Ubrew and UvinTerms and Conditions



March 2021



Update Summary

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UBrew and UVin Licence Terms and Conditions

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Introduction

The purpose of the UBrew/UVin licence is to permit a facility where the public, with assistance from the licensee, can make their own beer, wine, cider and coolers for offsite consumption.

This handbook outlines the requirements of the *Liquor Control and Licensing Act*, Regulations and terms and conditions that relate to owners of UBrew/UVin licences. It is the responsibility of the licensee to be aware of and to operate in compliance with these rules.

Licensees must follow B.C.'s liquor laws and these terms and conditions at all times (as well as any further terms and conditions that might be printed on your licence or in letters issued to you by the general manager of the Liquor and Cannabis Regulation Branch).

Throughout this handbook the term "general manager" refers to the general manager of the Liquor and Cannabis Regulation Branch, who has legislative authority to make decisions regarding liquor licensing in British Columbia.

Licence terms and conditions change from time to time. Stay up to date by referring to the online handbook and checking back on our policy directives page (https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/liquor-law-policy/liquor-policy-directives).

Contact Information

If you have any concerns or questions, please contact your local liquor inspector or the Liquor and Cannabis Regulation Branch at:

Mailing address

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

400 – 645 Tyee Victoria, BC V9A 6X5 Email

LCRBLiquorPolicy@gov.bc.ca

Phone 250 952-5787 in Victoria

> Toll-Free Phone 1 866 209-2111

A range of helpful information along with licensee handbooks, application forms and links to the *Liquor Control* and *Licensing Act* and Regulations are here: www.gov.bc.ca/liquorregulationandlicensing

Providing Safe and Responsible Service

Display of Social Responsibility Materials

You are required to display at least one social responsibility poster or tent card. The social responsibility materials will be mailed to you and must be displayed in a prominent location in your establishment.

Updated materials will be provided to you at regular intervals, free of charge. Additional copies of the materials are available from your local liquor inspector or on the Liquor and Cannabis Regulation Branch (LCRB) website.

You must also display the "Notice to Customers" sign. Go online to the LCRB website to find this notice.

Minors

Minors (those under the age of 19) are allowed in the retail and manufacturing part of your UBrew/UVin, unless you choose to set a house policy that prohibits the entry of minors.

You may employ minors in your store, as long as they are under your ongoing supervision or the supervision of an adult employee, and are not left alone in charge of the establishment. Minor employees may assist customers in the production process.

Identification (ID) Requirements

Licensees are responsible for ensuring that minors are not allowed to manufacture liquor. If there is any doubt whether a customer is 19 or over, you and your employees should verify age by asking for two pieces of ID, carefully examining both pieces, and acting on the authenticity of the identification.

Primary ID

Must be issued by a government agency; and must include the holder's name, date of birth and picture.

Examples of primary ID include:

- State or provincial driver's licence
- Passport
- The Photo BC Services Card
- Citizenship card
- First Nations status card
- The federal Firearms Possession and Acquisition licence

Note that the BC Driver's Licence and Services Card, which combines the BC Driver's Licence and Services cards (formerly CareCard), counts as only one piece of ID.

Secondary ID

Used to verify the authenticity of the first piece, and:

- Must include the holder's name; and
- Must include either the holder's signature OR picture.

Any acceptable piece of primary ID can be used as secondary ID. Examples of other acceptable secondary ID include:

- BC CareCard (which will be replaced by 2018 with the Non-Photo BC Services Card)
- Interim driver's licence (issued by ICBC)
- BC Transit ProPASS
- University or college student card
- Credit card
- Canadian Blood Services donor card
- Transport Canada's Pleasure Craft Operator's Card
- Many bank cards and rewards cards
- National Defence ID

You can accept expired and foreign ID, as long as it is readable and you can recognize the customer from the picture.

You and your staff must decide on a case-by-case basis if the ID presented proves that the person is not a minor. If the person cannot produce two pieces of acceptable identification, you should refuse service.

You must cooperate with a liquor inspector if asked to determine whether a person is a minor.

Your Liquor Licence and Your Business

You must post your liquor licence in a prominent location in your store and ensure it is immediately available for review by liquor inspectors and police.

