

# Producer Retail Store Licence

## Handbook

*For the sale of cannabis at cannabis  
production sites in British Columbia*

*Current to July 16, 2024*



Liquor and Cannabis  
Regulation Branch

# Message from the general manager

Dear Licensee,

My name is David Hume, and I am the General Manager of the Liquor and Cannabis Regulation Branch (LCRB). Thank you for taking the time to familiarize yourself with the Producer Retail Store Licence Handbook. I hope you find it helpful as you begin or continue your journey as a licensee.

## *About the LCRB:*

The LCRB administers the provincial *Liquor Control and Licensing Act*, *Cannabis Control and Licensing Act*, and their corresponding regulations. The Branch also oversees the regulation and licensing of liquor and private retail non-medical cannabis industries, and is responsible for:

- Educating establishments about liquor and cannabis rules and requirements,
- Promoting safe establishments and safe communities according to public health and interests, and
- Making sure modern liquor and cannabis policy, laws and tools meet the needs of people who live here in British Columbia.

## *About this handbook:*

This handbook is one of the most valuable resources available to licensees because it acts as a guide to the mandatory legal rules and requirements that licensees must follow to hold a licence in B.C. This includes laws, regulations, and terms and conditions. By becoming a licensee, you agree to follow these rules – much like signing a contract – and failure to follow these rules can result in enforcement action, such as licence suspensions or monetary penalties.

Thank you for being a part of B.C.'s vibrant cannabis industry. The LCRB is committed to helping licensees succeed, so please access our [Licensee Resources page](#) or email [cannabisregs@gov.bc.ca](mailto:cannabisregs@gov.bc.ca) if you have any questions.

Thank you,



David Hume  
Assistant Deputy Minister  
and General Manager

# How to read this handbook

1 PART 4: THE BUSINESS PAGE 1 OF 2  
2  
3 DIVISION 3: PURCHASING AND TRANSFERRING CANNABIS UNDER THE LICENCE  
4  
5 INTRODUCTION  
The rules and requirements in this Division relate to the **lawful purchase** and transfer of **cannabis** under a **licence**, including transfers of cannabis between **retail stores** under licences held by the same licensee.

6 LEGISLATION  
4.3.1 A person must not **sell** cannabis unless they are a licensee whose licence authorizes the sale, and  
a) the cannabis was registered under the CDA and purchased by the licensee from the government, in prescribed circumstances, or as authorized by the terms and conditions of the licence, or  
b) the cannabis was purchased by the licensee as an **applicant** for that licence under the provision reproduced in **paragraph (b)** of section 4.4.1.  
[CCLA s. 15 (c) and (d) and CLR s. 10.02]  
See "Selling Cannabis and Non-Cannabis Products" (sections 4.4.1, 4.4.2 and 4.4.16 to 4.4.18) for rules and requirements related to **paragraph (b)** of this section.  
See **Schedule 2** of the CLR (item 2) for related penalties.

7 4.3.2 A person commits an offence under the CCLA if they contravene the provision reproduced in section 4.3.1. [CCLA s. 109 (1) (b)]  
See **section 110** of the CCLA for offence-related penalties.

8 Identifying licence under which cannabis will be sold  
4.3.3 A licensee, when purchasing cannabis from the government, must identify the licence under which the cannabis will be sold. [CLR s. 9 (1)]  
4.3.4 A licensee must not sell, under a licence, cannabis that they purchased from the government unless  
a) the licence was identified by the licensee under the provision reproduced in section 4.3.3, or  
b) the cannabis is sold under another licence held by the licensee.  
[CLR s. 9 (2)]  
See **Schedule 2** of the CLR (item 6) for related penalties.

9 TERMS AND CONDITIONS  
4.3.5 If a licensee who holds more than one licence transfers cannabis between their retail stores, the licensee must take adequate measures to reduce the risk of that cannabis being diverted to an illicit market or activity.  
See "Record-Keeping Requirements" (**paragraph (d)**) of section 3.4.2 and section 3.4.9) for related requirements.

10 THIS DIVISION LAST UPDATED: October 25, 2022

11 PART 4: THE BUSINESS PAGE 2 OF 2  
DIVISION 3: PURCHASING AND TRANSFERRING CANNABIS UNDER THE LICENCE  
INFORMATION  
❖ A transfer of cannabis between retail stores under licences held by the same licensee is not considered a sale or purchase of cannabis and does not require **GM** approval because no consideration is given for that cannabis.  
❖ Pursuant to the provision reproduced in section 4.3.1, a person who purchases cannabis as an applicant must not sell that cannabis until their licence has been granted.  
❖ A licensee is not required to obtain cannabis accessories and **cannabis-related items** from the LDB.

THIS DIVISION LAST UPDATED: November 10, 2022

- 1 The top of each page shows the part and division numbers. The handbook contains six parts and multiple divisions within each part.
- 2 The page numbers indicate the number of pages within the division.
- 3 Each division contains most of these headings: "Introduction", "Legislation", "Terms and Conditions" and "Information". Under "Introduction" is a description of the legislative requirements and terms and conditions found in that division.
- 4 Definitions appear in bold type the first time they are used in each division.
- 5 Under "Legislation" are requirements copied from B.C. cannabis legislation, including the Cannabis Control and Licensing Act, the Cannabis Control Regulation and the Cannabis Licensing Regulation.
- 6 Each "section" is a legislative requirement or term and condition and is numbered according to the part and division under which it is included. For example:
 

2.1.2 A licensee must not operate an **establishment** unless the licensee holds a training certificate for Selling It Right. [CCLA s. 114 (1) and CLR s. 42.1 (3)]
- 7 Signposts are headings in bold type describing the sections that follow.
- 8 Under "Terms and Conditions" are rules for the licence class that are imposed by the general manager.
- 9 Cross references in italics indicate where additional relevant information can be found.
- 10 The date at the bottom of the page shows when the division was last updated. This date is different from the currency date on the cover, which shows the date to which the handbook is current.
- 11 Under "Information" is useful information including examples and recommendations.

See the User Guide for more information about the Liquor and Cannabis Licence Handbooks. The User Guide is available online at <https://www2.gov.bc.ca/gov/content?id=FFBF300FC24C4B4C92F13DBB73040523>.

# Update Summary

<u>LCRB Bulletins</u>	<b>Handbook section number</b>	<b>Issue date</b>
Bulletin 24-07: Expanded cannabis industry sampling	<a href="#"><u>3.4.17</u></a> , <a href="#"><u>3.4.18</u></a> , <a href="#"><u>4.4.21</u></a> , <a href="#"><u>5.2.8-5.2.17</u></a>	July 16, 2024
Bulletin 24-01: Promoting cannabis-friendly spaces and consuming cannabis on public patios	5.1.7 (Removed)	January 30, 2024
Bulletin 23-08: Cannabis industry sampling	<a href="#"><u>3.4.17</u></a> , <a href="#"><u>5.2.15</u></a> , <a href="#"><u>5.2.16</u></a>	September 25, 2023
Bulletin 23-04: Repeal of cannabis visibility rules	<a href="#"><u>4.2.1</u></a> , <a href="#"><u>4.2.10</u></a> , <a href="#"><u>4.2.10.1</u></a>	May 19, 2023
Bulletin 23-02: Cannabis beverage equivalency	<a href="#"><u>4.4.11</u></a> , <a href="#"><u>4.4.12</u></a> ,	March 17, 2023

# Table of Contents

## **1 GENERAL INFORMATION**

1.1 Disclaimer

1.2 Contact Information

1.3 Acronyms

1.4 Definitions

1.5 Introduction

## **2 PROVIDING SAFE AND RESPONSIBLE SERVICE**

2.1 Responsible Selling Training

- *Selling It Right*
- *Social responsibility materials*

2.2 Minors and ID Requirements

2.3 Conduct in the Establishment

## **3 THE PRODUCER RETAIL STORE LICENCE**

3.1 General Licence Requirements

- *Ownership and control*
- *Fit and proper*
- *Additional mandatory requirements for PRS licence*

3.2 Licence Renewal and Amendment

- *Application requirements*
- *Discretionary requirements*
- *Change to structure or layout of a retail store*
- *Recommendations of local governments or Indigenous nations*

3.3 Providing Information and Records to the LCRB

- *Reporting requirements*
- *Misleading information or records*
- *Dormant licences*
- *Providing information and records*

- *Form and manner requirements for providing information and records*
- *Notification*
- *Form and manner requirements for notification*

#### 3.4 Record-Keeping Requirements

### **4 THE BUSINESS**

#### 4.1 Storage and Security Requirements

#### 4.2 Display and Accessibility of Cannabis and Non-Cannabis Products

- *Product display*
- *Product accessibility*

#### 4.3 Purchasing and Transferring Cannabis under the Licence

- *Identifying licence under which cannabis will be sold*

#### 4.4 Selling Cannabis and Non-Cannabis Products

- *Maximum transaction amounts*
- *Hours of sale*
- *Sales strategy*
- *Minimum cannabis prices*
- *Selling cannabis to a retail store licensee who holds another retail store licence*
- *Selling cannabis and non-cannabis products to patrons*
- *Restrictions on cannabis accessories and cannabis-related items*

#### 4.5 Delivery Service

- *Exemptions for delivery persons and common carriers*
- *Possession limits*
- *Transportation by federal licence holder or common carrier*

#### 4.6 Disposing of Cannabis

#### 4.7 Other Activities in the Retail Store

### **5 PROMOTION**

#### 5.1 Advertising and Branding

#### 5.2 Relationships with other Federal Licence Holders and their Marketing Licensees

- *Tied houses and prohibited inducements*

- *Permitted inducements*

## **6 COMPLIANCE AND ENFORCEMENT**

### 6.1 Compliance

- *Inspection*
- *Cooperation of licensee*
- *Cannabis seized during an inspection*

### 6.2 Enforcement

- *Temporary suspension or imposition of terms and conditions*
- *Cancellation, suspension or order for transfer of licence*
- *Action against licensee*
- *Witnesses*



- 1.1.1 In no event will the Government of British Columbia be liable or responsible for damages of any kind arising out of the use of this Producer Retail Store Licence Handbook (“handbook”).
- 1.1.2 This handbook includes unofficial versions of provisions of B.C. cannabis legislation, including the *Cannabis Control and Licensing Act*, the Cannabis Control Regulation and the Cannabis Licensing Regulation. The unofficial versions of legislative provisions reproduced in this handbook are provided for convenience only and are not prepared for the purposes of the *Evidence Act*. The Government of British Columbia does not warrant the accuracy or the completeness of the unofficial versions of the legislative provisions. Unofficial versions of legislative provisions reproduced in this handbook do not appear in their original form, and not all provisions of B.C. cannabis legislation, including definitions, are reproduced in this handbook.
- 1.1.3 This handbook includes official versions of class terms and conditions imposed by the general manager of the Liquor and Cannabis Regulation Branch on producer retail store licences.
- 1.1.4 Persons who need to rely on the text of the B.C. cannabis legislation for legal and other purposes may obtain the King’s Printer official printed version from Crown Publications, King’s Printer, telephone: 1-800 663-6105 or 250-387-6409.

1.2.1 The Liquor and Cannabis Regulation Branch (LCRB) can be contacted as follows:

**By mail at** PO Box 9292 Stn Prov Govt, Victoria, BC V8W 9J8

**By phone at:** 250-952-5787 or 1-866-209-2111 toll free

**By email at:** [cannabisregs@gov.bc.ca](mailto:cannabisregs@gov.bc.ca)

1.2.2 Additional information can be found on the LCRB's website at [www.gov.bc.ca/cannabisregulationandlicensing](http://www.gov.bc.ca/cannabisregulationandlicensing)

1.3.1 In this handbook, the following acronyms are used:

<b>Acronym</b>	<b>Terminology</b>
<b>B.C.</b>	British Columbia
<b>CCLA</b>	<i>Cannabis Control and Licensing Act</i>
<b>CCR</b>	Cannabis Control Regulation
<b>CDA</b>	<i>Cannabis Distribution Act</i>
<b>CLR</b>	Cannabis Licensing Regulation
<b>GM</b>	general manager of the LCRB
<b>LCRB</b>	Liquor and Cannabis Regulation Branch
<b>LDB</b>	Liquor Distribution Branch
<b>PRS</b>	producer retail store

## INTRODUCTION

This Division contains relevant definitions from applicable legislation as well as definitions provided by the LCRB.

## LEGISLATION

1.4.1 In this handbook:

**“adult”** means an individual who is 19 years of age or older; [CCLA s. 1]

**“applicant”** means an applicant for the issuance, renewal, transfer or amendment of a licence; [CLR s. 1]

**“associate”** in respect of an applicant or a licensee, means a person who, in the GM’s or security manager’s opinion,

- a) may have direct or indirect influence over the applicant or licensee,
- b) may be able to affect, directly or indirectly, the activities carried out under the licence applied for or held, or
- c) may have a prescribed direct or indirect connection to the applicant or licensee; [CCLA s. 1]

**“cannabis”** means a cannabis plant and anything referred to in paragraph (a) but does not include anything referred to in paragraph (b):

- a) any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, other than a part of the plant referred to in paragraph (b); any substance or mixture of substances that contains any part of such a plant; and any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained;
- b) a non-viable seed of a cannabis plant; a mature stalk without any leaf, flower, seed or branch of such a plant; fibre derived from such a stalk; or, the root or any part of the root of such a plant; [CCLA s. 1 and *Cannabis Act* (Canada) s. 2 (1) and Schedules 1 and 2]

**“cannabis accessory”** means a thing, including rolling papers or wraps, holders, pipes, water pipes, bongs and vaporizers, that is represented to be used in the consumption of cannabis; or a thing that is commonly used in the consumption of cannabis that is deemed to be represented to be used in the consumption of cannabis if the thing is sold at the same point of sale as cannabis; [CCLA s. 1 and *Cannabis Act* (Canada) s. 2 (1) and (3)]

**“cannabis plant”** means a plant that belongs to the genus *Cannabis*; [CCLA s. 1 and *Cannabis Act* (Canada) s. 2 (1)]

**“consume”**, in respect of cannabis, includes to smoke, vape, ingest, apply or absorb cannabis; [CCR s. 2.1]

**“corporation”** means an incorporated association, company, society, municipality or other incorporated body, where and however incorporated, and includes a corporation sole other than His Majesty or the Lieutenant Governor; [*Interpretation Act* s. 29]

**“delivery person”** means a delivery service provider or an employee of a delivery service provider;  
[CLR s. 1]

**“delivery service provider”** means a person operating a delivery service, other than a common carrier; [CLR s. 1]

**“designated federal licence”** means an eligible federal licence designated under section 7.1 (2) of the CLR reproduced in section [3.1.10](#) of this handbook; [CLR s. 1]

**“dried cannabis”** means any part of a cannabis plant that has been subjected to a drying process other than the following parts of the plant:

- a) a mature stalk, without any leaf, flower, seed or branch;
- b) the root;
- c) seeds; [CCLA s. 1]

**“eligible federal licence”** means a licence of a subclass established by section 8 (3) (a), (b) or (c) of the Cannabis Regulations (Canada); [CLR s. 1]

**“establishment”** means:

- a) all or part of a building or structure designated in a licence to be the establishment, and
- b) any land adjacent to the building or structure referred to in paragraph (a) designated in a licence to be part of the establishment; [CCLA s. 1]

**“federal area”** means an area where the holder of a designated federal licence conducts or intends to conduct activities authorized by the designated federal licence; [CLR s. 1]

**“federal licence holder”** means a person who holds a licence under the *Cannabis Act* (Canada); [CCLA s. 1]

**“general manager” or “GM”** means the GM of the LCRB appointed under section 4 of the CCLA who has legislative authority to make decisions regarding cannabis licensing in B.C.; [CCLA s. 1]

**“grow”** means to cultivate, propagate or harvest; [CCLA s. 1]

**“illicit cannabis”** means cannabis that is

- a) sold, produced, distributed or imported by a person in contravention of the *Cannabis Act* (Canada), or
- b) sold, produced or supplied by a person in contravention of the CCLA, the CCR or the CLR; [CCLA s. 1]

**“Indigenous nation”** means any of the following:

- a) a band within the meaning of the *Indian Act* (Canada);
- b) the Westbank First Nation;
- c) the Sechelt Indian Government District Council established under the *Sechelt Indian Band Self-Government Act* (Canada);
- d) a treaty first nation;
- e) the Nisga'a Nation;

f) a prescribed Indigenous entity; [CCLA s. 1]

**“local government”** means,

- a) in relation to a regional district, the board of the regional district,
- b) in relation to a municipality, the council of the municipality, and
- c) in relation to a local trust area under the *Islands Trust Act*, the local trust committee for the local trust area; [CCLA s. 1]

**“medical cannabis”** means

- a) cannabis, other than cannabis plants or cannabis plant seeds, in the possession of an individual who is authorized to possess it under section 266 (1) or 267 (1) of the Cannabis Regulations (Canada) and who is in compliance with Part 14 of those regulations in respect of that cannabis,
- b) cannabis plants and cannabis plant seeds in the possession of a designated person, a registered person, or the named responsible adult in a registered person’s registration certificate issued under section 313 (1) of the Cannabis Regulations (Canada), who is authorized in that capacity to possess them under the *Cannabis Act* (Canada) and who is in compliance with Part 14 of the Cannabis Regulations (Canada) in respect of those plants and seeds,
- c) cannabis that is produced from cannabis plants or cannabis plant seeds referred to in paragraph (b) and that is in the possession of the designated person, the registered person or the named responsible adult,
- d) dried cannabis in the possession of an individual who is authorized to possess it under the order of the Federal Court of Canada in *Allard v. Canada*, 2016 FC 237, and
- e) cannabis in the possession of an individual who is authorized to possess it under an exemption referred to in section 156 (1) of the *Cannabis Act* (Canada); [CCLA s. 1, CCR s. 2 and CLR s. 1]

