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Membership Agreement

Please read the following Membership Agreement carefully.

It contains very important information about your rights and obligations, as well as limitations and exclusions that may apply to you.

By signing this Agreement, you are consenting to be bound by and are becoming a party to this Agreement.

Please contact us at stewards@multimaterialbc.ca or 1-888-980-9549 for any queries. We would be pleased to answer any questions you may have about this Agreement and any of your stewardship obligations related to printed paper and packaging in British Columbia.

“You” or “Your” means the person or company whose address and contact information appears at the end of this Agreement and who intends to become a member of Multi-Material BC Society’s Packaging and Printed Paper Stewardship Program Plan (MMBC Plan) and Your Affiliates. **“We”, “Our” and “Us”** means **Multi-Material BC Society**.

WHEREAS the Regulation (defined below) requires You to have an approved plan as defined therein and comply with that plan;

AND WHEREAS under the Regulation the Director, Waste Management of the Environmental Standards Branch of the British Columbia Ministry of Environment has approved a packaging and printed paper stewardship plan of MMBC on April 15, 2013;

AND WHEREAS the Regulation permits You to appoint an agency to carry out Your duties under an approved plan by notifying the agency in writing of that appointment specifying the duties of the agency;

AND WHEREAS MMBC has confirmed in writing to the Director the duties that MMBC as an agency will perform on behalf of each producer that has joined the agency;

WHEREAS You are a Producer under the British Columbia Recycling Regulation and appoint MMBC as Your agency to carry out Your duties as a producer under the Regulation by having Us perform or continue to perform duties under Our Stewardship Program Plan described below; and

WHEREAS You therefore wish to become or are already a Member of Our Stewardship Program Plan which has received acceptance from the Director for the Stewardship Program Plan (defined below), on the terms and conditions contained herein;

AND WHEREAS Multi-Material BC Society is duly appointed by You given You comply in all respects with the terms contained in this Agreement;

AND WHEREAS such appointment and compliance with the terms of this Agreement will



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place You in compliance under the Regulation;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants contained herein, You and MMBC agree as follows:

1. DEFINITIONS

1.1. **Definitions.** Capitalized terms in this Agreement will have the following meanings:

"Affiliate" means a Producer that controls another Producer or is controlled by an entity that also controls a Producer as provided in section 2 of the *Business Corporations Act (British Columbia)* as amended from time to time.

"Agreement" means this Membership Agreement between Us and You;

"Annual Data Report" means that report submitted each Reporting Obligation Year by You to MMBC in accordance with the terms of this Agreement;

"Business Day" means any day of the week other than a Saturday, Sunday or statutory holiday observed in Vancouver, British Columbia;

"Data Period" means the calendar year that the Member supplied PPP to residential households;

"Director" means the Director of Waste Management Policy Branch for British Columbia;

"Fee Obligation Year" means the calendar year following each Reporting Obligation year for which a member is required to discharge its obligation to remit fees to MMBC;

"Fees" means those fees payable by the Member to MMBC pursuant to this Agreement;

"First Importers" means those parties that import materials into British Columbia;

"Franchise" means a right to engage in a business where the Franchisee is required by contract or otherwise to make a payment or continuing payments, whether direct or indirect, or a commitment to make such payment or payments, to the Franchisor, or the Franchisor's associate, in the course of operating the business or as a condition of acquiring the Franchise or commencing operations and,

a) in which,

- i. the Franchisor grants the Franchisee the right to sell, offer for sale or distribute goods or services that are substantially associated with the Franchisor's, or the Franchisor's associate's, trade-mark, service mark, trade name, logo or advertising or other commercial symbol, and



- ii. the Franchisor or the Franchisor's associate exercises significant control over, or offers significant assistance in, the Franchisee's method of operation, including building design and furnishings, locations, business organization, marketing techniques or training, or
- b) in which,
- i. the Franchisor, or the Franchisor's associate, grants the Franchisee the representational or distribution rights, whether or not a trade-mark, service mark, trade name, logo or advertising or other commercial symbol is involved, to sell, offer for sale or distribute goods or services supplied by the Franchisor or a supplier designated by the Franchisor, and
 - ii. the Franchisor, or the Franchisor's associate, or a third person designated by the Franchisor, provides location assistance, including securing retail outlets or accounts for the goods or services to be sold, offered for sale or distributed or securing locations or sites for vending machines, display racks or other product sales displays used by the Franchisee;

