



Discover the World

May 4, 2010

To: All Trade Associations

**Re: HST on LCBO Promotional Programs**

It has recently come to our attention that LCBO promotional fees will be subject to HST changes. Therefore, I am writing to advise you that any LCBO promotional program fees billed after July 1, 2010 will be subject to HST. The new rate of 13% HST will replace the previous rate of 5% GST.

**Re: Changes to Promotion Program Rates**

A review of the rates charged for various LCBO promotional programs has resulted in some modest increases to the promotional elements outlined below. These changes reflect the addition of new promotional components such as social media, enhancements to LCBO websites, as well as upgrades to our in-store display materials and Retail Training programs. We are confident that these programs will continue to deliver excellent value to our trade partners. The new rates will take effect as of Period 4, 2010.

- **Hero Display program:** The rate increases from \$190 to \$196 per store display, per Period.
- **Newspaper Free Standing Insert (FSI):** The rate increases from \$8,900 to \$9,200 per FSI per Period.
- **POD program:** The rate increases from \$17,400 to \$17,900 per Period.

Please contact the appropriate Category Manager for any questions you might have about these rate increases.

Sincerely,

Shari Mogk-Edwards  
Vice President,  
Merchandising

cc. B. Downey. T. Wilson, N. Cardinal