**“minor”** means an individual who is under 19 years of age; [CCLA s. 1]

**“online system”** means an internet site, application or other platform for the online sale by a licensee of items referred to in section 5 (1) (b) of the CLR reproduced in section [4.4.3](#) of this handbook that is administered or operated, in whole or in part,

- a) by the licensee, or
- b) by a third party on behalf of the licensee; [CLR s. 1]

**“organic solvent”** means any organic compound that is explosive or highly or extremely flammable, including petroleum naphtha and compressed liquid hydrocarbons such as butane, isobutane, propane and propylene; [*Cannabis Act* (Canada) s. 12 (3)]

**“original packaging”**, in respect of cannabis, means the packaging of the cannabis when it was purchased from the government; [CLR s. 1]

**“peace officer”** means

- a) an officer as defined in the *Police Act*, or

b) a member of the Royal Canadian Mounted Police who is deemed to be a provincial constable under section 14 (2) (b) of the *Police Act*; [CCLA s. 1]

**“person”** includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law; [Interpretation Act s. 29]

**“place”** includes a building or structure; [CCLA s. 1]

**“possession”** has the same meaning as in section 4 (3) of the *Criminal Code* (Canada):

- a) a person has anything in possession when they have it in their personal possession or knowingly have it in the actual possession or custody of another person, or have it in any place, whether or not that place belongs to or is occupied by them, for the use or benefit of themselves or another person; and
- b) where one of two or more persons, with the knowledge and consent of the rest, has anything in their custody or possession, it shall be deemed to be in the custody and possession of each and all of them; [CCLA s. 1 and *Criminal Code* (Canada) s. 4 (3)]

**“prepaid purchase card”** means a card, written certificate or other voucher or device with a monetary value that is issued or sold to a person in exchange for the future supply of goods or services to a consumer, and includes a gift card and gift certificate, but does not include a card or other device that can be used to obtain cash or acquire goods or services, but does not include a credit card, and is issued either by a payday lender to the borrower or by a high-cost credit grantor to the borrower of a high-cost credit product instead of advancing cash or transferring money to the borrower or to the order of the borrower; [CLR s. 1 and *Business Practices and Consumer Protection Act* ss. 56.1, 112.01 and 112.16]

**“produce”**, in respect of cannabis, means to obtain cannabis by any method or process, including by

- a) manufacturing it,
- b) synthesizing it,
- c) altering its chemical or physical properties by any means, or
- d) growing it or any living thing from which it may be extracted or otherwise obtained; [CCLA s. 1]

**“public place”** means

- a) any place to which the public has access as of right or by invitation, express or implied, whether or not a fee is charged for entry, and
- b) any vehicle or boat located in a place referred to in paragraph (a) or in any outdoor place open to public view; [CCLA s. 1]

**“record”** includes books, documents, maps, drawings, photographs, letters, vouchers, papers and any other thing on which information is recorded or stored by any means whether graphic, electronic, mechanical or otherwise; [Interpretation Act s. 29]

**“relevant manager”** means

- a) the GM when the GM is making a fit and proper determination, and
- b) the security manager when the security manager is, on the GM's request, forming an opinion about whether an applicant or a licensee is fit and proper; [CCLA s. 29.1]

**“retail store”** means all or part of a building or structure designated in a licence to be the establishment; [CLR s. 1]

**“retail store licence”** means any of the following classes established by section 3 of the CLR:

- a) cannabis retail store licence;
- b) producer retail store licence; [CLR s. 1]

**“retail store licensee”** means a person who holds a retail store licence; [CLR s. 1]

**“security manager”** means the security manager appointed under section 7 of the CCLA by the minister responsible for the administration of that Act; [CCLA ss. 1 and 7]

**“sell”** includes

- a) offer for sale, expose for sale and have in possession for sale,
- b) exchange, and
- c) give for any consideration, including for the purchase or transfer of something; [CCLA s. 1]

**“supply”** means any of the following:

- a) administer, give, transfer, transport, send, deliver, provide, distribute or otherwise make available in any manner, whether directly or indirectly, other than selling;
- b) offer to do any of the things referred to in paragraph (a), other than selling;
- c) have in possession to do any of the things referred to in paragraph (a), other than selling; [CCLA s. 1]

**“weapon”** means anything used, designed to be used or intended for use

- a) in causing death or injury to a person, or
- b) for the purpose of threatening or intimidating a person. [CCLA s. 49 (1)]

## TERMS AND CONDITIONS

1.4.2 In this handbook:

**“cannabis-related item”** means an item related to cannabis that is not consumable and not a cannabis accessory;

**“inspection”** means an inspection under section 84 of the CCLA that is conducted by the GM, or a peace officer or LCRB inspector with delegated inspection powers and duties, to determine compliance with the CCLA, the CCR and the CLR;

**“licence”** means a producer retail store licence issued under the CCLA;

**“licensee”** means a person who holds a producer retail store licence;

**“marketing licensee”** means a person who holds a marketing licence under the CCLA that



authorizes the person to promote cannabis for the purpose of selling it; [CLR s. 11]

**“non-cannabis product”** means an item listed in section 5 (1) (a) or (b) of the CLR reproduced in section [4.4.3](#) of this handbook other than cannabis;

**“retail product case”** includes cabinets, refrigerators and display;

**“retail sales area”** means the area of the retail store where the licensee conducts retail sales to patrons.

### INFORMATION

- ❖ Definitions in this handbook appear in bold type the first time they are used in each Division.
- ❖ Other parts of speech and grammatical forms of a defined word or expression have corresponding meanings and will appear in bold type accordingly.
- ❖ Despite the definition of “licence” and “licensee” to mean “PRS licence” and “PRS licensee” in this handbook, provisions and terms and conditions that refer to multiple types (i.e., federal) or classes (i.e., marketing, PRS or CRS) of licence or licensee include “PRS” before “licence” or “licensee” to avoid confusion. The word “licence” or “licensee” will not be in bold after “PRS” because the definition of “licence” or “licensee” does not apply in those cases. For example,

3.1.10 The applicant must designate in the application the **eligible federal licence** that is to be associated with the PRS licence. [CLR s. 7.1 (2)]

In this example, “PRS licence” is used instead of “licence” to avoid confusion with the federal licence referred to in this section.

## INTRODUCTION

The purpose of a PRS licence is to authorize the **licensee** who holds that **licence** to **sell** for off-site **consumption** the **cannabis** they have cultivated under their federal cultivation licence in a **retail store** located next to their federally licensed cultivation site. This handbook includes the requirements of the CCLA, the CCR and the CLR and the class terms and conditions that relate to PRS licences.

The rules and requirements in this Division relate to the **GM's** authority to administer legislation and impose terms and conditions as well as the licensee's responsibility to follow laws and bylaws related to their licence.

## LEGISLATION

- 1.5.1 Without limiting other powers or duties of the GM under the CCLA, the GM is, subject to general policy direction given by the minister, responsible for the general administration of the CCLA, the CCR and the CLR. [CCLA s. 4 (2)]
- 1.5.2 The GM, **security manager** and director may delegate, with or without conditions, one or more of their powers and duties under the CCLA, except the power to delegate, to
- a government employee or other person, or
  - a class of government employee or other person.
- [CCLA s. 8]

*See [Information](#) for examples of commonly delegated powers and duties.*

- 1.5.3 The GM may, in the public interest and without prior notice to affected licensees, impose, suspend, rescind or amend class terms and conditions that apply to a class of licence or to a class of **establishment**. [CCLA s. 30 (1) and (2)]
- 1.5.4 The GM may, in the public interest and with prior notice to affected licensees, impose, suspend, rescind or amend special terms and conditions that apply to one or more licences but not to a class of licence. [CCLA s. 31 (1) and (2)]

*See [Information](#) for an explanation of the provisions reproduced in sections **1.5.3** and **1.5.4**.*

## TERMS AND CONDITIONS

- 1.5.5 A licensee must comply with all applicable federal laws, provincial laws, **local government** bylaws or **Indigenous nation** laws or bylaws related to cannabis retail sales.
- 1.5.6 A licensee must ensure that their employees, contractors, temporary staff or volunteers comply with all applicable licence requirements.

*See [Information](#) for a recommendation to licensees.*

## INFORMATION

- ❖ Examples of delegated powers and duties referred to in the provision reproduced in section [1.5.2](#) include the following:
  - licensing powers and duties delegated to LCRB's licensing staff;

- 
- **inspection** powers and duties delegated to **peace officers** and LCRB inspectors;
  - authority to conduct hearings delegated to hearing delegates.
- ❖ The “class terms and conditions” referred to in the provision reproduced in section [1.5.3](#) apply to all PRS licences and are included in this handbook. The “special terms and conditions” referred to in the provision reproduced in section [1.5.4](#) apply only to specific licences and may be printed on the face of the licence, in an appendix to the licence or in a letter issued to the licensee by the GM.
  - ❖ In relation to section [1.5.6](#), it is recommended that licensees develop training resources to keep themselves and their employees informed of licence requirements.
  - ❖ Where the contravention of a provision of the CCLA or the CLR reproduced in this handbook or failure to comply with a term and condition of the licence is specifically referred to in Schedule 2 of the CLR, the applicable item in the table to Schedule 2 is referenced beneath the relevant handbook section. Contravention of any provision of the CCLA or the CLR, or failure to comply with a term and condition, not specifically referred to in Schedule 2 of the CLR is subject to the general penalty set out in item 33 in the table to Schedule 2 of the CLR. References to the item in Schedule 2 associated with the general penalty are not included throughout this handbook.
  - ❖ To stay informed of changes to legislation and terms and conditions, it is recommended that licensees periodically check the LCRB’s cannabis [bulletins page](#) for notice of updates to this handbook.

## INTRODUCTION

The rules and requirements in this Division ensure that those involved in the **sale of cannabis** in B.C. do so lawfully while keeping patrons, **licensees** and their employees and others safe from cannabis-related harms.

## LEGISLATION

### Selling It Right

- 2.1.1 The **GM** may, for the purposes of Division 1 of Part 7 of the CCLA, establish training programs for licensees and **adults** who work in **establishments** or government cannabis stores and for others. [CCLA s. 113 (1)]

*The training program established by the GM is Selling It Right.*

*See **Information** for a [description](#) of and [link](#) to the Selling It Right course.*

- 2.1.2 A certificate for Selling It Right expires 2 years after the date the certificate is issued, and the certificate must show the expiry date. [CCLA s. 113 (5) and CLR s. 42.1 (2)]
- 2.1.3 A licensee must not operate an establishment unless the licensee holds a training certificate for Selling It Right. [CCLA s. 114 (1) and CLR s. 42.1 (3)]
- 2.1.4 If a licensee is not an individual, the requirement in the provision reproduced in section **2.1.3** is met if an adult who is satisfactory to the GM holds a training certificate for Selling It Right. [CCLA s. 114 (2)]

*An adult referred to in column 2 of the following table in respect of a type of licensee referred to in column 1 of the table is an adult who is satisfactory to the GM:*

<b>Column 1 Type of Licensee</b>	<b>Column 2 Adult Who Needs Selling It Right</b>
Private or public <b>corporation</b>	Authorized signing officer of the corporation
<b>Indigenous nation</b>	A <b>person</b> the licensee identifies as their representative
General partnership	A partner
Limited partnership	The general partner
Sole proprietorship	The sole proprietor

- 2.1.5 An adult must not be involved in selling cannabis in an establishment unless the adult holds a training certificate for Selling It Right. [CCLA s. 115 (1) and CLR s. 42.1 (4)]
- See **Information** for an example of an employee that is required to hold a training certificate.*
- 2.1.6 An adult must not supervise the sale of cannabis in an establishment unless the adult holds a training certificate for Selling It Right. [CCLA s. 115 (2) and CLR s. 42.1 (5)]
- 2.1.7 A **delivery person** who is an individual must not deliver cannabis on behalf of a licensee to a patron or to another adult acting on the patron's behalf unless the delivery person holds a training certificate for Selling It Right. [CCLA s. 116 and CLR s. 42.1 (6) (e) and (7) (c)]
- 2.1.8 A person commits an offence under the CCLA if they contravene the provisions

reproduced in sections **2.1.3** or **2.1.5** to **2.1.7**. [CCLA s. 109 (1) (d)]

See [section 110 of the CCLA](#) for offence-related penalties.

- 2.1.9 A licensee must keep **records** relating to training that has been taken by the following:
- a) if the licensee is an individual, the licensee;
  - b) if the licensee is not an individual, the adult who has taken the training on behalf of the licensee;
  - c) every adult involved in selling cannabis in the establishment or who supervises the sale of cannabis in the establishment.
- [CLR s. 24 (3) (k) and (8)]

See “Record-Keeping Requirements” (section [3.4.5](#)) for information that must be recorded.

## TERMS AND CONDITIONS

- 2.1.10 A licensee must ensure that their employees who are involved in selling cannabis or who supervise the sale of cannabis in the **retail store** hold a training certificate for Selling It Right.
- 2.1.11 A licensee must ensure that a delivery person who delivers cannabis on their behalf holds a training certificate for Selling It Right.

## Social responsibility materials

- 2.1.12 A licensee must display at least one social responsibility poster in a conspicuous place in the **retail sales area**.

See **Information** for [details](#) and a [link](#) to the LCRB’s social responsibility posters.

## INFORMATION

- ❖ Selling It Right is an interactive self-study course that educates licensees, their employees and delivery persons about applicable laws and how to sell cannabis responsibly.
- ❖ The Selling It Right course is available at <https://www.responsible-servicebc.gov.bc.ca>.
- ❖ An example of an employee that is required to hold a training certificate for Selling It Right pursuant to the provision reproduced in section [2.1.5](#) is an employee who delivers cannabis on the licensee’s behalf.
- ❖ Social responsibility materials, including posters, are mailed to licensees by the LCRB. New materials will be provided to licensees at regular intervals, free of charge.
- ❖ Additional copies of social responsibility posters are available from LCRB inspectors or on the LCRB’s website at <https://www2.gov.bc.ca/assets/download/110D7A0FB8A449A6A9956132B6047E25>.

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## INTRODUCTION

The rules and requirements in this Division ensure that **minors** do not have access to **retail stores** or to the **cannabis** and **non-cannabis products sold** in those stores.

## LEGISLATION

- 2.2.1 A **person** must not sell cannabis or a **cannabis accessory** to a minor. [CCLA s. 69 (1)]
- 2.2.2 A person must not **supply** cannabis or a cannabis accessory to a minor. [CCLA s. 69 (2)]
- 2.2.3 A **licensee** or their employee must not allow a minor to enter or be in the **place** where the licensee conducts authorized cannabis activities. [CCLA s. 70 (2) (a)]
- 2.2.4 A licensee or their employee must not allow a minor to work in an office or other place associated with the licensee's cannabis business. [CCLA s. 70 (2) (b)]

See [Information](#) for an example of a place associated with the licensee's cannabis business.

- 2.2.5 A person commits an offence under the CCLA if they contravene the provisions reproduced in sections **2.2.1** to **2.2.3**. [CCLA s. 109 (1) (d)]

See [section 110](#) of the CCLA for offence-related penalties.

See also [Schedule 2](#) of the CLR (items 7, 9 and 10) for penalties related to the provisions reproduced in sections **2.2.1** to **2.2.4**.

- 2.2.6 A person does not contravene the provisions reproduced in sections in **2.2.1** to **2.2.4** if, in reaching the conclusion that an individual is not a minor, they require the individual to produce one piece of primary ID and one piece of secondary ID, examine the ID and have reason to believe it is authentic. [CCLA ss. 69 (4) and 70 (4); CLR s. 37]

- 2.2.7 Primary ID is one of the following:

- a) the individual's passport;
- b) the individual's driver's licence that displays the individual's photograph and date of birth;
- c) the individual's ID card, issued by a government agency, that displays the individual's photograph and date of birth.

[CLR s. 37 (a)]

- 2.2.8 Secondary ID is one other piece of ID that displays

- a) the individual's name, and
- b) one or both of the individual's signature and photograph.

[CLR s. 37 (b)]

See [Information](#) for examples of [primary](#) and [secondary ID](#).

See "Compliance" ([paragraph \(d\)](#)) of section **6.1.2** for an **inspection** provision related to ID. See also sections [6.1.3](#) to [6.1.6](#) for additional inspection provisions.

