United States
Securities and Exchange Commission
Washington, D.C. 20549

Form 10-K

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 28, 2013

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from __________to __________

Commission file number 001-31410

COTT CORPORATION
(Exact name of registrant as specified in its charter)

CANADA **(State or Other Jurisdiction of Incorporation or Organization)**	**98-0154711** **(IRS Employer Identification No.)**
6525 VISCOUNT ROAD **MISSISSAUGA, ONTARIO, CANADA**	**L4V 1H6**
5519 WEST IDLEWILD AVENUE **TAMPA, FLORIDA, UNITED STATES** **(Address of principal executive offices)**	**33634** **(Zip Code)**

Registrant's telephone number, including area code: (905) 672-1900 and (813) 313-1800

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
COMMON SHARES WITHOUT NOMINAL OR PAR VALUE	**NEW YORK STOCK EXCHANGE** **TORONTO STOCK EXCHANGE**

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12-12 of the Act). Yes ☐ No ☒

The aggregate market value of the common equity held by non-affiliates of the registrant as of June 29, 2013 (based on the closing sale price of $7.81 for the registrant's common stock as reported on the New York Stock Exchange on June 28, 2013) was $728.3 million.

(Reference is made to the last paragraph of Part II, Item 5 for a statement of assumptions upon which the calculation is made).

The number of shares outstanding of the registrant's common stock as of February 14, 2014 was 94,310,988.

Documents incorporated by reference

Portions of our definitive proxy circular for the 2014 Annual and Special Meeting of Shareowners, to be filed within 120 days of December 28, 2013, are incorporated by reference in Part III. Such proxy circular, except for the parts therein which have been specifically incorporated by reference, shall not be deemed "filed" for the purposes of this Annual Report on Form 10-K.

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Our consolidated financial statements are prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") in U.S. dollars. Unless otherwise indicated, all amounts in this Annual Report on Form 10-K are in U.S. dollars and U.S. GAAP.

Any reference to 2013, 2012 and 2011 corresponds to our fiscal years ended December 28, 2013, December 29, 2012, and December 31, 2011, respectively.

Forward-looking statements

In addition to historical information, this Annual Report on Form 10-K, and the reports and documents incorporated by reference in this Annual Report on Form 10-K, may contain statements relating to future events and future results. These statements are "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation and involve known and unknown risks, uncertainties, future expectations and other factors that may cause actual results, performance or achievements of Cott Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such statements include, but are not limited to, statements that relate to projections of sales, earnings, earnings per share, cash flows, capital expenditures or other financial items, discussions of estimated future revenue enhancements and cost savings. These statements also relate to our business strategy, goals and expectations concerning our market position, future operations, margins, profitability, liquidity and capital resources. Generally, words such as "anticipate," "believe," "continue," "could," "endeavor," "estimate," "expect," "intend," "may," "will," "plan," "predict," "project," "should" and similar terms and phrases are used to identify forward-looking statements in this Annual Report on Form 10-K and in the documents incorporated in this Annual Report on Form 10-K by reference. These forward-looking statements reflect current expectations regarding future events and operating performance and are made only as of the date of this Annual Report on Form 10-K.

The forward-looking statements are not guarantees of future performance or events and, by their nature, are based on certain estimates and assumptions regarding interest and foreign exchange rates, expected growth, results of operations, performance, business prospects and opportunities and effective income tax rates, which are subject to inherent risks and uncertainties. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in forward-looking statements may include, but are not limited to, assumptions regarding management's current plans and estimates, our ability to remain a low cost supplier, and effective management of commodity costs. Although we believe the assumptions underlying these forward-looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions could prove to be incorrect. Our operations involve risks and uncertainties, many of which are outside of our control, and any one or any combination of these risks and uncertainties could also affect whether the forward-looking statements ultimately prove to be correct. These risks and uncertainties include, but are not limited to, those described in Part I, Item 1A. "Risk Factors" and elsewhere in this Annual Report on Form 10-K and those described from time to time in our future reports filed with the Securities and Exchange Commission ("SEC") and Canadian securities regulatory authorities.

We undertake no obligation to update any information contained in this Annual Report on Form 10-K or to publicly release the results of any revisions to forward-looking statements to reflect events or circumstances of which we may become aware of after the date of this Annual Report on Form 10-K. Undue reliance should not be placed on forward-looking statements.

All future written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing.

PART I

ITEM 1. BUSINESS

Our Company

Cott Corporation, together with its consolidated subsidiaries ("Cott," "the Company," "our Company," "Cott Corporation," "we," "us," or "our"), is one of the world's largest producers of beverages on behalf of retailers, brand owners and distributors. Our product lines include carbonated soft drinks ("CSDs"), 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy drinks, sports products, new age beverages and ready-to-drink teas, as well as alcoholic beverages for brand owners. Our business operates through three reporting segments—North America (which includes our U.S. operating segment and Canada operating segment), United Kingdom ("U.K.") (which includes our United Kingdom reporting unit and our Continental European reporting unit), and All Other ("All Other") (which includes our Mexico operating segment, Royal Crown International ("RCI") operating segment and other Miscellaneous Expenses). Our corporate oversight function ("Corporate") is not treated as a segment; it includes certain general and administrative costs that are not allocated to any of the reporting segments. During the fourth quarter of 2013, management reviewed our reporting segments and subsequently combined our Mexico and RCI reporting segments with the segment previously classified as All Other into one reporting segment classified as All Other. Prior year information has been updated to reflect the change in our reporting segments.

We incorporated in 1955 and are governed by the Canada Business Corporations Act. Our registered Canadian office is located at 333 Avro Avenue, Pointe-Claire, Quebec, Canada H9R 5W3 and our principal executive offices are located at 5519 W. Idlewild Avenue, Tampa, Florida, United States 33634 and 6525 Viscount Road, Mississauga, Ontario, Canada L4V 1H6.

Competitive Strengths

We believe that our competitive strengths will enable us to maintain our position as one of the world's largest beverage companies on behalf of retailers, brand owners and distributors and will allow us to capitalize on future opportunities to drive sustainable and profitable growth.

Leading Producer of Private-Label Beverages with Diverse Product Portfolio and Contract Manufacturing Capabilities

We are a leading producer of private label beverages in each of the United States, Canada and the United Kingdom by annual volume of cases produced. We also manufacture beverages on a contract basis for certain customers. Our product lines include CSDs, 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy drinks, sports products, new age beverages and ready-to-drink teas, as well as alcoholic beverages for brand owners. We believe our proven ability to innovate and develop our product portfolio to meet changing consumer demand will position us well to continue to serve our customers and their consumers.

We market or supply over 500 retailer, licensed and Company-owned brands in our four core geographic segments. We sell CSD concentrates and non-carbonated concentrates in approximately 50 countries. We believe that our leadership position, our broad portfolio offering and our existing infrastructure will enable us to continue to penetrate the private-label and contract manufacturing markets, whether it is winning new customers, launching new product stock keeping units ("SKUs") with existing customers, or supplying retailers who currently self-manufacture.

Extensive, Flexible Manufacturing Capabilities

Our business is supported by our extensive manufacturing network and flexible production capabilities. Our manufacturing footprint encompasses 34 strategically located beverage manufacturing and fruit processing facilities, including 20 in the United States, five in Canada, seven in the United Kingdom and one in Mexico, as well as one vertically-integrated global concentrate manufacturing facility in Columbus, Georgia that supplies our manufacturing plants and RCI's global customer base.

We are the only dedicated beverage company producing on behalf of retailers, brand owners and distributors with a manufacturing footprint across North America. Manufacturing flexibility is one of our core competencies and is critical to our success, as our products will typically feature customized packaging, design and graphics for our key customers. Our ability to produce multiple SKUs and packages on our production lines and manage complexities through quick-line changeover processes differentiates us from our competition.

High Levels of Customer Service and Strong Customer Integration

Our business requires a high level of coordination with our customers in areas such as supply chain, product development and customer service. In addition to efficiently managing complex product manufacturing, we have a proven track record of maintaining high service levels across our customer base. We also partner closely with customers on supply chain planning and execution to minimize freight costs, reduce working capital requirements and increase in-store product availability. We work as partners with our customers on new product development and packaging designs. Our role includes providing market expertise as well as knowledge of category trends that may present opportunities for our customers. A high level of customer integration and partnership coupled with a nationwide manufacturing footprint is critical for the development of successful beverage programs for our customers.

Strategic Importance to Our Customers

We have longstanding partnerships with many of the world's leading retailers in the grocery, mass-merchandise and drug store channels, as well as customers for whom we manufacture beverages on a contract basis, giving our customers access to high-quality, affordable beverages. Our competitive advantages include:

- beverage manufacturing expertise;
- vertically integrated, low-cost production platform;
- one-stop sourcing;
- category insights and marketing expertise;
- supply chain and high quality consistency in products; and
- product innovation and differentiation.

For 2013, our top 10 customers accounted for 50.0% of total revenue. Walmart accounted for 30.1% of our total revenue for the period. We have established long-standing relationships with most of our top 10 customers. As a result of our high product quality and commitment to service, coupled with a national manufacturing footprint, we believe we will continue to play a meaningful role in helping our customers develop strategies to build loyalty with consumers.

Business Strategy

Our primary goal is to maintain long-term profitability and enhance our position as the market leader and preferred supplier of beverages on behalf of retailers, brand owners, and distributors in the markets where we operate. Continued leadership in our core markets will enable us to sustain and grow profitability as we drive for increased penetration and share growth within our core product categories. We believe that the following strategies will help us to achieve our goal.

Maintain Customer Focus

Customer relationships are important for any business, but at Cott, where many of our products bear our customers' brand names, we must maintain particularly close partnerships with our customers. We will continue to provide our customers with high quality products and service at an attractive value that will help them provide quality, value-oriented products to their consumers.

We will continue to focus on our high levels of customer service, as well as innovations through the introduction of new packages, flavors and varieties of beverages. We believe our focus on our customers will enable us to leverage our existing relationships and to develop new ones in existing and new markets. As a fast follower of innovative products, our goal is to identify new products that are succeeding in the marketplace and develop similar products of high quality for our customers to offer their consumers at a better value.

Control Operating Costs

We understand that our long-term success will be closely tied to our ability to remain a low-cost supplier. Effective management of our operating costs is critical to our success. As part of our ongoing management of costs, we enter into contract commitments with suppliers of key raw materials such as aluminum sheet metal, high fructose corn syrup ("HFCS"), polyethylene terephthalate (“PET”) bottles, caps and preforms, fruit and fruit concentrates. On an ongoing basis we review our fixed overhead and manufacturing costs for opportunities for further reductions. In 2011, we transformed the Company’s information technology function from a nearly 100% outsourced, single vendor relationship to a combination of in-house resources and multi-vendor strategy, significantly reducing our total information technology spending. In 2012, we began to vertically integrate our manufacturing capabilities in order to manufacture our products with increased efficiency and at a lower cost.

Control Capital Expenditures and Rigorously Manage Working Capital

Consistent with our status as a low-cost supplier, we leverage our existing manufacturing capacity to maintain an efficient supply chain. We are committed to carefully prioritizing our capital investments that provide the best financial returns for Cott and for our customers, while maintaining safety, efficiency and superior product quality. Our manufacturing facilities operate according to the highest standards of safety and product quality. We perform regular third-party audits of our facilities and are subject to quality audits on behalf of our customers. We will continue to evaluate growth and other opportunities, while remaining mindful of our total capital expenditure targets.

In 2013, our capital expenditures were devoted primarily to maintaining existing beverage production facilities, making equipment upgrades and expansion in the United States, the United Kingdom, Canada and Mexico and expenditures related to the completion of the vertical integration of our manufacturing capabilities.

Cash Flow Management

We believe that a strong financial position will enable us to capitalize on opportunities in the marketplace. As a result, we continuously review and improve the effectiveness of our cash management processes. We strive to achieve the most optimal working capital level, rationalize our capital expenditures and continuously drive operating cost improvements to enhance cash flow.

Pursue Select Acquisitions

We believe that opportunities exist for us to enhance our scale, reduce fixed manufacturing costs and broaden our product portfolio. In June 2013, our U.K. reporting segment acquired 100 percent of the share capital of Cooke Bros. Holdings Limited (the “Calypso Soft Drinks Acquisition”), which includes the subsidiary companies Calypso Soft Drinks Limited and Mr. Freeze (Europe) Limited (together, “Calypso Soft Drinks”). Calypso Soft Drinks produces fruit juices, juice drinks, soft drinks, and freeze products in the United Kingdom. The aggregate purchase price for the Calypso Soft Drinks Acquisition was $12.1 million, which includes approximately $7.0 million paid at closing, deferred payments of approximately $2.3 million and $3.0 million to be paid on the first and second anniversary of the closing date, respectively, of the Calypso Soft Drinks Acquisition. In connection with the Calypso Soft Drinks Acquisition, we paid off $18.5 million of outstanding debt of the acquired companies. The Calypso Soft Drinks Acquisition provided increased product offerings, logistical synergies and access to an additional production line. In March of 2012, our U.K. reporting segment acquired a beverage and wholesale business based in Scotland for approximately $5.0 million. We intend to continue to evaluate and pursue strategic opportunities to enhance our industry position, strengthen our business and build value for our shareholders.

Principal Markets and Products

We estimate that as of the end of 2013, we produced (either directly or through third party manufacturers with whom we have co-packing agreements) a majority of all retailer brand CSDs and juice sold in Canada and the United States, as well as a majority of all retailer brand sports and energy products sold in the United Kingdom.

We have a diversified product portfolio across major beverage categories, including beverages that are on-trend with consumer demand. In 2013, CSDs, juice, concentrate, and all other products represented 36.1%, 25.0%, 2.0% and 36.9% as a percentage of revenue, respectively. In 2012, CSDs, juice, concentrate, and all other products represented 39.1%, 24.2%, 1.9% and 34.8% as a percentage of revenue, respectively. In 2011, CSDs, juice, concentrate, and all other products represented 40.7%, 25.8%, 1.6% and 31.9% as a percentage of revenue, respectively.

We believe that opportunities exist to increase sales of beverages in our core markets by leveraging existing customer relationships, capitalizing on cross-selling and up-selling opportunities, obtaining new customers, manufacturing beverages (including alcoholic beverages) on a contract basis for new and existing customers, exploring new channels of distribution and introducing new products.

Restructuring Initiatives

We implement restructuring programs from time to time that are designed to improve operating effectiveness and lower costs. When we implement these programs, we incur various charges, including severance and other employment related costs. During June 2013, we implemented one such program (the “2013 Restructuring Plan”), which consisted primarily of headcount reductions. For the year ended December 28, 2013, we incurred charges of approximately $2.0 million related primarily to employee redundancy costs in connection with the 2013 Restructuring Plan.

We did not incur any restructuring charges in 2012 or 2011.

Financial Information about Segments

For financial information about reporting segments and geographic areas, see Note 9 to the consolidated financial statements contained in this Annual Report on Form 10-K.

Manufacturing and Distribution Network

Substantially all of our beverages are manufactured in facilities that we, or third-party manufacturers with whom we have long-term co-packing agreements, either own or lease. We rely on third parties to produce and distribute products in areas or markets where we do not have our own production facilities, such as in continental Europe, or when additional production capacity is required.

Our products are either picked up by our customers at our facilities or delivered by us, a common carrier, or third-party distributors to our customers’ distribution centers or to retail locations.

Ingredient and Packaging Supplies

In addition to water, the principal raw materials required to produce our products are aluminum cans and ends, PET bottles, caps and preforms, labels, cartons and trays, sweeteners, such as HFCS and sugar, fruit concentrates and fruit. The cost of these raw materials can fluctuate substantially over time.

Under many of our supply arrangements for these raw materials, the price we pay fluctuates along with certain changes in underlying commodity costs, such as aluminum in the case of cans and ends, resin in the case of PET bottles, caps and preforms, corn in the case of HFCS, fruit and fruit concentrates. We believe that we will be able to either renegotiate contracts with these suppliers when they expire or find alternative sources for supply. We also believe there is adequate supply of the ingredient and packaging materials used to produce and package our products.

Generally, we bear the risk of increases in the costs of the ingredient and packaging materials used to produce our products, including the underlying costs of the commodities used to manufacture them and, to some extent, the costs of converting those commodities into the materials we purchase.

Aluminum for cans and ends, resin for PET bottles, caps and preforms, corn for HFCS, sugar, fruit and fruit concentrates are examples of underlying commodities for which we bear the risk of increases in costs. In addition, the contracts for certain of our ingredient and packaging materials permit our suppliers to increase the costs they charge us based on increases in their cost of converting the underlying commodities into the materials we purchase. In certain cases those increases are subject to negotiated limits. Changes in the prices we pay for ingredient and packaging materials occur at times that vary by product and supplier, and take place on a monthly, quarterly or annual basis.

PET resin prices have fluctuated significantly in recent years as the price of oil, one of its components, has fluctuated and demand for synthetic fibers, an alternate use, has increased. Because PET resin is not a traded commodity, no fixed price mechanism has been implemented, and we expect to pay prevailing market prices for our PET resin needs, although at times we have been able to enter into short-term fixed price commitments.

Corn has a history of volatile price changes. The sugar market is susceptible to volatility as well.

Fruit and fruit concentrate prices have been, and we expect them to continue to be, subject to significant volatility. While fruit is available from numerous independent suppliers, these raw materials are subject to fluctuations in price attributable to, among other things, changes in crop size and federal and state agricultural programs.

Trade Secrets, Copyrights, Trademarks and Licenses

We sell the majority of our beverages under retailer brands to customers who own the trademarks associated with those products. We also own registrations, or applications to register, various trademarks that are important to our worldwide business, including *Cott* ® and *Red Rain* ® in the United States, Canada, and the United Kingdom, *Stars & Stripes* ®, *Vess* ®, *Vintage* ®, *So Clear* ®, *Shanstar* ®, *Harvest Classic* ®, *Chadwick Bay* ®, *Exact* ® *and Golden Crown* ® in the United States, *Emerge* ®, *Red Rooster* ®, *MacB* ®, *Carters* ®, *Calypso* ®, *Mr. Freeze* ®, *Jubbly* ®, and *Ben Shaws* ® in the United Kingdom, *Stars & Stripes* ® in Mexico, and RC® mark in various formats in more than 120 countries and territories outside of North America. Moreover, we are licensed to use certain trademarks such as *Old Jamaica Ginger Beer* ™ and *Ting* ™ in the United Kingdom. The licenses to which we are a party are of varying terms, including some that are perpetual. Trademark ownership is generally of indefinite duration when marks are properly maintained in commercial use.

Our success depends in part on our intellectual property, which includes trade secrets in the form of concentrate formulas for our beverages and trademarks for the names of the beverages we sell. To protect this intellectual property, we rely principally on registration of trademarks, contractual responsibilities and restrictions in agreements (such as indemnification, nondisclosure and confidentiality agreements) with employees, consultants and customers, and on the common law and/or statutory protections afforded to trademarks, copyrights, trade secrets and proprietary "know-how." We also closely monitor the use of our trademarks and when necessary vigorously pursue any party that infringes on our trademarks, using all available legal remedies.

Seasonality of Sales and Working Capital

The beverage market is subject to some seasonal variations. Our beverage sales are generally higher during the warmer months and also can be influenced by the timing of holidays and weather fluctuations. Our purchases of raw materials and related accounts payable fluctuate based upon the demand for our products as well as the timing of the fruit growing seasons. The seasonality of our sales volume combined with the seasonal nature of fruit growing causes our working capital needs to fluctuate throughout the year, with inventory levels increasing in the first half of the year in order to meet high summer demand, and with fruit inventories peaking during the last quarter of the year when purchases are made after the growing season. In addition, our accounts receivable balances decline in the fall as customers pay their higher-than-average outstanding balances from summer deliveries.

Customers

A significant portion of our revenue is concentrated in a small number of customers. Our customers include many large national and regional grocery, mass-merchandise, drugstore, wholesale and convenience store chains, as well as customers for whom we manufacture beverages on a contract basis. For 2013, sales to Walmart accounted for 30.1% (2012—31.0%; 2011—31.6%) of our total revenue, 36.1% of our North America reporting segment revenue (2012—36.3%; 2011—35.9%), 14.8% of our U.K. reporting segment revenue (2012—14.9%; 2011—14.6%) and 3.9% of our All Other reporting segment revenue (2012—12.0%; 2011—30.0%). Walmart was the only customer that accounted for more than 10% of our total revenue in those periods. Sales to our top ten customers in 2013, 2012 and 2011 accounted for 50.0%, 54.2% and 55.1%, respectively, of our total revenue. We expect that sales of our products to a limited number of customers will continue to account for a high percentage of revenue for the foreseeable future. The loss of any customers that individually or in the aggregate represent a significant portion of our revenue, or a decline in sales to these customers, would have a material adverse effect on our operating results and cash flow.

We supply Walmart and its affiliated companies, under annual non-exclusive supply agreements, with a variety of products in the United States, Canada, the United Kingdom, and Mexico, including CSDs, clear, still and sparkling flavored waters, 100% shelf stable juice, juice-based products, bottled water, energy products, sports products, new age beverages and ready-to-drink teas. In 2013, we supplied Walmart with all of its private-label CSDs in the United States. In the event Walmart were to utilize additional suppliers to fulfill a portion of its requirements for CSDs, our operating results could be materially adversely affected.

Research and Development

We engage in a variety of research and development activities. These activities principally involve the development of new products, improvement in the quality of existing products, improvement and modernization of production processes, and the development and implementation of new technologies to enhance the quality and value of both current and proposed product lines. Consumer research is excluded from research and development costs and included in other marketing costs. Research and development costs were $3.1 million in 2013, $2.8 million in 2012 and $2.5 million in 2011 and are included as a component of selling, general and administrative expenses.

Competition

We compete against a wide range of companies that produce, directly and on a contract basis, and sell beverages including CSDs, 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy drinks, sports products, new age beverages, and ready-to-drink teas, and alcoholic beverages. While CSDs and CSD concentrate accounted for 61.5% of our 2013 case volume, they accounted for 38.1% of our 2013 revenue. The non-CSD products generated 38.5% of our 2013 case volume and 61.9% of our 2013 revenue.

We compete principally in the non-alcoholic beverages category, which is highly competitive in each region in which we operate. Competition for incremental volume is intense. The brands owned by the four major national soft drink companies, Coca-Cola, Pepsi, Nestle Waters North America and Dr. Pepper Snapple (formerly Cadbury Schweppes), control 66% of the total CSD and alternative beverage category within the United States. These companies have significant financial resources and spend heavily on promotional programs. They also have direct store delivery systems in North America, which enable their personnel to visit retailers frequently to promote new items, stock shelves and build displays. We also face competition in the juice category from juice brands such as Welch’s, Ocean Spray and Mott’s.

In addition, we face competition in North America, the United Kingdom and Mexico from regional beverage manufacturers who sell aggressively-priced brands and, in many cases, also supply retailer brand products. A few larger U.S. retailers also self-manufacture products for their own needs and continually approach other retailers seeking additional business.

We seek to differentiate ourselves from our competitors by offering our customers high-quality products, category management strategies, packaging and marketing strategies, efficient distribution methods, and superior service.

Government Regulation and Environmental Matters

The production, distribution and sale in the United States of many of our products are subject to the Federal Food, Drug, and Cosmetic Act, the Federal Trade Commission Act, the Lanham Act, state consumer protection laws, federal, state and local workplace health and safety laws, various federal, state and local environmental protection laws and various other federal, state and local statutes and regulations applicable to the production, transportation, sale, safety, advertising, labeling and ingredients of such products. Outside the United States, the production, distribution and sale of our many products and related operations are also subject to numerous similar and other statutes and regulations.

A number of states have passed laws setting forth warning or labeling requirements relating to products made for human consumption. For example, the California law known as “Proposition 65” requires that a specific warning appear on any product sold in California containing a substance listed by that state as having been found to cause cancer or reproductive toxicity. This law, and others like it, exposes all food and beverage producers to the possibility of having to provide warnings on their products. The detection of even a trace amount of a listed substance can subject an affected product to the requirement of a warning label, although products containing listed substances that occur naturally or that are contributed to such products solely by a municipal water supply are generally exempt from the warning requirement. From time to time over the past several years, certain of our customers have received notices alleging that the labeling requirements of the relevant state regulation would apply to products manufactured by us and sold by them. There can be no assurance that we will not be adversely affected by actions against our customers or us relating to Proposition 65 or similar “failure to warn” laws.

We currently offer and use non-refillable recyclable containers in the United States and other countries around the world. We also offer and use refillable containers, which are also recyclable. Legal requirements apply in various jurisdictions in the United States and other countries requiring that deposits or certain ecotaxes or fees be charged for the sale, marketing and use of certain non-refillable beverage containers. The precise requirements imposed by these measures vary. Other types of beverage container-related deposit, recycling, ecotax and/or product stewardship statutes and regulations also apply in various jurisdictions in the United States and overseas. We anticipate that additional, similar legal requirements may be proposed or enacted in the future at local, state and federal levels, both in the United States and elsewhere.

All of our beverage production facilities and other operations are subject to various environmental protection statutes and regulations, including those of the U.S. Environmental Protection Agency, which pertain to the use of water resources and the discharge of waste water. Failure to comply with these regulations can have serious consequences, including civil and administrative penalties. Compliance with these provisions has not had, and we do not expect such compliance to have, any material adverse effect on our Company's capital expenditures, net income or competitive position. However, as discussed below, changes in how the Ontario Ministry of the Environment enforces the Ontario Environmental Protection Act could result in our having to make material expenditures for environmental compliance.

Subject to the terms and conditions of the applicable policies, we have coverage for product recalls and product liability claims that could result from the injury, illness or death of consumers using our products, contamination of our products, or damage to or mislabeling of our products.

The Ontario Environmental Protection Act ("OEPA")

OEPA regulations provide that a minimum percentage of a bottler's soft drink sales within specified areas in Ontario must be made in refillable containers. The penalty for non-compliance is a fine of $50,000 per day beginning upon when the first offense occurs and continues until the first conviction, and then increasing to $100,000 per day for each subsequent conviction. These fines may be increased to equal the amount of monetary benefit acquired by the offender as a result of the commission of the offense.

We, and we believe other industry participants, are currently not in compliance with the requirements of the OEPA. To comply with these requirements we, and we believe many other industry participants, would have to significantly increase sales in refillable containers to a minimum refillable sales ratio of 30%. We do not expect to be in compliance with these regulations in the foreseeable future. Ontario is not enforcing the OEPA at this time, despite the fact that it is still in effect and not amended, but if it chooses to enforce it in the future, we could incur fines for non-compliance and the possible prohibition of sales of soft drinks in non-refillable containers in Ontario. We estimate that approximately 3% of our Canada operating segment sales would be affected by the possible limitation of sales of soft drinks in non-refillable containers in Ontario if the Ontario Ministry of the Environment initiated an action to enforce the provisions of the OEPA against us. Moreover, the Ontario Ministry of the Environment released a report in 1997 stating that these OEPA regulations are "outdated and unworkable." However, despite the "unworkable" nature of the OEPA regulations, they have not yet been revoked.

We believe that the magnitude of the potential fines that we could incur if the Ontario Ministry of the Environment chose to enforce these regulations is such that the costs to us of non-compliance could be, although are not contemplated to be, material. However, our management believes that probability of such enforcement is remote.

Employees

As of December 28, 2013, we had 3,966 employees, of whom 2,566 were in the North America reporting segment, 1,161 were in the U.K. reporting segment, and 239 were in the All Other reporting segment. We have entered into collective bargaining agreements covering 785 employees in the United States, Canada, United Kingdom and Mexico that contain terms that we believe are typical in the beverage industry. As these agreements expire, we believe that they can be renegotiated on terms satisfactory to us. We consider our relations with employees to be generally good.

Availability of Information and Other Matters

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC and Canadian securities regulatory authorities. The public may read and copy any materials that we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Information in the Public Reference Room may be obtained by calling the SEC at 1-202-551-8090. In addition, the SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file with the SEC at www.sec.gov. Information filed with the Canadian securities regulatory authorities is available at www.sedar.com.

Our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, are also available free of charge on our website at www.cott.com, as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information found on our website is not part of this or any other report that we file with, or furnish to, the SEC or to Canadian securities regulatory authorities.

We are responsible for establishing and maintaining adequate internal control over financial reporting as required by the SEC. See "Management's Report on Internal Control over Financial Reporting" in Item 9A.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this Annual Report on Form 10-K, you should carefully consider the following factors, which could materially affect our business, financial condition or future results. The risks described below are not the only risks that we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or results of operations.

We may be unable to compete successfully in the highly competitive beverage category.

The markets for our products are extremely competitive. In comparison to the major national brand beverage manufacturers, we are a relatively small participant in the industry. We face competition from the national brand beverage manufacturers in all of our markets, from other retailer brand beverage manufacturers and from other contract beverage manufacturers. If our competitors reduce their selling prices, increase the frequency of their promotional activities in our core market or enter into the production of private-label products or expand their contract manufacturing efforts, or if our customers do not allocate adequate shelf space for the beverages we supply, we could experience a decline in our volumes, be forced to reduce pricing, forgo price increases required to offset increased costs of raw materials and fuel, increase capital and other expenditures, or lose market share, any of which could adversely affect our profitability.

We may not be able to respond successfully to consumer trends related to our products.

Consumer trends with respect to the products we sell are subject to change. Consumers are seeking increased variety in their beverages, and there is a growing interest among consumers, public health officials and government officials regarding the ingredients in our products, the attributes of those ingredients and health and wellness issues generally. In addition, some researchers, health advocates and dietary guidelines are encouraging consumers to reduce consumption of sugar-sweetened beverages, including those sweetened with HFCS or other nutritive sweeteners. As a result, consumer demand has declined for full-calorie CSDs and consumer demand has increased for products associated with health and wellness, such as reduced-calorie CSDs, water, enhanced water, teas and certain other non-carbonated beverages. Consumer preferences may change due to a variety of other factors, including the aging of the general population, changes in social trends, the real or perceived impact that the manufacturing of our products has on the environment, changes in consumer demographics, changes in travel, vacation or leisure activity patterns, negative publicity resulting from regulatory action or litigation against companies in the industry, or a downturn in economic conditions. Any of these changes may reduce consumers' demand for our products. There can be no assurance that we can develop or be a "fast follower" of innovative products that respond to consumer trends. Our failure to develop innovative products could put us at a competitive disadvantage in the marketplace and our business and financial results could be adversely affected.

Because a small number of customers account for a significant percentage of our sales, the loss of or reduction in sales to any significant customer could have a material adverse effect on our results of operations and financial condition.

A significant portion of our revenue is concentrated in a small number of customers. Our customers include many large national and regional grocery, mass-merchandise, drugstore, wholesale and convenience store chains in our core markets of North America, the United Kingdom and Mexico, as well as customers for whom we manufacture beverages on a contract basis. Sales to Walmart, our top customer in 2013, 2012 and 2011 accounted for 30.1%, 31.0% and 31.6%, respectively, of our total revenue. Sales to our top ten customers in 2013, 2012 and 2011 accounted for 50.0%, 54.2% and 55.1%, respectively, of our total revenue. We expect that sales of our products to a limited number of customers will continue to account for a high percentage of our revenue for the foreseeable future.

The loss of Walmart or any significant customer, or customers that in the aggregate represent a significant portion of our revenue, or a material reduction in the amount of business we undertake with any such customer or customers, could have a material adverse effect on our operating results and cash flows. Furthermore, we could be adversely affected if Walmart or any significant customer reacts unfavorably to any pricing of our products or decides to de-emphasize or reduce their product offerings in the categories with which we supply them. At December 28, 2013, we had $212.0 million of customer relationships recorded as an intangible asset. The permanent loss of any customer included in the intangible asset would result in impairment in the value of the intangible asset or accelerated amortization and could lead to an impairment of fixed assets that were used to service that client.

Our ingredients, packaging supplies and other costs are subject to price increases and we may be unable to effectively pass rising costs on to our customers.

We typically bear the risk of changes in prices on the ingredient and packaging in our products. The majority of our ingredient and packaging supply contracts allow our suppliers to alter the prices they charge us based on changes in the costs of the underlying commodities that are used to produce them. Aluminum for cans and ends, resin for PET bottles, caps and preforms, corn for HFCS, sugar, fruit and fruit concentrates are examples of these underlying commodities. In addition, the contracts for certain of our ingredient and packaging materials permit our suppliers to increase the costs they charge us based on increases in their cost of converting those underlying commodities into the materials that we purchase. In certain cases those increases are subject to negotiated limits. These changes in the prices we pay for ingredient and packaging materials occur at times that vary by product and supplier, and take place, on a monthly, quarterly or annual basis.

Accordingly, we bear the risk of fluctuations in the costs of these ingredient and packaging materials, including the underlying costs of the commodities used to manufacture them and, to some extent, the costs of converting those commodities into the materials we purchase. If the cost of these ingredients or packaging materials increases, we may be unable to pass these costs along to our customers through adjustments to the prices we charge. If we cannot pass on these increases to our customers on a timely basis, they could have a material adverse effect on our results of operations. If we are able to pass these costs on to our customers through price increases, the impact those increased prices could have on our volumes is uncertain.

Our beverage and concentrate production facilities use a significant amount of electricity, natural gas and other energy sources to operate. Fluctuations in the price of fuel and other energy sources for which we have not locked in long-term pricing commitments or arrangements would affect our operating costs, which could impact our profitability.

If we fail to manage our operations successfully, our business and financial results may be materially and adversely affected.

In recent years, we have grown our business and beverage offerings primarily through the acquisition of other companies, development of new product lines and growth with key customers. We believe that opportunities exist to increase sales of beverages in our markets by leveraging existing customer relationships, obtaining new customers, exploring new channels of distribution, introducing new products or identifying appropriate acquisition or strategic alliance candidates. The success of this strategy with respect to acquisitions depends on our ability to manage and integrate acquisitions (including the Calypso Soft Drinks Acquisition) and alliances into our existing business. Furthermore, the businesses or product lines that we acquire or align with may not be integrated successfully into our business or prove profitable. In addition to the foregoing factors, our ability to expand our business in foreign countries is also dependent on, and may be limited by, our ability to comply with the laws of the various jurisdictions in which we may operate, as well as changes in local government regulations and policies in such jurisdictions. If we fail to manage the geographic allocation of production capacity surrounding customer demand in North America, we may lose certain customer product volume or have to utilize co-packers to fulfill our customer capacity obligations, either of which could negatively impact our financial results.

We may devote a significant amount of our management’s attention and resources to our ongoing review of strategic opportunities, and we may not be able to fully realize the potential benefit of any such alternatives that we pursue.

As part of our overall strategic planning process, from time to time we evaluate whether there are alternatives available to complement our strategy of organic growth and growth through diversification, or otherwise enhance shareholder value. Accordingly, we may from time to time be engaged in evaluating potential transactions and other strategic alternatives, and we may engage in discussions that may result in one or more transactions. Although there would be uncertainty that any of these discussions would result in definitive agreements or the completion of any transaction, we may devote a significant amount of our management’s attention and resources to evaluating and pursuing a transaction or opportunity, which could negatively impact our operations. In addition, we may incur significant costs in connection with evaluating and pursuing other strategic opportunities, regardless of whether any transaction is completed. We cannot assure you that we would fully realize the potential benefit of any strategic alternative or transaction that we pursue.

Our geographic diversity subjects us to the risk of currency fluctuations.

We conduct operations in many areas of the world, involving transactions denominated in a variety of currencies. We are subject to currency exchange rate risk to the extent that our costs are denominated in currencies other than those in which we earn revenues. In addition, because our financial statements are denominated in U.S. dollars, changes in currency exchange rates between the U.S. dollar and other currencies have had, and will continue to have, an impact on our results of operations. While we may enter into financial transactions to address these risks, there can be no assurance that currency exchange rate fluctuations will not adversely affect our results of operations, financial condition and cash flows. In addition, while the use of currency hedging instruments may provide us with protection from adverse fluctuations in currency exchange rates, by utilizing these instruments we potentially forego the benefits that might result from favorable fluctuations in currency exchange rates.

If we are unable to maintain relationships with our raw material suppliers, we may incur higher supply costs or be unable to deliver products to our customers.

In addition to water, the principal raw materials required to produce our products are aluminum cans and ends, PET bottles, caps and preforms, labels, cartons and trays, sweeteners, such as HFCS and sugar, fruit and fruit concentrates. We rely upon our ongoing relationships with our key suppliers to support our operations.

We typically enter into annual or multi-year supply arrangements with our key suppliers, meaning that our suppliers are obligated to continue to supply us with materials for one-year or multi-year periods, at the end of which we must either renegotiate the contracts with those suppliers or find alternative sources for supply. There can be no assurance that we will be able to either renegotiate contracts (with similar or more favorable terms) with these suppliers when they expire or, alternatively, if we are unable to renegotiate contracts with our key suppliers, there can be no assurance that we could replace them. We could also incur higher ingredient and packaging supply costs in renegotiating contracts with existing suppliers or replacing those suppliers, or we could experience temporary disruptions in our ability to deliver products to our customers, either of which could have a material adverse effect on our results of operations.

With respect to some of our key packaging supplies, such as aluminum cans and ends, and some of our key ingredients, such as sweeteners, we have entered into long-term supply agreements, the remaining terms of which range from 12 to 60 months, and therefore we expect to have of a supply of those key packaging supplies and ingredients during such terms. In addition, the supply of specific ingredient and packaging materials could be adversely affected by many factors, including industry consolidation, energy shortages, governmental controls, labor disputes, natural disasters, transportation interruption, political instability, acts of war or terrorism and other factors.

We have a significant amount of outstanding debt, which could adversely affect our financial health and future cash flows may not be sufficient to meet our obligations.

As of December 28, 2013, our total debt was $458.3 million. Our present debt and any future borrowings could have important adverse consequences to us and our investors, including:

- requiring a substantial portion of our cash flow from operations to make interest payments on this debt;
- making it more difficult to satisfy debt service and other obligations;
- increasing the risk of a future credit ratings downgrade of our debt, which would increase future debt costs;
- increasing our vulnerability to general adverse economic and industry conditions;
- reducing the cash flow available for share repurchases, to pay dividends, and to fund capital expenditures and other corporate purposes and to grow our business;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- placing us at a competitive disadvantage to our competitors that may not be as highly leveraged; and
- limiting our ability to borrow additional funds as needed or take advantage of business opportunities, such as acquisitions, as they arise, pay cash dividends or repurchase common stock.

To the extent we become more leveraged, the risks described above would increase. In addition, our actual cash requirements in the future may be greater than expected. We cannot assure you that our business will generate sufficient cash flow from operations, or that future borrowings will be available to us in amounts sufficient to enable us to pay our debt or to fund our other liquidity needs.

If we fail to generate sufficient cash flow from future operations to meet our debt service obligations, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on attractive terms, commercially reasonable terms or at all. If we cannot service or refinance our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances, any of which could impede the implementation of our business strategy, prevent us from entering into transactions that would otherwise benefit our business and/or have a material adverse effect on our financial condition and results of operations. Our future operating performance and our ability to service or refinance our debt will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control.

Our asset-based lending (“ABL”) facility, the indenture governing the 2017 Notes, and the indenture governing the 2018 Notes each contain various covenants limiting the discretion of our management in operating our business, which could prevent us from capitalizing on business opportunities and taking some corporate actions.

Our ABL facility, the indenture governing the $215.0 million of senior notes that are due on November 15, 2017(of which, $15.0 million remained outstanding as of December 28, 2013) (the “2017 Notes”), and the indenture governing the $375.0 million of senior notes that are due on September 1, 2018 (the “2018 Notes”) each impose significant operating and financial restrictions on us. These restrictions will limit or restrict, among other things, our ability and the ability of our restricted subsidiaries to:

- incur additional indebtedness;
- make restricted payments (including paying dividends on, redeeming, repurchasing or retiring our capital stock);
- make investments;
- create liens;
- sell assets;
- enter into agreements restricting our subsidiaries’ ability to pay dividends, make loans or transfer assets to us;
- engage in transactions with affiliates; and
- consolidate, merge or sell all or substantially all of our assets.

These covenants are subject to important exceptions and qualifications. In addition, our ABL facility also requires us, under certain circumstances, to maintain compliance with certain financial covenants as described in the “Covenant Compliance” section in Item 7. Our ability to comply with this covenant may be affected by events beyond our control, including those described in this “Risk Factors” section. A breach of any of the covenants contained in our ABL facility, including our inability to comply with the financial covenant, could result in an event of default, which would allow the lenders under our ABL facility to declare all borrowings outstanding to be due and payable, which would in turn trigger an event of default under the indenture governing the 2017 Notes and the indenture governing the 2018 Notes and, potentially, our other debt. At maturity or in the event of an acceleration of payment obligations, we would likely be unable to pay our outstanding debt with our cash and cash equivalents then on hand. We would, therefore, be required to seek alternative sources of funding, which may not be available on commercially reasonable terms, terms as favorable as our current agreements or at all. If we are unable to refinance our debt or find alternative means of financing our operations, we may be required to curtail our operations, face bankruptcy, or take other actions that are inconsistent with our current business practices or strategy. For additional information about our ABL facility, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.”

A portion of our debt may be variable rate debt, and changes in interest rates could adversely affect us by causing us to incur higher interest costs with respect to such variable rate debt.

Our ABL facility subjects us to interest rate risk. The rate at which we pay interest on amounts borrowed under such facility fluctuates with changes in interest rates and our debt leverage. Accordingly, with respect to any amounts from time to time outstanding under our ABL facility, we are and will be exposed to changes in interest rates. If we are unable to adequately manage our debt structure in response to changes in the market, our interest expense could increase, which would negatively impact our financial condition and results of operations. The outstanding borrowings under the ABL facility as of December 28, 2013 were $50.8 million.

Our financial results may be negatively impacted by global financial events.

In recent years, global financial events have resulted in the consolidation, failure or near failure of a number of institutions in the banking, insurance and investment banking industries and have substantially reduced the ability of companies to obtain financing. These events also adversely affected the financial markets. These events could continue to have a number of different effects on our business, including:

- a reduction in consumer spending, which could result in a reduction in our sales volume;
- a negative impact on the ability of our customers to timely pay their obligations to us or our vendors to timely supply materials, thus reducing our cash flow;

- an increase in counterparty risk;
- an increased likelihood that one or more members of our banking syndicate may be unable to honor its commitments under our ABL facility; and
- restricted access to capital markets that may limit our ability to take advantage of business opportunities, such as acquisitions.

Other events or conditions may arise or persist directly or indirectly from the global financial events that could negatively impact our business.

We may not fully realize the expected cost savings and/or operating efficiencies from our restructuring activities.

We have in the past implemented, and may in the future implement, restructuring activities to support the implementation of key strategic initiatives designed to achieve long-term sustainable growth. These activities are intended to maximize our operating effectiveness and efficiency and to reduce our costs. We cannot be assured that we will achieve or sustain the targeted benefits under these programs or that the benefits, even if achieved, will be adequate to meet our long-term growth expectations. In addition, the implementation of key elements of these activities may have an adverse impact on our business, particularly in the near-term.

Substantial disruption to production at our beverage concentrates or other beverage production facilities could occur.

A disruption in production at our beverage concentrates production facility, which manufactures almost all of our concentrates, could have a material adverse effect on our business. In addition, a disruption could occur at any of our other facilities or those of our suppliers, bottlers or distributors. The disruption could occur for many reasons, including fire, natural disasters, weather, manufacturing problems, disease, strikes, transportation interruption, government regulation or terrorism. Alternative facilities with sufficient capacity or capabilities may not be available, may cost substantially more or may take a significant time to start production, each of which could negatively affect our business and financial performance.

Our success depends, in part, on our intellectual property, which we may be unable to protect.

We possess certain intellectual property that is important to our business. This intellectual property includes trade secrets, in the form of the concentrate formulas for most of the beverages that we produce, and trademarks for the names of the beverages that we sell. While we own certain of the trademarks used to identify our beverages, other trademarks are used through licenses from third parties or by permission from our customers. Our success depends, in part, on our ability to protect our intellectual property.

To protect this intellectual property, we rely principally on registration of trademarks, contractual responsibilities and restrictions in agreements (such as indemnification, nondisclosure and confidentiality agreements) with employees, consultants and customers, and on common law and statutory protections afforded to trademarks, trade secrets and proprietary "know-how." In addition, we vigorously protect our intellectual property against infringements using any and all legal remedies available. Notwithstanding our efforts, we may not be successful in protecting our intellectual property for a number of reasons, including:

- our competitors may independently develop intellectual property that is similar to or better than ours;
- employees, consultants or customers may not abide by their contractual agreements and the cost of enforcing those agreements may be prohibitive, or those agreements may prove to be unenforceable or more limited than anticipated;
- foreign intellectual property laws may not adequately protect our intellectual property rights; and
- our intellectual property rights may be successfully challenged, invalidated or circumvented.

If we are unable to protect our intellectual property, our competitive position would weaken and we could face significant expense to protect or enforce our intellectual property rights. At December 28, 2013, we had $45.0 million of Rights (see Note 13) and $7.4 million of trademarks recorded as intangible assets.

Occasionally, third parties may assert that we are, or may be, infringing on or misappropriating their intellectual property rights. In these cases, we intend to defend against claims or negotiate licenses when we consider these actions appropriate. Intellectual property cases are uncertain and involve complex legal and factual questions. If we become involved in this type of litigation, it could consume significant resources and divert our attention from business operations.

If we are found to infringe on the intellectual property rights of others, we could incur significant damages, be enjoined from continuing to manufacture, market or use the affected product, or be required to obtain a license to continue manufacturing or using the affected product. A license could be very expensive to obtain or may not be available at all. Similarly, changing products or processes to avoid infringing the rights of others may be costly or impracticable.

Our products may not meet health and safety standards or could become contaminated and we could be liable for injury, illness or death caused by consumption of our products.

