

  
85/09/16

LIQUOR DISTRIBUTION BRANCH  
LICENSEE RETAIL STORE AGREEMENT

The Licensee agrees to comply with the following terms in consideration for the right to sell liquor for off-premises consumption through a licensee retail store:

1. The Licensee will sell in a licensee retail store only brewed liquor (including beer), cider and non-fortified wine (including cooler) manufactured or produced in British Columbia (the "Liquor") in package sizes which do not exceed 20 litres. The Licensee will sell only Liquor which is listed for sale with the Liquor Distribution Branch.
2. The Licensee will sell the Liquor only through a licensee retail store which has been approved and licensed by the General Manager of the Liquor Control and Licensing Branch (the "Store").
3. The Licensee will obtain all Liquor for resale in the Store directly from the manufacturer or producer of the Liquor (or its delivery agent) in accordance with the direct delivery procedures of the Liquor Distribution Branch (the "Branch") as they may be amended from time to time by the Branch. The Licensee will not purchase Liquor for resale in the Store from a government liquor store or a rural agency liquor store.
4. The Licensee will document the delivery and receipt of and pay for all Liquor in the manner directed by the Branch from time to time.
5. The Licensee will purchase Liquor at the current Branch retail price plus the relevant container deposit.
6. The Licensee will sell Liquor only to retail customers and will account for Liquor sales to the Branch in accordance with the general procedures of the Branch applicable to licensee retail stores as they may be amended from time to time by the Branch.
7. The Licensee will not sell Liquor to licensees as licensee is defined in the Liquor Control and Licensing Act (including the Licensee and special occasion licensees) or to any other person for resale.
8. The Licensee will not operate a home delivery service or deliver or pay for the delivery of Liquor to its customers.
9. The Licensee will offer for sale a selection of Liquor which is, in the opinion of the Branch, a representative selection of British Columbia products.

10. The Licensee will sell Liquor in the Store at a price which is the same as or greater than the Floor Price. "Floor Price" means the Branch retail price of the Liquor at the time of purchase by the Licensee minus the Commission. "Commission" means 10% of the Branch retail price paid to the Branch at the time of purchase.
11. The General Manager of the Branch will pay to the Licensee the Commission on sales of Liquor in the Store made in accordance with this agreement. Subject to paragraph 22, if Liquor purchased for resale in the Store is not sold in the Store in accordance with this agreement, then the Licensee will repay the Commission to the General Manager of the Branch forthwith on demand.
12. The Licensee will charge and obtain from customers a container deposit on Liquor in the same amount as that which is charged by the Branch to its retail customers for the same size and kind (ie., glass or can) of container.
13. The Licensee will accept returns of Liquor containers of the size, kind and brand sold or offered for sale by him in accordance with the Litter Act or the Waste Management Act and Regulations (whichever enactment is in force at the time) except that the Licensee will also accept returns in an amount up to 20 dozen containers per day per customer and will refund the full amount which he is required to charge as deposit on containers of that size, kind and brand.
14. The Licensee will prominently display Liquor prices and the amounts charged and refunded for container deposits in the Store.
15. The Licensee will prominently display to its customers and will pay to its customers a rate of exchange on U.S. dollars which is no less than the current Bank of British Columbia buying rate for U.S. dollars (rounded to the next lowest percent if the buying rate is a fraction of a percent).
16. The Licensee will charge and obtain the prescribed amount of social services tax on each sale and remit the total directly to the Consumer Taxation Branch of the Ministry of Finance.
17. The Licensee will make all documents that may relate to this agreement, the Liquor Distribution Act, the Liquor Control and Licensing Act and Regulations and the licence of the Licensee granted by the General Manager of the Liquor Control and Licensing Branch ("Control"), including all relative bank papers, ledgers, statements, books and records, available in the Province of British Columbia to authorized representatives of the General Managers of the Branch or Control for inspection, audit or copying at any time or times reasonably required by such representatives.

