



February 22, 2019

Ms. Valerie Bernardo, CPA
PaintCare Inc.
901 New York Ave, NW, Suite 300W
Washington, DC 20001

RE: Independent Audit, PaintCare Connecticut LLC Paint Stewardship Program (HRP #PAI2006.EE)

Dear Ms. Bernardo:

HRP Associates, Inc. (HRP) has completed an Independent Audit of PaintCare Connecticut LLC’s calculations of the Paint stewardship Assessment to be placed on the sale of each container of paint sold in the State of Connecticut (State) to administer a Paint Stewardship Program. A summary of the Audit Findings are provided below.

Program Costs

The calculations and assumptions made to determine the program costs were reviewed and found to be reasonable. HRP reviewed the actual results from the first five operating years of the program (fiscal years 2014 through 2018) as well as the projected costs for the fiscal years ending June 30, 2019 through 2023.

PaintCare’s anticipated expenses took into account the operating costs for collection support, paint transportation, paint processing, communications, personnel/professional fees/other, state reporting fees, and allocation of corporate activities. The expenses and assumptions made are acceptable and within industry standards.

Paint Assessment

The anticipated volume of paint containers expected to be collected in Connecticut and the number of each type of paint container sold were based off of actual data from the most recently completed fiscal year. PaintCare Connecticut LLC proposes the following uniform paint stewardship assessment for the period of July 1, 2019 to June 30, 2021.

Container Size	Amount
Half pint or smaller	\$0.00
Larger than half pint to smaller than 1 gallon	\$0.35
1 gallon	\$0.75
Larger than 1 gallon up to 5 gallons	\$1.60

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HRP independently reviewed the calculations performed by PaintCare for accuracy and the calculations were deemed sufficient. Based on our review, we find the Paint Stewardship Assessment, determined by PaintCare Connecticut LLC, to be reasonable and not to exceed the actual operational costs to administer the Paint Stewardship Program.

If you have any questions or require additional information, please feel free to contact HRP at (860) 674-9570.

Sincerely,
HRP ASSOCIATES, INC.

A handwritten signature in blue ink that reads "Thomas R. Battles". The signature is written in a cursive style with a large initial 'T'.

Thomas R. Battles, P.E.
Corporate Director of Engineering Services