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**INFORMATION**

- ❖ It is recommended that a licensee be proactive about meeting the legal requirements respecting minors, including by posting signage at the entrance of their retail store indicating that minors are not permitted.
- ❖ An example of a place associated with the licensee's cannabis business referred to in the provision reproduced in section **2.2.4** is a vehicle operated by the licensee or their employee to deliver cannabis.
- ❖ If there is any doubt about whether a patron is an **adult**, it is recommended that a licensee or their employee take the steps described in section **2.2.6** and make a **record** of steps taken.
- ❖ If a patron fails to produce ID upon request, it is recommended that a licensee or their employee refuse the sale or supply of cannabis or a cannabis accessory to the patron if there is any doubt about whether the patron is an adult.
- ❖ Examples of primary ID include the following as long as they meet the criteria in the provision reproduced in section **2.2.7**:
  - Photo BC Services Card
  - Citizenship card
  - Certificate of Indian Status (status card)
  - Federal Firearms Possession and Acquisition licence
- ❖ Examples of acceptable secondary ID include the following as long as they meet the criteria in the provision reproduced in section **2.2.8**:
  - BC CareCard / BC Services Card (separate to a BC Driver's licence)
  - Interim driver's licence (issued by the Insurance Corporation of BC)
  - BC Transit ProPASS
  - University or college student card
  - Credit card
  - Canadian Blood Services donor card
  - Transport Canada's Pleasure Craft Operator's Card
  - Bank card
  - Rewards card
  - National Defence ID
- ❖ A licensee or their employee may accept expired or foreign ID if the ID is readable, the patron can be recognized from the photo, and the ID meets the criteria for primary and secondary ID in the provisions reproduced in sections **2.2.7** and **2.2.8**.

## INTRODUCTION

The rules and requirements in this Division ensure that the conduct of the **licensee**, their employees and patrons in the **retail store** does not disturb or endanger people in or around the **establishment**. This Division includes rules and requirements related to intoxicated persons and violent and disorderly conduct.

## LEGISLATION

- 2.3.1 In this Division, “lawful excuse” does not include having personal possession of a weapon for self-protection. [CCLA s. 49 (1)]
- 2.3.2 A **person** must not **supply cannabis** to a person who is intoxicated from alcohol or a drug or who shows signs of intoxication from alcohol or a drug. [CCLA s. 79]
- 2.3.3 A licensee or their employee must not
- sell cannabis to a person who is intoxicated from alcohol or a drug or who shows signs of intoxication from alcohol or a drug,
  - allow a person who is intoxicated from alcohol or a drug or who shows signs of intoxication from alcohol or a drug to enter or remain in an establishment,
  - allow violent or disorderly conduct in an establishment,
  - allow unlawful activities or conduct in an establishment,
  - allow a person to enter an establishment or to remain in an establishment if they know that the person has, without lawful excuse, personal possession of a weapon.
- [CCLA s. 49 (2)]

See [Information](#) for examples of violent or disorderly conduct.

See [Schedule 2](#) of the CLR (items 13 to 17) for related penalties.

- 2.3.4 A licensee or their employee may, if they believe a person is intoxicated from alcohol or a drug or shows signs of intoxication from alcohol or a drug, request that the person leave an establishment or forbid the person from entering an establishment. [CCLA s. 49 (3) (a)]
- 2.3.5 A licensee or their employee may, if they believe the presence of a person in an establishment is undesirable or that the person has, without lawful excuse, personal possession of a weapon, request that the person leave the establishment or forbid the person from entering the establishment. [CCLA s. 49 (3) (b)]
- 2.3.6 A person must not remain in an establishment after the person is requested to leave or enter an establishment within 24 hours after the time the person was requested to leave the establishment. [CCLA s. 49 (4) (b) and (c)]
- 2.3.7 A person commits an offence under the CCLA if they contravene the provisions reproduced in sections **2.3.2**, **2.3.3** or **2.3.6**. [CCLA s. 109 (1) (d)]

See [section 110](#) of the CCLA for offence-related penalties.



**TERMS AND CONDITIONS**

- 2.3.8 A licensee must take reasonable measures to ensure that the operation of an establishment does not disturb persons in the vicinity.
- See [Information](#) for examples of reasonable measures.*
- See [Schedule 2](#) of the CLR (item 18) for related penalties.*
- 2.3.9 If a licensee or their employee believes on reasonable grounds that violent or disorderly conduct has taken place, is currently taking place or may take place in an establishment, the licensee must ensure that a **peace officer** is notified as soon as it is safe to do so.
- 2.3.10 A licensee must ensure that reasonable steps are taken to ensure that a person who is intoxicated from alcohol or a drug or who shows signs of intoxication from alcohol or a drug leaves their establishment safely.
- See [Information](#) for examples of reasonable steps.*
- 2.3.11 If a person enters an establishment within 24 hours after the time the person was requested to leave the establishment, a licensee must ensure that a peace officer is notified.
- 2.3.12 A licensee must ensure that a **delivery person** or common carrier making deliveries on their behalf does not deliver cannabis to a person who is intoxicated from alcohol or a drug or who shows signs of intoxication from alcohol or a drug.
- 2.3.13 If a licensee or their employee knows that a patron has brought **illicit cannabis** into their retail store, the licensee must ensure that the patron is asked to leave the store immediately and a **record** is made of the incident and kept with the licensee's incident records.
- 2.3.14 A licensee must ensure that any person who works on a temporary basis to repair, inspect or construct something in the establishment is supervised by the licensee or their employee.

**INFORMATION**

- ❖ See "Record-Keeping Requirements" ([paragraph \(k\)](#)) of section **3.4.2** and sections [3.4.10](#) and [3.4.11](#)) for requirements related to incidents.
- ❖ See "Enforcement" (sections [6.2.2](#) to [6.2.6](#)) for provisions related to a safety threat in the establishment.
- ❖ An example of violent or disorderly conduct referred to in sections [2.3.3](#) and [2.3.9](#) is behaviour that would cause a reasonable person to believe that their safety is threatened.
- ❖ Taking reasonable measures referred to in section [2.3.8](#) means performing activities that the licensee or employee considers appropriate for the establishment and may include the following:
  - installing adequate lighting outside the establishment and in the parking lot;

- supervising parking areas;
  - posting signs asking patrons not to disturb people in the vicinity of the establishment.
- ❖ Examples of reasonable steps referred to in section [2.3.10](#) include staying within earshot and line of sight of the person until the person has left, if it is safe to do so.
  - ❖ Under the *Security Services Act*, if security has been hired for a retail store, the individual providing the security services must hold a valid security worker licence for that kind of security work. [*Security Services Act* s. 2 (a)]
  - ❖ More information on security industry licensing is available on the security industry licensing website at <https://www2.gov.bc.ca/gov/content/employment-business/business/security-services/security-industry-licensing>.

## INTRODUCTION

This Division includes requirements a **licensee** must continuously meet in order to hold a **licence** to ensure that licensees are fit and proper, that they are able to maintain control over their **establishment** and that they meet the eligibility requirements related to their federal cultivation licence.

## LEGISLATION

3.1.1 The **GM** must not issue, renew, transfer or amend a licence if, in the GM's opinion, it would be contrary to the public interest or if one or more of the following apply:

- a) the applicant is not an individual, partnership, corporation or Indigenous nation;
- b) the applicant is a minor;
- c) the applicant does not meet the ownership or control requirements in the provision reproduced in section 3.1.2 for the establishment or proposed establishment;
- d) the establishment or proposed establishment, or equipment or facilities in respect of which the licence is proposed to be issued or has been issued, does not comply with the CCLA, the CCR, the CLR or the terms and conditions of the licence;
- e) the GM determines that the applicant is not fit and proper;
- f) in the GM's opinion, a fit and proper determination in respect of the applicant cannot be completed by the GM for one or both of the reasons in the provision reproduced in section [6.2.10](#);
- g) any prescribed criteria are not met.  
[CCLA s. 26 (1) and (2)]

See "*Enforcement*" (sections [6.2.9](#) and [6.2.10](#)) for provisions related to this section.

### Ownership and control ("**valid interest**")

3.1.2 For the purposes of the provision reproduced in **paragraph (c)** of section **3.1.1**, the applicant must

- a) be the owner of the establishment or proposed establishment, or
- b) have an arrangement that the GM determines is of a satisfactory duration and gives the applicant a degree of control over the establishment or proposed establishment that will allow the applicant to comply with the requirements relating to establishments set out in the CCLA, the CCR, the CLR and the terms and conditions of the licence.  
[CCLA s. 26 (3)]

See [Information](#) for an example of a satisfactory arrangement.

See "*Providing Information and Records to the LCRB*" (sections [3.3.13](#) and [3.3.17](#)) for related notification requirements.

See "*Record-Keeping Requirements*" ([paragraph \(j\)](#) of section **3.4.2**) for a related requirement.

### Fit and proper

3.1.3 For the purposes of determining whether an applicant or a licensee is fit and proper or of

forming an opinion about whether an applicant or a licensee is fit and proper, a **relevant manager** may make inquiries and conduct background investigations and prescribed checks that the relevant manager considers necessary in respect of

- a) the applicant or licensee,
  - b) any **associate** of the applicant or licensee, or
  - c) any **person** having a connection to an associate of the applicant or licensee.
- [CCLA s. 29.4 (1)]

See [section 22.1](#) of the CLR for prescribed checks.

3.1.4 For the purposes of determining whether an applicant or a licensee is fit and proper or of forming an opinion about whether an applicant or a licensee is fit and proper, a relevant manager may require the applicant or licensee, an associate of the applicant or licensee, or any person having a connection to an associate of the applicant or licensee to provide, within the time specified by the relevant manager,

- a) information or **records** specified by the relevant manager that relate to one or more of the applicant, licensee, associate and person,
  - b) fingerprints of the applicant, licensee, associate or person, and
  - c) consents of the applicant, licensee, associate or person to enable the relevant manager to conduct investigations and checks under the provision reproduced in section **3.1.3**.
- [CCLA s. 29.4 (2)]

3.1.5 A person must not provide information or a record required by a relevant manager under the provision reproduced in section **3.1.4** that contains false or misleading information or that fails to disclose a material fact. [CCLA s. 29.6 (1)]

3.1.6 A person must not provide fingerprints required for an individual by a relevant manager under the provision reproduced in section **3.1.4** that have been altered or that are not the fingerprints of the individual. [CCLA s. 29.6 (2)]

3.1.7 A person must not provide a consent required by a relevant manager under the provision reproduced in section **3.1.4** that has been forged or fraudulently made. [CCLA s. 29.6 (3)]

3.1.8 A person commits an offence under the CCLA if they contravene the provisions reproduced in sections **3.1.5** to **3.1.7**. [CCLA s. 109 (1) (d)]

See [section 110](#) of the CCLA for offence-related penalties.

#### **Additional mandatory requirements for PRS licence**

3.1.9 The provisions reproduced in sections **3.1.10** to **3.1.13** prescribe criteria in respect of a licence for the purposes of section 26 (2) (f) of the CCLA reproduced in **paragraph (g)** of section **3.1.1**. [CLR s. 7.1 (1)]

3.1.10 The applicant must designate in the application the **eligible federal licence** that is to be associated with the PRS licence. [CLR s. 7.1 (2)]

3.1.11 The applicant must be the holder of the **designated federal licence**. [CLR s. 7.1 (3)]

3.1.12 The designated federal licence must not be associated with any other PRS licence.  
[CLR s. 7.1 (4)]

3.1.13 The location of the establishment or proposed establishment

- a) must be adjacent to the federal area or otherwise sufficiently proximate, in the opinion of the GM, to the federal area, and
  - b) must not overlap with the federal area.
- [CLR s. 7.1 (5)]

3.1.14 It is a requirement of a licence that, during the term of the licence, the criteria under the provisions reproduced in sections **3.1.9** to **3.1.13** in respect of the licence continue to be met. [CLR s. 7.3]

#### **INFORMATION**

- ❖ An example of an arrangement referred to in paragraph (b) of section **3.1.2** is a lease, whether executed or offered.

## INTRODUCTION

Following the initial issuance of a **licence**, a **licensee** may apply to the **GM** to renew or amend their licence. This Division includes rules and requirements related to licence renewal and amendment, including amendments related to structural changes and relocation.

## LEGISLATION

3.2.1 The GM may, on application,

- a) issue a licence,
- b) renew a licence, including a licence that has expired, provided that the renewal is within one year after the expiry date of the licence,
- c) transfer a licence from a licensee to a different person, and
- d) amend a licence, including by amending the terms and conditions of the licence, by allowing changes to the structure and layout of the establishment, and by moving the location of the establishment.

[CCLA s. 21]

### Application requirements

3.2.2 An application to the GM to issue, renew, transfer or amend a licence must

- a) be submitted to the GM,
- b) be submitted in the form and manner that the GM establishes for that class of application,
- c) include information and records prescribed in relation to that class of application, and
- d) include other information and records that the GM considers relevant to the application or that class of application.

[CCLA s. 22 (1)]

*The form and manner that the GM establishes for applications to issue, renew, transfer or amend a licence are online applications submitted through the licensing portal.*

3.2.3 For the purposes of section 22 (1) (c) of the CCLA reproduced in **paragraph (c)** of section **3.2.2**, the prescribed record in respect of an application for a PRS licence is a copy of the **designated federal licence**. [CLR s. 7.2]

3.2.4 A person must not submit to the GM an application, or information or a record included as part of the application, that

- a) contains false or misleading information, or
- b) fails to disclose a material fact.

[CCLA s. 22 (2) (a) and (b)]

*See [Schedule 2](#) of the CLR (item 32) for penalties related to the provision reproduced in **paragraph (a)** of this section.*

3.2.5 A person commits an offence under the CCLA if they contravene the provision reproduced in section **3.2.4**. [CCLA s. 109 (1) (d)]

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See [section 110](#) of the CCLA for offence-related penalties.

### Discretionary requirements

- 3.2.6 The GM may refuse to issue, renew, transfer or amend a licence if the application requirements in the provision reproduced in section **3.2.2** or **3.2.3** are not met or the provision reproduced in section **3.2.4** has been contravened in respect of the application. [CCLA s. 27 (1)]
- 3.2.7 The GM may refuse to renew, transfer or amend a licence in respect of which a fine, monetary penalty or suspension has been imposed under the CCLA if, on the date that the renewal, transfer or amendment is to take effect,
- a) in the case of a fine, the fine has become payable under the *Offence Act* and has not been fully paid,
  - b) in the case of a monetary penalty,
    - i. the monetary penalty has become payable,
    - ii. the period for payment of the monetary penalty has expired, and
    - iii. the monetary penalty has not been fully paid, or
  - c) in the case of a suspension, the suspension has taken effect and the period of suspension has not ended. [CCLA s. 27 (2) (a)]
- 3.2.8 The GM may refuse to renew, transfer or amend a licence in respect of which the licensee has contravened the provision [*misleading information or records*] reproduced in sections **3.3.4** and **3.3.5** in a matter that arose before the submission of the application. [CCLA s. 27 (2) (a.1)]
- 3.2.9 The GM may refuse to renew, transfer or amend a licence if the **applicant** is a licensee who has broken the rule in the provision reproduced in section **3.2.10**. [CCLA s. 27 (2) (b) and CLR s. 22 (a)]

### Change to structure or layout of a retail store

- 3.2.10 It is a rule of a licence that a change to the structure, including changes to the entrances or exits, or layout of the **retail store** must not take place unless the licence is amended to allow for the change. [CLR s. 10]

See [Schedule 2](#) of the CLR (item 30) for related penalties.

### Recommendations of local governments or Indigenous nations

- 3.2.11 Unless the GM is satisfied that the residents who will be affected by the new location are substantially the same residents who are affected by the retail store, the GM must not make a permanent relocation amendment to a licence unless the **local government** or **Indigenous nation** for the area in which the establishment is proposed to be located gives the GM a recommendation that the licence be amended. [CCLA s. 33 (1) and CLR s. 13 (2)]

### TERMS AND CONDITIONS

- 3.2.12 To amend a licence by changing the name of a licensee or a retail store, a licensee must submit an application to the GM to amend the licence.

## INFORMATION

- ❖ See [Schedule 1](#) of the CLR for applicable fees.

### Licence renewal

- ❖ It is the licensee's responsibility to renew their licence on time.
- ❖ A courtesy renewal reminder will be emailed to the licensee 60 days before the expiry date of the licence, at which time the online renewal application will be available to the licensee.
- ❖ To avoid a late renewal fee, a licensee must submit an application to renew a licence and pay the renewal fee before the expiry date of the licence.
- ❖ The licence renewal fee must be paid each year regardless of any other applications (such as a licence transfer) that may be in progress at the expiry date of the licence.
- ❖ More information regarding licence renewal is available on the LCRB website at <https://www2.gov.bc.ca/gov/content?id=420650E8153D4A729D471C70B8C7B0B4>.

### Licence amendment

- ❖ Relocation of the establishment is subject to the provision reproduced in section [3.1.13](#).
- ❖ More information respecting what is considered a structural change, is available on the website at <https://www2.gov.bc.ca/gov/content/employment-business/business/liquor-regulation-licensing/cannabis-licences/amend-cannabis-licence-authorization/change-a-producer-retail-store-licence>.



## INTRODUCTION

The information a **licensee** provided in their application for a **licence** was the basis for the issuance of their licence. The rules and requirements in this Division ensure that the LCRB is made aware of any changes to the information a licensee provided as part of their application, including changes related to share transfers, licence dormancy and a licensee's corporate structure.

## LEGISLATION

### Reporting requirements

3.3.1 A licensee must, within the time specified by the **GM**, provide the GM with the following information:

- a) if the licensee is an individual, any change in the individual's contact information;
- b) if the licensee is a partnership, any change in the partners who make up the partnership and any change in the partners' contact information;
- c) if the licensee is a **corporation**, any change in the directors or officers and any change in their contact information;
- d) a prescribed change respecting the licensee or the licence;
- e) a prescribed circumstance respecting the licensee or the licence.