"Franchisee" means a person to whom a Franchise is granted and includes,

- a) a sub franchisor with regard to that sub franchisor's relationship with a Franchisor, and
- b) a sub franchisee with regard to that sub franchisee's relationship with a sub franchisor;

"Franchisor" means one or more persons who grant or offer to grant a Franchise and includes a sub franchisor with regard to that sub franchisor's relationship with a sub franchisee;

"Legislation" means the British Columbia *Environmental Management Act*, as amended from time to time;

"Members" means the members of Our Stewardship Program Plan collectively, and

"Member" means a member of Our Stewardship Program Plan;

"Ministry" means the Ministry of Environment for British Columbia or any successor ministry;

"MMBC" means the not-for-profit stewardship agency incorporated under the British Columbia *Society Act* and operated by Canadian Stewardship Services Alliance, Inc. (which is federally incorporated under the Canada Not-for-Profit Corporations Act);



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"WeRecycle Portal" means <https://werecycle.cssalliance.ca>;

"Primary Contact" means the individual designated by You as authorized to submit reports to MMBC under this Agreement;

"Packaging and Printed Paper" or "PPP" means that packaging and printed paper that is more thoroughly described in the *Environmental Management Act* and Schedule 5 of the Regulation respectively;

"Producer Responsibility Obligations" means those obligations for which a Producer or Voluntary Producer, as applicable, is responsible pursuant to the Regulation;

"Producer" has the meaning ascribed to producer in the Regulation (also known as a "steward");

"Recycling Obligation" means the obligation to recycle PPP pursuant to the Regulation;

"Regulation" means the British Columbia Recycling Regulation 449/2004, as amended from time to time;

"Reporting Obligation Year" means the calendar year for which a member is required to discharge its obligation to file an Annual Data Report, containing data from your previous Data Period;

"Stewardship Program Plan" means Our Stewardship Program Plan for PPP as approved by the Director;

"Supply" means sells, offers for sale, distributes goods for use by residential households in the Province of British Columbia. Supplied and Supplies have similar meanings; and

"Voluntary Producer" means a producer not resident in British Columbia which supplies PPP to residents of British Columbia who has elected to become a Member; (also known as a Voluntary Steward).

2. YOUR OBLIGATIONS AS A MEMBER OF MMBC

2.1. **New Membership.** By Filing this signed Agreement on the WeRecycle Portal you are hereby becoming a Member. In connection therewith, You agree that, while a Member, You are prohibited from fulfilling your Producer Responsibility Obligations under the Regulations other than pursuant to Your membership in Our Stewardship Program Plan (such as by fulfilling those obligations yourself, or by contracting with a third party, or by joining another PPP stewardship program approved by the Director).



- 2.2. Continuing Membership. If You are already a Member then this Agreement replaces Your existing Membership Agreement effective the 31st of May 2014, unless You provide us with written notice to Us of Your non-acceptance of this replacement Agreement by such date, in which case You shall continue as a Member under the terms of Your existing Membership Agreement until these changes go into effect on January 1st, 2015.
- 2.3. Pollution Prevention Hierarchy. You shall use commercially reasonable efforts in Your business in British Columbia, in so far as it is both practicable and economically appropriate, to specify and use recycled, reused or otherwise conserved packaging materials and, on request, to supply MMBC with such evidence of examining the economic viability of specifying and using recycled, reused or otherwise conserved packaging materials.
- 2.4. Voluntary Producers. If You elect to be a Voluntary Producer, You must register with MMBC according to the dates and policy as posted on the MMBC website and report all of Your PPP supplied in the British Columbia residential marketplace, regardless of point of sale.
- 2.5. Provision of Information:
- 2.5.1. You shall File an Annual Data Report within the time limits set out in this Agreement, including any required substantiation verifying your quantities of PPP included in your Report; any brands and affiliates You reported on; a description of your methodology (i.e. how You have collected data and calculated your quantities of PPP); as well as rationale for any deductions You have applied to Your reported amounts.
- 2.5.2. You shall inform MMBC promptly upon becoming aware that any information originally supplied is not accurate or complete for any reason and shall as soon as practicable thereafter supply to MMBC a statement in writing explaining the inaccuracy/incompleteness, together with the corrected/completed information.
- 2.5.3. In order to ensure that MMBC maintains accurate data for its Members, You shall inform MMBC in writing, as soon as practicable and in any event within twenty eight (28) business days of the happening of any of the following events:
- 2.5.3.1. The sale or acquisition of all or part of Your business including the sale or acquisition of any subsidiary/brands that form(s) part of the Member's company and the sale or acquisition date and any impact on Your obligation to pay Fees;
- 2.5.3.2. A change in the registered office address or in the details provided to MMBC pursuant to the Annual Data Report or telephone, email address and/or address provided for the purpose of Your membership in the MMBC Plan, or any factor that impacts your membership in the MMBC Plan or



