

Signature Golf Information Centre

Liquor Liability and You: Prevention is the Best Defence

This information piece has been written in response to the recent charges that were laid under the Liquor License Act as a result of a triple fatality that was connected to operations at an Ontario resort this past summer.

It must be stressed that this is not meant to condemn any party. This has been written to assist golf club owners and operators as they review their own alcohol policies and procedures in order that another tragedy may be avoided. Our thoughts are with the families of those who died as result of this horrific accident.

Incident Background as Reported by The Toronto Star

- Four young persons went to the resort for lunch.
- They consumed a quantity of alcohol.
- They left the resort in a car being driven by one of the members of the group.
- The vehicle which was being driven at an apparent high rate of speed broke through a guard rail, hit a tree and plunged into the lake.
- 3 of the 4 persons in the vehicle drowned.

As a result of this incident 13 board members, 1 manager and 2 employees of the resort have been charged by the OPP with liquor license related charges.

Basis for the Charges

The standard of care expected by a commercial host (including servers) is that:

1. The host must monitor the consumption of its patrons.
2. The host must make reasonable assumptions based on amounts of alcohol consumed by patrons that they are likely impaired.
3. The host must attempt to prevent patrons from drinking and driving.

This duty of care does not end with the patrons but is also extended to include innocent third parties.

Due to recently increased standards of care, liquor license holders must ensure that alcohol is served and sold in a reasonable manner. They are also obligated to comply with regulations as set out by the Liquor License Act or other provincial liquor regulations. Failure to comply can result in fines, suspension of licenses and in extreme cases an establishment may be banned from ever holding a license again.

Risk Management | Ideas to Help Prevent a Similar Incident

From a Risk Management stand point we believe that it is important that you:

1. Create policies and procedures in accordance with provincial and federal guidelines that are reviewed with all employees regularly and strictly enforced.

Policies could include but should not be limited to:

- Limit alcohol consumption.
 - All bartenders and servers **MUST BE** trained to handle intoxicated patrons.
 - Offer food services.
 - Encourage taxi use, designated driver programs and car pooling.
 - Remind guests not to drink and drive.
 - Monitor intoxicated guests until they secure a safe way home.
2. Always comply with all Government Legislation and use these rules as a minimum standard.
 3. Ensure proper permits and licenses are current and on display.
 4. Confirm that Smart Serve Certification is up-to-date for ALL employees and maintain copies of employee certificates on file.
 5. Ensure ID's are being checked and train staff on acceptable ID's as proof of age.
 6. Implement inventory controls for alcohol.
 7. Establish hours to sell and serve alcohol that best match your ability to monitor its use.
 8. Always demand a Facility Use Agreement when you rent your facility to renters who may consume alcohol. This includes rentals for all special occasions including corporate events and weddings. Ensure that your legal council has reviewed this document.

This Agreement must include a Hold Harmless and an Indemnifying Agreement that will protect you against a loss or damages resulting from renter negligence.
 9. Demand proof of a Party Alcohol Liability/Special Occasions Policy purchased by the renter which names you on the policy.
 10. NEVER allow employees/volunteers to consume alcohol or drugs while working. We recommend a strict Zero Tolerance Policy in this regard.

Alcohol related injuries and incidents pose a substantial risk for all golf club operators.

Smart Serve Certification

According to Smart Serve® Ontario "Serving Alcohol" includes taking drink orders, taking payment for beverage alcohol, stocking the refrigerator or bar area and bartending.

As of January 1, 2008 the Ontario Government announced that all liquor licensees, their managers, servers and security staff are required to be Smart Serve Certified. It is recommended that you always maintain copies of all training certificates on file to verify certification. If you have any new hires without appropriate certification training, material can be ordered from the Smart Serve website or by phone at 1-877-620-6082.

Any old training packages that you may have on site will be out of date if dated prior to January 1, 2008. Also, all "Licensed by the LLBO" posted signs must be updated and are required to read; "Licensed by the AGCO".

Useful Links

Smart Serve Ontario	www.smartserve.ca
Insurance Bureau of Canada	www.ibr.ca
The Toronto Star	www.thestar.com

For More Information

To locate an authorized Signature Golf sales representative or for more information please contact us at:

Signature Risk Partners Inc.
www.signaturerisk.com | 800-260-9921

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**ONLY A LICENSED INSURANCE BROKER CAN HELP YOU PROPERLY EVALUATE AND
MANAGE YOUR INSURANCE NEEDS.**

Footnotes - Information contained in this bulletin has been obtained from various sources that we believe to be accurate including: thestar.com, cbc.ca, canlii.org, Insurance Bureau of Canada (ibr.ca), Liquor License Act R.S.O. 1990, zvlony.com – Karen Zvlony Lawyer, Legal Focus on Risk and Insurance Strategies, volume 6, No. 3., and Smart Serve® Ontario (smartserve.ca).