[CCLA s. 46 (1)]

*The time specified by the GM is a period of 10 days beginning on the day on which a change or circumstance specified in section 3.3.1 occurs.*

3.3.2 For the purposes of the provision reproduced in **paragraph (e)** of section 3.3.1, in respect of a PRS licence, the prescribed circumstance is that the **designated federal licence** associated with the PRS licence expires without being renewed or is renewed, amended, suspended, reinstated or revoked. [CLR s. 24.1]

3.3.3 A licensee must, as required and within the time specified by the GM, provide the GM with the following information and **records**:

- a) information and records specified by the GM relating to the licensee or the licence;
- b) records required to be maintained under the CCR, the CLR or the terms and conditions of the licence;
- c) if the licensee is a corporation, the names and contact information for shareholders of the corporation as specified by the GM and, if a shareholder specified by the GM is a corporation, any person who has an ownership interest in that corporation as specified by the GM.

[CCLA s. 46 (2)]

### Misleading information or records

3.3.4 A licensee who is required to keep information or a record under the CCLA must not

- a) make a false or misleading entry in the information or record,
- b) destroy, dispose of, mutilate or hide the information or record, or
- c) fail to disclose a material fact in the information or record.

[CCLA s. 47 (1)]

3.3.5 A licensee must not provide information or a record to the GM that

- a) contains false or misleading information, or
- b) fails to disclose a material fact.  
[CCLA s. 47 (2) (a) and (b)]

See [Schedule 2](#) of the CLR (item 32) for penalties related to the provision reproduced in **paragraph (a)** of this section.

3.3.6 A person commits an offence under the CCLA if they contravene the provisions reproduced in sections **3.3.1** to **3.3.5**. [CCLA s. 109 (1) (d)]

See [section 110](#) of the CCLA for offence-related penalties.

### Dormant licences

3.3.7 If, in the GM's opinion, a licence is dormant because a licensee has not, for a period of 2 years, operated the **establishment** that is the subject of the licensee's licence, the GM must cancel the licence, except in the circumstances prescribed in section 27.1 of the CLR. [CCLA s. 37 (5) and CLR s. 27 (1)]

See [Information](#) for an explanation of this section.

See [section 3.3.19](#) for steps a licensee must take to avoid cancellation of their dormant licence.

3.3.8 For the purposes of the provision reproduced in section **3.3.7**, a prescribed circumstance is that the licensee satisfies the GM that the licensee was prevented from operating the establishment at the beginning of or during the dormancy period for reasons beyond the licensee's control, including but not limited to the reasons described in section 27.1 of the CLR, and that the operations in the establishment restart as soon as practicable after the licensee is no longer prevented from operating the establishment because of those reasons. [CLR s. 27.1]

## TERMS AND CONDITIONS

### Providing information and records

3.3.9 If a licensee is a corporation, the licensee must, within 10 days of the change occurring, provide the GM with information and records relating to the following:

- a) the issuance by the licensee of new shares to existing shareholders or the transfer of shares between existing shareholders if, as a result, a shareholder holds or beneficially owns, other than by way of security only, 10% or more of the voting shares of the corporation;
- b) the issuance by the licensee of new shares to persons who are not existing shareholders or the transfer by existing shareholders of shares to persons who are not existing shareholders if, as a result, a shareholder holds or beneficially owns, other than by way of security only, 10% or more of the voting shares of the corporation;
- c) an amalgamation of the corporation.

See [Schedule 1](#) of the CLR (items 17 and 18) for related fees.

- 3.3.10 A licensee must, within 10 days of the change occurring, provide the GM with information and records relating to an addition or change of, or change of name of, a senior manager, receiver, executor, trustee or administrator.

See [Schedule 1](#) of the CLR (item 16) for related fees.

#### **Form and manner requirements for providing information and records**

- 3.3.11 To provide the GM with information and records described in the provisions reproduced in **paragraph (c)** of section **3.3.1**, section **3.3.9** or section **3.3.10**, a licensee must submit a licence change form through the LCRB licensing portal.

See [Information](#) for a link to the LCRB licensing portal.

#### **Notification**

- 3.3.12 A licensee must notify the GM if a store or business that shares a common area or an area approved by the GM with the **retail store** changes during the term of their licence.

See [Information](#) for an example of a change that must be reported.

See also “Storage and Security Requirements” (sections [4.1.3](#) and [4.1.4](#)) for related rules and requirements.

- 3.3.13 A licensee must notify the GM if they no longer meet ownership and control requirements for the establishment.

See “General Licence Requirements” (section [3.1.2](#)) for ownership and control requirements.

- 3.3.14 A licensee must notify the GM of any tied house arrangements.

See [Information](#) for examples of tied house arrangements.

See “Relationships with other Federal Licence Holders and their Marketing Licensees” ([Introduction](#) and sections [5.2.1](#) to [5.2.4](#)) for related information, rules and requirements.

See also [Schedule 2](#) of the CLR (item 24) for related penalties.

- 3.3.15 A licensee must notify the GM if an individual, partner, shareholder, director or officer is arrested, charged with an offence or convicted of an offence under any of the following enactments:

- a) the *Criminal Code* (Canada), the *Controlled Drugs and Substances Act* (Canada) or the *Cannabis Act* (Canada);
- b) the CCLA, the CDA, the *Liquor Control and Licensing Act* or the *Liquor Distribution Act*;
- c) an enactment of another province or territory of Canada if the enactment regulates **cannabis**;
- d) the *Motor Vehicle Act* or a similar enactment if the offence is related to drugs or liquor.

- 3.3.16 A licensee must notify the GM of a court action involving the transfer of their licence.

#### **Form and manner requirements for notification**

- 3.3.17 To notify the GM of a circumstance described in sections **3.3.2** or **3.3.12** to **3.3.16**, a

licensee must submit a letter to the GM within 10 days of the circumstance occurring.

See [Information](#) for the relevant link.

### Dormant licences

3.3.18 If a licensee's licence will be dormant for 90 days or more, other than for seasonal closures, a licensee must submit a letter notifying the GM of the dormancy, including when the licensee expects operations in the establishment to restart, as soon as the licensee knows that the licence will be dormant for 90 days or more.

3.3.19 To avoid cancellation of a dormant licence, a licensee must satisfy the GM that their licence is dormant in the circumstances prescribed in section 27.1 of the CLR by submitting a letter to the GM before the 2-year dormancy period ends.

See [Information](#) for the relevant link.

### INFORMATION

- ❖ A requirement to “provide the GM with information and records” is distinct from a requirement to “notify the GM.” A licensee who is providing information and records will use the licence change form linked below and will be prompted to provide specific information or records related to the licence change. A licensee who is notifying the GM will submit a letter using the link below and may receive a follow-up request from the LCRB for additional information.
- ❖ Pursuant to the provision reproduced in section [3.3.7](#), it is a licensee's responsibility to ensure that the GM is aware that their licence is dormant in the circumstances prescribed in section 27.1 of the CLR. The licensee must also satisfy the GM that their licence is dormant in those prescribed circumstances. If a licensee fails to satisfy the GM that their licence is dormant in the circumstances prescribed in section 27.1 of the CLR, the GM must cancel the licence at the end of the 2-year dormancy period.
- ❖ Operationally, the term “extended dormancy” refers to the period that begins after the end of the 2-year dormancy period in respect of a licence that is not cancelled because it was dormant in the circumstances prescribed in section 27.1 of the CLR and that ends when the operations in the establishment restart.
- ❖ The licence change form referred to in section [3.3.11](#) is available through the LCRB licensing portal at <https://justice.gov.bc.ca/lcrb/>
- ❖ An example of a change referred to in section [3.3.12](#) is a change to the store name or a change to the nature of the business, for example if a shoe store changes to a daycare.
- ❖ Examples of tied house arrangements referred to in section [3.3.14](#) include the following:
  - if another **federal licence holder** obtains a financial interest in the licensee;
  - if a person with a financial interest in the licensee obtains a financial interest in another federal licence holder;
  - if an immediate family member of the licensee obtains a financial interest in another federal licence holder.

- ❖ An “immediate family member” includes parents, siblings, spouses, children and in-laws.
- ❖ A person acquiring an interest in a licence may be subject to a security screening and financial integrity assessment.
- ❖ To submit a letter to the GM for the purposes described in sections [3.3.17](#) to [3.3.19](#), please visit the LCRB’s Customer Support Team help desk at <https://www2.gov.bc.ca/gov/content?id=01D1E56D00214BB987B0AC10EFA1219B>.
- ❖ See [Appendix A](#) for a guide to reporting requirements.

## INTRODUCTION

This Division includes the **records** a **licensee** is required to keep under the CCLA, the CLR and the terms and conditions of their **licence**. Required records may be digital or hard copy as long as they are available for **inspection**.

## LEGISLATION

- 3.4.1 The licence must be posted in a conspicuous place in the **retail store**. [CLR s. 5 (1) (t)]
- 3.4.2 A licensee must keep the following records for 6 years from the creation of the records during the term of the licence and any renewals and for 6 months after the licence expires or is cancelled:
- a) **cannabis** purchase records;
  - b) cannabis **sales** records, including quantity of cannabis sold and prices charged;
  - c) records for each delivery of cannabis that comply with the provision reproduced in section **3.4.4**;
  - d) records for transfers of cannabis between retail stores under licences held by the same licensee;
  - e) cannabis disposal records setting out the date, location and method of disposal and the type and amount of cannabis or number of **cannabis plants**;
  - f) sales records respecting **cannabis accessories** and **prepaid purchase cards** sold by the licensee;
  - g) contracts with other licensees;
  - h) contracts with **delivery service providers** and common carriers;
  - i) invoices and purchase receipts for all equipment and other inventory that is used in the operation of the **establishment**;
  - j) management contracts that are related to the establishment and records establishing or modifying an arrangement respecting ownership and control requirements;
  - k) records of incidents that occurred in or adjacent to the establishment that adversely affect patrons, staff, people who live or work in buildings adjacent to the establishment, or the operation of the establishment;
  - l) records of court orders and judgments against the licensee respecting the sale of cannabis or cannabis accessories;
  - m) employee records, including names, addresses, compensation, primary job responsibilities, shift schedules and dates of employment;
  - n) records containing the information described in the provision reproduced in section **3.4.5** relating to training required under the provisions reproduced in sections **2.1.3** to **2.1.6** that has been taken by the **adult** referred to in the provision reproduced in section **2.1.9**.

[CLR s. 24 (1), (3) and (4)]

See [Information](#) for an example of management contracts.

See "General Licence Requirements" (section [3.1.2](#)) for requirements related to **paragraph (j)** of this section.

See also “Compliance” (sections [6.1.2](#) to [6.1.6](#)) for inspection requirements.

3.4.3 A licensee who has more than one licence must keep a separate set of records set out in the provision reproduced in section **3.4.2** in respect of each licence. [CLR s. 24 (2)]

3.4.4 Delivery records required under the provision reproduced in **paragraph (c)** of section **3.4.2** must include

- a) the date and time of the delivery,
- b) the date on which the cannabis is provided to a common carrier for delivery, if applicable,
- c) the name of the delivery service provider or common carrier who makes the delivery on the licensee’s behalf, if applicable,
- d) the address or the location for the delivery,
- e) the quantity of each cannabis product delivered and the price charged for that product,
- f) the delivery fee, and
- g) the name and signature of the **person** who receives the delivery.  
[CLR s. 24 (3) (b.1)]

See “[Delivery Service](#)” (sections [4.5.1](#) to [4.5.29](#)) for delivery rules and requirements.

3.4.5 Training records required under the provision reproduced in **paragraph (n)** of section **3.4.2** must contain the following information:

- a) the name of the person who has taken the training;
- b) the number of the training certificate provided to the person who has taken the training;
- c) the date that the certificate expires.  
[CLR s. 24 (8)]

See “[Responsible Selling Training](#)” (section [2.1.9](#)) for adults whose training must be recorded.

3.4.6 A licensee must prepare and maintain a register of cannabis purchased and received and must keep the register for 6 years from the making of each entry during the term of the licence and any renewals and for 6 months after the licence expires or is cancelled.  
[CLR s. 24 (5)]

See [Information](#) for cannabis that is included in the cannabis register.

See [Schedule 2](#) of the CLR (item 31) for related penalties.

3.4.7 A licensee who has more than one licence must keep a separate cannabis register referred to in the provision reproduced in section **3.4.6** in respect of each licence. [CLR s. 24 (6)]

## TERMS AND CONDITIONS

3.4.8 A licensee must keep the following in the retail store:

- a) the appendix to their licence, if applicable;
- b) the letter issued by the **GM** imposing special terms and conditions on their licence, if applicable;

c) the floor plan approved by the LCRB during the licence application process.

3.4.9 Records for transfers of cannabis between retail stores under licences held by the same licensee must contain the following information:

- a) the number of each licence;
- b) the name and address for each retail store;
- c) the name and contact information, including phone number or email address, for the licensee or an employee of the licensee who operates each retail store;
- d) the date of the transfer;
- e) in respect of each cannabis product transferred, the name, class, LDB SKU, number of units transferred, unit weight from the original packaging expressed in kg and the price paid to the government per unit;
- f) the total weight, expressed in kg, of cannabis transferred and the total price paid to the government for that cannabis.

3.4.10 A licensee must keep records of incidents that adversely affect patrons or staff that occurred at a location outside the establishment while delivering cannabis for 6 years from the creation of the records.

3.4.11 Incident records referred to in the provision reproduced in **paragraph (k)** of section **3.4.2** and section **3.4.10** must contain the following information:

- a) the date and time of the incident;
- b) a description of the incident;
- c) the names or a description of the people involved in the incident;
- d) the names of any employees who witnessed the incident;
- e) any action taken by the licensee or their employee;
- f) any relevant sales records;
- g) any other relevant information, including witness statements.

See [\*Information\*](#) for examples of incidents.

3.4.12 A licensee must keep records of court orders and judgements against the licensee respecting the **supply** or **production** of cannabis for 6 years from the creation of the records.

3.4.13 A licensee who sells cannabis to a **retail store licensee** who holds another **a retail store licence**, or purchases cannabis from a retail store licensee who holds another a retail store licence, must keep records that contain the following information:

- a) if selling cannabis, written confirmation from the GM that the GM approves the sale;
- b) the number of the retail store licence of the retail store licensee selling the cannabis and the number of the retail store licence of the retail store licensee purchasing the cannabis;
- c) the name and address for each retail store;
- d) the name and contact information, including phone number or email address, for each retail store licensee;



- e) the date of the sale or purchase;
- f) the total price charged for the cannabis;
- g) in respect of each cannabis product sold or purchased, the name, class, LDB SKU, number of units sold or purchased, unit weight from the original packaging expressed in kg, price charged per unit and the price paid to the government per unit;
- h) the total weight, expressed in kg, of cannabis sold or purchased and the total price paid to the government for that cannabis.

*See "Selling Cannabis and Non-Cannabis Products" (sections [4.4.1](#), [4.4.2](#), and [4.4.16](#) to [4.4.18](#)) for related rules and requirements.*

3.4.14 A licensee must keep records respecting the cannabis used in smell jars and touch jars that contain the following information:

- a) the unique excise tax identifier from the **original packaging** of the cannabis;
- b) the date the licensee purchased the cannabis and the invoice number of the order;
- c) the date the original packaging was opened;
- d) the amount of cannabis remaining in the opened packaging, if applicable;
- e) the amount of cannabis taken from the opened packaging to replenish the smell jar or touch jar and a running balance of cannabis remaining in the opened packaging, if applicable.

*See "Visibility and Accessibility of Cannabis and Non-Cannabis Products" (sections [4.2.5](#), [4.2.8](#) and [4.2.12](#) to [4.2.17](#)) for smell jar and touch jar rules and requirements.*

3.4.15 A licensee must keep records of cannabis that is recalled by the LDB or returned to the LDB.

3.4.16 A licensee must keep required records, including the cannabis register, organized and legible.

3.4.17 A licensee must keep records, respecting cannabis samples received from a federal licence holder or another licensee, that contain the following information:

- a) the unique excise tax identifier from the original packaging of the cannabis sample;
- b) the LDB SKU for the cannabis that the sample is from that is registered under the *Cannabis Distribution Act*;
- c) the date the licensee received the cannabis sample;
- d) the name and licence number of the CRS licensee, PRS licensee, federal licence holder or marketing licensee of the federal licence holder that provided the cannabis sample to the licensee;
- e) the amount of cannabis for each class of cannabis product in the sample received.

3.4.18 A licensee must keep records respecting samples of cannabis provided to another licensee that contain the following information:

- a) the unique excise tax identifier from the original packaging of the cannabis

- sample;
- b) the LDB SKU for the cannabis that the sample is from that is registered under the *Cannabis Distribution Act*;
- c) the date the licensee provided the cannabis sample;
- d) the name and licence number of the CRS licensee or PRS licensee that received the cannabis sample;
- e) the amount of cannabis for each class of cannabis product in the sample provided.

## INFORMATION

- ❖ An example of management contracts referred to in the provision reproduced in [paragraph \(j\)](#) of section **3.4.2** is leases or other property agreements.
- ❖ For the purposes of the provision reproduced in section **3.4.6**, the cannabis register includes cannabis that was transferred between retail stores under licences held by the same licensee.
- ❖ Examples of incidents referred to in sections [3.4.10](#) and [3.4.11](#) include the following:
  - a licensee or their employee forbids a person from entering an establishment;
  - a licensee or their employee requests that a person leave an establishment;
  - a **minor** attempts to purchase cannabis in the retail store;
  - an injury or accident occurs on the premises, including injuries arising from fights;
  - an injury or accident occurs while a licensee or their employee is delivering cannabis;
  - a licensee or their employee calls emergency personnel to respond to an incident (**peace officer**, firefighter, emergency medical technician, etc.);
  - unlawful activities or conduct occur in an establishment.
- ❖ Best practices for keeping cannabis records include the following:
  - keep all receipts and invoices for cannabis purchased and received in chronological order and separate from receipts and invoices for **non-cannabis products**;
  - photocopy or scan receipts printed on thermal paper to protect the record from fading over time.