We have adopted various quality, environmental, health and safety standards. However, our products may still not meet these standards or could otherwise become contaminated. A failure to meet these standards or contamination could occur in our operations or those of our bottlers, distributors or suppliers. This could result in expensive production interruptions, recalls and liability claims. We may be liable to our customers if the consumption of any of our products causes injury, illness or death. Moreover, negative publicity could be generated from false, unfounded or nominal liability claims or limited recalls. Any of these failures or occurrences could have a material adverse effect on our results of operations or cash flows.

Litigation or legal proceedings could expose us to significant liabilities and damage our reputation.

We are party to various litigation claims and legal proceedings. We evaluate these claims and proceedings to assess the likelihood of unfavorable outcomes and estimate, if possible, the amount of potential losses. We may establish a reserve as appropriate based upon assessments and estimates in accordance with our accounting policies. We base our assessments, estimates and disclosures on the information available to us at the time and rely on legal and management judgment. Actual outcomes or losses may differ materially from assessments and estimates. Actual settlements, judgments or resolutions of these claims or proceedings may negatively affect our business and financial performance. For more information, see "Item 3. Legal Proceedings."

Changes in the legal and regulatory environment in the jurisdictions in which we operate could increase our costs or reduce our revenues, adversely affect demand for our products or result in litigation.

As a producer of beverages, we must comply with various federal, state, provincial, local and foreign laws relating to production, packaging, quality, labeling and distribution, including, in the United States, those of the federal Food, Drug and Cosmetic Act, the Fair Packaging and Labeling Act, the Federal Trade Commission Act, the Nutrition Labeling and Education Act and California Proposition 65. We are also subject to various federal, state, provincial, local and foreign environmental laws and workplace regulations. These laws and regulations include, in the United States, the Occupational Safety and Health Act, the Unfair Labor Standards Act, the Clean Air Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the Resource Conservation and Recovery Act, the Federal Motor Carrier Safety Act, laws governing equal employment opportunity, customs and foreign trade laws and regulations, laws relating to the maintenance of fuel storage tanks, laws relating to water consumption and treatment, and various other federal statutes and regulations. These laws and regulations may change as a result of political, economic, or social events. Such regulatory changes may include changes in food and drug laws, laws related to advertising, accounting standards, taxation requirements, competition laws and environmental laws, including laws relating to the regulation of water rights and treatment. Changes in laws, regulations or government policy and related interpretations may alter the environment in which we do business, which may impact our results or increase our costs or liabilities.

A number of states have passed laws setting forth warning or labeling requirements relating to products made for human consumption. For example, the California law known as Proposition 65 requires that a specific warning appear on any product sold in California containing a substance listed by that state as having been found to cause cancer or reproductive toxicity. This law, and others like it, exposes all food and beverage producers to the possibility of having to provide warnings on their products. The detection of even a trace amount of a listed substance can subject an affected product to the requirement of a warning label, although products containing listed substances that occur naturally or that are contributed to such products solely by a municipal water supply are generally exempt from the warning requirement. From time to time over the past several years, certain of our customers have received notices alleging that the labeling requirements of the relevant state regulation would apply to products manufactured by us and sold by them. There can be no assurance that we will not be adversely affected by actions against our customers or us relating to Proposition 65 or similar "failure to warn" laws: were any such claim to be pursued or succeed, we might in some cases be required to indemnify our customers for damages, and our products might be required to bear warning labels in order to be sold in certain states. Any negative media attention, adverse publicity or action arising from allegations of violations could adversely impact consumer perceptions of our products and harm our business.

Taxes on CSDs and other drinks could have an adverse effect on our business.

Federal, state, local and foreign governments have considered or have enacted taxes on soda and other sugary drinks, as well as energy products. Any such taxes could negatively impact consumer demand for our products and have an adverse effect on our revenues.

We are not in compliance with the requirements of the OEPA and, if the Ontario government seeks to enforce those requirements or implements modifications to them, we could be adversely affected.

Certain regulations under the OEPA provide that a minimum percentage of a bottler's soft drink sales within specified areas in Ontario must be made in refillable containers. The penalty for non-compliance is a fine of $50,000 per day beginning when the first offense occurs and continuing until the first conviction, and then increasing to $100,000 per day for each subsequent conviction. These fines may be increased to equal the amount of monetary benefit acquired by the offender as a result of the commission of the offense. We, and we believe other industry participants, are currently not in compliance with the requirements of the OEPA. We do not expect to be in compliance with these regulations in the foreseeable future. Ontario is not enforcing the OEPA at this time, but if it chose to enforce the OEPA in the future, we could incur fines for non-compliance and the possible prohibition of sales of soft drinks in non-refillable containers in Ontario. We estimate that approximately 3% of our Canada operating segment sales would be affected by the possible limitation on sales of soft drinks in non-refillable containers in Ontario if the Ontario Ministry of the Environment initiated an action to enforce the provisions of the OEPA.

Adverse weather conditions could affect our supply chain and reduce the demand for our products.

Severe weather conditions and natural disasters, such as freezes, frosts, floods, hurricanes, tornados, droughts or earthquakes and crop diseases may affect our facilities and our supply of raw materials such as fruit. If the supply of any of our raw materials is adversely affected by weather conditions, it may result in increased raw material costs and there can be no assurance that we will be able to obtain sufficient supplies from other sources. In addition, the sales of our products are influenced to some extent by weather conditions in the markets in which we operate. Unusually cold or rainy weather during the summer months may reduce the demand for our products and contribute to lower revenues, which could negatively impact our profitability.

Global or regional catastrophic events could impact our operations and financial results.

Our business can be affected by large-scale terrorist acts, especially those directed against the United States or other major industrialized countries in which we do business, major natural disasters, or widespread outbreaks of infectious diseases. Such events could impair our ability to manage our business, could disrupt our supply of raw materials, and could impact production, transportation and delivery of products. In addition, such events could cause disruption of regional or global economic activity, which can affect consumers' purchasing power in the affected areas and, therefore, reduce demand for our products.

Our success depends in part upon our ability to recruit, retain and prepare succession plans for our CEO, CFO, senior management and key employees.

The performance of our Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), senior management and other key employees is critical to our success. We plan to continue to invest time and resources in developing our senior management and key employee teams. Our long-term success will depend on our ability to recruit and retain capable senior management and other key employees, and any failure to do so could have a material adverse effect on our future operating results and financial condition. Further, if we fail to adequately plan for the succession of our CEO, CFO, senior management and other key employees, our operating results could be adversely affected.

Changes in future business conditions could cause business investments and/or recorded goodwill, indefinite life intangible assets or other intangible assets to become impaired, resulting in substantial losses and write-downs that would negatively impact our results of operations.

As part of our overall strategy, we will, from time to time, make investments in other businesses. These investments are made upon careful target analysis and due diligence procedures designed to achieve a desired return or strategic objective. These procedures often involve certain assumptions and judgment in determining investment amount or acquisition price. After acquisition or investment, unforeseen issues could arise that adversely affect anticipated returns or that are otherwise not recoverable as an adjustment to the purchase price. Even after careful integration efforts, actual operating results may vary significantly from initial estimates. Goodwill accounted for $137.3 million of our recorded total assets as of December 28, 2013. We evaluate the recoverability of recorded goodwill amounts annually, or when evidence of potential impairment exists. The annual impairment test is based on several factors requiring judgment and certain underlying assumptions. Our only intangible asset with an indefinite life relates to the 2001 acquisition of intellectual property from Royal Crown Company, Inc., including the right to manufacture our concentrates, with all related inventions, processes, technologies, technical and manufacturing information, know-how and the use of the Royal Crown brand outside of North America and Mexico (the “Rights”). This asset, which has a net book value of $45.0 million, is more fully described in Note 1 to the Consolidated Financial Statements.

As of December 28, 2013, other intangible assets were $251.2 million, which consisted principally of $212.0 million of customer relationships that arose from acquisitions, $10.1 million of financing costs, $17.5 million of information technology assets, and trademarks of $7.4 million. Customer relationships are amortized on a straight-line basis for the period over which we expect to receive economic benefits, which is up to 15 years. We review the estimated useful life of these intangible assets annually, taking into consideration the specific net cash flows related to the intangible asset, unless it is required more frequently due to a triggering event such as the loss of a customer. The permanent loss of any customer included in the intangible asset would result in impairment in the value of the intangible asset or accelerated amortization and could lead to an impairment of fixed assets that were used to service that client. Principally, a decrease in expected reporting segment cash flows, changes in market conditions, loss of key customers and a change in our imputed cost of capital may indicate potential impairment of recorded goodwill or the Rights. For additional information on accounting policies we have in place for goodwill impairment, see our discussion under “Critical Accounting Policies and Estimates” in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Annual Report on Form 10-K and Note 1, “Summary of Significant Accounting Policies,” in the Notes to the Consolidated Financial Statements.

We may not be able to renew collective bargaining agreements on satisfactory terms, or we could experience strikes.

As of December 28, 2013, 785 of our employees were covered by collective bargaining agreements in the United States, Canada, United Kingdom and Mexico. These agreements typically expire every three to five years at various dates. We may not be able to renew our collective bargaining agreements on satisfactory terms or at all. This could result in strikes or work stoppages, which could impair our ability to manufacture and distribute our products and result in a substantial loss of sales. The terms of existing or renewed agreements could also significantly increase our costs or negatively affect our ability to increase operational efficiency.

We depend on key information systems and third-party service providers.

We depend on key information systems to accurately and efficiently transact our business, provide information to management and prepare financial reports. We have typically relied on third-party providers for the majority of our key information systems and business processing services, including hosting our primary data center. In particular, we are in the process of implementing a new SAP software platform to assist us in the management of our business and have also reorganized certain processes within our finance and accounting departments. As a part of the reorganization, we have outsourced certain back office transactional finance processes. If we fail to successfully implement these projects or if the projects do not result in increased operational efficiencies, our operations may be disrupted and our operating expenses could increase, which could adversely affect our financial results.

In addition, these systems and services are vulnerable to interruptions or other failures resulting from, among other things, natural disasters, terrorist attacks, software, equipment or telecommunications failures, processing errors, computer viruses, hackers, other security issues or supplier defaults. Security, backup and disaster recovery measures may not be adequate or implemented properly to avoid such disruptions or failures. Any disruption or failure of these systems or services could cause substantial errors, processing inefficiencies, security breaches, inability to use the systems or process transactions, loss of customers or other business disruptions, all of which could negatively affect our business and financial performance.

Our stock price may be volatile.

Our common stock is traded on the New York Stock Exchange (the “NYSE”) and Toronto Stock Exchange (“TSX”). The market price of our common stock has fluctuated substantially in the past and could fluctuate substantially in the future, based on a variety of factors, including future announcements covering us or our key customers or competitors, government regulations, litigation, changes in earnings estimates by analysts, fluctuations in quarterly operating results or general conditions in our industry. Furthermore, stock prices for many companies fluctuate widely for reasons that may be unrelated to their operating results. Those fluctuations and general economic, political and market conditions, such as recessions or international currency fluctuations and demand for our services, may adversely affect the market price of our common stock.

We also face other risks that could adversely affect our business, results of operations or financial condition, which include:

- any requirement to restate financial results in the event of inappropriate application of accounting principles or otherwise;
- any event that could damage our reputation;
- failure of our processes to prevent and detect unethical conduct of employees;
- a significant failure of internal controls over financial reporting;
- failure of our prevention and control systems related to employee compliance with internal policies and regulatory requirements; and
- failure of corporate governance policies and procedures.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our business is supported by our extensive manufacturing network and flexible production capabilities. Our manufacturing footprint encompasses 34 strategically located beverage manufacturing and fruit processing facilities, including 20 in the United States, five in Canada, seven in the United Kingdom and one in Mexico, as well as one vertically-integrated global concentrate manufacturing facility in Columbus, Georgia.

Total square footage of our beverage production and fruit processing facilities is approximately 3.7 million square feet in the United States; 0.9 million square feet in Canada; 1.0 million square feet in the United Kingdom; and 0.1 million square feet in Mexico. This square footage does not include 39 separate leased and sub-leased warehouses and four owned warehouses that together comprise 3.4 million square feet and five leased office spaces and two owned office spaces that together comprise 0.2 million square feet. Lease terms for non-owned beverage production facilities expire between 2014 and 2023.

The beverage production facilities and square footage amounts noted above do not include vacant or underutilized properties.

ITEM 3. LEGAL PROCEEDINGS

We are subject to various claims and legal proceedings with respect to matters such as governmental regulations, income taxes, and other actions arising out of the normal course of business. Management believes that the resolution of these matters will not have a material adverse effect on our financial position or results of operations.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

SUPPLEMENTAL ITEM PART I. EXECUTIVE OFFICERS OF THE REGISTRANT

The following is a list of names, ages, offices and backgrounds of all of our executive officers as of February 24, 2014. Our officers do not serve for a set term.

	Office	Age
Jerry Fowden	Chief Executive Officer	57
Jay Wells	Chief Financial Officer	51
Michael Creamer	Vice President - Human Resources	57
Marni Morgan Poe	Vice President, General Counsel and Secretary	44
Steven Kitching	President - U.S. Business Unit	50
Gregory Leiter	Senior Vice President, Chief Accounting Officer and Assistant Secretary	56
Carlos Baila	Chief Procurement Officer	47

- Jerry Fowden was appointed Chief Executive Officer in February 2009. Prior to this appointment, Mr. Fowden served as President of our international operating segments and Interim President, North America from May 2008 to February 2009, and as Interim President of our U.K. operating segment from September 2007 to May 2008. He served as Chief Executive Officer of Trader Media Group Ltd., a media company, and as a member of its parent Guardian Media Group plc's Board of Directors from 2005 until 2007. From 2001 until 2004, Mr. Fowden served in a variety of roles with AB InBev S.A. Belgium, an alcoholic beverage company, including President, European Zone, Western, Central and Eastern Europe from 2003 to 2004, Global Chief Operating Officer from 2002 to 2003 and Chief Executive Officer of Bass Brewers Ltd., a subsidiary of AB InBev S.A. Belgium, from 2001 to 2002. Mr. Fowden currently serves on the board of directors of Constellation Brands, Inc., a premium wine, beer and spirits company. Mr. Fowden has served on our board since March 2009.

- Jay Wells was appointed Chief Financial Officer in March 2012. Prior to joining Cott, Mr. Wells held various senior finance positions with Molson Coors from May 2005 to March 2012, including Chief Financial Officer of Molson Coors Canada, a subsidiary of Molson Coors Brewing Company, and Global Vice President, Treasury, Tax, and Strategic Finance of Molson Coors Brewing Company. From September 1990 to April 2005, Mr. Wells held several positions within Deloitte and Touche LLP., including partner.

- Michael Creamer was appointed Vice President of Human Resources for International and Tampa, Florida in April 2007 and promoted to Vice President of Human Resources for Cott in August 2008. Mr. Creamer currently serves as our Corporate Human Resources Vice President. Prior to joining Cott, Mr. Creamer was Senior Director of Human Resource Operations and International for Avanade Corporation, a global IT consultancy formed as a joint venture between Accenture and Microsoft Corporation. From 1990 to 2004, Mr. Creamer held several positions within Microsoft, including senior global human resources positions.

- Marni Morgan Poe was appointed Vice President, General Counsel and Secretary in February 2010. Prior to her appointment, Ms. Poe served as Corporate Counsel of the Company from September 2008. Prior to joining the Company, Ms. Poe was the co-founder and Chief Executive Officer of Let's Eat Dinner, Inc., a franchisor of dinner preparation kitchens, from 2006 to 2008. From 2000 to 2006, Ms. Poe was a partner at the law firm of Holland & Knight LLP and an associate of the law firm from 1995 to 2000.

- Steven Kitching was appointed President of Cott's U.S. business unit on March 4, 2013. Since 2008, Mr. Kitching has served as Managing Director of Cott's United Kingdom/Europe business unit. From 2005 to 2008, Mr. Kitching held several positions with InBev UK, including Managing Director - On Trade Sales and Managing Director - Commercial and Field Operations. Prior to that, Mr. Kitching held several positions with Interbrew and Whitbread Beer Company from 1986 to 2005, including General Manager Netherlands of Interbrew from 2004 to 2005.

- Gregory Leiter was appointed Vice President, Corporate Controller and Assistant Secretary of Cott in November 2007, and appointed Senior Vice President and Controller in April 2008. Mr. Leiter took on the additional role of Chief Accounting Officer in January 2010. Mr. Leiter currently serves as our Senior Vice President, Chief Accounting Officer and Assistant Secretary. Prior to joining Cott, Mr. Leiter served from October 2006 to October 2007 as Practice Manager—Governance, Risk & Compliance with the international software firm SAP America. From January 2003 to September 2006, Mr. Leiter held two positions with Graham Packaging Company, an international manufacturer of custom blow-molded plastic containers. From February 2006 to September 2006, he served as Graham Packaging's Vice President—Global Business Process and from January 2003 to February 2006 as Director of Internal Audit.

- Carlos Baila was appointed Chief Procurement Officer in February 2013. From 2005 to 2012, Mr. Baila worked for PepsiCo Inc. as Vice President of Global Procurement. From 1998 to 2005, Mr. Baila worked as a Supply Chain Executive at Accenture Ltd. where he provided clients with management consulting services primarily around supply chain and strategic sourcing projects, procurement transformations, contract structuring, financial valuations, and supply chain optimizations. Mr. Baila has been involved in multinational projects across the Americas, Europe, Middle East and Asia; and, in Argentina, held several positions in operations at Keystone Foods from 1995 to 1997 and Quilmes Brewery from 1992 to 1995.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED SHAREOWNER MATTERS AND ISSUER PURCHASES OF SECURITIES

Our common shares are listed on the TSX under the ticker symbol "BCB," and on the NYSE under the ticker symbol "COT."

The tables below show the high and low reported per share sales prices of common shares on the TSX (in Canadian dollars) and the NYSE (in U.S. dollars) for the indicated periods for 2013 and 2012.

Toronto Stock Exchange (C$)

TSX

	2013		2012	
	High	Low	High	Low
First Quarter	$10.31	$7.45	$7.28	$5.96
Second Quarter	$11.45	$7.78	$8.47	$6.38
Third Quarter	$ 9.16	$8.03	$8.75	$7.51
Fourth Quarter	$ 9.25	$7.78	$8.73	$7.34

New York Stock Exchange (U.S.$)

NYSE

	2013		2012	
	High	Low	High	Low
First Quarter	$10.15	$7.42	$7.34	$6.01
Second Quarter	$11.25	$7.39	$8.27	$6.35
Third Quarter	$ 8.84	$7.77	$8.77	$7.65
Fourth Quarter	$ 8.74	$7.49	$8.75	$7.24

As of February 14, 2014, we had 1,021shareowners of record. This number was determined from records maintained by our transfer agent and does not include beneficial owners of securities whose securities are held in the names of various dealers or clearing agencies. The closing sale price of our common shares on February 14, 2014 was C$8.83 on the TSX and $8.03 on the NYSE.

No dividend payments were made during the first nine months of 2012. On October 31, 2012, the board of directors declared a dividend of C$0.06 per share on common shares, which was paid in cash on December 20, 2012 to shareowners of record at the close of business on December 4, 2012. The board of directors has declared a quarterly dividend of C$0.06 per common share in each quarter during 2013 for an aggregate dividend payment of approximately $21.9 million. Cott intends to pay a regular quarterly dividend on its common shares subject to, among other things, the best interests of its shareowners, Cott's results of operations, cash balances and future cash requirements, financial condition, statutory regulations and covenants set forth in the ABL facility and indentures governing the 2017 Notes and 2018 Notes, as well as other factors that the board of directors may deem relevant from time to time.

Dividends to shareowners who are non-residents of Canada will generally be subject to Canadian withholding tax. Under current Canadian tax law, dividends paid by a Canadian corporation to a nonresident shareowner are generally subject to Canadian withholding tax at a 25% rate. Under the current tax treaty between Canada and the United States, U.S. residents who are entitled to treaty benefits are generally eligible for a reduction in this withholding tax rate to 15% (and to 5% for a shareowner that is a corporation and is the beneficial owner of at least 10% of our voting stock). Accordingly, under current tax law, our U.S. resident shareowners who are entitled to treaty benefits will generally be subject to a Canadian withholding tax at a 15% rate on dividends paid by us, provided that they have complied with applicable procedural requirements to claim the benefit of the reduced rate under the tax treaty. The fifth protocol to the tax treaty between Canada and the U.S. places additional restrictions on the ability of U.S. residents to claim these reduced rate benefits. U.S. residents generally will be entitled on their U.S. federal income tax returns to claim a foreign tax credit, or a deduction, for Canadian withholding tax that applies to them, subject to certain applicable limitations. U.S. investors should consult their tax advisors with respect to the tax consequences and requirements applicable to them, based on their individual circumstances.

There are certain restrictions on the payment of dividends under our ABL facility and under the indentures governing the 2017 Notes and 2018 Notes. The ABL facility and the indentures governing the 2017 Notes and 2018 Notes are discussed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Item 7.

For information on securities authorized for issuance under our equity compensation plans, see Item 12, “Security Ownership of Certain Beneficial Owners and Management and Related Shareowner Matters.”

During 2011, 2012 and 2013, no equity securities of the Company were sold by the Company that were not registered under the Securities Act of 1933, as amended.

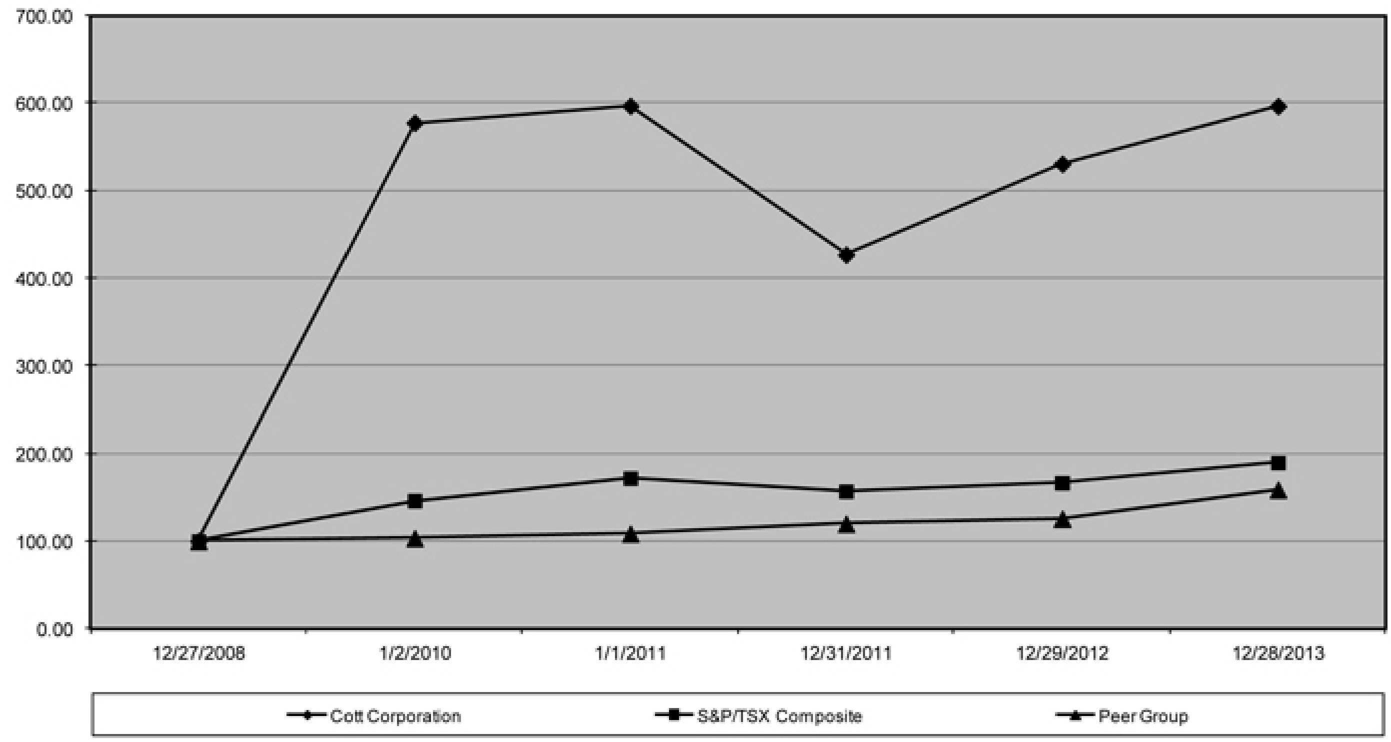
Calculation of aggregate market value of non-affiliate shares

For purposes of calculating the aggregate market value of common shares held by non-affiliates as shown on the cover page of this Annual Report on Form 10-K, it was assumed that all of the outstanding shares were held by non-affiliates except for outstanding shares held or controlled by our directors and executive officers. This should not be deemed to constitute an admission that any of these persons are, in fact, affiliates of us, or that there are not other persons who may be deemed to be affiliates. For further information concerning shareholdings of officers, directors and principal stockholders see Item 12, “Security Ownership of Certain Beneficial Owners and Management and Related Shareowner Matters.”

Shareowner return performance graph

The following graph shows changes over our past five fiscal years in the value of C$100, assuming reinvestment of dividends, invested in: (i) our common shares; (ii) the Toronto Stock Exchange's S&P/TSX Composite Index; and (iii) a peer group of publicly-traded companies in the bottling industry comprised of Coca-Cola Enterprises Inc., Coca-Cola Bottling Co. Consolidated, National Beverage Corp., Pepsi Bottling Group Inc. and PepsiAmericas Inc. The closing price of Cott's common shares as of December 28, 2013 was C$8.65 on the TSX and was $8.06 on the NYSE. The following table is in Canadian dollars.

COMPARISON OF CUMULATIVE TOTAL RETURN



ASSUMES $100 (CANADIAN) INVESTED ON DECEMBER 29, 2008
ASSUMES DIVIDENDS REINVESTED
FISCAL YEAR ENDING DECEMBER 28, 2013

Company / Market / Peer Group	**12/27/2008**	**1/2/2010**	**1/1/2011**	**12/31/2011**	**12/29/2012**	**12/28/2013**
Cott Corporation	$ 100.00	$577.33	$596.67	$ 426.67	$ 530.38	$ 596.41
S&P / TSX Composite	$ 100.00	$146.27	$171.98	$ 156.98	$ 166.67	$ 189.63
Peer Group	$ 100.00	$103.40	$108.55	$ 119.80	$ 125.60	$ 158.80

Issuer Purchases of Equity Securities

Common Share Repurchase Program

On April 30, 2013, our board of directors renewed our share repurchase program for up to 5% of Cott's outstanding common shares over a 12-month period commencing upon the expiration of the prior share repurchase program on May 21, 2013. We are unable to predict the number of shares that ultimately will be repurchased under the share repurchase program, or the aggregate dollar amount of the shares actually purchased. We may discontinue purchases at any time, subject to compliance with applicable regulatory requirements. No repurchases were made during the fourth quarter ended December 28, 2013.

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ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data reflects the results of operations. This information should be read in conjunction with, and is qualified by reference to "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 10-K. The financial information presented may not be indicative of future performance.

(in millions of U.S. dollars, except per share amounts)	December 28, 2013 (52 weeks)	December 29, 2012 (52 weeks)	December 31, 2011 (52 weeks)	January 1, 2011 [1] (53 weeks)	January 2, 2010 (52 weeks)
Revenue, net	**$ 2,094.0**	$ 2,250.6	$ 2,334.6	$ 1,803.3	$ 1,596.7
Cost of sales	**1,842.0**	1,961.1	2,058.0	1,537.0	1,346.9
Gross profit	**252.0**	289.5	276.6	266.3	249.8
Selling, general and administrative expenses	**160.4**	178.0	172.7	166.7	146.8
Loss on disposal of property, plant & equipment	**1.0**	1.8	1.2	1.1	0.5
Restructuring and asset impairments:					
Restructuring	**2.0**	—	—	(0.5)	1.5
Asset impairments	**—**	—	0.6	—	3.6
Intangible asset impairments	**—**	—	1.4	—	—
Operating income	**88.6**	109.7	100.7	99.0	97.4
Contingent consideration earn-out adjustment	**—**	0.6	0.9	(20.3)	—
Other expense (income), net	**12.8**	(2.0)	2.2	4.0	4.4
Interest expense, net	**51.6**	54.2	57.1	36.9	29.7
Income before income taxes	**24.2**	56.9	40.5	78.4	63.3
Income tax expense (benefit)	**2.2**	4.6	(0.7)	18.6	(22.8)
Net income	**$ 22.0**	$ 52.3	$ 41.2	$ 59.8	$ 86.1
Less: Net income attributable to non-controlling interests	**5.0**	4.5	3.6	5.1	4.6
Net income attributed to Cott Corporation	**$ 17.0**	$ 47.8	$ 37.6	$ 54.7	$ 81.5
Net income per common share attributed to Cott Corporation					
Basic	**0.18**	0.51	0.40	0.64	1.10
Diluted	**0.18**	0.50	0.40	0.63	1.08
Financial Condition					
Total assets	**$ 1,426.1**	$ 1,565.9	$ 1,508.9	$ 1,529.2	$ 873.8
Short-term borrowings	**50.8**	—	—	7.9	20.2
Current maturities of long-term debt	**3.9**	1.9	3.4	6.0	17.6
Long-term debt	**403.5**	601.8	602.1	605.5	233.2
Equity	**605.9**	622.9	568.2	535.2	401.3
Cash dividends paid	**21.9**	5.8	—	—	—
Dividends declared per share	**0.24**	0.06	—	—	—

1. In 2010, we completed the acquisition of substantially all of the assets and liabilities of Cliffstar Corporation ("Cliffstar") and its affiliated companies for approximately $503.0 million in cash, $14.0 million in deferred consideration payable in equal installments over three years and contingent consideration of up to $55.0 million. The

first $15.0 million of the contingent consideration was paid upon the achievement of milestones in certain expansion projects in 2010. The remainder of the contingent consideration was to be calculated based on the achievement of certain performance measures during the fiscal year ending January 1, 2011. In 2011, the seller of Cliffstar raised certain objections to the performance measures used to calculate the contingent consideration, and the parties commenced the dispute resolution mechanism provided for in the asset purchase agreement. During 2011, Cott made interim payments to the seller equal to $29.6 million, which was net of a $4.7 million refund due to Cott and included $0.9 million in settlement of certain of the seller's objections to the calculation of the contingent consideration. The seller's claims for an additional $12.1 million in contingent consideration were submitted to binding arbitration pursuant to the asset purchase agreement and favorably resolved in February 2013 by our payment of $0.6 million to settle all claims.

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are one of the world’s largest producers of beverages on behalf of retailers, brand owners and distributors. Our objective of creating sustainable long-term growth in revenue and profitability is predicated on working closely with our customers to provide proven profitable products. As a “fast follower” of innovative products, our goal is to identify which new products are succeeding in the marketplace and develop similar high quality products at a better value. This objective is increasingly relevant in more difficult economic times.

The beverage market is subject to some seasonal variations. Our beverage sales are generally higher during the warmer months and also can be influenced by the timing of holidays and weather fluctuations. Our purchases of raw materials and related accounts payable fluctuate based upon the demand for our products as well as the timing of the fruit growing seasons. The seasonality of our sales volume combined with the seasonal nature of fruit growing causes our working capital needs to fluctuate throughout the year, with inventory levels increasing in the first half of the year in order to meet high summer demand, and with fruit inventories peaking during the last quarter of the year when purchases are made after the growing season. In addition, our accounts receivable balances decline in the fall as customers pay their higher-than-average outstanding balances from the summer deliveries.

We typically operate at low margins and therefore relatively small changes in cost structures can materially impact results. In 2011 industry carbonated soft drink (“CSD”) sales were mostly flat while a decline was seen during 2012 and 2013, and ingredient and packaging costs remained volatile.

Ingredient and packaging costs represent a significant portion of our cost of sales. These costs are subject to global and regional commodity price trends. Our most significant commodities are aluminum, polyethylene terephthalate (“PET”) resin, corn, sugar, fruit and fruit concentrates. We attempt to manage our exposure to fluctuations in ingredient and packaging costs by entering into fixed price commitments for a portion of our ingredient and packaging requirements and implementing price increases as needed.

During 2013, we redeemed $200.0 million aggregate principal amount of our 8.375% senior notes due 2017 (the “2017 Notes”) primarily through the use of available cash and borrowings under the asset-based lending (“ABL”) facility. On February 19, 2014, we redeemed all $15.0 million in aggregate principal amount of the remaining outstanding 2017 Notes at 104.118% of par via borrowings under the ABL facility.

Prior to redeeming the 2017 Notes in 2013, we amended the ABL facility to, among other things, provide for an increase in the lenders’ commitments under the ABL facility to $300.0 million, as well as an increase to the accordion feature, which permits us to increase the lenders’ commitments under the ABL facility to $350.0 million, subject to certain conditions.

We supply Walmart and its affiliated companies, under annual non-exclusive supply agreements, with a variety of products in the United States, Canada, the United Kingdom, and Mexico, including CSDs, 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy drinks, sports products, new age beverages, and ready-to-drink teas. In 2013 we supplied Walmart with all of its private-label CSDs in the United States. In the event Walmart were to utilize additional suppliers to fulfill a portion of its requirements for CSDs, our operating results could be materially adversely affected. Sales to Walmart in 2013, 2012 and 2011, accounted for 30.1%, 31.0% and 31.6%, respectively, of total revenue.

In 2013, our capital expenditures were devoted primarily to maintaining existing beverage production facilities, and making equipment upgrades in the United States, the United Kingdom, Canada and Mexico. In addition, we completed our projects related to the vertical integration of our manufacturing capabilities.

In June of 2013, our United Kingdom (“U.K.”) reporting segment acquired 100 percent of the share capital of Cooke Bros Holdings Limited, which includes the subsidiary companies Calypso Soft Drinks Limited and Mr. Freeze (Europe) Limited (together, “Calypso Soft Drinks”). Calypso Soft Drinks produces fruit juices, juice drinks, soft drinks, and freeze products in the United Kingdom. The aggregate purchase price for the acquisition of Calypso Soft Drinks (the “Calypso Soft Drinks Acquisition”) was $12.1 million, which includes approximately $7.0 million paid at closing, deferred payments of approximately $2.3 million and $3.0 million to be paid on the first and second anniversary of the closing date, respectively of the Calypso Soft Drinks Acquisition. The closing payment was funded from available cash.

In 2010, we completed the acquisition of substantially all of the assets and liabilities of Cliffstar Corporation ("Cliffstar") and its affiliated companies for approximately $503.0 million in cash, $14.0 million in deferred consideration payable in equal installments over three years and contingent consideration of up to $55.0 million (the "Cliffstar Acquisition"). The first $15.0 million of the contingent consideration was paid upon the achievement of milestones in certain expansion projects in 2010. The remainder of the contingent consideration was to be calculated based on the achievement of certain performance measures during the fiscal year ending January 1, 2011. In 2011, the seller of Cliffstar raised certain objections to the performance measures used to calculate the contingent consideration, and the parties commenced the dispute resolution mechanism provided for in the asset purchase agreement. During 2011, Cott made interim payments to the seller equal to $29.6 million, which was net of a $4.7 million refund due to Cott and included $0.9 million in settlement of certain of the seller's objections to the calculation of the contingent consideration. The seller's claims for an additional $12.1 million in contingent consideration were submitted to binding arbitration pursuant to the asset purchase agreement and favorably resolved in February 2013 by payment of $0.6 million by Cott to settle all claims.

Summary Financial Results

Our net income in 2013 was $17.0 million or $0.18 per diluted share, compared with net income of $47.8 million or $0.50 per diluted share in 2012.

The following items of significance impacted our 2013 financial results:

- our filled beverage 8-ounce equivalents ("beverage case volume"), which excludes concentrate sales, decreased 8.6% due primarily to the general market decline in the North American CSD category, prolonged aggressive promotional activity from the national brands in North America as well as the exiting of case pack water;
- our revenue decreased 7.0% in 2013 compared to 2012 due primarily to lower global volumes partially offset by an increase in net selling price per beverage case (which is net revenue divided by filled beverage case volume). Excluding the impact of foreign exchange, revenue decreased 6.5% from the comparable prior year period;
- our gross profit as a percentage of revenue decreased to 12.0% in 2013 from 12.9% in 2012 due primarily to lower global volumes which resulted in unfavorable fixed cost absorption;
- our selling, general and administrative ("SG&A") expenses decreased to $160.4 million from $178.0 million due primarily to lower employee-related expenses, lower information technology costs and a reduction in professional fees and similar costs;
- our loss on disposal of property, plant and equipment was related to the disposal of $1.0 million of equipment that was either replaced or no longer being used in our operating segments;
- our other expense in 2013 was $12.8 million due primarily to costs associated with the redemption of $200.0 million aggregate principal amount of our 2017 Notes, compared to other income in 2012 of $2.0 million as a result of insurance recoveries in excess of the loss incurred on a facility in the United States in the amount of $1.9 million and recording a bargain purchase of $0.9 million in the United Kingdom offset partially by foreign exchange losses of $0.8 million;
- our interest expense decreased by $2.6 million, or 4.8%, due primarily to the redemption of $200.0 million aggregate principal amount of our 2017 Notes and to an amendment to our ABL facility to more favorable terms;
- our income tax expense decreased to $2.2 million in 2013 compared to an income tax expense of $4.6 million in 2012 due primarily to a reduction in pretax income;
- our Adjusted EBITDA decreased to $196.8 million from $212.9 million in the comparable prior year period due to the items listed above; and
- our adjusted net income and adjusted earnings per diluted share were $36.3 million and $0.38, respectively, compared to $51.9 million and $0.55 in the prior year, respectively.

The following items of significance impacted our 2012 financial results:

- our filled beverage case volume decreased 9.6% due primarily to our exit from certain low gross margin business and the general decline in the North American CSD and juice categories;
- our revenue decreased 3.6% in 2012 compared to 2011 due primarily to lower volumes and a product mix shift into juice drinks and sports drinks from 100% shelf-stable juice in North America. Excluding the impact of foreign exchange, revenue decreased 3.0%;
- our gross profit as a percentage of revenue increased to 12.9% in 2012 from 11.8% in 2011 due primarily to an increase in average price per case and our exit from lower margin business, as well as operational efficiencies in North America;
- our SG&A expenses increased to $178.0 million from $172.7 million, due primarily to an increase in certain employee-related costs compared to a lowering of the annual incentive and long-term incentive accruals in the prior year partially offset by lower information technology expenses in 2012;
- our loss on disposal of property, plant and equipment was the result of the sale of a facility in Mexico and normal operational disposals;
- our 2012 results were impacted by the final contingent consideration earn-out accrual of $0.6 million related to the Cliffstar Acquisition;
- our other income in 2012 was $2.0 million as a result of insurance recoveries in excess of the loss incurred on a facility in the United States in the amount of $1.9 million and recording a bargain purchase of $0.9 million in the United Kingdom offset partially by foreign exchange losses of $0.8 million in the year, compared to other expense in 2011 of $2.2 million related to foreign exchange losses on intercompany loans;
- our interest expense decreased by $2.9 million or 5.1% due primarily to lower debt balances held throughout the year; and
- our income tax expense increased to $4.6 million compared to an income tax benefit of $0.7 million in 2011 due primarily to the recording of allowances against deferred tax assets in the U.S. that are uncertain to be realized as well as a reduction to the loss generated in the U.K.

The following items of significance impacted our 2011 financial results:

- our filled beverage case volume increased 15.3% driven by a 17.6% increase in the North America reporting segment, due primarily to the Cliffstar Acquisition;
- our revenue increased 29.5% in 2011 compared to 2010 due primarily to the Cliffstar Acquisition. Excluding the impact of the Cliffstar Acquisition and foreign exchange, revenue increased 6.7%;
- the Cliffstar Acquisition contributed $385.6 million of the increase in revenue, and $19.6 million of the increase in operating income;
- our gross profit as a percentage of revenue declined to 11.8% in 2011 from 14.8% in 2010. Gross profit in 2011 was adversely impacted by higher commodity costs;
- our SG&A expenses increased to $172.7 million from $166.7 million, due primarily to the full year inclusion of Cliffstar;
- our interest expense increased 54.7% due primarily to the issuance of the $375.0 million aggregate principal amount of 8.125% senior notes due 2018 (the “2018 Notes”) by Cott Beverages Inc. in the third quarter of 2010; and
- a year-to-date tax benefit of $0.7 million in 2011 compared to income tax expense of $18.6 million in 2010 due primarily to lower pre-tax income in the United States, the reorganization of our legal entity structure and refinancing of intercompany debt.

Critical Accounting Policies

Our significant accounting policies and recently issued accounting pronouncements are described in Note 1 to the consolidated financial statements included in Item 8 of this Annual Report on Form 10-K. We believe the following represent our critical accounting policies:

Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the amounts in the consolidated financial statements and the accompanying notes. These estimates are based on historical experience, the advice of external experts or on other assumptions management believes to be reasonable. Where actual amounts differ from estimates, revisions are included in the results for the period in which actual amounts become known. Historically, differences between estimated and actual amounts have not had a significant impact on our consolidated financial statements.

Impairment testing of goodwill

Goodwill represents the excess purchase price of acquired businesses over the fair value of the net assets acquired. Goodwill is not amortized, but instead is tested for impairment at least annually in the fourth quarter or more frequently if we determine a triggering event has occurred during the year. Any impairment loss is recognized in our results of operations. We evaluate goodwill for impairment on a reporting unit basis. Reporting units are operations for which discrete financial information is available and are at or one level below our operating segments. For the purpose of testing goodwill for impairment, our reporting units are the United States (“U.S.”), United Kingdom (“U.K.”), Canada, and Royal Crown International (“RCI”). We had goodwill of $137.3 million on our balance sheet at December 28, 2013, which represents amounts for the U.S., U.K., Canada and the RCI reporting units.

In 2013 and 2012, for our RCI reporting unit, we assessed qualitative factors to determine whether the existence of events or circumstances indicated that it was more likely than not that the fair value of the reporting unit was less than its carrying amount. We also performed this assessment for our Canada reporting unit in 2012. If, after assessing the totality of events or circumstances, we had determined that it was more likely than not that the fair value of the reporting unit was less than its carrying amount, then we would have performed the first step of the two-step goodwill impairment test. We concluded that it was more likely than not that the fair value of the reporting unit was more than its carrying amount and therefore we were not required to perform any additional testing.

In 2013, for our U.S. and Canada reporting units, we chose to bypass the qualitative assessment and performed the first step of the two-step goodwill impairment test using a mix of the income approach (which is based on the discounted cash flow of the reporting unit) and the public company approach. We believe using a combination of the two approaches provides a more accurate valuation because it incorporates the actual cash generation of the Company in addition to how a third party market participant would value the reporting unit. We also chose to bypass the qualitative assessment for our U.S. reporting unit in 2012. Because the business is assumed to continue in perpetuity, the discounted future cash flow includes a terminal value. We used a weighted average terminal growth rate of 1% for our U.S. reporting unit in 2013 and 2012 and a weighted average terminal growth rate of 1% for our Canada reporting unit in 2013. The long-term growth assumptions incorporated into the discounted cash flow calculation reflect our long-term view of the market (including a decline in CSD demand), projected changes in the sale of our products, pricing of such products and operating profit margins. The estimated revenue changes in the analysis for the U.S. reporting unit ranged between -9.7% and 5.6% for 2013 and -1.4% and 3.0% for 2012. The estimated revenue changes in the analysis for the Canada reporting unit ranged between -17.2% and 1.2% for 2013.

The discount rate used for the fair value estimates in the analysis for the U.S. reporting unit was 8.5% for 2013 and 10.5% for 2012 and ranged from 11% to 12% for 2011. The discount rate used for the fair value estimates in the analysis for the Canada reporting unit was 9.0% for 2013 and 11.0% for 2011. These rates were based on the weighted average cost of capital a market participant would use if evaluating the reporting unit as an investment. The risk-free rate was 3.4% and 2.4% for 2013 and 2012, respectively, and was based on a 20-year U.S. Treasury Bill as of the valuation date.

For the Canada reporting unit, the fair value exceeded the net book value by approximately 23% and 49% in 2013 and 2011, respectively. As noted above, a qualitative assessment was performed on our Canada reporting unit in 2012. From 2011 to 2013, the fair value declined by approximately 41%.

All goodwill in the U.K. reporting unit is attributable to the Calypso Soft Drinks Acquisition.

Each year during the fourth quarter, we re-evaluate the assumptions used to reflect changes in the business environment, such as revenue growth rates, operating profit margins and discount rate. Based on the evaluations performed this year, we determined that the fair value of our reporting units exceeded their carrying amounts.

Impairment testing of intangible assets with an indefinite life

Our only intangible asset with an indefinite life relates to the 2001 acquisition of intellectual property from Royal Crown Company, Inc., including the right to manufacture our concentrates, with all related inventions, processes, technologies, technical and manufacturing information, know-how and the use of the Royal Crown brand outside of North America and Mexico (the “Rights”). This asset has a net book value of $45.0 million. Prior to 2001, we paid a volume based royalty to the Royal Crown Company for purchase of concentrates. There are no legal, regulatory, contractual, competitive, economic, or other factors that limit the useful life of this intangible.

The life of the Rights is considered to be indefinite and therefore not amortized, but instead is tested for impairment at least annually or more frequently if we determine a triggering event has occurred during the year. We compare the carrying amount of the Rights to their fair value and where the carrying amount is greater than the fair value, we recognize in income an impairment loss. To determine fair value, we use a relief from royalty method, which calculates a fair value royalty rate that is applied to a forecast of future volume shipments of concentrate that is used to produce CSDs. The forecast of future volumes is based on the estimated inter-plant shipments and RCI shipments. The relief from royalty method is used since the Rights were purchased in part to avoid making future royalty payments for concentrate to the Royal Crown Company. The resulting cash flows are discounted using a discount rate of 12.5% and estimated volume changes between -10.7% and 5.5%. No impairment was calculated for the year ended December 28, 2013. Absent any other changes, if our inter-plant concentrate volume declines by 1.0% from our estimated volume, the fair value of our Rights would decline by approximately $1.7 million. If our RCI volume declines by 1.0% from our estimated volume, the fair value of the Rights would decline by approximately $2.6 million. If our discount rate increases by 100 basis points, the fair value of the Rights would decline by approximately $5.5 million. None of these adjustments would result in an impairment of our Rights as either a stand-alone adjustment or in combination.