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Your ability to pay fees.

2.5.4. You shall provide MMBC with all relevant Member contact details (telephone numbers, and email addresses) of Your Primary Contact for the service of notices and other communications, under and in connection with the Agreement.

2.6. Annual Data Report.

2.6.1. You must submit your Annual Data Report by no later than May 31st of each Reporting Obligation Year (fees for each Reporting Obligation Year are due in the following Fee Obligation Year.. If You become a Member on or after May 31st of any Reporting Obligation Year, You must submit your Annual Data Report as soon as reasonably practical, but in any event no later than twenty (20) business days from the date you became a Member. For all subsequent Reporting Obligation Years, You shall submit the Annual Data Report to MMBC by no later than the 31st day of May of each respective Reporting Obligation Year.

2.6.2. Despite the above, and provided You are not a Voluntary Producer, whenever you become a Member, in the event that You were not previously a member of an approved PPP stewardship plan, you must submit an Annual Data Report for all Data Periods for which You were an obligated PPP Producer in British Columbia within twenty (20) business days of becoming a Member

2.7. Disclosure of Information. You agree that MMBC shall be entitled to obtain from You and provide copies and/or details of information You have provided to MMBC to the Director, or to any other governmental authority to which MMBC is obligated, in each case pursuant to Legislation. Where practical in the circumstances, MMBC agrees to use reasonable effort to provide You with prior notice of any such disclosure out of the ordinary course of MMBC's operations.

2.8. Records Retention. You shall maintain and store in either electronic or written form all documents, data and/or records in respect of Your membership in MMBC and obligations under the Agreement to substantiate and verify the amount of PPP set out in each Annual Data Report for a period of five (5) years from the filing date of each Annual Data Report. This includes all supporting data and/or records (as applicable) for each Annual Data Report.

2.9. Verification and Audit. In order for MMBC to ensure a level playing field among all Members and to minimize costs associated with MMBC conducting audits or reviews related to Your fulfillment of Your obligations (primarily, submission of Annual Data Reports), You shall

2.9.1. As the first step, take measures to assess that your data is accurate and then provide assurance to the accuracy of your data as per the attestation on the Portal when you submit your data;

2.9.2. As a second step, on request by MMBC, provide confirmation from a senior



officer in your organization that the data contained in submitted reports is accurate; and

2.9.3. As the final step, participate in an audit or review at the request of MMBC. If MMBC makes such a request, You shall, within thirty (30) business days of such request and during normal business hours, afford to MMBC (or its authorized agent(s)) reasonable access to Your premises and to all of Your relevant documents, data, records and reports howsoever maintained and stored and permit MMBC (or its authorized agent(s)) to make and take copies of such documents, data and records. This section 2.9.3 shall survive termination or expiration of this Agreement. MMBC will not require You to participate in an audit or review of an activity associated with obligation fulfilled during a calendar year for which You are no longer expected to retain records (see 2.8).

