

July 24, 2014

Telephone: (717) 783-9454

FAX: (717) 787-8820

Adam Radbell
Senior Manager, Marketing Compliance
Pernod Ricard USA
250 Park Ave., 17th Floor
New York, NY 10177

RE: “Meet Absolut National and Local Sweepstakes”

Dear Mr. Radbell:

ISSUE: This correspondence is in response to your letter of July 15, 2014, in which you request approval to run the “Meet Absolut National and Local Sweepstakes” promotion in Pennsylvania.

According to the “Official Rules” that you provided, the sweepstakes is scheduled to begin on September 1, 2014, and runs until October 31, 2014. The sweepstakes will consist of one (1) national sweepstakes and ten (10) local sweepstakes to be conducted in each of the following ten (10) states: California, Illinois, Florida, Georgia, Massachusetts, North Dakota, New Jersey, Pennsylvania, New York, and Texas. The national sweepstakes is open to legal residents of the United States and the District of Columbia who are twenty-one (21) years of age or older at the time of entry. Each local sweepstakes is open to legal residents of the state in which the particular local sweepstakes is being conducted who are twenty-one (21) years of age or older at the time of entry.

Interested individuals may enter the national sweepstakes by visiting www.MeetAbsolut.com or www.facebook.com/absolut and following the instructions provided to “Like” the page and register. There is a limit of one (1) national sweepstakes entry per person, per e-mail address per day. Interested individuals may enter the local sweepstakes by visiting www.MeetAbsolut.com or www.facebook.com/absolut and following the instructions provided to “Like” the page and complete the online entry form to receive one (1) entry into the local

sweepstakes for their applicable market. There is a limit of one (1) local sweepstakes entry per person, per e-mail address per day.

A total of eleven (11) prizes will be awarded for the sweepstakes—one (1) for the national sweepstakes and one (1) for each of the ten (10) different local sweepstakes. The national sweepstakes prize winner will be selected in a random drawing, to be conducted on or about November 5, 2014, from among all eligible national sweepstakes entries received during the entire promotion period. The local sweepstakes winners will be selected in random drawings, also to be conducted on or about November 5, 2014, from among all eligible local sweepstakes entries received for each applicable market during the entire promotion period.

Each prize winner will receive a trip for the winner and one (1) guest to Meet Absolut in Sweden for four (4) days and three (3) nights. The trip includes the following: round-trip, business class air transportation for two (2) from the major airport nearest the winner's home within the U.S. to the major international airport in Copenhagen, Denmark, with transfers to Åhus, Sweden; one (1) double occupancy standard hotel room for one (1) night in Åhus, Sweden; coach air transportation to Stockholm, Sweden; one (1) double occupancy standard hotel room for two (2) nights in Stockholm, Sweden; breakfast each morning; lunch each afternoon; two (2) dinners; other activities; and transportation between the airport and hotel and any planned activities. The approximate retail value of each prize is ten thousand dollars (\$10,000.00). There is a limit of one (1) prize per household. The winners' guests must be twenty-one (21) years of age or older.

OPINION: Section 5.32(h) of the Pennsylvania Liquor Control Board's ("Board") Regulations states that a manufacturer, manufacturer's representative, or licensee may sponsor sweepstakes promotions subject to the following conditions:

- i. No purchase is necessary to enter.
- ii. Entrants shall be twenty-one (21) years of age or older.
- iii. Retail licensed premises may only be involved as pick-up or drop-off points for entry forms and not for the conducting of drawings or the awarding of prizes.
- iv. Alcoholic beverages may not be part of the prize.

[40 Pa. Code § 5.32(h)].

This office has reviewed the proposed sweepstakes promotion as described above and determined that it comports with applicable liquor laws and regulations, specifically section 493(24)(i) of the Liquor Code [47 P.S. § 4-493(24)(i)] and section 5.32(h) of the Board's Regulations [40 Pa. Code § 5.32(h)], as long as alcoholic beverages are not awarded as any part of the prizes.

Please be advised that to the extent that any part of the trips which are being awarded as prizes involve taste testing, sampling, or the provision of alcohol at no additional cost to the winners and/or their guests, this would be considered awarding alcoholic beverages as part of the prizes and is not permitted.

Additionally, please be advised that prior approval of malt or brewed beverages point-of-sale ("POS") material and retail licensed premises POS material is no longer required. However, the requirement for prior approval of POS material intended for use in the Board's wine and spirits stores from the Bureau of Product Selection remains. The total cost of all POS advertising material relating to any one (1) brand of any one (1) manufacturer at any one (1) time may not exceed three hundred dollars (\$300.00) on a retail licensed premises. [47 P.S. § 4-493(20)(i)].

Therefore, as long as alcoholic beverages are not awarded as any part of the prizes, it is permissible to conduct this promotion in the Commonwealth in reference to the areas checked below:

- retail licensed premises.
- distributor licensed premises.
- both retail and distributor licensed premises.
- the Board's wine and spirits stores, subject to approval of the Bureau of Product Selection.
- other – Internet, text messaging.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS

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BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE
PENNSYLVANIA LIQUOR CONTROL BOARD.

Very truly yours,

FAITH S. DIEHL
CHIEF COUNSEL

cc: Pennsylvania State Police,
Bureau of Liquor Control Enforcement
Dale Horst, Interim Director of Marketing and Merchandising
Michelle Bonsick, Director, Bureau of Marketing Communications,
Branding & Design
Pamela Bernd, Product Selection

LCB Advisory Opinion No. 14-439