

MEMO



To: Liquor Suppliers, Marketing Representatives, Agents and Distributors
From: Bryan Letkeman, Director, Supply Chain
Date: July 17, 2025
RE: Return Policy Compliance Following Distributor Change

We are issuing this formal reminder to all distribution partners regarding product return responsibilities following a distributor change.

There have been recent instances where products were accepted as returns by distributors who no longer hold the distribution rights for those products. This practice is not permitted and must **cease immediately to avoid system errors and ensure proper credit issuance**.

Effective immediately upon notification from MBL regarding a distributor change—including the effective date, the deadline for processing credits, a list of affected products, and any other pertinent transition details—the following steps must be followed:

1. Returns Must Be Handled by the Current Distributor Only

Distributors are not permitted to accept returns for any products they no longer distribute. Returns must only be picked up and processed by the current and active distributor as reflected in the system.

2. Outstanding Credits Must Be Processed Before the Change Takes Effect

In the event of a distributor transition:

- a. All outstanding credits must be fully processed by end of day on Tuesday of the week the change is implemented in the system. Specific dates will be communicated through the industry bulletin.
- b. If your credit processing is typically done in batches or post-pickup, please note that this practice is no longer acceptable once a distributor change is pending.

3. Post-Change Credit Requests Must Be Redirected

After a distributor change has gone into effect:

- a. Any credit requests received from retailers must be redirected to the new, active distributor of the product.
- b. The previous distributor must not process any returns or credits for these items once the transition is finalized.

Next Steps:

Please ensure your internal teams are aligned with this and that processes are updated accordingly. Adhering to this protocol is critical for maintaining system integrity and ensuring credits are issued without delay or error.

If you have any questions or require assistance in managing an upcoming distributor change, please reach out to MBLL's Product Management Coordination team, ProductManagementCoordination@mbll.ca.

Thank you for your immediate attention and cooperation.