Other intangible assets

As of December 28, 2013, other intangible assets were $251.2 million, consisting principally of $212.0 million of customer relationships that arose from acquisitions, $10.1 million of financing costs, $17.5 million of information technology assets, and $7.4 million of trademarks. Customer relationships are amortized on a straight-line basis for the period over which we expect to receive economic benefits. We review the estimated useful life of these intangible assets annually, taking into consideration the specific net cash flows related to the intangible asset, unless a review is required more frequently due to a triggering event such as the loss of a customer. The permanent loss or significant decline in sales to any customer included in the intangible asset would result in impairment in the value of the intangible asset or accelerated amortization and could lead to an impairment of fixed assets that were used to service that customer. In 2013, we recorded $10.7 million of customer relationships acquired in connection with the Calypso Soft Drinks Acquisition. In 2011, we recorded an asset impairment charge of $1.4 million related primarily to customer relationships. We did not record impairment charges for other intangible assets in 2013 or 2012.

Impairment of long-lived assets

When adverse events occur, we compare the carrying amount of long-lived assets to the estimated undiscounted future cash flows at the lowest level of independent cash flows for the group of long-lived assets and recognize any impairment loss based on discounted cash flows in the Consolidated Statements of Operations, taking into consideration the timing of testing and the asset’s remaining useful life. The expected life and value of these long-lived assets is based on an evaluation of the competitive environment, history and future prospects as appropriate. In 2011, we recorded an impairment of long-lived assets of $0.6 million related to a production plant in Mexico that ceased operations. We did not record impairments of long-lived assets in 2013 or 2012.

Inventories

Inventories are stated at the lower of cost, determined on the first-in, first-out method, or net realizable value. Finished goods and work-in-process include the cost of raw materials, direct labor and manufacturing overhead costs. As a result, we use an inventory reserve to adjust our costs down to a net realizable value and to reserve for estimated obsolescence of both raw and finished goods.

Income taxes

We are subject to income taxes in Canada as well as in numerous foreign jurisdictions. Significant judgments and estimates are required in determining the income tax expense in these jurisdictions. Our income tax expense, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management's best assessment of estimated future taxes to be paid in the jurisdictions in which we operate.

Our income tax expense includes the results of the reorganization of our legal entity structure and refinancing of intercompany debt during 2013. The reorganization of our legal entity structure and refinancing of intercompany debt should result in long term reduction of Cott's effective tax rate versus statutory rates. However, since the calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions across our global operations, our effective tax rate may ultimately be different than the amount we are currently reporting.

Deferred income taxes arise from temporary differences between the tax and financial statement recognition of revenue and expense. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent financial operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions including the amount of future Canadian and foreign pre-tax operating income, the reversal of temporary differences, and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we are using to manage the underlying businesses.

Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management is not aware of any such changes that would have a material effect on our results of operations, cash flows or financial position.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions across our global operations.

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740, "Income Taxes" ("ASC 740") provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. ASC 740 also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

We recognize tax liabilities in accordance with ASC 740 and we adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which they are determined.

Pension costs

We account for our pension plans in accordance with ASC No. 715-20, "Compensation—Defined Benefit Plans—General" ("ASC 715-20"). The funded status is the difference between the fair value of plan assets and the benefit obligation. The adjustment to accumulated other comprehensive income represents the net unrecognized actuarial gains or losses and unrecognized prior service costs. Future actuarial gains or losses that are not recognized as net periodic benefits cost in the same periods will be recognized as a component of other comprehensive income.

We maintain three defined-benefit plans that cover certain employees in the United Kingdom and certain other employees under a collective bargaining agreement at one plant in the United States. We record annual amounts relating to these plans based on calculations specified by GAAP, which include various actuarial assumptions such as discount rates (4.4% to 4.5%) and assumed rates of return (6.1% to 7.0%) depending on the pension plan. Material changes in pension costs may occur in the future due to changes in these assumptions. Future annual amounts could be impacted by changes in the discount rate, changes in the expected long-term rate of return, changes in the level of contributions to the plans and other factors.

The discount rate for the U.S. Plan is based on a model portfolio of AA rated bonds with a maturity matched to the estimated payouts of future pension benefits for this type of plan. The discount rate of the U.K. Plans for 2012 and 2011 were based on a model portfolio of AA rated bonds, using the redemption yields on the constituent stocks of the Merrill Lynch index with a maturity matched to the estimated future pension benefits. The discount rate of the U.K. Plans for 2013 is based on the Annualized yield of the Aon Hewitt GBP Select AA Curve. The expected return on plan assets is based on our expectation of the long-term rates of return on each asset class based on the current asset mix of the funds, considering the historical returns earned on the type of assets in the funds, plus an assumption of future inflation. The current investment policy target asset allocation differs between our three plans, but it is between 50.0% to 80.0% for equities and 20.0% to 50.0% for bonds. The current inflation assumption is 2.3%. We review our actuarial assumptions on an annual basis and make modifications to the assumptions based on current rates and trends when appropriate. The effects of the modifications are amortized over future periods.

Non-GAAP Measures

In this Annual Report on Form 10-K, we supplement our reporting of financial measures determined in accordance with GAAP by utilizing certain non-GAAP financial measures. We exclude the impact of foreign exchange to separate the impact of currency exchange rate changes from our results of operations, and, in some cases, by excluding the impact of the Calypso Soft Drinks Acquisition or the Cliffstar Acquisition, as the case may be. We exclude these items to better understand trends in the business and the impact of the Calypso Soft Drinks Acquisition or the Cliffstar Acquisition, as the case may be.

We also utilize earnings before interest expense, taxes, depreciation and amortization (“EBITDA”), which is GAAP earnings before interest expense, provision for income taxes, depreciation and amortization. We consider EBITDA to be an indicator of operating performance. We also use EBITDA, as do analysts, lenders, investors and others, because it excludes certain items that can vary widely across different industries or among companies within the same industry. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies. We also utilize adjusted EBITDA, which is EBITDA adjusted for inventory step-up (step-down), acquisition costs, and integration costs related to the Calypso Soft Drinks Acquisition or the Cliffstar Acquisition, as the case may be (“Adjusted EBITDA”). We consider Adjusted EBITDA to be an indicator of our operating performance. Adjusted EBITDA excludes certain items to make more meaningful period-over-period comparisons of our ongoing core operations before material charges.

We also utilize adjusted net income, which is GAAP earnings (loss) excluding purchase accounting adjustments, integration expenses, restructuring expenses and asset impairments, as well as adjusted earnings per diluted share, which is adjusted net income divided by diluted weighted average outstanding shares. We consider these measures to be indicators of our operating performance. These measures exclude certain items to make period-over-period comparisons of our ongoing core operations before material charges.

Additionally, we supplement our reporting of net cash provided by operating activities determined in accordance with GAAP by excluding capital expenditures to present free cash flow, which management believes provides useful information to investors about the amount of cash generated by the business that, after the acquisition of property and equipment, can be used for strategic opportunities, including investing in our business, making strategic acquisitions, paying dividends, and strengthening the balance sheet.

Because we use these adjusted financial results in the management of our business and to understand underlying business performance, we believe this supplemental information is useful to investors for their independent evaluation and understanding of our business performance and the performance of our management. The non-GAAP financial measures described above are in addition to, and not meant to be considered superior to, or a substitute for, our financial statements prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this Annual Report on Form 10-K reflect our judgment of particular items, and may be different from, and therefore may not be comparable to, similarly titled measures reported by other companies.

The following table summarizes our Consolidated Statements of Operations as a percentage of revenue for 2013, 2012 and 2011:

(in millions of U.S. dollars, except percentage amounts)	2013	Percent of Revenue	2012	Percent of Revenue	2011	Percent of Revenue
Revenue	**$2,094.0**	**100.0%**	2,250.6	100.0%	2,334.6	100.0%
Cost of sales	**1,842.0**	**88.0%**	1,961.1	87.1%	2,058.0	88.2%
Gross profit	**252.0**	**12.0%**	289.5	12.9%	276.6	11.8%
Selling, general, and administrative expenses	**160.4**	**7.7%**	178.0	7.9%	172.7	7.4%
Loss on disposal of property, plant and equipment	**1.0**	**— %**	1.8	0.1%	1.2	0.1%
Restructuring	**2.0**	**0.1%**	—	— %	—	— %
Asset impairments	**—**	**— %**	—	— %	0.6	— %
Intangible asset impairments	**—**	**— %**	—	— %	1.4	0.1%
Operating income	**88.6**	**4.2%**	109.7	4.9%	100.7	4.3%
Contingent consideration earn-out adjustment	—	— %	0.6	— %	0.9	— %
Other expense (income), net	**12.8**	**0.6%**	(2.0)	(0.1)%	2.2	0.1%
Interest expense, net	**51.6**	**2.5%**	54.2	2.4%	57.1	2.4%
Income before income taxes	**24.2**	**1.2%**	56.9	2.5%	40.5	1.7%
Income tax expense (benefit)	**2.2**	**0.1%**	4.6	0.2%	(0.7)	— %
Net income	**22.0**	**1.1%**	52.3	2.3%	41.2	1.8%
Less: Net income attributable to non-controlling interests	**5.0**	**0.2%**	4.5	0.2%	3.6	0.2%
Net income attributed to Cott Corporation	**$ 17.0**	**0.8%**	47.8	2.1%	37.6	1.6%
Depreciation & amortization	**$ 100.8**	**4.8%**	97.7	4.3%	95.3	4.1%

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The following table summarizes our revenue and operating income by reporting segment for 2013, 2012 and 2011 (for purposes of the table below, our corporate oversight function (“Corporate”) is not treated as a segment; it includes certain general and administrative costs that are not allocated to any of the reporting segments):

(in millions of U.S. Dollars)	2013	2012	2011
Revenue			
North America	**$1,535.2**	$1,707.4	$1,809.3
United Kingdom	**494.3**	473.2	447.9
All Other	**64.5**	70.0	77.4
Total	**$2,094.0**	$2,250.6	$2,334.6
Operating income (loss)			
North America	**$ 67.5**	$ 90.4	$ 81.3
United Kingdom	**25.6**	27.1	27.5
All Other	**7.2**	4.3	2.8
Corporate	**(11.7)**	(12.1)	(10.9)
Total	**$ 88.6**	$ 109.7	$ 100.7

The following table summarizes our beverage case volume by reporting segment for 2013, 2012 and 2011:

(in millions of cases)	2013	2012	2011
Volume 8 oz. equivalent cases - Total Beverage (including concentrate)			
North America	**660.4**	739.2	808.7
United Kingdom	**208.7**	204.1	209.0
All Other	**274.1**	303.8	296.5
Total	**1,143.2**	1,247.1	1,314.2
Volume 8 oz. equivalent cases – Filled Beverage			
North America	**580.6**	651.5	727.6
United Kingdom	**193.6**	189.5	194.7
All Other	**18.6**	26.0	37.2
Total	**792.8**	867.0	959.5

Revenues and volumes are attributed to reporting segments based on the location of the customer.

The following tables summarize revenue and beverage case volume by product for 2013, 2012 and 2011:

(in millions of U.S. dollars)	For the Year Ended December 28, 2013 North America	United Kingdom	All Other	Total
Revenue				
Carbonated soft drinks	**$ 586.5**	**$ 159.5**	**$ 10.8**	**$ 756.8**
Juice	**488.4**	**31.8**	**2.9**	**523.1**
Concentrate	**12.0**	**2.2**	**27.0**	**41.2**
All other products	**448.3**	**300.8**	**23.8**	**772.9**
Total	**$1,535.2**	**$ 494.3**	**$ 64.5**	**$2,094.0**

(in millions of cases)	For the Year Ended December 28, 2013 North America	United Kingdom	All Other	Total
Volume 8 oz. equivalent cases - Total Beverage (including concentrate)				
Carbonated soft drinks	**263.8**	**81.1**	**7.2**	**352.1**
Juice	**114.3**	**7.1**	**0.6**	**122.0**
Concentrate	**79.8**	**15.1**	**255.5**	**350.4**
All other products	**202.5**	**105.4**	**10.8**	**318.7**
Total	**660.4**	**208.7**	**274.1**	**1,143.2**

(in millions of U.S. dollars)	For the Year Ended December 29, 2012 North America	United Kingdom	All Other	Total
Revenue				
Carbonated soft drinks	$ 698.0	$ 160.9	$ 21.9	$ 880.8
Juice	527.2	14.0	2.7	543.9
Concentrate	12.3	2.2	29.1	43.6
All other products	469.9	296.1	16.3	782.3
Total	$1,707.4	$ 473.2	$ 70.0	$2,250.6

(in millions of cases)	For the Year Ended December 29, 2012 North America	United Kingdom	All Other	Total
Volume 8 oz. equivalent cases - Total Beverage (including concentrate)				
Carbonated soft drinks	306.5	83.5	15.5	405.5
Juice	119.5	3.7	1.1	124.3
Concentrate	87.7	14.6	277.8	380.1
All other products	225.5	102.3	9.4	337.2
Total	739.2	204.1	303.8	1,247.1

(in millions of U.S. dollars)	For the Year Ended December 31, 2011 North America	United Kingdom	All Other	Total
Revenue				
Carbonated soft drinks	$ 731.4	$ 179.2	$ 39.6	$ 950.2
Juice	587.7	12.3	2.7	602.7
Concentrate	9.1	2.8	25.6	37.5
All other products	481.1	253.6	9.5	744.2
Total	$1,809.3	$ 447.9	$ 77.4	$2,334.6

(in millions of cases)	For the Year Ended December 31, 2011 North America	United Kingdom	All Other	Total
Volume 8 oz. equivalent cases - Total Beverage (including concentrate)				
Carbonated soft drinks	349.9	97.6	26.7	474.2
Juice	134.4	3.5	2.0	139.9
Concentrate	81.1	14.0	259.4	354.5
All other products	243.3	93.9	8.4	345.6
Total	808.7	209.0	296.5	1,314.2

Results of Operations

The following table summarizes the change in revenue by reporting segment for 2013:

(in millions of U.S. dollars, except percentage amounts)	For the Year Ended December 28, 2013 Cott	North America	United Kingdom	All Other
Change in revenue	$(156.6)	$(172.2)	$ 21.1	$ (5.5)
Impact of foreign exchange [1]	10.8	5.3	6.4	(0.9)
Change excluding foreign exchange	$(145.8)	$(166.9)	$ 27.5	$ (6.4)
Percentage change in revenue	(7.0)%	(10.1)%	4.5%	(7.9)%
Percentage change in revenue excluding foreign exchange	(6.5)%	(9.8)%	5.8%	(9.1)%

1. Impact of foreign exchange is the difference between the current year's revenue translated utilizing the current year's average foreign exchange rates less the current year's revenue translated utilizing the prior year's average foreign exchange rates.

The following table summarizes the change in revenue by reporting segment for 2012:

(in millions of U.S. dollars, except percentage amounts)	For the Year Ended December 29, 2012 Cott	North America	United Kingdom	All Other
Change in revenue	$(84.0)	$(101.9)	$ 25.3	$ (7.4)
Impact of foreign exchange [1]	14.4	4.7	6.0	3.7
Change excluding foreign exchange	$(69.6)	$ (97.2)	$ 31.3	$ (3.7)
Percentage change in revenue	(3.6)%	(5.6)%	5.6%	(9.6)%
Percentage change in revenue excluding foreign exchange	(3.0)%	(5.4)%	7.0%	(4.8)%

1. Impact of foreign exchange is the difference between the current year's revenue translated utilizing the current year's average foreign exchange rates less the current year's revenue translated utilizing the prior year's average foreign exchange rates.

The following table summarizes the change in revenue by reporting segment for 2011:

(in millions of U.S. dollars, except percentage amounts)	For the Year Ended December 31, 2011 Cott	North America	United Kingdom	All Other
Change in revenue	$ 531.3	$ 452.0	$ 80.8	$ (1.5)
Impact of foreign exchange [1]	(24.1)	(7.5)	(15.4)	(1.2)
Change excluding foreign exchange	$ 507.2	$ 444.5	$ 65.4	$ (2.7)
Percentage change in revenue	29.5%	33.3%	22.0%	(1.9)%
Percentage change in revenue excluding foreign exchange	28.1%	32.7%	17.8%	(3.4)%
Impact of Cliffstar Acquisition	(385.6)	(385.6)	—	—
Change excluding foreign exchange and Cliffstar Acquisition	$ 121.6	$ 58.9	$ 65.4	$ (2.7)
Percentage change in revenue excluding foreign exchange and Cliffstar Acquisition	6.7%	4.3%	17.8%	(3.4)%

1. Impact of foreign exchange is the difference between the current year's revenue translated utilizing the current year's average foreign exchange rates less the current year's revenue translated utilizing the prior year's average foreign exchange rates.

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The following table summarizes our EBITDA and Adjusted EBITDA for the three and twelve months ended December 28, 2013 and December 29, 2012, respectively.

	For the Three Months Ended		For the Year Ended	
	December 28, 2013	December 29, 2012	December 28, 2013	December 29, 2012
Net (loss) income attributed to Cott Corporation	**$ (11.5)**	$ 2.3	**$ 17.0**	$ 47.8
Interest expense, net	**12.2**	13.6	**51.6**	54.2
Income tax (benefit) expense	**(0.1)**	(0.9)	**2.2**	4.6
Depreciation & amortization	**26.1**	25.5	**100.8**	97.7
Net income attributable to non-controlling interests	**1.1**	1.1	**5.0**	4.5
EBITDA	**$ 27.8**	$ 41.6	**$ 176.6**	$ 208.8
Restructuring	**—**	—	**2.0**	—
Tax reorganization and regulatory costs	**0.9**	—	**1.4**	—
Bond redemption costs	**12.7**	—	**12.7**	—
Acquisition adjustments				
Earnout adjustment	**—**	0.6	**—**	0.6
Integration and acquisition costs	**1.1**	0.3	**4.1**	3.5
Adjusted EBITDA	**$ 42.5**	$ 42.5	**$ 196.8**	$ 212.9

The following table summarizes our adjusted net income and adjusted earnings per share for the three and twelve months ended December 28, 2013 and December 29, 2012, respectively.

	For the Three Months Ended		For the Year Ended	
	December 28, 2013	December 29, 2012	December 28, 2013	December 29, 2012
Net (loss) income attributed to Cott Corporation	**$ (11.5)**	$ 2.3	**$ 17.0**	$ 47.8
Restructuring, net of tax	**(0.1)**	—	**1.8**	—
Tax reorganization and regulatory costs, net of tax	**0.9**	—	**1.4**	—
Bond redemption costs, net of tax	**12.7**	—	**12.7**	—
Acquisition adjustments, net of tax				
Earnout adjustment	**—**	0.6	**—**	0.6
Integration and acquisition costs	**0.8**	0.3	**3.4**	3.5
Adjusted net income attributed to Cott Corporation	**$ 2.8**	$ 3.2	**$ 36.3**	$ 51.9
Adjusted net income per common share attributed to Cott Corporation				
Basic	**$ 0.03**	$ 0.03	**$ 0.38**	$ 0.55
Diluted	**$ 0.03**	$ 0.03	**$ 0.38**	$ 0.55
Weighted average outstanding shares (millions) attributed to Cott Corporation				
Basic	**94.2**	94.8	**94.8**	94.6
Diluted	**94.9**	95.2	**95.6**	94.8

The following unaudited financial information for the three months and year ended December 28, 2013 represents the activity of Calypso Soft Drinks from and after June 2013, the month in which we acquired Calypso Soft Drinks and combined its operations with those of our United Kingdom business.

(in millions of U.S. dollars)	For the Three Months Ended December 28, 2013	For the Year Ended December 28, 2013
Revenue		
United Kingdom	$ 126.1	$ 494.3
Less: Calypso Soft Drinks	(10.8)	(30.7)
United Kingdom excluding Calypso Soft Drinks	$ 115.3	$ 463.6

The following table summarizes our free cash flow for the three months and year ended December 28, 2013 and December 29, 2012, respectively.

	For the Three Months Ended	
(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
Net cash provided by operating activities	**$ 92.3**	$ 120.0
Less: Capital expenditures	**(10.9)**	(19.1)
Free Cash Flow	**$ 81.4**	$ 100.9

	For the Year Ended	
	December 28, 2013	December 29, 2012
Net cash provided by operating activities	**$ 155.2**	$ 173.0
Less: Capital expenditures	**(55.6)**	(69.7)
Free Cash Flow	**$ 99.6**	$ 103.3

2013 versus 2012

Revenue decreased $156.6 million, or 7.0%, in 2013 from 2012. Excluding the impact of foreign exchange, revenue decreased 6.5% due primarily to the general market decline in the North American carbonated soft drink (“CSD”) category, prolonged aggressive promotional activity from the national brands in North America as well as the exiting of case pack water.

2012 versus 2011

Revenue decreased $84.0 million, or 3.6%, in 2012 from 2011. Excluding the impact of foreign exchange, revenue decreased 3.0% due primarily to lower beverage case volumes and a product mix shift into juice drinks and sports drinks from 100% shelf-stable juice in North America.

Revenue Results for Reporting Segments

2013 versus 2012

North America revenue decreased $172.2 million, or 10.1%, in 2013 from 2012. Excluding the impact of foreign exchange, revenue decreased 9.8%, due primarily to the general market decline in the North American CSD category, prolonged aggressive promotional activity from the national brands in North America as well as the exiting of case pack water. Net selling price per beverage case (which is net revenue divided by filled beverage case volume) increased 0.8% in 2013 from 2012.

U.K. revenue increased $21.1 million, or 4.5%, in 2013 from 2012, due primarily to the Calypso Soft Drinks Acquisition and an increase in net selling price per beverage case. Net selling price per beverage case increased 2.3% in 2013 from 2012. Excluding the impact of foreign exchange, U.K. revenue increased 5.8% in 2013 from 2012.

All Other revenue decreased $5.5 million, or 7.9%, in 2013 from 2012, due primarily to the exiting of low gross margin business, partially offset by increased higher margin contract manufacturing and export customers. Net selling price per beverage case increased 28.2% in 2013 from 2012. Excluding the impact of foreign exchange, revenue decreased 9.1% in 2013 from 2012.

2012 versus 2011

North America revenue decreased $101.9 million, or 5.6%, in 2012 from 2011. Excluding the impact of foreign exchange, revenue decreased 5.4%, due primarily to our exit from certain low gross margin business, a general decline in the North American CSD and juice categories and a product mix shift into juice drinks and sports drinks from 100% shelf-stable juice. Net selling price per beverage case (which is net revenue divided by beverage case volume) increased 3.2% in 2012 from 2011 due primarily to an increase in average price per case and a product mix shift.

U.K. revenue increased $25.3 million, or 5.6%, in 2012 from 2011, due primarily to an increase in average price per case and favorable product mix. Net selling price per beverage case increased 8.2% in 2012 from 2011 due primarily to an increase in average price per case and favorable product mix. Excluding the impact of foreign exchange, U.K. revenue increased 7.0% in 2012 from 2011.

All Other revenue decreased $7.4 million, or 9.6%, in 2012 from 2011, due primarily to the non-renewal of a regional brand license at the end of its term slightly offset by higher volumes from a new customer in South America and the timing of shipments to customers in Asia. Net selling price per beverage case increased 12.7% in 2012 from 2011 due primarily to favorable product mix. Excluding the impact of foreign exchange, All Other revenue decreased 4.8% in 2012 from 2011.

Cost of Sales

2013 versus 2012

Cost of sales represented 88.0% of revenue in 2013 compared to 87.1% in 2012. The increase in cost of sales as a percentage of revenue was due primarily to unfavorable fixed cost absorption associated with lower global volumes.

2012 versus 2011

Cost of sales represented 87.1% of revenue in 2012 compared to 88.2% in 2011. The decrease in cost of sales as a percentage of revenue was due primarily to an increase in average price per case and favorable product mix. Major elements of these variable costs included ingredient and packaging costs, distribution costs and fees paid to third-party manufacturers.

Gross Profit

2013 versus 2012

Gross profit as a percentage of revenue decreased to 12.0% in 2013 from 12.9% in 2012, due primarily to lower global volumes which resulted in unfavorable fixed cost absorption.

2012 versus 2011

Gross profit as a percentage of revenue increased to 12.9% in 2012 from 11.8% in 2011, due primarily to an increase in average price per case and the exit from certain low gross margin business, as well as operating efficiencies in North America.

Selling, General and Administrative Expenses

2013 versus 2012

SG&A in 2013 decreased $17.6 million, or 9.9%, from 2012. The decrease in SG&A was due primarily to lower employee-related costs, reduced information technology costs, and a reduction in professional fees and similar costs. As a percentage of revenue, SG&A was 7.7% in 2013 and 7.9% in 2012.

2012 versus 2011

SG&A in 2012 increased $5.3 million, or 3.1%, from 2011. The increase in SG&A was due primarily to an increase in certain employee-related costs in 2012 compared to lowering of the annual incentive and long-term incentive accruals in 2011, partially offset by lower information technology expenses in the current year. As a percentage of revenue, SG&A was 7.9% in 2012 and 7.4% in 2011.

Restructuring and Asset Impairments

2013 versus 2012

During June 2013, we implemented a restructuring plan (the “2013 Restructuring Plan”), which consisted primarily of headcount reductions. For the year ended December 28, 2013, in connection with the 2013 Restructuring Plan, we incurred charges of approximately $2.0 million related primarily to employee redundancy costs. We did not record any restructuring or impairment charges in 2012.

2012 versus 2011

We did not record any restructuring or impairment charges in 2012. In 2011, we recorded an intangible asset impairment of $1.4 million related to a customer list that was impaired due to the loss of a customer. Also in 2011, we recorded a $0.6 million impairment of long-lived assets related to a production plant in Mexico that ceased operations.

Operating Income

2013 versus 2012

Operating income in 2013 was $88.6 million compared to operating income of $109.7 million in 2012. Overall, operating income decreased by $21.1 million, or 19.2 %, as a result of lower gross profit as a percentage of revenue partially offset by lower SG&A.

2012 versus 2011

Operating income in 2012 was $109.7 million compared to operating income of $100.7 million in 2011. Overall, operating income increased by $9.0 million, or 8.9%, as a result of an increase in average price per case, the exit from certain low gross margin business, favorable product mix, and operational efficiencies in North America, partially offset by an increase in SG&A.

Other Expense (Income), Net

2013 versus 2012

Other expense was $12.8 million in 2013 compared to other income of $2.0 million in 2012. In 2013, we incurred approximately $12.7 million in costs related to the redemption of $200.0 million aggregate principal amount of our 2017 Notes, as well as other foreign exchange losses of approximately $0.1 million. In 2012, other income was $2.0 million, which consisted of $1.9 million of insurance recoveries in excess of the loss incurred on a U.S. facility and a bargain purchase gain of $0.9 million in the U.K., offset by $0.8 million of foreign exchange losses related primarily to intercompany loans.

2012 versus 2011

Other income was $2.0 million in 2012 compared to other expense of $2.2 million in 2011. In 2012, we recorded $1.9 million of insurance recoveries in excess of the loss incurred on a U.S. facility and a bargain purchase gain of $0.9 million in the United Kingdom, offset by $0.8 million of foreign exchange losses primarily related to intercompany loans. In 2011, we recorded $2.2 million of foreign exchange losses related primarily to intercompany loans.

Interest Expense, Net

2013 versus 2012

Net interest expense in 2013 decreased 4.8% from 2012 due primarily to the redemption of $200.0 million of our 2017 Notes as well as an amendment to our ABL facility to more favorable terms.

2012 versus 2011

Net interest expense in 2012 decreased 5.1% from 2011 due primarily to lower average debt balances held throughout 2012 and lower ABL fees in 2012 compared to 2011.

Income Taxes

2013 versus 2012

In 2013, we recorded income tax expense of $2.2 million compared to an income tax expense of $4.6 million in 2012. The difference was due primarily to a reduction in pre-tax income during 2013.

2012 versus 2011

In 2012, we recorded income tax expense of $4.6 million compared to a tax benefit of $0.7 million in 2011. The difference was due primarily to the recording of allowances against deferred tax assets in the United States that are uncertain to be realized as well as a reduction to the loss generated in the United Kingdom.

Liquidity and Capital Resources

The following table summarizes our cash flows for 2013, 2012 and 2011 as reported in our Consolidated Statements of Cash Flows in the accompanying Consolidated Financial Statements:

	For the Year Ended		
(in millions of U.S. dollars)	**December 28, 2013**	**December 29, 2012**	**December 31, 2011**
Net cash provided by operating activities	**$ 155.2**	$ 173.0	$ 163.5
Net cash used in investing activities	**(71.9)**	(80.4)	(90.2)
Net cash used in financing activities	**(213.3)**	(16.2)	(20.3)
Effect of exchange rate changes on cash	**(2.2)**	2.1	(0.3)
Net (decrease) increase in cash & cash equivalents	**(132.2)**	78.5	52.7
Cash & cash equivalents, beginning of period	**179.4**	100.9	48.2
Cash & cash equivalents, end of period	**$ 47.2**	$ 179.4	$ 100.9

Operating Activities

Cash provided by operating activities in 2013 was $155.2 million compared to $173.0 million in 2012 and $163.5 million in 2011. The $17.8 million decrease in 2013 compared to 2012 was due primarily to lower net income, tax adjustments, receipt of a deposit and reduced inventory balances excluding the Calypso Soft Drinks Acquisition.

The $9.5 million increase in 2012 compared to 2011 was due primarily to higher net income, deferred income taxes, and income taxes recoverable, offset by a smaller amount of cash provided by changes in working capital in 2012 compared to 2011.

Investing Activities

Cash used in investing activities was $71.9 million in 2013 compared to $80.4 million in 2012 and $90.2 million in 2011. The $8.5 million decrease in 2013 compared to 2012 was due primarily to using less cash for equipment purchases, partially offset by an increase in acquisition activity.

The $9.8 million decrease in 2012 compared to 2011 was due primarily to using less cash for acquisitions offset in part by larger expenditures for property, plant and equipment related to our ongoing vertical integration.

Financing Activities

Cash used in financing activities was $213.3 million in 2013 compared to $16.2 million in 2012 and $20.3 million in 2011. The increase in financing occurred as a result of our redemption of $200.0 million aggregate principal amount of our 2017 Notes, a full year of dividend payments, increased share repurchase activity, and payments of long term debt associated with the Calypso Soft Drinks Acquisition, partially offset by an increase in outstanding borrowings under our ABL during the period.

During 2012, we made payments of $3.3 million on our long-term debt, $5.8 million for dividends and $1.2 million for financing fees. In 2011, we made payments of $6.8 million on our long-term debt and $7.8 million, net under our ABL facility.

Financial Liquidity

As of December 28, 2013, we had $458.3 million of debt and $47.2 million of cash and cash equivalents compared to $605.8 million of debt and $179.4 million of cash and cash equivalents as of December 29, 2012.

We believe that our level of resources, which includes cash on hand, available borrowings under the ABL facility and funds provided by operations, will be adequate to meet our expenses, capital expenditures, and debt service obligations for the next twelve months. Our ability to generate cash to meet our current expenses and debt service obligations will depend on our future performance. If we do not have enough cash to pay our debt service obligations, or if the ABL facility or 2018 Notes were to become currently due, either at maturity or as a result of a breach, we may be required to take actions such as amending our ABL facility or the indentures governing our 2018 Notes, refinancing all or part of our existing debt, selling assets, incurring additional indebtedness or raising equity. If we need to seek additional financing, there is no assurance that this additional financing will be available on favorable terms or at all.

Should we desire to consummate significant acquisition opportunities or undertake significant expansion activities, our capital needs would increase and could result in our need to increase available borrowings under our ABL facility or access public or private debt and equity markets.

As of December 28, 2013, our total availability under the ABL facility was $238.3 million, which was based on our borrowing base (accounts receivables, inventory, and fixed assets). We had $50.8 million of outstanding borrowings under the ABL facility and $7.5 million in outstanding letters of credit. As a result, our excess availability under the ABL facility was $180.0 million. Each month’s borrowing base is not effective until submitted to the lenders, which usually occurs on the fifteenth day of the following month.

We earn approximately 100% of our consolidated operating income in subsidiaries located outside of Canada. All of these foreign earnings are considered to be indefinitely reinvested in foreign jurisdictions where we have made, and will continue to make, substantial investments to support the ongoing development and growth of our international operations. Accordingly, no Canadian income taxes have been provided on these foreign earnings. Cash and cash equivalents held by our foreign subsidiaries are readily convertible into other foreign currencies, including Canadian dollars. We do not intend, nor do we foresee a need, to repatriate these funds.

We expect existing domestic cash, cash equivalents, cash flows from operations and the issuance of domestic debt to continue to be sufficient to fund our domestic operating, investing and financing activities. In addition, we expect existing foreign cash, cash equivalents, and cash flows from operations to continue to be sufficient to fund our foreign operating and investing activities.

In the future, should we require more capital to fund significant discretionary activities in Canada than is generated by our domestic operations and is available through the issuance of domestic debt or stock, we could elect to repatriate future periods' earnings from foreign jurisdictions. This alternative could result in a higher effective tax rate during the period of repatriation. While the likelihood is remote, we could also elect to repatriate earnings from foreign jurisdictions that have previously been considered to be indefinitely reinvested. Upon distribution of those earnings in the form of dividends or otherwise, we may be subject to additional Canadian income taxes and withholding taxes payable to various foreign jurisdictions, where applicable. This alternative could result in a higher effective tax rate in the period in which such a determination is made to repatriate prior period foreign earnings.

In 2013, a dividend of C$0.06 per common share was declared each quarter for an aggregate dividend payment of approximately $21.9 million. During 2013, we repurchased 1,245,027 common shares for approximately $10.0 million through open market transactions.

On November 15, 2013, we redeemed $200.0 million aggregate principal amount of our 2017 Notes at 104.118% of par. The redemption included approximately $8.2 million in premium payments as well as approximately $4.5 million in deferred financing fees, discount charges and other bond redemption costs.

On February 19, 2014, we redeemed all $15.0 million in aggregate principal amount of the remaining outstanding 2017 Notes at 104.118% of par. The redemption included approximately $0.6 million in premium payments as well as approximately $0.3 million in deferred financing fees and discount charges.

We may, from time to time, depending on market conditions, including without limitation whether the 2018 Notes are then trading at a discount to their face amount, repurchase the 2018 Notes for cash and/or in exchange for shares of our common stock, warrants, preferred stock, debt or other consideration, in each case in open market purchases and/or privately negotiated transactions. The amounts involved in any such transactions, individually or in aggregate, may be material. However, the covenants in our ABL facility subject such purchases to certain limitations and conditions.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements as defined under Item 303(a)(4) of Regulation S-K as of December 28, 2013.

Contractual Obligations

The following table shows the schedule of future payments under certain contracts, including debt agreements and guarantees, as of December 28, 2013:

		Payments due by period					
(in millions of U.S. dollars)	**Total**	**2014**	**2015**	**2016**	**2017**	**2018**	**Thereafter**
8.375% Senior notes due in 2017	$ 15.0	$ —	$ —	$ —	$15.0	$ —	$ —
8.125% Senior notes due in 2018	375.0	—	—	—	—	375.0	—
ABL facility [1]	50.8	50.8	—	—	—	—	—
GE Term Loan [2]	10.3	1.9	2.0	2.1	2.3	2.0	—
Deferred consideration	5.3	2.3	3.0	—	—	—	—
Capital leases and other long-term debt	7.2	2.0	2.2	1.3	0.6	0.2	0.9
Interest expense [3]	148.7	33.5	32.4	31.6	31.3	19.7	0.2
Operating leases	89.3	17.7	16.5	14.0	11.3	9.7	20.1
Guarantee purchase equipment	11.0	11.0	—	—	—	—	—
Pension obligations	3.1	3.1	—	—	—	—	—
Purchase obligations [4]	177.8	120.8	17.6	13.5	9.6	9.6	6.7
Total [5]	**893.5**	**243.1**	**73.7**	**62.5**	**70.1**	**416.2**	**27.9**

1. The ABL facility is considered a current liability. As of December 28, 2013, we had $50.8 million of outstanding borrowings under the ABL facility.

2. In January 2008, we entered into a capital lease finance arrangement with General Electric Capital Corporation ("GE Capital") for the lease of equipment. In September 2013, we purchased the equipment subject to the lease for an aggregate purchase price of $10.7 million, with the financing for such purchase provided by GE Capital at 5.23% interest.
3. Interest expense includes fixed interest on the 2018 Notes, the 2017 Notes, the GE Term Loan, the ABL facility, capital leases and other long-term liabilities. Actual amounts will differ from estimates provided.
4. Purchase obligations consist of commitments for the purchase of inventory, energy transactions, and payments related to professional fees and technology outsourcing agreements. These obligations represent the minimum contractual obligations expected under the normal course of business.
5. The contractual obligations table excludes the Company's ASC 740 uncertain tax positions of $10.5 million because the Company cannot make a reliable estimate as to when such amounts will be settled.

Debt

Our total debt as of December 28, 2013 and December 29, 2012 was as follows:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
8.375% senior notes due in 2017 [1]	**15.0**	215.0
8.125% senior notes due in 2018	**375.0**	375.0
ABL facility	**50.8**	—
GE Term Loan	**10.3**	9.9
Capital leases and other debt financing	**7.2**	5.9
Total debt	**458.3**	605.8
Less: Short-term borrowings and current debt:		
ABL facility	**50.8**	—
Total short-term borrowings	**50.8**	—
GE Term Loan - current maturities	**1.9**	0.9
Capital leases and other financing - current maturities	**2.0**	1.0
Total current debt	**54.7**	1.9
Long-term debt before discount	**403.6**	603.9
Less discount on 8.375% notes	**(0.1)**	(2.1)
Total long-term debt	**$ 403.5**	$ 601.8

1. Our 8.375% senior notes were issued at a discount of 1.425% on November 13, 2009.

Asset-Based Lending Facility

On March 31, 2008, we entered into a credit agreement with JPMorgan Chase Bank N.A. as Agent that created an ABL facility to provide financing for our North America, U.K. and Mexico operations. In connection with the Cliffstar Acquisition, we refinanced the ABL facility on August 17, 2010 to, among other things, provide for the Cliffstar Acquisition, the Note Offering and the application of net proceeds therefrom, the Equity Offering and the application of net proceeds therefrom and to increase the amount available for borrowings to $275.0 million. We drew down a portion of the indebtedness under the ABL facility in order to fund the Cliffstar Acquisition. We incurred $5.4 million of financing fees in connection with the refinancing of the ABL facility.

On July 19, 2012, we amended the ABL facility to, among other things, extend the maturity date to either July 19, 2017 or, if we have not redeemed, repurchased or refinanced the 2017 Notes by May 1, 2017, May 15, 2017. We incurred $1.2 million of financing fees in connection with the amendment of the ABL facility. This amendment was considered to be a modification of the original agreement under generally accepted accounting standards.

On October 22, 2013, we amended the ABL facility to, among other things, (1) provide for an increase in the lenders' commitments under the ABL facility to $300 million, as well an increase to the accordion feature, which permits us to increase the lenders' commitments under the ABL facility to $350 million, subject to certain conditions, (2) extend the maturity date to the earliest of (i) October 22, 2018, (ii) May 15, 2017, if we have not redeemed, repurchased or refinanced the 2017 Notes by May 1, 2017, or (iii) March 1, 2018, if we have not redeemed, repurchased or refinanced the 2018 Notes by February 15, 2018, and (3) provide for greater flexibility under certain covenants. We incurred approximately $0.7 million of financing fees in connection with the amendment of the ABL facility. This amendment was considered to be a modification of the original agreement under generally accepted accounting standards.

The financing fees incurred in connection with the refinancing of the ABL facility on August 17, 2010, along with the financing fees incurred in connection with the amendment of the ABL facility on July 19, 2012 and on October 22, 2013, are being amortized using the straight line method over the duration of the amended ABL facility.

As of December 28, 2013, we had $50.8 million of outstanding borrowings under the ABL facility. The commitment fee was 0.375% per annum of the unused commitment, which, taking into account $7.5 million of letters of credit, was $180.0 million as of December 28, 2013.

The effective interest rate as of December 28, 2013 on LIBOR and Prime loans is based on average aggregate availability as follows:

Average Aggregate Availability (in millions of U.S. dollars)	ABR Spread	Canadian Prime Spread	Eurodollar Spread	CDOR Spread	Overnight LIBOR
Over $150	0.25%	0.25%	1.75%	1.75%	1.75%
$75 - $150	0.50%	0.50%	2.00%	2.00%	2.00%
Under $75	0.75%	0.75%	2.25%	2.25%	2.25%

8.125% Senior Notes due in 2018

On August 17, 2010, we issued $375.0 million of 2018 Notes. The issuer of the 2018 Notes is our wholly-owned U.S. subsidiary Cott Beverages Inc., and most of our U.S., Canadian and U.K. subsidiaries guarantee the 2018 Notes. The interest on the 2018 Notes is payable semi-annually on March 1st and September 1st of each year.

We incurred $8.6 million of financing fees in connection with the issuance of the 2018 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the term to maturity of the 2018 Notes.

8.375% Senior Notes due in 2017

On November 13, 2009, we issued $215.0 million of 2017 Notes. The 2017 Notes were issued at a $3.1 million discount. The issuer of the 2017 Notes is our wholly-owned U.S. subsidiary Cott Beverages Inc., and most of our U.S., Canadian and U.K. subsidiaries guarantee the 2017 Notes. The interest on the 2017 Notes is payable semi-annually on May 15th and November 15th of each year.

We incurred $5.1 million of financing fees in connection with the 2017 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the term to maturity of the 2017 Notes.

On November 15, 2013, we redeemed $200.0 million aggregate principal amount of our 2017 Notes at 104.118% of par. The redemption included approximately $8.2 million in premium payments as well as approximately $4.5 million in deferred financing fees, discount charges and other bond redemption costs.

On February 19, 2014, we redeemed all $15.0 million in aggregate principal amount of the remaining outstanding 2017 Notes at 104.118% of par.

GE Term Loan

In January 2008, we entered into a capital lease finance arrangement with GE Capital for the lease of equipment. In September 2013, we purchased the equipment subject to the lease for an aggregate purchase price of $10.7 million, with the financing for such purchase provided by GE Capital at 5.23% interest.

Credit Ratings and Covenant Compliance

Credit Ratings

Our objective is to maintain credit ratings that provide us with ready access to global capital and credit markets at favorable interest rates.

As of December 28, 2013, the Company's credit ratings were as follows:

	Credit Ratings	
	Moody's Rating	Standard and Poor's Rating
Corporate credit rating	B2	B+
2017 Notes	B3	B+
2018 Notes	B3	B+
Outlook	Stable	Watch Developing

Any downgrade of our credit ratings by either Moody's or S&P could increase our future borrowing costs or impair our ability to access capital markets on terms commercially acceptable to us or at all.

Covenant Compliance

8.125% Senior Notes due in 2018

Under the indenture governing the 2018 Notes, we are subject to a number of covenants, including covenants that limit our and certain of our subsidiaries' ability, subject to certain exceptions and qualifications, to (i) pay dividends or make distributions, repurchase equity securities, prepay subordinated debt or make certain investments, (ii) incur additional debt or issue certain disqualified stock or preferred stock, (iii) create or incur liens on assets securing indebtedness, (iv) merge or consolidate with another company or sell all or substantially all of our assets taken as a whole, (v) enter into transactions with affiliates and (vi) sell assets. We have been in compliance with all of the covenants under the 2018 Notes and there have been no amendments to any such covenants since the 2018 Notes were issued.

8.375% Senior Notes due in 2017

Under the indenture governing the 2017 Notes, we are subject to a number of covenants, including covenants that limit our and certain of our subsidiaries' ability, subject to certain exceptions and qualifications, to (i) pay dividends or make distributions, repurchase equity securities, prepay subordinated debt or make certain investments, (ii) incur additional debt or issue certain disqualified stock or preferred stock, (iii) create or incur liens on assets securing indebtedness, (iv) merge or consolidate with another company or sell all or substantially all of our assets taken as a whole, (v) enter into transactions with affiliates and (vi) sell assets. We have been in compliance with all of the covenants under the 2017 Notes and there have been no amendments to any such covenants since the 2017 Notes were issued.

ABL Facility

Under the credit agreement governing the ABL facility, Cott and its restricted subsidiaries are subject to a number of business and financial covenants, including a covenant requiring a minimum fixed charge coverage ratio of at least 1.1 to 1.0 effective when and if excess availability is less than the greater of 10% of the lenders' commitments under the ABL facility or $30.0 million. If excess availability is less than the greater of 12.5% of the lenders' commitments under the ABL facility or $37.5 million, the lenders will take dominion over the cash and will apply excess cash to reduce amounts owing under the facility. We were in compliance with all of the applicable covenants under the ABL facility as of December 28, 2013.

Issuer Purchases of Equity Securities

Common Share Repurchase Program

On May 1, 2012, our board of directors authorized the repurchase of up to $35.0 million of our common shares in the open market or through privately negotiated transactions over a 12-month period through either a 10b5-1 automatic trading plan or at management's discretion in compliance with regulatory requirements, and given market, cost and other considerations. During the second quarter of 2012, we repurchased 35,272 common shares for approximately $0.3 million through open market transactions. On April 30, 2013, our board of directors renewed our share repurchase program for up to 5% of Cott's outstanding common shares over a 12-month period commencing upon the expiration of the prior share repurchase program on May 21, 2013. During 2013, we repurchased 1,245,027 common shares for approximately $10.0 million through open market transactions. We are unable to predict the number of shares that ultimately will be repurchased under the share repurchase program, or the aggregate dollar amount of the shares actually purchased. We may discontinue purchases at any time, subject to compliance with applicable regulatory requirements.

Tax Withholding

In the fourth quarter of 2012, 356,379 shares of our previously-issued common stock were withheld from delivery to our employees to satisfy their tax obligations related to stock-based awards. No such withholdings occurred during the fourth quarter of 2013.

