

Ontario Tire Stewardship
300 The East Mall, Suite 100
Toronto, Ontario
M9B 6B7

July 22, 2010

Dear Steward:

Re: Requirements for TSF Remittance Report supporting documentation for Stewards supplying to distributors selling out of Province

You are receiving this Notification letter as you have registered your organization as a Steward with Ontario Tire Stewardship (OTS) and have been completing and submitting the appropriate remittance reports to OTS. This letter is intended to provide additional guidance to Stewards supplying tires to tire distributors who in turn, supply these tires out-of-province.

In the event that the Steward is passing on the TSF to its distribution, the distributor is incurring TSF related charges for some tires that fall outside the OTS Program in that they are ultimately supplied for use outside of Ontario. OTS recognizes that attempting to collect detailed shipping and sales information from an organization's customers may be administratively difficult, and that a potentially significant portion of some Steward's tires supplied to Ontario-based distributors may be sold by such distributors for resale outside of the Province. In such cases, the Steward may wish to claim such amounts as a credit on future remittances and, in turn, provide a corresponding rebate or credit to the exporting distributor. To facilitate the accounting of these out of province shipments by distributors and as an alternative to the Steward obtaining sufficient documentation supporting out-of-province supply, OTS is willing to accept reports prepared and signed by a Canadian Chartered Accountant licensed under the Public Accounting Act and submitted by a distributor and utilized by a Steward in preparing or adjusting a TSF Remittance Report.

The certified report can be for such number of months as the distributor so chooses in the current or within 30 days of the preceding calendar year but may not relate to a period of less than 1 calendar month. The chartered accountant acting for the tire distributor should include the following information in the certified report:

- Name of the tire distributor;
- Name of the Steward to whom the report is being submitted;
- A table showing the quantities of tires received by the distributor from the Steward by month that corresponds to the remittance month;
- A table showing the quantities of tires supplied by the Steward sent out-of-province by month that corresponds to the remittance month;
- An attestation signed by an officer of the distributor company that to the best of their knowledge none of the tires reported as being supplied out-of-province were subsequently supplied back into Ontario by it or another organization.

Provided the report is in the form described above, and is prepared and certified by a Chartered Accountant, OTS will accept the information provided in the report as sufficient substantiation for the preparation of a TSF remittance report or the calculation of an adjustment to a Steward's Remittance Report.

In the event that OTS has reason to believe that a report has not been prepared in accordance with these rules it may in its sole discretion decline the adjustments supported by these reports.

For inquiries regarding this or other Steward-related questions please contact OTS at info@rethinktires.ca or by phone at 1-888-OTS-2202.

Regards,



Andrew Horsman
Executive Director