



ORANGEDROP

2012 ANNUAL TRUE-UP & 2013 Q2 INVOICE FOR Q1 REPORTING PERIOD

May 1, 2013 Supporting Information

HOW DOES THE TRUE UP CALCULATION WORK?

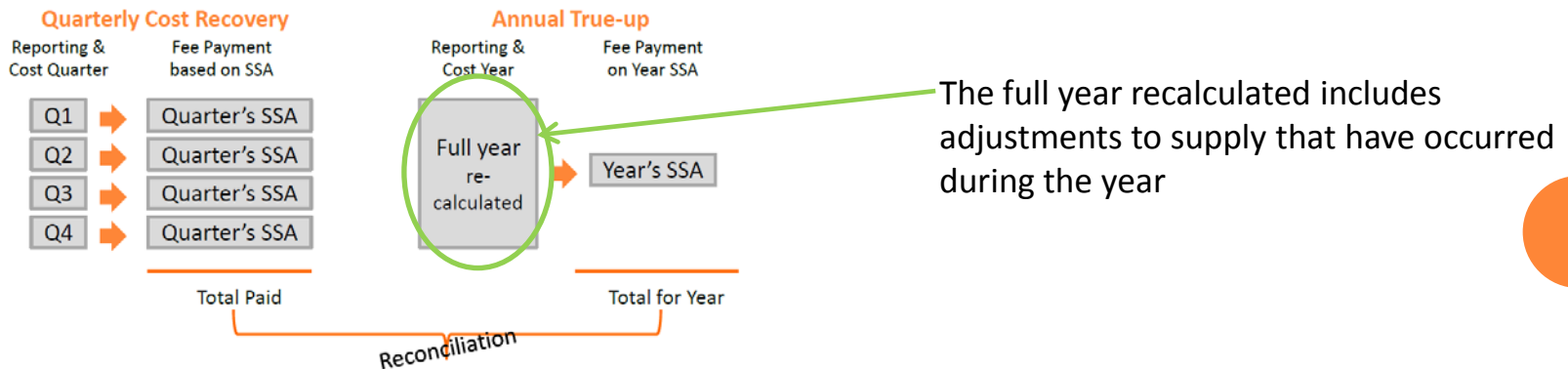
- The true up is not the straight average of each of the quarterly SSAs. In the example below, you can see how a straight average of the 4 quarter SSAs does not equal the share of the year for either supplied or costs due to the curves

Steward 1						
Quarter	Steward Supplied	Total Supplied	Steward SSA	Total Costs	Steward Invoice	Steward Cost Share
1	10,000	30,000	33%	5,000	1,667	33%
2	12,000	13,000	92%	15,000	13,846	92%
3	12,000	13,000	92%	15,000	13,846	92%
4	10,000	32,000	31%	10,000	3,125	31%
Total	44,000	88,000	50%	45,000	32,484	72%

Straight average: 62%

Total year average (weighted average)

- The true up recalculates stewards' fees based on the total of all four quarters and reconciles initial fee calculations that result from the fluctuating sales and cost cycles



WHAT IS THE SSA% ON MY Q2 INVOICE?

- The Q2 invoice (for Q1 reporting period) picks up the annual SSA % (as determined through the Annual True Up process) and applies this percentage to the total program quantity to calculate the amount owing for your share of the material category cost for the quarter

Q2 Invoice

Material Category	Total Program Quantity	Unit of Measure	Your SSA % (*)	Material Category Cost this Period	Amount Owing
material	2,221,932	KG	5.634	1,015,336.00	\$ 5,720.40

- The SSA % is the 2012 annual true up percent applied to each quarter of 2013. The Annual True up Statement has one section for each material reported

Annual True Up Report

Annual True Up - material	
Total Program Quantity for Year	303,434.00
Your SSA % when calculated on full year	5.634%
Total Annual Cost for this Material Group	\$ 3,973,861.00
Your Fees Once Trued Up	\$ 223,887.33
Fees Paid To Date	\$ 237,658.89
Fees Owing	
Fees Credited	\$ 13,771.56

