

MANUFACTURER TERMS AND CONDITIONS HANDBOOK

NSLC

Update Summary

Updates made to this Terms and Conditions Handbook can be found here. Information will include the section updated and the date of the changes. You will also receive an e-mail notification of any major changes to this Terms and Conditions Handbook.

Manufacturer Permit Terms and Conditions

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Introduction

The purpose of the manufacturer permit is to allow you to produce and sell beverage alcohol at a winery, non-grape winery, brewery, or distillery, and to promote and market these products to the general public, offsite to licensees, the Nova Scotia Liquor Corporation (“NSLC”), and Private Wine and Speciality Stores (“PWSS”).

The Nova Scotia Liquor Corporation (“NSLC”) has prepared this handbook to assist manufacturers in understanding the requirements of the *Liquor Control Act* (the “Act”), *Nova Scotia Liquor Corporation Regulations* (the “Regulations”), NSLC Policies, and terms and conditions for manufacturers of beverage alcohol in Nova Scotia. It is the responsibility of the permit holder to be informed and in compliance with these rules. Where there is a conflict between this and the Act or the Regulations, the Act or the Regulations prevail.

Permit holders must follow Nova Scotia’s liquor laws, policies, and these terms and conditions at all times. Permit holders must also follow any further terms and conditions that may be printed on your permit, or in a letter issued to you by the NSLC Manager, Policy and Privacy.

Permit terms and conditions change from time to time. Stay up to date by referring to the online handbook and checking back on our website. You will always receive notice of major changes to your terms and conditions.

Contact Information

If you have any questions or concerns, please contact the permits office:

Mailing address	Office address	Email
93 Chain Lake Drive Halifax, Nova Scotia B3S 1A3	93 Chain Lake Drive Halifax, Nova Scotia B3S 1A3	Permits@MyNSLC.com Phone (902) 450-5914

Providing Safe and Responsible Service

Responsible Sales Training

The NSLC will launch an online training course in 2022 to educate you about your responsibilities when selling and delivering beverage alcohol.

The training must be completed by all permit holders, managers (staff who supervise the sale of beverage alcohol), delivery persons (employees who deliver beverage alcohol), and retail clerks (staff who sell or serve beverage alcohol). More details on the training and any requirements will be shared prior to the launch.

Minors

It is against the law to sell, serve or supply beverage alcohol to a minor (person under the age of 19).

Minors are allowed in your hospitality room, on tours, or in your retail store with a parent or legal guardian.

You can employ minors in your manufacturing facility, retail store, and hospitality room, but they cannot sell or serve beverage alcohol. See page 12 for further information regarding employees under the age of 19.

Identification (ID) Requirements

Any person over 19 years of age is entitled to purchase beverage alcohol in accordance with the Act. However, it is your team’s job to assess each situation appropriately. The following forms of ID include a photo, signature, and date of birth and are therefore considered Primary ID (stand alone as proof of age). You must ensure that the ID is valid by checking the date – IDs must not be expired.

The following are considered Primary ID:

Canadian Provincial Driver’s License	Canadian Provincial ID Card
Canadian Permanent Resident Card (with photo)	Nexus Pass
Out of Province Provincial Health Card (with photo)	Government Issued Passport
Canadian Citizen Certificate (older version with photo)	Certificate of Indian Status (3 versions)
Canadian Firearms License	

The following are acceptable forms of Secondary/Supporting ID – you must see both a photo ID and proof of age:

For Photo ID:	For Proof of Age:
Canadian Forces Card	Birth Certificate
Civilian ID Card (Dept. of Defense)	NS Provincial Health Card
University ID	

If you have reason to believe you have been presented a fake ID, you should politely and very tactfully, communicate your concerns to the customer.

Directly address the issue you are calling into question (such as poor or damaged condition of ID) and ask if the customer has a secondary piece of ID.

If you are not confident in the validity of the ID or in being able to match the person to the ID being shown, service must be refused.

Overservice and Intoxicated Persons

You must refuse service to any individual appearing to be impaired. Common sense and discretion should be used when dealing with any individual appearing to be under the influence.

Customer service standards apply when refusing service. Apply tact and diplomacy when explaining to a customer why you are unable to serve them. State the law and the consequences politely and firmly of not following the law.

In assessing difficult situations, ask questions that can help you decide how to assess and best deal with the situation.

- Evaluate the customer's coordination, behaviour, and speech.
- Ask a co-worker to confirm your suspicions, if necessary.
- When you have reached a decision, you must be prepared to act.

Controlling your facility

You and your employees are responsible for ensuring that no one is harmed as a result of the misuse of beverage alcohol or criminal activity anywhere on your premises. If your employees, patrons, or members of the community have reason to be concerned that there is threat to their safety, you must act on these concerns.

You must ensure any product removed from your facility is only product sold and sealed through your manufacturer retail store, in bulk for packaging at another manufacturing facility, or in bulk to another manufacturer for further processing.

Your occupancy permit indicates the maximum number of people, including staff, who may be in your hospitality room, tour areas, and retail store at one time. It is important that you know the capacity for these areas, keep your capacity limit posted in plain sight, and ensure you stay within the limits.

Your Permit

You must post each of your permits in prominent locations within the permitted area. If you have a retail store the permit must be posted in the retail portion of the building, visible to patrons. They must be immediately available for review by NSLC Permits and Compliance Officers, Liquor Inspectors, and police.