2.10. Fees.

2.10.1. Amount and Principles. You shall pay Fees as determined below to MMBC in respect of each Fee Obligation Year for which you are obligated (i.e. that corresponds to Your Reporting Obligation Year). By no later than November 30 of each Obligation Year, MMBC shall make a non-binding estimate of the total Fees payable by the Member in respect of the following Obligation Year. From time to time during the Obligation Year, MMBC will keep the Member promptly informed of any material adverse change in its estimate of the Fees.

MMBC intends that all Fees shall be calculated by MMBC on a fair basis with a view to ensuring, so far as reasonably possible, that MMBC in total incurs neither a profit nor a loss and with particular regard to the following principles:

2.10.1.1. All participating Members will pay Fees to support the cost of the program regardless of collection or processing performance of their obligated materials;

2.10.1.2. Fee rates will take into account the actual cost for managing each material;

2.10.1.3. Fee rates are adjusted to reward those materials with higher recycling rates relative to other materials; and

2.10.1.4. MMBC will disclose the cost components contributing to material Fee rates.

The Fees shall be computed by reference to the following elements:

2.10.1.5. Cost to collect and recycle Your PPP;

2.10.1.6. Costs to promote the collection and recycling of PPP;

2.10.1.7. Costs to set up and administer the PPP program;

2.10.1.8. Contributions to reserves, contingencies and recycling infrastructure



investments as either MMBC shall have identified in its budget or is proved to be necessary in operating MMBC in the Members' best interests;

2.10.1.9. Interest on late payments; and

2.10.1.10. A sum equivalent to the amount required to defray any losses.

In computing all or any of the above costs and expenses, MMBC will be required to estimate such costs and expenses as it shall consider reasonable and appropriate and shall take into account in calculating the Fees any surplus or deficit in MMBC as a result of its operations.

2.10.2. Recalculation. Notwithstanding the foregoing, until the expiry of the each Fee Obligation Year, MMBC may further recalculate the Fees on the basis set out in this Agreement and may adjust (either upwards or downwards) the Fees.

2.10.3. Payment Terms. The Fees for each Fee Obligation Year shall be payable by You in four (4) equal quarterly instalments, which each such instalment is due on January 31st, April 30th, July 31st and October 31st of the respective Fee Obligation Year. All sums payable under this Agreement are exclusive of any applicable taxes which shall be added to such sum to the extent applicable. All sums payable under and in accordance with the Agreement by the Member shall be paid in full without any deduction, withholding, counterclaim or set off.

2.10.4. Interest. If any sum payable by You to MMBC under this Agreement remains unpaid for more than thirty (30) calendar days from the date of the invoice, MMBC may charge You interest on such sum at four percent (4%) per annum above the Canadian Imperial Bank of Commerce's (CIBC) prime lending rate. Interest will be calculated on a daily basis from the date upon which such sum became due and compounded monthly and is payable on demand.

2.10.5. Annual Data Report Adjustments. If you report corrections or revisions to Your Annual Data Report that result in an increase in Fees payable, they are payable within thirty (30) calendar days to MMBC. If Your corrections or revisions result in a decrease from Fees previously payable, You will be credited such amount towards Your Fees payable in the subsequent Fee Obligation Year.

3. OUR OBLIGATIONS

3.1. Assumption of Responsibilities. We shall assume Your Producer Responsibility Obligations under the Regulation. You understand and agree that, if You become a Member part way through a Reporting Obligation Year, We shall assume and You shall pay for Your entire Producer Responsibility Obligations as described in this Agreement.

3.2. Guiding Principles. MMBC shall:

3.2.1. Act in the best interests of all Members as a whole;



3.2.2. Use reasonable commercial efforts to carry out its obligations diligently and in a reasonable, proper and cost effective manner having regard to the interests of all Members in securing compliance with the Regulations in future as well as in each Reporting and Fee Obligation Year, and the cost of such compliance in the current and future years; and

3.2.3. Exercise the skill and expertise to be reasonably expected of an organization whose plan is approved by the Ministry pursuant to the Regulations.

