel in NISS. Only the LCBO can supply wholesale customers with imported products; this is referred to as LCBO supplied product to wholesale customers.¹ Effective June 29, 2026, the LCBO will issue open import product calls exclusively for wholesale for all product categories. Suppliers and agents can submit eligible products into NISS.

Current Import Products

A product call for currently listed eligible imported products is available in NISS for all product categories. This product call is for a product that exists or was previously available (for example a seasonal product) and the supplier or agent wishes to make available to wholesale customers. When completing the Expanded Product Detail Form select the wholesale customer group(s) the product will be available to. A six (6) month sales forecast in cases for the wholesale channel is required in NISS.

Only the LCBO can supply wholesale customers with imported products; this is referred to as LCBO supplied product to wholesale customers.²

¹ The exception are hospitality licensees and convenience store operators that can purchase imported beer products at TBS retail stores as authorized by the LCBO

² The exception are hospitality licensees and convenience store operators that can purchase imported beer products at TBS retail stores as authorized by the LCBO

Key points related to eligible products registered by suppliers or agents:

- The product must meet category definitions which relates to eligibility requirements under regulations (for example product category, ABV, package size, etc.) and pricing treatment for the wholesale customer group to be accepted in NISS.
- When applying to NISS product calls, ensure product detail and information is complete and accurate. Incomplete submissions will not be processed.
- Self-identification of producer size is required at the time of product registration. Eligible products from small producers will be identified in the product catalogue and will meet the regulatory shelf display requirements for convenience and grocery retailers.
- Eligible wine products identifying as produced by a small winery, a Quality Assurance Wine or from a country with a production level less than 150 million litres wine annually are required to provide acceptable documentation if the product will be made available to convenience and grocery stores.
- Product packaging must be in compliance with LCBO Product Packaging Standards and Chemical Guidelines (based on federal and provincial requirements). Product labels must meet federal requirements as well as AGCO standards for advertising (i.e. brand, imagery, text and format).
- LCBO reviews supplier quote submission to ensure pricing rules are met.
- Once a product is available to wholesale customers, LCBO requires minimum two weeks notice for:
 - Changes to product specifications or attributes
 - Changes to UPC/SCC codes
- Notification of a change should be directed to the applicable Merchandising Category Administrator. The deadline for notifying the LCBO is Fridays at 4:00 pm for postings on Mondays to wholesale customers.

QUALITY ASSURANCE

Products listed for wholesale must be in compliance with LCBO's Product Packaging Standards and Chemical Guidelines, which are based on federal and provincial compositional labelling requirements. Additional information is available on [LCBO Quality Assurance | Doing Business with LCBO](#).

Failure to comply may result in product removal from the eligible product catalogue.

SOCIAL RESPONSIBILITY

The LCBO plays a role in ensuring all eligible beverage alcohol products available for sale in Ontario are screened for market appropriateness and adherence to social responsibility parameters. The LCBO's major framework for review (brand, imagery, text, and format) is based on AGCO's guidelines as they are enshrined in regulations. Should a product raise concern, the extent of the LCBO's review will be based on AGCO guideline requirements.






SECTION 4

WHOLESALE PRICING, PRODUCT PRICING, ADVERTISING AND PROMOTIONS

WHOLESALE PRICING

The wholesale price is determined by a cost-plus formula that adds taxes, mark-ups and fees to a supplier quote. Wholesale markups will apply across all wholesale customer groups, including grocery, convenience, hospitality licensees, LCOs, Duty Free, LCBO Retail, The Beer Store and beer sales made through the Direct Delivery Program. [Pricing | Doing Business with LCBO](#)

The LCBO has established five (5) product categories for pricing purposes: spirits, wine, ready-to-drink, cider and beer.

|  <p>Spirits</p> <p>0.5 to 7.1% ABV 7.2 to 18% ABV >18% ABV</p> |  <p>Wine</p> <p>0.5 to 7.1% ABV 7.2 to 18% ABV >18% ABV</p> |  <p>Ready-to-Drink (RTD)</p> <p>0.5 to 7.1% ABV 7.2 to 18% ABV >18% ABV</p> |  <p>Cider</p> <p>0.5 to 7.1% ABV 7.2 to 18% ABV >18% ABV</p> |  <p>Beer</p> <p>Manufacturer Microbrewer Draught Non-draught</p> |
|---|--|--|---|--|
|---|--|--|---|--|

For all product categories except beer, the wholesale markup categories are tiered by alcohol by volume (ABV) level that align more closely with federal and provincial taxes and the eligibility of products available to wholesale customers in the market.

For beer, the wholesale markup will be volumetric, with different rates for manufacturers and microbrewers, as well as by product category (draught and non-draught). A warehouse handling fee of \$2.17 per case will apply to suppliers for all beer that is handled by LCBO warehouses.

Uniform wholesale prices will apply to grocery stores, convenience stores, LCOs, LCBO retail and The Beer Store. For hospitality licensees, the same structure and rates apply with Brewers permitted to set a different price for beer for hospitality licensees, as stipulated in the Early Implementation Agreement.

Wholesale Price Administration and Communication

Wholesale pricing is communicated and administered by the LCBO. Wholesale customers can view the wholesale price for a product in LCBO's online order management system or in the product catalogue.

LCBO is responsible for communicating wholesale pricing to TBS for the purposes of facilitating shop in store sales to convenience retailers and hospitality licensees.

PRODUCT PRICING

Wholesale customers, except for LCBO Convenience Outlets (LCO), may establish their own consumer prices subject only to minimum pricing regulation. LCO operators are subject to LCBO uniform pricing application meaning that the price of any given item must be the same across all LCBO retail and all LCO locations.

Minimum Pricing

Beverage alcohol products sold by wholesale customers under various classes of licence and authorization must meet legislated requirements concerning minimum pricing. Minimum prices are the lowest retail prices at which beverage alcohol products can be sold to consumers.

