

# SCHEDULE C

## Agreed-Upon Specified Procedures

Table 1

Annual Container Volume	Sampling Size	Minimum Verification Methodology
> 10,000,000	25 instances for procedures 7-9	External Auditor certified as a CPA
	10 instances for procedure 10	
> 1,000,000 but < 10,000,000	15 instances for procedures 7-9	External Auditor or Internal Auditor certified as a CPA
	5 instances for procedure 10	
< 1,000,000	5 instances for procedures 7-9	Chief Financial Officer or Senior Officer
	5 instances for procedure 10	<i>Schedule C cannot be completed and certified by the same Senior Officer making the declaration for Schedules A and B.</i>

### Results of agreed-upon specified procedures to Encorp

As requested by \_\_\_\_\_ (Brand Owner), we (I) have performed the following procedures in connection with the Brand Owner's schedules (Schedule A - *Brand Owner Declaration* and Schedule B - *Annual Containers Remitted Report*) for the containers sold and deposits and container recycling fees remitted, as reported to Encorp for the relevant period \_\_\_\_\_, 20\_\_\_\_, to \_\_\_\_\_ 20\_\_\_\_ ("Relevant Period").

Accordingly, the agreed-upon procedures, as set out below, are referenced to the attached schedules (Schedule A - *Brand Owner Declaration* and Schedule B - *Annual Containers Remitted Report*) for the Relevant Period.

1. We (I) obtained an attestation from the Brand Owner's management that the statements on Schedule A (*Brand Owner Declaration*) and Schedule B (*Annual Containers Remitted Report*) were accurate. We (I) documented the number of reporting periods and obtained monthly remittance reports submitted to Encorp. **"State only the factual results of those procedures performed."**

2. We (I) obtained the schedule of the *Annual Containers Remitted Report* (Schedule B) compiled by the Brand Owner and agreed the information from the monthly remittance reports submitted to Encorp.  
**“State only the factual results of those procedures performed.”**
  
3. We (I) obtained Encorp’s deposit values and container recycling fees from Encorp’s website for the relevant period and compared it to Schedule B (*Annual Containers Remitted Report*) and the Brand Owner’s accounting records.  
**“State only the factual results of those procedures performed.”**
  
4. We (I) footed and cross-footed the “Containers sold” and “Total remitted fees” for the Relevant Period and agreed the amounts reported on to the Brand Owner’s actual remittances to Encorp.  
**“State only the factual results of those procedures performed.”**
  
5. We (I) recalculated the “Total remitted fees” to Encorp by multiplying “Containers sold” by the applicable unit charge for both “Deposit” and “Container recycling fee (CRF).”  
**“State only the factual results of those procedures performed.”**

6. We (I) obtained the accounting records of the deposit and container recycling fee liability account(s) and compared (them) to the monthly remittance reports.  
**“State only the factual results of those procedures performed.”**

**For the following procedures, please select sample sizes as specified in Table 1. For these selections, please select samples spanning the Relevant Period. Where applicable, the same samples can be used between procedures 7-9.**

7. We (I) selected no fewer than the sampling size as per Table 1 of container sales from the **detailed** sales reports and agreed the following attributes:
- The container sales are included in the “Total - Containers sold” per Schedule B.
  - The remittance was calculated correctly using the appropriate per-unit charge.
  - The recalculation of quantity per package by unit charge was compared to the recalculation of the fees calculated on the sales report (i.e., fees on multipacks were properly calculated).
  - The remittance was accurately reflected in the accounting records (GL deposit and container recycling fee liability account(s)).
- “State only the factual results of those procedures performed.”**

8. We (I) selected no fewer than the sampling size as per Table 1 of customers of beverage products from the customer master file and agreed the following attributes:
- The customers were correctly identified as exempt or non-exempt.
  - The customers' shipping addresses were correctly allocated to the appropriate Province.
  - The deposits and container recycling fees remitted were correctly remitted to the appropriate Provincial deposit program.
- “State only the factual results of those procedures performed.”**

9. We (I) selected no fewer than the sampling size as per Table 1 of beverage products from the product/inventory master file and agreed the following attributes:
- The products were correctly identified as included (or excluded) from the Beverage Containers Program.
  - The products were correctly assigned to the proper material type category.
  - The products were assigned the correct container unit charge for both deposit and container recycling fee by material type and size.
  - The products were assigned the correct unit of measure (i.e., single or multipack container).  
**“State only the factual results of those procedures performed.”**

**The following procedure applies only to Brand Owners who sell their products through other Suppliers or other Brand Owners:**

10. We (I) selected no fewer than the sampling size as per Table 1 of container purchases from beverage suppliers and agreed the following attributes:
- The suppliers had proper authority to charge a deposit (i.e., registered Brand Owner or Agent responsible for the collection of deposits and container recycling fees).
  - The container deposits and container recycling fees were calculated correctly using the correct container unit charge.
  - The container deposits and container recycling fees were paid only once to a single party. (i.e., Supplier or Encorp).  
**“State only the factual results of those procedures performed.”**

The above procedures do not constitute an audit of the Brand Owner's schedules (Schedule A – *Brand Owner Declaration* and Schedule B – *Annual Containers Remitted Report*) of the containers sold, and fees (deposits and container recycling fees) remitted as reported to Encorp for the Relevant Period and would not necessarily reveal the existence of errors in the financial information noted above. Therefore, we (I) do not express an opinion on the schedules (Schedule A – *Brand Owner Declaration* and Schedule B – *Annual Containers Remitted Report*) of the containers sold and fees remitted for the Relevant Period.

This letter is for use solely in connection with the Brand Owner's annual reporting requirements to Encorp Atlantic/Encorp Atlantique.

Name \_\_\_\_\_

Title \_\_\_\_\_

Company/organization name \_\_\_\_\_

City \_\_\_\_\_

Province \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_