

Pennsylvania Liquor Control Board Limited-Release Lottery

Terms and Conditions for Licensee Participation

Last updated: October 31, 2019

Notice: Participation by licensees in any Limited-Release Lottery is governed by these Terms and Conditions. Please review carefully prior to submitting an entry.

Introduction

Thank you for your interest in the Limited-Release Lottery ("Lottery").

The Pennsylvania Liquor Control Board ("PLCB"), based on its statutory grant of authority, is the primary wholesaler and retailer of wine and spirits in Pennsylvania. Because of this role, the PLCB is able to purchase and has the responsibility to distribute wine and spirits products that are released by manufacturers or suppliers in limited allocations and generate considerable consumer demand. The PLCB has developed and implemented the Lottery in an effort to equitably distribute these types of products among individual consumers and licensees in Pennsylvania. Through the Lottery, interested individual consumers and licensees can enter random drawings to win the opportunity to purchase specific wine or spirit products at the advertised prices established by the PLCB.

Each Lottery conducted by the PLCB may involve one or more single bottle wine or spirit product codes and/or one or more multi-bottle package wine and/or spirit product codes. Separate individual consumer and licensee drawings will be conducted for each single bottle product code and/or multi-bottle package product code made available for sale through a Lottery.

Scope of Terms and Conditions

These Terms and Conditions govern participation by licensees in any Lottery conducted by the PLCB. In addition, these Terms and Conditions are supplemented by the general Terms of Use posted on FWGS.com (the "FW&GS website"), which are incorporated herein by reference. Licensees will be required to acknowledge that they have reviewed and understand these Terms and Conditions, which include the general Terms of Use governing the FW&GS website, prior to entering any Lottery.

Selection of Product Codes or Brands

The PLCB has the sole discretion to select what product codes or brands to make available for sale through a Lottery. Selection of a product code or brand for inclusion in a Lottery does not guarantee that the same product code or brand will be made available again through subsequent or future Lotteries.

Distribution of Lottery Inventory

The PLCB will attempt to proportionately distribute its inventory of products made available for sale through a Lottery as follows: approximately 25% of the inventory of any single bottle wine or spirit product code will be reserved for the licensee drawing associated with that product code, and approximately 75% of the inventory of any single bottle wine or spirit product code will be reserved for the individual consumer drawing associated with that product code. The PLCB will similarly attempt to equitably distribute any multi-bottle package wine and/or spirit product codes between the applicable licensee and individual consumer drawings; however, these percentages may vary from the standard 25%/75% split. Available product code inventory may subsequently be redistributed between licensee and individual consumer drawing pools based on the level of licensee and individual consumer interest generated by each Lottery, as set forth in more detail below. In addition, the PLCB reserves the right to withhold certain quantities of its available inventory from the drawing pools and/or move certain quantities of its available inventory between drawing pools in order to satisfy operational needs.

Eligibility to Participate

In order to be eligible to participate in any Lottery, licensees must sign up for or have an existing customer account through the FW&GS website with billing information on file through a Quick Checkout Profile. Please note that registration on the Licensee Online Ordering Portal ("LOOP") website does not carry over to the FW&GS website; a separate account must be established on the FW&GS website. Only Pennsylvania retail licensees whose licenses authorize the resale of wine or spirits for on-premises consumption and whose licenses are active/operational may participate in a Lottery. Licensees whose licenses are in a revoked,

PENNSYLVANIA LIQUOR CONTROL BOARD

history, or cancelled status are not eligible. The use or creation of multiple FW&GS website customer accounts for purposes of participating in a Lottery is strictly prohibited, unless a licensee holds more than one retail license. Moreover, each licensee is responsible for creating and maintaining its own customer account relative to each retail license it holds; the use of proxy accounts for purposes of participating in a Lottery is also strictly prohibited. The PLCB reserves the right to disqualify all entries from any licensee suspected of engaging in these prohibited activities, or any other prohibited activities set forth herein, from participation in current or future Lotteries.

Persons under the age of 21 are strictly prohibited from participating in any Lottery.

Entry Period

The entry period for each Lottery will typically be open for a period of five days, starting on Monday and ending on Friday. The applicable entry period for any Lottery will be announced and/or otherwise advertised by the PLCB in advance of the actual opening of the entry period. The PLCB reserves the right to delay, modify, or extend the applicable entry period for any Lottery.

Method of Entry

There is only one method of entry for participating in any Lottery conducted by the PLCB. In order to submit an entry for any product code drawing conducted as part of a Lottery, a licensee must sign in to its customer account on the FW&GS website during the applicable entry period, and then select the particular product code drawing within the list of available Lottery options. By submitting an entry for any product code drawing, the entrant is conveying its intent to make an offer to purchase one item of the product code at the advertised retail price (subject to the 10% licensee discount) and to pay any applicable taxes on that item. The entrant is also consenting to having its credit card charged for that item, if selected. It is strongly recommended that licensees verify that their billing information is accurate and up-to-date whenever submitting an entry for a Lottery. It is also strongly recommended that licensees take extra care to supply a valid e-mail address and exercise any other necessary steps to ensure that e-mails sent by the PLCB can be received. The PLCB is not responsible for any issues arising from sent e-mail notifications being blocked, diverted, deleted, or otherwise not received.