Capital structure

Since December 29, 2012, equity has decreased by $17.0 million. The decrease was primarily the result of dividend payments of $21.9 million, $10.1 million in common share repurchases, $6.6 million of distributions to non-controlling interests, and $5.1 million of foreign currency translation losses on the net assets of self-sustaining foreign operations, partially offset by net income of $17.0 million, $5.0 million of non-controlling interest income, $4.0 million of share-based compensation expense, and $0.7 million in pension benefit plan adjustments.

Dividend payments

No dividend payments were made during 2011. On October 31, 2012, the board of directors declared a dividend of C$0.06 per share on common shares, payable in cash on December 20, 2012 to shareowners of record at the close of business on December 4, 2012. The dividend payment was approximately $5.8 million in the aggregate. The board of directors has declared a quarterly dividend of C$0.06 per common share in each quarter during 2013 for an aggregate dividend payment of approximately $21.9 million. Cott intends to pay a regular quarterly dividend on its common shares subject to, among other things, the best interests of its shareowners, Cott's results of operations, cash balances and future cash requirements, financial condition, statutory regulations and covenants set forth in the ABL facility and indentures governing the 2018 Notes, as well as other factors that the board of directors may deem relevant from time to time.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We do not trade market risk sensitive instruments.

Currency Exchange Rate Risk

We are exposed to changes in foreign currency exchange rates. Operations outside of the United States accounted for 33.7% of 2013 revenue and 34.2% of 2012 revenue, and are concentrated principally in the United Kingdom, Canada and Mexico. We translate the revenues and expenses of our foreign operations using average exchange rates prevailing during the period. The effect of a 10% change in foreign currency exchange rates among the U.S. dollar versus the Canadian dollar, pound sterling and Mexican peso as of December 28, 2013, at current levels of foreign debt and operations would result in our revenues in 2013 changing by $70.9 million and our gross profit in 2013 changing by $7.1 million. This change would be material to our cash flows and our results of operations.

Our primary exposure to foreign currency exchange rates relates to transactions in which the currency collected from customers is different from the currency utilized to purchase the product sold. In 2013, we entered into foreign currency contracts to hedge some of these currency exposures for which natural hedges do not exist. Natural hedges exist when purchases and sales within a specific country are both denominated in the same currency and, therefore, no exposure exists to hedge with foreign exchange forward, option, or swap contracts (collectively, the "foreign exchange contracts"). We do not enter into foreign exchange contracts for trading purposes. The risk of loss on a foreign exchange contract is the risk of non-performance by the counterparties, which we minimize by limiting our counterparties to major financial institutions. The fair values of the foreign exchange contracts, which are $0.3 million, are estimated using market quotes. As of December 28, 2013, we had outstanding foreign exchange forward contracts with notional amounts of $3.6 million.

Debt obligations and interest rates

We have exposure to interest rate risk from the outstanding principal amounts of our short-term and long-term debt. Our long-term debt is fixed and our short-term debt is variable. Our ABL facility is vulnerable to fluctuations in the U.S. short-term base rate and the LIBOR rate. Since we had $50.8 million of ABL borrowings outstanding as of December 28, 2013, a 100 basis point increase in the current per annum interest rate for our ABL facility (excluding the $7.5 million of outstanding letters of credit) would result in additional interest expense of approximately $0.5 million. The weighted average interest rate of our debt outstanding at December 28, 2013 was 7.4%.

We regularly review the structure of our debt and consider changes to the proportion of variable versus fixed rate debt through refinancing, interest rate swaps or other measures in response to the changing economic environment. Historically, we have not used derivative instruments to manage interest rate risk. If we use and fail to manage these derivative instruments successfully, or if we are unable to refinance our debt or otherwise increase our debt capacity in response to changes in the marketplace, the expense associated with debt service could increase. This would negatively impact our financial condition and profitability.

The information below summarizes our market risks associated with long-term debt obligations as of December 28, 2013. The table presents principal cash flows and related interest rates by year. Interest rates disclosed represent the actual weighted average rates as of December 28, 2013.

	Debt Obligations	
(in millions of U.S. dollars, except percentage amounts)	Outstanding debt balance	Weighted average interest rate
Debt maturing in:		
2014	$ 54.7	2.9%
2015	4.2	5.9%
2016	3.5	5.4%
2017	17.8	7.9%
2018	377.2	8.1%
Thereafter	0.9	10.5%
Total	$ 458.3	

Commodity Price Risk

The competitive marketplace in which we operate may limit our ability to recover increased costs through higher prices. As a result, we are subject to market risk with respect to commodity price fluctuations principally related to our purchases of aluminum, PET resin, corn for HFCS, sugar, fruit and fruit concentrates. We manage some of our exposure to this risk through the use of supplier pricing agreements, which enable us to fix the purchase prices for certain commodities. We estimate that a 10% increase in the market prices of these commodities over the current market prices would cumulatively increase our cost of sales during the next 12 months by approximately $24.0 million. This change would be material to our cash flows and our results of operations.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Financial statements and exhibits filed under this item are listed in the index appearing in Item 15 of this Annual Report on Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of December 28, 2013 (the "Evaluation"). Based upon the Evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that Company's disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934) are effective.

Management's Report on Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Management evaluates the effectiveness of the Company's internal control over financial reporting using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control—Integrated Framework (1992). Management, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting as of December 28, 2013, and concluded that it was effective as of December 28, 2013.

The effectiveness of the Company's internal control over financial reporting as of December 28, 2013 has been audited by PricewaterhouseCoopers LLP, the Company's independent registered certified public accounting firm, who also audited the Company's consolidated financial statements included in this Annual Report on Form 10-K, as stated in their report which appears herein.

Calypso Soft Drinks Acquisition : As permitted by Securities and Exchange Commission staff interpretive guidance for newly acquired businesses, management has excluded the Calypso business from its assessment of internal control over financial reporting as of December 28, 2013 because it consummated the Calypso Soft Drinks Acquisition in June 2013. Calypso's total assets and total revenues represent 4.0% and 1.5%, respectively, of the Company's consolidated financial statement amounts as of and for the year ended December 28, 2013.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting during the quarter ended December 28, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information required by this item regarding directors is incorporated by reference to, and will be contained in, the “Election of Directors” section of our definitive proxy circular for the 2014 Annual and Special Meeting of Shareowners, which will be filed within 120 days after December 28, 2013 (the “2014 Proxy Circular”). The information required by this item regarding audit committee financial expert disclosure is incorporated by reference to, and will be contained in, the “Corporate Governance” section of our 2014 Proxy Circular. The information required by this item regarding executive officers appears as the Supplemental Item in Part I. There have been no material changes to the procedures by which shareholders may recommend nominees to our board of directors.

The Audit Committee of our board of directors is an “audit committee” for the purposes of Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. The Audit Committee charter is posted on our website at www.cott.com. The members of the Audit Committee are Graham Savage (Chairman), George Burnett and Gregory Monahan. As required by the NYSE rules, the board has determined that each member of the Audit Committee is independent, financially literate and that Mr. Savage qualifies as an “audit committee financial expert” within the meaning of the rules of the U.S. Securities and Exchange Commission.

All of our directors, officers and employees must comply with our Code of Business Conduct and Ethics. In addition, our Chief Executive Officer, Chief Financial Officer and principal accounting officer and certain other employees have a further obligation to comply with our Code of Ethics for Senior Officers. Our Code of Business Conduct and Ethics and our Code of Ethics for Senior Officers are posted on our website, www.cott.com, and we intend to comply with obligations to disclose any amendment to, or waiver of, provisions of these codes by posting such information on our website.

Section 16(a) Beneficial ownership reporting compliance

The information required by this item is incorporated by reference to, and will be contained in, the “Section 16(a) Beneficial Ownership Reporting Compliance” section of our 2014 Proxy Circular.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference to, and will be contained in, the “Compensation of Executive Officers” section of our 2014 Proxy Circular.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREOWNER MATTERS

The information required by this item is incorporated by reference to, and will be contained in, the “Principal Shareowners,” “Security Ownership of Directors and Management” and “Equity Compensation Plan Information” sections of our 2014 Proxy Circular.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference to, and will be contained in, the “Certain Relationships and Related Transactions” section of our 2014 Proxy Circular.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is incorporated by reference to, and will be contained in, the “Independent Certified Public Accountants” section of our 2014 Proxy Circular

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The documents filed as part of this report are as follows:

1. Financial Statements

The consolidated financial statements and accompanying report of independent certified public accountants are listed in the Index to Consolidated Financial Statements and are filed as part of this report.

2. Financial Statement Schedule

Schedule II—Valuation and Qualifying Accounts

3. Exhibits

Exhibits required by Item 601 of Regulation S-K set forth on the "Exhibit Index."

All other schedules called for by the applicable SEC accounting regulations are not required under the related instructions or are inapplicable and, therefore, have been omitted.

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Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Cott Corporation

/S/ JERRY FOWDEN

Jerry Fowden
Chief Executive Officer
Date: February 24, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

/S/ JERRY FOWDEN

Jerry Fowden
Chief Executive Officer, Director
(Principal Executive Officer)
Date: February 24, 2014

/S/ JAY WELLS

Jay Wells
Chief Financial Officer
(Principal Financial Officer)
Date: February 24, 2014

/S/ GREGORY LEITER

Gregory Leiter
Senior Vice President, Chief Accounting Officer and Assistant Secretary
(Principal Accounting Officer)
Date: February 24, 2014

/S/ DAVID T. GIBBONS

David T. Gibbons
Chairman, Director
Date: February 24, 2014

/S/ MARK BENADIBA

Mark Benadiba
Director
Date: February 24, 2014

/S/ STEPHEN H. HALPERIN

Stephen H. Halperin
Director
Date: February 24, 2014

/S/ BETTY JANE HESS

Betty Jane Hess
Director
Date: February 24, 2014

/S/ GREGORY MONAHAN

Gregory Monahan
Director
Date: February 24, 2014

/S/ MARIO PILOZZI

Mario Pilozzi
Director
Date: February 24, 2014

/S/ GEORGE A. BURNETT

George A. Burnett
Director
Date: February 24, 2014

/S/ ANDREW PROZES

Andrew Prozes
Director
Date: February 24, 2014

/S/ GRAHAM SAVAGE

Graham Savage
Director
Date: February 24, 2014

/S/ ERIC ROSENFELD

Eric Rosenfeld
Director
Date: February 24, 2014

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COTT CORPORATION

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Certified Public Accountants

To the Board of Directors and Shareholders of Cott Corporation:

In our opinion, the consolidated financial statements listed in the accompanying index present fairly, in all material respects, the financial position of Cott Corporation and its subsidiaries at December 28, 2013 and December 29, 2012, and the results of their operations and their cash flows for each of the three years in the period ended December 28, 2013 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the index appearing under Item 15(a)2 presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 28, 2013, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) (1992). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As described in Management's Report on Internal Control Over Financial Reporting appearing under Item 9A, management has excluded Cooke Bros. Holdings Limited ("Calypso") from its assessment of internal control over financial reporting as of December 28, 2013 because it was acquired in June 2013. We have also excluded Calypso from our audit of internal control over financial reporting. Calypso is a wholly owned subsidiary whose total assets and total revenues represent 4.0% and 1.5%, respectively, of the related consolidated financial statement amounts as of and for the year ended December 28, 2013.

/s/ PricewaterhouseCoopers LLP
Tampa, Florida
February 24, 2014

COTT CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions of U.S. dollars except share and per share amounts)

	For the Year Ended		
	December 28, 2013	December 29, 2012	December 31, 2011
Revenue, net	**$ 2,094.0**	$ 2,250.6	$ 2,334.6
Cost of sales	**1,842.0**	1,961.1	2,058.0
Gross profit	**252.0**	289.5	276.6
Selling, general and administrative expenses	**160.4**	178.0	172.7
Loss on disposal of property, plant & equipment	**1.0**	1.8	1.2
Restructuring and asset impairments			
Restructuring	**2.0**	—	—
Asset impairments	—	—	0.6
Intangible asset impairments	—	—	1.4
Operating income	**88.6**	109.7	100.7
Contingent consideration earn-out adjustment	—	0.6	0.9
Other expense (income), net	**12.8**	(2.0)	2.2
Interest expense, net	**51.6**	54.2	57.1
Income before income taxes	**24.2**	56.9	40.5
Income tax expense (benefit)	**2.2**	4.6	(0.7)
Net income	**$ 22.0**	$ 52.3	$ 41.2
Less: Net income attributable to non-controlling interests	**5.0**	4.5	3.6
Net income attributed to Cott Corporation	**$ 17.0**	$ 47.8	$ 37.6
Net income per common share attributed to Cott Corporation			
Basic	$ **0.18**	$ 0.51	$ 0.40
Diluted	**0.18**	0.50	0.40
Weighted average outstanding shares (thousands) attributed to Cott Corporation			
Basic	**94,750**	94,553	94,241
Diluted	**95,633**	94,775	95,001
Dividends declared per share	$ **0.24**	$ 0.06	$ —

The accompanying notes are an integral part of these consolidated financial statements.

COTT CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions of U.S. dollars)

	For the Year Ended		
	December 28, 2013	December 29, 2012	December 31, 2011
Net income	**$ 22.0**	$ 52.3	$ 41.2
Other comprehensive income (loss):			
Currency translation adjustment	**(5.1)**	10.7	(4.7)
Pension benefit plan, net of tax [1]	**0.7**	1.4	(3.1)
Unrealized gain on derivative instruments, net of tax [2]	**—**	—	0.6
Total other comprehensive (loss) income	**(4.4)**	12.1	(7.2)
Comprehensive income	**$ 17.6**	$ 64.4	$ 34.0
Less: Comprehensive income attributable to non-controlling interests	**5.0**	4.3	3.6
Comprehensive income attributed to Cott Corporation	**$ 12.6**	$ 60.1	$ 30.4

1. Net of a $0.3 million tax expense, $1.1 million tax expense and $0.6 million tax benefit for the years ended December 28, 2013, December 29, 2012 and December 31, 2011, respectively.
2. Net of a nil tax benefit, a nil tax benefit and $0.3 million tax expense effect for the years ended December 28, 2013, December 29, 2012 and December 31, 2011, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

COTT CORPORATION

CONSOLIDATED BALANCE SHEETS
(in millions of U.S. dollars, except share amounts)

	December 28, 2013	December 29, 2012
ASSETS		
Current assets		
Cash & cash equivalents	**$ 47.2**	$ 179.4
Accounts receivable, net of allowance of $5.8 ($6.8 as of December 29, 2012)	**204.4**	199.4
Income taxes recoverable	**1.1**	1.2
Inventories	**233.1**	224.8
Prepaid expenses and other current assets	**19.3**	20.3
Total current assets	**505.1**	625.1
Property, plant & equipment, net	**483.7**	490.9
Goodwill	**137.3**	130.3
Intangibles and other assets, net	**296.2**	315.4
Deferred income taxes	**3.6**	3.3
Other tax receivable	**0.2**	0.9
Total assets	**$ 1,426.1**	$ 1,565.9
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings	**$ 50.8**	$ —
Current maturities of long-term debt	**3.9**	1.9
Accounts payable and accrued liabilities	**298.2**	287.7
Total current liabilities	**352.9**	289.6
Long-term debt	**403.5**	601.8
Deferred income taxes	**41.5**	39.1
Other long-term liabilities	**22.3**	12.5
Total liabilities	**820.2**	943.0
Commitments and contingencies - Note 18		
Equity		
Capital stock, no par - 94,238,190 (December 29, 2012 - 95,371,484) shares issued	**392.8**	397.8
Treasury stock	**—**	—
Additional paid-in-capital	**44.1**	40.4
Retained earnings	**176.3**	186.0
Accumulated other comprehensive loss	**(16.8)**	(12.4)
Total Cott Corporation equity	**596.4**	611.8
Non-controlling interests	**9.5**	11.1
Total equity	**605.9**	622.9
Total liabilities and equity	**$ 1,426.1**	$ 1,565.9

Approved by the Board of Directors:

/s/ Graham Savage
Director

The accompanying notes are an integral part of these consolidated financial statements.

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COTT CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions of U.S. dollars)

	For the Year Ended		
	December 28, 2013	December 29, 2012	December 31, 2011
Operating Activities			
Net income	**$ 22.0**	$ 52.3	$ 41.2
Depreciation & amortization	**100.8**	97.7	95.3
Amortization of financing fees	**2.8**	3.7	3.9
Share-based compensation expense	**4.0**	4.9	2.9
Increase (decrease) in deferred income taxes	**0.9**	3.8	(3.7)
Write-off of financing fees and discount	**4.0**	—	—
Gain on bargain purchase	**—**	(0.9)	—
Loss on disposal of property, plant & equipment	**1.0**	1.8	1.2
Asset impairments	**—**	—	0.6
Intangible asset impairments	**—**	—	1.4
Contract termination payments	**—**	—	(3.1)
Other non-cash items	**0.9**	(0.4)	4.9
Change in operating assets and liabilities, net of acquisition:			
Accounts receivable	**13.9**	15.0	(5.0)
Inventories	**(1.0)**	(12.1)	6.5
Prepaid expenses and other current assets	**(1.3)**	(0.3)	5.8
Other assets	**6.1**	0.9	(0.7)
Accounts payable and accrued liabilities, and other liabilities	**(0.6)**	(2.2)	11.5
Income taxes recoverable	**1.7**	8.8	0.8
Net cash provided by operating activities	**155.2**	173.0	163.5
Investing Activities			
Acquisition, net of cash received	**(11.2)**	(9.7)	(34.3)
Additions to property, plant & equipment	**(55.6)**	(69.7)	(48.8)
Additions to intangibles and other assets	**(5.9)**	(5.2)	(5.7)
Proceeds from sale of property, plant & equipment	**0.2**	2.3	0.4
Proceeds from insurance recoveries	**0.6**	1.9	—
Other investing activities	**—**	—	(1.8)
Net cash used in investing activities	**(71.9)**	(80.4)	(90.2)
Financing Activities			
Payments of long-term debt	**(220.8)**	(3.3)	(6.8)
Borrowings under ABL	**131.9**	24.5	224.1
Payments under ABL	**(82.1)**	(24.5)	(231.9)
Distributions to non-controlling interests	**(6.6)**	(5.6)	(6.0)
Issuance of common shares, net of offering fees	**—**	—	0.3
Common shares repurchased and cancelled	**(13.0)**	(0.3)	—
Dividends to shareholders	**(21.9)**	(5.8)	—
Financing fees	**(0.8)**	(1.2)	—
Net cash used in financing activities	**(213.3)**	(16.2)	(20.3)
Effect of exchange rate changes on cash	**(2.2)**	2.1	(0.3)
Net (decrease) increase in cash & cash equivalents	**(132.2)**	78.5	52.7
Cash & cash equivalents, beginning of period	**179.4**	100.9	48.2
Cash & cash equivalents, end of period	**$ 47.2**	$ 179.4	$ 100.9
Supplemental Non-cash Investing and Financing Activities:			
Capital lease additions	**$ 1.3**	$ 1.0	$ 0.2
Common stock repurchased through accrued expenses	**—**	2.9	
Deferred consideration	**5.1**	—	—
Financing fees	**1.2**	—	—
Supplemental Disclosures of Cash Flow Information:			
Cash paid for interest	**$ 50.9**	$ 51.0	$ 53.8
Cash paid (received) for income taxes, net	**0.1**	(7.7)	1.3

The accompanying notes are an integral part of these consolidated financial statements.

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COTT CORPORATION

CONSOLIDATED STATEMENTS OF EQUITY
(in millions of U.S. dollars, except share amounts)

	Cott Corporation Equity								
	Number of Common Shares *(In thousands)*	**Number of Treasury Shares** *(In thousands)*	**Common Shares**	**Treasury Shares**	**Additional Paid-in-Capital**	**Retained Earnings (Deficit)**	**Accumulated Other Comprehensive Income (Loss)**	**Non-Controlling Interests**	**Total Equity**
Balance at January 1, 2011	**94,750**	**1,051**	**$ 395.6**	**$ (3.2)**	**$ 40.8**	**$ 106.5**	**$ (17.5)**	**$ 13.0**	**$535.2**
Common shares issued - Director Share Awards	76	—	—	—	0.7	—	—	—	0.7
Treasury shares issued - PSU Plan	—	(181)	—	0.5	(0.5)	—	—	—	—
Treasury shares issued - EISPP	—	(196)	—	0.6	(0.6)	—	—	—	—
Share-based compensation	—	—	—	—	2.2	—	—	—	2.2
Options exercised	275	—	0.3	—	—	—	—	—	0.3
Contributions to non-controlling interests	—	—	—	—	—	—	—	1.8	1.8
Distributions to non-controlling interests	—	—	—	—	—	—	—	(6.0)	(6.0)
Comprehensive income									
Currency translation adjustment	—	—	—	—	—	—	(4.7)	—	(4.7)
Pension benefit plan, net of tax	—	—	—	—	—	—	(3.1)	—	(3.1)
Unrealized loss on derivative instruments, net of tax	—	—	—	—	—	—	0.6	—	0.6
Net income	—	—	—	—	—	37.6	—	3.6	41.2
Balance at December 31, 2011	**95,101**	**674**	**$ 395.9**	**$ (2.1)**	**$ 42.6**	**$ 144.1**	**$ (24.7)**	**$ 12.4**	**$568.2**
Common shares issued - Director Share Awards	96	—	—	—	0.7	—	—	—	0.7
Common shares repurchased and cancelled	(392)	—	(3.1)	—	—	(0.1)	—	—	(3.2)
Treasury shares issued - Time-based RSUs	—	(674)	—	2.1	(2.1)	—	—	—	—
Common shares issued - Time-based RSUs	566	—	5.0	—	(5.0)	—	—	—	—
Share-based compensation	—	—	—	—	4.2	—	—	—	4.2
Dividend payment	—	—	—	—	—	(5.8)	—	—	(5.8)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(5.6)	(5.6)
Comprehensive income									
Currency translation adjustment	—	—	—	—	—	—	10.9	(0.2)	10.7
Pension benefit plan, net of tax	—	—	—	—	—	—	1.4	—	1.4
Unrealized gain on derivative instruments, net of tax	—	—	—	—	—	—	—	—	—
Net income	—	—	—	—	—	47.8	—	4.5	52.3
Balance at December 29, 2012	**95,371**	**—**	**$ 397.8**	**$ —**	**$ 40.4**	**$ 186.0**	**$ (12.4)**	**$ 11.1**	**$622.9**
Common shares issued - Director Share Awards	87	—	—	—	0.8	—	—	—	0.8
Common shares repurchased and cancelled	(1,251)	—	(5.3)	—	—	(4.8)	—	—	(10.1)
Common shares issued - Time-based RSUs	31	—	0.3	—	(0.3)	—	—	—	—
Share-based compensation	—	—	—	—	3.2	—	—	—	3.2
Dividend payment	—	—	—	—	—	(21.9)	—	—	(21.9)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(6.6)	(6.6)
Comprehensive income									
Currency translation adjustment	—	—	—	—	—	—	(5.1)	—	(5.1)
Pension benefit plan, net of tax	—	—	—	—	—	—	0.7	—	0.7

Unrealized gain (loss) on derivative instruments, net of tax	—	—	—	—	—	—	—	—	—
Net income	—	—	—	—	—	17.0	—	5.0	22.0
Balance at December 28, 2013	**94,238**	**—**	**$ 392.8**	**$ —**	**$ 44.1**	**$ 176.3**	**$ (16.8)**	**$ 9.5**	**$605.9**

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

Description of Business

Cott Corporation, together with its consolidated subsidiaries ("Cott," "the Company," "our Company," "Cott Corporation," "we," "us," or "our"), is one of the world's largest producers of beverages on behalf of retailers, brand owners and distributors. Our product lines include carbonated soft drinks ("CSDs"), 100% shelf stable juice and juice-based products, clear, still and sparkling flavored waters, energy drinks, sports products, new age beverages and ready-to-drink teas, as well as alcoholic beverages for brand owners.

Note 1 — Summary of Significant Accounting Policies

Basis of presentation

These consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") using the U.S. dollar as the reporting currency, as the majority of our business and the majority of our shareowners are in the United States.

For the years ended December 28, 2013, December 29, 2012 and December 31, 2011, we had 52 weeks of activity. Our fiscal year ends on Saturday, December 28, 2013 and our next 53 week year is 2015.

We have three reporting segments— North America (which includes our U.S. operating segment and Canada operating segment), United Kingdom ("U.K.") (which includes our United Kingdom reporting unit and our Continental European reporting unit), and All Other ("All Other") (which includes our Mexico operating segment, our Royal Crown International ("RCI") operating segment and other Miscellaneous Expenses). Our corporate oversight function ("Corporate") is not treated as a segment; it includes certain general and administrative costs that are not allocated to any of the reporting segments. During the fourth quarter of 2013, management reviewed our reporting segments and subsequently combined our Mexico and RCI reporting segments with the segment previously classified as All Other into one segment classified as All Other. Prior year information has been updated to reflect the change in our reporting segments.

Basis of consolidation

The financial statements consolidate our accounts, our wholly-owned and majority-owned subsidiaries and joint ventures which we control. All intercompany transactions and accounts have been eliminated in consolidation.

Estimates

The preparation of these consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amount of revenue and expenses during the reporting period. Actual results could differ from those estimates. The consolidated financial statements include estimates and assumptions which, in the opinion of management, were significant to the underlying amounts representing the future valuation of intangible assets, long-lived assets and goodwill, accounting for share-based compensation, realization of deferred income tax assets and the resolution of tax contingencies.

Revenue recognition

We recognize revenue, net of sales returns, when ownership passes to customers for products manufactured in our own plants and/or by third parties on our behalf, and when prices to our customers are fixed and collection is reasonably assured. This may be upon shipment of goods or upon delivery to the customer, depending on contractual terms. Shipping and handling costs paid by the customer to us are included in revenue. Although we accept returns of products from our customers occasionally, such returns, historically, have not been material.

Sales incentives

We participate in various incentive programs with our customers, including volume-based incentives, contractual rebates and promotional allowances. Volume incentives are based on our customers achieving volume targets for a period of time. Volume incentives and contractual rebates are deducted from revenue and accrued as the incentives are earned and are based on management's estimate of the total the customer is expected to earn and claim. Promotional allowances are accrued at time of revenue recognition and deducted from revenue based on either the volume shipped or the volume sold at the retailer location, depending on the terms of the allowance. We regularly review customer sales forecasts to ensure volume targets will be met and adjust incentive accruals and revenues accordingly.

Cost of sales

We record shipping and handling and finished goods inventory costs in cost of sales. Finished goods inventory costs include the cost of direct labor and materials and the applicable share of overhead expense chargeable to production.

Selling, general and administrative expenses

We record all other expenses not charged to production as selling, general and administrative expenses.

Share-based compensation

Share-based compensation expense for all share-based compensation awards is based on the grant-date fair value. We recognized these compensation costs net of a forfeiture rate on a straight-line basis over the requisite service period of the award, which is generally the vesting term of three years. No estimated forfeitures were included in the calculation of share-based compensation for the 2013, 2012 and 2011 share-based awards.

Additional paid-in capital is adjusted by the tax impact related to the difference between the amount deducted for tax purposes and the compensation cost for accounting purposes. Where the tax deduction exceeds book compensation cost, an increase in additional paid-in capital is recorded. Where the tax deduction is less than book compensation cost, a reduction in additional paid-in capital is recorded to the extent there is an accumulated balance or charged to income tax expense if a shortfall remains after the accumulated additional paid-in capital is brought to zero.

Cash and cash equivalents

Cash and cash equivalents include all highly liquid investments with original maturities not exceeding three months at the time of purchase. The fair values of our cash and cash equivalents approximate the amounts shown on our Consolidated Balance Sheets due to their short-term nature.

Allowance for doubtful accounts

A portion of our accounts receivable is not expected to be collected due to non-payment, bankruptcies and deductions. Our accounting policy for the allowance for doubtful accounts requires us to reserve an amount based on the evaluation of the aging of accounts receivable, detailed analysis of high-risk customers' accounts, and the overall market and economic conditions of our customers.

Inventories

Inventories are stated at the lower of cost, determined on the first-in, first-out method, or net realizable value. Returnable bottles are valued at the lower of cost, deposit value or net realizable value. Finished goods and work-in-process include the cost of raw materials, direct labor and manufacturing overhead costs. As a result, we use an inventory reserve to adjust our costs down to a net realizable value and to reserve for estimated obsolescence of both raw materials and finished goods.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is allocated between cost of sales and selling, general and administration expenses and is determined using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	10 to 40 years
Machinery and equipment	7 to 15 years
Furniture and fixtures	3 to 10 years
Plates, films and molds	1 to 10 years
Vending	5 to 10 years
Transportation equipment	3 to 15 years
IT Systems	3 to 7 years

Leasehold improvements are amortized using the straight-line method over the remaining life of the lease or useful life, whichever is shorter. Maintenance and repairs are charged to operating expense when incurred.

Goodwill and indefinite life intangible assets:

The following table summarizes our goodwill on a reporting segment basis as of December 28, 2013 and December 29, 2012:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
North America		
Balance at beginning of year	**$ 125.8**	$ 125.1
Goodwill acquired during the year	**—**	—
Foreign exchange	**(1.8)**	0.7
Balance at end of year	**$ 124.0**	$ 125.8
All Other		
Balance at beginning of year	**$ 4.5**	$ 4.5
Goodwill acquired during the year	**—**	—
Foreign exchange	**—**	—
Balance at end of year	**$ 4.5**	$ 4.5
UK		
Balance at beginning of year	**$ —**	**$** —
Goodwill acquired during the year	**8.5**	—
Foreign exchange	**0.3**	—
Balance at end of year	**$ 8.8**	**$** —
Total		
Balance at beginning of year	**$ 130.3**	$ 129.6
Goodwill acquired during the year	**8.5**	—
Foreign exchange	**(1.5)**	0.7
Balance at end of year	**$ 137.3**	$ 130.3

Goodwill represents the excess purchase price of acquired businesses over the fair value of the net assets acquired. Goodwill is not amortized, but instead is tested for impairment at least annually in the fourth quarter or more frequently if we determine a triggering event has occurred during the year. Any impairment loss is recognized in our results of operations. We evaluate goodwill for impairment on a reporting unit basis. Reporting units are operations for which discrete financial information is available and are at or one level below our operating segments. For the purpose of testing goodwill for impairment, our reporting units are the United States ("U.S."), United Kingdom ("U.K."), Canada, and Royal Crown International ("RCI"). We had goodwill of $137.3 million on our balance sheet at December 28, 2013, which represents amounts for the U.S., U.K., Canada and the RCI reporting units.

In 2013 and 2012, for our RCI reporting unit, we assessed qualitative factors to determine whether the existence of events or circumstances indicated that it was more likely than not that the fair value of the reporting unit was less than its carrying amount. We also performed this assessment for our Canada reporting unit in 2012. If, after assessing the totality of events or circumstances, we had determined that it was more likely than not that the fair value of the reporting unit was less than its carrying amount, then we would have performed the first step of the two-step goodwill impairment test. We concluded that it was more likely than not that the fair value of the reporting unit was more than its carrying amount and therefore we were not required to perform any additional testing.

In 2013, for our U.S. and Canada reporting units, we chose to bypass the qualitative assessment and performed the first step of the two-step goodwill impairment test using a mix of the income approach (which is based on the discounted cash flow of the reporting unit) and the public company approach. We believe using a combination of the two approaches provides a more accurate valuation because it incorporates the actual cash generation of the Company in addition to how a third party market participant would value the reporting unit. We also chose to bypass the qualitative assessment for our U.S. reporting unit in 2012. Because the business is assumed to continue in perpetuity, the discounted future cash flow includes a terminal value. We used a weighted average terminal growth rate of 1% for our U.S. reporting unit in 2013 and 2012 and a weighted average terminal growth rate of 1% for our Canada reporting unit in 2013. The long-term growth assumptions incorporated into the discounted cash flow calculation reflect our long-term view of the market (including a decline in CSD demand), projected changes in the sale of our products, pricing of such products and operating profit margins.

The estimated revenue changes in the analysis for the U.S. reporting unit ranged between -9.7% and 5.6% for 2013 and -1.4% and 3.0% for 2012. The estimated revenue changes in the analysis for the Canada reporting unit ranged between -17.2% and 1.2% for 2013.

The discount rate used for the fair value estimates in the analysis for the U.S. reporting unit was 8.5% for 2013 and 10.5% for 2012 and ranged from 11% to 12% for 2011. The discount rate used for the fair value estimates in the analysis for the Canada reporting unit was 9.0% for 2013 and 11.0% for 2011. These rates were based on the weighted average cost of capital a market participant would use if evaluating the reporting unit as an investment. The risk-free rate was 3.4% and 2.4% for 2013 and 2012, respectively, and was based on a 20-year U.S. Treasury Bill as of the valuation date.

For the Canada reporting unit, the fair value exceeded the net book value by approximately 23% and 49% in 2013 and 2011, respectively. As noted above, a qualitative assessment was performed on our Canada reporting unit in 2012. From 2011 to 2013, the fair value declined by approximately 41%.

All goodwill in the U.K. reporting unit is attributable to the June 2013 acquisition (the “Calypso Soft Drinks Acquisition”) of 100 percent of the share capital of Cooke Bros. Holdings Limited, which includes the subsidiary companies Calypso Soft Drinks Limited and Mr. Freeze (Europe) Limited (together, “Calypso Soft Drinks”).

Each year during the fourth quarter, we re-evaluate the assumptions used to reflect changes in the business environment, such as revenue growth rates, operating profit margins and discount rate. Based on the evaluations performed this year, we determined that the fair value of our significant reporting units exceeded their carrying amounts.

Intangible and other assets

As of December 28, 2013, other intangible assets were $251.2 million, consisting principally of $212.0 million of customer relationships that arose from acquisitions, $10.1 million of financing costs, $17.5 million of information technology assets, and $7.4 million of trademarks. Customer relationships are amortized on a straight-line basis for the period over which we expect to receive economic benefits. We review the estimated useful life of these intangible assets annually, taking into consideration the specific net cash flows related to the intangible asset, unless a review is required more frequently due to a triggering event such as the loss of a customer. The permanent loss or significant decline in sales to any customer included in the intangible asset would result in impairment in the value of the intangible asset or accelerated amortization and could lead to an impairment of fixed assets that were used to service that customer. In 2013 we recorded $10.7 million of customer relationships acquired in connection with the Calypso Soft Drinks Acquisition. We did not record impairment charges for other intangible assets in 2013 or 2012. In 2011, we recorded an asset impairment charge of $1.4 million related primarily to customer relationships.

Our only intangible asset with an indefinite life relates to the 2001 acquisition of intellectual property from Royal Crown Company, Inc., including the right to manufacture our concentrates, with all related inventions, processes, technologies, technical and manufacturing information, know-how and the use of the Royal Crown brand outside of North America and Mexico (the “Rights”). This asset has a net book value of $45.0 million. Prior to 2001, we paid a volume based royalty to the Royal Crown Company for purchase of concentrates. There are no legal, regulatory, contractual, competitive, economic, or other factors that limit the useful life of this intangible.

The life of the Rights is considered to be indefinite and therefore not amortized, but instead is tested for impairment at least annually or more frequently if we determine a triggering event has occurred during the year. We compare the carrying amount of the Rights to their fair value and where the carrying amount is greater than the fair value, we recognize in income an impairment loss. To determine fair value, we use a relief from royalty method, which calculates a fair value royalty rate that is applied to a forecast of future volume shipments of concentrate that is used to produce CSDs. The forecast of future volumes is based on the estimated inter-plant shipments and RCI shipments. The relief from royalty method is used since the Rights were purchased in part to avoid making future royalty payments for concentrate to the Royal Crown Company. The resulting cash flows are discounted using a discount rate of 12.5% and estimated volume changes between -10.7% and 5.5%. No impairment was identified for the year ended December 28, 2013. Absent any other changes, if our inter-plant concentrate volume declines by 1.0% from our estimated volume, the fair value of our Rights would decline by approximately $1.7 million. If our RCI volume declines by 1.0% from our estimated volume, the fair value of the Rights would decline by approximately $2.6 million. If our discount rate increases by 100 basis points, the fair value of the Rights would decline by approximately $5.5 million. None of these adjustments would result in an impairment of our Rights as either a stand-alone adjustment or in combination.

Impairment of long-lived assets

When adverse events occur, we compare the carrying amount of long-lived assets to the estimated undiscounted future cash flows at the lowest level of independent cash flows for the group of long-lived assets and recognize any impairment loss in the Consolidated Statements of Operations, taking into consideration the timing of testing and the asset's remaining useful life. The expected life and value of these long-lived assets is based on an evaluation of the competitive environment, history and future prospects as appropriate. In 2011, we recorded an impairment of long-lived assets of $0.6 million related to a production plant in Mexico that ceased operations. We did not record impairments of long-lived assets in 2012 or 2013.

Foreign currency translation

The assets and liabilities of non-U.S. active operations, all of which are self-sustaining, are translated to U.S. dollars at the exchange rates in effect at the balance sheet dates. Revenues and expenses are translated using average monthly exchange rates prevailing during the period. The resulting gains or losses are recorded in accumulated comprehensive income under shareowners' equity.

Income Taxes

We account for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized based on the differences between the accounting values of assets and liabilities and their related tax bases using currently enacted income tax rates. A valuation allowance is established to reduce deferred income tax assets if, on the basis of available evidence, it is not more likely than not that all or a portion of any deferred tax assets will be realized. We classify interest and income tax penalties as income tax expense (benefit).

We account for uncertain tax positions using a two-step process. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, based on the technical merits. The second step requires us to estimate and measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. It is inherently difficult and subjective to estimate such amounts, as we have to determine the probability of various possible outcomes. We re-evaluate these uncertain tax positions on a quarterly basis. This evaluation is based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit, and new audit activity. Such a change in recognition or measurement would result in the recognition of a tax benefit or an additional charge to the tax provision.

We recognize interest and penalties related to unrecognized tax benefits within the income tax expense line in the accompanying Consolidated Statements of Operations, and we include accrued interest and penalties within the income tax payable or receivable account in the Consolidated Balance Sheets.

Pension costs

We record annual amounts relating to defined benefit pension plans based on calculations, which include various actuarial assumptions such as discount rates and assumed rates of return depending on the pension plan. Material changes in pension costs may occur in the future due to changes in these assumptions. Future annual amounts could be impacted by changes in the discount rate, changes in the expected long-term rate of return, changes in the level of contributions to the plans and other factors. The funded status is the difference between the fair value of plan assets and the benefit obligation. Future actuarial gains or losses that are not recognized as net periodic benefits cost in the same periods will be recognized as a component of other comprehensive income.

Recently issued accounting pronouncements

Update ASU 2013-02 – Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income

In February 2013, the Financial Accounting Standards Board ("FASB") amended its guidance regarding the information provided in relation to the amounts reclassified out of accumulated other comprehensive income. The amendments do not change the current requirements for reporting net income or other comprehensive income in financial statements. However, the amendments require an entity to provide information about the amounts reclassified out of accumulated other comprehensive income by component. In addition, an entity is required to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other

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comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional detail about those amounts. For public entities, the amendments are effective prospectively for reporting periods beginning after December 15, 2012. We have adopted this guidance, and the required disclosure is set forth in Note 17.

Note 2 — Acquisition

Calypso Soft Drinks Acquisition

During June 2013, our United Kingdom ("U.K.") reporting segment completed the Calypso Soft Drinks Acquisition. Calypso Soft Drinks produces fruit juices, juice drinks, soft drinks, and freeze products in the United Kingdom. The aggregate purchase price in the Calypso Soft Drinks Acquisition was $12.1 million, which includes approximately $7.0 million paid at closing, deferred payments of approximately $2.3 million and $3.0 million to be paid on the first and second anniversary of the closing date, respectively, of the Calypso Soft Drinks Acquisition. In connection with the Calypso Soft Drinks Acquisition, we paid off $18.5 million of outstanding debt of the acquired companies. The closing payment was funded from available cash.

The total consideration paid by us in the Calypso Soft Drinks Acquisition, subject to final working capital adjustments, is summarized below:

(in millions of U.S. dollars)	
Cash	$ 7.0
Deferred consideration [1]	5.1
Total consideration	$12.1

1. Principal amount of $5.3 million discounted to be paid on the first and second anniversary of completion date.

Our primary reasons for the Calypso Soft Drinks Acquisition were to expand Cott's product portfolio and enhance our customer offering and growth prospects.

The Calypso Soft Drinks Acquisition is being accounted for as a business combination which, among other things, requires that assets acquired and liabilities assumed be measured at their acquisition date fair values. Identified intangible assets, goodwill and property, plant and equipment are recorded at their estimated fair values per preliminary valuations and may change based on the final valuation results including, for example, the process of physically validating fixed assets. The results of operations of Calypso Soft Drinks have been included in our operating results beginning as of the acquisition date. We allocated the purchase price of the Calypso Soft Drinks Acquisition to tangible assets, liabilities and identifiable intangible assets acquired based on their estimated fair values. The excess of the purchase price over the aggregate fair values was recorded as goodwill. The fair value assigned to identifiable intangible assets acquired was based on estimates and assumptions made by management. Intangible assets are amortized using a method that reflects the pattern in which economic benefits of the intangible asset are consumed using a straight-line amortization method.

The following table summarizes the estimated allocation of the purchase price to the fair value of the assets acquired and liabilities assumed in connection with the Calypso Soft Drinks Acquisition.

(in millions of U.S. dollars)	As reported at September 27, 2013	Adjustments	As reported at December 28, 2013
Cash	$ 0.5	$ —	$ 0.5
Accounts receivable	15.1	1.0	16.1
Inventory	7.5	0.6	8.1
Prepaid expenses and other assets	0.6	—	0.6
Property, plant and equipment	9.7	(1.0)	8.7
Goodwill	10.5	(2.0)	8.5
Intangibles and other assets	14.8	0.2	15.0
Accounts payable and accrued liabilities	(14.1)	(1.7)	(15.8)
Shareholder loans	(1.6)	—	(1.6)
Deferred tax liabilities	(4.7)	1.2	(3.5)
Other long-term liabilities	(26.2)	1.7	(24.5)
Total	$ 12.1	$ —	$ 12.1

The Company recognized $1.7 million of acquisition related costs associated with the Calypso Soft Drinks Acquisition that were expensed during 2013. These costs are included in the selling, general, and administrative expenses of our Consolidated Statements of Operations in accordance with Accounting Standards Codification ("ASC") 805, "Business Combinations" ("ASC 805").

Scotland Acquisition

In March 2012, our U.K. reporting segment acquired a beverage and wholesale business based in Scotland for approximately $5.0 million. The business was purchased from a company in administration and provides a number of benefits to our U.K. reporting segment, including increased product offerings, logistical synergies and access to an additional production line. The acquisition has been accounted for using the purchase method of accounting for business combinations, and related operating results are included in the Consolidated Statements of Operations for the periods subsequent to the acquisition. The identified assets, which included inventory, property, plant and equipment, trade names and customer lists, were recorded at their estimated fair values, which exceeded the fair value of the purchase price of the business. Accordingly, the acquisition has been accounted for as a bargain purchase and, as a result, we recognized a gain of approximately $0.9 million associated with the acquisition. The gain is included in the other (income) expense, net section of the Consolidated Statements of Operations.

Cliffstar Acquisition

On August 17, 2010, we completed the Cliffstar Acquisition for approximately $503.0 million in cash, $14.0 million in deferred consideration payable in equal installments over three years and contingent consideration of up to $55.0 million. The first $15.0 million of the contingent consideration was paid upon the achievement of milestones in certain expansion projects in 2010. The remainder of the contingent consideration was to be calculated based on the achievement of certain performance measures during the fiscal year ending January 1, 2011.

In 2011, the seller of Cliffstar raised certain objections to the performance measures used to calculate the contingent consideration, and the parties commenced the dispute resolution mechanism provided for in the asset purchase agreement. During 2011, Cott made interim payments to the seller equal to $29.6 million which was net of a $4.7 million refund due to Cott and included $0.9 million in settlement of certain of the seller's objections to the calculation of the contingent consideration. The seller's claims for an additional $12.1 million in contingent consideration were submitted to binding arbitration pursuant to the asset purchase agreement and favorably resolved by payment by Cott in February 2013 of approximately $0.6 million.

The Cliffstar Acquisition was financed through the issuance of $375.0 million aggregate principal amount of 8.125% senior notes due 2018 (the "2018 Notes"), the underwritten public offering of 13.4 million of our common shares (the "Equity Offering") and borrowings under our credit facility, which we refinanced in connection with the Cliffstar Acquisition, to increase the amount available for borrowings to $275.0 million.

Our primary reasons for the Cliffstar Acquisition were to expand Cott's product portfolio and manufacturing capabilities, enhance our customer offering and growth prospects, and improve our strategic platform for the future.

The Cliffstar Acquisition is being accounted for under the purchase accounting method, in accordance with ASC 805, "Business Combinations", with the assets and liabilities acquired recorded at their fair values at the date of the Cliffstar Acquisition. Identified intangible assets, goodwill and property, plant and equipment are recorded at their estimated fair values per valuations. The results of operations of the acquired business have been included in our operating results beginning as of the date of the Cliffstar Acquisition. We allocated the purchase price of the Cliffstar Acquisition to tangible assets, liabilities and identifiable intangible assets acquired based on their estimated fair values. The excess of the purchase price over the aggregate fair values was recorded as goodwill. The fair value assigned to identifiable intangible assets acquired was based on estimates and assumptions made by management. Intangible assets are amortized using the straight-line amortization method.

In addition to the purchase price, we incurred $7.2 million of acquisition related costs, which were expensed as incurred and recorded in the selling, general, and administrative expenses caption of our Consolidated Statements of Operations for the year ended January 1, 2011, in accordance with ASC 805.

The following table summarizes the allocation of the purchase price to the fair value of the assets acquired and liabilities assumed in connection with the Cliffstar Acquisition.