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## INTRODUCTION

The rules and requirements in this Division relate to the location and structure of a **retail store** and ensure that **cannabis** and **cannabis accessories** in the retail store are stored securely.

## LEGISLATION

- 4.1.1 The retail store must be located in a permanent building or structure. [CLR s. 5 (1) (p)]
- 4.1.2 The entrances and exits of the retail store must not be shared with any other store or business. [CLR s. 5 (1) (q)]
- 4.1.3 It must not be possible for patrons entering or exiting the retail store to pass through any other store or business other than the common area of a mall or an area approved by the **GM**. [CLR s. 5 (1) (r)]
- 4.1.4 The entrances and exits of the retail store must not require patrons to pass through an area that is enclosed to create exclusive access to an entrance or exit of the retail store and one or more other stores or businesses, other than an area that is
- a) the common area of a mall or a hallway, or
  - b) an area approved by the GM.  
[CLR s. 5 (1) (s)]

*See "Providing Information and Records to the LCRB" (sections [3.3.12](#) and [3.3.17](#)) for related notification requirements.*

## TERMS AND CONDITIONS

- 4.1.5 A licensee must ensure that their retail store has the following security measures:
- a) an intrusion detection system that is monitored at all times by a third party;
  - b) a fire alarm system that is monitored at all times by a third party;
  - c) a lockable **retail product case** if cannabis is stored or displayed in the **retail sales area**;
  - d) a lockable storage area in an area of the retail store other than the retail sales area;
  - e) secure exterior door locks.
- 4.1.6 A licensee must store their cannabis at the retail store associated with the **licence** under which the cannabis was purchased unless the cannabis was transferred between retail stores under licences held by the same licensee.
- 4.1.7 If a licensee who holds more than one licence transfers cannabis between their retail stores, the licensee must store that cannabis at the retail store associated with the licence under which the cannabis was received.
- 4.1.8 A licensee must ensure that cannabis, other than cannabis in a smell jar, is stored in either a lockable retail product case in the retail sales area or a lockable storage area.

*See "Visibility and Accessibility of Cannabis and Non-Cannabis Products" (sections [4.2.5](#), [4.2.8](#) and [4.2.12](#) to [4.2.17](#)) for smell jar and touch jar rules and requirements.*

- 4.1.9 A licensee must ensure that a retail product case that contains cannabis is locked when unattended by the licensee or their employee.
- 4.1.10 A licensee must ensure that their retail store has security cameras that have a full unobstructed view of
- a) the retail sales area,
  - b) any cannabis and cannabis accessory storage areas, and
  - c) both the interior and exterior of all retail store entrances and exits.
- 4.1.11 A licensee must ensure that the security cameras in their retail store are recording at all times, including when the retail store is closed.
- 4.1.12 A licensee must post a written notice in a conspicuous place in the retail sales area informing patrons that security cameras are in use.
- 4.1.13 A licensee must keep security camera recordings for a minimum of 30 days after the recording date.

#### **INFORMATION**

- ❖ Security camera recordings may be relevant to the subject matter of a hearing. See “Enforcement” (section [6.2.17](#)) for the related provision.
- ❖ Off-site storage of cannabis is not permitted.
- ❖ See the following guide from the Office of the Information and Privacy Commissioner for guidance on video surveillance and privacy considerations at <https://www.oipc.bc.ca/guidance-documents/2006>.

## INTRODUCTION

The rules and requirements in this Division relate to the display of **cannabis** and **cannabis accessories** and the accessibility of cannabis and **non-cannabis products** to persons inside the **retail store**, including through the use of retail product cases, smell jars and touch jars.

## LEGISLATION

### Product visibility

4.2.1 This section was repealed as a result of amendments made to section 5 of the Cannabis Licensing Regulation.

### Product accessibility

4.2.2 A **licensee** must not **sell** cannabis or a cannabis accessory by means of a display that allows for self-service or by means of a dispensing device. [CCLA s. 48]

*See [Schedule 2](#) of the CLR (items 4 and 5) for related penalties.*

4.2.3 A person commits an offence under the CCLA if they contravene the provision reproduced in section **4.2.2**.

*See [section 110](#) of the CCLA for offence-related penalties.*

4.2.4 Cannabis that is sold under the **licence** must be sold in its **original packaging** that has never been opened. [CLR s. 5 (1) (i)]

4.2.5 A licensee must not open the original packaging of cannabis unless

- a) the purpose of opening the packaging is to allow patrons to smell the cannabis, or another purpose approved by the **GM**, and
- b) cannabis from the opened packaging is not sold.  
[CLR s. 5 (1) (j)]

*Opening the original packaging of cannabis to dispose of the cannabis and to allow patrons to touch the cannabis are purposes approved by the GM.*

4.2.6 A patron must not open in the retail store the original packaging of cannabis unless the patron purchased the cannabis in that retail store in its original packaging that had never been opened. [CLR s. 5 (1) (k)]

4.2.7 Cannabis must not be **consumed** in the retail store. [CLR s. 5 (1) (l)]

*See [Schedule 2](#) of the CLR (item 19) for related penalties.*

4.2.8 A licensee must not

- a) alter cannabis in smell jars or cannabis in its original packaging, or
- b) add a substance to cannabis in smell jars or to cannabis in its original packaging.  
[CLR s. 8]

*See [Schedule 2](#) of the CLR (item 29) for related penalties.*

DIVISION 2: DISPLAY AND ACCESSIBILITY OF CANNABIS AND NON-CANNABIS PRODUCTS

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4.2.9 A person commits an offence under the CCLA if they contravene the provision reproduced in section **4.2.8**. [CCLA s. 109 (1) (e) and CLR s. 29 (1) (b)]

See [section 29 \(3\)](#) of the CLR for offence-related penalties.

## TERMS AND CONDITIONS

### Product display

4.2.10 This section was updated as a result of amendments made to section 5 of the Cannabis Licensing Regulation.

4.2.10.1 A licensee must not display cannabis, cannabis accessories or packaging and labelling of cannabis and cannabis accessories in a store window.

See [Schedule 2](#) of the CLR (item 20.1) for related penalties.

### Product Accessibility

4.2.11 A licensee must not sell a **cannabis-related item** that is designed to look like cannabis or a cannabis accessory by means of a display that allows for self-service or by means of a dispensing device.

See [Information](#) for examples of cannabis-related items.

See "Selling Cannabis and Non-Cannabis Products" (section [4.4.4](#)) for rules and requirements related to cannabis-related items.

4.2.12 If a licensee or their employee opens the original packaging of cannabis to allow patrons to smell or touch the cannabis, the licensee must ensure that the cannabis from the opened packaging is placed in a smell jar or a touch jar before the patron smells or touches that cannabis.

4.2.13 If any cannabis remains in the opened packaging for future smell jar or touch jar replenishment, the cannabis must be stored in a locked storage area in an area of the retail store other than the **retail sales area**.

4.2.14 If a licensee or their employee opens the original packaging of cannabis for an approved purpose, the licensee must ensure that the opened packaging is available for **inspection** until all the cannabis from that packaging has been disposed of.

See "[Disposing of Cannabis](#)" (sections [4.6.1](#) and [4.6.2](#)) for disposal rules and requirements.

4.2.15 A licensee must ensure that cannabis in smell jars is not accessible for patrons to touch.

4.2.16 A licensee must ensure that smell jars containing cannabis are attached to a **retail product case** or counter in the retail sales area at all times.

4.2.17 A licensee must ensure that touch jars containing cannabis are not accessible to patrons without employee assistance.

See "[Record-Keeping Requirements](#)" (section [3.4.14](#)) for smell jar and touch jar requirements.

**INFORMATION**

- ❖ See “Storage and Security Requirements” (sections [4.1.5](#) to [4.1.9](#)) for rules and requirements related to storing cannabis.
- ❖ Non-cannabis products that are displayed or stored in the retail sales area do not have to be in a lockable retail product case. This includes cannabis accessories, subject to the provision reproduced in section [4.2.2](#) prohibiting the sale of cannabis accessories by means of a display that allows for self-service or by means of a dispensing device.
- ❖ Examples of cannabis-related items referred to in section [4.2.11](#) include books about cannabis and apparel or artwork that features cannabis motifs.
- ❖ Cannabis-related items may be sold by means of a display that allows for self-service or by means of a dispensing device.

## INTRODUCTION

The rules and requirements in this Division relate to the lawful purchase and transfer of **cannabis** under a **licence**, including transfers of cannabis between **retail stores** under licences held by the same **licensee**.

## LEGISLATION

- 4.3.1 A **person** must not **sell** cannabis unless they are a licensee whose licence authorizes the sale, and
- a) the cannabis was registered under the CDA and purchased by the licensee from the government, in prescribed circumstances, or as authorized by the terms and conditions of the licence, or
  - b) the cannabis was purchased by the licensee as an **applicant** for that licence under the provision reproduced in **paragraph (b)** of section **4.4.1**.  
[CCLA s. 15 (c) and (d) and CLR s. 10.02]

*See "Selling Cannabis and Non-Cannabis Products" (sections [4.4.1](#), [4.4.2](#) and [4.4.16](#) to [4.4.18](#)) for rules and requirements related to **paragraph (b)** of this section.*

*See [Schedule 2](#) of the CLR (item 2) for related penalties.*

- 4.3.2 A person commits an offence under the CCLA if they contravene the provision reproduced in section **4.3.1**. [CCLA s. 109 (1) (b)]

*See [section 110](#) of the CCLA for offence-related penalties.*

### Identifying licence under which cannabis will be sold

- 4.3.3 A licensee, when purchasing cannabis from the government, must identify the licence under which the cannabis will be sold. [CLR s. 9 (1)]
- 4.3.4 A licensee must not sell, under a licence, cannabis that they purchased from the government unless
- a) the licence was identified by the licensee under the provision reproduced in section **4.3.3**, or
  - b) the cannabis is sold under another licence held by the licensee.  
[CLR s. 9 (2)]

*See [Schedule 2](#) of the CLR (item 6) for related penalties.*

## TERMS AND CONDITIONS

- 4.3.5 If a licensee who holds more than one licence transfers cannabis between their retail stores, the licensee must take adequate measures to reduce the risk of that cannabis being diverted to an illicit market or activity.

*See "Record-Keeping Requirements" ([paragraph \(d\)](#) of section **3.4.2** and section [3.4.9](#)) for related requirements.*



**INFORMATION**

- ❖ A transfer of cannabis between retail stores under licences held by the same licensee is not considered a sale or purchase of cannabis and does not require **GM** approval because no consideration is given for that cannabis.
- ❖ A licensee is not required to obtain **cannabis accessories** and **cannabis-related items** from the LDB.

## INTRODUCTION

The rules and requirements in this Division relate to the **sale** of **cannabis** and **non-cannabis products** to patrons, including maximum transaction amounts, hours of sale and minimum cannabis prices. This Division also includes rules and requirements related to the sale of cannabis to other **licensees**.

## LEGISLATION

4.4.1 A **licence** authorizes the licensee to sell cannabis referred to in the provision reproduced in **paragraph (a)** of section **4.3.1**

- a) in the **retail store**, through an **online system** or by telephone to patrons if the transfer of personal **possession** of cannabis from the licensee takes place in accordance with the provision reproduced in section **4.4.7**, and
- b) if approved by the **GM**, to a **retail store licensee** who holds another **retail store licence** or an **applicant** for a licence.

[CLR s. 4]

See **Information** for *examples* of circumstances in which the GM may approve a sale to a retail store licensee who holds another licence and for a *recommendation* to licensees.

4.4.2 An applicant for a licence is exempt from section 54 [*maximum possession limit*] of the CCLA in respect of cannabis purchased by the applicant under the provision reproduced in **paragraph (b)** of section **4.4.1**. [CLR s. 10.03]

4.4.3 Only the following are permitted to be sold from the retail store or by the licensee through an online system or by telephone:

- a) cannabis, other than **cannabis plants** that are budding or flowering;
- b) **cannabis accessories**, subject to the provision reproduced in section **4.4.4**;
- c) **cannabis-related items**, subject to the provision reproduced in section **4.4.4**;
- d) bags of a class or type approved by the GM;
- e) **prepaid purchase cards** for use for the future **supply** of only the items listed above;
- f) a service to deliver only the items listed above.

[CLR s. 5 (1) (a) and (b)]

*Paper, plastic or reusable shopping bags are approved by the GM.*

4.4.4 For the purposes of the provisions reproduced in **paragraphs (b)** and **(c)** of section **4.4.3**, the following items are not permitted to be sold:

- a) **organic solvents**;
- b) an item that promotes cannabis, a cannabis accessory or any service related to cannabis contrary to section 17 (1) or (6) of the *Cannabis Act* (Canada);
- c) an item that promotes cannabis contrary to section 18 (1) of the *Cannabis Act* (Canada);
- d) an item that promotes a cannabis accessory contrary to section 18 (2) of the *Cannabis Act* (Canada);

- e) an item specified by the GM.  
[CLR s. 5 (1.1)]

See **Information** for a description of the Cannabis Act (Canada) restrictions that apply to cannabis accessories and cannabis-related items.

- 4.4.5 The payment for cannabis purchased by a patron must take place in the retail store unless the patron purchased cannabis through an online system or by telephone. [CLR s. 5 (1) (d)]
- 4.4.6 For the purposes of the provision reproduced in section **4.4.5**, the payment for the purchase of a prepaid purchase card is not a payment for the purchase of cannabis, and the debiting of a prepaid purchase card to acquire cannabis is a payment for the purchase of cannabis. [CLR s. 5 (2)]
- 4.4.7 The transfer of personal possession of cannabis from the licensee to a patron who purchased the cannabis in the retail store, through an online system or by telephone, or to another **adult** acting on the patron's behalf, must take place in the retail store, or on delivery outside the retail store made in accordance with the rules and requirements in the provisions reproduced in sections **4.5.3** to **4.5.8**. [CLR s. 5 (1) (e)]

See "**Delivery Service**" (sections **4.5.1** to **4.5.29**) for delivery rules and requirements.

- 4.4.8 An online system must be administered or operated, as applicable, in compliance with the laws, rules and requirements that apply to the licensee. [CLR s. 5 (1) (u)]

#### Maximum transaction amounts

- 4.4.9 The maximum number of cannabis plants that may be sold to a patron in a transaction is 4. [CLR s. 5 (1) (g.1)]
- 4.4.10 The maximum amount of cannabis that may be sold to a patron in a transaction is 30 g of **dried cannabis** or an equivalent amount. [CLR s. 5 (1) (g)]
- 4.4.11 When the provision reproduced in section **4.4.10** refers to "30 g of dried cannabis or an equivalent amount," "equivalent amount" means an amount of cannabis that is equivalent to 30 g of dried cannabis as determined in accordance with the rule that a quantity referred to in column 2 of the following table in respect of a class of cannabis referred to in column 1 of the table is deemed to be equivalent to 1 g of dried cannabis:

Item	Column 1 Class of cannabis	Column 2 Quantity that is equivalent to 1 g of dried cannabis
1	dried cannabis	1 g
2	fresh cannabis	5 g
3	solids containing cannabis	15 g
4	non-solids containing cannabis, other than cannabis beverages	70 g
5	cannabis concentrate	0.25 g
6	cannabis beverages	570 g
7	cannabis plant seeds	1 seed

[CLR s. 2 and Schedule 3 to the *Cannabis Act* (Canada)]

See **Information** for the [definitions](#) of the classes of cannabis referred to in column 1 of items 2 to 6 of the table and for [examples](#) of amounts equivalent to 30 g of dried cannabis.

- 4.4.12 This section was updated as a result of amendments made to section 9 of the Cannabis Control Regulation.

#### Hours of sale

- 4.4.13 Subject to limitation by the GM, the retail store must not be open to patrons before 9 a.m. or after 11 p.m. of the same day. [CLR s. 5 (1) (m)]

See **Information** for a recommendation to licensees.

#### Sales strategy

- 4.4.14 A licensee must not use a sales strategy that is likely to promote or encourage the excessive, irresponsible or dangerous use of cannabis. [CLR s. 25]

#### Minimum cannabis prices

- 4.4.15 A licensee must not sell to a patron cannabis that the licensee purchased from the government for a price that is less than the lower of
- a) the price that the licensee paid to the government for the cannabis, and
  - b) the wholesale price of the cannabis on the day the licensee sells it to the patron. [CLR s. 26]

See sections **4.4.17** and **4.4.18** for minimum prices for cannabis sold to or purchased from a retail store licensee who holds another retail store licence.

### TERMS AND CONDITIONS

#### Selling cannabis to a retail store licensee who holds another retail store licence

- 4.4.16 To obtain approval from the GM to sell cannabis to a retail store licensee who holds another retail store licence, a licensee must provide a letter to the GM that contains the following information:
- a) a description of the circumstances under which the licensee is seeking approval from the GM to sell their cannabis to the retail store licensee who holds another retail store licence;
  - b) the number of the retail store licence of the retail store licensee selling the cannabis and the number of the retail store licence of the retail store licensee purchasing the cannabis;
  - c) the name and address for each retail store;
  - d) the name and contact information, including phone number or email address, for each retail store licensee.

See "Record-Keeping Requirements" (section [3.4.13](#)) for related requirements.