18. The Licensee will provide to the General Manager of the Branch such financial and other information and returns relative to the Store or this agreement as the General Manager may request and in the frequency and at the times he may, in his sole and absolute discretion, require.
19. If the General Manager of the Branch or Control conducts an inspection, inventory or audit on the basis of a reasonable suspicion by him, or any person acting on his behalf, that there has been a breach of this agreement by the Licensee and the inspection, inventory or audit discloses such a breach or such a breach is found to have occurred, then the Licensee will pay the costs and expenses of the inspection, inventory or audit to the General Manager (as such costs and expenses may be determined by the General Manager) forthwith on demand.
20. The General Managers of the Branch and Control will have the right and licence of entry into the Store or upon any site or premises where Liquor is kept or stored by or on behalf of the Licensee at any time during the business hours of the Licensee (and if, in the opinion of either General Manager, an urgent situation exists, at any time) for the purposes of the inspection, audit or removal for copying of any documents which might be relevant to the purchase and sale of Liquor in the Store, the calculation of Commission or the performance of this agreement, or for the purposes of the inspection or inventory of any Liquor, and this right and licence will also allow the General Manager to enter the adjoining licensed establishment of the Licensee for the same purposes.
21. The Licensee will document and account for returns of Liquor to or from a supplier or a customer and deal with defective Liquor in the manner directed by the Branch from time to time.
22. The Licensee will sell Liquor purchased in accordance with this agreement only in the Store. The Licensee will not add to or substitute any Liquor inventory in the Store with any other liquor inventory which it might possess, or add to or substitute any other liquor inventory with Store inventory. If liquor is added to or substituted for Store inventory or Store inventory is added to or substituted for other liquor inventory in contravention of this agreement, or if the Licensee knowingly or recklessly sells Store inventory to a licensee or for resale contrary to paragraph 7, then the General Manager of the Branch will not pay a Commission on that liquor and the Licensee will repay any amounts paid to the Licensee as a Commission on such liquor to the General Manager of the Branch forthwith on demand along with the relevant licensee fee and an amount calculated by the General Manager to be the costs and expenses of the Branch to audit, investigate, calculate, demand and collect any such amounts.

23. The Licensee will securely keep the Store inventory of Liquor in accordance with the requirements of Control as they may be amended from time to time and will keep Store inventory distinctly separated from any other liquor inventory.
24. Subject to the terms herein concerning termination or suspension, this agreement will be in effect so long as the Licensee is licensed to operate a Store by the General Manager of Control. The Licensee will operate the Store (and will construct, furnish and decorate the Store) in a manner satisfactory to the General Manager of Control.
25. All terms in this agreement are conditions and, if any of these terms are breached by the Licensee, or the Licensee commits an act of bankruptcy or becomes bankrupt or insolvent or becomes involved in voluntary or involuntary winding up, dissolution or liquidation proceedings, or a receiver or receiver-manager or assignee for the benefit of creditors is appointed for the business, property or revenue of the Licensee or the Licensee vacates, abandons or ceases to operate the Store, then the General Manager of the Branch may suspend or terminate the agreement forthwith without prior notice.
26. The Licensee may terminate this agreement without reason by giving 60 days' notice of termination to the General Managers of the Branch and Control.
27. If this agreement is terminated or expires, then the Licensee will sell the Liquor inventory of the Store which is (in the opinion of the General Manager) in a saleable condition to the General Manager of the Branch forthwith for the Floor Price (as estimated by the General Manager) minus a restocking fee of 10% of the Branch retail price.
28. If the general policies or procedures of the Branch with regard to licensee retail stores are changed or amended on the direction of the Minister responsible for the Branch in a way which conflicts with the terms of this agreement, then the General Manager of the Branch may unilaterally amend any conflicting term in the manner which he deems to be appropriate on 90 days' notice in writing to the Licensee.
29. The Licensee will possess general liability insurance coverage against claims for bodily injury, including death, and property damage or loss arising out of the ownership, use or occupation of the Store or the business of the Licensee in the Store for the amount of not less than \$3 million combined single limit or such other amount as may be reasonably required by the General Manager of the Branch from time to time, including products liability insurance. The Licensee will provide evidence satisfactory to the General Manager of the insurance coverage and the premiums paid for it immediately upon his request.

