

Tobacco Allocation Distribution Policy

PREAMBLE

Aamjiwnaang First Nation (hereinafter “the council”) has consulted with the community regarding the allocation distribution of tax-exempt tobacco products. Council has approved the method of distribution of tobacco products in accordance with a Tobacco Allocation Distribution Policy, as stated within.

PURPOSE

The purpose for the policy is to provide an objective and fair process for the allocation distribution (quota) of tax-exempt tobacco products sold by community retailers through a letter of request.

ELIGIBILITY

1. Community retailer requesting a quota to sell tax-exempt tobacco products in a business must be approved in accordance with the criteria established by the Council. The guidelines are appended as Scheduled A
2. Community retailer must be registered as a business for one year prior to applying for a tobacco quota.
3. Community retailer must show land certificate of possession or property lease to show ownership of business.
4. Provided that Council grants a quota, the business is authorized to sell tax-exempt tobacco products to Aamjiwnaang members, visiting status members from other First Nations and non-status living within Aamjiwnaang.

LETTER OF REQUEST

1. Band Members Name and Status Number
2. Complete business address and residential address
3. Telephone Number
4. Number of cartons requested
5. A brief description of your business (e.g. convenience store, gasoline station).
6. Letter of request must be received in a sealed envelope by a deadline date and date stamped for proof of delivery.
7. Late letter of requests WILL NOT be considered; the onus is on the retailer to apply by the deadline date.
8. Applicants will be notified by March 15th of each year.

QUOTA

1. The Ministry of Finance Tobacco Branch by way of annual allocation distributes tax-exempt tobacco products according to the Aamjiwnaang First Nations adult memberships registered living on and off the First Nation.

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Section: Finance Policy and Procedures	Motion #: 10 March 17, 2008 Item #6
Subject: Tobacco Allocation	Revision Date: Feb 4, 2019 Motion # 9

Tobacco Allocation Distribution Policy

2. Tax-exempt tobacco products include Export A, Players, DuMaurier, and other non-generic brands.
3. The authorization of a quota by Council does not automatically make the business eligible for the requested number of cartons of tax-exempt tobacco products, the Council will allocate and distribute to community retailers, only if the supply exists, or an increase or decreases of calculation.
4. Retailers may apply for one tobacco allocation only.
5. A decrease in quota may occur year to year due to increase of community retailers.
6. Community retailers must have the ability to purchase a minimum number of cartons in advance, as deemed by the supplier (e.g. Supplier may require a minimum purchase of 25 cartons)
7. Council will relocate their retained quota to retailers, who have depleted their quota for administration fee. The administration fee will remain in a fund to be utilized by the Council for any specified community event or program (i.e.: Youth, Seniors Solidarity Day, etc.)

CALCULATION OF QUOTAS

1. The approved statement of allocation from the Ontario Finance Tobacco Branch will determine the allocation.

REVOCAION OF QUOTAS

1. Quotas may be revoked by the Council, without notice, if:
 - a) This policy is contravened or if a business ceases to operate at the approved business address or does not continue to meet eligibility requirements. Council will notify the supplier.
 - b) Council receives a notice of conviction that the retailer is selling tobacco to minors (19 years and under)
 - c) Council receives notice that the retailer is convicted of selling alcohol or drugs from their business.
 - d) Retailer fails to demonstrate the purchase of 60% of quota by January 1st, Council will verify with supplier, notify retailer, and relocate to existing retailers.

TRANSFER OF QUOTA

1. Quotas are not transferable and will revert to the Council for reallocation, should the retailer no longer need the quota. Quotas are applicable only to the registered retailer.

SURPLUS QUOTAS

1. Final orders for quotas must be made and/or purchased by March 15th of each calendar year after which any surplus will revert to the Council. Upon request Council will reallocate any surplus quota to retailers who have depleted their quota by the end of March.

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Tobacco Allocation Distribution Policy

BUSINESS REGULATIONS

1. Businesses must have a permanent location.
2. Businesses must acquire insurance to protect the general public.
3. Businesses will be granted a quota based on seniority.
4. Businesses must be externally identified with signs clearly visible to the public that include business title. The minimum sign shall be that of a secondary supplier (GRE, etc.)
5. Businesses must comply with the ‘Tobacco Control for Minors’, Non-Smoking Policy (June 2005)

SENIORITY LIST

1. The community consolation process has identified the following as seniority for tobacco allocation:
 - a) Retailers must be a registered business and be in operation for one-year from the date of application to qualify for tobacco quota.
 - b) Business provides a service to the community in addition to tobacco sales.
 - c) Seniority shall commence with final approval of policy.

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