

(d) A ship chandler holding a Ship Chandler's Permit shall report all losses of alcoholic beverages held under United States Customs or Internal Revenue Bond to the Commission within five days of the loss and pay state taxes on any loss within 10 days of the loss.

*History Note: Authority G.S. 18B-100; 18B-106; 18B-207;
Eff. January 1, 1982;
Amended Eff. May 1, 1984;
Transferred and Recodified from 04 NCAC 02T .0805 Eff. August 1, 2015;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017.*

SECTION .0900 - DISTILLERS: REPRESENTATIVES

14B NCAC 15C .0901 DISTILLER, SUPPLIER AND BROKERAGE REPRESENTATIVES: PROHIBITED ACTS

(a) Representatives Prohibited from Entering Store. Distiller representatives, supplier representatives, or brokerage representatives shall not enter any ABC store except for the purpose of calling on the buyer if the buyer's office is maintained in the store, for the purpose of making a purchase, or for the purpose of visiting a store to market product, build displays, or attach added value items in accordance with written permission from the local Board. An initial request for permission to visit a store pursuant to this Paragraph shall be made in writing by the representative to the general manager of the local Board in a form acceptable to the local Board. The local Board may adopt policies regulating when a representative may visit the local Board's ABC store, which may include the times, frequency, purpose, method of requesting and approving permission, and any advance notice requirements. Permission granted by the general manager, or other persons designated by the local Board, to the representative to visit the local Board's ABC stores shall initially be made in writing and in accordance with any policies adopted by the local Board. The duration of the permission may be for an indefinite time. The local Board's policies may authorize the general manager, or his or her designee, to verbally authorize subsequent specific visits after written permission has been given.

(b) Representatives Prohibited from Contacting Store Personnel. Distiller representatives, supplier representatives, or brokerage representatives shall not contact store personnel for the purpose of promoting their merchandise while store personnel are off-duty. Store personnel shall not allow distiller representatives, supplier representatives, or brokerage representatives to contact them in any manner for the purpose of promoting their merchandise while store personnel are off-duty.

(c) Gifts Prohibited. Distiller representatives, supplier representatives, or brokerage representatives shall not give liquor, including samples, or anything of value to local ABC board members or employees, including store managers and general managers, at any time. Local ABC board members or employees, which includes store managers and general managers, shall not accept gifts, either directly or through a third person, from any distiller representative, supplier representative, or brokerage representative.

(d) Soliciting and Advertising Prohibited. Except for contact with the Commission, local ABC boards, and retail permittees, with regards to the promotion and purchase of spirituous liquor, no distiller representative, supplier representative, or brokerage representative shall:

- (1) solicit any order, agreement, or other commitment to purchase liquor, whether or not it is legally enforceable; or
- (2) advertise, promote, or encourage purchases by any means or method or furnish any means by which spirituous liquor may be obtained, except as provided in 14B NCAC 15B .1008.

This Paragraph shall not apply to a distiller representative, supplier representative, or brokerage representative who has been granted an exception by the Commission to make presentations of pictorial artwork or renderings of the design of the decanter and solicitation of a special order of these decanters at the request of a local ABC board and non-profit, charitable corporation related to orders and sales of commemorative bottles pursuant to 14B NCAC 15A .1404. Requests for an exception under this Paragraph shall be made in writing to the Commission.

(e) Relationship With Mixed Beverages Permittee. No employee or representative of any distiller, importer, rectifier, or bottler may promote or solicit orders by a mixed beverages permittee or aid the permittee in placing orders for any spirituous liquor or for any other alcoholic beverages.

(f) Gifts and Inducements Prohibited. Except as permitted pursuant to Rules .0710 and .0711 of this Subchapter, no employee or representative of any industry member may give or lend to any mixed beverage permittee or the permittee's employee any gift, money, services, equipment, furniture, fixture, or other thing of value.

*History Note: Authority G.S. 18B-100; 18B-207; 18B-704; 18B-807; 18B-1116;
Eff. January 1, 1982;
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2017;
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14B NCAC 15C .0902 REVOCATION OR SUSPENSION OF PERMITS

(a) The suspension or revocation of the permit of any representative for a violation of these Rules shall raise a rebuttable presumption that the unlawful activity by the representative was done with the knowledge and consent of his employer.

(b) Upon a hearing and finding that the employer or distiller had knowledge of the employee's violation of any of these Rules and that the employer failed to take appropriate disciplinary action, the permit of the employer or distiller to do business in North Carolina may be suspended or revoked or any alcoholic beverages listed by the Commission may be put on embargo by the Commission for a specific period of time.

(c) For purposes of this Rule, an order of embargo issued by the Commission shall have the effect of barring the particular code from shipment by the distiller to the state ABC warehouse and from the warehouse to local systems. Therefore items affected by an order of embargo shall not be available to fill orders placed by local boards with the State ABC warehouse.

Notice of the embargo order shall be sent to the representative, his employer and to the State ABC warehouse.

*History Note: Authority G.S. 18B-100; 18B-104; 18B-207;
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SECTION .1000 - AIR CARRIERS

14B NCAC 15C .1001 APPLICATION FOR PERMIT

An air carrier desiring to purchase malt beverages, wine or spirituous liquor for resale to its passengers while those passengers are in transit aboard an aircraft shall apply for and obtain an Air Carrier Permit. Application shall be on a form provided by the Commission and shall be made by the air carrier's employee responsible for purchases of food and beverages for service to passengers. The food and beverage service manager, by whatever title called, shall provide, and certify under oath the following information to the Commission:

- (1) name of air carrier;
- (2) name of airport where permit will apply;
- (3) address of airport;
- (4) mailing address of carrier at airport;
- (5) state in which air carrier corporation is incorporated; and
- (6) residence of food and beverage manager.

The applicant shall also include a diagram of the location where the malt beverages, wine and spirituous liquor will be stored.

*History Note: Authority G.S. 18B-100; 18B-107; 18B-207;
Eff. January 1, 1982;
Amended Eff. April 1, 2011; May 1, 1984;
Transferred and Recodified from 04 NCAC 02T .1001 Eff. August 1, 2015;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19,
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14B NCAC 15C .1002 SEPARATE PERMITS REQUIRED