- 4.4.17 A licensee must not sell to a retail store licensee who holds another retail store licence cannabis that the licensee purchased from the government or from a retail store licensee who holds another retail store licence for a price that is less than the lower of

- a) the price that was paid to the government for the cannabis, and
- b) the wholesale price of the cannabis on the day the licensee sells it to the retail store licensee who holds another retail store licence.

### **Selling cannabis and non-cannabis products to patrons**

4.4.18 A licensee must not sell to a patron cannabis that the licensee purchased from a retail store licensee who holds another retail store licence for a price that is less than the lower of

- a) the price that was paid to the government for the cannabis, and
- b) the wholesale price of the cannabis on the day the licensee sells it to the patron.

4.4.19 A licensee must ensure that their online system has an age verification tool that restricts entry to adults only.

4.4.20 A licensee must ensure that loyalty programs of any kind are not permitted.

*See [Information](#) for an explanation of what is considered a loyalty program.*

4.4.21 A licensee must ensure that the supply of cannabis samples to non-licensees is not permitted.

*See [Information](#) for examples of non-licensees.*

4.4.22 A licensee must ensure that the sale or supply of non-cannabis products from the retail store, through an online system or by telephone to a **minor** is not permitted.

4.4.23 A licensee must ensure that the sale of a prepaid purchase card with a monetary value exceeding \$300 is not permitted.

### **INFORMATION**

#### **Selling cannabis to a retail store licensee who holds another retail store licence**

- ❖ Circumstances in which the GM may approve the sale of cannabis to a retail store licensee who holds another retail store licence include the following:
  - a licensee is closing their retail store and wants to sell their cannabis inventory;
  - exceptional circumstances.
- ❖ In relation to the provision reproduced in section [4.4.1](#), if a licensee purchases cannabis inventory from a retail store licensee who holds another retail store licence, it is recommended that they conduct a thorough audit of the cannabis inventory to ensure none of the cannabis is **illicit cannabis**.
- ❖ Examples of illicit cannabis include the following:
  - cannabis obtained from an unauthorized source;
  - cannabis purchased by a licensee under a licence that is not a licence held by the licensee; and
  - stolen or smuggled cannabis.

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**Selling cannabis and non-cannabis products to patrons**

- ❖ A prepaid purchase card may only be used for the future supply of items sold by that licensee.
- ❖ A licensee may sell cannabis, cannabis accessories and cannabis-related items that have been assembled into a gift package, which may also include incidental decorative packaging such as cellophane, bows, and ribbons as long as the licensee does not charge a fee for packaging other than approved shopping bags.
- ❖ Examples of items that a licensee must not sell include
  - snacks,
  - tobacco, and
  - services other than delivery services.
- ❖ The following definitions apply in the table reproduced in section [4.4.11](#),
  - “cannabis beverage” means edible cannabis that is intended to be consumed by drinking and has a concentration of 3% w/w or less of THC, taking into account the potential to convert THCA into THC;
  - “cannabis concentrate” means a substance that has a concentration of greater than 3% w/w of THC, taking into account the potential to convert THCA into THC;
  - “fresh cannabis” means freshly harvested cannabis leaves, flowers or buds, but does not include plant material that can be used to propagate cannabis;
  - “non-solids containing cannabis” means substances that are in non-solid form at a temperature of  $22 \pm 2^{\circ}\text{C}$  and that have a concentration of 3% w/w or less of THC, taking into account the potential to convert THCA into THC; and
  - “solids containing cannabis” means substances that are in solid form at a temperature of  $22 \pm 2^{\circ}\text{C}$  and that have a concentration of 3% w/w or less of THC, taking into account the potential to convert THCA into THC.  
[Cannabis Regulations (Canada), s. 1 (1) definitions of “cannabis beverage”, “cannabis concentrate”, “fresh cannabis”, “non-solids containing cannabis”, and “solids containing cannabis”]
- ❖ The maximum amount of cannabis that may be sold to a patron in a transaction can be calculated using the table reproduced in section [4.4.11](#). For example, since the table specifies that 5 g of fresh cannabis is equivalent to 1 g of dried cannabis, then the maximum amount of fresh cannabis that may be sold to a patron in a transaction is 150 g because 150 g of fresh cannabis is equivalent to 30 g of dried cannabis. For each class of cannabis, the following amounts are equivalent to 30 g of dried cannabis:
  - 150 g of fresh cannabis;
  - 450 g of solids containing cannabis;
  - 2,100 g [2.1 kg] of non-solids containing cannabis, other than cannabis beverages;
  - 7.5 g of cannabis concentrate;
  - 17,100 g [equal to 17.1 L or approximately 48 cans of 355 ml each] of cannabis beverages;
  - 30 cannabis plant seeds.
- ❖ In relation to the provision reproduced in section [4.4.13](#), it is recommended that licensees

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have a plan in place for clearing the store of patrons before the end of operating hours.

- ❖ A licensee may adjust cannabis prices at any time throughout the day, but the price must never go below the minimum price as outlined in the provision reproduced in section [4.4.15](#) or in sections [4.4.17](#) and [4.4.18](#).
- ❖ Offering rewards to patrons based on their repeat business, and thereby incentivizing them to make future purchases, is considered a loyalty program referred to in section [4.4.20](#). Free membership programs intended to notify members of offers available to all patrons are not considered loyalty programs if membership is not conditional on a transaction. Promotional rules and requirements under the *Cannabis Act* (Canada) may apply.
- ❖ In relation to the provision referred to in section [4.4.21](#), examples of non-licensees include patrons and members of the public.

#### **Restrictions on cannabis accessories and cannabis-related items**

- ❖ For the purposes of the following bullets describing the *Cannabis Act* (Canada) provisions referred to in the provisions reproduced in [paragraphs \(b\), \(c\) and \(d\)](#) of section [4.4.4](#), “young person” means an individual who is under 18 years of age and “brand element” includes a brand name, trademark, tradename, distinguishing guise, logo, graphic arrangement, design or slogan that is reasonably associated with, or that evokes,
  - a) cannabis, a cannabis accessory or a service related to cannabis, or
  - b) a brand of any cannabis, cannabis accessory or service related to cannabis.[*Cannabis Act* (Canada), s. 2 (1) definitions of “brand element” and “young person”]
- ❖ In relation to the provision reproduced in [paragraph \(b\)](#) of section [4.4.4](#), licensees should be aware that section 17 (1) of the *Cannabis Act* (Canada) prohibits the promotion of cannabis, a cannabis accessory or any service related to cannabis in a way that could be appealing to young persons or by presenting it or any of its brand elements in a manner that associates it or the brand element with, or evokes a positive or negative emotion about or image of, a way of life such as one that includes glamour, recreation, excitement, vitality, risk or daring.
- ❖ In relation to the provision reproduced in [paragraph \(b\)](#) of section [4.4.4](#), licensees should be aware that section 17 (6) of the *Cannabis Act* (Canada) prohibits the promotion of cannabis, a cannabis accessory or a service related to cannabis by displaying a brand element of cannabis, a cannabis accessory or a service related to cannabis on a cannabis-related item if the item is
  - associated with young persons,
  - appealing to young persons, or
  - associated with a way of life such as one that includes glamour, recreation, excitement, vitality, risk or daring.
- ❖ In relation to the provision reproduced in [paragraph \(c\)](#) of section [4.4.4](#), licensees should be aware that section 18 (1) of the *Cannabis Act* (Canada) prohibits the promotion of cannabis in a manner that is false, misleading or deceptive or that is likely to create an

erroneous impression about its characteristics, value, quantity, composition, strength, concentration, potency, purity, quality, merit, safety, health effects or health risks.

- ❖ In relation to the provision reproduced in [paragraph \(d\)](#) of section **4.4.4**, licensees should be aware that section 18 (2) of the *Cannabis Act* (Canada) prohibits the promotion of a cannabis accessory in a manner that is false, misleading or deceptive or that is likely to create an erroneous impression about its design, construction, performance, intended use, characteristics, value, composition, merit, safety, health effects or health risks.



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**INTRODUCTION**

The rules and requirements in this Division relate to the delivery of permitted items by the **licensee**, their employee, or a **delivery person** or common carrier acting on the licensee's behalf.

**LEGISLATION**

4.5.1 A licensee may **sell** a service to deliver only the following items that have been sold from the licensee's **retail store** or by the licensee through an **online system** or by telephone:

- a) **cannabis**, other than **cannabis plants** that are budding or flowering;
- b) **cannabis accessories**, subject to the provision reproduced in section [4.4.4](#);
- c) **cannabis-related items**, subject to the provision reproduced in section [4.4.4](#);
- d) bags of a class or type approved by the **GM**;
- e) **prepaid purchase cards** for use for the future **supply** of only the items listed above.

[CLR s. 5 (1) (a) (v) and (b) (v)]

*Paper, plastic or reusable shopping bags are approved by the GM.*

*See "Selling Cannabis and Non-Cannabis Products" (sections [4.4.9](#) to [4.4.12](#)) for maximum transaction amounts.*

4.5.2 Cannabis must not be sold to a **person** who intends to deliver the cannabis to another person for compensation. [CLR s. 5 (1) (f)]

*See [Information](#) for an example of prohibited conduct.*

4.5.3 Cannabis must be delivered by the licensee or their employee, a delivery person, or a common carrier. [CLR s. 5 (2.1) (a)]

*See [Information](#) for an example of prohibited conduct.*

4.5.4 Subject to limitation by the GM, if cannabis is delivered by the licensee or their employee or by a delivery person, the cannabis must be delivered between 9 a.m. and 11 p.m. [CLR s. 5 (2.1) (b) (i) and (c) (i)]

4.5.5 If cannabis is delivered by the licensee or their employee, the transfer of personal **possession** of the cannabis to a patron, or to another **adult** acting on the patron's behalf, must take place

- a) at the address in B.C. specified by the patron when purchasing the cannabis, or
- b) at a location immediately outside the retail store.

[CLR s. 5 (2.1) (b) (ii)]

4.5.6 If cannabis is delivered by a delivery person, the transfer of personal possession of the cannabis to a patron, or to another adult acting on the patron's behalf, must take place at the address in B.C. specified by the patron when purchasing the cannabis. [CLR s. 5 (2.1) (c) (ii)]

4.5.7 The person who delivers cannabis must obtain the name and signature of the patron, or the other adult acting on the patron's behalf, who receives the cannabis. [CLR s. 5 (2.1) (d)]

4.5.8 If the name and signature referred to in the provision reproduced in section **4.5.7** are not

obtained, the cannabis must not be delivered. [CLR s. 5 (2.1) (e)]

### **Exemptions for delivery persons and common carriers**

4.5.9 A delivery person or common carrier is exempt, in the circumstances described in the provision reproduced in section **4.5.10**, from the following provisions of the CCLA:

- a) section 14 [*possession*];
- b) section 17 [*supply*];
- c) section 52 [possession in a **public place**].  
[CLR s. 5.1 (1)]

4.5.10 The exemption under the provision reproduced in section **4.5.9** applies if the delivery person or common carrier is delivering cannabis on behalf of a licensee to a patron who purchased the cannabis in the retail store, through an online system or by telephone, or to another adult acting on the patron's behalf. [CLR s. 5.1 (2)]

4.5.11 It is a condition of the exemption under the provision reproduced in section **4.5.9** that the delivery person or common carrier comply with the applicable rules and requirements set out in the provisions reproduced in sections **4.5.3** to **4.5.8**. [CLR s. 5.1 (3)]

### **Possession limits**

4.5.12 Possession limits do not apply to licensees and their employees and agents when acting under the authority of the **licence**. [CCLA s. 51 (d)]

See [Information](#) for an example of acting under the authority of the licence.

### **Transportation by federal licence holder or common carrier**

4.5.13 A **federal licence holder** or common carrier that transports cannabis must do so in accordance with the following requirements:

- a) the cannabis must be transported in packaging that meets the requirements under the *Cannabis Act* (Canada);
- b) the cannabis must be inaccessible to the operator of the conveyance transporting the cannabis while the conveyance is in motion.  
[CCLA s. 82]

### **TERMS AND CONDITIONS**

4.5.14 A licensee must ensure that the delivery of items to a patron through a window of the retail store is not permitted.

See [Information](#) for an example of prohibited conduct.

4.5.15 A licensee must ensure that cannabis purchased by a patron is delivered from the **establishment** from which the patron purchased the cannabis.

4.5.16 If cannabis is delivered by a licensee or their employee, the licensee must ensure that they carry a copy of the licence while delivering the cannabis.

See [Information](#) for a recommendation to licensees.

4.5.17 A licensee must ensure that a delivery person or common carrier making deliveries on

their behalf is not a **minor**.

- 4.5.18 A licensee must ensure that a delivery person or common carrier does not allow a minor in a vehicle operated by the delivery person or common carrier while making deliveries on their behalf.
- 4.5.19 A licensee must ensure that a delivery person making deliveries on their behalf does not deliver cannabis or a cannabis accessory to a minor.
- 4.5.20 A licensee must ensure that a delivery made by a common carrier on their behalf adheres to **local government** bylaws or **Indigenous nation** laws or bylaws respecting retail store operating hours or cannabis delivery hours.
- 4.5.21 A licensee must ensure that a delivery person or common carrier making deliveries on their behalf does not contact the patron or other adult acting on the patron's behalf to sell additional products to be delivered with the delivery order.
- 4.5.22 A licensee must ensure that a delivery person or common carrier making deliveries on their behalf does not charge a fee to a patron or to another adult acting on the patron's behalf who receives the delivery.

*See [Information](#) for a recommendation to licensees related to sections **4.5.17** to **4.5.22**.*

- 4.5.23 A licensee must ensure that delivery orders are prepared for transport by the licensee or their employee inside the retail store.
- 4.5.24 A licensee must ensure that delivery orders are prepared in a manner that prevents the following:
- a) the contents of the order from being visible without opening the order;
  - b) the order from opening during transport;
  - c) items from being removed prior to being delivered.
- 4.5.25 A licensee must ensure that delivery orders are transported securely.
- 4.5.26 A licensee must ensure that payment for a delivery order is received before the order is removed from the retail store for delivery.

*See [Information](#) for an example of prohibited conduct.*

- 4.5.27 A licensee must ensure that a delivery order that could not be delivered by the licensee, their employee or a delivery person for any reason is returned to the retail store on the same day the order left the retail store for delivery.

*See [Information](#) for a recommendation to licensees.*

- 4.5.28 A licensee must ensure that a delivery order that could not be delivered by a common carrier for any reason is returned to the retail store.
- 4.5.29 If a licensee charges a delivery fee, they must inform patrons of the delivery fee and the price charged for each item to be delivered at the time that the delivery order is placed.

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**INFORMATION**

- ❖ See “Record-Keeping Requirements” ([paragraphs \(c\)](#) and [\(h\)](#)) of section [3.4.2](#) and section [3.4.4](#)) for requirements related to delivery.
- ❖ This Division does not contain all the requirements applicable to common carriers and **delivery service providers** making deliveries on a licensee’s behalf. See “Responsible Selling Training” (sections [2.1.7](#) and [2.1.11](#)) and “Conduct in the Establishment” (section [2.3.12](#)) for additional requirements.
- ❖ An example of conduct that is prohibited by the provision reproduced in section [4.5.2](#) is a licensee allowing a delivery person to purchase and deliver cannabis on behalf of a patron.
- ❖ An example of conduct that is prohibited by the provision reproduced in section [4.5.3](#) is a licensee requesting or allowing another federal licence holder to deliver directly to a patron or an adult acting on the patron’s behalf cannabis purchased from the licensee’s retail store.
- ❖ An example of acting under the authority of the licence referred to in the provision reproduced in section [4.5.12](#) is a licensee or their employee delivering cannabis on the licensee’s behalf.
- ❖ Possession limits apply at all times to cannabis a licensee, their employee, their agent, a delivery person or common carrier has personal possession of.
- ❖ An example of conduct that is prohibited by section [4.5.14](#) is a licensee operating a drive-through window at their retail store.
- ❖ In relation to section [4.5.16](#), it is recommended that a licensee take steps to ensure that a delivery person making deliveries on their behalf carries documentation that identifies the delivery person as a person authorized to make deliveries on behalf of the licensee.
- ❖ It is recommended that a licensee include the conditions described in sections [4.5.17](#) to [4.5.22](#) as contractual requirements between the licensee and the delivery service provider or common carrier.
- ❖ An example of conduct that is prohibited by section [4.5.26](#) is a licensee allowing a delivery person to accept payment for the delivery order on their behalf at the time the order is delivered.
- ❖ In order to ensure that the requirement in section [4.5.27](#) is met, it is recommended that a licensee take steps to ensure that delivery orders that leave the retail store shortly before operating hours end can be returned to the retail store before the end of that calendar day. Steps may include remaining at the retail store until all the deliveries for that day have been completed.
- ❖ Licensees may determine the appropriate means of transportation for the delivery of orders.

## INTRODUCTION

The rules and requirements in this Division relate to disposing of **cannabis**, including by destroying it or returning it to the LDB.

## TERMS AND CONDITIONS

- 4.6.1 A licensee must dispose of cannabis from opened packaging and cannabis plants that are budding or flowering by either destroying the cannabis or cannabis plants or by returning the cannabis or cannabis plants to the LDB.

See [Information](#) for an example.

See “[Visibility and Accessibility of Cannabis and Non-Cannabis Products](#)” (sections [4.2.4](#) to [4.2.6](#)) for rules and requirements related to opening the original packaging of cannabis.