Renewing Your Licence

You must renew your licence each year by March 31st and pay an annual licence fee. The annual fee for a UBrew/UVin liquor licence is \$750.

Note: The licence renewal fee must be paid each year, regardless of any other applications that may be in progress at the time (such as a Transfer of Liquor Licence Application).

Revised Sep. 2020

Transferring Your Licence

If you are selling your business to a new owner, you must initiate the transfer application in the <u>liquor and cannabis licensing portal</u> by submitting the proposed licensee's business name and email address.

If you are selling some or all the shares in your company, you must apply to make a permanent change to a licensee in the <u>liquor and cannabis licensing portal</u>.

Changes to Your Licence

The details of your liquor licence application were the basis for granting you the licence. You must advise the Branch of any changes that alter the original information you provided, or of a change in circumstance related to your licence. Some changes require the Branch's prior approval, while others require you to report the change within 10 days. This is important because failure to do so is a licensing contravention and subject to penalty.

Revised Sep. 2020 Many changes must be submitted online through the licensing portal. For more information about how to submit applications and change requests through the online portal, please visit the <u>LCRB website</u>.

Below is a table of changes that require prior approval and those that require reporting either through the Liquor and Cannabis Licensing Portal or emailed to the LCRB. These are in addition to any items that are addressed elsewhere in this handbook.

Type of Change	How to Report	When Approval	
		Required	
Transfer of Location	Online	Before relocation	
		occurs	
Permanent Change to Liquor Licence:	Online	Before permanent	
 Establishment/business or licence name change 		change to liquor	
 Request for change in terms and conditions 		licence occurs	
Change to hours of sale			

Revised March 2021

Permanent Change to Licensee: Change of directors or officers (corporation, society) Name change of licensee Addition of receiver or trustee Addition of executor or administrator	Online	Within 10 days of permanent change to licensee occurring
Temporary Change • Hours	Online	Before temporary change occurs
Third-Party Operator (add, change)	Online	Before third-party operator begins to operate
Third-Party Operator (remove)	Online	Before third-party operator is removed
Transfer of Ownership (including sale of liquor business and its assets)	Online	Within 10 days of the sale
 Share Transfers or Changes Internal transfer of shares * External transfer of shares Amalgamation of corporate licensee, holding company or subsidiary 	Online	Within 10 days of share transfers or changes
Loss of Valid Interest Licensee no longer owns and runs establishment Licensee does not have certificate of title or lease for establishment location	Letter	Within 10 days of loss of interest
Court Action Involving Disposition of Liquor Licence	Letter	Within 10 days of notice received
Convictions (applicable to any individual licensee, or partner, shareholder, director, or officer of the licensee) • Criminal Code offence • Alcohol-related offence under Motor Vehicle Act or similar legislation elsewhere (in or outside of Canada)	Letter	Within 10 days of conviction and confirmation at renewal
Dormancy**	Form	Within 10 days of dormancy occurring

Note: If there is enforcement action pending on your licence, change applications in progress will not be considered until it is concluded.

*Internal Transfer of Shares

A licensee must report an internal transfer of shares respecting the licence or the licensee, other than:

- the removal of shareholders or
- the redemption or dissolution of shares

Unless:

• the licence has been identified as having an association with another licence (a tied-house), OR

• the removal of the shareholder or redemption or dissolution of shares results in any of the remaining shareholders moving from owning less than 10% of voting shares to owning 10% or more of voting shares in the licensee.

**Dormancy

Revised June 2020 If you are planning to close your establishment for an extended period of time, for example for extensive renovations, you must report this closure to the Branch and you must also notify the Branch when you plan to restart regular operations (this notification requirement does not apply to seasonal closures).

Revised June 2020 The general manager must cancel a licence if, in the general manager's opinion, a licence is dormant because a licensee has not operated the establishment that is the subject of the licensee's licence for a period of two years. There are prescribed circumstances in which the general manager is not required to cancel a licence that has been dormant for 2 years or more: see s. 92.1 of the Liquor Control and Licensing Regulation ("Dormant licences – prescribed circumstances").

