INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

[To the Board of Directors]
ABC Company
[City, State]

We have performed the procedures included in the California Code of Regulations Title 22, Division 4.5, Chapters 14 and 15, Article 8, which were agreed to by the Department of Toxic Substances Control of the State of California and ABC Company, solely to assist the specified parties in evaluating ABC Company's compliance with the financial test option as of December 31, 20x5, included in the accompanying letter dated March 15, 20x6 from [*name of chief financial officer signing the letter and title*] of ABC Company. Management is responsible for ABC Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed are as follows:

[*Alternative I*]

1. We compared the amounts included in [*list items; e.g.,* items 2, 5, and 6] under the caption Alternative I in the letter referred to above with the corresponding amounts in the audited [consolidated] financial statements of ABC Company [and subsidiaries] as of and for the year ended December 31, 20x5, on which we have issued our report dated March 15, 20x6 [*describe any modifications from the standard auditors' report*], and found such amounts to be in agreement.

2. We compared the information included in items [*list items; e.g.,* items 3, 4, 8, 9 and 13] under the caption Alternative I to (i) the financial statements referred to in procedure 1, or (ii) schedules prepared by management of ABC Company, which schedules were compared to the financial statements referred to in procedure 1, and found such information to be in agreement.

[*Alternative IV*]

1. We compared the information included in items [*list items; e.g.,* items 7 and 8] under the caption Alternative IV in the letter referred to above to the audited [consolidated] financial statements of ABC Company [and subsidiaries] as of and for the year ended December 31, 20x5, on which we have issued our report dated March 15, 20x6 [*describe any modifications from the standard auditors' report*], and found such information to be in agreement.

The terms "in agreement," for these purposes, indicates that no matters came to our attention that caused us to believe that the referenced amounts or information did not agree to amounts included in, or derived from, the audited financial statements referred to above.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying letter dated March 15, 20x6. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the board of directors and management of ABC Company and the Department of Toxic Substances Control of the State of California, and is not intended to be and should not be used by anyone other than these specified parties.

[*firm's signature*]

March 15, 20x6