(in millions of U.S. dollars)	As reported at January 1, 2011
Accounts receivable	$ 52.2
Inventories	87.1
Prepaid expenses and other assets	5.7
Property, plant & equipment	167.3
Goodwill	98.2
Intangibles and other assets	224.3
Accounts payable and accrued liabilities	(63.3)
Other long-term liabilities	(2.8)
Total	$ 568.7

Intangible Assets

Calypso Soft Drinks Acquisition

In our determination of the fair value of the intangible assets, we considered, among other factors, the best use of acquired assets, analysis of historical financial performance and estimates of future performance of Calypso Soft Drinks' products. The estimated fair values of identified intangible assets were calculated considering market participant expectations and using an income approach and estimates and assumptions provided by Calypso Soft Drinks' management, as well as our management. The following table sets forth the components of identified intangible assets associated with the Calypso Soft Drinks Acquisition and their estimated weighted average useful lives:

	As Reported at December 28, 2013	
(in millions of U.S. dollars)	Estimated Fair Market Value	Estimated Useful Life
Customer relationships	$ 10.7	15 years
Trademarks and trade names	3.0	20 years
Non-competition agreements	1.3	5 years
Total	$ 15.0	

Customer relationships represent future projected revenue that will be derived from sales to existing customers of Calypso Soft Drinks.

Trademarks and trade names represent the future projected cost savings associated with the premium and brand image obtained as a result of owning the trademark or trade name as opposed to obtaining the benefit of the trademark or trade name through a royalty or rental fee.

In conjunction with the closing of the Calypso Soft Drinks Acquisition, certain key employees of Calypso Soft Drinks executed non-competition agreements, which prevent those employees from competing with us in the specified restricted territories for five years after the acquisition date. The value of the Calypso Soft Drinks business could be diminished without these non-competition agreements.

Cliffstar Acquisition

In our determination of the fair value of the intangible assets, we considered, among other factors, the best use of acquired assets, analysis of historical financial performance and estimates of future performance of Cliffstar's products. The estimated fair values of identified intangible assets were calculated considering market participant expectations and using an income approach and estimates and assumptions provided by Cliffstar's and our management. The following table sets forth the components of identified intangible assets associated with the Cliffstar Acquisition and their estimated weighted average useful lives:

	As Reported at January 1, 2011	
(in millions of U.S. dollars)	Estimated Fair Market Value	Estimated Useful Life
Customer relationships	$ 216.9	15 years
Non-competition agreements	6.6	3 years
Total	$ 223.5	

Customer relationships represent future projected revenue that will be derived from sales to existing customers of the acquired company.

In conjunction with the closing of the Cliffstar Acquisition, certain key employees of Cliffstar executed non-competition agreements, which prevent those employees from competing with us in specified restricted territories for a period of three years from the date of the Cliffstar Acquisition. The value of the Cliffstar business could be materially diminished without these non-competition agreements.

Goodwill

The principal factor that resulted in recognition of goodwill was that the purchase prices for the Calypso Soft Drinks Acquisition and Cliffstar Acquisition were based in part on cash flow projections assuming the reduction of administration costs and the integration of acquired customers and products into our operations, which is of greater value than on a standalone basis. Goodwill is expected to be deductible for tax purposes.

Supplemental Pro Forma Data (unaudited)

The following unaudited financial information for the years ended December 28, 2013 and December 29, 2012 represent the combined results of our operations as if the Calypso Soft Drinks Acquisition had occurred on December 31, 2011. The unaudited pro forma financial information does not necessarily reflect the results of operations that would have occurred had we operated as a single entity during such period.

	For the Year Ended	
(in millions of U.S. dollars, except share amounts)	December 28, 2013	December 29, 2012
Revenue	$ 2,121.5	$ 2,309.7
Net income	18.9	48.2
Net income per common share, diluted	$ 0.20	$ 0.51

Note 3 — Restructuring

We implement restructuring programs from time to time that are designed to improve operating effectiveness and lower costs. When we implement these programs, we incur various charges, including severance and other employment related costs. In June 2013, we implemented one such program (the "2013 Restructuring Plan"), which consisted primarily of headcount reductions. For the year ended December 28, 2013, we incurred charges of approximately $2.0 million related primarily to employee redundancy costs.

The following table summarizes restructuring, asset impairment and intangible asset impairment charges for the years ended December 28, 2013, December 29, 2012 and December 31, 2011:

	For the Year Ended		
(in millions of U.S. dollars)	December 28, 2013	December 29, 2012	December 31, 2011
Restructuring	$ 2.0	$ —	$ —
Asset impairments	—	—	0.6
Intangible asset impairments	—	—	1.4
	$ 2.0	$ —	$ 2.0

As of December 28, 2013, December 29, 2012 and December 31, 2011, no amounts are owed under our restructuring plans.

Year ended December 28, 2013

The following table summarizes restructuring charges on a reporting segment basis for the year ended December 28, 2013.

(in millions of U.S. dollars)	North America	United Kingdom	All Other	Total
Restructuring	$ 1.0	$ 0.7	$ 0.3	$2.0
	$ 1.0	$ 0.7	$ 0.3	$2.0

Year ended December 31, 2011

The following table summarizes our asset impairment charges on a reporting segment basis for the year ended December 31, 2011.

(in millions of U.S. dollars)	North America	All Other	Total
Asset impairments	$ —	$ 0.6	$0.6
Intangible asset impairments	1.4	—	1.4
	$ 1.4	$ 0.6	$2.0

Asset impairments - In 2011, we recorded an asset impairment charge of $1.4 million related primarily to customer relationships. Also, in 2011, we recorded a $0.6 million impairment of long-lived assets related to a production plant in Mexico that ceased operations.

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Note 4 — Other Expense (Income), Net

The following table summarizes other expenses and (income) for the years ended December 28, 2013, December 29, 2012 and December 31, 2011:

	For the Year Ended		
(in millions of U.S. dollars)	December 28, 2013	December 29, 2012	December 31, 2011
Foreign exchange loss	**$ 0.2**	$ 0.8	$ 2.2
Gain on bargain purchase	**—**	(0.9)	—
Proceeds from insurance recoveries	**(0.1)**	(1.9)	—
Bond redemption	**8.7**	—	—
Write-off of financing fees and discount	**4.0**	—	—
Total	**$ 12.8**	$ (2.0)	$ 2.2

Note 5 — Interest Expense

The following table summarizes interest expense for the years ended December 28, 2013, December 29, 2012 and December 31, 2011:

	For the Year Ended		
(in millions of U.S. dollars)	December 28, 2013	December 29, 2012	December 31, 2011
Interest on long-term debt	**$ 47.4**	$ 49.4	$ 50.1
Other interest expense	**4.2**	4.8	7.0
Total	**$ 51.6**	$ 54.2	$ 57.1

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Note 6 — Income Tax Expense (Benefit)

Income before income taxes consisted of the following:

(in millions of U.S. dollars)	For the Year Ended December 28, 2013	December 29, 2012	December 31, 2011
Canada	**$ 30.7**	$ 22.9	$ 20.1
Outside Canada	**(6.5)**	34.0	20.4
Income before income taxes	**$ 24.2**	$ 56.9	$ 40.5

Income tax expense (benefit) consisted of the following:

(in millions of U.S. dollars)	For the Year Ended December 28, 2013	December 29, 2012	December 31, 2011
Current			
Canada	**$ (0.3)**	$ 2.4	$ 2.2
Outside Canada	**(0.4)**	(1.6)	0.5
	$ (0.7)	$ 0.8	$ 2.7
Deferred			
Canada	**$ (0.6)**	$ 0.6	$ 0.8
Outside Canada	**3.5**	3.2	(4.2)
	$ 2.9	$ 3.8	$ (3.4)
Income tax expense (benefit)	**$ 2.2**	$ 4.6	$ (0.7)

The following table reconciles income taxes calculated at the basic Canadian corporate rates with the income tax provision:

(in millions of U.S. dollars)	For the Year Ended December 28, 2013	December 29, 2012	December 31, 2011
Income tax expense based on Canadian statutory rates	**$ 6.1**	$ 14.4	$ 10.9
Foreign tax rate differential	**(0.7)**	1.2	(3.0)
Tax exempt income	**(15.1)**	(14.8)	(14.2)
Dividend income	**—**	0.7	1.0
Changes in enacted tax rates	**(1.5)**	(0.8)	(0.8)
Increase in valuation allowance	**12.5**	4.0	10.3
Increase (decrease) to uncertain tax positions	**0.8**	(0.8)	(0.9)
Non-controlling interests	**(1.8)**	(1.6)	(1.3)
Other items	**1.9**	2.3	(2.7)
Income tax expense (benefit)	**$ 2.2**	$ 4.6	$ (0.7)

Deferred income tax assets and liabilities were recognized on temporary differences between the financial and tax bases of existing assets and liabilities as follows:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
Deferred tax assets		
Loss carryforwards	**$ 64.1**	$ 53.8
Leases	**3.8**	4.1
Property, plant & equipment	**5.9**	4.5
Liabilities and reserves	**13.4**	12.0
Stock options	**1.9**	0.9
Inventories	**1.8**	3.7
Other	**4.6**	4.1
	95.5	83.1
Deferred tax liabilities		
Property, plant & equipment	**(54.2)**	(63.6)
Intangible assets	**(25.0)**	(15.9)
Other	**(1.0)**	(0.8)
	(80.2)	(80.3)
Valuation allowance	**(45.2)**	(27.5)
Net deferred tax liability	**$ (29.9)**	$ (24.7)

The increase in the valuation allowance from December 29, 2012 to December 28, 2013 was primarily the result of additional allowances booked in the U.S and Mexico.

The deferred tax assets and liabilities have been classified as follows on the Consolidated Balance Sheets:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
Deferred tax assets:		
Current	**$ 8.2**	$ 11.1
Long-term	**3.6**	3.3
Deferred tax liabilities:		
Current	**$ (0.2)**	$ —
Long-term	**(41.5)**	(39.1)
Net deferred tax liability	**$ (29.9)**	$ (24.7)

As a result of certain realization requirements of ASC Topic 718, "Compensation—Stock Compensation" ("ASC 718"), the table of deferred tax assets and liabilities shown above does not include certain deferred tax assets at December 28, 2013 and December 29, 2012 that arose directly from tax deductions related to equity compensation in excess of compensation recognized for financial reporting. As of December 28, 2013, equity will be increased by $2.8 million if and when such deferred tax assets are ultimately realized.

At December 28, 2013, undistributed earnings of our foreign operations were considered to be permanently reinvested. No deferred tax liability has been recognized on the basis difference created by such earnings since it is our intention to utilize those earnings in the foreign operations for an indefinite period of time. The determination of the amount of deferred taxes on these earnings is not practicable because the computation would depend on a number of factors that cannot be known until a decision to repatriate the earnings is made.

As of December 28, 2013, we have operating loss carryforwards totaling $357.1 million, credit carryforwards totaling $1.5 million and capital loss carryforwards totaling $15.8 million. The operating loss carryforward amount was attributable to Mexico operating loss carryforwards of $22.6 million that will expire from 2018 to 2023 and U.S. federal and state operating loss carryforwards of $121.0 million and $213.5 million, respectively. The U.S. federal operating loss carryforwards will expire from 2027 to 2033 and the state operating loss carryforwards will expire from 2014 to 2033.

The credit carryforward amount was attributable to a U.S. federal alternative minimum tax credit carryforward of $0.7 million with an indefinite life and U.S. state credit carryforwards of $0.8 million that will expire from 2014 to 2018. The capital loss carryforward is attributable to a Canadian capital loss of $10.7 million and a U.K. capital loss of $5.1 million, both with an indefinite life.

We establish a valuation allowance to reduce deferred tax assets if, based on the weight of the available evidence, both positive and negative, for each respective tax jurisdiction, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Due to uncertainty resulting from the lack of sustained taxable income in recent years in the U.S. and Mexico, we have determined that it is more likely than not that the benefit from net operating loss carryforwards and other net deferred tax assets in these jurisdictions will not be realized in the future. In recognition of this risk, we have provided a valuation allowance of $31.9 million and $9.6 million to reduce our deferred tax assets in the U.S. and Mexico, respectively.

Additionally, we have determined that it is more likely than not that the benefit from our capital losses in Canada and the U.K. will not be realized in the future due to the uncertainty regarding potential future capital gains in each jurisdiction. In recognition of this risk, we have provided a valuation allowance of $2.7 million on our Canadian capital losses and $1.0 million on our U.K. capital losses.

If our assumptions change and we determine we will be able to realize these deferred tax assets, an income tax benefit of $45.2 million will be realized as a result of the reversal of the valuation allowance at December 28, 2013.

In 2006, the FASB issued guidance regarding provisions of uncertain tax positions in ASC 740, which provides specific guidance on the financial statement recognition, measurement, reporting and disclosure of uncertain tax positions taken or expected to be taken in a tax return. ASC 740 addresses the determination of whether tax benefits, either permanent or temporary, should be recorded in the financial statements.

A reconciliation of the beginning and ending amount of our unrecognized tax benefits is as follows:

	For the Year Ended		
(in millions of U.S. dollars)	**December 28, 2013**	**December 29, 2012**	**December 31, 2011**
Unrecognized tax benefits at beginning of year	**$ 9.2**	$ 9.0	$ 13.3
Additions based on tax positions taken during a prior period	**0.2**	0.1	0.2
Reductions based on tax positions taken during a prior period	**—**	(2.2)	—
Settlement on tax positions taken during a prior period	**(1.2)**	—	(5.8)
Lapse in statute of limitations	**—**	(0.1)	—
Additions based on tax positions taken during the current period	**2.4**	2.2	1.7
Foreign exchange	**(0.1)**	0.2	(0.4)
Unrecognized tax benefits at end of year	**$ 10.5**	$ 9.2	$ 9.0

As of December 28, 2013, we had $10.5 million of unrecognized tax benefits, a net increase of $1.3 million from $9.2 million as of December 29, 2012. If we recognized our tax positions, approximately $4.8 million would favorably impact the effective tax rate. We believe it is reasonably possible that our unrecognized tax benefits will decrease or be recognized in the next twelve months by up to $0.9 million due to the settlement of certain tax positions and lapses in statutes of limitation in various tax jurisdictions.

We recognize interest and penalties related to unrecognized tax benefits in the provision for income taxes. We recovered nil, $0.2 million and $0.2 million of interest and penalties during the year ended December 28, 2013, December 29, 2012 and December 31, 2011, respectively. The amount of interest and penalties recognized as an asset in the Consolidated Balance Sheets for 2013 and 2012 was $0.1 million and $0.1 million, respectively.

Years prior to 2008 are closed to audit by the Internal Revenue Service. Years prior to 2008 are closed to audit by U.S. state jurisdictions. We are currently under audit in Canada by the Canada Revenue Agency ("CRA") for tax years 2005 through 2008. Years prior to 2005 are closed to audit by the CRA. We are currently under audit in Mexico by the Servicio de Administracion Tributaria ("SAT") for the 2011 tax year. Years prior to 2008 are closed to audit by both the U.K. and Mexico tax authorities.

Note 7 — Share based Compensation

Each of our share-based compensation plans has been approved by our shareowners, except for our 1986 Common Share Option Plan, as amended (the "Option Plan"), which was adopted prior to our initial public offering, and a stock option award granted to our Chief Executive Officer, which was an inducement grant made to attract and retain that executive. Subsequent amendments to the Option Plan that required shareowner approval have been approved.

The table below summarizes the share-based compensation expense for the years ended December 28, 2013, December 29, 2012, and December 31, 2011. This share-based compensation expense was recorded in selling, general, and administrative expenses in our Consolidated Statements of Operations. As used below: (i) "Performance-based RSUs" mean restricted share units with performance-based vesting granted under the Company's 2010 Equity Incentive Plan (the "2010 Equity Incentive Plan") or Amended and Restated Equity Plan (as defined below), as the case may be, (ii) "Time-based RSUs" mean restricted share units with time-based vesting granted under the 2010 Equity Incentive Plan or Amended and Restated Equity Plan, as the case may be, (iii) "Stock options" mean non-qualified stock options granted under the Amended and Restated Equity Plan, the 2010 Equity Incentive Plan, or the Option Plan, as the case may be, and (iv) "Directors' share awards" mean common shares issued in consideration of the annual board retainer fee to non-management members of our board of directors under the 2010 Equity Incentive Plan or Amended and Restated Equity Plan, as the case may be.

	For the Year Ended		
(in millions of U.S. dollars)	**December 28, 2013**	**December 29, 2012**	**December 31, 2011**
Stock options	**$ 0.8**	$ 0.4	$ —
Performance-based RSUs	**0.2**	0.7	(1.2)
Time-based RSUs	**2.2**	3.1	3.4
Directors' share awards	**0.8**	0.7	0.7
Total	**$ 4.0**	$ 4.9	$ 2.9

During the third quarter of 2011, we concluded that it was no longer probable that the targets established for the Performance-based RSUs awarded in 2011 would be met, and we no longer expect these awards to ultimately vest. Accordingly, we recorded an adjustment to reverse $3.3 million in compensation costs that had been recorded to date for the Performance-based RSUs awarded in 2010 and 2011. During the fourth quarter of 2013, we concluded that it was no longer probable that the targets established for the Performance-based RSUs awarded in 2013 would be met, and we no longer expect these awards to ultimately vest. We continue to accrue the compensation expense for the Performance-based RSUs awarded in 2012.

As of December 28, 2013, the unrecognized share-based compensation expense and years we expect to recognize it as compensation expense were as follows:

(in millions of U.S. dollars, except years)	Unrecognized share-based compensation expense as of December 28, 2013	Weighted average years expected to recognize compensation
Stock options	$ 1.7	1.7
Performance-based RSUs	0.5	1.0
Time-based RSUs	3.4	1.8
Total	$ **5.6**	

Stock Options

Subsequent to the adoption of the 2010 Equity Incentive Plan, which was amended and restated by the Amended and Restated Equity Plan (as defined below), the Human Resources and Compensation Committee of the board of directors ("HRCC") determined that certain of Cott's long-term incentive plans were no longer needed and terminated the Option Plan. In connection with the termination of the Option Plan, outstanding options will continue in accordance with the terms of the Option Plan until vested, paid out, forfeited or terminated, as applicable. No further awards have been granted under the Option Plan. Future awards, including any awards of options, are expected to be governed by the terms of the Company's Amended and Restated Equity Plan.

On February 14, 2013, our board of directors adopted an amendment and restatement of the 2010 Equity Incentive Plan (the "Amended and Restated Equity Plan"), pursuant to which the 2010 Equity Incentive Plan was amended and restated to, among other things, increase the number of shares that may be issued under the plan to 12,000,000 shares and to provide that the number of shares available for issuance will be reduced 2.0 shares for each share issued pursuant to a "full-value" award (i.e., an award other than an option or stock appreciation right) after the effective date of the amendment and restatement. The Amended and Restated Equity Plan was approved by Cott's shareowners on April 30, 2013. Awards made in 2011 and 2012 prior to the amendment and restatement are generally governed by the 2010 Equity Incentive Plan.

During 2013, approximately 392,000 options were granted to certain of our employees under the Amended and Restated Equity Plan at an exercise price of $9.29 per share (C$9.36 at date of issuance). The fair value of the option grant was estimated to be $4.10 using the Black-Scholes option pricing model. During 2012, approximately 385,000 options were granted to certain of our employees under the 2010 Equity Incentive Plan at an exercise price of $6.58 per share (C$6.47 at date of issuance). The fair value of the option grant was estimated to be $4.04 using the Black-Scholes option pricing model.

No options were granted during the year ended December 31, 2011. The fair value of each option granted during the years ended December 28, 2013 and December 29, 2012 was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	For the Year Ended		
	December 28, 2013	December 29, 2012	December 31, 2011
Risk-free interest rate	1.7%	2.4%	n/a
Average expected life (years)	10.0	6.5	n/a
Expected volatility	32.3%	66.4%	n/a
Expected dividend yield	—	—	n/a

Stock option activity was as follows:

	Shares (in thousands)	Weighted average exercise price (C$)	Weighted average remaining contractual term (years)	Aggregate intrinsic value (C$) (in thousands)
Balance at January 1, 2011	704	$ 16.67	4.2	$ 625.0
Exercised	(275)	1.32		
Forfeited or expired	(145)	38.27		
Balance at December 31, 2011	284	$ 20.47	1.7	$ 263.0
Granted	385	6.47		
Forfeited or expired	(201)	24.40		
Balance at December 29, 2012	468	$ 7.28	7.3	$ 819.9
Granted	392	9.36		
Forfeited or expired	(30)	6.47		
Balance at December 28, 2013	830	$ 8.29	7.6	$ 1,068.7
Vested at December 28, 2013	125	$ 9.49	1.1	$ 386.3
Exercisable at December 28, 2013	125	$ 9.49	1.1	$ 386.3

The aggregate intrinsic value amounts in the table above represent the difference between the closing price of our common stock on the Toronto Stock Exchange on December 28, 2013, which was C$8.65 (December 29, 2012— C$7.90; December 31, 2011—C$6.40), and the exercise price, multiplied by the number of in-the-money stock options as of the same date. There were no stock options exercised during the years ended December 28, 2013 and December 29, 2012. The total intrinsic value of stock options exercised during the year ended December 31, 2011 was $0.4 million.

Total compensation cost related to unvested awards under the option plan not yet recognized is $1.7 million. The total fair value of shares that vested during the year ended December 28, 2013 was nil.

Outstanding options at December 28, 2013 were as follows:

	Options Outstanding			Options Exercisable	
Exercise Prices (C$)	Number Exercisable (in thousands)	Remaining Contractual Life (Years)	Weighted Average Exercise Price (C$)	Number Exercisable (in thousands)	Weighted Average Exercise Price (C$)
$ 3.50	75	1.6	$ 3.50	75	$ 3.50
$ 6.47	313	8.2	$ 6.47	—	$ —
$ 9.36	392	9.3	$ 9.36	—	$ —
$ 18.48	50	0.3	$ 18.48	50	$ 18.48
	830	7.6	$ 8.29	125	$ 9.49

Long-Term Incentive Plans

Amended and Restated Equity Plan

Our shareowners approved our 2010 Equity Incentive Plan at the Annual and Special Meeting of Shareowners held on May 4, 2010. Awards under the 2010 Equity Incentive Plan may be in the form of incentive stock options, non-qualified stock options, restricted shares, restricted share units, performance shares, performance units, stock appreciation rights, and stock payments to employees, directors and outside consultants. The 2010 Equity Incentive Plan is administered by the HRCC or any other board committee as may be designated by the board from time to time. At the inception of the 2010 Equity Incentive Plan, 4,000,000 shares were reserved for future issuance, subject to adjustment upon a share split, share dividend, recapitalization, and other similar transactions and events.

On February 14, 2013, our board of directors adopted the Amended and Restated Equity Plan, pursuant to which the 2010 Equity Incentive Plan was amended and restated to, among other things, increase the number of shares that may be issued under the plan to 12,000,000 shares and to provide that the number of shares available for issuance will be reduced 2.0 shares for each share issued pursuant to a “full-value” award (i.e., an award other than an option or stock appreciation right) after the effective date of the amendment and restatement. The Amended and Restated Equity Plan was approved by Cott’s shareowners on April 30, 2013.

Awards under the Amended and Restated Equity Plan may be in the form of incentive stock options, non-qualified stock options, restricted shares, restricted share units, performance shares, performance units, stock appreciation rights, and stock payments to employees, directors and outside consultants. The Amended and Restated Equity Plan is administered by the HRCC or any other board committee as may be designated by the board from time to time.

On May 2, 2013, we granted 87,190 common shares to the non-management members of our board of directors under the Amended and Restated Equity Plan with a grant date fair value of approximately $0.8 million. The common shares were issued in consideration of the directors’ annual board retainer fee and were vested upon issuance.

In 2013, we granted 247,181 Performance-based RSUs, 382,452 Time-based RSUs and 392,131 stock options to certain of our employees. The Performance-based RSUs vest based on the achievement of a specified target level of pre-tax income for the period beginning on December 30, 2012 and ending on the last day of our 2015 fiscal year. The amount of Performance-based RSUs that may vest and the related unrecognized compensation cost is subject to change based on the level of targeted pre-tax income that is achieved during the period beginning on December 30, 2012 and ending on the last day of our 2015 fiscal year. The Time-based RSUs and the stock options vest on the last day of our 2015 fiscal year.

On May 3, 2012, we granted 96,010 common shares to the non-management members of our board of directors under the 2010 Equity Incentive Plan with a grant date fair value of approximately $0.7 million. The common shares were issued in consideration of the directors’ annual board retainer fee and were vested upon issuance.

In 2012, we granted 330,969 Performance-based RSUs, 441,996 Time-based RSUs and 384,546 stock options to certain of our employees. The Performance-based RSUs vest based on the achievement of a specified target level of pre-tax income for the period beginning on January 1, 2012 and ending on the last day of our 2014 fiscal year. The amount of Performance-based RSUs that may vest and the related unrecognized compensation cost is subject to change based on the level of targeted pre-tax income that is achieved during the period beginning on January 1, 2012 and ending on the last day of our 2014 fiscal year. The Time-based RSUs and the stock options vest on the last day of our 2014 fiscal year.

On May 6, 2011, we granted 76,110 common shares to the non-management members of our board of directors under the 2010 Equity Incentive Plan with a grant date fair value of approximately $0.7 million. The common shares were issued in consideration of the directors' annual board retainer fee and were vested upon issuance.

In 2011, we granted 592,163 Performance-based RSUs and 151,545 Time-based RSUs to certain of our employees. The Performance-based RSUs vest based on the achievement of a specified target level of pre-tax income for the period beginning on January 2, 2011 and ending on the last day of our 2013 fiscal year. The performance targets established for these Performance-based RSUs were not met, and as a result, such awards did not vest. The Time-based RSUs vested on the last day of our 2013 fiscal year and during January 2014 we issued 71,204 shares, net of shares withheld to satisfy the employees' tax obligations.

During the year ended December 28, 2013, Performance-based RSU and Time-based RSU activity was as follows:

(in thousands)	Number of Performance-based RSUs	Weighted Average Grant-Date Fair Value	Number of Time-based RSUs	Weighted Average Grant-Date Fair Value
Balance at December 29, 2012	825	$ 7.82	529	$ 7.20
Awarded	247	9.29	382	9.29
Issued	—	—	(32)	7.40
Cancelled	(508)	8.54	—	—
Forfeited	(30)	7.87	(48)	7.30
Outstanding at December 28, 2013	**534**	**$ 7.81**	**831**	**$ 8.04**

Shares to be issued pursuant to Time-based RSUs, Performance-based RSUs, or stock options that are forfeited, expired, or are cancelled or settled without the issuance of shares return to the pool of shares available for issuance under the Amended and Restated Equity Plan. As of December 28, 2013, there were 7,619,472 shares available for future issuance under the Amended and Restated Equity Plan.

Average Canadian—U.S. Dollar Exchange Rates for 2013, 2012 and 2011

The weighted average exercise prices for options in this Note are disclosed in Canadian dollars. The table below represents the average Canadian dollar to U.S. dollar exchange rate for the fiscal years ended 2013, 2012 and 2011.

	For the Year Ended		
	December 28, 2013	December 29, 2012	December 31, 2011
Average exchange rate	**$ 0.973**	$ 1.000	$ 1.012

Note 8 — Net Income per Common Share

Basic net income per common share is computed by dividing net income by the weighted average number of common shares outstanding during the period. Diluted net income per common share is calculated using the weighted average number of common shares outstanding adjusted to include the effect, if dilutive, of the exercise of in-the-money stock options, Performance-based RSUs and Time-based RSUs.

A reconciliation of the denominators of the basic and diluted net income per common share computations is as follows:

(in thousands)	For the Year Ended December 28, 2013	December 29, 2012	December 31, 2011
Weighted average number of shares outstanding - basic	**94,750**	94,553	94,241
Dilutive effect of stock options	**55**	32	33
Dilutive effect of Performance-based RSUs	**303**	58	727
Dilutive effect of Time-based RSUs	**525**	132	—
Adjusted weighted average number of shares outstanding - diluted	**95,633**	94,775	95,001

At December 28, 2013, options to purchase 830,000 (December 29, 2012—468,000; December 31, 2011—284,000) shares of common stock at a weighted average exercise price of C$8.29 (December 29, 2012— C$7.28; December 31, 2011—C$20.47) per share were outstanding, of which 442,131 (December 29, 2012—50,000; December 31, 2011—209,000) were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares. Shares purchased on the open market and held by independent trusts are categorized as treasury shares under applicable accounting rules. No shares were held in treasury at December 28, 2013. In 2012, we utilized such shares to satisfy the vesting of Time-based RSU's granted in 2010. For the year ended December 31, 2011, we excluded 674,397 treasury shares held in various trusts from the calculation of basic and diluted earnings per share.

Note 9 — Segment Reporting

Our business operates through three reporting segments—North America (which includes our U.S. operating segment and Canada operating segment), U.K. (which includes our United Kingdom reporting unit and our Continental European reporting unit), and All Other (which includes our Mexico operating segment, our RCI operating segment and other Miscellaneous Expenses). Corporate is not treated as a segment; it includes certain general and administrative costs that are not allocated to any of the reporting segments. The primary measures used in evaluating our reporting segments are revenues, operating income (loss), and additions to property, plant and equipment, which have been included as part of our segment disclosures listed below. During the fourth quarter of 2013, management reviewed our reporting segments and subsequently combined our Mexico and RCI reporting segments with the segment previously classified as All Other into one segment classified as All Other. Prior year information has been updated to reflect the change in our reporting segments.

	December 28, 2013				
(in millions of U.S. dollars)	North America	United Kingdom	All Other	Corporate	Total
External revenue [1]	**$1,535.2**	**$ 494.3**	**$64.5**	**$ —**	**$2,094.0**
Depreciation and amortization	**84.4**	**14.2**	**2.2**	**—**	**100.8**
Operating income (loss)	**67.5**	**25.6**	**7.2**	**(11.7)**	**88.6**
Property, plant and equipment	**363.3**	**111.0**	**9.4**	**—**	**483.7**
Goodwill	**124.0**	**8.8**	**4.5**	**—**	**137.3**
Intangibles and other assets	**268.2**	**27.7**	**0.3**	**—**	**296.2**
Total assets [2]	**1,089.5**	**296.3**	**40.3**	**—**	**1,426.1**
Additions to property, plant and equipment	**41.9**	**12.4**	**1.3**	**—**	**55.6**

1. Intersegment revenue between North America and the other reporting segments was $21.0 million for the year ended December 28, 2013.
2. Excludes intersegment receivables, investments and notes receivable.

(in millions of U.S. dollars)	December 29, 2012 North America	United Kingdom	All Other	Corporate	Total
External revenue [1]	$1,707.4	$ 473.2	$70.0	$ —	$2,250.6
Depreciation and amortization	82.7	13.2	1.8	—	97.7
Operating income (loss)	90.4	27.1	4.3	(12.1)	109.7
Property, plant and equipment	382.1	99.5	9.3	—	490.9
Goodwill	125.8	—	4.5	—	130.3
Intangibles and other assets	301.1	13.9	0.4	—	315.4
Total assets [2]	1,246.7	273.8	45.4	—	1,565.9
Additions to property, plant and equipment	52.9	14.3	2.5	—	69.7

1. Intersegment revenue between North America and the other reporting segments was $16.4 million for the year ended December 29, 2012.
2. Excludes intersegment receivables, investments and notes receivable.

(in millions of U.S. dollars)	December 31, 2011 North America	United Kingdom	All Other	Corporate	Total
External revenue [1]	$1,809.3	$ 447.9	$77.4	$ —	$2,334.6
Depreciation and amortization	80.0	13.2	2.1	—	95.3
Asset impairments	—	—	0.6	—	0.6
Intangible asset impairments	1.4	—	—	—	1.4
Operating income (loss)	81.3	27.5	2.8	(10.9)	100.7
Property, plant and equipment	383.1	89.8	9.3	—	482.2
Goodwill	125.1	—	4.5	—	129.6
Intangibles and other assets	326.1	14.6	0.4	—	341.1
Total assets [2]	1,231.3	237.0	40.6	—	1,508.9
Additions to property, plant and equipment	39.1	9.5	0.2	—	48.8

1. Intersegment revenue between North America and the other reporting segments was $14.7 million for the year ended December 31, 2011.
2. Excludes intersegment receivables, investments and notes receivable.

For the year ended December 28, 2013, sales to Walmart accounted for 30.1% (2012—31.0%; 2011—31.6%) of our total revenue, 36.1% of our North America reporting segment revenue (2012—36.3%; 2011—35.9%), 14.8% of our U.K. reporting segment revenue (2012—14.9%; 2011—14.6%) and 3.9% of our All Other reporting segment revenue (2012—12.0%; 2011—30.0%).

Credit risk arises from the potential default of a customer in meeting its financial obligations with us. Concentrations of credit exposure may arise with a group of customers that have similar economic characteristics or that are located in the same geographic region. The ability of such customers to meet obligations would be similarly affected by changing economic, political or other conditions. We are not currently aware of any facts that would create a material credit risk.

Revenues are attributed to operating segments based on the location of the customer. Revenues by operating segment were as follows:

	For the Year Ended		
(in millions of U.S. dollars)	December 28, 2013	December 29, 2012	December 31, 2011
United States	**$ 1,376.9**	$ 1,509.1	$ 1,610.5
Canada	**204.1**	244.2	249.0
United Kingdom	**494.3**	473.2	447.9
Mexico	**27.6**	38.8	51.8
RCI	**36.9**	31.2	25.6
Elimination [1]	**(45.8)**	(45.9)	(50.2)
Total	**$ 2,094.0**	$ 2,250.6	$ 2,334.6

1. Represents intercompany revenue among our operating segments, of which $21.0 million, $16.4 million and $14.7 million represents intersegment revenue between the North America reporting segment and our other operating segments for December 28, 2013, December 29, 2012, and December 31, 2011, respectively.

Revenues by product by reporting segment were as follows:

	For the Year Ended December 28, 2013			
(in millions of U.S. dollars)	North America	United Kingdom	All Other	Total
Revenue				
Carbonated soft drinks	**$ 586.5**	**$ 159.5**	**$ 10.8**	**$ 756.8**
Juice	**488.4**	**31.8**	**2.9**	**523.1**
Concentrate	**12.0**	**2.2**	**27.0**	**41.2**
All other products	**448.3**	**300.8**	**23.8**	**772.9**
Total	**$ 1,535.2**	**$ 494.3**	**$ 64.5**	**$ 2,094.0**

	For the Year Ended December 29, 2012			
(in millions of U.S. dollars)	North America	United Kingdom	All Other	Total
Revenue				
Carbonated soft drinks	$ 698.0	$ 160.9	$ 21.9	$ 880.8
Juice	527.2	14.0	2.7	543.9
Concentrate	12.3	2.2	29.1	43.6
All other products	469.9	296.1	16.3	782.3
Total	$ 1,707.4	$ 473.2	$ 70.0	$ 2,250.6

(in millions of U.S. dollars)	For the Year Ended December 31, 2011 North America	United Kingdom	All Other	Total
Revenue				
Carbonated soft drinks	$ 731.4	$ 179.2	$ 39.6	$ 950.2
Juice	587.7	12.3	2.7	602.7
Concentrate	9.1	2.8	25.6	37.5
All other products	481.1	253.6	9.5	744.2
Total	$ 1,809.3	$ 447.9	$ 77.4	$ 2,334.6

Property, plant and equipment by geographic area as of December 28, 2013 and December 29, 2012 were as follows:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
United States	**$ 319.5**	$ 333.7
Canada	**43.8**	48.4
United Kingdom	**111.0**	99.5
Mexico	**9.4**	9.3
Total	**$ 483.7**	$ 490.9

Note 10 — Accounts Receivable, Net

The following table summarizes accounts receivable, net as of December 28, 2013 and December 29, 2012:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
Trade receivables	**$ 199.5**	$ 199.5
Allowance for doubtful accounts	**(5.8)**	(6.8)
Other	**10.7**	6.7
Total	**$ 204.4**	$ 199.4

Note 11 — Inventories

The following table summarizes inventories as of December 28, 2013 and December 29, 2012:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
Raw materials	**$ 89.0**	$ 93.4
Finished goods	**126.3**	111.6
Other	**17.8**	19.8
Total	**$ 233.1**	$ 224.8

Note 12 — Property, Plant & Equipment

The following table summarizes property, plant and equipment as of December 28, 2013 and December 29, 2012:

(in millions of U.S. dollars)	December 28, 2013 Cost	December 28, 2013 Accumulated Depreciation	December 28, 2013 Net	December 29, 2012 Cost	December 29, 2012 Accumulated Depreciation	December 29, 2012 Net
Land and Land Improvements	**$ 28.1**	**$ —**	**$ 28.1**	$ 27.3	$ —	$ 27.3
Buildings	**162.6**	**74.2**	**88.4**	167.2	68.0	99.2
Machinery and equipment	**725.4**	**395.1**	**330.3**	692.8	376.3	316.5
Plates, films and molds	**42.7**	**32.5**	**10.2**	42.1	30.9	11.2
Vending	**12.1**	**11.2**	**0.9**	12.9	11.6	1.3
Transportation equipment	**0.7**	**0.6**	**0.1**	0.6	0.6	—
Leasehold improvements	**36.5**	**23.1**	**13.4**	39.4	22.5	16.9
IT Systems	**8.9**	**7.3**	**1.6**	8.2	7.0	1.2
Furniture and fixtures	**10.3**	**8.8**	**1.5**	10.2	9.0	1.2
Capital leases	**14.3**	**5.1**	**9.2**	20.1	4.0	16.1
Total	**$1,041.6**	**$ 557.9**	**$483.7**	$1,020.8	$ 529.9	$490.9

Depreciation expense for the year ended December 28, 2013 was $69.4 million ($66.0 million—December 29, 2012; $63.5 —December 31, 2011).

Note 13 — Intangibles and Other Assets

The following table summarizes intangibles and other assets as of December 28, 2013 and December 29, 2012:

(in millions of U.S. dollars)	December 28, 2013 Cost	December 28, 2013 Accumulated Amortization	December 28, 2013 Net	December 29, 2012 Cost	December 29, 2012 Accumulated Amortization	December 29, 2012 Net
Intangibles						
Not subject to amortization						
Rights	**$ 45.0**	**$ —**	**$ 45.0**	$ 45.0	$ —	$ 45.0
Subject to amortization						
Customer relationships	**379.5**	**167.5**	**212.0**	367.5	142.5	225.0
Trademarks	**32.6**	**25.2**	**7.4**	28.8	23.3	5.5
Information technology	**50.4**	**32.9**	**17.5**	65.2	50.2	15.0
Other	**6.6**	**4.0**	**2.6**	11.9	8.5	3.4
	469.1	**229.6**	**239.5**	473.4	224.5	248.9
	514.1	**229.6**	**284.5**	518.4	224.5	293.9
Other Assets						
Financing costs	**26.3**	**16.2**	**10.1**	24.4	11.1	13.3
Deposits	**1.1**	**—**	**1.1**	7.2	—	7.2
Other	**0.9**	**0.4**	**0.5**	1.3	0.3	1.0
	28.3	**16.6**	**11.7**	32.9	11.4	21.5
Total Intangibles & Other Assets	**$542.4**	**$ 246.2**	**$296.2**	$551.3	$ 235.9	$315.4

Amortization expense of intangible and other assets was $34.2 million during 2013 ($35.4 million—December 29, 2012; $35.7 million—December 31, 2011). Amortization of intangibles includes $2.9 million ($2.9 million—December 29, 2012; $2.7 million—December 31, 2011) relating to information technology assets and $2.8 million ($3.7 million—December 29, 2012; $3.9 million—December 31, 2011) relating to deferred financing assets.

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The estimated amortization expense for intangible and other assets over the next five years is:

(in millions of U.S. dollars)	
2014	**$ 30.9**
2015	**28.9**
2016	**25.2**
2017	**21.9**
2018	**20.9**
Thereafter	**111.7**
Total	**$239.5**

Note 14 — Accounts Payable and Accrued Liabilities

The following table summarizes accounts payable and accrued liabilities as of December 28, 2013 and December 29, 2012:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
Trade payables	**$ 197.3**	$ 166.9
Deferred income taxes	**0.2**	—
Accrued compensation	**19.1**	38.5
Accrued sales incentives	**28.4**	27.3
Accrued interest	**11.2**	12.8
Payroll, sales and other taxes	**14.8**	12.3
Other accrued liabilities	**27.2**	29.9
Total	**$ 298.2**	$ 287.7

Note 15 — Debt

Our total debt as of December 28, 2013 and December 29, 2012 was as follows

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
8.375% senior notes due in 2017 [1]	**15.0**	215.0
8.125% senior notes due in 2018	**375.0**	375.0
ABL facility	**50.8**	—
GE Term Loan	**10.3**	9.9
Capital leases and other debt financing	**7.2**	5.9
Total debt	**458.3**	605.8
Less: Short-term borrowings and current debt:		
ABL facility	**50.8**	—
Total short-term borrowings	**50.8**	—
GE Term Loan - current maturities	**1.9**	0.9
Capital leases and other financing - current maturities	**2.0**	1.0
Total current debt	**54.7**	1.9
Long-term debt before discount	**403.6**	603.9
Less discount on 8.375% notes	**(0.1)**	(2.1)
Total long-term debt	**$ 403.5**	$ 601.8

1. Our 8.375% senior notes were issued at a discount of 1.425% on November 13, 2009.

The long-term debt payments (which include current maturities of long-term debt) required in each of the next five years and thereafter are as follows:

(in millions of U.S. dollars)	Long Term Debt (incl. current)
2014	**$ 54.7**
2015	**4.2**
2016	**3.5**
2017	**17.8**
2018	**377.2**
Thereafter	**0.9**
	$ 458.3

Asset-Based Lending Facility

On March 31, 2008, we entered into a credit agreement with JPMorgan Chase Bank, N.A. as Agent that created an asset-based lending credit facility (the "ABL facility") to provide financing for our North America, U.K. and Mexico operations. In connection with the Cliffstar Acquisition, we refinanced the ABL facility on August 17, 2010 to, among other things, provide for the Cliffstar Acquisition, the issuance of the 2018 Notes and the application of net proceeds therefrom, the underwritten public offering of 13,340,000 common shares at a price of $5.67 per share and the application of net proceeds therefrom and to increase the amount available for borrowings to $275.0 million. We drew down a portion of the indebtedness under the ABL facility in order to fund the Cliffstar Acquisition. We incurred $5.4 million of financing fees in connection with the refinancing of the ABL facility.

On July 19, 2012, we amended the ABL facility to, among other things, extend the maturity date to either July 19, 2017 or, if we have not redeemed, repurchased or refinanced the 2017 Notes (as defined below) by May 1, 2017, May 15, 2017. We incurred $1.2 million of financing fees in connection with the amendment of the ABL facility. This amendment was considered to be a modification of the original agreement under generally accepted accounting standards.

On October 22, 2013, we amended the ABL facility to, among other things, (1) provide for an increase in the lenders' commitments under the ABL facility to $300.0 million, as well an increase to the accordion feature, which permits us to increase the lenders' commitments under the ABL facility to $350.0 million, subject to certain conditions, (2) extend the maturity date to the earliest of (i) October 22, 2018, (ii) May 15, 2017, if we have not redeemed, repurchased or refinanced the 2017 Notes by May 1, 2017, or (iii) March 1, 2018, if we have not redeemed, repurchased or refinanced the 2018 Notes by February 15, 2018, and (3) provide for greater flexibility under certain covenants. We incurred approximately $0.7 million of financing fees in connection with the amendment of the ABL facility. This amendment was considered to be a modification of the original agreement under generally accepted accounting standards.

The financing fees incurred in connection with the refinancing of the ABL facility on August 17, 2010, along with the financing fees incurred in connection with the amendment of the ABL facility on July 19, 2012 and on October 22, 2013, are being amortized using the straight line method over the duration of the amended ABL facility.

As of December 28, 2013, we had $50.8 million of outstanding borrowings under the ABL. The commitment fee was 0.375% per annum of the unused commitment, which, taking into account $7.5 million of letters of credit, was $180.0 million as of December 28, 2013.

The effective interest rate as of December 28, 2013 on LIBOR and Prime loans is based on average aggregate availability as follows:

Average Aggregate Availability (in millions of U.S. dollars)	ABR Spread	Canadian Prime Spread	Eurodollar Spread	CDOR Spread	Overnight LIBOR
Over $150	0.25%	0.25%	1.75%	1.75%	1.75%
$75 - $150	0.50%	0.50%	2.00%	2.00%	2.00%
Under $75	0.75%	0.75%	2.25%	2.25%	2.25%

8.125% Senior Notes due in 2018

On August 17, 2010, we issued the 2018 Notes. The issuer of the 2018 Notes is our wholly-owned U.S. subsidiary Cott Beverages Inc., and most of our U.S., Canadian and United Kingdom subsidiaries guarantee the 2018 Notes. The interest on the 2018 Notes is payable semi-annually on March 1st and September 1st of each year.

We incurred $8.6 million of financing fees in connection with the issuance of the 2018 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the term to maturity of the 2018 Notes.

8.375% Senior Notes due in 2017

On November 13, 2009, we issued $215.0 million of senior notes that are due on November 15, 2017 (the "2017 Notes"). The 2017 Notes were issued at a $3.1 million discount. The issuer of the 2017 Notes is our wholly-owned U.S. subsidiary Cott Beverages Inc., and most of our U.S., Canadian and United Kingdom subsidiaries guarantee the 2017 Notes. The interest on the 2017 Notes is payable semi-annually on May 15th and November 15th of each year.

We incurred $5.1 million of financing fees in connection with the 2017 Notes. The financing fees are being amortized using the effective interest method over an eight-year period, which represents the term to maturity of the 2017 Notes.

On November 15, 2013, we redeemed $200.0 million aggregate principal amount of our 2017 Notes at 104.118% of par. The redemption included approximately $8.2 million in premium payments as well as approximately $4.5 million in deferred financing fees, discount charges and other bond redemption costs.

On February 19, 2014, we redeemed all $15.0 million in aggregate principal amount of the remaining outstanding 2017 Notes at 104.118% of par. The redemption included approximately $0.6 million in premium payments as well as approximately $0.3 million in deferred financing fees and discount charges.