3.3. Reporting & Disclosure.

3.3.1. Annual Business Plan. We shall, in each year, develop a business plan and, other than in relation to those matters which We consider confidential as referenced in this Agreement and in the interests of MMBC Members, shall publish (either on Our website and elsewhere as appropriate, to properly inform all Members and stakeholders), a summary of the business plan. You acknowledge and agree that We may add, delete, amend or otherwise modify such business plan and, in the event of such modification(s), We shall notify Members of such modification(s).

3.3.2. Annual Report. We shall, on or before July 1 in each year, post an annual report on our website that includes the following information:

3.3.2.1. A description of educational materials and educational strategies used to communicate with consumers regarding the stewardship program;

3.3.2.2. A description and location of collection facilities, and any changes in the number and location of collection facilities from the previous report;

3.3.2.3. Efforts taken by or on behalf of the producer to reduce environmental impacts throughout the product life cycle and to increase reusability or recyclability at the end of the life cycle;

3.3.2.4. A description of how the recovered PPP was managed in accordance with the pollution prevention hierarchy;

3.3.2.5. The total amount of PPP product sold into market and collected and the recovery rate;

3.3.2.6. Independently audited financial statements.

3.4. Notice Requirements. Pursuant to the Regulation, We shall notify You in the event one of the following occurs:

3.4.1. If We receive any written notices, or written reasons provided under section 7 of the Regulation, alleging non-compliance with one or more requirements of the Regulation;



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3.4.2. If We are charged or convicted with an offence listed in section 16 of the Regulation;

3.4.3. If We are issued a ticket in accordance with the Violation Ticket Administration and Fines Regulation (the "Fines Regulation") for an offence listed in Schedule 2 of the Fines Regulation respecting the Regulation.

3.5. Insurance. We will possess comprehensive or commercial general liability insurance, including coverage for bodily injury, property damage, complete operations and contractual liability with combined single limits of not less than \$2,000,000 per occurrence, \$5,000,000 general aggregate. MMBC shall cause a certificate(s) of existing insurance executed by the insurer to be posted to its website.

4. LIMITATION OF LIABILITY AND REMEDIES

4.1. Limitation of Liability. In no event will either party be liable for any indirect, incidental, special, exemplary or consequential losses or damages, including lost or anticipated profits, savings, interruption to business, loss of business opportunities, loss of business information, the cost of recovering such lost information, or any other like pecuniary loss arising out of this agreement, whether you have advised us or we have advised you of the possibility of such damages. Each party's aggregate liability in respect of any and all claims will be limited to the amount of Fees paid by you to MMBC in the most current Fee Obligation Year. The foregoing limitations apply regardless of the cause or circumstances giving rise to such loss, damage or liability, even if such loss, damage or liability is based on negligence or other torts or breach of contract (including fundamental breach or breach of a fundamental term).

4.2. A party may not institute any action in any form arising out of this Agreement more than one (1) year after the cause of action has arisen. Some provinces do not allow the exclusion of limitation of incidental or consequential damages so the above exclusions may not apply. Sections 4.1 and 4.2 shall survive termination or expiration of this agreement.

5. SUCCESSORS AND ASSIGNS

5.1. Successors and Assigns. You may not assign Your rights and duties under this Agreement to any party at any time without our consent which will not be unreasonably withheld. This Agreement will ensure to the benefit of and will be binding on Us and our respective successors and permitted assigns. In the event of Our corporate merger, amalgamation, divestiture or asset sale, We will have the right to transfer and assign Our rights and obligations hereunder to any third party (the "Assignee"), upon written notice to You.

6. CONFIDENTIALITY



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- 6.1. Confidentiality. The Member and MMBC each acknowledge that all customer, technical, financial and other business information received from the other in connection with this Agreement is considered private and confidential. Both the Member and MMBC will use reasonable diligence and care to prevent the unauthorized disclosure, reproduction or distribution of such confidential information to any other person.
- 6.2. If required by the Director, MMBC will inform You that information is transferred. In all other cases, unauthorized disclosure, reproduction or distribution of such confidential information to any other person or association will first have to be consented to in writing by the disclosing party.
- 6.3. Such confidential information will exclude:
- 6.3.1. Information that is already in the public domain;
 - 6.3.2. Information already known to the receiving party, as of the date of the disclosure, unless the receiving party agreed to keep such information in confidence at the time of its original receipt;
 - 6.3.3. Information hereafter obtained by the receiving party, from a source not otherwise under an obligation of confidentiality with the disclosing party; and
 - 6.3.4. Information that the receiving party is obligated to produce under order of a court of competent jurisdiction, provided that the receiving party promptly notifies the disclosing party of such an event so that the disclosing party may seek an appropriate protective order.