Providing Information to the Branch

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

Keeping Records

You must make the records of the following information available for inspection for a period of at least six years:

- All ingredients purchased for use in the production of liquor in your establishment, including the source and volume of the ingredients
- All sales, invoices and customer declaration forms (see the section on "Customer Responsibilities" for more about declarations)
- The volume of liquor produced in your facility in the preceding 12-month period (this must be reported at renewal)
- The disposal of any liquor that is spoiled, spilled, unclaimed or returned
- Employee records
- Any court orders or judgements against you

Customer Responsibilities

Initial Visit

Each customer must:

• Pay for all of the ingredients prior to starting the manufacturing process.

At a minimum, the payment must be for the cost of the ingredients. You may, if you wish, require payment of the service fee at this time or wait until the product is to be bottled. If the customer brings his or her own ingredients into your establishment, you must require payment of the service fee before beginning the manufacturing process.

• Sign a declaration that indicates that the product is for their personal use or for use by others at no charge.

The declaration should be either printed on the invoice or attached to the invoice and should be clearly legible. You must retain the declaration for audit purposes. Sample declaration wording:

"I, [customer name], on [date] have purchased the ingredients and started the fermentation in order to produce this product for my own personal use or for use by others at no charge. I authorize the operator to hold this product, until my return to bottle and remove the product from the facility."

• Add the ingredients necessary to start the fermentation process.

The degree of customer involvement will vary depending on the type of product being manufactured and the form it takes. For each of the following product types, the customer must add:

Beer/wine/cider kits or commercially available pre-packaged wort kits	Juice/concentrate, water (if required), yeast, and any other necessary ingredients to the fermentation vessel
Juice barrels	Yeast and any other necessary ingredients to the barrel
Beer in kettles	Hops and malt extract to the water in the kettle, let it cook, then add yeast
Pre-made wort under Federal Wort Licence	Yeast to the wort (which is prepared by you)

Follow-up Visit

At a subsequent visit to your UBrew/UVin, each customer must:

- Wash and sterilize bottles/containers (this step can be performed offsite as well).
- Remove or deface any commercial winery or brewery labels on bottles. Defacing must include, at a minimum, putting a clearly visible and permanent dark felt pen marking across the label.
- Bottle and seal the product they started at their earlier visit.
- Affix labels or other decorative items to bottles, if any.
- Remove the product from your UBrew/UVin store immediately after bottling. Bottled product cannot be
 left on the premises for any reason, and you are not permitted to deliver a customer's beer, wine, cider or
 coolers.

Outside Assistance

The customer may ask for help during the production process from someone not associated with you or your staff (for example, friends and family of legal age may accompany the customer to help him or her complete the required steps).

If the customer is physically incapable of safely performing some of the steps outlined below, you may provide greater assistance. However, we recommend that you tell the customer to bring a friend or family member to help next time.

You or your staff may help a customer by:

- Holding the fermentation vessel while the customer pours in the ingredients
- Transferring the wort to the fermentation vessel
- Demonstrating the bottling mechanism and process by filling one bottle for the customer
- Demonstrating the corking/capping mechanism and process by corking/capping one bottle for the customer
- Demonstrating the labelling and shrink-topping procedures by labelling and shrink-topping one bottle for the customer
- Handing empty bottles to the customer while he or she fills the bottles
- Placing the filled bottles in cases
- Carrying the bottled product to the customer's vehicle

Your Responsibilities

After a Customer's First Visit

Your main responsibility in the production process is to ensure that your customers fulfil their responsibilities.

After a customer has completed his or her first visit, you may oversee the fermentation, filtration, racking and aging of the product and prepare it for bottling. Your customers do not have to be involved in these steps, although they may be involved if you wish.

Invoices

At the time of a customer's first payment, you must provide the customer with an invoice and retain a copy for audit and inspection purposes. The invoice must include:

- The customer's name and telephone number
- The type and quantity of product to be made
- The date and the amount of payment received from the customer
- The name, address and telephone number of your establishment

Carboy Tags

You must attach a carboy tag or label to every carboy, fermentation vessel and barrel that clearly states the customer's full legal name, date that the product was started and customer invoice number. You may also choose to include racking dates on the carboy tag.

Barrel Aging

You may offer a barrel aging service where more than one customer's product is placed in a barrel for aging after fermentation.