- 4.6.2 If a licensee disposes of cannabis by destroying it, the licensee must ensure that the cannabis is destroyed or denatured to such an extent that its **consumption**, propagation and cultivation are rendered improbable.

See [Information](#) for an example.

## INFORMATION

- ❖ See “Recording-Keeping Requirements” ([paragraph \(e\)](#) of section [3.4.2](#) and section [3.4.15](#)) for requirements related to cannabis disposal.
- ❖ An example of cannabis that must be disposed of is cannabis in opened packaging that is returned to the retail store by a patron.
- ❖ A licensee’s ability to dispose of cannabis by returning it to LDB is subject to the return policies of the LDB.
- ❖ An example of a method of destroying cannabis is shredding a cannabis product into pieces, mixing it with water to turn it into sludge and adding cat litter to control odor before discarding it.
- ❖ A licensee may dispose of destroyed cannabis by composting it or by discarding it in a landfill if composting is not feasible.

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## INTRODUCTION

The rules and requirements in this Division relate to associations with a **licensee's cannabis** business, activities that are permitted in the **retail store** and activities that are prohibited in the retail store.

## LEGISLATION

- 4.7.1 It is a requirement of a **licence** that the only business that takes place in the retail store is
- a) the **sale** of the items that are permitted to be sold from the retail store,
  - b) the transfer of personal **possession** of the items that are permitted to be sold by the licensee through an **online system** or by telephone, and
  - c) the operation of an automated teller machine.
- [CLR s. 5 (1) (c)]

*See "Selling Cannabis and Non-Cannabis Products" (section [4.4.3](#)) for items that are permitted to be sold.*

- 4.7.2 Entertainment and games are not allowed in the retail store. [CLR s. 5 (1) (n)]

## TERMS AND CONDITIONS

- 4.7.3 A licensee must not use their **establishment** for a purpose other than the sale or transfer of personal possession of the items that are permitted to be sold from the retail store or by the licensee through an online system or by telephone at any time.
- 4.7.4 A licensee must not offer discounts in the retail store, online or by telephone based on purchases in another business.
- 4.7.5 A licensee must not participate in third-party internet group discount promotions for the purpose of selling cannabis.
- 4.7.6 If a licensee collects money for a charitable organization, the licensee must remit the entire amount to the charitable organization.

## INFORMATION

- ❖ If a licensee collects money for a charitable organization, the licensee may do so through a point-of-sale system or with containers placed near the point of sale.

## INTRODUCTION

The rules and requirements in this Division relate to advertising and branding, including the **retail store** name and store signage.

## LEGISLATION

- 5.1.1 A **person**, other than the government, must not make public use of any words, phrases, designs, domain names, branding elements or indicia that are related to **cannabis** if they are based on, could be confused with or are likely to be mistaken for any branding elements or indicia of the government. [CCLA s. 118.2 (1)]
- 5.1.2 The provision reproduced in section **5.1.1** does not apply to the name set out on a **licence** for an **establishment**. [CCLA s. 118.2 (2)]
- 5.1.3 A person commits an offence under the CCLA if they contravene the provision reproduced in section **5.1.1**. [CCLA s. 109 (1) (d)]

See [section 110](#) of the CCLA for offence-related penalties.

## TERMS AND CONDITIONS

- 5.1.4 A **licensee** must ensure that advertising and branding, including signs, used by the licensee in relation to their establishment do not contain language that encourages intoxication.
- 5.1.5 A licensee must ensure that advertising and branding, including signs, used by the licensee in relation to their establishment do not misrepresent the type of business the licensee operates.
- 5.1.6 A licensee must not use words, phrases, designs, domain names, branding elements or indicia in their retail store advertising and branding that could indicate that the licensee **sells medical cannabis** or cannabis for medical purposes.

See [Information](#) for examples of restricted advertising and branding.

See [Schedule 2](#) of the CLR (item 22) for penalties related to sections **5.1.4** to **5.1.6**.

## INFORMATION

- ❖ The LCRB does not consider or grant any intellectual property rights with respect to the retail store name or other branding, including store signage, proposed by an **applicant** or licensee.
- ❖ The licensee or applicant is responsible for ensuring that their retail store name and any other branding elements comply with applicable trademark requirements.
- ❖ Examples of advertising and branding that are restricted under sections [5.1.5](#) and [5.1.6](#) include advertising and branding that use words such as “pharmacy,” “apothecary” or “dispensary” (regardless of spelling) or designs associated with a pharmacy, such as a green cross, a snake on a staff, or a mortar and pestle.

## INTRODUCTION

In this Division, “tied house” refers to a relationship between a PRS licensee and another **federal licence holder** that may result in the **licensee** benefitting more when they **sell** the **cannabis** of that federal licence holder than when they sell the cannabis of any other federal licence holder.

“Inducement” refers to another federal licence holder or their **marketing licensee** offering benefits (such as money or gifts) to a PRS licensee in exchange for selling or promoting their cannabis. “Inducement” also refers to a PRS licensee requesting benefits from another federal licence holder or their marketing licensee in exchange for selling or promoting their cannabis.

“Promotion” refers to a licensee promoting cannabis for the purpose of selling it.

The rules and requirements in this Division limit tied house arrangements, inducements and promotions to ensure that patrons have access to a variety of products at competitive prices.

## LEGISLATION

### Tied houses and prohibited inducements

5.2.1 The **GM** must not issue, renew, transfer or amend a **licence** issued under the CCLA, other than a marketing licence or a PRS licence, to or for

- a) a **person** who has arranged, or agreed to arrange, with another person to sell the cannabis of a federal licence holder to the exclusion of the cannabis of another federal licence holder,
- b) a federal licence holder or an agent of a federal licence holder, or
- c) a person who is so associated with, connected to or financially interested in a federal licence holder or in an agent of a federal licence holder that the person is, in the GM's opinion, likely to promote the sale of cannabis of the holder.  
[CCLA s. 26 (4) and CLR ss. 10.04 and 12]

5.2.2 A person must not arrange, or agree to arrange, with another person to sell the cannabis of a federal licence holder to the exclusion of the cannabis of another federal licence holder. [CCLA s. 50 (1)]

5.2.3 In the provision reproduced in section **5.2.4**, “arrangement” means an arrangement, or an agreement to enter into an arrangement, with another person. [CLR s. 10.05 (1)]

5.2.4 A person is exempt from the provision reproduced in section **5.2.2** in respect of an arrangement to sell, under a licence, the cannabis **grown** by the licensee to the exclusion of the cannabis of another federal licence holder. [CLR s. 10.05 (2)]

See [Information](#) for an explanation of this section.

See “Providing Information and Records to the LCRB” (section [3.3.14](#)) for notification requirements related to tied house arrangements.

5.2.5 A person must not offer or give, or agree to offer or give, to a licensee or their employee money, gifts, a reward or remuneration, directly or indirectly, to promote, induce or further the sale of a particular class or brand of cannabis. [CCLA s. 50 (2)]



- 5.2.6 A licensee or their employee must not request or accept or agree to accept money, gifts, a reward or remuneration, directly or indirectly, to promote, induce or further the sale of a particular class or brand of cannabis. [CCLA s. 50 (3)]

See *Information* for examples of conduct prohibited by the provisions reproduced in sections **5.2.5** and **5.2.6**.

See *Schedule 2* of the CLR (item 23) for penalties related to the provisions reproduced in sections **5.2.2** and **5.2.6**.

- 5.2.7 A person commits an offence under the CCLA if they contravene the provisions reproduced in sections **5.2.2**, **5.2.5** or **5.2.6**. [CCLA s. 109 (1) (d)]

See *section 110* of the CCLA for offence-related penalties.

### Permitted inducements

- 5.2.8 A licensee who holds one PRS licence or their employee who requests, accepts or agrees to accept one or more of the following is exempt from the provision reproduced in section **5.2.6** in respect of such request, acceptance or agreement:

- a) payment for travel, meal, accommodation and entertainment expenses that are incurred when attending a promotional event organized or sponsored by a marketing licensee or that takes place with some other type of involvement of the marketing licensee, if the payments do not exceed \$1,500 in a calendar year in respect of the PRS licensee;
- b) hospitality, if the expenses incurred by a marketing licensee or an employee or other representative of a marketing licensee in providing the hospitality do not exceed \$1,500 in a calendar year in respect of the PRS licensee.  
[CLR s. 12.1 (1), (2) (a) and (5)]

- 5.2.9 A licensee who holds more than one PRS licence or their employee who requests, accepts or agrees to accept one or more of the following is exempt from the provision reproduced in section **5.2.6** in respect of such request, acceptance or agreement:

- a) payment for travel, meal, accommodation and entertainment expenses that are incurred when attending a promotional event organized or sponsored by a marketing licensee or that takes place with some other type of involvement of the marketing licensee, if the payments do not exceed \$1,500 per individual in a calendar year and \$4,500 in a calendar year in respect of the PRS licensee;
- b) hospitality, if the expenses incurred by a marketing licensee or an employee or other representative of a marketing licensee in providing the hospitality do not exceed \$1,500 in a calendar year in respect of the PRS licensee.  
[CLR s. 12.1 (1), (2) (b) and (5)]

- 5.2.10 A licensee may possess a cannabis sample that meets the following requirements:

- a) the cannabis sample was supplied, for no consideration, to the licensee by another licensee or a federal licence holder of a cultivation or processing licence;
- b) the cannabis sample is from cannabis that is registered under the *Cannabis Distribution Act*. [CLR s. 26.1(1)(a) and (c)]

- 5.2.11 A licensee may supply a cannabis sample that meets the following requirements:
- the cannabis sample is supplied to another retail store licensee, for no consideration;
  - the cannabis sample was previously supplied, for no consideration, by a federal licence holder of a cultivation or processing licence, or a marketing licensee who was authorized under the *Cannabis Act* (Canada) to supply the cannabis sample;
  - the cannabis sample is from cannabis that is registered under the *Cannabis Distribution Act*. [CLR s. 26.1(4)(a), (b) and (c)]
- 5.2.12 A licensee who offers or gives, or agrees to offer or give, a cannabis sample, for no consideration, to a licensee or an employee of a licensee is exempt from the provision reproduced in **5.2.5** in respect of that offer, gift or agreement. [CLR 26.1(5)]
- 5.2.13 A licensee who requests, accepts or agrees to accept a cannabis sample, for no consideration, from a licensee or a federal licence holder of a cultivation or processing licence is exempt from the provision reproduced in **5.2.6** in respect of that request, acceptance or agreement. [CLR 26.1(6)]
- 5.2.14 It is a condition of an exemption under **5.2.12** and **5.2.13** from the provisions reproduced in **5.2.5** and **5.2.6** that the amount of cannabis in the cannabis sample not exceed the maximum amount specified by the general manager for the class of cannabis product in the sample. [CLR 26.1(7)]

See **section 5.2.16** for the maximum amount of a cannabis sample.

## TERMS AND CONDITIONS

- 5.2.15 A licensee must not request, accept or agree to accept cannabis, a **cannabis accessory** or a product voucher for cannabis or a cannabis accessory, for themselves or their employees from another federal licence holder or a marketing licensee associated with another federal licence holder.

See [Information](#) for an example of a product voucher.

## Permitted inducements

- 5.2.16 It is a condition under **5.2.14** that the amount of cannabis in the cannabis sample not exceed 3.5 grams (g) of dried cannabis or the equivalent amount per class of cannabis. If the class of cannabis is not available in 3.5 g or less of dried cannabis or an equivalent amount, the smallest available amount of the class of cannabis may be provided as a sample.
- See the *equivalency table* in **5.2.17**.
- 5.2.17 When section **5.2.15** refers to “3.5 g of dried cannabis or an equivalent amount,” “equivalent amount” means an amount of cannabis that is equivalent to 3.5 g of dried cannabis as determined in accordance with the rule that a quantity referred to in column 2 of the following table in respect of a class of cannabis referred to in column 1 of the table is deemed to be equivalent to 3.5 g of dried cannabis:

Item	Column 1 Class of cannabis	Column 2 Quantity that is equivalent to 3.5 g of dried cannabis
1	dried cannabis	3.5 g
2	fresh cannabis	17.5 g
3	solids containing cannabis	52.5 g
4	non-solids containing cannabis, other than cannabis beverages	245 g
5	cannabis concentrate	1 g
6	cannabis beverages	1995 g
7	cannabis plant seeds	3 seeds

See "Record Keeping Requirements" (section 3.4.17 and 3.4.18) for samples of cannabis requirements.

## INFORMATION

- ❖ Pursuant to the provision reproduced in section 5.2.4, a PRS licensee is permitted to sell the cannabis they have grown under their associated federal licence in the retail store under their PRS licence.
- ❖ An example of a product voucher referred to in section 5.2.15 is a product voucher for a cannabis accessory or a specific quantity or dollar amount of cannabis that a person redeems for no charge.
- ❖ A licensee may request to see ID from a marketing licensee or their employee establishing them as a marketing representative for another federal licence holder.
- ❖ More information about marketing licences is available on the website at <https://justice.gov.bc.ca/lcrb/policy-document/cannabis-marketing-licence>.
- ❖ Examples of conduct prohibited by the provisions reproduced in sections 5.2.5 and 5.2.6 include if a PRS licensee
  - requests, accepts or agrees to accept money or other benefits from another federal licence holder or their marketing licensee in exchange for buying their cannabis,
  - offers or gives, or agrees to offer or give, money or other benefits to another **retail store licensee** in exchange for the other licensee selling their cannabis,
  - requests, accepts or agrees to accept money or other benefits from another federal licence holder or their marketing licensee in exchange for agreeing not to buy a competitor's cannabis,
  - offers or gives, or agrees to offer or give, money or other benefits to another retail store licensee in exchange for the other licensee agreeing not to sell a competitor's cannabis,
  - requests, accepts or agrees to accept any items, products or services from another federal licence holder or their marketing licensee that are necessary for the operation of the **retail store**, such as financial assistance or permanent fixtures, furnishings or display structures,

DIVISION 2: RELATIONSHIPS WITH FEDERAL LICENCE HOLDERS AND MARKETING LICENSEES

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- offers or gives, or agrees to offer or give, any items, products or services to another retail store licensee that are necessary for the operation of the other licensee's retail store, such as financial assistance or permanent fixtures, furnishings or display structures,
- allows another federal licence holder or their marketing licensee to pay for their advertising,
- pays for the advertising of another retail store licensee,
- requests, accepts or agrees to accept money or other benefits from another federal licence holder in exchange for including the federal licence holder's logo in advertising,
- accepts the services of an outside consultant or financial advisor that have been paid for by another federal licence holder or their marketing licensee,
- pays for the services of an outside consultant or financial advisor for another retail store licensee,
- requests, accepts or agrees to accept weight discounts or discounted products from another federal licence holder or their marketing licensee in exchange for providing marketing benefits, including the preferential display of a particular brand of cannabis,
- offers or gives, or agrees to offer or give, weight discounts or discounted products to another retail store licensee in exchange for the other licensee providing marketing benefits, including the preferential display of a particular brand of cannabis, or
- participates in a joint marketing plan with another federal licence holder or their marketing licensee.

## INTRODUCTION

The provisions and terms and conditions in this Division relate to tools to determine a **licensee's** compliance with the CCLA, the CCR, the CLR and the terms and conditions of their **licence**, including **inspections** by the **GM** and the seizure of **cannabis**.

## LEGISLATION

6.1.1 In this Division, "licensee's premises," in respect of a licensee, means

- a) the **establishment** designated in the licence,
  - b) a **place** used by the licensee for the purpose of the licensee's cannabis business, and
  - c) a conveyance owned or leased by the licensee that is used in the licensee's cannabis business.
- [CCLA s. 83]

### Inspection

6.1.2 For the purposes of conducting an inspection, the GM may enter, at any reasonable time, the licensee's premises that are not occupied as a residence to do the following:

- a) inspect **records** required under the CCLA or by the terms and conditions of a licence to be kept by the licensee or other records found in the licensee's premises;
  - b) remove the records referred to in paragraph (a) for the purposes of inspection or making copies or extracts;
  - c) require a licensee to provide information relating to the inspection;
  - d) require any **person** in the licensee's premises, including patrons, to produce ID for the purposes of inspection;
  - e) inspect the licensee's premises and the operations carried on there;
  - f) open a receptacle or package found in the licensee's premises;
  - g) examine any substance or thing found in the licensee's premises, take a sample of any substance for the purposes of testing and analysis and remove any thing for inspection;
  - h) inspect or ascertain the chemical or physical properties of a substance found in the licensee's premises;
  - i) if the GM finds cannabis that, in the opinion of the GM, is **possessed** in contravention of the CCLA, the CCR or the CLR, the GM may seize and remove the cannabis and the packages containing it; or
  - j) make a record, including an audio or video record, of the licensee's premises or of any thing or person in the licensee's premises.
- [CCLA s. 84 (1)]

6.1.3 When conducting an inspection, the GM may request and receive the assistance of a **peace officer**. [CCLA s. 84 (3) (b)]

### Cooperation of licensee

When the GM conducts an inspection, a licensee must

- a) allow the GM to immediately enter the licensee's premises and facilitate the

- inspection,
- b) promptly produce the records and things the GM is entitled to inspect or examine under the provision reproduced in section **6.1.2**, and
- c) allow the GM to inspect, examine, take samples and remove the records and things referred to in paragraph (b).  
[CCLA s. 85 (1)]

6.1.5 When the GM conducts an inspection, a licensee must not

- a) obstruct the GM or withhold, destroy, conceal or refuse to provide or produce information or a record, cannabis or other thing required by the GM or that is otherwise related to the inspection, or
- b) provide false or misleading information.  
[CCLA s. 85 (2)]

6.1.6 A person must not

- a) interfere with the GM's exercise of any of the powers under the provision reproduced in section **6.1.2**, or
- b) prevent or attempt to prevent the GM from exercising any of the powers under that provision.  
[CCLA s. 85 (3)]

*See [Schedule 2](#) of the CLR (items 26, 27 and 32) for penalties related to the provisions reproduced in sections **6.1.4** to **6.1.6**.*

6.1.7 A person commits an offence under the CCLA if they contravene the provisions reproduced in sections **6.1.4** to **6.1.6**. [CCLA s. 109 (1) (d)]

*See [section 110](#) of the CCLA for offence-related penalties.*

### **Cannabis seized during an inspection**

6.1.8 Cannabis or the packages containing it that are seized by the GM under the provision reproduced in section **6.1.2** may be retained and dealt with under section 105 of the CCLA or destroyed. [CCLA s. 105 (2)]

6.1.9 A licensee may, within 30 days after the date the GM or a peace officer seized the cannabis, apply in writing to the GM for the return of the cannabis or for compensation because the cannabis seized was not possessed by the licensee in contravention of the CCLA, the CCR or the CLR. [CCLA s. 105 (3)]

6.1.10 The amount of compensation payable under section 105 of the CCLA is the purchase price that the licensee paid for the seized cannabis. [CCLA s. 105 (8) and CLR s. 36]

6.1.11 A person must not remove, alter, destroy or deface a notice informing the public that a person seized cannabis under the CCLA without the permission of the person who made the seizure. [CCLA s. 107 (2)]

6.1.12 A person commits an offence under the CCLA if they contravene the provision reproduced in section **6.1.11**. [CCLA s. 109 (1) (d)]

See [section 110](#) of the CCLA for offence-related penalties.