Notwithstanding anything to the contrary contained herein, You acknowledge that We may be required to disclose Your confidential information in the circumstances referred to in Section 2.7 above (Disclosure of Information).

This section 6.1 shall survive termination or expiration of this Agreement.

7. TERM

- 7.1. Term. The term of this Agreement will commence on the date of Your submission to Us of this agreement as set out at the end of this agreement, either as an amendment to Your existing agreement with Us or as a new agreement pursuant to these terms and shall continue until terminated as follows:
- 7.1.1. By MMBC: by notice in writing to You to take effect either forthwith or at such time as may be specified in such notice on or after the occurrence of any of the following events:
 - 7.1.1.1. Any material breach by You of any of Your obligations under this Agreement which, if capable of remedy, shall not have been remedied to the reasonable satisfaction of MMBC within thirty (30) calendar days of receipt



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by You of a written request from MMBC for such breach to be remedied;

7.1.1.2. Notwithstanding section 7.1.1.1 above, any failure by You to comply with the provisions of the clause Provision of Information (Section 2.5) by the 31st of May of the respective Reporting Obligation Year;

7.1.1.3. Deliberate falsification of data or a pattern of providing false or misleading data in relation to Your Annual Data Report;

7.1.1.4. Notwithstanding anything to the contrary contained herein, any failure by You to pay to MMBC any sum due hereunder within thirty (30) calendar days of the due date for payment thereof;

7.1.1.5. If a petition in bankruptcy is filed and a judgment is entered against You or if You are adjudged a bankrupt, or if You are insolvent or unable to make payments to creditors when due or You take advantage of any insolvency act or debtor's relief act, or You make an assignment for the benefit of Your creditors, or if You pass any resolutions or take any other actions for Your liquidation, winding up or dissolution.

7.1.2. by the Member:

7.1.2.1. You may terminate this Agreement by notice to MMBC by May 1st of any calendar year. You must within thirty (30) days of notification, fulfill your payment obligation for the remainder of that calendar year.

7.1.2.2. Should you terminate this Agreement by notice after May 1st of any calendar year Your payment obligations will continue for the remainder of that year, plus the following calendar year. You must within thirty (30) days of notification, fulfill your payment obligation for the remainder of that calendar year and the following year.

7.1.3. By either party forthwith by notice in writing to the other if the Director shall rescind the approval of MMBC's Stewardship Program Plan.

7.2. The termination of this Agreement for whatever reason shall not affect any provision of this Agreement which is expressed to survive or operate in the event of such termination and shall not prejudice or affect the rights of either party against the other in respect of any breach of this Agreement or any monies payable by one party to the other in relation to any period prior to the effective date of termination. Without limiting the generality of the foregoing, all payment obligations in respect of monies payable by one party to the other shall survive termination or expiration of this Agreement.

