(SOP 191) Alcohol Beverage Sales

Policy

Certain Dollar General stores sell beer, wine, and some instances, liquor. Beer, wine, liquor, and any other form of alcohol for consumption will be referred to herein collectively as "Alcoholic Beverages." By law, the sale of Alcoholic Beverages is age-restricted in every state. Dollar General is committed to complying with all applicable state and local laws, regulations, and licensee requirements regarding the sale of Alcoholic Beverages.

Prior to making an Alcoholic Beverage sale, employees must check every customer for valid identification ("ID") to establish the customer's age. The following photo ID may be accepted as proof of age: 1) a valid driver's license from any state, 2) a valid military ID card, 3) a valid state-issued (non-driver) ID of any state, and 4) a valid ID card issued by the federal government [e.g., passport, permanent resident card ("green card")]. A valid ID must contain the date of birth and a photograph. An expired ID is not considered valid and must not be accepted. ID must be checked at the time of sale for every purchase of Alcoholic Beverages, even if the individual's ID has been checked on previous occasions. Employees should read the birth date on the customer's ID as they enter the birth date in the register, and return it to the customer after entering the birth date. If the Company determines an employee: (1) is not inspecting ID for alcohol sales, (2) is accepting invalid ID (including any ID not mentioned as acceptable ID for proof of age above, or (3) is entering incorrect birth dates into the registers, he or she is subject to disciplinary action up to and including termination, even for a first offense. **Note: *Dollar General Grand Opening and Customer Appreciation Gift Cards cannot be used to purchase electronic cigarettes, tobacco products, or Alcoholic Beverages. Please carefully review the terms listed on the Grand Opening and Customer Appreciation Gift Cards for any additional restricted items.***

Under no circumstances may a customer that is underage or visibly intoxicated purchase Alcoholic Beverages at a Dollar General store. If the Company determines that an employee has sold, given, or allowed any underage or visibly intoxicated person to purchase Alcoholic Beverages, such employee is subject to disciplinary action up to and including termination, even for a first offense.

Consumption of any Alcoholic Beverages on Company property, including parking lots, is prohibited. If an employee sees anyone consume Alcoholic Beverages on Company property, he or she should notify the Store Manager or a key carrier, who should take prompt and appropriate action to ensure that consumption of Alcoholic Beverages on Company property

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immediately stops and is not likely to reoccur. If the Company determines that an employee has allowed any person to consume Alcoholic Beverages on Company premises, including parking lots, he or she is subject to disciplinary action up to and including termination, even for the first offense.

Employees must not sell Alcoholic Beverages to anyone who the employee knows or believes is buying Alcoholic Beverages on behalf of an underage person even if the person attempting to make the purchase is of legal age.

Certain states may impose criminal and/or civil penalties on employees personally for violating state laws, rules, regulations, or guidelines regarding the sale of Alcoholic Beverages.

Employees must meet the state minimum age requirements to sell or scan Alcoholic Beverages. Otherwise, the Store Manager (or key carrier as delegated by the Store Manager) must be called to scan the item and check ID.

Employees are not permitted to open or consume Alcoholic Beverages on Company premises, including parking lots. Employees are prohibited from purchasing Alcoholic Beverages at any point during their scheduled shift (including paid or unpaid breaks and rest periods). All purchases of Alcoholic Beverages must be paid for and immediately removed from the premises. Refer to the Employee Purchases (SOP 81) policy and procedures for all other requirements.

Store employees are not permitted to accept gifts of any type or free merchandise from any Alcoholic Beverage vendor. This includes both saleable and non-saleable (expired, damaged, etc.) merchandise.

Illegal gambling is strictly prohibited on Company property. If an employee sees any illegal gambling on Company property, he or she should notify the Store Manager or key carrier, who should take prompt and appropriate action to ensure that illegal gambling on Company property immediately stops and is not likely to reoccur. Any employee that engages in illegal gambling or allows illegal gambling to occur on Company property, including parking lots, is subject to disciplinary action up to and including termination, even for the first offense.