Renewing Your Permit

You will receive a renewal notice by e-mail in the fall. Included in this notice will be a reminder to ensure your required reporting and remittance have been completed. All permits expire on December 31 and take approximately 10 days to be processed once your renewal application has been submitted in full. You are encouraged to apply in advance of the holiday season to ensure your permit is processed in advance of January.

Transferring Your Permit

Permits are non-transferrable. If the transfer of shares in your business results in a change of control of the permit holder you must report this in writing to the Permit Office within 30 days of the transfer. You may be required to complete a full or partial permit application.

Changes of share ownership greater than 20% also require notification to the Permit Office and you may be required to submit documentation, such as a criminal record check.

Changes to Your Permit

Changes to information provided during the permit application or renewal process must be communicated to the Permit Office. Some changes require advance notice, while others require notice within 30 days of the change.

Type of Change	How to Report	When Approval Required
Transfer of Location	Email	Before relocation occurs
Structural Change to your facility	Email	Before structural change occurs
Addition of a Retail Store	Email	Before the retail store opens
Permanent Change to Permit: Establishment/business or permit name change Request for change in terms and conditions	Email	Before permanent change to permit occurs

<p>Temporary Change to Permit:</p> <p>Extension of service area</p> <p>Ability to hold a special event in the establishment</p>	Email	Before temporary change occurs
Transfer of Ownership or Control of the company	Email	Within 30 days of the sale
<p>Share Transfers or Changes (>20%)</p> <p>Internal transfer of shares (shares transferred within existing shareholders)</p> <p>External transfer of shares (shares transferred to new shareholders)</p> <p>Amalgamation of corporate permit holder, holding company or subsidiary</p>	Email	Within 30 days of share transfers or changes
<p>Loss of Valid Interest</p> <p>Permit holder no longer owns and runs establishment</p> <p>Permit holder does not have certificate of title or lease for establishment location</p>	Email	Within 30 days of loss of interest
<p>Convictions (applicable to any individual owner, partner, shareholder, director, or officer of the licensee)</p> <p>Criminal Code offence</p> <p>Alcohol-related offence under Motor Vehicle Act or similar legislation elsewhere (in or outside of Canada)</p> <p>Offences under the Liquor Control Act</p>	Email	Within 10 days of conviction and confirmation at renewal
Dormancy	Email	In advance of extended closures, or 30 days without manufacturing

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

Dormancy

If you are planning to close your facility for an extended period (such as for extensive renovations) you must report it to the Permit Office, including when you plan to resume regular operations. If you stop manufacturing without reporting it to the Permit Office, your permit is considered dormant, and you must cease operations under the permit (including the retail store) or under other associated NLSC permits (including hospitality room or off-site store). No sales of any type are permitted during dormancy.

Your Facility

To obtain a manufacturing permit you must meet several minimum requirements including the following:

- Own the facility or have a minimum one-year lease
- Provide proof of appropriate zoning
- Provide a copy of the appropriate CRA license
- Have a delineated warehouse space (in-bond and out-of-bond)
- Have a fully segregated production facility from all public facing areas
- Provide and post your occupancy permit
- Provide a copy of your liability insurance

Manufacturing is the complete process of producing beverage alcohol for retail, including blending and bottling in the case of distilleries and wineries. For breweries, this includes both brewing and fermentation, and may include finished product packaging. Activities that involve only packaging of finished product, or only fermenting on site with no other production, do not qualify as Manufacturing.

Applications can be found obtained by emailing Permits@MyNSLC.com

Once you have your manufacturer permit, you must maintain your equipment and continue to manufacture a minimum of two different finished products on site each year to maintain your permit. You are required to own or have at least a one-year lease on your plant site, which includes your manufacturing space and equipment.

Under the Act and the Regulations, manufacturers may produce the following products:

Breweries may manufacture beer that contains more than 0.5% alcohol by volume, including malt based RTD

Distilleries may manufacture spirits that contain more than 0.5% alcohol by volume, including RTD made with spirits and liqueurs that contain more than 1% alcohol by volume.

Wineries may manufacture grape wine that contains more than 0.5% alcohol by volume, including fortified wine, and RTD made with wine

Non-Grape Wineries may manufacturer non-grape wine (such as cider, fruit wine, and mead) that contain more than 0.5% alcohol by volume, including RTD made with non-grape wine

Breweries must engage in both brewing and fermentation on site and can package finished product anywhere at any location for which a manufacturer permit has been issued.

Distilleries must either distill spirits on site (using a still or other process) or blend and bottle bulk spirits. Bulk spirits must be imported through the NSLC or purchased from another local manufacturer. It is not considered manufacturing to blend and bottle bulk product produced by the same manufacturer at another manufacturing facility in the province. When blending and bottling, distilleries must package finished product onsite.

Wineries (grape and non-grape) may grow their own grapes or other fruit, or may purchase grapes, fruit or juice to produce wine. They may also blend and bottle bulk wine. When blending and bottling, wineries must package finished product onsite.

Farm wineries (grape and non-grape) must maintain acreage certified by the Department of Agriculture as per the *Nova Scotia Wine Standard Regulations*. These Regulations allow for the designation and labelling of wine as Nova Scotia wine provided the requirements of the Regulations are met (the main requirement being that at least 85% of the wine must be derived from grapes grown in NS with the remainder from grapes grown elsewhere in Canada). Farm wineries cannot blend and bottle non-Nova Scotian product, or purchase bulk grapes from outside of Nova Scotia exceeding the 15% Canadian limit. Importation of grapes requires a Winery permit.