### TERMS AND CONDITIONS

- 6.1.13 A licensee must ensure that they or their employees do not draw attention to inspectors, minor agents or peace officers inside the establishment if doing so would put the safety of the inspectors, minor agents or peace officers at risk.
- 6.1.14 Except as legally required by sections [4.1.10](#) and [4.1.11](#), a licensee must ensure that they or their employees do not take or distribute in any manner photographs or videos of inspectors, minor agents or peace officers inside the establishment.

See [Information](#) for examples of distributing photographs and videos.

### INFORMATION

- ❖ A licensee may request to see the GM's ID, which the GM must carry and present on request when conducting an inspection.
- ❖ Examples of distributing photographs and videos referred to in section [6.1.14](#) include posting them on a staff bulletin board, in print media and on the internet, including on social media.
- ❖ More information is available on the LCRB's Inspections, hearings and decisions web page at: <https://www2.gov.bc.ca/gov/content?id=A8ABC525F1BC46A0996CF28D962FE359>.

## INTRODUCTION

Contravention of any provision of the CCLA, the CCR or the CLR or failure to comply with a term and condition of the **licence**, either established in this handbook or applicable to one or more licences but not to all PRS licences, may result in the **GM** taking action against the **licensee** including, but not limited to, imposing a monetary penalty or suspending or cancelling their licence.

A **person** who commits an offence under the CCLA is liable to a fine or to imprisonment, or to both. Enforcement action may be taken against a licensee's employee or another person if the employee or person commits an offence under the CCLA.

## LEGISLATION

- 6.2.1 A licensee contravenes the CLR if a provision of the CLR establishes a rule or requirement with respect to a licence issued to the licensee and the rule is broken or the requirement is not met. [CLR s. 28]

### Temporary suspension or imposition of terms and conditions

- 6.2.2 The GM may, without a hearing, suspend a licence or the authority to carry out certain activities under a licence for a period of not more than 24 hours if
- the conduct of the licensee's patrons or employees in the **establishment** is of a violent or disorderly nature, or
  - the safety of one or more persons in the establishment is threatened.  
[CCLA s. 36 (1)]

*See "Conduct in the Establishment" (sections [2.3.3](#) and [2.3.9](#)) for related rules and requirements.*

- 6.2.3 The GM may, without a hearing, suspend a licence or the authority to carry out certain activities under a licence or impose terms and conditions on a licence
- for a period of not more than 24 hours, if, in the GM's opinion, it is in the public interest to do so, or
  - for a period not exceeding 14 days, if the GM has reasonable grounds to believe that it is in the public interest to do so as a result of extraordinary circumstances associated with the operation of the establishment.  
[CCLA s. 36 (2)]

- 6.2.4 If the GM takes an action under the provisions reproduced in section **6.2.2** or **6.2.3**, the GM may order the immediate
- removal of the licensee's patrons or employees from all or part of the establishment, and
  - closure of all or part of the establishment for a period of not more than the period of suspension or period during which the terms and conditions are imposed.  
[CCLA s. 36 (3)]

- 6.2.5 If the GM makes an order under the provision reproduced in section **6.2.4**, the licensee must take all reasonable steps to ensure that the establishment or part of it, as specified in the order, is immediately vacated and closed. [CCLA s. 36 (4)]



- 6.2.6 If, under the provision reproduced in **paragraph (b)** of section **6.2.3**, the GM suspends a licence or the authority to carry out certain activities under a licence or imposes terms and conditions on a licence, the GM must give the licensee a written notice that sets out
- the details of the suspension or of the imposition of terms and conditions, and
  - the reasons for the action.
- [CCLA s. 36 (5)]

#### **Cancellation, suspension or order for transfer of licence**

- 6.2.7 The GM may, after giving written notice to the licensee, take an action described in the provision reproduced in section **6.2.8** against the licensee for one or more of the following reasons:
- one or more of the requirements under the provisions reproduced in section **3.1.1**, other than **paragraphs (e) or (f)**, **3.1.2**, **3.2.6 to 3.2.9** or **5.2.1** for the issuance, renewal, transfer or amendment of the licence are no longer met;
  - the licensee is convicted of an offence under the laws of Canada or B.C., under the laws or bylaws of an **Indigenous nation** or under the bylaws of a municipality or regional district, if the offence relates to the establishment or to the operation of the establishment.
- [CCLA s. 37 (1)]

*See "Providing Information and Records to the LCRB" (section **3.3.15**) for notification requirements related to **paragraph (b)** of this section.*

- 6.2.8 The GM may, under the provision reproduced in section **6.2.7**, take the following actions in respect of the licensee's licence:
- cancel the licence;
  - suspend the licence or the authority to carry out certain activities under the licence for a period the GM considers appropriate;
  - order a transfer of the licence, within the period the GM specifies, to a person who is at arm's length from the licensee.
- [CCLA s. 37 (2)]
- 6.2.9 If the GM determines that the licensee is not fit and proper, the GM must, after giving written notice to the licensee, take one or more of the following actions in respect of the licensee's licence:
- cancel the licence;
  - suspend the licence or the authority to carry out certain activities under the licence for a period the GM considers appropriate;
  - order a transfer of the licence, within the period the GM specifies, to a person who is at arm's length from the licensee.
- [CCLA s. 37 (2.1) (a) and (2.2)]

- 6.2.10 The GM must, after giving written notice to the licensee, take an action described in the provision reproduced in section **6.2.9** if, in the GM's opinion, a fit and proper determination of the licensee cannot be completed by the GM for one or both of the following reasons:

- a) information, **records**, fingerprints or consents required by a **relevant manager** under the provision reproduced in section [3.1.4](#) have not been provided within the specified time;
- b) the provision reproduced in sections [3.1.5](#) to [3.1.7](#) has been contravened.  
[CCLA s. 37 (2.1) (b)]

*See "General Licence Requirements" (sections [3.1.1](#) and [3.1.3](#) to [3.1.7](#)) for fit and proper requirements.*

- 6.2.11 If a licensee fails to pay a fee required to maintain the licensee's licence, the GM may, after giving written notice to the licensee,
- a) suspend the licence or the authority to carry out certain activities under the licence until the fees are paid, or
  - b) cancel the licence.  
[CCLA s. 37 (3)]
- 6.2.12 If a licence, permit, registration or certificate that a municipality, regional district, Indigenous nation, province or Canada requires a licensee to hold in order to operate an establishment is not issued or is suspended, is cancelled or expires without being renewed, the GM may, after giving written notice to the licensee,
- a) suspend the licensee's licence or the authority to carry out certain activities under the licensee's licence until the other licence, permit, registration or certificate is issued, reinstated, reissued or renewed, or
  - b) cancel the licensee's licence.  
[CCLA s. 37 (4)]

#### **Action against licensee**

- 6.2.13 In addition to other powers the GM has under the CCLA, the GM may take one or more of the following actions against a licensee if the licensee contravenes the CCLA, the CCR or the CLR or fails to comply with a term and condition of the licence:
- a) impose terms and conditions on the licensee's licence or rescind or amend existing terms and conditions of the licence;
  - b) impose a monetary penalty on the licensee in accordance with Schedule 2 of the CLR or, if the GM is satisfied that it is in the public interest, impose a monetary penalty that is greater than the amount provided for in Schedule 2 of the CLR subject to the provision reproduced in section **6.2.14**;
  - c) suspend the licensee's licence in accordance with Schedule 2 of the CLR or, if the GM is satisfied that it is in the public interest, suspend the licensee's licence for a period longer than that provided for in Schedule 2 of the CLR;
  - d) cancel the licensee's licence;
  - e) order a transfer of the licensee's licence, within the period the GM specifies, to a person who is at arm's length from the licensee.  
[CCLA s. 38 (1), (2) and (5) (a)]
- 6.2.14 For the purposes of the provision reproduced in **paragraph (b)** of section **6.2.13**, the GM may not impose a monetary penalty that is greater than \$50 000 for a contravention of the

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provision reproduced in section [4.3.1](#) or \$25 000 for another reason referred to in section [6.2.13](#) for which the GM may take action against the licensee. [CCLA s. 38 (6)]

- 6.2.15 If the GM makes a determination against a licensee, the GM must, in an order served on the licensee, set out the following:
- a) the action being taken under the provision reproduced in section [6.2.13](#), which action may but need not be that proposed in the notice;
  - b) the reasons for the action;
  - c) if a monetary penalty is imposed, the amount of the penalty and the date by which the penalty must be paid;
  - d) if a licence suspension is imposed, the period of the suspension and the dates on which the suspension begins and ends;
  - e) unless the order is based on a signed waiver under section 38 (8) of the CCLA, the licensee's right to a reconsideration under section 40 of the CCLA. [CCLA s. 38 (10)]
- 6.2.16 A monetary penalty imposed by an order under the provision reproduced in section [6.2.15](#) must be paid within 30 days after the date on which the licensee receives the order or within a longer period that the GM specifies in the order. [CCLA s. 38 (11)]

See [Schedule 2](#) of the CLR (item 25) for related penalties.

### Witnesses

- 6.2.17 For the purposes of a hearing, the GM may, by summons, require a person to attend, as a witness, at a time and **place** set out in the summons and to bring and produce for the GM all records or other things in the person's **possession** that are relevant to the subject matter of the hearing. [CCLA s. 44 (1)]

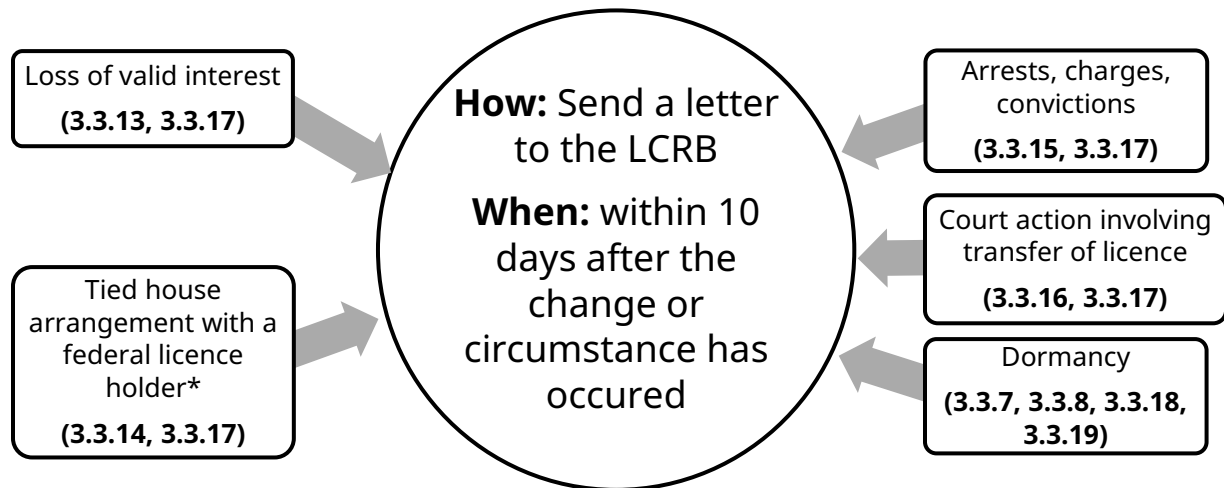
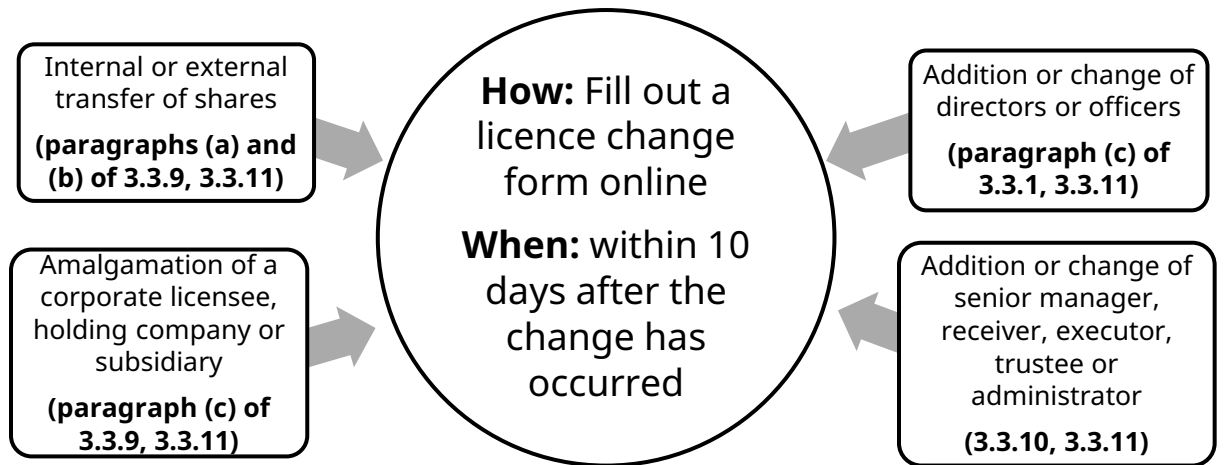
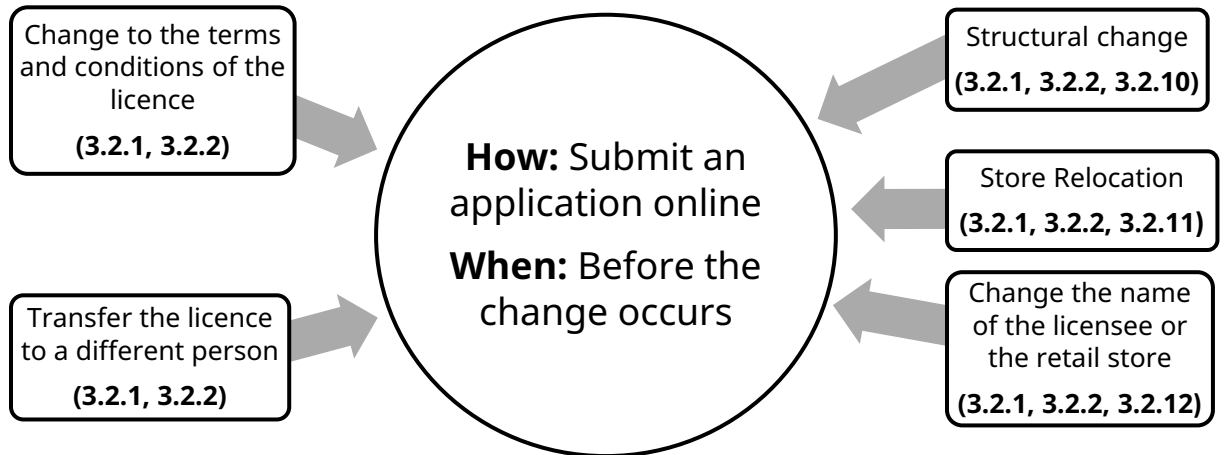
See [Information](#) for an example of records and things a person may be required to bring.

### TERMS AND CONDITIONS

- 6.2.18 If the GM suspends a licence, the licensee must ensure that their **retail store** is closed for the duration of the suspension.

### INFORMATION

- ❖ An example of records and things a person may be required to bring to a hearing referred to in the provision reproduced in section [6.2.17](#) include retail store security camera recordings.
- ❖ See [Schedule 2](#) of the CLR for penalties related to the contravention of specific provisions of the CCLA and the CLR and for the failure to comply with specific terms and conditions of a licence.
- ❖ See [section 109](#) of the CCLA for offences under the CCLA.
- ❖ See [section 110](#) of the CCLA for penalties related to offences.



\* A licensee, their immediate family, or anyone with financial interest in the licensee obtains financial interest in a federal licence holder or a federal licence holder obtains financial interest in a licensee.