

EHF Reporting Rules and Policies Effective January 1, 2019

1. Reporting

General Rule: All members are required to report EHF revenue based on the reporting schedule below:

Member with Annual Revenue Exceeding \$6000 Annually – Monthly Reporting

Member with Annual Revenue Less than \$6000 Annually – Quarterly or Annual Reporting Option
(Small Generator Status)

Small Generator Status:

A new or existing member of Call2Recycle who anticipates having annual sales volumes of program products resulting in Environmental Handling Fees (EHFs) of **less than \$6,000 annually** may apply to become a “Small Generator”.

The member must complete a Small Generator Application Form and must provide projected annual sales of covered products and resulting EHFs. The Small Generator Application Form must be submitted for review by Call2Recycle.

If approved, the “Small Generator” will have the option to choose to report quarterly or annually, A confirmation letter will be sent to each Small Generator Member to confirm the reporting frequency for the upcoming calendar year.

2. Late Payment and Late Reporting Procedure:

***As per section 4.3 of the Member Agreement – Overdue Payments
Members may be subject to the following late payment charges***

Call2Recycle Canada at its sole discretion will have the option to charge Members a late payment fee at the rate of 1% per month (12% per annum) for invoices that are overdue more than 30 days.

In addition, overdue Member Fees may be subject to administrative fees as follows:

- 1) Written reminder issued at any time (by email, fax or mail) after due date: \$100
- 2) Next reminder for same reporting period issued after 10 or more days after 1): \$200
- 3) Next reminder for same reporting period issued after 10 or more days after 2): \$625

3. Retroactive EHF's

Any entity that has been identified and officially informed by Call2Recycle/Appel A Recycler of its regulatory obligations, and does not respond, communicate, collaborate or refuses to comply, may be subject to retroactive EHF's and administrative fees and interests may apply.

4. Member Audit

As per section 6 of Call2Recycle Membership Agreement, the member must permit Call2Recycle, from time to time, to audit its records with respect to product sales and the remittance of EHF's to Call2Recycle. Members must keep records of product sales and EHF remittance for audit purpose for 5 years plus the current

As per Section 6 of the Member Agreement Call 2 Recycle has the right to audit each Member

– CALL2 RECYCLE may from time to time, at its discretion, audit and inspect the records of the Member with respect to the sale, supply, distribution and importing of Products in the relevant provinces where the Programs are being implemented and operated (the "Records") in order to verify the accuracy of the remittances of EHF's by the Member to CALL2 RECYCLE under this Agreement. The Member acknowledges that CALL2 RECYCLE may use a designated third - party to perform such audit and inspection. CALL2RECYCLE is responsible for the costs of the audit. - For additional details on the Call2Recycle audit please refer to the Membership Agreement.

If the member has under-remitted, administrative fees and interests may apply. An administrative charge equal to 20% of the aggregated total of such under-payment may be charged.

In the case of over-remittance as determined by an audit, Call2Recycle will credit the Member for the overpaid amount.

To request a copy of the Small Generator Form:
Contact Erich Repper
erepper@appelarecycler.ca or call 888-665-0908