Your basic manufacturer permit allows you to:

- Manufacturer beverage alcohol in accordance with the permit.
- Retail beverage alcohol directly to customers at your designated retail store.*
- Deliver beverage alcohol directly to customer from your designated retail store.
- Sell and deliver beverage alcohol produced by you in Nova Scotia directly to licensees and private wine and specialty stores (see PWSS definition in Manufacturer and Permit Policy).
- Market and promote your products offsite to licensees, retailers, and the public.
- Take the public on guided tours of your facility.

*Retail stores must be declared and approved at the time of your permit application or by the Permit Office at a later date. More information on your retail store can be found on Page 13.

Quality Control and Quality Assurance

You are responsible for ensuring your products meet the highest standards of quality through a rigorous quality control and quality assurance program. In addition to ensuring your program meets industry standards we require the following:

- Strict adherence to the *Food and Drug Act*, the *Safe Food for Canadians Act*, and their corresponding regulations
- Accurate Alcohol by Volume (ABV) measurement of each batch of product
- Product be properly stabilized for shelf life
- Product be appropriately packaged and labelled
 - Labelling and other product safety guidance is available [here](#)
- Product testing when requested by the NSLC

Contract Manufacturing

A contract manufacturing arrangement refers to a contractual arrangement where a permitted manufacturer (the host manufacturer) produces beverage alcohol for another permitted manufacturer (the hiring manufacturer). This is allowed if the following conditions are met:

- The hiring manufacturer (manufacturer purchasing the beverage alcohol) is also manufacturing beverage alcohol at its site
- The hiring manufacturer keeps records showing the movement and source
- Manufacturers receive prior approval from the NSLC through the Permit Office
- The hiring manufacturer produces at least 50% of their annual global production (as defined in the Regulations) at one or more of their permitted manufacturing facilities

The hiring manufacturer may only purchase and retail product it is permitted to produce. For example, distilleries can only contract for the production of spirits. The host manufacturer may only manufacture the type of beverage alcohol it is permitted to produce. For example, breweries can only make beer and the products authorized through Terms & Conditions (See Your Facility, page 7). Only the hiring manufacturer can retail the finished beverage alcohol product.

Collaborative Manufacturing

A collaborative manufacturing arrangement refers to an arrangement where two or more manufacturers work together to produce beverage alcohol. This is permitted if the following conditions are met:

- The collaborative recipe is new, or has been used by the same group of manufacturers in a previous collaboration, and will be jointly owned by the manufacturers
- Manufacturers receive prior approval from the NSLC through the Permit Office
- The beverage alcohol product is manufactured at a plant site or sites in the Province that are owned by one or more of the manufacturers
- Manufacturers must share the production costs for each production run

- If the collaboration is across product categories (i.e. a beer and wine collaboration) all manufacturers must meaningfully contribute to the collaborative production
 - This can include the contribution of labour, equipment, or ingredients

All manufacturers involved in the collaborative manufacturing arrangement are permitted to retail the finished product at their designated retail store. Respective allocations of finished product must be reported in advance of required RSMA reporting.

Retail Sales Mark-up Allocation (RSMA)

You are required to complete and submit monthly RSMA reporting on the following sales channels:

- Sales from your retail store
- Sales from your off-site retail store(s)
- Sales from your hospitality room
- Wholesale product to licensees
- Wholesale product to private wine and specialty stores

The RSMA is calculated at 5% of the deemed cost of the product. The deemed cost is determined by multiplying the retail sales price, minus HST and required bottle deposits, by a cost ratio that varies depending on the category of product manufactured and sold. The cost ratios are as follows:

- Beer 1/1.85
- Cider & RTD 1/2.02
- Wine 1/2.40
- Spirits 1/2.60

For example, if the selling price of a can of beer is \$5.18 (\$4.42 plus HST and a ten-cent bottle deposit), the deemed cost of the beer is \$2.39 (\$4.42 x 1/1.85). The cost associated with each can of beer is 5% of 2.39 or \$0.12, plus HST \$0.02 (\$0.11 x 0.15). The final RSMA paid on the can of beer sold is \$0.14.

Payment must be made prior to permit renewals in January of each year.

The RSMA does not apply to:

- Exported product (in bulk, wholesale, or direct to customers)
- Bulk wholesale to other manufacturers
- Product sold through the NSLC

In addition, you may be asked to provide sales information on product sold outside the province to other retailers or customers. This information is used to assess industry health only and the RSMA is not applied.

RSMA Submission Instructions

Your RSMA reporting must be submitted on the provided spreadsheet by the 15th of the following month. This means your January reporting must be submitted by February 15th.

If you have more than one retail store you must submit a report for each location. This can be done either on a second sheet in the same excel document, or in a separate excel document. Reporting should be complete based on the retail value of the unit sold (i.e., 4x473ml, 6x350ml, keg, etc.). Onsite Hospitality Room sales from kegs and retail growler fills should be reported by the keg, using the retail value.

Submissions can be sent to NSManufacturersReport@MyNSLC.com.