In the event an Alcoholic Beverage violation occurs, the Store Manager must promptly notify the District Manager. Immediately Scan and Send all documentation received to Violations – Alcohol and Tobacco. Store Managers should also notify the District Manager upon receipt of any notice of license suspension or revocation.

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All active part-time and full-time employees must complete the Alcoholic Beverage Sales Training prior to operating a cash register and within 3 days of hire. All employees must take the training course on the STOREnet computer at their home store to receive credit. All employees must be logged in to STOREnet under their own personal cashier ID and password to take the course. If the employee is not logged in under his or her cashier ID, he or she will not receive credit for course completion.

An employee that transfers, temporarily or full time (including employees who are asked to cover a shift at another store), from a store that does not carry Alcoholic Beverages to a store that does carry Alcoholic Beverages must complete the Alcoholic Beverage Sales Training prior to operating a cash register in the store that carries Alcoholic Beverages.

All Alcoholic Beverages that are returned must be accompanied by the receipt of purchase. Only refunds will be given for Alcoholic Beverages. Exchanges are not permitted. The refund must take place at the store where the Alcoholic Beverage was purchased.

All Alcoholic Beverage sales questions should be directed to the ERC at 1-888-237-4114, your immediate supervisor, or your HR representative.

Procedures

1. Cooperate with all regulatory visits. For more information, refer to the Regulatory Visits (SOP 128) policy and procedures.
2. Certain states may impose criminal and/or civil penalties on employees personally for violating state laws, rules, statutes, regulations, or guidelines regarding the sale of Alcoholic Beverages.
3. Alcoholic Beverage sales to underage and visibly intoxicated persons are strictly prohibited.
4. Alcoholic Beverage sales to customers who are known or believed to be buying for anyone that is underage are strictly prohibited even if the customer attempting the purchase is of legal age.
5. Do not accept Dollar General Grand Opening or Customer Appreciation Gift Cards for purchase of electronic cigarettes, tobacco products, or Alcoholic Beverages.
6. Employees must meet the state minimum age requirements to sell or scan Alcoholic Beverages. Otherwise, the Store Manager (or key carrier as delegated by the Store Manager) must be called to scan the item and check ID.
7. Enter a customer's birth date into the register when the customer attempts to purchase Alcoholic Beverages. Employees should read the birth date on the customer's ID as they enter the birth date in the register, and return it to the customer after entering the birth date. For more information on this process, refer to the Age Verification for Purchases (SOP 66) policy and procedures.

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8. Store employees are not permitted to accept gifts of any type or free merchandise from any Alcoholic Beverage vendor. This includes both saleable and non-saleable (expired, damaged, etc.) merchandise.

9. Check every customer for valid ID and establish the customer's age prior to making an Alcoholic Beverage sale. Valid ID must contain the date of birth and a photograph. An expired ID is not considered valid and must not be accepted. ID must be checked at the time of sale for every purchase of Alcoholic Beverages, even if the individual ID has been checked on previous occasions. The following photo ID may be accepted as proof of age:

   1) a valid driver's license from any state

   2) a valid military ID card

   3) a valid state-issued (non-driver) ID

   4) a valid ID card issued by the federal government [e.g., passport, permanent resident card ("green card")]

10. When checking ID, complete the following steps:

    - Always examine the date of birth. Make sure the customer is old enough to purchase Alcohol Beverages on the day of purchase! Employees should read the birth date on the customer's ID as they enter the birth date in the register, and return it to the customer after entering the birth date.
    - Verify the photo matches the customer.
    - Check the expiration date. Expired IDs are not valid.
    - Look for misaligned birth and expiration dates, erasures, smudges, glue lines, blurry or bumpy surfaces and other signs of tampering. Look for special ID features such as a holograms, state seals, and logos. The "WE I.D." book can be referenced if there is any concern about the validity of the identification card.
    - Both the front and back of the document should be checked for authenticity.
    - If you are unsure about the validity of the ID, ask about basic information on the ID, such as the address listed on the ID.
    - Ask for a second form of ID, as needed. If you are unsure whether the ID is valid or correct, do not complete the purchase. It is much better to say no than to risk a violation.
    - Always maintain a customer service attitude when refusing alcohol sales. Stay calm. Remember, it is not personal—it is the law. A few carefully chosen words can make the difference in how our customers react to us in different situations. Examples would be:
      – "We really appreciate you coming in today, but it appears that you've been drinking. I am not able to sell you any Alcoholic Beverages today. Would you like to buy another type of cold drink?"