GE Term Loan

In January 2008, we entered into a capital lease finance arrangement with GE Capital for the lease of equipment. In September 2013, we purchased the equipment subject to the lease for an aggregate purchase price of $10.7 million, with the financing for such purchase provided by General Capital at 5.23% interest.

Covenant Compliance

8.125% Senior Notes due in 2018

Under the indenture governing the 2018 Notes, we are subject to a number of covenants, including covenants that limit our and certain of our subsidiaries' ability, subject to certain exceptions and qualifications, to (i) pay dividends or make distributions, repurchase equity securities, prepay subordinated debt or make certain investments, (ii) incur additional debt or issue certain disqualified stock or preferred stock, (iii) create or incur liens on assets securing indebtedness, (iv) merge or consolidate with another company or sell all or substantially all of our assets taken as a whole, (v) enter into transactions with affiliates and (vi) sell assets. We have been in compliance with all of the covenants under the 2018 Notes and there have been no amendments to any such covenants since the 2018 Notes were issued.

8.375% Senior Notes due in 2017

Under the indenture governing the 2017 Notes, we are subject to a number of covenants, including covenants that limit our and certain of our subsidiaries' ability, subject to certain exceptions and qualifications, to (i) pay dividends or make distributions, repurchase equity securities, prepay subordinated debt or make certain investments, (ii) incur additional debt or issue certain disqualified stock or preferred stock, (iii) create or incur liens on assets securing indebtedness, (iv) merge or consolidate with another company or sell all or substantially all of our assets taken as a whole, (v) enter into transactions with affiliates and (vi) sell assets. We have been in compliance with all of the covenants under the 2017 Notes and there have been no amendments to any such covenants since the 2017 Notes were issued.

ABL Facility

Under the credit agreement governing the ABL facility, Cott and its restricted subsidiaries are subject to a number of business and financial covenants, including a covenant requiring a minimum fixed charge coverage ratio of at least 1.1 to 1.0, effective when and if excess availability is less than the greater of 10% of the lenders' commitments under the ABL facility or $30.0 million. If excess availability is less than the greater of 12.5% of the lenders' commitments under the ABL facility or $37.5 million, the lenders will take dominion over the cash and will apply excess cash to reduce amounts owing under the facility. We were in compliance with all of the applicable covenants under the ABL facility as of December 28, 2013.

Note 16 — Benefit Plans

We maintain three defined benefit plans resulting from prior acquisitions that cover certain employees at one plant in the United States under a collective bargaining agreement ("U.S. Plan") and certain employees of Cott Beverages Limited and Cooke Bros. Limited in the United Kingdom ("U.K. Plans"). Retirement benefits for employees covered by the U.S. Plan are based on years of service multiplied by a monthly benefit factor. The monthly benefit for employees under the U.K. Plans is based on years of service multiplied by a monthly benefit factor. Pension costs are funded in accordance with the provisions of the applicable law. All plans are closed to new participants. The Cooke Bros. Limited Plan is frozen and was acquired as part of the Calypso Soft Drinks Acquisition. We use a December 28th measurement date for all of our plans.

Obligations and Funded Status

The following table summarizes the change in the benefit obligation, change in plan assets and unfunded status of the three plans as of December 28, 2013 and December 29, 2012:

(in millions of U.S. dollars)	December 28, 2013	December 29, 2012
Change in Benefit Obligation		
Benefit obligation at beginning of year	**$ 41.8**	$ 39.3
Transfer in	**17.8**	—
Service cost	**0.5**	0.5
Interest cost	**2.4**	1.9
Plan participant contributions	**0.1**	0.1
Benefit payments	**(1.5)**	(0.9)
Actuarial losses (gains)	**0.7**	(0.6)
Translation losses (gains)	**0.7**	1.5
Benefit obligation at end of year	**$ 62.5**	$ 41.8
Change in Plan Assets		
Plan assets beginning of year	**$ 33.2**	$ 27.5
Transfer in	**11.1**	—
Employer contributions	**3.0**	2.0
Plan participant contributions	**0.1**	0.1
Benefit payments	**(1.5)**	(0.9)
Actual return on plan assets	**3.1**	3.5
Translation (gains) losses	**0.6**	1.0
Fair value at end of year	**$ 49.6**	$ 33.2
Funded Status of Plan		
Projected benefit obligation	**$ (62.5)**	$ (41.8)
Fair value of plan assets	**49.6**	33.2
Unfunded status	**$ (12.9)**	$ (8.6)

The accumulated benefit obligation for the defined benefit pension plans equaled $59.1 million and $38.8 million at the end of 2013 and 2012, respectively.

Periodic Pension Costs

The components of net periodic pension cost were as follows:

(in millions of U.S. dollars)	For the Years Ended December 28, 2013	December 29, 2012	December 31, 2011
Service cost	**$ 0.5**	$ 0.5	$ 0.5
Interest cost	**2.4**	1.9	1.9
Expected return on plan assets	**(2.4)**	(1.7)	(1.9)
Amortization of prior service costs	**0.1**	0.1	0.1
Amortization of net loss	**0.3**	1.0	0.5
Net periodic pension cost	**$ 0.9**	$ 1.8	$ 1.1

Accumulated Other Comprehensive Income (Loss)

Amounts included in accumulated other comprehensive income, net of tax, at year-end which have not yet been recognized in net periodic benefit cost were as follows:

(in millions of U.S. dollars)	For the Years Ended December 28, 2013	December 29, 2012	December 31, 2011
Unamortized prior service cost	**$ (0.2)**	$ (0.3)	$ (0.4)
Unrecognized net actuarial gain	**5.7**	5.3	8.5
Unamortized prior service benefit	**$ 5.5**	$ 5.0	$ 8.1

Assumptions

Assumptions used to determine benefit obligations at year-end:

	December 28, 2013	December 29, 2012	December 31, 2011
Discount rate	**4.5%**	4.5%	4.5%

Assumptions used to determine net periodic benefit cost at year-end:

	December 28, 2013	December 29, 2012	December 31, 2011
U.K. Plans			
Discount rate	**4.5%**	4.6%	5.4%
Expected long-term rate of return on plan assets	**6.1%**	5.7%	6.9%
Inflation factor	**2.3%**	3.3%	3.7%
U.S. Plan			
Discount rate	**4.4%**	3.5%	4.1%
Expected long-term rate of return on plan assets	**7.0%**	7.0%	7.0%

The discount rate for the U.S. Plan is based on a model portfolio of AA rated bonds with a maturity matched to the estimated payouts of future pension benefits for this type of plan. The discount rate of the U.K. Plans for 2012 and 2011 were based on a model portfolio of AA rated bonds, using the redemption yields on the constituent stocks of the Merrill Lynch index with a maturity matched to the estimated future pension benefits. The discount rate of the U.K. Plans for 2013 is based on the Annualized yield of the Aon Hewitt GBP Select AA Curve. The weighted average return for the plans for the year ended December 28, 2013 was 7.6%. The expected returns under the U.S. Plan and the U.K. Plans on plan assets are based on our expectation of the long-term average rate of return on assets in the pension funds, which is based on the allocation of assets.

Asset Mix

Our pension plan weighted-average asset allocations by asset category were as follows:

	December 28, 2013	December 29, 2012
U.K. Plans		
Equity securities	**59.2%**	59.0%
Debt securities	**37.8%**	40.6%
Cash	**3.0%**	0.4%
U.S. Plan		
Equity securities	**67.0%**	65.2%
Debt securities	**32.4%**	32.4%
Cash	**0.6%**	2.3%

Plan Assets

Our investment policy is that plan assets will be managed utilizing an investment philosophy and approach characterized by all of the following, but listed in priority order: (1) emphasis on total return, (2) emphasis on high-quality securities, (3) sufficient income and stability of income, (4) safety of principal with limited volatility of capital through proper diversification and (5) sufficient liquidity. (The target allocation percentages for the Cooke Bros. Limited Plan assets are 80% in equity securities and 20% in debt securities. The target allocation percentages for the Cott Beverages Limited Plan assets are 60% in equity securities and 40% in debt securities. The target allocation percentages for the U.S. Plan assets are 50% in equity securities and 50% in debt securities. None of our equity or debt securities are included in plan assets.)

Cash Flows

We expect to contribute $3.1 million to the pension plans during the 2014 fiscal year.

The following benefit payments are expected to be paid:

(in millions of U.S. dollars)	
Expected benefit payments	
FY 2014	$ 1.7
FY 2015	1.8
FY 2016	1.9
FY 2017	1.9
FY 2018	2.0
FY 2019 through FY 2021	10.2

Cott primarily maintains defined contribution retirement plans covering qualifying employees. The total expense with respect to these plans was $4.8 million for the year ended December 28, 2013 ($6.9 million—December 29, 2012; $6.4 million—December 31, 2011).

The fair values of the Company's pension plan assets at December 28, 2013 were as follows:

(in millions of U.S. dollars)	December 28, 2013 Level 1	Level 2	Level 3
Cash and cash equivalents:			
Cash and cash equivalents	$ 1.3	$ —	$ —
Equities:			
International mutual funds	21.1	—	—
Index mutual funds	6.8	—	—
U.S. mutual funds	1.1	—	—
Property	0.1	—	—
Balanced	0.4	—	—
Other	0.3	—	—
Fixed income:			
Mutual funds	15.6	—	—
Insurance contract	—	2.9	—
Total	**$ 46.7**	**$ 2.9**	**$ —**

The fair values of the Company's pension plan assets at December 29, 2012 were as follows:

(in millions of U.S. dollars)	December 29, 2012 Level 1	Level 2	Level 3
Cash and cash equivalents:			
Cash and cash equivalents	$ 0.1	$ 0.2	$ —
Equities:			
International mutual funds	12.6	—	—
Index mutual funds	5.6	—	—
U.S. mutual funds	0.9	—	—
Balanced	0.4	—	—
Other	0.3	—	—
Fixed income:			
Mutual funds	12.9	—	—
Insurance contract	—	0.2	—
Total	**$ 32.8**	**$ 0.4**	**$ —**

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Note 17 — Accumulated Other Comprehensive (Loss) Income

Changes in accumulated other comprehensive (loss) income by component [1] for the year ended December 28, 2013 were as follows:

(in millions of U.S. dollars)	Gains and Losses on Derivative Instruments	Pension Benefit Plan Items	Currency Translation Adjustment Items	Total
	December 28, 2013			
Beginning balance December 29, 2012	$ 0.2	$ (9.1)	$ (3.5)	$(12.4)
OCI before reclassifications	0.6	(0.2)	(5.1)	(4.7)
Amounts reclassified from AOCI	(0.6)	0.9	—	0.3
Net current-period OCI	—	0.7	(5.1)	(4.4)
Ending balance December 28, 2013	$ 0.2	$ (8.4)	$ (8.6)	$(16.8)

1. All amounts are net of tax. Amounts in parenthesis indicate debits.

The following table summarizes the amounts reclassified from accumulated other comprehensive (loss) income [1] for the year ended December 28, 2013.

(in millions of U.S. dollars) Details About AOCI Components	Amounts Reclassified From AOCI For the Year Ended December 28, 2013	Affected Line Item in the Statement Where Net Income Is Presented
Gains and losses on derivative instruments		
Foreign currency hedges	$ 0.6	Cost of sales
	$ 0.6	Total before taxes
	—	Tax (expense) or benefit
	$ 0.6	Net of tax
Amortization of pension benefit plan items		
Prior service costs [2]	$ (0.4)	
Actuarial adjustments [2]	(0.1)	
Actuarial (losses)/gains [2]	(0.1)	
	(0.6)	Total before taxes
	(0.3)	Tax (expense) or benefit
	$ (0.9)	Net of tax
Total reclassifications for the period	$ (0.3)	Net of tax

1. Amounts in parenthesis indicate debits.
2. These AOCI components are included in the computation of net periodic pension cost.

Note 18 — Commitments and Contingencies

We lease buildings, machinery and equipment, computer hardware and furniture and fixtures. All contractual increases and rent free periods included in the lease contract are taken into account when calculating the minimum lease payment and recognized on a straight-line basis over the lease term. Certain leases have renewal periods and contingent rentals, which are not included in the table below. The minimum annual payments under operating leases are as follows:

(in millions of U.S. dollars)	
2014	**$17.7**
2015	**16.5**
2016	**14.0**
2017	**11.3**
2018	**9.7**
Thereafter	**20.1**
Total	**$89.3**

Operating lease expenses were:

(in millions of U.S. dollars)	
Year ended December 28, 2013	**$21.4**
Year ended December 29, 2012	**23.8**
Year ended December 31, 2011	**25.9**
Total	**$71.1**

Operating lease expenses are shown net of sublease income of $0.3 million for 2013. As of December 28, 2013, we had commitments for capital expenditures of approximately $11.0 million.

On August 17, 2010, we completed the Cliffstar Acquisition, which included contingent consideration of up to $55.0 million. Contingent consideration of $34.9 million was ultimately paid to the seller of Cliffstar, and all claims for contingent consideration have been resolved as of December 28, 2013.

In June 2013, we completed the Calypso Soft Drinks Acquisition which included deferred payments of $2.3 million and $3.0 million to be paid on the first and second anniversary of the closing date.

We are subject to various claims and legal proceedings with respect to matters such as governmental regulations, and other actions arising out of the normal course of business. Management believes that the resolution of these matters will not have a material adverse effect on our financial position, results of operations, or cash flow.

We had $7.5 million in standby letters of credit outstanding as of December 28, 2013 ($11.0 million— December 29, 2012; $9.7 million—December 31, 2011).

We have future purchase obligations of $177.8 million that consist of commitments for the purchase of inventory, energy transactions, and payments related to professional fees and information technology outsourcing agreements. These obligations represent the minimum contractual obligations expected under the normal course of business.

Note 19 — Shares Held in Trust treated as Treasury Shares

In May 2008, an independent trustee acting under certain of our benefit plans purchased 2.3 million of our common shares to be used to satisfy future liabilities under the PSU Plan and the Restated EISPP. During the year ended December 29, 2012, we distributed 0.7 million shares from the trust to satisfy certain 2010 Equity Incentive Plan obligations that had vested during the last quarter of 2012. As of December 28, 2013, there were no shares held in trust or accounted for as treasury shares under applicable accounting rules.

Note 20 — Hedging Transactions and Derivative Financial Instruments

We are directly and indirectly affected by changes in foreign currency market conditions. These changes in market conditions may adversely impact our financial performance and are referred to as market risks. When deemed appropriate by management, we use derivatives as a risk management tool to mitigate the potential impact of foreign currency market risks.

We purchase forward contract derivative instruments. Forward contracts are agreements to buy or sell a quantity of a currency at a predetermined future date, and at a predetermined rate or price. We do not enter into derivative financial instruments for trading purposes.

All derivatives are carried at fair value in the Consolidated Balance Sheets in the line item other receivables or other payables. The carrying values of the derivatives reflect the impact of legally enforceable agreements with the same counterparties. These allow us to net settle positive and negative positions (assets and liabilities) arising from different transactions with the same counterparty.

The accounting for gains and losses that result from changes in the fair values of derivative instruments depends on whether the derivatives have been designated and qualify as hedging instruments and the types of hedging relationships. The changes in fair values of derivatives that have been designated and qualify as cash flow hedges are recorded in accumulated other comprehensive income (loss) ("AOCI") and are reclassified into the line item in the Consolidated Statements of Operations in which the hedged items are recorded in the same period the hedged items affect earnings. Due to the high degree of effectiveness between the hedging instruments and the underlying exposures being hedged, fluctuations in the value of the derivative instruments are generally offset by changes in the fair values or cash flows of the underlying exposures being hedged.

We formally designate and document, at inception, the financial instrument as a hedge of a specific underlying exposure, the risk management objective and the strategy for undertaking the hedge transaction. In addition, we formally assess both at the inception and at least quarterly thereafter, whether the financial instruments used in hedging transactions are effective at offsetting changes in either the fair values or cash flows of the related underlying exposures. Any ineffective portion of a financial instrument's change in fair value is immediately recognized into earnings.

We estimate the fair values of our derivatives based on quoted market prices or pricing models using current market rates (refer to Note 21). The notional amounts of the derivative financial instruments do not necessarily represent amounts exchanged by the parties and, therefore, are not a direct measure of our exposure to the financial risks described above. The amounts exchanged are calculated by reference to the notional amounts and by other terms of the derivatives, such as interest rates, foreign currency exchange rates or other financial indices. We do not view the fair values of our derivatives in isolation, but rather in relation to the fair values or cash flows of the underlying hedged transactions. All of our derivatives are straight-forward over-the-counter instruments with liquid markets.

Credit Risk Associated with Derivatives

We have established strict counterparty credit guidelines and enter into transactions only with financial institutions of investment grade or better. We mitigate pre-settlement risk by being permitted to net settle for transactions with the same counterparty.

Cash Flow Hedging Strategy

We use cash flow hedges to minimize the variability in cash flows of assets or liabilities or forecasted transactions caused by fluctuations in foreign currency exchange rates. The changes in the fair values of derivatives designated as cash flow hedges are recorded in AOCI and are reclassified into the line item in the Consolidated Statements of Operations in which the hedged items are recorded in the same period the hedged items affect earnings. The changes in fair values of hedges that are determined to be ineffective are immediately reclassified from AOCI into earnings. We did not discontinue any cash flow hedging relationships during the year ended December 28, 2013. The maximum length of time over which we hedge our exposure to future cash flows is typically one year.

We maintain a foreign currency cash flow hedging program to reduce the risk that our procurement activities will be adversely affected by changes in foreign currency exchange rates. We enter into forward contracts to hedge certain portions of forecasted cash flows denominated in foreign currencies. The total notional value of derivatives that have been designated and qualify for our foreign currency cash flow hedging program as of December 28, 2013 was approximately $3.6 million.

The fair value of the Company's derivative instruments was $0.3 million as of December 28, 2013.

The settlement of our derivative instruments resulted in a credit to cost of sales of $0.6 million for the year ended December 28, 2013.

Note 21 — Fair Value Measurements

ASC No. 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Additionally, the inputs used to measure fair value are prioritized based on a three-level hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of inputs used to measure fair value are as follows:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

We have certain assets and liabilities that are required to be recorded at fair value on a recurring basis in accordance with U.S. GAAP.

The fair value of our derivative asset represents a Level 2 instrument. Level 2 instruments are valued based on observable inputs for quoted prices for similar assets and liabilities in active markets. The fair value for the derivative assets as of December 28, 2013 and December 29, 2012 was $0.3 million and $0.1 million, respectively.

Fair value of financial instruments

The carrying amounts reflected in the Consolidated Balance Sheets for cash, receivables, payables, short-term borrowings and long-term debt approximate their respective fair values, except as otherwise indicated. The carrying values and estimated fair values of our significant outstanding debt as of December 28, 2013 and December 29, 2012 were as follows:

	December 28, 2013		December 29, 2012	
(in millions of U.S. dollars)	Carrying Value	Fair Value	Carrying Value	Fair Value
8.375% senior notes due in 2017 [1]	**15.0**	**15.6**	215.0	234.4
8.125% senior notes due in 2018 [1]	**375.0**	**404.1**	375.0	414.8
Total	**$ 390.0**	**$ 419.7**	$ 590.0	$649.2

1. The fair values were based on the trading levels and bid/offer prices observed by a market participant and are considered Level 1 financial instruments.

Fair value of contingent consideration

The fair value of the contingent consideration payable in the Cliffstar Acquisition was based on significant inputs not observed in the market and thus represented a Level 3 instrument. Level 3 instruments are valued based on unobservable inputs that are supported by little or no market activity and reflect our own assumptions in measuring fair value. The fair value of the contingent consideration as of December 29, 2012 was $0.6 million. There was no outstanding contingent consideration as of December 28, 2013, as all outstanding claims for contingent consideration by the seller of Cliffstar were favorably resolved by payment by Cott in February 2013 of approximately $0.6 million.

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Note 22 — Quarterly Financial Information (unaudited)

(in millions of U.S. dollars, except per share amounts)	Year ended December 28, 2013 First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Revenue	**$505.4**	**$563.8**	**$543.2**	**$481.6**	**$2,094.0**
Cost of sales	**449.0**	**487.2**	**478.2**	**427.6**	**1,842.0**
Gross Profit	**56.4**	**76.6**	**65.0**	**54.0**	**252.0**
Selling, general and administrative expenses	**41.3**	**41.7**	**37.9**	**39.5**	**160.4**
Loss (gain) on disposal of property, plant and equipment	**—**	**0.3**	**1.1**	**(0.4)**	**1.0**
Restructuring	**—**	**2.0**	**—**	**—**	**2.0**
Operating income	**15.1**	**32.6**	**26.0**	**14.9**	**88.6**
Net income (loss) attributed to Cott Corporation	**$ —**	**$ 16.5**	**$ 12.0**	**$ (11.5)**	**$ 17.0**
Per share data:					
Net income (loss) per common share					
Basic	**$ —**	**$ 0.17**	**$ 0.13**	**$ (0.12)**	**$ 0.18**
Diluted	**$ —**	**$ 0.17**	**$ 0.13**	**$ (0.12)**	**$ 0.18**

(in millions of U.S. dollars, except per share amounts)	Year ended December 29, 2012 First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Revenue	$ 523.8	$ 625.8	$ 583.8	$517.2	$2,250.6
Cost of sales	460.4	533.5	510.6	456.6	1,961.1
Gross Profit	63.4	92.3	73.2	60.6	289.5
Selling, general and administrative expenses	41.8	48.8	43.8	43.6	178.0
Loss on disposal of property, plant and equipment	0.6	0.3	0.8	0.1	1.8
Operating income	21.0	43.2	28.6	16.9	109.7
Net income attributed to Cott Corporation	$ 5.9	$ 25.1	$ 14.5	$ 2.3	$ 47.8
Per share data:					
Net income per common share					
Basic	$ 0.06	$ 0.27	$ 0.15	$ 0.02	$ 0.51
Diluted	$ 0.06	$ 0.26	$ 0.15	$ 0.02	$ 0.50

Note 23 — Guarantor Subsidiaries

The 2017 Notes and 2018 Notes (together, the "Notes") issued by our 100% owned subsidiary, Cott Beverages Inc., are guaranteed on a senior basis pursuant to guarantees by Cott Corporation and certain other 100% owned direct and indirect subsidiaries (the "Guarantor Subsidiaries"). Cott Beverages Inc. and each Guarantor Subsidiary is 100% owned by Cott Corporation, the guarantees of the Notes by Cott Corporation and the Guarantor Subsidiaries are full and unconditional, and all such guarantees are joint and several. The guarantees of the Guarantor Subsidiaries are subject to release in limited circumstances only upon the occurrence of certain customary conditions.

We have not presented separate financial statements and separate disclosures have not been provided concerning Guarantor Subsidiaries due to the presentation of condensed consolidating financial information set forth in this Note, consistent with SEC interpretations governing reporting of subsidiary financial information.

The following supplemental financial information sets forth on an unconsolidated basis, our Balance Sheets, Statements of Operations and Cash Flows for Cott Corporation, Cott Beverages Inc., Guarantor Subsidiaries and our other subsidiaries (the "Non-guarantor Subsidiaries"). The supplemental financial information reflects our investments and those of Cott Beverages Inc. in their respective subsidiaries using the equity method of accounting. In the third quarter of 2012, we revised the financial statements of certain Non-guarantor Subsidiaries to properly reflect their capitalization and subsequent investment in certain Guarantor Subsidiaries resulting from a reorganization completed in connection with the Cliffstar

Acquisition. These Non-guarantor Subsidiaries, which have no business operations and no operating assets, hold, directly or indirectly, our investments in substantially all of the Guarantor Subsidiaries and for financial reporting purposes we have included these Non-guarantor Subsidiaries as Guarantor Subsidiaries in the supplemental financial information below for all periods presented.

We reclassified certain intercompany dividends previously reported in the Condensed Consolidating Statement of Cash Flows for each period included in our Annual Report on Form 10-K. These transactions represented intercompany dividends between Cott Corporation, Cott Beverages, Inc., the Guarantors and Non-Guarantors. The cash flows related to these transactions should have been classified as financing activities. These reclassifications do not change the total cash flows reported in each column presented in the Condensed Consolidating Statement of Cash Flows. We assessed the materiality of these items on our previously issued annual report and quarterly financial statements in accordance with SEC Staff Accounting Bulletin No. 99, and concluded that the errors were not material to the consolidated financial statements taken as a whole. The statements of cash flows presented below for the periods ended December 28, 2013, December 29, 2012 and December 31, 2011 as revised, reflect the correct classification of intercompany dividends as financing activities.

Condensed Consolidating Statement of Operations
For the year ended December 28, 2013
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Revenue, net	**$ 170.9**	**$ 780.4**	**$ 1,022.3**	**$ 147.0**	**$ (26.6)**	**$ 2,094.0**
Cost of sales	149.0	673.9	916.6	129.1	(26.6)	1,842.0
Gross profit	**21.9**	**106.5**	**105.7**	**17.9**	**—**	**252.0**
Selling, general and administrative expenses	28.9	70.3	52.1	9.1	—	160.4
Loss on disposal of property, plant & equipment	0.1	0.3	0.5	0.1	—	1.0
Restructuring	0.5	0.5	0.7	0.3	—	2.0
Operating (loss) income	**(7.6)**	**35.4**	**52.4**	**8.4**	**—**	**88.6**
Other expense (income), net	0.4	12.5	(0.1)	—	—	12.8
Intercompany interest (income) expense, net	—	(12.0)	12.0	—	—	—
Interest expense, net	—	50.8	0.7	0.1	—	51.6
(Loss) income before income tax expense (benefit) and equity income (loss)	**(8.0)**	**(15.9)**	**39.8**	**8.3**	**—**	**24.2**
Income tax (benefit) expense	(0.8)	4.6	(2.0)	0.4	—	2.2
Equity income (loss)	24.2	5.2	(7.3)	—	(22.1)	—
Net income (loss)	**$ 17.0**	**$ (15.3)**	**$ 34.5**	**$ 7.9**	**$ (22.1)**	**$ 22.0**
Less: Net income attributable to non-controlling interests	—	—	—	5.0	—	5.0
Net income (loss) attributed to Cott Corporation	**$ 17.0**	**$ (15.3)**	**$ 34.5**	**$ 2.9**	**$ (22.1)**	**$ 17.0**
Comprehensive income (loss) attributed to Cott Corporation	**$ 12.6**	**$ (4.5)**	**$ 29.2**	**$ 5.2**	**$ (29.9)**	**$ 12.6**

Condensed Consolidating Statement of Operations
For the year ended December 29, 2012
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Revenue, net	**$ 201.8**	**$ 864.5**	**$ 1,042.8**	**$ 172.9**	**$ (31.4)**	**$ 2,250.6**
Cost of sales	165.3	730.4	940.8	156.0	(31.4)	1,961.1
Gross profit	**36.5**	**134.1**	**102.0**	**16.9**	**—**	**289.5**
Selling, general and administrative expenses	32.1	64.8	71.1	10.0	—	178.0
Loss on disposal of property, plant & equipment	—	0.7	0.6	0.5	—	1.8
Operating income	**4.4**	**68.6**	**30.3**	**6.4**	**—**	**109.7**
Contingent consideration earn-out adjustment	—	0.6	—	—	—	0.6
Other expense (income), net	0.4	(1.7)	(0.6)	(0.1)	—	(2.0)
Intercompany interest (income) expense, net	—	(11.0)	11.0	—	—	—
Interest expense, net	0.1	53.3	0.7	0.1	—	54.2
Income before income tax expense (benefit) and equity income (loss)	**3.9**	**27.4**	**19.2**	**6.4**	**—**	**56.9**
Income tax expense (benefit)	3.0	2.2	(0.7)	0.1	—	4.6
Equity income (loss)	46.9	5.0	30.5	—	(82.4)	—
Net income	**$ 47.8**	**$ 30.2**	**$ 50.4**	**$ 6.3**	**$ (82.4)**	**$ 52.3**
Less: Net income attributable to non-controlling interests	—	—	—	4.5	—	4.5
Net income attributed to Cott Corporation	**$ 47.8**	**$ 30.2**	**$ 50.4**	**$ 1.8**	**$ (82.4)**	**$ 47.8**
Comprehensive income (loss) attributed to Cott Corporation	**$ 60.1**	**$ 52.6**	**$ (33.7)**	**$ (0.3)**	**$ (18.6)**	**$ 60.1**

Condensed Consolidating Statement of Operations
For the year ended December 31, 2011
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Revenue, net	**$ 207.0**	**$ 932.3**	**$ 1,065.7**	**$ 167.3**	**$ (37.7)**	**$ 2,334.6**
Cost of sales	167.8	825.5	951.7	150.7	(37.7)	2,058.0
Gross profit	**39.2**	**106.8**	**114.0**	**16.6**	**—**	**276.6**
Selling, general and administrative expenses	30.1	59.0	71.8	11.8	—	172.7
Loss on disposal of property, plant & equipment	—	0.4	0.8	—	—	1.2
Asset impairments						
Asset impairments	—	—	—	0.6	—	0.6
Intangible asset impairments	—	1.4	—	—	—	1.4
Operating income	**9.1**	**46.0**	**41.4**	**4.2**	**—**	**100.7**
Contingent consideration earn-out adjustment	—	—	0.9	—	—	0.9
Other expense (income), net	1.6	(0.3)	0.2	0.7	—	2.2
Intercompany interest (income) expense, net	(3.5)	(4.1)	7.6	—	—	—
Interest expense, net	0.3	54.8	1.8	0.2	—	57.1
Income (loss) before income tax expense (benefit) and equity income (loss)	**10.7**	**(4.4)**	**30.9**	**3.3**	**—**	**40.5**
Income tax expense (benefit)	2.9	(0.8)	(3.3)	0.5	—	(0.7)
Equity income	29.8	4.2	0.8	—	(34.8)	—
Net income	**$ 37.6**	**$ 0.6**	**$ 35.0**	**$ 2.8**	**$ (34.8)**	**$ 41.2**
Less: Net income attributable to non-controlling interests	—	—	—	3.6	—	3.6
Net income (loss) attributed to Cott Corporation	**$ 37.6**	**$ 0.6**	**$ 35.0**	**$ (0.8)**	**$ (34.8)**	**$ 37.6**
Comprehensive income (loss) attributed to Cott Corporation	**$ 30.4**	**$ (1.3)**	**$ 128.5**	**$ 2.6**	**$ (129.8)**	**$ 30.4**

Consolidating Balance Sheet
As of December 28, 2013
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
ASSETS						
Current assets						
Cash & cash equivalents	$ 1.5	$ 1.1	$ 39.1	$ 5.5	$ —	$ 47.2
Accounts receivable, net of allowance	19.0	114.1	229.8	15.5	(174.0)	204.4
Income taxes recoverable	0.4	0.7	—	—	—	1.1
Inventories	16.2	77.0	132.9	7.0	—	233.1
Prepaid expenses and other assets	2.1	10.1	7.0	0.1	—	19.3
Total current assets	**39.2**	**203.0**	**408.8**	**28.1**	**(174.0)**	**505.1**
Property, plant & equipment, net	47.9	190.2	235.7	9.9	—	483.7
Goodwill	25.8	4.5	107.0	—	—	137.3
Intangibles and other assets, net	1.3	88.0	196.2	10.7	—	296.2
Deferred income taxes	3.6	—	—	—	—	3.6
Other tax receivable	—	0.2	—	—	—	0.2
Due from affiliates	39.6	125.7	2.9	41.9	(210.1)	—
Investments in subsidiaries	507.8	246.7	697.7	—	(1,452.2)	—
Total assets	**$ 665.2**	**$ 858.3**	**$ 1,648.3**	**$ 90.6**	**$ (1,836.3)**	**$ 1,426.1**
LIABILITIES AND EQUITY						
Current liabilities						
Short-term borrowings	$ —	$ 16.2	$ 34.6	$ —	$ —	$ 50.8
Current maturities of long-term debt	—	2.4	0.6	0.9	—	3.9
Accounts payable and accrued liabilities	25.5	214.4	225.6	6.7	(174.0)	298.2
Total current liabilities	**25.5**	**233.0**	**260.8**	**7.6**	**(174.0)**	**352.9**
Long-term debt	0.1	399.6	2.2	1.6	—	403.5
Deferred income taxes	—	32.0	9.1	0.4	—	41.5
Other long-term liabilities	0.1	2.8	19.4	—	—	22.3
Due to affiliates	43.1	1.6	128.1	37.3	(210.1)	—
Total liabilities	**68.8**	**669.0**	**419.6**	**46.9**	**(384.1)**	**820.2**
Equity						
Capital stock, no par	392.8	509.4	1,557.5	82.5	(2,149.4)	392.8
Additional paid-in-capital	44.1	—	—	—	—	44.1
Retained earnings (deficit)	176.3	(344.1)	(322.1)	(49.8)	716.0	176.3
Accumulated other comprehensive (loss) income	(16.8)	24.0	(6.7)	1.5	(18.8)	(16.8)
Total Cott Corporation equity	596.4	189.3	1,228.7	34.2	(1,452.2)	596.4
Non-controlling interests	—	—	—	9.5	—	9.5
Total equity	**596.4**	**189.3**	**1,228.7**	**43.7**	**(1,452.2)**	**605.9**
Total liabilities and equity	**$ 665.2**	**$ 858.3**	**$ 1,648.3**	**$ 90.6**	**$ (1,836.3)**	**$ 1,426.1**

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Consolidating Balance Sheet
As of December 29, 2012
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
ASSETS						
Current assets						
Cash & cash equivalents	$ 39.8	$ 37.5	$ 96.4	$ 5.7	$ —	$ 179.4
Accounts receivable, net of allowance	18.4	111.5	122.3	16.2	(69.0)	199.4
Income taxes recoverable	—	0.9	0.2	0.1	—	1.2
Inventories	21.1	65.9	130.8	7.0	—	224.8
Prepaid expenses and other assets	2.5	13.4	4.3	0.1	—	20.3
Total current assets	**81.8**	**229.2**	**354.0**	**29.1**	**(69.0)**	**625.1**
Property, plant & equipment, net	50.7	188.4	242.0	9.8	—	490.9
Goodwill	27.5	4.5	98.3	—	—	130.3
Intangibles and other assets, net	1.0	101.4	198.4	14.6	—	315.4
Deferred income taxes	2.9	—	—	0.4	—	3.3
Other tax receivable	0.2	0.1	0.6	—	—	0.9
Due from affiliates	40.0	175.2	78.0	41.9	(335.1)	—
Investments in subsidiaries	487.5	389.7	820.0	—	(1,697.2)	—
Total assets	**$ 691.6**	**$ 1,088.5**	**$ 1,791.3**	**$ 95.8**	**$ (2,101.3)**	**$ 1,565.9**
LIABILITIES AND EQUITY						
Current liabilities						
Current maturities of long-term debt	$ —	$ 1.3	$ 0.2	$ 0.4	$ —	$ 1.9
Accounts payable and accrued liabilities	36.2	119.5	193.1	7.9	(69.0)	287.7
Total current liabilities	**36.2**	**120.8**	**193.3**	**8.3**	**(69.0)**	**289.6**
Long-term debt	0.2	598.7	1.5	1.4	—	601.8
Deferred income taxes	—	30.3	7.9	0.9	—	39.1
Other long-term liabilities	0.2	4.0	8.3	—	—	12.5
Due to affiliates	43.2	76.7	177.8	37.4	(335.1)	—
Total liabilities	**79.8**	**830.5**	**388.8**	**48.0**	**(404.1)**	**943.0**
Equity						
Capital stock, no par	397.8	574.5	1,724.3	83.6	(2,382.4)	397.8
Additional paid-in-capital	40.4	—	—	—	—	40.4
Retained earnings (deficit)	186.0	(329.7)	(331.2)	(46.1)	707.0	186.0
Accumulated other comprehensive (loss) income	(12.4)	13.2	9.4	(0.8)	(21.8)	(12.4)
Total Cott Corporation equity	611.8	258.0	1,402.5	36.7	(1,697.2)	611.8
Non-controlling interests	—	—	—	11.1	—	11.1
Total equity	**611.8**	**258.0**	**1,402.5**	**47.8**	**(1,697.2)**	**622.9**
Total liabilities and equity	**$ 691.6**	**$ 1,088.5**	**$ 1,791.3**	**$ 95.8**	**$ (2,101.3)**	**$ 1,565.9**

Condensed Consolidating Statement of Cash Flows
For the year ended December 28, 2013
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Operating Activities						
Net income	$ 17.0	$ (15.3)	$ 34.5	$ 7.9	$ (22.1)	$ 22.0
Depreciation & amortization	6.3	39.6	48.7	6.2	—	100.8
Amortization of financing fees	0.1	2.6	0.1	—	—	2.8
Share-based compensation expense	1.1	2.5	0.4	—	—	4.0
(Decrease) increase in deferred income taxes	(0.9)	4.5	(2.6)	(0.1)	—	0.9
Loss on disposal of property, plant & equipment	0.1	0.3	0.5	0.1	—	1.0
Write-off of financing fees and discount	—	4.0	—	—	—	4.0
Equity (income) loss, net of distributions	(24.2)	(5.2)	7.3	—	22.1	—
Intercompany dividends	27.1	6.9	—	—	(34.0)	—
Other non-cash items	0.2	0.5	0.1	0.1	—	0.9
Net change in operating assets and liabilities, net of acquisition	(21.0)	153.9	(114.8)	0.7	—	18.8
Net cash provided by (used in) operating activities	5.8	194.3	(25.8)	14.9	(34.0)	155.2
Investing Activities						
Acquisition, net of cash received	—	(4.7)	(6.5)	—	—	(11.2)
Additions to property, plant & equipment	(6.8)	(35.1)	(12.4)	(1.3)	—	(55.6)
Additions to intangibles and other assets	—	(5.9)	—	—	—	(5.9)
Proceeds from sale of property, plant & equipment	—	—	—	0.2	—	0.2
Proceeds from insurance recoveries	—	0.6	—	—	—	0.6
Advances to affiliates	—	—	—	0.3	(0.3)	—
Net cash used in investing activities	(6.8)	(45.1)	(18.9)	(0.8)	(0.3)	(71.9)
Financing Activities						
Payments of long-term debt	(0.1)	(201.1)	(18.8)	(0.8)	—	(220.8)
Borrowings under ABL	—	89.0	42.9	—	—	131.9
Payments under ABL	—	(72.9)	(9.2)	—	—	(82.1)
Advances from affiliates	(0.3)	—	—	—	0.3	—
Distributions to non-controlling interests	—	—	—	(6.6)	—	(6.6)
Common share repurchase	(13.0)	—	—	—	—	(13.0)
Dividends paid to shareholders	(21.9)	—	—	—	—	(21.9)
Intercompany dividends	—	—	(27.1)	(6.9)	34.0	—
Financing fees	(0.1)	(0.6)	(0.1)	—	—	(0.8)
Net cash used in financing activities	(35.4)	(185.6)	(12.3)	(14.3)	34.3	(213.3)
Effect of exchange rate changes on cash	(1.9)	—	(0.3)	—	—	(2.2)
Net decrease in cash & cash equivalents	**(38.3)**	**(36.4)**	**(57.3)**	**(0.2)**	**—**	**(132.2)**
Cash & cash equivalents, beginning of period	**39.8**	**37.5**	**96.4**	**5.7**	**—**	**179.4**
Cash & cash equivalents, end of period	**$ 1.5**	**$ 1.1**	**$ 39.1**	**$ 5.5**	**$ —**	**$ 47.2**

Condensed Consolidating Statement of Cash Flows
For the year ended December 29, 2012
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Operating Activities						
Net income	$ 47.8	$ 30.2	$ 50.4	$ 6.3	$ (82.4)	$ 52.3
Depreciation & amortization	6.5	36.9	48.4	5.9	—	97.7
Amortization of financing fees	0.2	3.3	0.2	—	—	3.7
Share-based compensation expense	1.1	2.7	1.0	0.1	—	4.9
Increase (decrease) in deferred income taxes	0.4	3.6	(0.2)	—	—	3.8
Gain on bargain purchase	—	—	(0.9)	—	—	(0.9)
Loss on disposal of property, plant & equipment	—	0.7	0.6	0.5	—	1.8
Equity (income) loss, net of distributions	(46.9)	(5.0)	(30.5)	—	82.4	—
Intercompany dividends	28.0	5.9	—	—	(33.9)	—
Other non-cash items	—	(0.4)	—	—	—	(0.4)
Net change in operating assets and liabilities	(6.8)	(3.9)	12.8	8.0	—	10.1
Net cash provided by operating activities	30.3	74.0	81.8	20.8	(33.9)	173.0
Investing Activities						
Acquisition	—	(4.7)	(5.0)	—	—	(9.7)
Additions to property, plant & equipment	(7.7)	(45.2)	(14.2)	(2.6)	—	(69.7)
Additions to intangibles and other assets	(0.6)	(5.1)	0.5	—	—	(5.2)
Proceeds from sale of property, plant & equipment	—	—	1.0	1.3	—	2.3
Proceeds from insurance recoveries	—	1.9	—	—	—	1.9
Advances to affiliates	—	—	—	(9.7)	9.7	—
Net cash used in investing activities	(8.3)	(53.1)	(17.7)	(11.0)	9.7	(80.4)
Financing Activities						
Payments of long-term debt	0.1	(2.9)	—	(0.5)	—	(3.3)
Borrowings under ABL	—	24.5	—	—	—	24.5
Payments under ABL	—	(24.5)	—	—	—	(24.5)
Advances from affiliates	9.7	—	—	—	(9.7)	—
Distributions to non-controlling interests	—	—	—	(5.6)	—	(5.6)
Common share repurchase	(0.3)	—	—	—	—	(0.3)
Dividends paid to shareholders	(5.8)	—	—	—	—	(5.8)
Intercompany dividends	—	—	(28.0)	(5.9)	33.9	—
Financing fees	—	(1.2)	—	—	—	(1.2)
Net cash provided by (used in) financing activities	3.7	(4.1)	(28.0)	(12.0)	24.2	(16.2)
Effect of exchange rate changes on cash	0.4	—	1.4	0.3	—	2.1
Net increase (decrease) in cash & cash equivalents	**26.1**	**16.8**	**37.5**	**(1.9)**	**—**	**78.5**
Cash & cash equivalents, beginning of period	**13.7**	**20.7**	**58.9**	**7.6**	**—**	**100.9**
Cash & cash equivalents, end of period	**$ 39.8**	**$ 37.5**	**$ 96.4**	**$ 5.7**	**$ —**	**$ 179.4**

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Condensed Consolidating Statement of Cash Flows
For the year ended December 31, 2011
(in millions of U.S. dollars)

	Cott Corporation	Cott Beverages Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination Entries	Consolidated
Operating Activities						
Net income	$ 37.6	$ 0.6	$ 35.0	$ 2.8	$ (34.8)	$ 41.2
Depreciation & amortization	6.0	35.1	48.2	6.0	—	95.3
Amortization of financing fees	0.3	3.3	0.3	—	—	3.9
Share-based compensation expense	1.1	1.0	0.7	0.1	—	2.9
Increase (decrease) in deferred income taxes	0.4	0.1	(3.9)	(0.3)	—	(3.7)
Loss on disposal of property, plant & equipment	—	0.4	0.8	—	—	1.2
Asset impairments	—	—	—	0.6	—	0.6
Intangible asset impairments	—	1.4	—	—	—	1.4
Contract termination payments	(0.8)	(2.3)	—	—	—	(3.1)
Equity (income) loss, net of distributions	(29.6)	(4.2)	0.2	—	33.6	—
Intercompany dividends	25.8	9.6	—	—	(35.4)	—
Other non-cash items	(0.1)	1.1	3.6	0.3	—	4.9
Net change in operating assets and liabilities	(25.7)	210.4	(169.6)	2.6	1.2	18.9
Net cash provided by (used in) operating activities	15.0	256.5	(84.7)	12.1	(35.4)	163.5
Investing Activities						
Acquisition	—	(34.3)	—	—	—	(34.3)
Additions to property, plant & equipment	(5.2)	(33.9)	(9.5)	(0.2)	—	(48.8)
Additions to intangibles and other assets	(0.2)	(5.3)	(0.1)	(0.1)	—	(5.7)
Proceeds from sale of property, plant & equipment	—	0.4	—	—	—	0.4
Other investing activities	—	(1.8)	—	—	—	(1.8)
Advances to affiliates	—	—	156.1	3.6	(159.7)	—
Net cash (used in) provided by investing activities	(5.4)	(74.9)	146.5	3.3	(159.7)	(90.2)
Financing Activities						
Payments of long-term debt	0.1	(6.4)	—	(0.5)	—	(6.8)
Borrowings under ABL	—	224.1	—	—	—	224.1
Payments under ABL	—	(231.9)	—	—	—	(231.9)
Advances from affiliates	(3.6)	(156.1)	—	—	159.7	—
Distributions to non-controlling interests	—	—	—	(6.0)	—	(6.0)
Intercompany dividends	—	—	(29.0)	(6.4)	35.4	—
Exercise of options	—	0.3	—	—	—	0.3
Net cash used in financing activities	(3.5)	(170.0)	(29.0)	(12.9)	195.1	(20.3)
Effect of exchange rate changes on cash	(0.2)	—	0.1	(0.2)	—	(0.3)
Net increase in cash & cash equivalents	**5.9**	**11.6**	**32.9**	**2.3**	**—**	**52.7**
Cash & cash equivalents, beginning of period	**7.8**	**9.1**	**26.0**	**5.3**	**—**	**48.2**
Cash & cash equivalents, end of period	**$ 13.7**	**$ 20.7**	**$ 58.9**	**$ 7.6**	**$ —**	**$ 100.9**

Note 24 — Subsequent Event

On February 11, 2014, the Board of Directors declared a dividend of C$0.06 per share on common shares, payable in cash on March 28, 2014 to shareowners of record at the close of business on March 11, 2014.

