

integral part of this MOU; no BRI charges, fees, or levies may be introduced or increased except as set forth in the Annex. With the exception of the BRI service fee, all terms of access to BRI for U.S. beer will be no worse than terms applicable to beer of BRI shareholders. Subject to paragraph 5(b) below, the Liquor Control Board of Ontario (LCBO) will immediately order, for sale in the BRI, U.S. beer currently listed in the LCBO that a U.S. brewer agrees to be sold in the BRI.

- (b) Effective the first Monday following 21 days from the coming into effect of this MOU, Ontario's minimum retail price for beer, exclusive of the environmental levy and the applicable container deposit, will be no higher than:

Alcohol content (by volume)	Minimum retail price (per litre)
<4.1%	C\$2.49
≥4.1% but <4.9%	C\$2.53
≥4.9%	C\$2.60

The minimum price may be adjusted annually by no more than the provincial consumer price index (CPI), based on the most recent 12-month period for which data from Statistics Canada are available.

- (c) The LCBO may apply, effective immediately, out-of-store cost-of-service fees on U.S. beer not to exceed C\$0.1018 per litre excluding delivery to LCBO and BRI stores, and C\$0.164 per litre including delivery to LCBO and BRI stores. The LCBO service fees may be adjusted annually by the LCBO by no more than the provincial CPI, based on the most recent 12-month period for which data from Statistics Canada are available. The LCBO may not apply fees, other than the out-of-store cost-of-service fees, on U.S. beer that are higher than the lowest fees applied to Canadian beer, including Ontario beer.

4. Transparency/prior notification.

- (a) Canada will provide written notice to the United States, to the fullest extent possible in advance of implementation, of all new provincial measures or practices pertaining to importation, distribution, sale or pricing of beer in Canada,