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  - "I'm sorry. Our store has to follow state law, and I am not able to sell you any Alcoholic Beverages."
- If the customer becomes confrontational or threatening, do the following: 1) ask him or her to leave the store, 2) request assistance from the Store Manager (or a key carrier as delegated by the Store Manager), and/or 3) contact law enforcement.

Employee Purchases

1. Employees are not permitted to open or consume Alcoholic Beverages on Company premises, including parking lots. Employees are prohibited from purchasing Alcoholic Beverages at any point during their scheduled shift (including paid or unpaid breaks and rest periods). All purchases of Alcoholic Beverages must be paid for and immediately removed from the premises.

Alcoholic Beverage Sales Training

1. Train all active part-time and full-time employees prior to operating a cash register and within 3 days of hire.
   - All employees must take the training course on the STORENet computer at their home store to receive credit.
   - All employees must be logged in to STORENet under their own personal cashier ID and password to take the course. If the employee is not logged in under his or her cashier ID, he or she will not receive credit for course completion.
   - To access the Beer and Wine Sales CBL, go to STORENet>DGme>Training>Learning Management System. From the Learning Management System home page, click <Cagalog>, then click in the <Search courses> blank. Search for keyword: Beer.
   - An employee that transfers, temporarily or full time (including employees who are asked to cover a shift at another store), from a store that does not carry Alcoholic Beverages to a store that does carry Alcoholic Beverages must complete the Alcoholic Beverage Sales Training prior to operating a cash register in the store that carries Alcoholic Beverages.

Receiving and Stocking

1. Check in all Alcoholic Beverages using the HHT. For more information on this process, refer to the Direct Store Delivery (DSD) and Drop Ship (DS) Receiving (SOP 26) policy and procedures.
2. Accept only full cases. **Note: *Check in deliveries by the quantity of individual selling units contained in the full cases.***

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3. Credits for Alcoholic Beverages must be entered into the HHT (e.g., a vendor credits the store for a case of wine that was broken). The store will not get a copy of the credit invoice from the vendor. Credit invoices are issued by the vendor to Inventory Accounting and will appear on the Monthly Transaction Sheet. File the HHT receipt in the vendor's pending file in the store office. The receipt will be used when clearing the Monthly Transaction Sheet.
4. Items exchanged by the vendor are not considered credits (e.g., a vendor exchanges an out-of-date case of beer for an in-date case of beer of equal or greater value). Exchanges for damaged and out-of-date product will not be scanned by HHT.
5. Hold all damaged or out-of-date merchandise for vendor exchange or credit. Never discard, discount or damage to zero Alcoholic Beverages without Store Support Center or Regional Director authorization.
6. Extra cases of wine or beer may be stored in the receiving room.
7. Replenish and stock the sales floor between vendor visits.
8. The physical transport of Alcoholic Beverages from store to store by store employees or field management is not permitted. Authorized store employees may use the HHT to systematically transfer Alcoholic Beverages from store to store with Regional Director authorization. Only Alcoholic Beverage distributors are authorized to transport Alcoholic Beverages from store to store. For more information, refer to the Store Transfers–Incoming (SOP 17) policy and procedures and the Store Transfers–Outgoing (SOP 18) policy and procedures.

Licensing

1. Under some circumstances, it may be necessary for you to attend a license hearing. If required to attend a license hearing, you should remain professional at all times.
2. In the event that an Alcoholic Beverage violation occurs, the Store Manager must promptly notify the District Manager. Store Managers should notify the District Manager upon receipt of notice of any license suspension or revocation. Instructions will follow from the District Manager based on the severity of the incident.

Returns

1. All Alcoholic Beverages that are returned must be accompanied by the receipt of purchase.
2. Only refunds will be given for Alcoholic Beverages. Exchanges are not permitted.
3. The refund must take place at the store where the Alcoholic Beverage was purchased.

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