On February 19, 2014, we redeemed all $15.0 million in aggregate principal amount of the remaining outstanding 2017 Notes at 104.118% of par. The redemption included approximately $0.6 million in premium payments as well as approximately $0.3 million in deferred financing fees and discount charges.

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SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

(in millions of U.S. dollars) — Year ended December 28, 2013

Description	Balance at Beginning of Year	Reduction in Sales	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Year
Reserves deducted in the balance sheet from the asset to which they apply						
Allowances for losses on:						
Accounts receivables	$ (6.7)	$ —	$ 0.9	$ —	$ —	$ (5.8)
Inventories	(10.5)	—	(2.0)	0.5	—	(12.0)
Deferred income tax assets	(27.5)	—	(17.8)	0.1	—	(45.2)
	$ (44.7)	$ —	$ (18.9)	$ 0.6	$ —	$ (63.0)

(in millions of U.S. dollars) — Year ended December 29, 2012

Description	Balance at Beginning of Year	Reduction in Sales	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Year
Reserves deducted in the balance sheet from the asset to which they apply						
Allowances for losses on:						
Accounts receivables	$ (5.7)	$ —	$ (1.3)	$ (0.1)	$ 0.4	$ (6.7)
Inventories	(8.8)	—	(1.6)	(0.3)	0.2	(10.5)
Deferred income tax assets	(22.2)	—	(5.6)	0.3	—	(27.5)
	$ (36.7)	$ —	$ (8.5)	$ (0.1)	$ 0.6	$ (44.7)

(in millions of U.S. dollars) — Year ended December 31, 2011

Description	Balance at Beginning of Year	Reduction in Sales	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Year
Reserves deducted in the balance sheet from the asset to which they apply						
Allowances for losses on:						
Accounts receivables	$ (7.0)	$ —	$ 0.6	$ 0.2	$ 0.5	$ (5.7)
Inventories	(8.2)	—	(2.1)	—	1.5	(8.8)
Deferred income tax assets	(12.7)	—	(9.4)	(0.1)	—	(22.2)
	$ (27.9)	$ —	$ (10.9)	$ 0.1	$ 2.0	$ (36.7)

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Cott Corporation

Exhibit Index

Number	Description
2.1	Asset Purchase Agreement, dated as of July 7, 2010, by and among Cott Corporation, Caroline LLC, a wholly-owned subsidiary of Cott Corporation, Cliffstar Corporation, each of the Cliffstar companies named therein, and Stanley Star, solely in his capacity as sellers' representative (incorporated by reference to Exhibit 2.1 to our Form 8-K/A filed July 9, 2010).
3.1	Articles of Amalgamation of Cott Corporation (incorporated by reference to Exhibit 3.1 to our Form 10-K filed February 28, 2007).
3.2	Second Amended and Restated By-laws of Cott Corporation (incorporated by reference to Exhibit 3.2 to our Form 10-Q filed May 10, 2007).
3.3	Amendment to Second Amended and Restated By-laws of Cott Corporation (incorporated by reference to Exhibit 3.1 to our Form 8-K filed October 31, 2013).
4.1	Indenture dated as of November 13, 2009, governing the 8.375% Senior Notes due 2017, by and among Cott Beverages Inc., Cott Corporation, the guarantors identified therein and HSBC Bank USA, National Association, as trustee (incorporated by reference to Exhibit 4.1 to our Form 8-K filed November 16, 2009).
4.2	Form of 8.375% Senior Note due 2017 (incorporated by reference to Exhibit 4.2 to our Form 8-K filed November 16, 2009).
4.3	Registration Rights Agreement, dated as of November 13, 2009, among Cott Beverages Inc., Cott Corporation, the guarantors identified therein and Barclays Capital Inc., J.P. Morgan Securities Inc. and Deutsche Bank Securities Inc. (incorporated by reference to Exhibit 4.3 to our Form 8-K filed November 16, 2009).
4.4	Indenture dated as of August 17, 2010, governing the 8.125% Senior Notes due 2018, by and among Cott Beverages Inc., Cott Corporation, the guarantors identified therein and HSBC Bank USA, National Association, as trustee (incorporated by reference to Exhibit 4.1 to our Form 8-K filed August 20, 2010).
4.5	Form of 8.125% Senior Note due 2018 (included as Exhibit A to Exhibit 4.7, which is incorporated by reference to Exhibit 4.1 to our Form 8-K filed August 20, 2010).
4.6	Registration Rights Agreement, dated as of August 17, 2010, among Cott Beverages Inc., Cott Corporation, the guarantors identified therein and Deutsche Bank Securities Inc., as representative to the Initial Purchasers (incorporated by reference to Exhibit 4.3 to our Form 8-K filed August 20, 2010).
10.1 [1]	Supply Agreement, dated December 21, 1998, between Walmart Stores, Inc. and Cott Beverages USA, Inc. (now "Cott Beverages Inc.") (incorporated by reference to Exhibit 10.1 of our Form 10-K filed March 15, 2011).
10.2 [2]	Restated 1986 Common Share Option Plan of Cott Corporation/Corporation Cott as amended through October 20, 2004 (incorporated by reference to Exhibit 10.15 to our Form 10-K filed March 16, 2005).
10.3 [2]	Employment Offer Letter to Steven Kitching dated February 14, 2013 (incorporated by reference to Exhibit 10.1 to our Form 10-Q filed May 3, 2013).
10.4 [2]	Employment Offer Letter to Michael Creamer dated April 16, 2007 (incorporated by reference to Exhibit 10.19 to our Form 10-K filed March 11, 2009).
10.5 [2]	Amended and Restated Retention, Severance and Non-Competition Plan (incorporated by reference to Exhibit 10.6 to our Form 10-Q filed August 9, 2007).
10.6 [2]	Employment Offer Letter to Gregory Leiter, executed October 15, 2007 (incorporated by reference to Exhibit 10.41 to our Form 10-K filed March 11, 2008).

Number	Description
10.7 [1]	Credit Agreement dated as of August 17, 2010 among Cott Corporation, Cott Beverages Inc., Cott Beverages Limited, Cliffstar LLC and the other Loan Parties party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., London Branch as UK Security Trustee, JPMorgan Chase Bank, N.A., as Administrative Agent and Administrative Collateral Agent, General Electric Capital Corporation, as Co-Collateral Agent and Bank of America, N.A., as Documentation Agent (incorporated by reference to Exhibit 10.1 to our Amended Form 10-Q filed June 20, 2011).
10.8 [2]	Employment Agreement between Cott Corporation and Jerry Fowden dated February 18, 2009 (incorporated by reference to Exhibit 10.1 to our Form 8-K filed February 24, 2009).
10.9 [2]	Cott Corporation Severance and Non-Competition Plan, dated February 18, 2009 (incorporated by reference to Exhibit 10.2 to our Form 8-K filed February 24, 2009).
10.10 [2]	Employment Offer Letter to Marni Morgan Poe dated January 14, 2010 (incorporated by reference to Exhibit 10.1 to our Form 10-Q filed May 12, 2010).
10.11 [2]	2010 Equity Incentive Plan (incorporated by reference to Appendix B of our Definitive Proxy Statement on Schedule 14A filed April 1, 2010).
10.12 [2]	Amendment to 2010 Equity Incentive Plan (incorporated by reference to Exhibit 4.2 to our Form 8-K filed May 4, 2010).
10.13 [2]	Form of Restricted Share Unit Award Agreement with Time-Based Vesting under Cott Corporation's 2010 Equity Incentive Plan (incorporated by reference to Exhibit 10.4 to our Form 10-Q filed November 10, 2010).
10.14 [2]	Form of Restricted Share Unit Award Agreement with Performance-Based Vesting under Cott Corporation's 2010 Equity Incentive Plan (incorporated by reference to Exhibit 10.5 to our Form 10-Q filed November 10, 2010).
10.15 [2]	Form of Nonqualified Stock Option Agreement under Cott Corporation's 2010 Equity Incentive Plan (incorporated by reference to Exhibit 10.18 to our Form 10-K filed February 27, 2013).
10.16 [2]	Employment Offer Letter to Michael Gibbons dated March 6, 2009 (incorporated by reference to Exhibit 10.1 of our Form 10-K filed March 15, 2011).
10.17 [1]	Supply Agreement executed December 21, 2010, effective January 1, 2011 between Crown Cork & Seal USA, Inc. and Cott Corporation (incorporated by reference to Exhibit 10.34 of our Form 10-K/A filed January 1, 2012).
10.18 [2]	Employment Offer Letter to Jay Wells dated January 14, 2012 (incorporated by reference to Exhibit 10.1 to our Form 10-Q filed May 7, 2012).
10.19	Amendment No. 1 to Credit Agreement, dated as of April 19, 2012, by and among Cott Corporation, Cott Beverages Inc., Cliffstar LLC, and Cott Beverages Limited, as Borrowers, the other Loan Parties party thereto, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.2 to our Form 10-Q filed May 7, 2012)
10.20	Amendment No. 2 to Credit Agreement, dated as of July 19, 2012, by and among Cott Corporation, Cott Beverages Inc., Cliffstar LLC, and Cott Beverages Limited, as Borrowers, the other Loan Parties party thereto, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to our Form 10-Q filed November 1, 2012).
10.21 [2]	Employment Offer Letter to Carlos Baila dated September 17, 2012 (incorporated by reference to Exhibit 10.24 to our Form 10-K filed February 27, 2013).

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Number	Description
10.22	Amendment No. 3 to Credit Agreement, dated as of October 22, 2013, by and among Cott Corporation, Cott Beverages Inc., Cliffstar LLC, and Cott Beverages Limited, as Borrowers, the other Loan Parties party thereto, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent (filed herewith).
10.23 [2]	Amended and Restated Cott Corporation Equity Incentive Plan (incorporated by reference to Appendix B of our Definitive Proxy Statement on Schedule 14A filed March 28, 2013).
21.1	List of Subsidiaries of Cott Corporation (filed herewith).
23.1	Consent of Independent Certified Public Accountants (filed herewith).
31.1	Certification of the Chief Executive Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the year ended December 28, 2013 (filed herewith).
31.2	Certification of the Chief Financial Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002 for the year ended December 28, 2013 (filed herewith).
32.1	Certification of the Chief Executive Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the year ended December 28, 2013 (furnished herewith).
32.2	Certification of the Chief Financial Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002 for the year ended December 28, 2013 (furnished herewith).
101	The following financial statements from Cott Corporation's Annual Report on Form 10-K for the year ended December 28, 2013, filed February 24, 2014, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Operations, (ii) Consolidated Balance Sheets, (iii) Consolidated Statements of Cash Flows, (iv) Consolidated Statements of Equity (v) Condensed Consolidated Statements of Comprehensive Income (vi) Notes to the Consolidated Financial Statements (filed herewith).

1. Document is subject to request for confidential treatment.
2. Indicates a management contract or compensatory plan.

Exhibit 10.22

Execution Version

AMENDMENT NO. 3 TO CREDIT AGREEMENT

THIS AMENDMENT NO. 3 TO CREDIT AGREEMENT, dated as of October 22, 2013 (this " Amendment "), by and among Cott Corporation Corporation Cott, a corporation organized under the laws of Canada, Cott Beverages Inc., a Georgia corporation, Cliffstar LLC, a Delaware limited liability company, and Cott Beverages Limited, a company organized under the laws of England and Wales, as Borrowers, the other Loan Parties party hereto, the Lenders party hereto, and JPMorgan Chase Bank, N.A., London Branch, as UK Security Trustee, JPMorgan Chase Bank, N.A., as Administrative Agent and Administrative Collateral Agent, and General Electric Capital Corporation, as Co-Collateral Agent. Each capitalized term used herein and not defined herein shall have the meaning ascribed thereto in the Amended Credit Agreement referred to below.

WITNESSETH

WHEREAS, the Borrowers, the other Loan Parties, the Lenders, the Administrative Agent, the UK Security Trustee, the Administrative Collateral Agent, the Co-Collateral Agent, and the other parties party thereto, are parties to that certain Credit Agreement, dated as of August 17, 2010 (as amended by that certain Amendment No. 1 to Credit Agreement, dated as of April 19, 2012, as further amended by that certain Amendment No. 2 to Credit Agreement, dated as of July 19, 2012, and as may be further amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the " Credit Agreement "; and as amended by this Amendment, the " Amended Credit Agreement "); and

WHEREAS, the Borrowers have requested that the Administrative Agent and the Lenders agree to amend certain provisions of the Credit Agreement on the terms and subject to the conditions expressly set forth herein.

NOW, THEREFORE, in consideration of the premises set forth above, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each party hereto is willing to agree to amend certain provisions of the Credit Agreement on the terms and subject to the conditions expressly set forth herein.

I. Amendments to Credit Agreement . Effective as of the Amendment No. 3 Effective Date (as defined below), each party hereto hereby agrees that the Credit Agreement shall be and hereby is amended as follows:

1. The title page of the Credit Agreement is hereby amended by deleting the phrase "DEUTSCHE BANK AG NEW YORK BRANCH" and replacing it with the phrase "DEUTSCHE BANK SECURITIES INC.".

2. The introductory paragraph to the Credit Agreement is hereby amended by adding the phrase ", as further amended by Amendment No. 3, dated as of October 22, 2013" immediately after the phrase "as of July 19, 2012".

3. The definition of " Alternate Base Rate " is hereby amended by (a) deleting the phrase "LIBOR01 Page", (b) adding the phrase "pages LIBOR01 or LIBOR02 of" immediately prior to the phrase "the Reuters Screen (or on any successor or substitute page)", and (c) adding the following sentence at the end of such definition:

"If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 hereof, then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above."

4. The definition of " Amortization Commencement Date " is hereby deleted.

5. The definitions of " BCB European " and " BCB International " are hereby moved into the correct alphabetical order.

6. The definition of " Borrowing Base " is hereby amended by deleting the phrase ", *minus* (e) the Earnout Reserve".

7. The definition of " Canadian Reaffirmation Agreement " is hereby deleted in its entirety and replaced with the following definition in the appropriate alphabetical order:

"" First Canadian Reaffirmation Agreement " means the Canadian law governed Reaffirmation Agreement and Amendment No. 1 to Canadian Security Agreement, dated as of the Amendment No. 2 Effective Date, by and between the Loan Parties party thereto and the Administrative Collateral Agent, for the benefit of the Administrative Agent, the Collateral Agents and the Lenders."

8. The definition of " Canadian Security Agreement " is hereby amended by deleting the phrase "as amended on the date hereof by the Canadian Reaffirmation Agreement" and replacing it with the phrase "as amended on the Amendment No. 2 Effective Date by the First Canadian Reaffirmation Agreement".

9. The definition of " CDOR Rate " is hereby amended by deleting each reference to the phrase "deposit" and replacing it with "dealer".

10. The definition of " Commitment " is hereby amended by (a) adding the phrase "Amendment No. 3" immediately before each occurrence of the phrase "Effective Date" and (b) deleting "$275,000,000" and replacing it with "$300,000,000".

11. The definition of " Earnout Reserve " is hereby deleted.

12. Clause (iii) of the proviso to the definition of " Excluded Subsidiary " is hereby amended by (a) adding the phrase "or, upon completion of the Luxembourg Reorganization, as reflected on the Reorganization Schedule" immidately after the phrase "reflected on Schedule 3.15 " and (b) adding the phrase "or, upon completion of the Luxembourg Reorganization, as reflected on the Reorganization Schedule" immediately after the phrase "intercompany Indebtedness held on the Amendment No. 2 Effective Date"

13. The definition of " Excluded Taxes " is hereby deleted in its entirety and replaced with the following definition:

"" Excluded Taxes " means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Foreign Lender, withholding Taxes imposed on amounts payable, and in the case of a Treaty Lender, U.S. Federal and United Kingdom withholding Taxes imposed on amounts payable (excluding, (x) the portion of United Kingdom withholding Taxes with respect to which the applicable Treaty Lender is entitled to claim a reduction under an income tax treaty, and (y) United Kingdom withholding Taxes on payments made by any guarantor under any guarantee of the obligations to the extent such withholding Taxes would not have applied if the payment had been made by the Borrower rather than such guarantor), to or for the account of such Foreign Lender or Treaty Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Foreign Lender or Treaty Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrowers under Section 2.19(b)) or (ii) such Foreign Lender or Treaty Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Foreign Lender's or Treaty Lender's assignor immediately before such Foreign Lender or Treaty Lender acquired the applicable interest in the Loan or Commitment or to such Foreign Lender or Treaty Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.17(h), and (d) any U.S. Federal withholding Taxes imposed under FATCA."

14. The definition of " Fee Letters " is hereby deleted in its entirety and replaced with the following definition:

"" Fee Letters " means the collective reference to that certain second amended and restated fee letter dated as of the Amendment No. 3 Effective Date among Chase, J.P. Morgan Securities, Inc. and the Company, that certain lender fee letter dated as of the Amendment No. 3 Effective Date among Chase and the Company, and any other fee letters that may be entered into from time to time by one or more Borrowers and any Agent.".

15. Clause (b) of the definition of " Fixed Charges " is hereby amended by adding the phrase "(including, without limitation, scheduled principal payments in respect of the Sidel Purchase Financing) immediately after the phrase "scheduled principal payments on Indebtedness".

16. The definition of " LIBO Rate " is hereby deleted in its entirety and replaced with the following definition:

"" LIBO Rate " means, with respect to any Eurodollar Borrowing in any LIBOR Quoted Currency (other than a UK Swingline Loan denominated in Sterling) and for any applicable Interest Period, the London interbank offered rate administered by the British Bankers Association (or any other Person that takes over the administration of such rate) for such LIBOR Quoted Currency for a period equal in length to such Interest Period as displayed on pages LIBOR01 or LIBOR02 of the Reuters screen or, in the event such rate does not appear on such

Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate as shall be selected by the Administrative Agent from time to time in its reasonable discretion (the " LIBOR Screen Rate ") at approximately 11:00 a.m., London time, on the Quotation Date for such Interest Period; provided that, if the LIBOR Screen Rate shall not be available at such time for a period equal in length to such Interest Period (the " Impacted Interest Period "), then the LIBO Rate shall be the Interpolated Rate at such time, subject to Section 2.14. Notwithstanding the foregoing, to the extent that "LIBO Rate" or "Adjusted LIBO Rate" is used in connection with an ABR Borrowing, such rate shall be determined as modified by the definition of Alternate Base Rate."

17. The definition of " Maturity Date " is hereby deleted in its entirety and replaced with the following definition:

"" Maturity Date " means the earliest of (a) October 22, 2018, (b) solely if at the close of business on May 1, 2017 the 2009 Notes have not been redeemed, repurchased or otherwise refinanced in full, May 15, 2017, (c) solely if at the close of business on February 15, 2018 the 2010 Notes have not been redeemed, repurchased or otherwise refinanced in full, March 1, 2018 or (d) any earlier date on which the Commitments are reduced to zero or otherwise terminated pursuant to the terms hereof."

18. The definition of " Other Taxes " is hereby deleted in its entirety and replaced with the following definition:

"" Other Taxes " means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19)."

19. Clause (h) of the definition of " Permitted Acquisition " is hereby amended by adding the phrase "(or within a reasonable time thereafter as may be agreed by the Administrative Agent in its Permitted Discretion)" immediately after the first occurrence of the phrase "Proposed Acquisition".

20. The definition of " PP&E Component " is hereby deleted in its entirety and replaced with the following definition:

"" PP&E Component " means, at the time of any determination, with respect to each Borrower, an amount equal to the difference between:

(a) the lesser of:

(i) the result of (x) to the extent greater than zero, (A) 75% of the fair market value (as determined by the most recent Qualified PP&E Appraisal (Real Property)) of such Borrower's Eligible Real Property *minus* (B) the PP&E

Amortization Amount (Real Property) (this clause (x), the "Real Property Component"), *plus* (y) to the extent greater than zero, (A) 85% of the Net Orderly Liquidation Value of such Borrower's Eligible Equipment *minus* (B) the PP&E Amortization Amount (Equipment) (this clause (y), the "Equipment Component"), *minus* (z) Reserves established by either Collateral Agent in its Permitted Discretion; and

(ii) to the extent greater than zero, (x) $35,767,560 *minus* the PP&E Amortization Amount (Adjusted Real Property) *plus* (y) $33,502,728 *minus* the PP&E Amortization Amount (Adjusted Equipment); *minus*

(b) the PP&E Component included in any other Borrower's Borrowing Base."

21. The definition of "PP&E Percentage" is hereby deleted.

22. The definition of "Reaffirmation Agreements" is hereby deleted in its entirety and replaced with the following definition:

"" Reaffirmation Agreements" means the First Canadian Reaffirmation Agreement, the Second Canadian Reaffirmation Agreement, the UK Reaffirmation Deeds, the First U.S. Reaffirmation Agreement, and the Second U.S. Reaffirmation Agreement."

23. The definition of "Reserves" is hereby amended by deleting the phrase "Swap Obligations" and replacing it with the phrase "Swap Agreement Obligations".

24. The definition of "Secured Obligations" is hereby amended by (a) deleting each occurrence of the phrase "Swap Obligations" and replacing them with "Swap Agreement Obligations" and (b) deleting the period at the end of such definition and replacing it with the phrase "; provided, however, that the definition of "Secured Obligations" shall not create any guarantee by any Guarantor of (or grant of security interest by any Guarantor to support, as applicable) any Excluded Swap Obligations of such Guarantor for purposes of determining any obligations of any Guarantor.".

25. The definition of "Swap Obligations" is hereby amended by renaming such defined term "Swap Agreement Obligations".

26. The definition of "Taxes" is hereby deleted in its entirety and replaced with the following definition:

"" Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto."

27. The definition of " UK Reaffirmation Agreement " is hereby deleted in its entirety and replaced with the following definition:

"" UK Reaffirmation Deeds " means (i) the Reaffirmation Deed to UK Security Documents, dated as of the Amendment No. 2 Effective Date, by and between the Loan Parties party thereto and the UK Security Trustee and (ii) the Reaffirmation Deed to UK Security Documents, dated as of the Amendment No. 3 Effective Date, by and between the Loan Parties party thereto and the UK Security Trustee."

28. The definition of " U.S. Reaffirmation Agreement " is hereby deleted in its entirety and replaced with the following definition in the appropriate alphabetical order:

"" First U.S. Reaffirmation Agreement " means the U.S. law governed Reaffirmation Agreement and Amendment No. 1 to U.S. Security Agreement, dated as of the Amendment No. 2 Effective Date, by and between the Loan Parties party thereto and the Administrative Collateral Agent, for the benefit of the Administrative Agent, the Collateral Agents and the Lenders."

29. The definition of " U.S. Security Agreement " is hereby amended by deleting the phrase "as amended on the date hereof by the U.S. Reaffirmation Agreement" and replacing it with the phrase "as amended on the Amendment No. 2 Effective Date by the First U.S. Reaffirmation Agreement".

30. Section 1.01 of the Credit Agreement is hereby amended by inserting the following new definitions in the appropriate alphabetical order:

(a) " Amendment No. 3 " means Amendment No. 3 to Credit Agreement, dated as of October 22, 2013, among the Loan Parties party thereto, the Lenders party thereto, and the Administrative Agent.

(b) " Amendment No. 3 Effective Date " has the meaning assigned to such term in Amendment No. 3.

(c) " Anti-Corruption Laws " means all laws, rules, and regulations of any jurisdiction applicable to any Borrower and its Affiliates concerning or relating to bribery or corruption.

(d) " Beneficial Owner " means, with respect to any U.S. Federal withholding Tax, the beneficial owner, for U.S. Federal income tax purposes, to whom such Tax relates.

(e) " Commodity Exchange Act " means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

(f) " Connection Income Taxes " means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

(g) " Designated Persons " means any Person listed on a Sanctions List.

(h) " ECP " means an "eligible contract participant" as defined in Section 1(a)(18) of the Commodity Exchange Act or any regulations promulgated thereunder and the applicable rules issued by the Commodity Futures Trading Commission and/or the SEC.

(i) " Excluded Swap Obligation " means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) (a) by virtue of such Guarantor's failure for any reason to constitute an ECP at the time the Guarantee of such Guarantor or the grant of such security interest becomes or would become effective with respect to such Swap Obligation or (b) in the case of a Swap Obligation subject to a clearing requirement pursuant to Section 2(h) of the Commodity Exchange Act (or any successor provision thereto), because such Guarantor is a "financial entity," as defined in Section 2(h)(7)(C)(i) of the Commodity Exchange Act (or any successor provision thereto), at the time the Guarantee of such Guarantor becomes or would become effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

(j) " FATCA " means Sections 1471 through 1474 of the Code, as of the Amendment No. 3 Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

(k) " Interpolated Rate " means, at any time, for any Interest Period, the rate per annum (rounded upward to four decimal places) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the applicable Screen Rate (for the longest period for which the applicable Screen Rate is available for the applicable currency) that is shorter than the Impacted Interest Period and (b) the applicable Screen Rate for the shortest period (for which such Screen Rate is available for the applicable currency) that exceeds the Impacted Interest Period, in each case, at such time.

(l) " IRS " means the United States Internal Revenue Service.

(m) " LIBOR Quoted Currency " means Dollars, Euros and Sterling.

(n) " Luxembourg Reorganization " means an internal reorganization of the Company and its Subsidiaries, to be completed no later than November 30, 2013 (or such longer period as may be agreed to by the Administrative Agent in its sole discretion), satisfactory to the Administrative Agent in its discretion, and substantially in the order of and substantially in compliance with the steps set forth in, resulting in a corporate structure of the reorganized entities substantially as set forth in, the Reorganization Disclosure Letter, which reorganization may include, among other intercompany transactions involving Indebtedness and Equity Interests, the following intercompany Indebtedness:

(a) certain intercompany promissory notes and accounts receivable (which intercompany promissory notes and accounts receivable shall be subordinated to the Secured Obligations to the extent required under Section 6.01(e)) among any or all of BCB European, BCB International, and the Loan Parties, in each case as substantially set forth in the Reorganization Disclosure Letter, each in approximately the amounts set forth in the Reorganization Disclosure Letter, and each of which shall be transferred to a Loan Party and pledged and delivered to the Administrative Collateral Agent in accordance with the terms of the Loan Documents, or cancelled prior to the completion of the Luxembourg Reorganization, in each case in form and substance satisfactory to the Administrative Agent in its discretion; and

(b) certain other intercompany promissory notes among the Loan Parties specified in the Reorganization Disclosure Letter in approximately the amounts set forth in the Reorganization Disclosure Letter, each of which shall be owned by a Loan Party and pledged and delivered to the Administrative Collateral Agent in accordance with the terms of the Loan Documents or cancelled prior to the completion of the Luxembourg Reorganization, in each case in form and substance satisfactory to the Administrative Agent in its discretion;

provided that, both before and after giving effect to the Luxembourg Reorganization, and at all times during the Luxembourg Reorganization, the Company and each other Loan Party shall satisfy each of the following conditions:

(i) no Default shall have occurred and be continuing;

(ii) subject to Section IV of Amendment No. 3, any Collateral (including cash) shall remain subject to (or, in the case of Collateral created as part of the Luxembourg Reorganization, shall become subject to) a perfected security interest of the Administrative Collateral Agent, subject to the Permitted Perfection Limitations, in accordance with the terms of the Loan Documents, and the validity, perfection and priority of such security interest shall not be impaired by or in connection with the Luxembourg Reorganization; provided that BCB European and BCB International shall not be required to become Loan Parties solely as a result of the Luxembourg Reorganization;

(iii) the Luxembourg Reorganization shall be completed no later than the close of business on the 10th Business Day after the initiation of the first step of the Luxembourg Reorganization (or such longer period as may be agreed to by the Administrative Agent in its sole discretion) substantially as set forth in the Reorganization Disclosure Letter;

(iv) other than the shares of Cott Luxembourg S.a. r.l., neither BCB European nor BCB International shall hold any asset or any Collateral that it acquires as part of the Luxembourg Restructuring for longer than a period of 5 Business Days from the time that it acquires such asset or Collateral (or such longer period as may be agreed to by the Administrative Agent in its sole discretion);

(v) the Luxembourg Reorganization shall be permitted under the 2009 Note Indenture and the 2010 Note Indenture; and

(vi) the Borrowers shall have Aggregate Availability *minus* Disqualified Payables of at least $75,000,000.

(o) " OFAC " means the Office of Foreign Assets Control of the United States Department of the Treasury.

(p) " Other Connection Taxes " means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Taxes (other than a connection arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to, or enforced, any Loan Document, or sold or assigned an interest in any Loan, Letter of Credit or any Loan Document).

(q) " Participant Register " has the meaning set forth in Section 9.04(g)(iii).

(r) " PP&E Amortization Amount (Adjusted Equipment) " means, at the time of any determination occurring on or after the Amendment No. 3 Effective Date, the sum of the PP&E Amortization Amount (Equipment) *plus* , on and after the first Business Day of any PP&E Equipment Adjustment Period, the result of (x) $33,502,728 *minus* (y) 85% of the Net Orderly Liquidation Value of such Borrower's Eligible Equipment based on the most recent Qualified PP&E Appraisal (Equipment) completed prior to such PP&E Equipment Adjustment Period.

(s) " PP&E Amortization Amount (Adjusted Real Property) " means, at the time of any determination occurring on or after the Amendment No. 3 Effective Date, the sum of the PP&E Amortization Amount (Real Property) *plus* , on and after the first Business Day of any PP&E Real Property Adjustment Period, the result of (x) $35,767,560 *minus* (y) 75% of the fair market value of such Borrower's Eligible Real Property based on the most recent Qualified PP&E Appraisal (Real Property) completed prior to such PP&E Real Property Adjustment Period.

(t) " PP&E Amortization Amount (Equipment) " means, at the time of any determination occurring on or after the Amendment No. 3 Effective Date:

(i) prior to the first Business Day of the first PP&E Equipment Adjustment Period, the product of (x) $398,842 *multiplied by* (y) the number of calendar months that have commenced since (and including) December 1, 2013; or

(ii) on and after the first Business Day of any PP&E Equipment Adjustment Period, the product of (x) the result of (I) 85% of the Net Orderly Liquidation Value of such Borrower's Eligible Equipment based on the most recent Qualified PP&E Appraisal (Equipment) completed prior to such PP&E Equipment Adjustment Period *divided by* (II) (A) 84 *minus* (B) the number of PP&E Prior Amortized Months for such PP&E Equipment Adjustment Period *multiplied by* (y) the number of calendar months that have commenced since (and including) the first day of the first month of the current PP&E Equipment Adjustment Period.

(u) " PP&E Amortization Amount (Real Property) " means, at the time of any determination occurring on or after the Amendment No. 3 Effective Date:

(i) prior to the first Business Day of the first PP&E Real Property Adjustment Period, the product of (x) $298,063 *multipled by* (y) the number of calendar months that have commenced since (and including) December 1, 2013; or

(ii) on and after the first Business Day of any PP&E Real Property Adjustment Period, the product of (x) the result of (A) 75% of the fair market value of such Borrower's Eligible Real Property based on the most recent Qualified PP&E Appraisal (Real Property) completed prior to such PP&E Real Property Adjustment Period *divided by* (B) 120 *minus* (y) the number of PP&E Prior Amortized Months for such PP&E Real Property Adjustment Period *multiplied by* (y) the number of calendar months that have commenced since (and including) the first day of the first month of the current PP&E Real Property Adjustment Period.

(v) " PP&E Equipment Adjustment Period " means, at any time of determination occurring after the Amendment No. 3 Effective Date, the period commencing on the first Business Day of the first full calendar month following the receipt by the Administrative Agent and the Collateral Agents of a Qualified PP&E Appraisal (Equipment), and ending on the date immediately prior to the first Business Day of the first full calendar month following the receipt by the Administrative Agent and the Collateral Agents of the next succeeding Qualified PP&E Appraisal (Equipment).

(w) " PP&E Prior Amortized Months " means, with respect to each PP&E Equipment Adjustment Period and each PP&E Real Property Adjustment Period, as applicable, the number of calendar months that have commenced since (and including) December 1, 2013 through and including the first Business Day of such PP&E Equipment Adjustment Period or such PP&E Real Property Adjustment Period.

(x) " PP&E Real Property Adjustment Period " means, at any time of determination occurring after the Amendment No. 3 Effective Date, the period commencing on the first Business Day of the first full calendar month following the receipt by the Administrative Agent and the Collateral Agents of a Qualified PP&E Appraisal (Real Property), and ending on the date immediately prior to the first Business Day of the first full calendar month following the receipt by the Administrative Agent and the Collateral Agents of the next succeeding Qualified PP&E Appraisal (Real Property).

(y) " Qualified ECP Guarantor " means, in respect of any Swap Obligation, each Loan Party that has total assets exceeding $10,000,000 at the time the relevant Loan Guaranty or grant of the relevant security interest becomes or would become effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

(z) " Qualified PP&E Appraisal (Equipment) " means any appraisal and update thereof with respect to all Eligible Equipment (the most recent such appraisal, the " Current Equipment Appraisal "), conducted in accordance with the terms of this Agreement from an appraiser selected and engaged by the Administrative Agent, and in each case satisfactory to the Administrative Agent and each Collateral Agent, so long as the result of 85%

of the Net Orderly Liquidation Value of the applicable Borrower's Eligible Equipment based on the results of the Current Equipment Appraisal is less than the value of the Equipment Component as computed at such time without giving effect to the results of the Current Equipment Appraisal.

(aa) " Qualified PP&E Appraisal (Real Property) " means any appraisal and update thereof with respect to all Eligible Real Property (the most recent such appraisal, the " Current Real Property Appraisal "), conducted in accordance with the terms of this Agreement from an appraiser selected and engaged by the Administrative Agent, and in each case satisfactory to the Administrative Agent and each Collateral Agent, so long as the result of 75% of the fair market value of the applicable Borrower's Eligible Real Property based on the results of the Current Real Property Appraisal is less than the value of the Real Property Component as computed at such time without giving effect to the results of the Current Real Property Appraisal.

(bb) " Quotation Date " means with respect to any LIBO Rate Borrowing for any Interest Period, (a) if the currency is Sterling, the first day of such Interest Period, (b) if the currency is Euro, two TARGET Days before the first day of such Interest Period, (c) for any other currency, two Business Days prior to the commencement of such Interest Period (unless, in each case, market practice differs in the relevant market where the LIBO Rate for such currency is to be determined, in which case the Quotation Date will be determined by the Administrative Agent in accordance with market practice in such market (and if quotations would normally be given on more than one day, then the Quotation Date will be the last of those days)).

(cc) " Recipient " means (a) any Agent, (b) any Lender and (c) any Issuing Bank, or any of the foregoing or any combination thereof (as the context requires).

(dd) " Reorganization Disclosure Letter " means that certain letter, dated the Amendment No. 3 Effective Date, from the Company to the Agents and the Lenders, which letter shall (a) attach as Annex A thereto slides detailing each step of the Luxembourg Reorganization and (b) attach as Annex B thereto the final organizational structure of the Company as of the date that the Luxembourg Reorganization is completed, as such letter may be amended, with the consent of the Administrative Agent in its sole discretion, and such letter and any such amendments shall be in form and substance satisfactory to the Administrative Agent in its discretion.

(ee) " Reorganization Schedule " has the meaning assigned to such term in Amendment No. 3.

(ff) " Sanctioned Country " means a country or territory which is at any time subject to Sanctions.

(gg) " Sanctions " means:

(a) economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (i) the U.S. government and administered by OFAC, (ii) the United Nations Security Council, (iii) the European Union, (iv) Her Majesty's Treasury of the United Kingdom, (v) or the Canadian government; and

(b) economic or financial sanctions imposed, administered or enforced from time to time by the U.S. State Department, the U.S. Department of Commerce or the U.S. Department of the Treasury.

(hh) " Sanctions List " means any of the lists of specifically designated nationals or designated persons or entities (or equivalent) held by the U.S. government and administered by OFAC, the U.S. State Department, the U.S. Department of Commerce or the U.S. Department of the Treasury or the United Nations Security Council or any similar list maintained by the European Union, any other EU Member State, the United Kingdom, Her Majesty's Treasury of the government of the United Kingdom, the Canadian Government, or any other government entity of the U.S., the United Kingdom or Canada, in each case as the same may be amended, supplemented or substituted from time to time.

(ii) " Screen Rate " means the LIBOR Screen Rate.

(jj) " SEC " means the Securities and Exchange Commission of the U.S.

(kk) " Second Canadian Reaffirmation Agreement " means the Canadian law governed Reaffirmation Agreement, dated as of the Amendment No. 3 Effective Date, by and between the Loan Parties party thereto and the Administrative Collateral Agent, for the benefit of the Administrative Agent, the Collateral Agents and the Lenders.

(ll) " Second U.S. Reaffirmation Agreement " means the U.S. law governed Reaffirmation Agreement, dated as of the Amendment No. 3 Effective Date, by and between the Loan Parties party thereto and the Administrative Collateral Agent, for the benefit of the Administrative Agent, the Collateral Agents and the Lenders.

(mm) " Sidel Purchase Financing " means that certain loan financing, in an aggregate principal amount not to exceed $10,750,000, between Cott Beverages and General Electric Capital Corporation relating to the purchase of equipment and related assets previously subject to the Sidel Water Capital Lease.

(nn) " Swap Obligation " means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act or any rules or regulations promulgated thereunder.

(oo) " United States " and " U.S. " mean the United States of America.

(pp) " U.S. Person " means a "United States person" within the meaning of Section 7701(a)(30) of the Code.

(qq) " U.S. Tax Compliance Certificate " has the meaning assigned to such term in Section 2.17(h)(ii)(B)(3).

(rr) " USA PATRIOT Act " means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001.

31. Section 1.03 of the Credit Agreement is hereby amended by inserting the following sentence at the end of such Section: "For the avoidance of doubt, all references herein to the phrase "date hereof" shall be construed to refer to the Effective Date."

32. Section 2.09(f) of the Credit Agreement is hereby amended by (a) deleting the phrase "of all Lenders" in the first sentence thereof and replacing it with the phrase "set forth in Section 9.02(b)", (b) deleting "$300,000,000" and replacing it with "$350,000,000", and (c) deleting clause (i) in its entirety and replacing it with the phrase "(i) certifying that such increase is permitted by the 2009 Indenture and the 2010 Indenture (if the same are then outstanding), or by the terms of any agreement or indenture governing any refinancing or replacement of either or both of the 2009 Indenture and the 2010 Indenture to the extent such refinancing or replacement is permitted in accordance with the terms of this Agreement (and, with respect to any such increase, assuming a borrowing of the maximum amount of loans available under such increase together with any increases previously made pursuant to the terms of this Agreement), and certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and".

33. The proviso at the end of Section 2.11(c) of the Credit Agreement is hereby amended by adding the phrase "or the Sidel Purchase Financing" immediately after each occurrence of the phrase "Sidel Water Capital Lease".

34. Section 2.14(a)(i) of the Credit Agreement is hereby amended by inserting the phrase "(including, without limitation, by means of an Interpolated Rate)" immediately after the phrase "reasonable means do not exist for ascertaining".

35. Section 2.15(a) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate or Overnight LIBO Rate) or any Issuing Bank;

(ii) impose on any Lender or any Issuing Bank or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or CDOR Loans, Overnight LIBO Loans or Eurodollar Loans made by such Lender or any Letter of Credit or participation therein; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, or other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, continuing, converting into or maintaining any CDOR Loan, Overnight LIBO Loan or Eurodollar Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or such Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or such Issuing Bank hereunder (whether of principal, interest or otherwise), then the Borrowers will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered. This Section 2.15(a) does not apply to the extent any such increased cost is attributable to the willful breach by the relevant Lender or its Affiliates of any law or regulation."

36. Section 2.15(b) of the Credit Agreement is hereby amended by (a) adding the phrase "or liquidity" immediately after the phrase "If any Lender or any Issuing Bank determines that any Change in Law regarding capital" and (b) adding the phrase "and liquidity" immediately after the phrase "the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy".

37. Section 2.17 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Section 2.17 Taxes .

(a) Payments Free of Taxes . Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes except as required by applicable law. If any applicable law (as determined in the good faith discretion of any applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.17) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made. A Borrower is not required to make an increased payment to a Lender under Section 2.17 above for a tax deduction in respect of tax imposed by the United Kingdom from a payment of interest on a Borrowing, if on the date on which the payment falls due:

(i) the payment could have been made to the relevant Lender without a tax deduction if it was a UK Qualifying Lender, but on that date that Lender is not or has ceased to be a UK Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration or application of) any law or Treaty, or any published practice or concession of any relevant taxing authority; or

(ii) (1) the relevant Lender is a UK Qualifying Lender solely under sub-paragraph 2 of the definition of UK Qualifying Lender, (2) an officer of H.M. Revenue & Customs has given (and not revoked) a direction (a " Direction ") under section 931 of the UK Income Tax Act 2007 (as that provision has effect on the date on which the relevant Lender became a party to this Agreement) which relates to that payment and that Lender has received from the UK Borrower a certified copy of such Direction; and (3) the payment could have been made to the Lender without any tax deduction in the absence of such Direction; or

(iii) the relevant Lender is a UK Qualifying Lender solely under sub-paragraph 2 of the definition of UK Qualifying Lender (a " UK Non-Bank Lender ") and it has not, other than by reason of any change after the date of this Agreement in (or in the interpretation, administration, or application of) any law, or any published practice or concession of any relevant taxing authority, given a Tax Confirmation to the UK Borrower.

(b) UK Tax Confirmations . A UK Non-Bank Lender which becomes a party to this Agreement either on the Effective Date or on the day on which it accedes to this Agreement gives a Tax Confirmation to the UK Borrower by entering into or acceding to this Agreement.

(c) Changes in UK Tax Confirmations . A UK Non-Bank Lender shall promptly notify the UK Borrower and the Administrative Agent if there is any change in the position from that set out in the Tax Confirmation.

(d) Payment of Other Taxes by the Borrowers . The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(e) Evidence of Payments . As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.17, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) Indemnification by the Loan Parties . The Loan Parties shall jointly and severally indemnify each Recipient, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower Representative by a Lender or an Issuing Bank (in each case with a copy to the Administrative Agent), or by the Administrative Agent or either Collateral Agent on its own behalf or on behalf of a Lender or an Issuing Bank, shall be conclusive absent manifest error.

(g) Indemnification by the Lenders . Each Lender shall severally indemnify each Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified such Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(g) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by such Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by any Agent shall be conclusive absent manifest error. Each Lender hereby authorizes each Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by such Agent to such Lender from any other source against any amount due to such Agent under this paragraph.

(h) Status of Lenders . (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax, which in the case of the UK Borrower shall only be the case where the Lender is a UK Qualifying Lende, with respect to payments made under any Loan Document shall deliver to the Borrower Representative (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower Representative or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower Representative or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower Representative or the Administrative Agent as will enable the Borrowers or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(h)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that any Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower Representative and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. Federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) in the case of a Foreign Lender claiming that its extension of credit will generate U.S. effectively connected income, executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit F-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of a Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-2 or Exhibit F-3, IRS Form W-9, and/or other certification documents from each Beneficial Owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. Federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrowers or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower Representative and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrowers and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower Representative and the Administrative Agent in writing of its legal inability to do so.

(i) Additional United Kingdom Withholding Tax Matters . (i) Subject to clauses (ii) and (iii) below, a Treaty Lender and each UK Borrower which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that UK Borrower to obtain authorization to make that payment without withholding or deduction for Taxes imposed under the laws of the United Kingdom; (ii)(A) a Treaty Lender which becomes a Treaty Lender on the day on which this Agreement is entered into that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall provide its scheme reference number and its jurisdiction of tax residence to the Borrower and the Administrative Agent; and (B) a Treaty Lender which becomes a Treaty Lender hereunder after the day on which this Agreement is entered into that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall provide its scheme reference number and its jurisdiction of tax residence to the UK Borrower and the Administrative Agent, and, having done so, that Treaty Lender shall be under no further obligation pursuant to paragraph (h) and (i)(i) above; (iii) nothing in paragraph (i) above shall require a Treaty Lender to: (A) register under the HMRC DT Treaty Passport scheme; (B) apply the HMRC DT Treaty Passport scheme to any Borrowings if it has so registered; or (C) file Treaty forms if it has included an indication to the effect that it wishes the HMRC DT Treaty Passport scheme to apply to this Agreement in accordance with paragraph (i)(ii) above and the UK Borrower making that payment has not complied with its obligations under paragraph (i)(iv) below; (iv) if a Treaty Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (i)(ii) above the relevant UK Borrower shall make a Borrower DTTP filing, and where (1) that Borrower DTTP Filing has been rejected by HM Revenue & Customs; or (2) HM Revenue & Customs has not given the UK Borrower authority to make payments to that Treaty Lender without a deduction for tax within 60 days of the date of the Borrower DTTP Filing, and, in each case, the UK Borrower has notified that Treaty Lender in writing, that Treaty Lender and the UK Borrower shall co-operate in completing any additional procedural formalities necessary for that UK Borrower to obtain authorization to make that payment without withholding or deduction for Taxes imposed under the laws of the United Kingdom; (v) if a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with paragraph (i)(ii) above, no UK Borrower shall make a Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment(s) or its participation in any Loan unless the Lender otherwise agrees; (vi) a UK Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of that Borrower DTTP Filing to the Administrative Agent for delivery to the relevant Treaty Lender; and (vii) a Treaty Lender shall notify the UK Borrower and Administrative Agent if it determines in its sole discretion that it is ceases to be entitled to claim the benefits of an income tax treaty to which the United Kingdom is a party with respect to payments made by the UK Borrower hereunder.

(j) Additional Authorizations; Reimbursement . A Treaty Lender and each Loan Party which makes a payment to which that Treaty Lender is entitled shall co-operate at the expense of the applicable Loan Party in completing any procedural formalities necessary for that Loan Party to obtain authorization to make that payment without a withholding in respect of Tax or at a reduced rate. The applicable Loan Party shall reimburse each Lender for its reasonable costs and expenses (including reasonable fees and expenses of counsel) incurred by it in relation to the application for such authorization.

