

Independent Practitioner's Reasonable Assurance Report on Compliance

To the Nanaimo Port Authority

We have undertaken a reasonable assurance engagement of the Nanaimo Port Authority's ("the Port") compliance during the period January 1, 2019 to September 30, 2019, with the specified requirements set out in *the Canada Marine Act section 41 Special Examinations*.

Management's Responsibility

Management is responsible for the Port's compliance with the specified requirements. Management is also responsible for such internal control as management determines necessary to enable the Port's compliance with the specified requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on Port's compliance based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements 3531, *Direct Engagements to Report on Compliance*. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance but is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements. The nature, timing and extent of procedures selected depends on our professional judgment, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, the Port complied with the specified requirements set out in the *Canada Marine Act section 41 Special Examinations* during the period January 1, 2019 to September 30, 2019, in all significant respects.

We do not provide a legal opinion on Port's compliance with the specified requirements.

Nanaimo, BC

December 11, 2019

MNP LLP

Chartered Professional Accountants