← Annual SSA

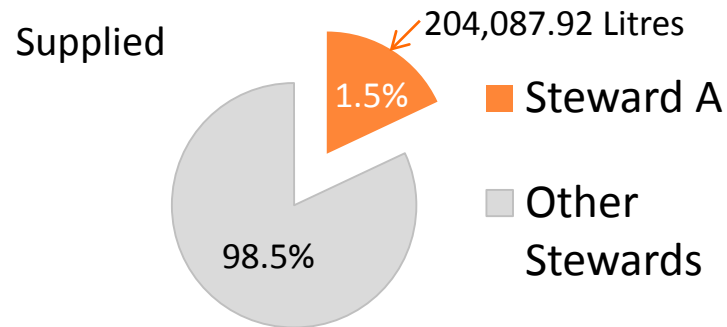
- Note: For stewards with reporting agreements, there is a further calculation that takes place (see slide 5 forward)

HOW DO I CHECK MY ANNUAL TRUE UP %?

- The Annual True up Statement has one section for each material reported

Annual True Up Report

Annual True Up - Antifreeze	
Total Program Quantity for Year	204,087.92
Your SSA % when calculated on full year	1.510%
Total Annual Cost for this Material Group	\$ 2,144,394.00
Your Fees Once Trued Up	\$ 32,380.35
Fees Paid to Date	\$ 33,043.63
Fees Owing	
Fees Credited	-\$ 663.28



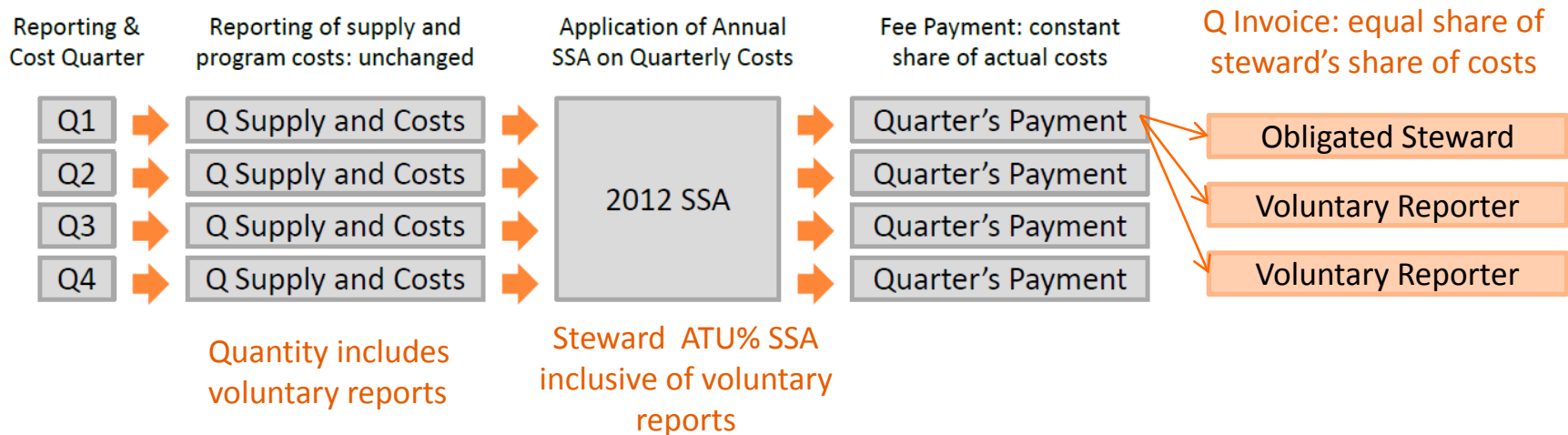
- To understand the total supplied by all stewards (Annual True Up Universe), you can work backwards through the following calculation (difference will be due to rounding errors):
 $(100 / \text{SSA}\%) \times \text{Total Program Quantity for year} = \text{Annual True Up Universe}$
- Or, here is a chart of the ATU universe (total supplied by all stewards) for each material for reference

Material Category	2012 Quantity	Measure
Antifreeze	13,520,060	LTR
Fertilizers	5,750,998	KG
Oil Containers	61,881,934	LTR
Oil Filters	not run at this time	
Paints and Coatings	77,651,547	LTR
Pesticides	398,205	KG
Press Cont - NR	not run at this time	
Press Cont - Refillable		
Single use Batteries	6,995,719	KG
Solvents	6,473,290	LTR

Total Program Quantity for year/Annual True Up Universe= SSA%

WHAT IF I HAVE VOLUNTARY REPORTERS?