When you empty the barrel, you must pour the product back into carboys, and the customers must then return to the facility and complete all of the remaining steps, such as bottling.

You must also affix to the barrel the carboy tags of every customer whose product is stored in that barrel.

Topping Up

Because some wine may be lost during the racking process, some UVin operators in the past have "topped up" a customer's wine (added wine that was not made by the customer to a customer's carboy). This practice is not permitted.

You may top up a customer's product with a non-alcoholic substance such as water, or the customer may bring his or her own wine to top up his or her own product (the customer cannot leave the wine for you to add at some later point).

The wine used by a customer for topping up can be a product made previously at a UVin by the customer or a commercially-produced wine.

Fortifying Port and Sherry

A customer may add distilled alcohol (for example, brandy or vodka) purchased from a liquor store to port and sherry made at your store immediately prior to bottling.

You cannot provide the distilled alcohol and the customer cannot leave it onsite for you or your staff to add to the product.

Customer Sampling

Customers may sample their own product prior to bottling to ensure it tastes acceptable.

Each customer may have up to two samples, each not exceeding 100 ml or approximately three fluid ounces per batch (200ml is the maximum sample size per batch, regardless of the number of persons making the batch).

It is your responsibility to ensure customers do not consume quantities greater than this amount onsite.

Public Sampling

Because you are not a licensed liquor manufacturer, you cannot provide samples of finished product to the public either within your establishment or elsewhere. (This restriction does not apply to the normal exchange or giving of product to friends or family outside your store.)

You cannot permit sampling parties in your establishment or hobby brewer competitions where kit manufacturers or others – including customers – provide finished product to the public.

You may not organize hobby brewer competitions as marketing opportunities for your products. Your customers may participate in them as long as they are bona fide competitions comprised of products made in many different contexts (residences and/or several other Ferment-on-Premises stores).

Trading Racks and Product Exchange

"Trading racks" – where a customer leaves some of his or her product in the licensed establishment after bottling and takes another customer's product left behind in exchange – are not permitted. (You are not allowed to store bottled product onsite.)

You also cannot organise, post or permit to be posted in your establishment any notices or lists that encourage product trading among your customers, or which provide an opportunity for customers to place their names and telephone numbers on a trading list.

You may display a sign-up board or similar device where customers interested in manufacturing a particular product can contact other interested persons to start and share a batch.

Group Batches

If a group of people want to produce liquor together, the group may either split a single batch or more than one person may make several batches.

In either case, all of the customers who will take ownership of the product must:

- Visit your store and be involved in all of the "first visit" steps of the production process
- Have their names stated on the invoice
- Sign a declaration

At least one member of the group must return to bottle the product. After bottling, the members of the group may divide the product among themselves onsite.

Groups cannot enter into a co-operative or club arrangement whereby members bottle and take away product that was started by other members of the cooperative or club.

You cannot invite customers to participate in a group batch organized by your establishment.

Employee Batches

You and your staff may make beer, wine, cider or coolers onsite for your own consumption, as long as:

- You prepare an invoice (even if there is no charge) and keep a record of the production
- Your carboy tags are visually different (for example, a different colour) from those of your customers
- You do not consume your product onsite (beyond the tasting limits outlined in this handbook)
- Once bottled, you remove the product from the premises

Unclaimed Product

If a customer does not return to your facility to bottle and remove the product they have made, you must make a reasonable attempt to contact the customer. If, after a reasonable interval, you still cannot reach the customer, you may destroy the product.

Customer Returns

If a customer returns product that is not satisfactory, you may provide the customer with the opportunity to make a free or discounted batch of product, as long as:

- The customer repeats all of the required production steps
- You prepare an invoice (even if there is no charge) and keep record of the production
- The customer signs a new declaration
- You affix a carboy tag to the fermentation vessel
- You or your staff destroy the unsatisfactory product

You cannot, under any circumstances, provide the customer with finished product that the customer did not produce to replace a batch that the customer returned.

Storage

You must store all product onsite. The federal Excise Act does not allow you to operate a secondary storage site.

Promoting Cannabis

It is the responsibility of all licensees and permittees to be aware of and comply with all federal and provincial laws in respect of the promotion and advertising of cannabis, cannabis accessories and services related to cannabis.