8. GENERAL



- 8.1. Captions. The Article and paragraph headings used herein are for convenience only and are not a part of this Agreement and will not be used in construing it.
- 8.2. Disputes. Disputes between MMBC and You as to Your obligations under this Agreement shall be made under the dispute resolution process that is published on the MMBC website. Referral of any disputed matter shall not act to stay or defer Your obligations under this Agreement.
- 8.3. Entire Agreement. This Agreement constitutes the entire agreement between You and Us relating to the subject matter contained in this agreement.
- 8.4. Equitable Relief. Each party agrees that any breach of Article 6 by such party would cause irreparable damage to the other party for which money damages would not be a sufficient remedy, and that, in event of such breach, in addition to any and all remedies at law, the harmed party will have the right to an injunction, specific performance or other equitable relief to prevent the continuous violations of Article 6 without the necessity of proving actual damages or posting any bond or other security.
- 8.5. Force Majeure. Notwithstanding anything herein to the contrary, other than obligations to make payments pursuant to this Agreement, neither party shall be liable for any delay or failure in performance caused by circumstances beyond its reasonable control.
- 8.6. Relationship of the Parties. This Agreement does not constitute a partnership or joint venture, and nothing herein contained is intended to constitute, nor will it be construed to constitute, such a partnership or joint venture. Except as expressly provided in this Agreement, neither We nor You will have any power or authority to act in the name or on behalf of the other party, or to bind the other party to any legal agreement.
- 8.7. Severability. The provisions of this Agreement are to be considered separately, and if any provision hereof should be found by any court or competent jurisdiction to be invalid or unenforceable, this Agreement will be deemed to have effect as if such provision were severed from this Agreement.
- 8.8. Notices. All notices and communications required or permitted under this Agreement will be in writing and will be sent by electronic mail to Us or You at the respective addresses we provide to each other or to such other address as We or You may from time to time specify by notice to the other given as provided in this paragraph.

In Our case, Our address is: stewards@multimaterialbc.ca

In Your case, Your address is the address and contact particulars provided to MMBC pursuant to the Provision of Information clause (Section 2.5) set forth in this Agreement.

Each such notice or communication shall be deemed to have been given or made and delivered within 24 hours of email transmission.

- 8.9. JURISDICTION. The parties hereby irrevocably attorn to the exclusive jurisdiction



of the courts of the province of British Columbia with respect to any dispute arising hereunder.

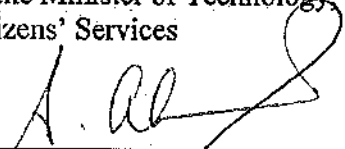
- 8.10. GOVERNING LAW. This agreement shall be deemed to have been made in the province of British Columbia and shall be construed and interpreted according to the laws of the province of British Columbia and the applicable laws of Canada.
- 8.11. REVISIONS TO THIS AGREEMENT. Revisions to this Agreement will be considered in Q4 of each year. We will provide advance written electronic notice of those changes not less than sixty (60) calendar days before May 31st of any Obligation Year. We will advise You of any mid-year changes to the Membership Agreement via written electronic communicate. Notwithstanding the foregoing, if any such revision is necessary to comply with the Legislation or the Regulations such revision shall have effect from the date specified in the notice.
- 8.12. EXECUTION OF THIS AGREEMENT. This agreement may be executed in any number of counterparts and may be delivered by Portable Document Format or other electronic means ("PDF") and each original, PDF copy, when executed and delivered, shall be deemed to be an original and all of which taken together then construe one and the same instrument.



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THIS AGREEMENT submitted for acceptance and is effective this [16th] day of
[May], 2014

**Her Majesty the Queen in Right of the
Province of British Columbia, as represented
by the Minister of Technology, Innovation and
Citizens' Services**


By: Sarf Ahmed,
Associate Deputy Minister, Technology,
Innovation and Citizens' Services

Address:

Email address:

Telephone Number: ()

AGREEMENT

In Regards To

MULTI-MATERIAL BC WAITLIST ONBOARDING PLAN

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of Environment
(the "Province")

AND:

Multi-Material BC Society
("MMBC")

(Collectively referred to as the "Parties")

RECITALS

- A. Under the *Recycling Regulation* producers of certain printed paper and packaging must either implement prescribed collection services or implement an approved product stewardship plan.
- B. MMBC as agent for its member producers implements an approved product stewardship plan, under which MMBC funds or provides recycling collection services to British Columbia communities.
- C. The Province and MMBC wish to expand the delivery of producer funded recycling collection services to eligible British Columbia communities that do not currently have access to such services ("Waitlisted Communities").
- D. To effect such expansion of services, the Province approached MMBC and the Parties entered into the Government Transfer Grant Agreement attached as Schedule 1 (the "Transfer Agreement"), whereby the Province contributed \$5 million to fund one year of curbside recycling collection services in priority Waitlisted Communities and leverage additional producer funded services, as a bridging mechanism until a more comprehensive plan could be established involving all Waitlisted Communities.
- E. The Province subsequently approached MMBC for the purpose of expanding such services to all Waitlisted Communities.

