



Discover the World

November 2, 2009

To: Trade Associations

Re: Import Duty Rate Changes to Still Table, Sparkling, Fortified Wines and Vermouth

Further to my letter of October 23, 2009 regarding the above changes. We have reviewed the timelines and have revised them as indicated **in red**.

Retail prices for existing LCBO products will be adjusted on March 1, 2010 based on the new duty rates. This will allow time for existing inventory purchased with higher duty rates to flow through our system.

Suppliers wishing to adjust their quotes to meet strategic price points should submit new quotes via fax to LCBO Pricing Administration on supplier letterhead **before Friday November 6, 2009**. The fax number is 416-864-2424. Please specify "Duty Rate Changes" on your letter. E-mail quotes will not be accepted.

Revised quotes will go into effect for future orders placed as of **November 16, 2009**. Revised Retail prices based on the Duty adjustment will be effective March 1, 2010.

If suppliers provide quote adjustments, revised Retail prices based on the new duty rates will be recalculated upon receipt of goods at the revised quote. The retail price adjustments will be included on the next regular price change on or after March 1, 2010 depending on date of receipt of purchase orders.

If you have any questions, please contact the respective Inventory Manager or Bob Ewing, Manager Pricing Administration (416)365-5869.

Yours sincerely,

Bob Downey
Senior Vice President
Sales and Marketing