It is the licensee's responsibility to abide by the minimum retail prices which can be found in the Regulations. Specifically:

- Minimum Pricing of Liquor and Other Pricing Matters Regulation (O. Reg. 750/21) which establishes the minimum retail price for other products; and,
- Licensing Regulation (O. Reg. 746/21), section 89 which established the minimum retail price for wine to be sold by a Convenience Store Licence or Grocery Store Licence under the LLCA.

Key points related to product pricing:

- Wholesale customers, except LCBO Convenience Outlets (LCOs), set their own retail prices subject to minimum retail prices and retail prices can vary across retailers.
- LCOs receive final retail prices as established by LCBO, which is uniform across all LCO operators and LCBO retail locations.
- Convenience and grocery retailers licenced to sell wine are subject to a specific floor price.
- Annually on April 1, the minimum retail prices for all alcohol categories will increase in accordance with Ontario Regulation 750/21 made under the Liquor Licence and Control Act, 2019 and may result in changes to retail prices.

PROMOTIONS

Limited Time Offers (LTO)s – LCBO Convenience Outlets (LCO)

As LCOs are subject to uniform pricing with LCBO retail they must participate in Limited Time Offers that are promoted in LCBO retail locations. LTOs for LCBO retail are managed by the LCBO through an application process and are funded by the supplier or agent. LCBO communicates to LCOs in advance all products on LTO including the amount and duration of the offer.

Advertising and Promotions

The AGCO sets requirements for liquor advertising, promotion, sampling and giving of liquor and sets prohibitions on inducements. The law regarding these matters is contained in the Liquor Licence and Control Act, its Regulations and the Registrar's Interim Standards and Requirements for Liquor (Interim Standards). All Suppliers and Agents must comply with these and all other applicable laws.

The AGCO also publishes "Advertising Guidelines", which are appended to the Interim Standards. The Interim Standards may be downloaded from their website or obtained from their offices. Please visit the AGCO's website, www.agco.on.ca to access the Interim Standards.

When advertising and/or promoting the sale of a product, the supplier and agent must comply with the provisions outlined in the appended Advertising Guidelines. Failure to do so may result in the LCBO discontinuing its purchase of a product.

Loyalty or Rewards Programs

Air Canada's Aeroplan loyalty program runs exclusively in LCBO retail stores and does not transfer to retailers or hospitality licensees. Should wholesale customers pursue their own loyalty or rewards marketing programs they are subject to Regulations.

Key points related to promotions, advertising and loyalty programs:

- Sampling product, either directly or indirectly with suppliers or agents is only permissible under the Grocery Licence. Operators licensed as a Convenience store are not permitted to sample product either directly or indirectly with suppliers or agents.
- No cross-promotions with other items are allowed in convenience or grocery retailers.
- Loyalty rewards can be earned and redeemed on purchases of eligible beverage alcohol products, but the rewards must be stable over time, meaning no special offers or bonuses can apply.
- Trade spending on sales and marketing is not permitted in grocery or convenience retailers as per the Regulation.

SECTION 5

WHOLESALE CUSTOMER ORDER FULFILLMENT BY LCBO

ORDER FULFILLMENT BY LCBO

For products supplied by LCBO, wholesale customers place orders online via LCBO's ordering system for delivery or pick up. Hospitality licensees also have the option to shop in LCBO retail stores for eligible products. LCBO supplies eligible domestic products including beer, cider, ready-to-drink beverages, spirits and wine. Eligible imported products are supplied exclusively by the LCBO³.

Minimum Order Quantity

LCBO sets reasonable minimum order quantities (MOQ) to fulfill wholesale customer orders. Minimum order quantities are communicated in advance to wholesale customers.

Lead Times

The typical time required from placing to receiving an order for LCBO supplied product is up to seven (7) days. The LCBO communicates an order and delivery schedule to wholesale customers. To ensure delivery within the lead time, orders must be placed by the time and date communicated from the LCBO.

Fulfillment, Delivery, Pick Up or Shop in Store

LCBO will fulfill wholesale customer orders a number of ways depending on the customer group and the quantity ordered.

- **Delivery:** Wholesale customer orders above MOQ will be fulfilled by LCBO's warehouses and delivered by LCBO's contracted carriers to the licensed or authorized location. LCBO's contracted carriers are responsible for loading products(s) on to the receiving door or inside the licensed or authorized locations. Delivery fees will apply and are communicated in advance to wholesale customers.
- **Pick Up:** Duty Free retailers and hospitality licensees can pick up their order from their assigned LCBO warehouse. Authorized convenience and grocery retailers can designate a third-party logistics partner to pick up their order from their assigned LCBO warehouse.
- **Pick Up In Store:** Convenience retailers ordering below MOQ and hospitality retailers can pick up their order at their LCBO retail location.
- **Shop In Store:** Hospitality licensees can shop in any LCBO retail store and purchase eligible products.

³ The exceptions are hospitality licensees and convenience stores operators that can purchase import beer at TBS retail stores as authorized by the LCBO.

Payment

The existing payment process and terms remain for products supplied by LCBO to wholesale customers. A warehouse handling fee of \$2.17 per case will apply to manufacturer and supplying sources for all beer that is handled by LCBO warehouses.

SECTION 6

SUPPLYING SOURCE PROGRAM AND WHOLESALE CUSTOMER ORDER FULFILLMENT BY SUPPLYING SOURCES

SUPPLYING SOURCE PROGRAM

The LCBO's Supplying Source Program enables Domestic manufacturers of beer, cider, wine, spirits and ready-to-drink beverages and authorized agents the opportunity to deliver orders of eligible products to wholesale customers. Approved participants in LCBO's Supplying Source Program can fulfill and deliver orders for eligible products to wholesale customers as per purchase orders issued by LCBO.

Registering as a Supplying Source – Domestic Manufacturer

To register as a supplying source to wholesale customers:

1. Identify at the time of product registration in NISS and on the Expanded Product Detail form eligible products are intended to be fulfilled by the Domestic manufacturer;
2. Enter into and agree to the terms of the Service Level Agreement with LCBO to be approved for LCBO's Supplying Source Program; and
3. Access LCBO Gateway to receive purchase orders, invoices and payments [LCBO Gateway | Doing Business with LCBO](#).