The federal *Cannabis Act* has strict rules in respect of the promotion of cannabis, cannabis accessories and services related to cannabis. In particular, the *Cannabis Act* restricts the types of promotions that are permitted in a place where young persons may be or are permitted.

Further, the *Cannabis Control and Licensing Act* regulates who is authorized to promote cannabis for the purpose of selling it. Persons authorized to promote cannabis for the purpose of selling cannabis under the Act include persons who hold a marketing licence or a retail store licence under that Act.

Advertising Your Business

All of your advertising must comply with the <u>Canadian Radio-television and Telecommunications Commission's</u> <u>Code for Broadcast Advertising of Alcoholic Beverages</u> and *Liquor Control and Licensing Regulation*.

What You May Advertise

You may advertise:

- The name and location of your store
- Your liquor licence category
- Your hours of operation
- The products and services you sell, including kits, juices, ingredients and assistance in making the product

You may refer to your establishment as a "Ferment-on-Premises" establishment. Your ads may also show people making liquor in your establishment. You may include pictures of your facility and indicate your prices – for example:

- "Make your own wine special this week: kit only \$120"
- "Wine kits on sale: 20% off," or
- "Make 50 litres of beer for \$120."

Your ads cannot:

- Mention or imply the availability of liquor (finished product) for sale
- Show people drinking, or appearing to drink, liquor
- Provide the price of the finished product, either per batch or per bottle and imply that the customer has no role in making the product for example:
- "Beer at half the liquor store price"
- "Wine \$5 per bottle"
- "12 dozen beer for \$110"
- Offer price discounts, such as "second batch at half price" or "make two batches, get the third one free," or volume discounts for making more than one batch at a time.

Promotions and Discounts

You cannot market your products and services in a way that would promote the illegal use of your products by your customers.

You may offer, using newsletters or similar forms of targeted communication with known repeat customers:

- Discount programs for frequent users ("make five batches, get one free," for example)
- "Company money" that can be reimbursed against future purchases
- Volume discounts to individuals or groups that make more than one batch at a time
- Contests where you award either free product or free services (the prize cannot consist of both product and service, as this would constitute giving liquor as a prize), as long as there is no contest entry fee

Bulk mailings describing these promotions or advertising them in the media are not permitted.

Signs

The name of your business and exterior signage must be approved by the Branch. All business names and signage must comply with the advertising terms and conditions and cannot mislead the public as to the class of liquor licence you hold. Your signs must also comply with local government bylaws.

Compliance and Enforcement

As a licensee, you are required to:

- 1. Comply with the *Liquor Control and Licensing Act*, its Regulations and the terms and conditions in this publication.
- 2. Always allow Liquor and Cannabis Regulation Branch inspectors and/or police officers to enter your establishment. Never impede their entry in any way.
- 3. Upon request, provide inspectors with any documents and/or records as outlined in this handbook.
- 4. **Never draw attention to inspectors inside your establishment.** This can affect the inspectors' safety.

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

If your licence is suspended, you are not permitted to sell, serve or permit consumption of liquor in your establishment.

For more information on Compliance and Enforcement, please visit our website.

Other ministries also have terms and conditions that licensees and employees must follow. Please refer to <u>this</u> <u>page</u> on the LCRB website for more information.

Posting Signs Relating to Suspensions or Monetary Penalties

If a suspension or monetary penalty is imposed on your licence, the Branch may post a sign in a prominent location in the interior or on the exterior of your establishment.

You must ensure the signs are posted for the entire period of the suspension or, for monetary penalties, the period specified on the sign. During the period that the signs must remain posted, you must ensure the signs are not defaced, obstructed or moved.

Glossary

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

"The Branch" means the Liquor and Cannabis Regulation Branch, the government agency that administers the Act.

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

"Manufacturer" refers to a manufacturer of liquor products (beer, wine, spirits, cider, coolers) or the corporate official of a liquor manufacturer.

"UBrew/ UVin" means a licensed business that provides its customers with the ingredients, equipment and advice they need to make their own beer, wine, cider or coolers for their own private consumption, away from the UBrew/UVin premises. For all purposes, UBrew/UVin is interchangeable with "Ferment-on-Premises."