- For obligated stewards with one or more voluntary reporters submitting on your behalf, your ATU% is equally divided between you (the obligated steward) and any voluntary reporters for each material. Please note it does not reflect the percentage quantities for each material submitted by you and your reporters



- Your invoice will show an equal division between all reporters and the total will reflect the amount owed by the obligated steward
- This divided percentage is displayed on each Submission Detail Report in the column labelled "Your SSA %"
- Note: The reported supply for each 2013 quarter (by stewards and by voluntary reporters) will be used to calculate the 2013 true up SSA

EXAMPLE: STEWARD + 2 REPORTERS

- Steward with an ATU % of 1.510% reports for themselves and also has two reporters submit on their behalf:
 - The portal will contain a total of three reports for the quarter
 - The obligated steward's report will be at the top of the list of reports on the portal
 - Voluntary reports are stored on the portal below all steward reports, so stewards will need to scroll down the list to view the two voluntary reports
 - The ATU% will be divided between all three reports and be shown on the report in the column labelled "Your SSA%"
 - Therefore, each report will show the SSA % as 0.503%

Annual True Up Report

Annual True Up - Antifreeze	
Total Program Quantity for Year	204,087.92
Your SSA % when calculated on full year	1.510%

ATU% divided by 3 (steward + 2 reporters)
= the SSA on each of the 3 invoices

Q2 Invoice – Steward and each of the two reporters receive this invoice

Material Category	Total Program Quantity	Unit of Measure	Your SSA % (*)	Material Category Cost this Period	Amount Owing
Antifreeze	7,368,616	LTR	0.503	694,095.00	\$ 3,493.61

Amount owing x 3 = \$10,480.83
steward share of cost for quarter
(total paid by steward)

WHAT IF I WANT TO APPORTION EXPENSE BY MY VOLUNTARY REPORTERS?

- Since the Q2 invoice has been calculated based on your 2012 annual SSA percentage, and your ATU% is equally divided between you (the obligated steward) and any voluntary reporters submitting on your behalf by material, it does not reflect the percentage quantities for each material submitted by you and your reporters
- To apportion expense by the different reporters, you can compare the Submission Detail Report for each of your invoices, and calculate the proportionate share of reported material quantity for each invoice through the worksheet description

Antifreeze Worksheet

	Antifreeze Litres	% share based on Litres	
1	Obligated Steward	1,000	1.40%
2	Voluntary Reporter	25,250	35.30%
3	Voluntary Reporter	45,275	63.30%
	Total	71,525	100.00%

- Then take the total amount owing (by adding the invoice Amount Owing for all three reports) and redistribute the invoice dollars by the % share based on the unit of measure

Original Invoice		% share based on Litres	Redistributed based on Reporting Quantity %
1	\$3,493.61	1.40%	\$146.53
2	\$3,493.61	35.30%	\$3,699.98
3	\$3,493.61	63.30%	\$6,634.32
	\$10,480.83	100.00%	\$10,480.83



FURTHER QUESTIONS?

- Questions should be directed to WeREcycle@stewardshipontario.ca

- Acknowledgement:

We are pleased to confirm that, as previously noted, in response to steward demand, we have calculated your quarterly invoice based on an Annualized Steward Share Assessment, thereby providing greater transparency and predictability to your quarterly billing.

- The Q2 invoice (for Q1 reporting period) and payment instruction was sent to stewards April 30, 2013.
- The Q2 deficit recovery invoice (for Q1 reporting period) and payment instruction was sent to stewards May 1, 2013.
- The 2012 Annual True Up Report and invoice was sent to stewards May 1, 2013.

If you are not in receipt of all three of these items, please be in touch with a Steward Services Representative.

Thank you.