Ontario manufacturers who are currently registered as a supplying source with the LCBO will need to enter into and agree to the terms of the Service Level Agreement with LCBO to continue participation in the Supplying Source Program after June 1, 2026.

Key points related to eligible products fulfilled by supplying sources to wholesale customers:

- Changes to supplying source must be communicated to LCBO a minimum of four (4) weeks in advance by contacting wholesalecatalogue@lcbo.com.
- Regulations prohibit exclusivity to convenience and grocery retailers, and the Service Level Agreement requires adherence to the Regulations. Failure to comply may result in delisting an eligible product from the catalogue and/or a supplying source being unable to continue participating in the supplying program.

ORDER FULFILLMENT BY SUPPLYING SOURCE

For products supplied by supplying sources, wholesale customers place orders online via LCBO's ordering system for delivery to their location. Convenience retailers also have the option to pick up orders for TBS supplied products at their assigned TBS retail store.

Supplying sources can fulfill and deliver orders for eligible domestic products including beer, cider, ready-to-drink beverages, spirits and wine. The supplying source for each product is identified in the product catalogue for each wholesale customer group. LCBO maintains a list of supplying source contacts on [LCBO Wholesale | Doing Business with LCBO](#) for wholesale customers to reference.

LCBO will track order status and provide wholesale customer updates on their shipments originating from supplying sources.

This section does not apply to shop in store at The Beer Store retail locations for convenience retailers and hospitality licensees or Direct Delivery Program sales by authorized Ontario manufacturers.

Minimum Order Quantity

Supplying sources may require reasonable minimum order quantities (MOQ) to fulfill orders which is communicated to the wholesale customer on LCBO's ordering system.

Lead Times

The lead time from placing to receiving an order from a supplying source (other than TBS) is up to fourteen (14) days. The lead time required from placing to receiving an order from TBS is up to seven (7) days.

Fulfillment, Delivery and Pick Up In Store

Supplying sources will fulfill wholesale customer orders a number of ways depending on the customer group and the quantity ordered.

- **Delivery:** Wholesale customer orders will be fulfilled and delivered by the supplying source identified in the product catalogue or by a third party logistics provider, if applicable. Delivery related service fees may apply and will be communicated in advance to wholesale customers. Ontario manufacturers of wine, cider and RTD, excluding malt based, products who are supplying sources will receive a freight rebate in the amount of \$0.1567 per litre for shipments to convenience and grocery retailers.
- **Pick Up In Store:** This is only available to convenience retailers ordering domestic beer via LCBO's online ordering system where TBS is the supplying source. Convenience retailers ordering below MOQ can pick up their order at their assigned TBS retail location.

FULFILLMENT AND DELIVERY PROCESS

LCBO Purchase Orders

The LCBO will issue a purchase order to the applicable supplying source for all eligible alcohol products and identify ship to locations of wholesale customers. All LCBO purchase orders are subject to the LCBO's standard purchase order terms and conditions for alcohol products (“**Purchase Order Terms and Conditions**”) which are available online at [Purchase Order Terms and Conditions | Doing Business with LCBO](#).

The chart illustrates the steps along the ordering, fulfilment and delivery process by supplying source. They reflect detailed timing for the main stages of the process.

| FULFILLMENT BY SUPPLYING SOURCE | | |
|---|--|---|
| Supplying Source lead time is up to 14 days TBS lead time is up to 7 days | | |
| ORDERING (1-3 days) | | |
| Wholesale customers place order with LCBO via online ordering system | LCBO acknowledges receipt of order and sends order to supplying sources via LCBO Gateway or EDI | <ul style="list-style-type: none"> Supplying source acknowledges receipt of Purchase Order (PO) and accepts PO Terms and Conditions Supplying Source confirms PO by submitting shipping date and quantities LCBO sends information to wholesale customer |
| SHIPPING (2-10 days) | | |
| Order is picked and readied by supplying source | <ul style="list-style-type: none"> Supplying source provides ASN to LCBO via LCBO Gateway or EDI LCBO sends ASN to wholesale and issues receipt or invoice to wholesale customer | Order in transit to wholesale customer ship-to location (hospitality location, retail store location or distribution centre) |
| RECEIVING (1 day) | | |
| Order is delivered to wholesale customer and received. LCBO pays supplying source per payment process and terms | Supplying Source leaves invoice with wholesale customer for delivery related fees (if applicable) | <ul style="list-style-type: none"> Wholesale customer pays LCBO for product Wholesale customer pays Supplying Source for delivery related fees (if applicable) |

PROCESSING AN ORDER

As the exclusive wholesaler for all alcohol products sold to wholesale customers, the LCBO's order management system is used to process all wholesale customers orders fulfilled and delivered by supplying sources. Supplying sources will be notified via email when an order is received for their product and will use LCBO Gateway or EDI to process the order for fulfillment and delivery.

Supplying sources are required, as per LCBO Purchase Order Terms and Conditions and the Service Level Agreement, to complete three (3) mandatory steps following receipt of an LCBO purchase order for a wholesale customer:

1. Acknowledgement of purchase order,
2. Confirmation of purchase order, and
3. Prepare shipment and submit advance shipping notice (ASN)

This information is confirmed and sent to wholesale customers prior to delivery and assists in tracking shipments.

1. Acknowledgement of purchase order

Supplying sources are required to provide the LCBO with the purchase order acknowledgement within one (1) business day of receiving an order from LCBO. Supplying sources will use LCBO Gateway or EDI to acknowledge the purchase order and accept LCBO purchase order terms and conditions.

Supplying sources who are not able to fulfill an order are required to decline the purchase order in LCBO Gateway or EDI. It is strongly suggested the supplying sources decline the purchase order at this stage if it cannot be fulfilled, otherwise they will need to complete the next step in LCBO Gateway or via EDI.

