



All Members of SOGHU,

Exemption of one Member to another regarding reports and EHC payments

It is possible for two Members to form an agreement whereby the first Member exempts the second Member from his reports and EHC charges on sales between the two and consequently, the first agrees to supply reports and EHC payments directly to SOGHU.

Because the responsibility is incumbent upon brand owners or first suppliers, it is **imperative** to have a written agreement that would specify:

That COMPANY A, who is a Member of SOGHU and whose SOGHU # is XYZ..., releases COMPANY B, also a Member of SOGHU from his responsibility to report and remit EHCs to SOGHU on quantities purchased by A and that A takes on the responsibility of reporting and remitting the EHCs to SOGHU according to his commitments as a Member.

In doing so, the two companies are protected by this document that will serve as proof of conformity when the auditors inspect their books.

If there is no written agreement, the responsibility to report and remit EHCs to SOGHU remains on the brand owner or first supplier.

Please find attached a sample letter to use if the need should arise.

On company A Letterhead

City, month day year

Payment and report exemption Agreement between SOGHU Members

This is to inform you that *COMPANY A (SOGHU Member #)* is a registered Member of SOGHU. For confirmation, please consult the list of Members posted on our website (www.soghu.com in the Members section of Quebec).

Consequently, *COMPANY A (SOGHU Member #)* releases *COMPANY B (SOGHU Member #)* from his responsibility to report and remit EHCs on quantities purchased by *COMPANY A* and that *COMPANY A* takes on the responsibility of reporting and remitting the EHCs to SOGHU according to his commitments as a Member.

I, the under signed, authorized representative of *COMPANY A (SOGHU ID #)*, accept the conditions present in this Agreement.

Representative's signature for Company A:

Name of Company A's representative

Title of Company A's representative

I, the under signed, authorized representative of *COMPANY B (SOGHU ID #)*, accept the conditions present in this Agreement.

Representative's signature for Company B:

Name of Company B's representative

Title of Company B's representative