Limit on Number of Entries

Each licensee may enter a maximum of one time under each license that it holds per each product code drawing conducted as part of a Lottery. Holding a secondary permit, such as a wine expanded permit, does not entitle a licensee to submit any additional entries. Any licensee who submits, or is suspected of submitting, multiple entries under the same license for the same product code drawing may be disqualified.

Purchase Limits

Under no circumstances will any licensee be permitted to purchase more than one total item per each license that it holds during the same Lottery, regardless of the number of product code drawings conducted or entered. Holding a secondary permit, such as a wine expanded permit, does not entitle a licensee to purchase additional items.

Drawing Process

A random drawing process will be utilized to select the winning entries relative to each product code drawing conducted as part of a Lottery. For any Lottery, the drawings for the product codes having the smallest allocations will occur first, and will be followed sequentially by drawings for offerings having larger allocations. Moreover, the drawings for any multi-bottle package product codes will occur prior to any drawings for single bottle product codes. In addition, licensee drawings will be conducted prior to individual consumer drawings.

Any remaining entries submitted by a winning entrant will be removed from subsequent drawing pools as the drawing process progresses.

All drawings will be witnessed by an independent third party.

The PLCB will review each entry prior to the drawing process to confirm the eligibility of the entrant and the entry. If an entrant's license is in a revoked, history, or cancelled status at the time that this review occurs, the entry will automatically be disqualified. The PLCB will also review all winning entries following their selection to verify the eligibility of the entrant and the entry. The PLCB

PENNSYLVANIA LIQUOR CONTROL BOARD

reserves the right to make determinations as to ineligible or disqualified entries at any time, and the PLCB's decisions relative to such matters shall be final and non-appealable.

Winning Entries

If a licensee's entry is selected during the random drawing process for any product code drawing conducted as part of a Lottery, and the entrant and entry are verified as being eligible, the PLCB will attempt to process the payment information supplied by that entrant on a specified date. Selection of an entry does not convey or entitle the entrant to receive any right or title to product owned and/or offered for sale by the PLCB; it only creates an opportunity to make a purchase as otherwise set forth herein.

Notification of Winners

Once the winning entries have been selected and verified for all product code drawings conducted as part of a Lottery, the PLCB will notify each winning entrant via email of the date that his or her order will be processed. At that time, winning entrants will be notified that they have 24 hours to verify and update the payment information on file with the PLCB.

Processing of Payments

The PLCB will attempt to process the payment information on file in the customer account for each winning entrant on the specified date after the 24-hour period has elapsed. If the order of a winning entrant is unable to be processed due to expired or invalid payment information, or if the payment is otherwise declined, the winning entrant will be disqualified. Providing valid and accurate payment information is solely the responsibility of each entrant.

Second Drawings and General Sale

If a winning entrant's order is unable to be processed because of payment issues, or if the entry of a winning entrant is determined to no longer be eligible for any other reason, the item associated with that order or entry may be subject to a second drawing, to the extent that any other eligible entries remain in the applicable licensee drawing pool for that product code. If a second drawing is not conducted, then any remaining items of any product code will be released for general sale on the FW&GS website on a first-come, first-served basis, or will otherwise be sold by the PLCB in the manner it deems most appropriate based on operational needs. The one-bottle-per-license restriction will continue to apply to the general sale or any other sales offers. Entrants selected as winners during a Lottery will not be eligible to purchase products through the general sale or any other sales offers.

Notification of Non-Winners

Entrants whose entries are not selected during any Lottery (if any) will be notified via email after the conclusion of the Lottery.

Broken, Damaged or Lost Items

If an item is broken, damaged, or otherwise lost prior to the time of pick up—whether by the supplier, shipping company or the PLCB—a winning entrant will only be entitled to receive reimbursement from the PLCB for the amount of monies actually paid to the PLCB relative to the purchase of the product; no other reimbursement or compensation is guaranteed. Additionally, the PLCB is not responsible for and will not offer any compensation for any product breakage, damage, or loss that may occur after a winning entrant has taken possession of a product.

Unlawful Acquisition of Product/Criminal Activity Prohibited

Items offered for sale to individual consumers are not intended for resale. The sale of alcoholic beverages without a license is strictly prohibited under Pennsylvania law. Moreover, retail licensees are required to purchase alcoholic beverage products directly from the PLCB or from certain other classes of licensees who are authorized by law to sell such products to them; retail licensees are not permitted to purchase or otherwise acquire alcoholic beverage products from individual consumers. Anyone suspected of violating applicable Pennsylvania laws governing alcoholic beverages will be reported to the Pennsylvania State Police, Bureau of Liquor Control Enforcement. Furthermore, anyone suspected of engaging in fraudulent or other criminal activity in connection with a Lottery or otherwise will be reported to the appropriate law enforcement authorities.

Disqualification from Participation

Anyone who violates these Terms and Conditions may be disqualified from participation in current or future Lotteries. The PLCB also reserves the right to disqualify any individual consumer or licensee suspected of engaging in any conduct intended to circumvent these terms and conditions or otherwise gain an unfair advantage over other entrants from participating in current or future Lotteries. The PLCB's decisions relative to such matters shall be final and non-appealable.