2. Confirmation of purchase order

Confirmation of purchase is a critical step and must be completed in LCBO Gateway or via EDI within one (1) business day of receipt of a purchase order. At this stage supplying sources are required to confirm shipping quantities and the ship date. Confirmed quantities must be equal to or less than the original purchase order quantities. The ship date provided in the purchase order confirmation must be set as to ensure delivery of the order to the wholesale customer within fourteen (14) days of the supplying source's receipt of the purchase order. It is strongly suggested that the supplying source also provide the estimated delivery date to the wholesale customer for visibility and awareness.

Supplying sources can decline the purchase order if they are unable to fulfill and deliver the order to the wholesale customer.

3. Submit Advance Shipping Notice (ASN)

The ASN is completed after the order is picked and readied for shipment to ensure accuracy of the information. No later than 24 hours prior to delivery, the supplying source must submit the ASN in LCBO Gateway or via EDI. Once the ASN is submitted, the purchase order is frozen and no changes can be made.

Deliveries made to wholesale customer without notice to the LCBO may be refused by the wholesale customer. Supplying sources who do not enter ASN details within fourteen (14) days of receipt of an order will have the purchase order cancelled by LCBO.

Key summary points to note:

- Supplying sources ship as per the LCBO's purchase order.
- Supplying sources can ship in quantities less than or equal to the purchase order amount.
- Supplying sources will fulfill and deliver product in accordance with lead times in this manual.
- Supplying sources will not:
 - Back-order product
 - Substitute other products to top-up an order, nor replace unavailable products
 - Over ship quantities of a product.
 - Attempt a second delivery for products that were originally unavailable
- If the supplying source cannot ship, the purchase order must be declined

Appointing a 3PL to Manage LCBO Purchase Orders

If a supplying source wishes to appoint a 3PL to view and/or manage its purchase orders, submit purchase order acknowledgements, confirmations and ASNs, and perform other applicable supplier actions on its behalf in LCBO Gateway, the 3PL must hold a licence to represent a manufacturer issued by the AGCO. The supplying source must follow the LCBO's appointment of agent process for the Supplying Source Program and the process for adding new users to LCBO Gateway, available at www.doingbusinesswithlcbo.com. The supplying source must complete, sign and submit an appointment of agent letter, in the form provided by LCBO, in order to appoint a 3PL to act as its agent in the Supplying Source Program. The supplying source is responsible for all acts and omissions of its appointed 3PL with respect to its obligations under the Service Level Agreement and this manual.

SHIPPING DOCUMENTATION

The following shipping documentation must accompany each shipment to a wholesale customer and be type faced and not hand-written. The LCBO may request a sample of the shipping documentation for review and approval.

1. Bill of Lading (BOL) must contain the following information:

- Identification of ship-to-location including customer name, address and customer number
- Customer purchase order number
- Total number of pallets
- Total number of cases
- Identify any company-owned or returnable pallets
- Must not contain invoice information such as case price, tax, etc.

2. Packing Slip must contain the following information:

- Identification of ship-to location including customer name, address and customer number
- Customer purchase order number
- Itemized list of the shipment including:
 - LCBO Item #
 - LCBO Item Description
 - Quantity of delivery in cases (or units for hospitality licensees only)

3. Customs Forms must accompany all shipments, if applicable, to Duty Free retailers.

Upon Delivery

Wholesale customers must sign the transportation BOL to verify the number of pallets and cases (or units for hospitality licensees) received. At the time of delivery, any observed damages to product or variances in the quantities of pallets and cases (or units for hospitality licensees) is to be noted on the BOL.

If at the time of delivery, a case count is not practical, wholesale customers may indicate "STC" (Subject to Count) on the BOL. A count will be completed after the driver has left and shortages may be reported by the wholesale customer to the LCBO. LCBO will not accept STC for deliveries of ten (10) cases or less.

DELIVERY GUIDELINES

Wholesale customers will receive deliveries from multiple supplying sources based on eligible alcohol product(s) ordered. Supplying sources may only deliver eligible beverage alcohol products to wholesale customers to satisfy the LCBO issued purchase order.

Supplying Source Responsibilities for Delivery to Wholesale Customers

Each supplying source is expected to review the specific needs of the ship-to location to determine any unique delivery requirements. A list of licensed ship-to locations and corresponding LCBO numbers is available [LCBO Wholesale | Doing Business with LCBO](#).

It is the supplying source's responsibility to confirm delivery appointments, if required, with the wholesale customer and arrange transportation. Delivery appointment will be confirmed by the supplying source, if required, with the ship-to location.

Delivery Related Service Fees

If not already included in the price of the products, supplying sources may charge and collect permitted delivery related service fees, if applicable, directly to wholesale customers. This will enable supplying sources to recover delivery related costs from wholesale customers when delivering orders. If a supplying source chooses to charge delivery related service fees, the supplying source must apply the fees consistently to all deliveries and uniformly to all wholesale customers.

Supplying sources will communicate their delivery related fees to LCBO and the LCBO will make this information available in the form of a rate card to wholesale customers. Wholesale customers will be able to estimate delivery fees for their orders by supplying source.

Basic Delivery Fees

In basic delivery, the supplying source drops the load at the front or back door of the licensed or authorized location. The basic delivery fee is applied to all customer groups by case and by region.

| Case Range | Region 1 | Region 2 | Region 3 | Region 4 | Region 5 |
|------------|----------|----------|----------|----------|----------|
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15-19 | | | | | |
| 20-24 | | | | | |
| 25-29 | | | | | |
| 30-49 | | | | | |
| 50-99 | | | | | |
| 70-99 | | | | | |
| 100-149 | | | | | |
| 150-199 | | | | | |
| 200-399 | | | | | |
| 400-599 | | | | | |
| 600-799 | | | | | |
| 800-999 | | | | | |
| 1,000+ | | | | | |

