

November 15th 2011

RULES FOR STEWARDS WITH RESPECT TO REFUNDS THAT RESULT IN NEGATIVE ADJUSTMENTS ON TSF REMITTANCE REPORTS

As a result of the implementation of the new on-line TSF Remittance Report filing system, OTS has identified an issue that arises when the amount of an adjustment in a given month results in the number of tires being reported as supplied being negative.

In this situation Stewards making negative adjustments on a TSF Remittance Form (for example as a result of tires being supplied out of Ontario that were reported as supplied in to Ontario on a earlier Report) where these adjustments would result in a negative balance of tires supplied being reported in that month are asked to report the negative portion of the monthly adjustment on the provided TSF Negative Adjustment Form.

The submission of the TSF Negative Adjustment Form should be used:

- To account for tires that have been supplied outside of Ontario;
- To adjust for reporting discrepancies discovered within the quarter;
- To adjust for returned tires within the quarter; and/or
- Other

When these changes result in a negative balance of tires supplied being reported in that month a TSF Negative Adjustment Form can be submitted quarterly with OTS to request a refund on TSF paid. A Steward is expected to file a TSF Negative Adjustment Form if a tire adjustment/credit results in an overall negative amount for a tire category. For example, if a Steward supplies more PLT tires outside of the province than within the province for a given reporting period, this would result in a negative remittance amount for that tire category. If Stewards wish to report a negative amount for a given tire category, this must not be reported through a form other than the TSF Negative Adjustment Form.

The TSF Negative Adjustment Form does not need to be completed if a tire adjustment/credit does not result in a negative amount reported for a particular tire category. For example, if tires supplied in Ontario are greater than those supplied outside of Ontario, Stewards may deduct the tires that left the province from the tires supplied in the province.

Please be advised that Stewards may only credit themselves for tires within the same tire category. Stewards cannot deduct a TSF credit from one tire category and apply it to a different tire category. For example, if a credit for 5 PLTs exists for May 2011, Stewards cannot deduct this credit off of the amount owing for MTs.

Upon submission of the TSF Negative Adjustment Form, OTS will review the refund requested. At any time, OTS may request additional information to support the refund request, which is at the sole discretion of OTS. Once approved, OTS will issue a cheque for the approved refund amount. OTS will only issue refunds to the Steward who originally remitted the Tire Stewardship Fee. Stewards cannot request and/or receive a refund for Tire Stewardship Fees that were originally remitted by another Steward.

Stewards are responsible for ensuring accuracy and maintenance of the information supporting both the TSF remittances and TSF Refund Forms. OTS reserves the right to call upon this information and any other supporting documentation (such as shipping documents or a Chartered Accountant Report) to verify the accuracy of a Steward's

Remittance report. Additional details surrounding TSF reporting and refunds are located in section 3 of the Steward Guidebook, which is available online at www.ontariots.ca

If you have any questions please contact OTS at 1-888-687-2202 or via email at steward@ontariots.ca.

Regards,
Ontario Tire Stewardship

Have a question? Call us at 1-888-687-2202 (1-888-OTS-2202) or visit us at www.ontarioTS.ca