



February 26, 2018

VIA EMAIL

Ms. Glenda Gies
Chair
Resource Productivity and Recovery Authority

Re: Disposition of Reserves held by Stewardship Ontario upon MHSW Program wind up.

Dear Ms. Gies.

Thank you for your letter of November 30, 2017 regarding access to reserves held by Stewardship Ontario. Your letter was shared with the AMS Board.

We appreciate your clarification of how the funds held in trust by Stewardship Ontario may be used, and that any remaining funds will be dealt with as part of the wind up of the MHSW Program. We note that since our previous letter to you, dated June 16, 2017, the Resource Productivity and Recovery Authority (the "Authority") has published a Wind-up Guide to assist it in evaluating wind-up plans submitted by Industry Funding Organizations (IFO). The Wind-up Guide states:

"The [Wind-up] Plan must determine how the reserve will be spent and distributed using a method that is in compliance with the WDTA and in line with the Guiding Principles."

AMS members contributed significantly to the accumulation of the Stewardship Ontario reserves. On behalf of our members, AMS supports returning the surplus to Stewards who contributed to the accumulation of the funds, calculated in a reasonable manner that respects their proportionate contribution. We believe such an approach is the most fair and transparent method for dealing with the reserves.

We look forward to further dialogue with the Authority and Stewardship Ontario on this matter once the Minister issues direction to wind up the MHSW Program.

Sincerely,

A handwritten signature in black ink that reads "Bert Verriet".

Bert Verriet
Chair
Automotive Materials Stewardship

- c. Geoff Rathbone, Director of Transition, Resource Productivity and Recovery Authority
John Coyne, Chair, Stewardship Ontario