30. The General Managers of the Branch and Control and Her Majesty the Queen in Right of the Province of British Columbia (or any of them) will not be responsible or liable in any event whatever (directly or indirectly) to any person for any Liquor or for any loss or damage arising out of the manufacture, production, delivery, transport, storage, sale or consumption of Liquor by or to any person or the operation of the Store or the performance of this agreement.
31. The Licensee will indemnify and save harmless the General Managers of the Branch and Control and Her Majesty and their employees, agents and contractors from any and all loss, injury (including death), damages, claims, costs (including legal costs and expenses), demands, expenses, fines, liabilities, actions and prosecutions of any nature whatever which any of those persons may incur or suffer by reason of any act, omission, default or negligence of the Licensee or any agent, contractor, customer, employee, invitee, licensee, officer, director or shareholder of the Licensee or by reason of any matter relative to or arising in any manner (directly or indirectly) from the performance of this agreement or the operation of the Store.
32. The Licensee will not voluntarily or involuntarily transfer, assign or otherwise part with this agreement or any right, title, privilege or interest herein, or subcontract any obligation hereunder, without the prior written consent of the General Manager of the Branch, who may withhold or delay such consent absolutely, arbitrarily and unreasonably.
33. The Licensee will, upon the reasonable request of the General Manager of the Branch or Control, make, do, execute or cause to be made, done or executed, all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better performance of the terms of this agreement or the compliance of the Licensee with the Control Act and Regulations, the Distribution Act, the general requirements of Control or the Branch, or the licence of the Licensee in a prompt, timely and effective manner.
34. The Licensee will comply with any and all applicable laws, orders, licences and requirements imposed by any authority or body of competent jurisdiction, including the general requirements of Control and the Branch, in its operation of the Store and the performance of this agreement.
35. No partnership, agency, joint venture or any entity in law will be created by or be deemed to be created by this agreement or any actions of the General Managers of the Branch or Control or the Licensee.

36. If any provision of this agreement is or becomes illegal, invalid or unenforceable, then it will be considered separate and severable from this agreement and the remaining provisions will remain in force and be binding upon the Licensee.
37. Any existing debt, liability or obligation of the Licensee will survive the suspension, termination or expiry of this agreement or any part hereof.
38. No reference to, exercise of, or failure to exercise any specific right or remedy by Her Majesty or the General Managers of Control or the Branch will prejudice or preclude those persons from the exercise of the same right or remedy or from any other right or remedy, whether allowed at law or in equity or expressly provided for in this agreement.
39. No provision in this agreement requiring the consent or approval of the General Manager of the Branch or Control will be deemed to have been fulfilled or waived unless the written consent, approval or waiver of the relevant person relating to the particular matter has first been obtained and, without limiting the generality of the foregoing, no prior consent, approval or waiver and no condoning, excusing or overlooking by either of those persons on previous occasions when such a consent or approval was required will be taken to operate as a waiver of the necessity of such consent or approval whenever required under this agreement.
40. This agreement will only enure to and be binding on the Licensee and its permitted assigns. This agreement will not pass or enure to any trustee in bankruptcy, any receiver or receiver-manager or any assignee for the benefit of creditors of the Licensee.
41. Her Majesty and the General Managers of Control and the Branch may exercise their rights and privileges hereunder by or through any of their employees, officers, agents or contractors which they may designate for such purpose.
42. This agreement will be read with any change in number or gender required by the context.

SIGNED AND DELIVERED BY THE LICENSEE,

DUNSMUIR HOLDINGS  
(print name of Licensee)

(NEW WESTMINSTER) LTD.

OR ITS AUTHORIZED SIGNATORIES:

s.22 )

Signature )

s.22 )

Print Name and Title (if applicable) )

s.22 )

Signature s.22 )

s.22 )

Print Name and Title (if applicable) )

affix corporate seal  
(if applicable)

ADDRESS OF LICENSEE RETAIL STORE:

5865 VEDDER ROAD

Box 710

VEDDER CROSSING, B.C. V0X1Z0

ADDRESS OF LICENSEE FOR SERVICE  
OF DOCUMENTS (if different from  
Store address):

DATE:

SIGNED AND DELIVERED BY THE  
GENERAL MANAGER OF THE BRANCH:

C. E. Ruddick, Acting General Manager

R.A. Wallace, General Manager

Liquor Distribution Branch

3200 East Broadway

Vancouver, B.C. V5M 1Z6

DATE: SEPT. 16, 1985