Documents and Records Requirements

Please note that all the records and documents listed within this section must be kept for a period of at least six years.

You must allow Permit and Compliance Officers and provincial liquor inspectors to inspect documents and records associated with your business, including:

- Leases, management contracts, and bank statements related to your manufacturing facility
- Bulk beverage alcohol purchase records
- Beverage alcohol sales records and invoices, including quantity of beverage alcohol sampled or sold and prices charged
- Records for sale to licensed establishments which must have their licensee number recorded
- Beverage alcohol disposal records
- Sales records related to all other goods and/or services provided at your facility (including entertainment fees and merchandise)
- Contracts with other permit holders (including Contract and Collaborative production agreements)
- Invoices and purchase receipts for all equipment and other inventory that is used to operate your facility
- Employee records including names, primary job responsibilities, training records, and dates of employment.
- Any court orders or judgments against you
- Any agreements/contracts between you and another permit holder

Beverage Alcohol Register

Manufacturers with a hospitality room must keep a beverage alcohol register.

A beverage alcohol register is a record of all your purchases (i.e. receipts and invoices) for your beverage alcohol inventory, including bulk beverage alcohol sales and purchases. Your register must always be available for inspection and may be hardcopy or digital.

You must also be able to account for any beverage alcohol that was lost due to spoilage and breakage. This can be done by either keeping a written record in a logbook or by making a notation on the original receipt or invoice.

Best practices for keeping a beverage alcohol register:

- Keep all your receipts and invoices for beverage alcohol purchases in chronological order and separate from receipts and invoices for non-beverage alcohol purchases
- Photocopy or scan receipts printed on thermal paper to protect the record from fading over time
- Maintain a separate logbook to record any beverage alcohol lost due to spoilage and breakage

Unlawful or Private Beverage Alcohol

You cannot buy, keep, sell, or give unlawful beverage alcohol to anyone. Unlawful beverage alcohol is basically any beverage alcohol that was not produced under your permit or produced pursuant to a contract or collaborative manufacturing arrangement to which you are a party. Examples of unlawful beverage alcohol include:

- Stolen or smuggled beverage alcohol
- Homemade or ferment-on-premises beverage alcohol
- Samples that may have been left by a registered representative or another manufacturer
- Beverage alcohol for sale in your store or hospitality room that was obtained from an unauthorized source and/or not produced under your permit
- Beverage alcohol you are not permitted to manufacture under your licence

You are accountable for any unlawful beverage alcohol found at your establishment or in your storage area.

Storing Beverage Alcohol

You must maintain a secure storage area on your manufacturing site where you warehouse your beverage alcohol. In-bond and out-of-bond product must be warehoused in delineated areas. Delineation can consist of tape/paint on the floor, clearly marked shelves, or other methods approved with your permit. You may also store product at an offsite warehouse if you have obtained a warehousing permit from the Permit Office.

Offsite warehouses must be in Nova Scotia and cannot be located in a residence.

You must keep a list of storage areas with your permit and produce it upon request by a Permit and Compliance officer, liquor inspector or the police.

Employees

Employees include:

- Individuals with 20% or greater ownership interest
- Manufacturing employees
- Retail store employees
- Off-site store employees
- Hospitality room employees
- Registered representatives (or employees listed to represent you) and/or
- Direct to customer delivery employees.

General

Employees cannot have an employment relationship with the NSLC or the Alcohol, Gaming, Fuel and Tobacco ("AGFT") division of Service Nova Scotia and Internal Services. If an employee acts as a Registered Representative for you they cannot have an employment or ownership relationship with a licensee, excluding any of the licensed establishments you operate.

You can employ individuals under the age of 19 provided the following conditions are met:

- They do not sell, sample, serve, or dispense beverage alcohol
- They do not deliver beverage alcohol directly to customers (including curbside pick-up)
- If they are entertainers, they must always be supervised by a parent or legal guardian

All employees who are engaged in the sale, service, or delivery of beverage alcohol must complete responsible sales training when requested by the NSLC. You are responsible for maintaining copies of your employee training records and producing them upon request by a Permits and Compliance Officer or a liquor inspector.

Beverage Alcohol Consumption

With the exception of staff who have to sample product as part of your production process, you and your employees cannot consume beverage alcohol during working hours. This includes breaks, meal periods, and between shifts on the same day.

Your Retail Store

Retail stores must be located adjacent to your manufacturing facility and be for the primary purpose of retailing beverage alcohol produced by you in Nova Scotia. Stores are approved with your manufacturer permit. If you won't be operating a retail store when you first begin manufacturing, you can add your store later by contacting the Permit Office. We currently require that your retail store be fully segregated from your production area and that production is ongoing year-round.

Your manufacturer permit will indicate if you have an approved retail store. Changes to your footprint or capacity must go through a manufacturer permit change before the retail store opens.

Retail stores must be operated by employees of the manufacturer and only retail product produced:

- By the manufacturer in Nova Scotia
- Pursuant to an approved contract manufacturing arrangement
- Pursuant to an approved collaborative manufacturing arrangement

The combined volume of these products is considered your annual global production.