(k) Treatment of Certain Refunds . If the Administrative Agent, Disbursement Agent, either Collateral Agent or a Lender determines, in its sole discretion exercised in good faith, that it has received a refund (including any foreign tax credit to the extent such credit results in actual tax savings that would not otherwise be available to such Administrative Agent, Disbursement Agent, Collateral Agent or Lender) of any Taxes or Other Taxes as to which it has been indemnified by the Loan Parties or with respect to which the Loan Parties have paid additional amounts pursuant to this Section 2.17, it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Loan Parties under this Section 2.17 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require any indemnified party to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person nor shall it be construed to require the Administrative Agent, the Disbursement Agent, either Collateral Agent or a Lender, as the case may be, to apply for or otherwise initiate any refund contemplated in this paragraph.

(l) VAT Reimbursement. All amounts set out, or expressed to be payable under any Loan Document by any party to the Administrative Agent, the Disbursement Agent, either Collateral Agent, any Lender or any Issuing Bank which (in whole or in part) constitute the consideration for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply. If VAT is chargeable on any supply made by the Administrative Agent, the Disbursement Agent, either Collateral Agent, any Lender or any Issuing Bank to any party under any Loan Document, that party shall pay to the Administrative Agent, the Disbursement Agent, such Collateral Agent, such Lender or such Issuing Bank as the case may be (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT.

(m) VAT Indemnification. Where any party is required under any Loan Document to reimburse the Administrative Agent, the Disbursement Agent, either Collateral Agent, any Lender or any Issuing Bank as the case may be for any costs or expenses, that party shall also at the same time pay and indemnify the Administrative Agent, the Disbursement Agent, either Collateral Agent, any Lender or any Issuing Bank as the case may be against all VAT incurred by the Administrative Agent, the Disbursement Agent, such Collateral Agent, such Lender or such Issuing Bank as the case may be in respect of the costs or expenses to the extent that the Administrative Agent, the Disbursement Agent, such Collateral Agent, such Lender or such Issuing Bank as the case may be reasonably determines that it is not entitled to credit or repayment of the VAT.

(n) Survival. Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(o) Defined Terms. For purposes of this Section 2.17, (i) the term "applicable law" includes FATCA", (ii) the term "UK Borrower" shall include any Borrower payments from which under this Agreement or any Loan Document are subject to withholding Taxes imposed by the laws of the United Kingdom, and (iii) the term "Lender" includes any Issuing Bank.

38. Section 2.18(b) of the Credit Agreement is hereby amended by (a) deleting each reference to the phrase "Swap Obligations" and replacing it with the phrase "Swap Agreement Obligations" and (b) inserting the following sentence immediately after the phrase " ninth, to the payment of any other Secured Obligation due to the Administrative Agent, the Disbursement Agent, either Collateral Agent or any Lender by the Borrowers.":

"Notwithstanding the foregoing, amounts received from any Loan Party shall not be applied to any Excluded Swap Obligation of such Loan Party."

39. Section 2.18(f) of the Credit Agreement is hereby amended by (a) adding the phrase "Indemnified Taxes or" immediately after the phrase "If any Lender requests compensation under Section 2.15, or if the Borrowers are required to pay any", and (b) deleting the word "amount" in the phrase "additional amount to any Lender or any Governmental Authority for the account of any Lender" and replacing it with the word "amounts".

40. Section 3.23 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Section 3.23 Sanctions Laws and Regulations .

(a) Each Loan Party and its Subsidiaries and, to the best knowledge of each Loan Party, its Affiliates and their respective directors, officers, employees, and agents, in each case when such director, officer, employee or agent is acting on behalf of or purporting to act on behalf of any Loan Party, (i) conduct and has conducted their business in compliance with Anti-Corruption Laws and applicable Sanctions, and (ii) have instituted and maintained, and will maintain and enforce, policies and procedures designed to promote and achieve compliance with such laws and applicable Sanctions. No Borrowing or Letter of Credit, use of proceeds or other financing transaction contemplated by the Loan Documents will violate Anti-Corruption Laws or applicable Sanctions.

(b) None of the Loan Parties or their Subsidiaries or, to the best knowledge of each Loan Party, their Affiliates or their respective directors, officers, employees, agents or representatives acting or benefiting in any capacity in connection with this Agreement (i) is a Designated Person; (ii) is a Person that is owned or controlled by a Designated Person (the terms "owned" and "controlled" being defined as set forth in the applicable Sanctions (but only if such definitions are set forth in such Sanctions)); (iii) is, if in violation of Sanctions or applicable law, located, organized or resident in a Sanctioned Country; or (iv) has directly or indirectly engaged in, or is now directly or indirectly engaged in, in each case in violation of applicable law, any dealings or transactions (1) with any Designated Person, (2) in any Sanctioned Country, or (3) otherwise in violation of Sanctions.".

41. Section 4.02(e) of the Credit Agreement is hereby amended by (a) adding the phrase "(and at any other time that the Administrative Agent may request in its Permitted Discretion)" immediately before the phrase ", the Administrative Agent shall have received a certificate togetehr with such Borrowing Request", (b) adding "(i)" immediately before the phrase "certifying that, at the time of and immediately after", and (c) deleting the period at the end thereof and replacing it with the phrase "and (ii) setting forth and certifying as to reasonably detailed calculations of the permitted Indebtedness baskets under each of the 2009 Indenture and the 2010 Indenture (to the extent then in effect, or similar calculations under any refinancing or replacement agreement) at the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, which calculations shall be satisfactory to the Administrative Agent in its Permitted Discretion.".

42. Section 5.01(g) of the Credit Agreement is hereby amended by adding the phrase "(but, in the case of the PP&E Component, as of the 15 th day of the current calendar month)" immediately after the phrase "and at such other times as may be requested by either Collateral Agent, as of the period then ended".

43. Clause (A)(i) of the proviso to the first sentence of Section 5.11 of the Credit Agreement is hereby amended by deleting the phrase "and Aggregate Availability has at all times during the preceding twelve fiscal months been greater than or equal to the greater of" and replacing it with "and Aggregate Availability has not at any time during the preceding twelve fiscal months been less than the greater of".

44. Clause (B) of the proviso to the first sentence of Section 5.11 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(B) in the case of appraisals of equipment and real property, (i) if no Event of Default has occurred and is continuing and Aggregate Availability has not at any time during the preceding twelve fiscal months been less than the greater of (y) twenty percent (20%) of the aggregate amount of all Commitments at such time and (z) $55,000,000, in each case for a period of 10 consecutive days, (I) one such equipment appraisal in each of calendar year 2015 and every third calendar year thereafter shall be at the sole expense of the Loan Parties, and (II) one such real property appraisal in each of calendar year 2016 and every third calendar year thereafter shall be at the sole expense of the Loan Parties (ii) if no Event of Default has occurred and is continuing and Aggregate Availability has at any time during the preceding twelve fiscal months been less than the greater of (y) twenty percent (20%) of the aggregate amount of all Commitments at such time and (z) $55,000,000, in each case for a period of 10 consecutive days, one such appraisal per calendar year (commencing with calendar year 2013) shall be at the sole expense of the Loan Parties, (iii) if an Event of Default has occurred and is continuing, each such appraisal shall be at the sole expense of the Loan Parties and (iv) appraisals of parcels of real property not identified on Schedule 1.01(a) shall not be at the expense of the Loan Parties, except to the extent such appraisals are required by any Requirement of Law; provided that, if Aggregate Availability has at any time during the preceding twelve fiscal months been less than $40,000,000, real property and equipment appraisals shall be deemed requested by the Administrative Agent and each Collateral Agent, and such appraisals shall be at the sole expense of the Loan Parties.".

45. Section 6.01(h) of the Credit Agreement is hereby amended by (a) deleting the phrase "or interest rate" from clause (i) thereof, (b) inserting the phrase "; provided that pricing and any premiums for any such extension, refinancing, or renewal shall be on customary market terms at such time for Indebtedness of such type" at the end of clause (v) thereof and (c) deleting the second reference to clause "(iv)" therein and replacing it with a reference to clause "(vi)".

46. Section 6.01(l) of the Credit Agreement is hereby amended by adding the phrase "or Guarantors" after the word "Borrowers".

47. Section 6.01(q) of the Credit Agreement is hereby amended by adding the phrase "or the Sidel Purchase Financing" immediately after the phrase "Sidel Water Capital Lease".

48. Section 6.02(m) of the Credit Agreement is hereby amended by adding the phrase "or the Sidel Purchase Financing" immediately after the phrase "Sidel Water Capital Lease".

49. Section 6.04(l) of the Credit Agreement is hereby amended by (a) deleting “$75,000,000” and replacing it with “$50,000,000” and (b) adding the following phrase at the end of Section 6.04(l):

“ provided , further , that in any period of four consecutive fiscal quarters, the Company may exclude the lesser of (i) $20,000,000 and (ii) the sum of (A) dividends made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iii), plus (B) repurchases of capital stock made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iv), from the computation of the Fixed Charge Coverage Ratio solely for the purpose of this Section 6.04(l);”.

50. Section 6.04(p) of the Credit Agreement is hereby amended by deleting each occurrence of the phrase “Amendment No. 2 Effective Date” and replacing them with the phrase “Amendment No. 3 Effective Date”.

51. Section 6.04(s) of the Credit Agreement is hereby deleted and replaced with the following:

“(s) investments, loans and advances described in the Reorganization Disclosure Letter solely to the extent required to complete the Luxembourg Reorganization;”.

52. Clause (y) of the proviso at the end of Section 6.04 of the Credit Agreement is hereby amended by deleting the phrase “clause (u)” and replacing it with the phrase “clauses (s) and (u)”.

53. Section 6.09(a) of the Credit Agreement is hereby amended by (a) deleting each occurrence of “$75,000,000” and replacing them with “$50,000,000”, (b) deleting the phrase “provided that no Event of Default has occurred and is then continuing” from the beginning of Section 6.09(a)(iii), (c) adding the phrase “at the time of such declaration and payment” immediately after the phrase “no Event of Default has occurred and is continuing” at the beginning of Section 6.09(a)(iii)(A), (d) inserting the phrase “; provided that in any period of four consecutive fiscal quarters, the Company may exclude the lesser of (x) $20,000,000 and (y) the sum of (I) dividends made in such period of four consecutive fiscal quarters pursuant to this Section 6.09(a)(iii), plus (II) repurchases of capital stock made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iv), from the computation of the pro forma Fixed Charge Coverage Ratio solely for the purpose of this Section 6.09(a)(iii)” at the end of Section 6.09(a)(iii)(C), (e) inserting the phrase “; provided that in any period of four consecutive fiscal quarters, the Company may exclude the lesser of (x) $20,000,000 and (y) the sum of (I) dividends made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iii), plus (II) repurchases of capital stock made in such period of four consecutive fiscal quarters pursuant to this Section 6.09(a)(iv), from the computation of the pro forma Fixed Charge Coverage Ratio solely for the purpose of this Section 6.09(a)(iv)” at the end of Section 6.09(a)(iv)(C), (f) deleting the word “and” immediately before the phrase “(v) any Restricted Subsidiary”, (g) adding the phrase “, and (vi) the Restricted Payments described in the Reorganization Disclosure Letter shall be permitted to the extent required to complete the Luxembourg Reorganization” immediately before the phrase “; provided that in the event that any Restricted Payment is made to BCB International, BCB European or any Interim Holdco” and (h) adding the phrase “ (X) such Restricted Payment is made as part of the Luxembourg Reorganization or (Y)” immediately before the phrase “solely in the case of any Restricted Payment made to any Interim Holdco”.

54. Section 6.09(b)(vii)(b) of the Credit Agreement is hereby amended by adding the phrase "or the Sidel Purchase Financing" immediately after the phrase "Sidel Water Capital Lease".

55. Section 6.09(b)(vii)(C) of the Credit Agreement is hereby amended by (a) deleting the phrase "is no less than 1.25 to 1.0" and replacing it with the phrase "(x) in the case of the four fiscal quarter period ending September 28, 2013, is no less than 1.10 to 1.0 and (y) for each four fiscal quarter period ending thereafter, is no less than 1.15 to 1.0" and (b) adding the following phrase at the end of Section(b)(vii)(C):

" provided that in any period of four consecutive fiscal quarters, the Company may exclude the lesser of (I) $20,000,000 and (II) the sum of (A) dividends made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iii), plus (B) repurchases of capital stock made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iv), from the computation of the Fixed Charge Coverage Ratio solely for the purpose of this Section 6.09(b)(vii);".

56. Section 6.09(b)(ix) of the Credit Agreement is hereby amended by adding the following phrase at the end of Section 6.09(b)(ix):

" provided that in any period of four consecutive fiscal quarters, the Company may exclude the lesser of (i) $20,000,000 and (ii) the sum of (A) dividends made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iii), plus (B) repurchases of capital stock made in such period of four consecutive fiscal quarters pursuant to Section 6.09(a)(iv), from the computation of the Fixed Charge Coverage Ratio solely for the purpose of this Section 6.09(b)(ix);"

57. Section 6.09(b)(x) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

(x) the Company or any of its Restricted Subsidiaries may, from time to time, prepay any Indebtedness outstanding in connection with the Sidel Water Capital Lease or the Sidel Purchase Financing (the " Sidel Prepayment Amount ") during the term of this Agreement as long as the Company delivers a certificate by a Financial Officer stating the Sidel Prepayment Amount and attesting that the Sidel Prepayment Amount is equal to or less than (i) in the case of a prepayment of Indebtedness in connection with the Sidel Water Capital Lease, the value of (A) the Letters of Credit issued for the benefit of General Electric Capital Corporation (" GECC ") that GECC in its capacity as lessor will return for cancellation and/or (B) cash collateral that GECC in its capacity as lessor will release, in each case, in connection with such prepayment or (ii) in the case of a prepayment of Indebtedness under the Sidel Purchase Financing, the amount of all obligations of Cott Beverages outstanding at such time under the Sidel Purchase Financing (including, but not limited to all payments of principal, interest, premiums, fees and expenses then due and owing under the Sidel Purchase Financing as in effect on the Amendment No. 3 Effective Date); and

58. Section 6.10 of the Credit Agreement is hereby amended by (a) deleting the word “and” immediately before the phrase “(h) any issuances of securities”, (b) adding the phrase “, (s)” immediately after the phrase “6.04(b), (c), (d), (e), (l), (p), (q), (r)”, and (c) adding the following phrase immediately before the period at the end of such Section:

“and (i) transactions made between or among any Loan Party and any other Subsidiary of the Company as part of the Luxembourg Reorganization”

59. Section 6.15 of the Credit Agreement is hereby amended by adding the following at the end thereof:

“(c) Notwithstanding anything in this Section 6.15 to the contrary, BCB International, BCB European and each Interim Holdco may own the assets and incur the liabilities described in the Reorganization Disclosure Letter solely for the purposes of effecting, and as required to complete, the Luxembourg Reorganization.”.

60. A new Section 6.16 is hereby added to the Credit Agreement as follows:

“Section 6.16 Sanctions Laws and Regulations .

(a) No Loan Party shall, and each Loan Party shall (x) ensure that none of its Subsidiaries will, and (y) use its commercially reasonable efforts to ensure that none of its other Affiliates will, directly or indirectly use the proceeds of the Loans or Letters of Credit (i) for any purpose which would breach the U.K. Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar applicable law; (ii) to fund, finance or facilitate any activities, business or transaction of or with any Designated Person or in any Sanctioned Country in violation of applicable law, or otherwise in violation of Sanctions, as such Sanctions Lists or Sanctions are in effect from time to time; or (iii) in any other manner that will result in the violation of any applicable Sanctions by any party to this Agreement.

(b) No Loan Party shall, and each Loan Party shall (x) ensure that none of its Subsidiaries will, and (y) use its commercially reasonable efforts to ensure that none of its other Affiliates will, use funds or assets obtained directly or indirectly from transactions with or otherwise relating to (i) Designated Persons; or (ii) any Sanctioned Country, to pay or repay any amount owing to the Lenders under this Agreement, in each case in violation of Sanctions or applicable law.

(c) Each Loan Party shall, and shall (x) ensure that each of their Subsidiaries will, and (y) use its commercially reasonable efforts to ensure that each of their other Affiliates will (i) conduct its business in compliance with Anti-Corruption Laws; (ii) maintain policies and procedures designed to promote and achieve compliance with Anti-Corruption Laws; and (iii) have appropriate controls and safeguards in place designed to prevent any proceeds of any Loans or Letters of Credit from being used contrary to the representations and undertakings set forth herein.”.

61. Section 9.03(b) of the Credit Agreement is hereby amended by adding the following sentence at the end thereof:

“This Section 9.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, penalties, liabilities or related expenses arising from any non-Tax claim.”.

62. Section 9.04(d) of the Credit Agreement is hereby amended by deleting the reference to "paragraph (b)(iv)" and replacing it with a reference to "paragraph (f)".

63. Section 9.04(e) of the Credit Agreement is hereby amended by (a) adding the phrase "in the United States of America" immediately after the phrase "shall maintain at one of its offices" and (b) adding the phrase "(and stated interest)" immediately after the phrase "and the Commitment of, and principal amount".

64. Section 9.04(g) of the Credit Agreement is hereby amended by (a) deleting the reference to "paragraph (c)(ii)" and replacing it with a reference to "paragraph (g)(ii)" in clause (i) thereof, (b) deleting the reference to "Section 2.17(g)" and replacing it with a reference to "Section 2.17(h)", and (c) adding the following clause (iii) at the end thereof:

"(iii) Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.".

65. Section 9.14 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Section 9.14 USA Patriot Act. Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") hereby notifies each Loan Party that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the Act."

66. Section 10.01 of the Credit Agreement is hereby amended by inserting the phrase "; provided, however, that the definition of "Guaranteed Obligations" shall not create any guarantee by any Loan Guarantor of (or grant of security interest by any Loan Guarantor to support, as applicable) any Excluded Swap Obligations of such Loan Guarantor for purposes of determining any obligations of any Loan Guarantor" immediately after the phrase "collectively, the "Guaranteed Obligations"".

67. A new Section 10.13 is hereby added to the Credit Agreement as follows:

"Section 10.13 Keepwell . Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this Guarantee in respect of a Swap Obligation (provided , however , that each Qualified ECP Guarantor shall only be liable under this Section 10.13 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 10.13 or otherwise under this Loan Guaranty voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). Except as otherwise provided herein, the obligations of each Qualified ECP Guarantor under this Section 10.13 shall remain in full force and effect until the termination of all Swap Obligations. Each Qualified ECP Guarantor intends that this Section 10.13 constitute, and this Section 10.13 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act."

68. The Commitment Schedule is hereby deleted in its entirety and replaced with the commitment schedule attached to Schedule I hereto.

69. Schedule 1.01(a) of the Credit Agreement is hereby reaffirmed by the Company and attached hereto as Schedule II hereto.

70. The Exhibits attached hereto as Exhibit A are hereby added to the Credit Agreement as Exhibits F-1 through F-4.

II. Conditions Precedent to Effectiveness . This Amendment shall become effective as of the first date (the " Amendment No. 3 Effective Date ") on which each of the following conditions precedent have been satisfied:

1. The Administrative Agent (or its counsel) shall have received (i) from each party hereto either (A) a counterpart of this Amendment signed on behalf of such party or (B) written evidence satisfactory to the Administrative Agent (which may include facsimile or pdf transmission of a signed signature page of this Amendment) that such party has signed a counterpart of this Amendment, and (ii) duly executed copies (or facsimile or pdf copies) of the Second Canadian Reaffirmation Agreement, the UK Reaffirmation Deed dated as of the Amendment No. 3 Effective Date, and the Second U.S. Reaffirmation Agreement, and such other certificates, documents, instruments and agreements as the Administrative Agent shall reasonably request in connection with the transactions contemplated by this Amendment.

2. The Administrative Agent and the Collateral Agents shall have received written opinions of the United States Loan Parties' counsel and of Canadian Loan Parties' counsel, each addressed to the Administrative Agent, the Disbursement Agent, the Collateral Agents, the Issuing Banks and the Lenders, in each case in form and substance acceptable to the Administrative Agent.

3. The Administrative Agent and the Collateral Agents shall have received copies of the most recent financial statements, projections and reports required to be delivered pursuant to Section 5.01 of the Credit Agreement.

4. The Administrative Agent shall have received (i) a certificate of each Loan Party, dated the Amendment No. 3 Effective Date and executed by its Secretary, Assistant Secretary or Director, which shall (A) certify the resolutions of its Board of Directors, members or other body authorizing the execution, delivery and performance of this Amendment and the other Loan Documents to which it is a party, (B) identify by name and title and bear the signatures of the Financial Officers and any other officers of such Loan Party authorized to sign this Amendment and the Loan Documents to which it is a party, and (C) to the extent not previously delivered to the Administrative Agent attached to a similar certificate, contain appropriate attachments, including the certificate or articles of incorporation or organization of each Loan Party, together with all amendments thereto, certified by the relevant authority of the jurisdiction of organization of such Loan Party and a true and correct copy of its by-laws, memorandum and articles of association or operating, management or partnership agreement (or other equivalent organizational documents), together with all amendments thereto, and (ii) a short form or long form certificate of good standing, status or compliance (or confirmation (including through a legal opinion) that telephonic and online searches have been conducted at the English Central Index of Winding Up Petitions and UK Companies House respectively on the Amendment No. 3 Effective Date with respect to the Loan Parties organized under the laws of England and Wales), as applicable, together with any bring-down certificates, confirmations or facsimiles, if any, for each Loan Party from its jurisdiction of organization, each dated a recent date on or prior to the Amendment No. 3 Effective Date.

5. The Administrative Agent shall have received a certificate, signed by the chief financial officer or treasurer of each Borrower, on the Amendment No. 3 Effective Date (i) stating that no Default has occurred and is continuing, (ii) stating that the representations and warranties contained in Article III of the Amended Credit Agreement and Section III of this Amendment are true and correct as of such date, and (iii) certifying any other factual matters as may be reasonably requested by the Administrative Agent.

6. The Lenders, the Collateral Agents and the Administrative Agent shall have received all fees required to be paid, including pursuant to the Fee Letters (as defined in the Amended Credit Agreement) and Section VI hereof, and all expenses for which invoices have been presented (including the reasonable fees and expenses of legal counsel), on or before the Amendment No. 3 Effective Date.

7. The Administrative Agent shall have received a solvency certificate, in form and substance satisfactory to the Administrative Agent, from a Financial Officer.

8. Each Collateral Agent shall have received the most recent Aggregate Borrowing Base Certificate and Borrowing Base Certificates required to be delivered pursuant to Section 5.01 of the Credit Agreement.

9. At the time of and immediately after giving effect to this Amendment, the Borrowers' Aggregate Availability shall not be less than $75,000,000.

10. The Administrative Agent and the Administrative Collateral Agent shall have received updated appraisals of the real property of the Loan Parties from an appraiser selected and engaged by the Administrative Agent, and prepared on a basis satisfactory to the Administrative Agent and the Administrative Collateral Agent, such appraisals to include, without limitation, information required by applicable law and regulations, with such appraisals being at the sole cost and expense of the Loan Parties.

11. The Administrative Agent shall have received such other documents as the Administrative Agent, the Disbursement Agent, any Issuing Bank, any Lender or their respective counsel may have reasonably requested.

12. The amendments contemplated by this Amendment are permitted pursuant to each of the 2009 Indenture and the 2010 Indenture.

III. Representations and Warranties of the Loan Parties . To induce the other parties hereto to enter into this Amendment, each Loan Party represents and warrants to each Lender and each Agent as of the date hereof as follows:

1. Each Loan Party has the legal power and authority to execute and deliver this Amendment and the officers of each Loan Party executing this Amendment have been duly authorized to execute and deliver the same and bind such Loan Party with respect to the provisions hereof.

2. This Amendment has been duly executed and delivered by each Loan Party that is a party hereto.

3. This Amendment and the Amended Credit Agreement each constitutes the legal, valid and binding obligations of each Loan Party, enforceable against such Loan Party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

4. The execution and delivery by each Loan Party of this Amendment, the performance by each Loan Party of its obligations under the Amended Credit Agreement and under the other Loan Documents to which it is a party and the consummation of the transactions contemplated by this Amendment, the Amended Credit Agreement and the other Loan Documents: (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect, (ii) will not violate any Requirement of Law applicable to any Loan Party or any of its Subsidiaries, (iii) will not violate or result in a default under any indenture or other agreement governing Indebtedness or any other material agreement or other instrument binding upon any Loan Party or any of its Restricted Subsidiaries, or give rise to a right thereunder to require any payment to be made by any Loan Party or any of its Restricted Subsidiaries and (iv) will not result in the creation or imposition of any Lien on any asset of any Loan Party or any of its Restricted Subsidiaries, except Liens created pursuant to the Loan Documents.

5. Each Borrower and each other Loan Party hereby reaffirms all covenants, representations and warranties made by it in the Credit Agreement and the other Loan

Documents and agrees and confirms that all such representations and warranties are true and correct in all material respects on and as of the date of this Amendment as though made on and as of such date, except for any representation and warranty made as of an earlier date, which representation and warranty remains true and correct in all material respects as of such earlier date.

6. Each Borrower has caused to be conducted a thorough review of the terms of the Credit Agreement and the other Loan Documents and each Borrower's and its Subsidiaries' operations since the Effective Date and, as of the date hereof and after giving effect to the terms hereof, no Default has occurred and is continuing.

IV. Post-Closing Covenants .

1. Notwithstanding anything to the contrary in any other Loan Document, no later than 30 days following the completion of the Luxembourg Reorganization (or such longer period as may be agreed to by the Administrative Agent and each Collateral Agent, each in its sole discretion), to the extent not previously provided to the Administrative Collateral Agent or the UK Security Trustee, as applicable, such Agent shall have received (i) stock certificates and stock powers or stock transfer forms, as applicable, for each certificate representing the shares of Equity Interests transferred or created and in existence upon the completion of the Luxembourg Reorganization, in the case of each stock power or stock transfer form, executed in blank by a duly authorized officer of the pledgor thereof, (ii) promissory notes and allonges or transfer forms, as applicable, for each promissory note transferred or created and in existence upon the completion of the Luxembourg Reorganization, in the case of each allonge or transfer form, executed in blank by a duly authorized officer of the pledgor thereof, (iii) a certificate of the Loan Parties signed by an authorized officer of the Company certifying as to the accuracy and completeness of, and attaching, an updated Schedule 3.15 to the Credit Agreement together with a redline against the original Schedule 3.15 to the Credit Agreement solely reflecting changes to the ownership of the Equity Interests and intercompany Indebtedness of the Loan Parties and their respective Restricted Subsidiaries resulting from the Luxembourg Reorganization (such updated Schedule 3.15, the " Reorganization Schedule "), and (iv) such security agreements, control agreements and other documents as may be reasonably requested by the Administrative Agent in order to create and perfect a security interest in favor of the Administrative Collateral Agent, subject to the Permitted Perfection Limitations, in accordance with the terms of the Loan Documents. For purposes of this paragraph, an officer is duly authorized to execute a stock power, allonge or transfer form if he or she is serving in the capacity set forth on such power or transfer form at the time such power or transfer form is delivered to the Administrative Collateral Agent.

2. Notwithstanding anything to the contrary in any other Loan Document, no later than 30 days following the completion of the Luxembourg Reorganization (or such longer period as may be agreed to by the Administrative Agent in its sole discretion), 100% of the Equity Interests of Cott Luxembourg S.à r.l. shall be pledged by the holders thereof pursuant to one or more Luxembourg law governed share pledge agreements in favor of the Administrative Collateral Agent (substantially in the form of the Share Pledge Agreement, dated July 8, 2011 among the Company and the Administrative Collateral Agent (the " Existing Luxembourg Share Pledge ")), and the Company and each Loan Party agrees to cause the applicable holders of such Equity Interests to execute and deliver such other agreements, certificates and documents, and to

make such recordings and filings, together with opinions of counsel, in each case as may be reasonably requested by the Administrative Collateral Agent. The Company and each Loan Party hereby agree to take all actions reasonably required by the Administrative Collateral Agent to effect the termination and release of the Existing Luxembourg Share Pledge prior to or substantially simultaneously with the execution of the new Luxembourg law governed share pledge agreements described in the immediately preceding sentence.

V. Reference to and Effect on the Credit Agreement.

1. Upon the effectiveness of this Amendment pursuant to Section II above, on and after the date hereof, each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of like import shall mean and be a reference to the Credit Agreement as modified hereby.

2. Except as specifically amended or modified by this Amendment and the Reaffirmation Agreements (as defined in the Amended Credit Agreement), the Credit Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect, and are hereby ratified and confirmed.

3. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent, any other Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

VI. Costs and Expenses. Each Borrower agrees to pay all reasonable out-of-pocket expenses, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent and the Co-Collateral Agent, incurred by any Agent and any of its Affiliates in connection with the preparation, arrangement, execution and enforcement of this Amendment and all other instruments, agreements and other documents executed in connection herewith. All costs and expenses in connection with this Amendment are due on or prior to the effective date of this Amendment.

VII. Miscellaneous.

1. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, AND ANY DISPUTE BETWEEN ANY BORROWER AND ANY OTHER PARTY HERETO ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH, THIS AMENDMENT, THE CREDIT AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING 5-1401 OF THE GENERAL OBLIGATION LAW OF THE STATE OF NEW YORK BUT OTHERWISE WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS).

2. Waiver. To induce the Administrative Agent and Lenders to enter into this Amendment, each Loan Party further acknowledges that it has no actual or potential defense, offset, claim, counterclaim or cause of action against the Administrative Agent or any Secured Party for any actions or events occurring on or before the date hereof, and each Loan Party hereby waives and releases any right to assert same.

3. Headings . Section headings in this Amendment are included herein for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

4. Terms Generally . References in this Amendment, the Credit Agreement and the Amended Credit Agreement to the words "clause" and "paragraph" shall be construed to have the same meaning.

5. Counterparts . This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Amendment by signing any such counterpart. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or by other electronic image scan transmission (including via e-mail) shall be effective as delivery of a manually executed counterpart of this Amendment. The Administrative Agent may also require that any such documents and signatures delivered by facsimile or by other electronic image scan transmission be confirmed by a manually signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature delivered by facsimile or other electronic image scan transmission.

6. No Strict Construction . The parties hereto have participated jointly in the negotiation and drafting of this Amendment, the Amended Credit Agreement and the other Loan Documents. In the event an ambiguity or question of intent or interpretation arises, this Amendment, the Amended Credit Agreement and the other Loan Documents shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Amendment, the Amended Credit Agreement or any of the other Loan Documents.

7. Amendment Constitutes Loan Document . This Amendment and each Reaffirmation Agreement shall constitute a "Loan Document" for purposes of the Credit Agreement and the other Loan Documents.

8. Notice of Change of Entity Type .

(a) The Company and the other Loan Parties hereby provide notice to the Agents and Lenders in accordance with Section 4.15 of the U.S. Security Agreement that, as part of the Luxembourg Reorganization, Cott Beverages Inc., a Georgia corporation, shall convert into a limited liability company under Georgia law (the " LLC Conversion "). The Company and the other Loan Parties hereby agree that, upon completion of the LLC Conversion, (x) the Company shall deliver to the Administrative Collateral Agent within 5 Business Days (or such longer period as may be agreed to by the Administrative Agent in its sole discretion) of the LLC Conversion written notice that the LLC Conversion is complete together with updated charter documents evidencing the LLC Conversion, certified by the Georgia Secretary of State, and (y) the Administrative Collateral Agent shall be authorized to file UCC financing statements against such converted entity in accordance with Section 4.1(b) of the U.S. Security Agreement.

(b) The Company and the other Loan Parties hereby provide notice to the Agents and Lenders in accordance with Section 4.15 of the U.S. Security Agreement that, as part of the Luxembourg Reorganization, and after the LLC Conversion, Cott Beverages LLC, a Georgia limited liability company, shall convert into a corporation under Georgia law (the " Corporation Conversion ," and together with the LLC Conversion, the " Conversions "). The Company and the other Loan Parties hereby agree that, upon completion of the Corporation Conversion, (x) the Company shall deliver to the Administrative Collateral Agent within 5 Business Days (or such longer period as may be agreed to by the Administrative Agent in its sole discretion) of the Corporation Conversion written notice that the Corporation Conversion is complete together with updated charter documents evidencing the Corporation Conversion, certified by the Georgia Secretary of State, and (y) the Administrative Collateral Agent shall be authorized to file UCC financing statements against such converted entity in accordance with Section 4.1(b) of the U.S. Security Agreement.

9. Waiver of Notice Period . Solely with respect to the Conversions, the Agents and the Lenders hereby waive the 30 day prior notice requirement under Section 4.15 of the U.S. Security Agreement and accept the notice provided in Section 8 hereof as sufficient prior notice of such Conversions.

10. Lender Authorization . Each Lender and each Agent (other than the Administrative Agent), hereby authorizes the Administrative Agent, on its behalf and on behalf of such Lender or other Agent, in the Administrative Agent's sole discretion, to waive any other prior notice requirements under the Loan Documents in respect of the Conversions or any other conversion, dissolution, or other transaction effected pursuant to the Luxembourg Reorganization, to the extent that the reorganization steps described in the Reorganization Disclosure Letter on the date hereof are amended after the date hereof with the consent of the Administrative Agent in its sole discretion.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

BORROWERS:

COTT CORPORATION CORPORATION COTT

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT BEVERAGES INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

CLIFFSTAR LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT BEVERAGES LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

OTHER LOAN PARTIES:

156775 CANADA INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

967979 ONTARIO LIMITED

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

804340 ONTARIO LIMITED

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

2011438 ONTARIO LIMITED

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT RETAIL BRANDS LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT EUROPE TRADING LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT PRIVATE LABEL LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT NELSON (HOLDINGS) LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT (NELSON) LIMITED

By /s/ Gregory Leiter
Name: Gregory Leiter
Title: Director

COTT USA FINANCE LLC

By /s/ Jerry Hoyle
Name: Jerry Hoyle
Title: Authorized Representative

COTT HOLDINGS INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

INTERIM BCB, LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT VENDING INC.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT INVESTMENT, L.L.C.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT USA CORP.

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT U.S. HOLDINGS LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT U.S. ACQUISITION LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT ACQUISITION LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

STAR REAL PROPERTY LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

CAROLINE LLC

By /s/ Jason Ausher
Name: Jason Ausher
Title: Treasurer

COTT UK ACQUISITION LIMITED

By /s/ Jerry Hoyle

Name: Jerry Hoyle
Title: Director

COTT ACQUISITION LIMITED

By /s/ Jerry Hoyle

Name: Jerry Hoyle
Title: Director

COTT LUXEMBOURG S.A.R.L.

By /s/ Jerry Hoyle

Name: Jerry Hoyle
Title: Class A Manager

By: /s/ Luc Sunnen

Name: Luc Sunnen
Title: Class B Manager

COTT DEVELOPMENTS LIMITED

By /s/ Jason Ausher

Name: Jason Ausher
Title: Treasurer

JPMORGAN CHASE BANK, N.A., individually, as an Issuing Bank, as a Swingline Lender and as a Lender

By /s/ Lisa A. Morrison
Name: Lisa A. Morrison
Title: VP, Authorized Signer

JPMORGAN CHASE BANK, N.A., as Administrative Agent and as Administrative Collateral Agent

By /s/ Lisa A. Morrison
Name: Lisa A. Morrison
Title: VP, Authorized Signer

JPMORGAN CHASE BANK, N.A., TORONTO BRANCH, as an Issuing Bank, as a Swingline Lender and as a Lender

By /s/ Agostino A. Marchetti
Name: Agostino A. Marchetti
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., LONDON BRANCH, as an Issuing Bank, as a Swingline Lender and as a Lender

By /s/ Timothy I. Jacob
Name: Timothy I. Jacob
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., LONDON BRANCH, as UK Security Trustee

By /s/ Timothy I. Jacob
Name: Timothy I. Jacob
Title: Senior Vice President

BANK OF AMERICA, N.A.,
as Documentation Agent and as a Lender

By /s/ Andrew A. Doherty
Name: Andrew A. Doherty
Title: Senior Vice President

BANK OF AMERICA, N.A., CANADA BRANCH,
as a Lender

By /s/ Medina Sales de Andrade
Name: Medina Sales de Andrade
Title: Vice President

GENERAL ELECTRIC CAPITAL CORPORATION,
as Co-Collateral Agent and as a Lender

By /s/ Philip f. Carfora
Name: Philip F. Carfora
Title: Duly Authorized Signatory

Signature page to Amendment No. 3 to
Credit Agreement

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By /s/ Peter Cucchiara
Name: Peter Cucchiara
Title: Vice President

By /s/ Michael Winters
Name: Michael Winters
Title: Vice President

Signature page to Amendment No. 3 to
Credit Agreement

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Brian C. Jablon
Name: Brian C. Jablon
Title: PNC Relationship Manager

PNC BANK, CANADA BRANCH,
as a Lender

By: /s/ Michael Etienne
Name: Michael Etienne
Title: Senior Vice President

WELLS FARGO CAPITAL FINANCE, LLC,
as a Lender

By /s/ David P. Hill
Name: David P. Hill
Title: Duly Authorized Signer

WELLS FARGO CAPITAL FINANCE
CORPORATION CANADA,
as a Lender

By /s/ Domenic Consentino
Name: Domenic Consentino
Title: Vice President
Wells Fargo Capital Finance Corporation
Canada

WELLS FARGO BANK, N.A.
(LONDON BRANCH), as a Lender

By /s/ N.B. Hogg
Name: N.B. Hogg
Title: Authorized Signatory

By: /s/ T. Saldania
Name: T. Saldania
Title: Authorized Signatory

Schedule I

COMMITMENT SCHEDULE

Lender	Commitment
JPMorgan Chase Bank, N.A. and affiliates	$ 65,454,545.00
Deutsche Bank AG New York Branch and affiliates	$ 54,545,455.00
General Electric Capital Corporation	$ 65,454,545.00
Bank of America, N.A. and affiliates	$ 42,545,455.00
Wells Fargo Capital Finance, LLC, and affiliates	$ 42,545,455.00
PNC Bank, National Association and affiliates	$ 29,454,545.00
Total	$300,000,000.00

Schedule 1.01(a) to Credit Agreement

Eligible Real Property

Loan Party	Location / Address	Owned, Leased or Occupied
Cott Beverages Inc.	2525 Schuetz Road / 576 Fee Fee Road Maryland Heights, MO 63043	Owned
Cott Beverages Inc.	301 Larcel Drive Sikeston, MO 63801	Owned
156775 Canada Inc.	6525 Viscount Road Mississauga, ON L4V 1H6	Owned
Cott Corporation Corporation Cott	333 Avro Ave Pointe-Claire, QU H9R 5W3	Owned
Cott Corporation Corporation Cott	4810 – 76 Avenue SE Calgary, AB T2C 2V2	Owned

Exhibit A

[See attached.]

Exhibit F-1

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of August 17, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement") among Cott Corporation Corporation Cott, a corporation organized under the laws of Canada (the "Company"), Cott Beverages Inc., a Georgia corporation ("Cott Beverages"), Cliffstar LLC, a Delaware limited liability company, and Cott Beverages Limited, a company organized under the laws of England and Wales (the "UK Borrower," and together with the Company, Cott Beverages and Cliffstar LLC, the "Borrowers"), the other Loan Parties party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for the Lenders, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower Representative with a certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower Representative and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower Representative and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: ______________________________
Name:
Title:

Date: , 20[ ]

Exhibit F-2

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the August 17, 2010 (as amended, supplemented or otherwise modified from time to time, the " Credit Agreement ") among Cott Corporation Corporation Cott, a corporation organized under the laws of Canada (the " Company "), Cott Beverages Inc., a Georgia corporation (" Cott Beverages "), Cliffstar LLC, a Delaware limited liability company, and Cott Beverages Limited, a company organized under the laws of England and Wales (the " UK Borrower ," and together with the Company, Cott Beverages and Cliffstar LLC, the " Borrowers "), the other Loan Parties party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for the Lenders, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: ____________________________________
Name:
Title:

Date: , 20[ ]

Exhibit F-3

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of August 17, 2010 (as amended, supplemented or otherwise modified from time to time, the " Credit Agreement ") among Cott Corporation Corporation Cott, a corporation organized under the laws of Canada (the " Company "), Cott Beverages Inc., a Georgia corporation (" Cott Beverages "), Cliffstar LLC, a Delaware limited liability company, and Cott Beverages Limited, a company organized under the laws of England and Wales (the " UK Borrower ," and together with the Company, Cott Beverages and Cliffstar LLC, the " Borrowers "), the other Loan Parties party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for the Lenders, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By:
Name:
Title:

Date: , 20[ ]

Exhibit F-4

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of August 17, 2010 (as amended, supplemented or otherwise modified from time to time, the " Credit Agreement ") among Cott Corporation Corporation Cott, a corporation organized under the laws of Canada (the " Company "), Cott Beverages Inc., a Georgia corporation (" Cott Beverages "), Cliffstar LLC, a Delaware limited liability company, and Cott Beverages Limited, a company organized under the laws of England and Wales (the " UK Borrower ," and together with the Company, Cott Beverages and Cliffstar LLC, the " Borrowers "), the other Loan Parties party thereto, the Lenders party thereto, JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for the Lenders, and the other parties thereto.

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower Representative with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower Representative and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower Representative and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By:
Name:
Title:

	Name of Subsidiary	Jurisdiction of Incorporation or Organization	Direct or Indirect Percentage of Ownership
1	Cott Holdings Inc.	Delaware	100%
2	Cott USA Finance LLC	Delaware	100%
3	Cott Beverages Inc. [1]	Georgia	100%
4	Northeast Retailer Brands LLC	Delaware	51%
5	Cott Vending Inc.	Delaware	100%
6	Cott Luxembourg S.a r.l.	Luxembourg	100%
7	Interim BCB, LLC	Delaware	100%
8	Northeast Finco Inc.	Delaware	100%
9	Cott NE Holdings Inc.	Delaware	100%
10	Caroline LLC	Delaware	100%
11	Cliffstar LLC	Delaware	100%
12	Cott U.S. Acquisition LLC	Delaware	100%
13	Star Real Property LLC	Delaware	100%
14	Cott IP Holdings Corp.	Delaware	100%
15	BCB International Holdings	Cayman Islands	100%
16	BCB European Holdings	Cayman Islands	100%
17	Cott Acquisition Limited	United Kingdom	100%
18	Cott Acquisition LLC	Delaware	100%
19	Cott UK Acquisition Limited	United Kingdom	100%
20	Cott Retail Brands Limited	United Kingdom	100%
21	Cott Europe Trading Limited	United Kingdom	100%
22	Cott Beverages Limited	United Kingdom	100%
23	Cott Limited	United Kingdom	100%
24	Cott Nelson (Holdings) Limited	United Kingdom	100%
25	Cott (Nelson) Limited	United Kingdom	100%
26	Cott Private Label Limited	United Kingdom	100%
27	Cott Retail Brands Netherlands BV	Netherlands	100%
28	2011438 Ontario Ltd.	Ontario	100%
29	804340 Ontario Ltd.	Ontario	100%
30	Cott Embotelladores de Mexico, S.A. de C.V.	Mexico	100%
31	Mexico Bottling Services, S.A. de C.V.	Mexico	100%
32	Servicios Gerenciales de Mexico, S.A. de C.V.	Mexico	100%
33	Cott do Brasil Industria, Comercio, Importacao e Exportacao de Bebidas e Concentrados Ltda	Brazil	100%
34	Cott International Trading, Ltd.	Barbados	100%
35	Cott International SRL	Barbados	100%
36	Cott (Barbados) IBC Ltd.	Barbados	100%
37	Cott Investment, L.L.C.	Delaware	100%
38	967979 Ontario Limited	Ontario	100%
39	156775 Canada Inc.	Canada	100%
40	Cott (Hong Kong) Limited	Hong Kong	100%
41	Cott (Shanghai) Trading Co., Ltd.	China	100%
42	Cott Maquinaria y Equipo, S.A. de C.V.	Mexico	100%
43	AD Personales, S.A. de C.V.	Mexico	100%
44	Cott Developments Limited	United Kingdom	100%
45	Cooke Bros Holdings Limited	United Kingdom	100%
46	Cooke Bros (Tattenhall), Limited	United Kingdom	100%
47	Mr. Freeze (Europe) Limited	United Kingdom	100%
48	Calypso Soft Drinks Limited	United Kingdom	100%
49	Jay Juice Limited	United Kingdom	100%
50	TT Calco Limited	United Kingdom	100%
51	Total Water Solutions Limited	United Kingdom	100%
52	Tip Top Soft Drinks Limited	United Kingdom	100%

EXHIBIT 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (File Number 333-188735, 333-151812, 333-122974, 333-108128, 333-56980 and 333-166507) and Form S-3 (File Number 333-182100) of our report dated February 24, 2014 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Tampa, Florida
February 24, 2014

EXHIBIT 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jerry Fowden, certify that:

1. I have reviewed this annual report on Form 10-K of Cott Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Jerry Fowden

Jerry Fowden
Chief Executive Officer
Dated: February 24, 2014

EXHIBIT 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jay Wells, certify that:

4. I have reviewed this annual report on Form 10-K of Cott Corporation;

5. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

6. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

7. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Jay Wells

Jay Wells
Chief Financial Officer
Dated: February 24, 2014

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002.

The undersigned, Jerry Fowden, Chief Executive Officer of Cott Corporation (the "Company"), has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company's Annual Report on Form 10-K for the year ended December 28, 2013 (the "Report").

1. The undersigned hereby certifies that to the best of his knowledge:

2. The Report fully complies with the requirements of Section13(a) or 15(d) of the Securities Exchange Act of 1934; and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 24 th day of February, 2014.

/s/ Jerry Fowden

Jerry Fowden
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002.

The undersigned, Jay Wells, Chief Financial Officer of Cott Corporation (the “Company”), has executed this certification in connection with the filing with the Securities and Exchange Commission of the Company’s Annual Report on Form 10-K for the year ended December 28, 2013 (the “Report”).

The undersigned hereby certifies that to the best of his knowledge:

1. The Report fully complies with the requirements of Section13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 24 th day of February, 2014.

/s/ Jay Wells

Jay Wells
Chief Financial Officer