Enhanced Delivery Related Service Fees

In addition to basic delivery fees, supplying sources may also charge wholesale customers for enhanced delivery related services. The charts below summarize the permitted enhanced delivery related service fees:

| Service Type | Description | One rate (all regions) | Region 1 | Region 2 | Region 3 | Region 4 | Region 5 |
|--|---|------------------------|----------|----------|----------|----------|----------|
| Enhanced Delivery | | | | | | | |
| Order to Floor | Load brought into store and dropped as per retailer instruction | ✓ | | | | | |
| Order to Fridge | Load brought into store, unloaded in refrigerated area | ✓ | | | | | |
| Delivery Request outside of regular hours | Customer requests delivery outside of supplying source regular operating hours | ✓ | | | | | |
| Emergency Deliveries | | | | | | | |
| Additional/Emergency Delivery Services – same day | Order placed outside of regular order/delivery schedule for same day delivery | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Additional/Emergency Delivery Services – next business day | Order placed outside of regular order/delivery for next business day delivery | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Additional/Emergency Delivery Services – 48 hr+ | Order placed outside of regular order/delivery for delivery in 48 or more hours | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Surcharges | | | | | | | |
| Fuel Surcharge | A charge applied to adjust for fluctuations in gas prices applied as a flat fee per order | | ✓ | ✓ | ✓ | ✓ | ✓ |

| Service Type | Description | One rate (all regions) | Region 1 | Region 2 | Region 3 | Region 4 | Region 5 |
|-----------------------------------|---|------------------------|----------|----------|----------|----------|----------|
| Penalties | | | | | | | |
| Re-Stocking Fee | Fee applied when customer refuses load and product restock in warehouse | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Re-Delivery Fee | When customer refuses the load and asks it to be delivered <u>at a later date</u> | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Empty pallet pick up – per pallet | Visit to store to collect pallet with no product drop-off | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Pallet Not Returned – per pallet | Pallet not returned with regular delivery or pallet is lost | ✓ | | | | | |
| Keg Fees | | | | | | | |
| Delivery Fee – per keg | Charged per keg for basic delivery | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Security deposit – per keg | Charged to licensees and returned when empty keg is picked up | ✓ | | | | | |

The form to update or modify delivery related fees will be open the third week in any given LCBO fiscal period for an effective date of the Sunday of the first week of the following period. For fiscal 26/27 the timelines are as per the table below:

| Changes Submitted Week Ending | Effective Date/LCBO Fiscal Period |
|-------------------------------|-----------------------------------|
| June 13, 2026 | June 21, 2026 / P4 |
| July 11, 2026 | July 19, 2026 / P5 |

| | |
|-------------------|-------------------------|
| August 8, 2026 | August 16, 2026 / P6 |
| September 5, 2026 | September 13, 2026 / P7 |
| October 3, 2026 | October 11, 2026 / P8 |
| October 31, 2026 | November 8, 2026 / P9 |
| November 28, 2026 | December 6, 2026 / P10 |
| December 25, 2026 | January 3, 2027 / P11 |
| January 23, 2027 | February 1, 2027 / P12 |
| February 20, 2027 | February 28, 2027 / P13 |

Invoices for Delivery Related Service Fees

If delivery related service fees are charged, the supplying source must issue invoices to wholesale customers for delivery services provided. All invoices will be managed directly between the wholesale customers and the supplying source. Supplying source invoices for delivery related service fees must clearly display the following:

- Customer purchase order number associated with delivered product
- Date of delivery
- Identification of ship-to location including customer name, address and customer number
- LCBO Item # of delivered product
- Total number of cases (or units for hospitality licensees) or pallets delivered
- Type of delivery service charged as per LCBO rate card
- Per case rate applied or single charge as applicable
- Identification of supplying source

The LCBO may request a sample of the invoice from a supplying source for review and approval.

If the LCBO approves a claim that results in product being returned or credited, in the case of damages or shortages, the supplying source should refund the wholesale customer for any delivery related service fees charged.

General Delivery Guidelines

- The supplying source will be responsible for arranging, where necessary, delivery appointments with the ship-to location (i.e., a hospitality establishment, retail store or distribution centre (DC)).
- The supplying source cannot substitute product(s) during the fulfillment and delivery process.
- The supplying source cannot attempt a second delivery for product(s) that were originally unavailable.
- Upon request, supplying source will provide LCBO with the signed proof of deliveries/Bills of Lading within 48 hours of a request.
- It is the supplying source's responsibility to ensure that any deliveries through a third-party logistics provider (3PL) follow the delivery guidelines.
- The supplying source's delivery representative shall follow all safety policies and procedures in effect at the applicable receiving location.

Delivery Charges Related to Manufacturers of Eligible Beverage Alcohol Products – Convenience and Grocery

Convenience and grocery retailers will not impose on any supplying sources any penalties, fees, charges or surcharges for late delivery, non-compliant deliveries, breakages, non-compliant pallets or fill rates.

As per O. Reg 746/21 Licencing, if the convenience or grocery retailer charges a fee to manufacturers of eligible alcohol products for providing distribution and warehousing services, the fee must be calculated in the same manner for all manufacturers and must be made publicly available.

Refused Delivery of An Order

Wholesale customers can refuse delivery of an order when:

1. **ASN not received:** deliveries made without notice or receipt of ASN
2. **Incorrect order:** the order was not placed by the wholesale customer, i.e., the PO#, Store Number or Name does not belong to the location.
3. **Non-eligible product(s):** product(s) delivered are not eligible for the wholesale customer
4. **Incorrect product(s):** product(s) received do not match order, i.e., cans instead of bottles.
5. **Outside lead time:** product(s) are delivered outside the communicated lead times, i.e., products arrive twenty (20) days after the order was placed.
6. **Damaged product(s):** product(s) arrive in unsaleable condition, i.e., broken bottles, dented cans, pallet overturned, etc.
7. **Overages:** the supplying source delivers more product(s) than ordered, i.e., wholesale customer orders one (1) case, supplying source delivers three (3) cases. The licensee is only required to accept the ordered product(s).
8. **Non-compliant shipping documentation or delivery related fee invoice:** shipping documentation and/or delivery related fee invoice does not meet requirements. Documents must contain the required information previously outlined.