The following non-beverage alcohol products can be sold at your store:

- Branded merchandise, such as clothes, bags, barware, etc.
- Beverage alcohol related products, such as corkscrews, bottle openers, glassware, ice buckets etc.
- A limited selection of locally produced items
- Snacks related to the responsible sale of beverage alcohol such as crackers or chips
- Beverages related to the responsible sale of beverage alcohol such as club soda for spritz or juice for spirits

Your store may retail beverage alcohol between the hours of 7AM and 11PM and must be closed in accordance with the Nova Scotia *Retail Business Designated Day Closing Act*.

If the retail store is co-located with a licensed establishment, retail sales are only permitted between the hours of 9AM and 10PM. In cases of co-location with a licensed establishment the following additional conditions must be met:

- A separate point of sale from the licensed establishment
 - If your system can automatically produce reports that show a breakdown of sales from each source (the retail store versus the licensed establishment) this will be accepted
- Purchased beverage alcohol must be removed from the facility immediately following the purchase
- Beverage alcohol for your retail store must be stored separately from product used for your licensed establishment

Farm winery retail stores may be located up to 500 metres from their certified acreage or manufacturing facility and can sell any other non-beverage alcohol products produced at the farm. The location of farm winery retail stores has some flexibility. Please work with the Permits Office if your desired store location is outside the standard 500 metres. The Permits Office who will consult with the Department of Agriculture to determine if the location is within a reasonable distance from the acreage/manufacturing facility.

Pricing

Beverage alcohol cannot be sold for less than the social reference price (SRP) or the NSLC retail price when listed through us. SRP bands are posted on the NSLC Trade site. As part of your request for a retail store you are required to submit a retail price list of current products and their container size/type annually.

Delivering Beverage Alcohol

Your retail store approval also allows you to deliver beverage alcohol directly to customers. You can deliver product by your own employees or an approved common carrier.

Currently Canada Post is the only approved common carrier.

When delivering product, you must ensure you keep/have access to the following records:

- When the product was delivered (date and time)
- Name and address of the person the product was delivered to
- Type and quantity of beverage alcohol delivered

Your delivery person must ensure the product is received by an individual 19 or older and always request proof of identification. All responsible sales considerations must be ensured, including monitoring for signs of intoxication.

Deliveries must be limited to the hours of 7AM and 10PM and may not be made on days the retail store is required to be closed in accordance with the *Retail Business Designated Day Closing Act*.

If your facility is co-located with a licensed establishment, any deliveries of spirits or products sold from your retail store must be completed in a separate transaction and delivered in separate packaging. Product can be delivered with your licensee delivery (i.e. with takeout food).

Selling Beverage Alcohol to Licensees and Retailers

You can sell and deliver beverage alcohol directly to licensed establishments and PWSS. Beverage alcohol cannot be sold for less than total landed costs, and inducements are strictly prohibited. Product may be delivered by any company, while ensuring the safe transport and delivery.

If a third party is delivering beverage alcohol on your behalf, you must still maintain delivery and sale records outlined on Page 11. Please note that all records of sales must include the licensee number.

Additional Permits

You can apply for three additional permits – Hospitality Room permits, Off-site Retail permits and Tasting permits. Without these permits you are only allowed to offer tours, retail your product, and produce beverage alcohol.

Hospitality Room Permit

Hospitality room permits are issued by AGFT and are permitted areas for the consumption of beverage alcohol produced by the manufacturer in Nova Scotia. This includes product produced under an approved contract or collaboration agreement. Hospitality rooms must be located at the manufacturing facility and be fully segregated from production areas. Portions of production areas may be permitted for consumption under the following conditions:

- The area is permanent (i.e. partial walls, glass, etc.)
- Customers can safely enter and exit the consumption area without entering the production area

Barrel cellars, or other ageing areas may be approved for consumption if product is securely stored and inaccessible to customers.

You may have customers under 19 years of age in your hospitality room as long as they are accompanied by a parent or legal guardian.

Selling Beverage Alcohol

You must follow these limits when selling product for onsite consumption:

Beverage Alcohol Type	ABV	Serving Size
Wine	N/A	5oz
Mead	N/A	5oz
Spirits	N/A	2oz
Cocktails	ABV>23%	1oz
Cocktails	7-23%	5oz
Cocktails	ABV<7%	N/A

No serving size restrictions apply to breweries, cider houses (under non-grape wine), or for any Ready to Drink product.

Please note that “selling” includes any form of indirect sale, such as charging customers for a tour that comes with a sample, offering beverage alcohol with the purchase of food, or charging for entertainment that includes beverage alcohol in the price.

Pricing must always adhere to minimum pricing outlined in the *Liquor Licensing Regulations* of \$2.50 per serving, using the following serving sizes:

- 355 ml (12 oz.) of beer, cider or ready-to-drink beverage
- 29 ml (1 oz.) of spirits
- 142 ml (5 oz.) of wine
- 85 ml (3 oz.) of fortified wine

Sampling Beverage Alcohol

If you provide free samples to your customers, the maximum individual serving sizes are:

Beverage Alcohol Type	Sample Size
Beer	2oz
Cider	2oz
Wine	1oz
Mead (ABV<10%)	2oz
Mead (ABV>10%)	1oz
Spirits	0.5oz
Cocktails	0.5oz
RTD (any base alcohol)	2oz

There are no specified limits on the total volume of free samples you may provide, however you must never serve or sell samples to the point of intoxication.

Hours of Service

Your hospitality room can sell and serve beverage alcohol from 10AM until 2AM. If your hospitality room also has a permanent liquor license, you must adhere to the hours prescribed under your license.

