

September 25, 2017

Job #35835281-001

Ile Sauvage Brewing Company Ltd. 1605 Daphne St. Trail, BC V1R 2R2

Via email: info@ilesauvage.com

Dear Thomas Gresley-Jones,

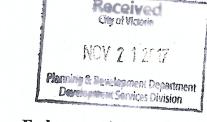
Re:

New Manufacturer - Brewery License with On-Site Store Endorsement

AMENDED Approval in Principle (AIP) – Pending Final Inspection Proposed Establishment Name: Ile Sauvage Brewing Company Ltd.

Applicant name: Ile Sauvage Brewing Company Ltd.

Proposed location: 2960 Bridge St in Victoria Expiry Date of AIP: September 25, 2018



This letter is to acknowledge receipt by the Liquor Control and Licensing Branch (LCLB) of the required documents in support of your application for a manufacturing licence with an on-site store endorsement at the above noted location.

I have had the opportunity to review your application and supporting material. Your application material has been reviewed for eligibility and applicant suitability criteria, residency and age requirements, business ownership and valid interest in the proposed manufacturing property as well as tied house considerations. A preliminary review of your manufacturing site and building plans has also been completed.

I am pleased to advise you that your application is deemed complete and "Approval in Principle" for the manufacturing facility with on-site store endorsement has been granted. This AIP allows you to proceed with construction of the manufacturing facility; it does not allow you to begin manufacturing product.

Floor Plans

I have enclosed one copy of the AIP floor plan which includes:

- the manufacturing facility and storage area(s) outlined in red which will permit you to manufacture and store your product(s) once final approval has been granted; and
- the on-site store, outlined in blue, will permit you to sell and offer tastings of your brewery products, as well as internet sales.

Liquor Control and Licensing Branch Mailing Address:

PO Box 9292 Stn Prov Govt Victoria BC V8W 9J8

Telephone: 250 952-5787 Facsimile: 250 952-7066

Location:

4th Floor, 3350 Douglas Street Victoria. BC

www.gov.bc.ca/liquorregulationandli censing

If this is not an accurate assessment of the plan or the plan changes significantly during construction, please contact the writer as new plans may be required to be submitted.

It is the licensee's responsibility to ensure adequate security for all areas of the manufacturing facility and all product storage.

Note that this approval is subject to, but not limited to, all local fire and building, zoning, jurisdictional bylaws, ALR restrictions, and health authority approvals as required in your area.

On Site Store and Tasting Area

The on-site retail store is the area where you sell your manufactured products to the general public. The store includes a serving counter where you may provide or sell samples of your brewery product(s) for consumption in the designated tasting area. A brewery may provide unlimited free samples or sell up to 125 ml (per serving size) of their manufactured product in the designated tasting area. Multiple servings (e.g. flights) are permitted however the maximum total volume cannot exceed 375 ml per person per day. Liquor sold in the on-site store is restricted to the products made at this brewery site.

The manufacturing licence does not allow you to sell full servings of products for consumption on site.

Artisan, Farmer and Annual Markets

A licensed manufacturer with an approved on-site store endorsement may apply for a Market Authorization to sell their products at artisan, farmer or annual markets. Licensees are responsible for confirming that the market complies with local bylaws around the sale of packaged liquor and that the market where they plan to sell meets the criteria outlined in the above noted handbook.

Tour Area Endorsement:

A tour area endorsement is no longer required. Any manufacturer can offer a tour of their establishment between 9 a.m. and 11 p.m., however, only guided tours are permitted. Outdoor tours are only permitted if there are manufacturing features outside, including vineyards, grain storage units, etc.

Liquor Distribution Branch (LDB) Manufacturer's Agreement

Before the Branch will issue the manufacturing license, the applicant is required to enter into a Manufacturer's Agreement with LDB, which provides the authority for the applicant to make sales in the province and ensures the applicant understands the appropriate policies, procedures and reporting requirements associated with these sales.

The Branch has provided LDB with a copy of your Manufacturers application, floor plan, site plan, and business proposal documents. LDB staff will be in contact to arrange for your signing of the LDB Manufacturer's Agreement. If you have questions relative to the LDB agreement and your obligations, please contact them via email at regemail@bcldb.com.

oignage:

The Branch has reviewed and approved a sample of your brewery signage denoting the name "Ile Sauvage Brewing Company". Off-site directional signs are permitted provided the appropriate municipal or provincial approvals have been obtained. Drawings of directional signs must also be submitted to the Branch for approval.

Serving it Right

Serving It Right is a self-study course that educates licensees, managers and servers about their legal responsibilities when serving liquor, and provides effective techniques to prevent problems related to over service. The course packages, exams and certificate numbers can be found online at www.servingitright.com, or by phoning 604-633-9798.

Serving It Right must be completed by all sales staff, servers, managers and licensees, before opening for business, and the certificates must be available at all times.

Last stage in the licensing process - Final Inspection

Please contact Liquor Inspector Ron Cridland at 250-952-5747 or by email at Ron.Cridland@gov.bc.ca to arrange for a final inspection once the construction is complete and you are ready to begin manufacturing. The Inspector will advise you of anything else that may be required in order to complete the final inspection.

- You will need to have the AIP floor plan, which is attached to this letter, available for the Liquor Inspectors review and confirmation.
- You will also need to ensure that you have signed copies of your agreement with LDB available prior to contacting the Inspector for a final inspection.

It is recommended that an authorized signatory attend the final inspection; however, you may ask someone to attend on your behalf. Please ensure that the person attending the final inspection can make a decision or answer questions with respect to any compliance concerns on behalf of the licensee(s).

The final inspection is also an opportunity to discuss, with your liquor Inspector, any questions that you may have regarding the operation of your manufacturing business in accordance with the LCL Act and Regulation. The web link provided below is to the Manufacturer Licence Terms and Conditions Handbook. It will be helpful to review this information, if you have not done so already, prior to scheduling the final inspection.

http://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/liquor-regulation-licensing/guides-and-manuals/manufacturer-handbook.pdf

At the time of the final inspection, your liquor Inspector will:

- Inspect the manufacturing facility to ensure the layout on the AIP floor plan complies with the terms and conditions of this letter.
- Take photographs of applicable areas:
 - the manufacturing facility

- secureu storage area
- on site store and tasting area
- Verify that all storage areas are adequately secured.
- Provide the "fee payment page" for the applicant to submit. The \$1210.00 licensing fee is pro-rated to March 31st, 2018. The first year pro-rated licensing fee for the manufacturing licence and on-site store endorsement will be required prior to final approval.

If you wish to arrange for payment of the licensing fee prior to the final inspection, please contact the Branch at 1-866-209-2111.

Please note: A copy of the federal excise licence letter, issued under federal jurisdiction (CRA) must be faxed to the Branch upon issuance (after LCLB has issued the manufacturing licence). Further, prior to final licensing, signed agreements with LDB must be in place or licensing will be withheld.

This AIP will expire September 25, 2018. An extension to this approval will only be considered where a written request is received by the Branch at least 30 days prior to the expiry of the AIP. Failure to request an extension will result in the application being considered abandoned and therefore, terminated on the expiry date noted above. No further notice will be provided.

If you have any questions regarding this AIP letter or concerning the licensing process, please contact me at 250 952-5769 or by email at Matt.Forrester@gov.bc.ca.

Sincerely,

Matt Forrester

Senior Licensing Analyst

Liquor Control and Licensing Branch

Enclosures

Copy to:

- Ron Cridland, Liquor Inspector
- Excise Duty (CRA)
- Liquor Distribution Branch
- BC Assessment
- Office of the Fire Commissioner