Wholesale customers cannot refuse delivery of an order when:

1. **Within lead times:** ordered product(s) arrive within the communicated lead times.
2. **Overstocks at store:** accepting the ordered product(s) would lead to excess inventory at the licenced location.
3. **Short Shipments:** ordered products(s) are short shipped.
4. **Delivery Related Fees:** when the supplying source charges, collects or leaves an invoice for delivery related fees

SUPPLYING SOURCE PROGRAM FEE SCHEDULE

The LCBO has established handling and administration fees for supplying sources in the event of non-compliance with required timelines and other requirements set out in the manual, as more particularly set out below. Supplying sources are responsible for meeting the following standard delivery lead times: for supplying sources (other than TBS) delivery within fourteen (14) days of order placement; For TBS, delivery within seven (7) days of order placement. A summary of fees is outlined below and may be updated from time to time. Any fee charged to a supplying source will be visible in LCBO Gateway.

Supplying Source Program Fee Schedule

| No. | Description | Fee |
|-----|--|--------------------|
| 1 | Failure to submit Purchase Order Acknowledgement/Confirmation in LCBO Gateway or via EDI within one (1) business day of receipt of LCBO purchase order | \$50.00 per order |
| 2 | Failure to submit the Advance Shipping Notice (ASN) to the LCBO in LCBO Gateway or via EDI on or before the scheduled Ship Date (no later than 24 hours prior to shipment) | \$50.00 per order |
| 3 | Failure to deliver customer order within required lead time as outlined: for TBS within seven (7) days, and for supplying sources within fourteen (14) days | \$50.00 per order |
| 4 | Failure to provide compliant shipping documentation to wholesale customers | \$50.00 per order |
| 5 | Failure to provide compliant delivery related service fee invoice to wholesale customer | \$50.00 per order |
| 6 | Request for payment reconciliation > ninety (90) days after submitting shipment details to LCBO Gateway or via EDI | \$100.00 per order |

Effective June 1, 2026

PAYMENT PROCESS AND TERMS

The LCBO will issue payment to supplying sources based on shipment details entered in LCBO Gateway or via EDI. Payment terms are thirty (30) days from the date the ASN is provided by the supplying source and will be issued by direct deposit. Invoice and payment details will be available in LCBO Gateway.

If no errors or discrepancies are reported by the supplying source within ninety (90) days of entering shipment details in LCBO Gateway or via EDI, the payment will be deemed correct. Requests by supplying sources for payment reconciliation or other corrections after the ninety (90) day period may be declined by LCBO, in its discretion, and any requests for corrections the LCBO elects to accept after such time will be subject to the administration fees as set out in the Supplying Source Program Fee Schedule.

Any variances between shipping and delivery as submitted by wholesale customers will be investigated by LCBO. Upon request, supplying sources must provide the LCBO with signed proof of deliveries/Bills of Lading within 48 hours of request to support any required adjustments.

Supplying sources shall not offset any amounts owed to the LCBO relating to wholesale orders. Supplying sources must not include wholesale orders on invoices sent to LCBO.

SECTION 7

WHOLESALE DELIST AND DISCONTINUED PRODUCTS

WHOLESALE DELIST

The LCBO maintains a dynamic portfolio of products to meet the sales objectives of all wholesale customers. The LCBO, at its discretion, may decide to discontinue purchasing or delist a product for wholesale for failure to meet terms or conditions including:

1. If the product fails to achieve the specified sales target set out for the type of fulfillment to wholesale customers:
 - i. **LCBO supplied product:** A product not meeting the minimum sales target per LCBO financial period over four (4) financial periods will receive a delist warning letter. If sales performance does not improve, Wholesale Services will communicate the delist plan and the timelines. The wholesale price will be reduced at the supplier's expense to clear out inventory or arrangement for return will be made.

Products must maintain the minimum sales target for at least eight (8) financial periods per year. Small producer definitions are available in the Appendix.

Delisted product may apply to relist at minimum 12 months following delist date and with no residual inventory on hand.

| Minimum Sales Target per LCBO financial period | | | |
|--|----------------|----------|----------|
| Producer Size | Beer/Cider/RTD | Wine | Spirits |
| Small | 125 cases | 25 cases | 25 Cases |
| Large | 230 cases | 45 cases | 45 cases |

- ii. **Supplying Source Program:** A product not meeting the minimum sales target of one (1) case over four (4) LCBO financial periods will receive a delist warning letter. If sales performance does not improve, Wholesale Services will communicate the delist plan and the timelines. The LCBO may require the wholesale price to be reduced at the supplier's expense. Delisted product may apply to relist at minimum 12 months following delist date.
2. **Evidence of contravention of product exclusivity** Section 84(2) of Ontario Regulation 746/21 prohibits grocery and convenience licensees from entering into product exclusivity agreements with liquor manufacturers, and the Service Level Agreement for Supplying Source Program requires adherence to applicable laws, including the *Liquor Licence and Control Act, 2019*, and requires that participants must treat all LCBO wholesale customers fairly and equitably in the acceptance of purchase orders.

Wholesale Services will monitor order and fulfillment patterns on a financial period basis and identify any activity suggesting product exclusivity, or that participants are giving preferential treatment to one or more wholesale customers. Wholesale Services will investigate any

questionable fulfillment to determine if any outcome was intended (e.g. an arrangement between a specific wholesale customer and a supplier), or unintended (e.g. related to but not limited to supply challenges, ethno-cultural products of interest to a sole wholesale customer or similar sound business reason).

For any fulfillment activity determined or reasonably suspected to be intended, Wholesale Services issue notice that fulfillment patterns are under investigation by LCBO and may take progressive action. Suppliers and wholesale customers will reasonably cooperate with any investigation conducted by the LCBO and provide the LCBO with any documentation reasonably requested by the LCBO in the course of an investigation. Following a written warning, the implicated product(s) may be suspended and removed from the eligible product catalogue for up to 16 weeks. If the product is subsequently delisted, there is a minimum 12 month waiting period following delist date to relist for wholesale.