Off-site Retail Permit

Off-site retail stores allow you to set up temporary retail stores at existing events for up to five days. They are frequently used at farmers markets, product launch events, and craft markets and allow you to retail your products somewhere other than your retail store, as well as provide small samples. Events must be for the primary purpose of promoting Nova Scotia tourism, the local agricultural industry, local food & beverage industry, or other local economic development opportunities approved by the NSLC.

Eligible event sponsors include:

- An individual/company not directly associated with the beverage alcohol industry (e.g. a local farmers market or a local business)
- Recognized local industry associations, to a maximum four events with off-site retail stores attending per year

The event sponsor must publicly sponsor the event (i.e. be declared on any promotional material for the event) and a representative from the sponsor must be present for part of the event.

While operating an off-site retail store, you must ensure employees selling product are paid employees and follow responsible sales best practices. Samples may be provided to customers at no cost in the following sizes:

Beverage Alcohol Type	Size Limits
Beer	2oz
Cider	2oz
Wine	1oz
Mead (ABV<10%)	2oz
Mead (ABV>10%)	1oz
Spirits	0.5oz
Cocktails	0.5oz
RTD (any base alcohol)	2oz

Tasting and Sampling Permit

Tasting and sampling permits allow organizations to engage in product exploration or promotion where beverage alcohol cannot be or is not sold.

Sampling

Sampling permits are available to manufacturers or their registered representatives for the purposes of education or product promotion. This permit enables you to promote your product in a safe and responsible way at events or locations where retail sales may not be desired or permitted. As part of our commitment to being responsible stewards of beverage alcohol, samplings must adhere to strict serving size limits and must be provided free of charge. All employees handling beverage alcohol must also undergo responsible sales training provided by the NSLC and be registered representatives.

Beverage Alcohol Type	Sample Size
Beer	2oz
Cider	2oz
Wine	1oz
Mead (ABV<10%)	2oz
Mead (ABV>10%)	1oz
Spirits	0.5oz
Cocktails	0.5oz
RTD (any base alcohol)	2oz

Tasting Permits

Tasting permits are available to societies and businesses for the purposes of education or exploring new beverage alcohol products. Fees may be charged for the overall experience, such as a cooking class, but fees cannot be collected for the beverage alcohol sample. When hosting a tasting, you must adhere to

strict serving size limits shown below and all employees handling beverage alcohol must undergo responsible sales training provided by the NSLC.

Beverage Alcohol Type	No or Limited Food	Full Meal
Beer	2oz	6oz
Cider	2oz	6oz
Wine	1oz	3oz
Mead (ABV<10%)	2oz	6oz
Mead (ABV>10%)	1oz	3oz
Spirits	0.5oz	1oz
Cocktails	0.5oz	1.5oz
RTD (any base alcohol)	2oz	6oz

Advertising Your Products

As a permit holder, you must ensure all brand and product advertising complies with provincial and federal laws. Advertising includes anything prepared by you, or on your behalf, that is intended to promote the sale of your brand or your beverage alcohol products. It includes, but is not limited to, the following forms of advertising:

- Broadcast on television or radio
- Published in a newspaper, magazine, on the internet, or any other electronic medium, including social media (the term “social media” used in this handbook includes any emerging digital media that is meant to connect with customers virtually/online)
- Displayed on a billboard, sign, poster, banner, or other publicly visible medium (including store signage)
- A product’s label, packaging, and container format

All advertising must comply with Regulations, and the NSLC’s corporate social responsibility standards.

Radio and television advertising must also comply with requirements of the Canadian Radio-Television and Telecommunications Commission (CRTC). Television advertising additionally must comply with the CRTC Code for Broadcast Advertising of Alcoholic Beverages.

Guiding Principles

1. Your advertising must always be consistent with our values of respect and responsibility.
2. Your advertising must be intended for adults of legal drinking age (19+) who choose to consume beverage alcohol. Product must not be advertised in any manner which may be directed to, or appeal to, underage persons.
3. Your advertising must portray products and consumers in a positive, responsible manner and emphasize the social aspect of moderate consumption in our society. Advertising cannot encourage consumers to consume beverage alcohol excessively or irresponsibly.
4. Your advertising cannot be used to disparage or discredit another company, business, product, or person.
5. Potential reactions from public groups or society in general should be considered when developing advertisements.

Responsible Placement

It is your responsibility as a permit holder to ensure your advertising is placed appropriately and in line with the described guiding principles.

Audience Composition

Advertising can only be placed in media where the majority of the audience is expected to be of legal drinking age. This applies to all forms of advertising including: online, at events, and static or fixed advertising at venues.

Filtering and targeting for social media with the use of flags and algorithms must have an age filter of 19+.

College and University Campuses

Any advertisement of beverage alcohol or social responsibility programs must be negotiated directly with each campus, or a recognized group representing multiple campuses.

All advertising must be in line with individual campus alcohol policy.

Out of Home

Outdoor advertising (i.e., billboards, bus shelters) cannot be purchased at locations within 200 meters of any Primary to grade twelve schools or identified health facilities (hospitals, nursing homes, treatment centres, medical offices, etc.).

Social Media

Social media communication must be intended for adults of legal purchase age and should be placed only in media where the target audience is of legal purchase age.

Social media communication that involves direct interaction with a user should require age affirmation prior to engagement with the user.

