



PRIVATE ORDER POLICY Version for “Promotional Agents”

1. PRINCIPLE

The SAQ offers anyone who is interested the means to acquire alcoholic beverages it does not sell in its distribution network.

To benefit from this service, an individual must submit a private order request to the SAQ and comply with the associated terms.

In order to simplify the presentation of the applicable rules to this process, the SAQ has decided to publish three versions of its Private Order Policy by regrouping the specific rules that apply to three distinct groups of interested parties.

In this version, the term “online” means, according to the text, that the information is available or that an action can be carried out through the SAQ website (www.saq.com.)

2. CLIENTELE

The clientele targeted by this version of the policy is promotional agents (hereinafter referred to as “agents”) acting in the context described herein.

An agent may ask the SAQ to import a product to be stored at the SAQ and sold by the SAQ to buyers who are solicited by the agent. After submitting a private order request to the SAQ, the agent is responsible for liquidating the product that was ordered for the clientele.

For the purposes of this policy, an agent is an individual who represents at least one product sold in the SAQ network in Québec, or an individual who, if he does not meet the previously mentioned condition, satisfies the following three requirements:

- a) Submits a private order request;
- b) When placing his first private order request, sends a letter to the SAQ in which the supplier of the ordered product notifies the SAQ that the Agent represents its product in Quebec;
- c) His company is listed in the *Régistre des entreprises individuelles, des sociétés et des personnes morales du gouvernement du Québec*, and the registration documents indicate that the business operates in Québec in the field of promoting the sale of alcoholic beverages.

3. MINIMUM AMOUNT FOR AN ORDER

The minimum amount for a private order request is \$150 (at the supplier's price) per product from a same supplier.

A fee of \$100 is charged for any private order request that does not comply with the requirement stipulated in the previous paragraph.

4. PRIVATE ORDER REQUEST

An agent can submit a private order request online by completing the appropriate form.

The SAQ will refuse any order for which the agent has paid or intends to pay the supplier directly.

5. FINANCIAL GUARANTEE

The agent must submit a financial guarantee to the SAQ when submitting the private order request. The amount of this guarantee corresponds to a percentage of the SAQ purchase price for the products ordered.

This percentage varies according to the SAQ evaluation of the agent based on criteria available online.

- Category Agent A: 40%
- Category Agent B: 80%
- Category Agent C: 100%

The SAQ can offset any amount owed by the agent from the financial guarantee.

6. PAYMENT OF THE FINANCIAL GUARANTEE

The financial guarantee must be paid by credit card, by cheque, or in cash, or its payment must be secured by the issue of a bank letter of guarantee.

A financial guarantee paid by credit card, by cheque, or in cash is redeemed by the SAQ however no interest will be credited to the agent.

The bank letter of guarantee must be irrevocable for a minimum period of 12 months, and must be issued by a banking institution operating and located in Québec where the letter of guarantee can be presented for payment.

7. CONFIRMATION OF AN ORDER

The SAQ will issue a notice to the agent confirming the order or notifying him of a cancellation depending on whether or not the supplier accepts the order from the SAQ.

8. PRICE CONTROL

The SAQ verifies the prices declared by the agent.

When the price declared by the agent does not reflect the market value of the products, the SAQ pays the supplier the declared price and adjusts its retail selling price calculation based on the market value of the products. This market value corresponds to the price charged by a supplier for comparable supplier products in the SAQ catalogue. The SAQ will inform the agent, who may cancel the Private Order Request.

9. ESTIMATED TIMES FOR PRODUCT AVAILABILITY

The agent may consult the estimated times for the availability of ordered product, according to the country of origin or the regions of the country.

10. STORAGE

The SAQ stores the products ordered free of charge for a period of 150 days, effective from the date of the notice of product availability sent by the SAQ to the agent.

If the products are left in the warehouse beyond the 150th day of storage, a fee for 30 days of storage will be charged, without any notice. In addition, if the products are left in the warehouse, beyond the 180th day of storage, another fee for 30 days of storage will be charged without any notice.

The agent can consult the storage fees online

11. FAILURE ON THE PART OF THE AGENT

If the agent fails to find buyers for all the products ordered before the end of the storage period stipulated in the previous section, the SAQ will take possession of all remaining products and dispose of them at its discretion.

The agent will be held accountable for the price charged by the supplier for any products the SAQ takes possession of, and for all costs associated with the private order in question, including the cost of disposing of products.

The Agent can consult the list of applicable fees online.

12. RETURNING PRODUCTS

An agent who sends to the SAQ a client order for a private order must pay fees to the SAQ if the client refuses to take delivery of the products. In addition, in such a case, the products are returned to the warehouse, and for the purposes of calculating the storage period, are considered as never having been delivered. The agent can consult the list of applicable fees online.

The SAQ wishes to notify the agent that it offers a one-year warranty against any defect for products sold by private order. A defective product can only be refunded. To exercise the warranty, the client must submit a request to a point of sale or to the SAQ Customer Service department. The SAQ does not accept any return of products that are not defective.

13. PRODUCT STANDARDS

The SAQ may refuse to sell a product ordered that does not comply with the applicable standards for composition, elaboration, labelling, and packaging relative to private order products.

The SAQ may also refuse to sell any product if it reasonably believes that the sale of this product in Québec may violate a law or contravene to its responsibilities, specifically as a result of any inscription, representation, or design on the label or the container.