3. Failure to provide consistent supply to meet wholesale customer demand.
4. Immediate delist will occur to meet government directives.
5. Failure to maintain product quality or failure of the product, including its packaging, to comply with any applicable law of Canada or Ontario.
6. Failure to comply with LCBO's Product Packaging Standards and Chemical Guidelines which are based on federal and provincial compositional labelling requirements.
7. Failure to comply with applicable Liquor laws.
8. Failure to comply with the Advertising Guidelines of the AGCO.
9. Failure to comply with any of the LCBO requirements including:
 - Supplier Code of Conduct
 - Purchase Order Terms and Conditions
 - Service Level Agreement for Supplying Source Program
 - Wholesale Supply and Delivery Procedures Manual

DISCONTINUED PRODUCTS

Suppliers and agents must advise the LCBO when a product will no longer be available to wholesale customers by emailing wholesalecatalogue@lcbo.com. When a product is discontinued, it is removed from the eligible product catalogue given that it is no longer available.

Suppliers and agents can choose to discontinue an eligible beverage alcohol product at any point in time. Suppliers and agents may also choose to cease offering an eligible beverage alcohol product to one or more wholesale customer groups while keeping it available for other wholesale customers. LCBO requires minimum two (2) weeks advance notice for removal of a product from a catalogue. This timeline is in place for the LCBO to provide sufficient notice to wholesale customers.

SECTION 8

CLAIMS AND RETURNS & PRODUCT QUALITY ISSUES

CLAIMS AND RETURNS

All sales of eligible alcohol products made to wholesale customers under a Master Supply Agreement or an Authorization are final. Wholesale customers may make a request to the LCBO to:

1. Return unopened, saleable eligible beverage alcohol products to the LCBO or the supplying source.
2. Claim reimbursement for short shipments, damaged or unsaleable inventory received from the LCBO or a supplying source.
3. Claim reimbursement for product quality related issues:
 - a. Product recalls
 - b. Product quality complaint returns
4. Claim reimbursement for sampling - Offsite Winery Retail Store with a Wine Boutique Endorsement only

The following applies to all claims and returns:

- Claims and returns must be initiated by the wholesale customer
- LCBO is the only vendor that issues credits to the wholesale customers. Supplying sources are not permitted to issue credits to wholesale customers.
- All returns must be approved by the LCBO. Once approved, LCBO or the supplying source and the wholesale customer must mutually agree on a time for pick-up of the returned products.
- Any financial adjustment related to a claim or return is based on the original purchase price and is issued by LCBO to the wholesale customer and/or supplying source.
- No returns are to be made to LCBO retail stores for products delivered by supplying sources.
- Products damaged by wholesale customers are ineligible for returns.

Returns of Saleable Product

A wholesale customer may request to return saleable product when:

a) Shipment Error Occurs

The product is in saleable condition and a shipment error was made by LCBO or the supplying source.

Examples include, but are not exclusive to:

- Picking errors
- Over shipment
- Wrong order delivered

b) Other

The product is in saleable condition but returned for other reasons. Examples include, but are not exclusive to:

- Wholesale customer out of business
- Wholesale customer licence or authorization suspended

Saleable condition means that the product:

- Is unopened with evident seals, labels, and original packaging intact and no visible tampering
- Is in its original condition
- Is in its original selling unit (for example, a full case)
- Has no evidence of age related deteriorations
- Is within two (2) months of expiry date (not stale dated)

If product is to be returned, the wholesale customer initiates by submitting a claim to the LCBO:

1. The LCBO reviews the return request (confirmed against the Bill of Lading) and will inform the wholesale customer if the return is approved or declined.
2. Once the return is approved, if applicable, the supplying source is notified by the LCBO. The LCBO or the supplying source, as applicable, will coordinate with the wholesale customer to mutually agree on a time and arrange for pick-up of the returned products. Pick-up should be completed no later than the next regularly scheduled delivery day.
3. All returns must be in original packaging and/or shipping container (i.e., cartons or trays). When a product is returned because of a supplying source error, freight charges, if necessary, are covered by the supplying source.
4. In the case of a return of saleable product for reasons other than shipping error, a reasonable restocking fee may be applied to the purchase price of the returned product.
5. Upon pick up, the driver must sign two (2) copies of the pickup authorization. One (1) copy must be kept with the wholesale customer as evidence of the pickup. While the other copy is returned with the driver.
6. The supplying source must confirm with the LCBO that the product was picked up. Once the LCBO receives confirmation from the supplying source that the returned product has been received, a credit is issued to the wholesale customer by the LCBO. A corresponding adjustment is applied to the supplying source.

Unsaleable Product

A wholesale customer may request to return unsaleable product when:

a) Claiming reimbursement for short shipments, over shipments, damages or unsaleable product discovered *during* receiving

Where the wholesale customer identifies a shortage, overage, damaged or unsaleable product during receiving, this will be marked on the signed BOL provided to the driver.

If applicable, the wholesale customer will submit a claim to the LCBO. The LCBO is solely responsible for approving or declining all claims. The LCBO will investigate the claim with the supplying source and a credit will be issued to the wholesale customer and a debit note to the supplying source once the claim is resolved.

Wholesale customers are encouraged to refuse unsaleable product at the time of receiving. In the event the product is to be returned to a supplying source, the supplying source will coordinate with the wholesale customer to mutually agree on a time and arrange for pick-up of the returned products by the supplying source. Freight charges, if necessary, are covered by the supplying source.

b) Claiming reimbursement for short shipments, over shipments, damages or unsaleable product discovered *after* receiving

After receiving, claims may be made by the wholesale customer for short shipments, overages, damages, or unsaleable product, including:

- Goods received in bad order (e.g., short in case, dry breaker, stale dated upon receipt)
- Defective product
- In-transit damage not identified at the time of receipt (e.g., breakage, frozen or heated load). Wholesale customers are permitted to dispose of damaged product once photos are taken.
- Unsaleable inventory found while unloading or stocking shelves
- Short shipments or over shipments discovered after receiving

Wholesale customers are required to notify the LCBO of any shortages, overages, damages or unsaleable product discovered after receiving. The LCBO is solely responsible for approving or declining all claims. The LCBO will investigate the claim with the applicable supplying source and a credit will be issued to the wholesale customer and a debit note to the supplying source once the claim is resolved.