User-generated content on a site or page controlled by the brand must be monitored and moderated on a regular basis.

Social media communications that are intended to be forwarded by users should include instructions that the content shouldn't be forwarded to individuals below the legal purchase age.

Social media communications must respect user privacy and follow responsible content rules.

Responsible Content

Minors

No advertising in any manner is permitted:

- that directly or indirectly appeals to minors (e.g., cartoon characters, songs, mythical characters and/or celebrities)
- that refers in any way to underage persons
- that features in any significant role, anyone who appears to be under 25 years of age

These restrictions include the depiction of family scenes that involve the use of beverage alcohol where children are present.

Quantity of Beverage Alcohol Shown

All advertising of beverage alcohol must either show a sealed bottle of product or product in a single serving glass, poured to a maximum of a single standard drink. In addition, advertising cannot promote consumption in general (must be focused on a specific brand).

The quantity of beverage alcohol or product shown in any image, must not exceed the number of individuals shown in the same image (one standard drink per person).

Personal Endorsements

Advertising cannot contain a personal endorsement of beverage alcohol unless approved by the NSLC.

Offensive Language/Visuals

All beverage alcohol advertising must refrain from using language or visuals that may be considered offensive. In the event of dispute as to whether advertising is considered offensive, the opinion of the NSLC shall be determinative.

Rite of Passage

Advertising must not suggest that consumption of beverage alcohol is a rite of passage to adulthood.

Implication of Health or Success

Advertising cannot directly or indirectly imply that the consumption of beverage alcohol makes the consumer stronger, healthier, more successful in their pursuits (job, sports, sexual prowess) or that it will solve a person's problems.

Association with Skilled Activities

Advertising cannot depict consuming alcohol in tandem with a skilled activity, such as: driving, boating, playing sports, or working.

Association with Public Consumption

Advertising cannot depict, or be construed to depict, any location where consumption of beverage alcohol is prohibited. (i.e., beach, park, picnic area). Advertising must portray outdoor scenes that are located on private property (i.e., background image of cottage, campground site with hookup, backyard patio).

High Risk, Illegal, or Excessive Use

Advertising is not permitted to imply or portray:

- Any illegal activity
- Criminal, unsafe, or risky behaviour
- Glamourized, inappropriate, or irresponsible consumption

Use of NSLC Assets

The use of the NSLC logo or any NSLC store image is expressly prohibited in any advertising unless usage has been preapproved by the NSLC. The NSLC recognizes that NSLC related images/footage are sometimes beneficial and will work with the vendor to accommodate requests in a timely manner. To arrange access to NSLC assets, please contact CSR@MyNSLC.com.

Promoting Your Product

Registered Representatives

Registered Representatives are registered individuals for the promotion and sale of beverage alcohol in Nova Scotia. Registered Representatives and your employees can engage in discussions with us, other retailers, and licensees for the purposes of discussing listings, soliciting sales and product promotion.

In addition, Registered Representatives and your employees can represent their products at special events, such as sporting events and concerts for the purpose of product awareness, education, and brand promotion. Registered Representatives and your employees are also authorized to work at off-site retail stores and tastings.

Manufacturers within the Province are not required to have Registered Representatives. If you have a manufacturer permit and do not have Registered Representatives, you must appoint employees to act as your representatives when doing business with the NSLC. This can be done at the time of your permit application, or at anytime by emailing Permits@MyNSLC.com and including the employee's name, email, and phone number. These employees will be considered Registered Representatives under the Act, the Regulations, and our policies and must carry a copy of a business card or ID to prove association with your business.

Registered Representatives are not allowed to be in a conflict of interest with a licensee or the NSLC, this includes any form of business relationship or ownership. For manufacturers within the Province with ownership in up to four licensed establishments, your Registered Representatives are permitted to have relationships with both you and the licensed establishment but must ensure no conflict of interest exists.

Inducements

An inducement occurs where a manufacturer or Registered Representative offers a benefit to a licensee or retailer in order to persuade them to buy more of a particular alcohol product than would be bought under normal circumstances, to the detriment of other retailers. Inducements are strictly prohibited by all manufacturers, distributors, and Registered Representatives.

Licensees

Inducements include but are not limited to the following:

- Providing free beverage alcohol product to a licensee or PWSS, excluding approved sampling
- Offering or giving money or other rewards to licensees who carry your products
- Offering to pay for services on behalf of the licensee including but not limited to entertainment fees, draft line cleaning fees, and payment for installation of equipment, with the following permitted exceptions:
 - You can pay for draft line cleaning by paying the service provider directly, or you can have this service completed by your employees

- When sponsoring an event, you can pay the entertainer directly
- You can directly pay for the installation of equipment, provided the equipment is directly related to the sale/service of your product (i.e. a keg fridge, tap handles, menu boards)
- Installation of or exchange of product or infrastructure not directly related to the service and/or promotion of beverage alcohol
- Providing incentives or benefits to a licensee’s employees tied to increasing sales of the manufacturer’s product

Customers

Inducements to customers have different considerations from those for our licensee and retail community. Inducements to customers include but are not limited to:

- Oversampling
- Vacations where the producer is not present and there is no business purpose
- Cash incentives or benefits
- Rebates or discounts
- Free product provided directly to customers (excluding vouchers)
- Customer gifts (i.e. electronics, clothing, watches, motorcycles)

All producer giveaways of beverage alcohol product to customers must meet the requirements outlined under “Customer Contests and Giveaways” on the following page.

Promotional Items (Retail and Licensees)

You may give promotional items of nominal value, such as coasters, tent cards, and posters:

- To licensed establishments such as restaurants, beverage rooms, and cabarets to promote your products, if:
 - They are not delivered to anyone under age 19
 - The establishment already lists the brand of beverage alcohol identified in the promotional materials
- To retail stores and private wine and speciality stores for a specific promotion

You may also give glassware to licensees. You may loan more expensive promotional items or temporary display structures with your name or brand (signs, patio umbrellas, mirrors, etc.) to licensees. These displays and items remain your property and must be returned at the end of the promotion.

Value added Promotional Items (Retail)

You should be aware of our value-added rules for both your own retail channels and when selling to other retailers (such as private wine and specialty stores). Our rules surrounding value added can be found on our [Trade Site](#), under Program Information and Applications in the CST Marketing and Promo Guide.

Sampling (Retail and Licensees)

Registered representatives and your employees can hold licensee sampling at licensed establishments. The number of samples that you may provide to a licensee within a single year is limited to the amounts below, pursuant to the *Liquor Licensing Regulations*:

Product	Maximum Total Samples per Calendar Year
Beer or RTD	48 Bottles or equivalent containers, containing 355ml of product
Wine	10 Bottles or equivalent containers, containing 750ml of product
Spirits	3 Bottles or equivalent containers, containing 750ml of product

While providing samples, your Registered Representative or employees must ensure product packaging is disposed of at the licensee location in advance or beginning of a new sampling session.

In some cases, the Executive Director at AGFT may require written notice of an upcoming sampling session. Please reach out to AGFT directly with any questions regarding sampling at licensed establishments.

Registered Representatives or your employees are also able to hold customer sampling at licensed establishments. When doing this, the Registered Representative must purchase the samples from the licensee. The licensee may sell a sample at a reduced serving size from their standard size but cannot reduce the price of the sample beyond half of the standard price. Licensees can only sell one sample per transaction, and Registered Representatives or your employees can only give out one sample at a time per customer. Please see the *Liquor Licensing Regulations* for further conditions associated with customer sampling.

Free Beverage Alcohol Product

Producers and Registered Representatives are permitted to engage in employee allotment, customer giveaways, and sponsorships under certain conditions.

Employee Allotment

Employee allotments do not have annual limits and allow a producer to provide beverage alcohol for personal consumption to their employees. This must be done through one of the following mechanisms:

- Product sold from the manufacturer's retail store (sale may be for zero consideration but must be recorded)
- Vouchers redeemable at an NSLC store
- Pre-paid credit cards used at an NSLC store

Note: product must be included in Retail Sales Mark-up Allocation (RSMA) reporting.

Customer Contests and Giveaways

Customer giveaways should be used for complaint or promotional giveaways only and should follow responsible sales best practices. Customer giveaways of beverage alcohol product must be awarded in the form of a voucher redeemable at your retail store or at an NSLC store.

Customer Complaint

Product purchased from the NSLC network should be returned through the NSLC, except for kegs ordered by licensees outside of the Halifax Regional Municipality. These kegs must be returned through AGFT.

Product purchased directly from a manufacturer's retail store should be returned directly to the manufacturer for replacement/reimbursement.

Sponsorship

You can donate promotional beverage alcohol product to teams and community events through approved vouchers. If a large quantity of product from the NSLC is donated, you must give advance notice to the store where the product will be picked up.

Product Vouchers

All giveaways must be in the form of vouchers. Vouchers may be redeemed at your own manufacturer retail store or at an NSLC store; vouchers for use at the NSLC must be preapproved through the appropriate category manager and be paid for promptly.

Vouchers must include:

- Manufacturer name or identifier
- Package size
- Package format (bottle, can, or box)
- List of eligible products, where applicable, at the same retail price
- Authorized signature line and customer signature line
- Control number
- The words "Exchange for Specific Manufacturer Product Only"
- Security features (e.g. hologram or QR code) that ensure voucher will not be duplicated
- The words "Not Redeemable for Cash"

A sample voucher is included in your permit package or can be found [here](#). You are responsible for the cost of producing initial vouchers and any reorders.

You are required to maintain a log of all vouchers including:

- Control numbers
- The person or community event receiving the products

Oversight and Compliance

We have partnered with AGFT to streamline services to local industry and to ensure the best possible delivery of our oversight and enforcement responsibilities. In almost all cases, barring extreme circumstances, both the NSLC and AGFT will approach required enforcement action from an educational approach first. If the issue must be escalated beyond education, we assume all responsibility for enforcement action. Enforcement may involve:

- Suspension or cancellation of permits and/or the rights granted within permits
- Suspension or cancellation of Registered Representative privileges
- De-listing of products by NSLC stores for specified periods
- Fines, summary offense tickets, or prosecution in accordance with the Liquor Control Act

We maintain inspection and enforcement responsibility for all manufacturing and on-site retailing operations (including delivery) while AGFT has taken over the inspection and enforcement related to:

- Hospitality Rooms
- Off-site Retail Stores
- Registered Representatives

As a permit holder you must provide access to your facility and records when requested by AGFT or NSLC employees acting in an oversight capacity.