In the event the product is to be returned, the LCBO or supplying source will coordinate with the wholesale customer to mutually agree on a time and arrange for pick-up of the returned products. Freight charges, if necessary, are covered by the LCBO or supplying source.

Product Quality Issues

- a) **Product Recalls** are initiated by the LCBO on behalf of the manufacturer of alcohol. There are three (3) types of product recalls:
1. **Class I:** There is a high risk that consuming the food may lead to a serious health problems or death.
 2. **Class II:** Product violates legislative requirements and there is a moderate risk that consuming the food may lead to short-term or non life-threatening health problems.
 3. **Class III / Action Required Alert:** There is a low risk that consuming the food may result in any undesirable health problems. This class also includes product quality issues that do not pose a health risk but that do not comply with legislation, LCBO or manufacturers' standards for quality.

When the LCBO has confirmation of a recalled product, specific instructions will be provided to the wholesale customer by the LCBO via a QA Alert.

- b) A **Product Quality Complaint** may or may not require further investigation and refund or exchange to the consumer is based on wholesale customer's return policies.
- i. Customers general complaints do not generally require further investigation and include (but are not limited to):
 - Off colour
 - Off odour
 - Off taste
 - Sediment in bottle
 - ii. Product Quality Complaints requiring further investigation include (but are not limited to):
 - Alleged illness
 - Property damage
 - Personal injury
 - Customer requests for investigation

Product Quality Complaints require the completion of the Beverage Alcohol Product Quality Complaint form by the wholesale customer. If the wholesale customer issues a refund to the consumer, the wholesale customers may submit a request to the LCBO to be reimbursed by completing the Beverage Alcohol Product Quality Complaint form (including valid proof of purchase information from the consumer).

Sampling Program Claim: Offsite Winery Retail Store with a Wine Boutique Endorsement only

Wine boutiques, as defined in Ontario Regulation 746/21, can apply to the LCBO to be refunded the cost of up to 10 (ten) bottles per SKU (stock keeping unit) per store per LCBO fiscal year for wine manufactured by other wineries (i.e., non- wine boutique owner wines).

The LCBO will review the claim and upon approval charge back the cost of the product to the supplier, which will be issued via debit note.

APPENDIX

GLOSSARY OF TERMS

AGCO

Alcohol and Gaming Commission of Ontario is the regulating and licensing body for the sale of beverage alcohol in the province of Ontario.

ADVANCE SHIPPING NOTICE (ASN)

Completed by the supplying source and created twenty-four (24) hours prior to when an order is delivered and defines which product is being shipped and in what quantity.

BILL OF LADING (BOL)

The legal document representing delivered quantities by the supplying source and received quantities by the wholesale customer.

DOING BUSINESS WITH LCBO

An information hub for trade partners is available at www.doingbusinesswithlcbo.com. This site is the destination for all information related to working with the LCBO.

ELIGIBLE BEVERAGE ALCOHOL PRODUCTS

Include wine, beer, cider, spirits and ready-to-drink products as defined by the Regulations. Eligible products for each wholesale customer group are defined by licence or authorization.

LCBO WHOLESALE SERVICES

Fully dedicated department inside the LCBO to serve wholesale customers and partner with manufacturers and supplying sources.

MASTER SUPPLY AGREEMENT (MSA)

Agreement of business terms between the LCBO and licensed convenience stores, grocery stores and wine boutiques for the wholesale of eligible beverage alcohol products.

NISS

New Item Submission System (NISS) used to register eligible products for wholesale.

ONTARIO REGULATION 746/21

Regulation regarding the sale of eligible beverage alcohol products in licensed convenience stores, grocery stores and wine boutiques found at [O. Reg. 746/21 LICENSING | ontario.ca](http://O.Reg.746/21.LICENSING|ontario.ca) (as the same may be amended from time to time).

QA ALERT

An email notification from the LCBO to wholesale customers outlining specific actions to be taken on recalled alcohol product(s).

QUALITY ASSURANCE WINE

Wine (excluding cider) that is designated as meeting the quality control standards of a statutory appellation of origin regime that certifies, in the aggregate, less than 50 million litres of wine (excluding cider) annually.

READY-TO-DRINK BEVERAGE

A ready-to-consume cooler, hard seltzer or other premixed cocktail made from spirits, wine, beer or fermented sugar, or from any combination of the four.

SMALL PRODUCERS

Brewery

Beer manufacturers with worldwide production of less than 400,000 hectolitres of beer in volume per year.

Cidery

Cider manufacturers with worldwide production of less than 25,000 hectolitres of cider in volume per year.

Distillery

Spirit manufacturers with worldwide sales of less than 2,000,000 litres of spirits per year.

Winery

Wine manufacturer with worldwide sales less than 375,000 litres of wine per year.

SERVICE LEVEL AGREEMENT

Means the LCBO Service Level Agreement which must be accepted as a condition of an eligible party's registration and participation in the LCBO's Supplying Source Program.

SUPPLYING SOURCE

Domestic manufacturer, authorized agent or entity authorized by LCBO (e.g., TBS) that is registered with and approved by the LCBO to participate in the Supplying Source Program and fulfills and delivers orders for eligible beverage alcohol products to wholesale customers.

SUBJECT TO COUNT (STC)

May be indicated by a receiver on the BOL where a complete count is not practical. A full count is required for deliveries of ten (10) cases or less. STC will not be accepted for deliveries of ten (10) cases or less.

THIRD PARTY LOGISTICS PROVIDERS (3PL's)

Third-party logistics providers engaged or appointed by supplying sources to act on their behalf in the areas of delivery and/or order fulfillment, including warehousing, order picking and order consolidation, and that can be expected to be making deliveries to wholesale customers for some products