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December 12, 2016

- F. The Province understands that MMBC does not have the direct financial capacity, or authority from its members, to provide expansion of MMBC producer-funded recycling collection services to more Waitlisted Communities, in part because Newspaper Producers are not compliant with the Recycling Regulation or contributing members of MMBC.
- G. The Province understands that MMBC wishes to only consider an arrangement with a term not less than five years and that MMBC wishes the term of the MMBC Stewardship Plan to be extended as part of consideration of a further arrangement with the Province.
- H. Further to Recital D, the Parties have developed the On-boarding Plan attached as Schedule 2 as a flexible plan under which MMBC and the Province will work cooperatively for the Parties' shared goals of expanding recycling collection services to Waitlisted Communities and ensuring producer compliance with the Recycling Regulation.
- I. The Province wishes to make, and MMBC wishes to accept, further provincial contributions to MMBC's cost of expanding delivery of services to Waitlisted Communities to achieve the shared goal of expanding producer funded recycling collection services under the terms and conditions of this agreement.
- J. MMBC and the Province recognize and acknowledge that despite anything in this agreement, the Province and its officers must remain independent in meeting their individual and collective statutory responsibilities under the Recycling Regulation.

Wherefore, in consideration of the premises and mutual covenants and agreements herein, the Parties to this agreement agree as follows:

ARTICLE 1 – INTERPRETATION

- 1.1. Definitions. In this Agreement, the following terms, where capitalized, have the meaning ascribed below:

“Agreement” means this agreement, including schedules and any amendments that may be made further to this Agreement by the Parties from time to time during the term of this Agreement;

“Commencement Date” means December 1, 2016;

“Director” means the director under the Regulation;

“Discarded through the Residential Waste Stream,” in relation to PPP, means PPP that is discarded, in British Columbia, as trash or collected, in British Columbia, for

recycling, that is not collected as trash or recyclables from industrial, commercial or institutional property;

“LDB” means that branch of the Provincial government known as the Liquor Distribution Branch;

“LDB PPP” means, in respect of a calendar year,

- (a) PPP for which the LDB is the producer under the Regulation in that calendar year Discarded through the Residential Waste Stream, and
- (b) the Province’s best estimate, based on information available to it or that it can obtain making reasonable efforts, of any additional PPP associated with liquor products, that are imported into British Columbia during that calendar year and Discarded through the Residential Waste Stream, other than:
 - (i) PPP referred to in paragraph (a),
 - (ii) PPP associated with beer, cider or refreshments the producer of which was, as of December 1, 2017, covered by the approved PPP stewardship plan of BC Brewers Recycled Container Collection Council or subsequently becomes covered by that Plan, and
 - (iii) PPP associated with liquor in relation to which the producer under the Regulation is in compliance with the Regulation;

“Major Newspaper Producer” means a Non-member Newspaper Producer other than a Minor Newspaper Producer, and “Major Newspaper Producers” means the aggregation of Major Newspaper Producers;

“Membership Agreement” means the Province’s membership agreement with MMBC dated the 16th of May, 2014;

“Minor Newspaper Producer” means a Non-Member Newspaper Producer other than Black Press Ltd., Glacier Media Inc., Postmedia Inc. and the Globe and Mail Inc. and “Minor Newspaper Producers” means the aggregation of all Minor Newspaper Producers;

“MMBC Stewardship Plan” means the Packaging and Printed Paper Stewardship Plan, prepared by MMBC on behalf of its member producers, dated November 19, 2012, together with any amendments approved by the Director from time to time, and including any replacement plan approved by the Director;

“Newspaper Producer” means a person who is a “producer,” as defined by the Regulation in relation to PPP, of PPP in the form of newspapers, but is not

- (a) a “small producer” as defined in the Regulation, or
- (b) in compliance with Part 3 of the Regulation [*Product Stewardship Program Requirements if no Product Stewardship Plan*];

“Newsprint”, in relation to a Newspaper Producer, includes all printed newsprint produced by the producer in the form of a newspaper, and includes classified advertisements, advertisements, or advertising supplements that form part of a newspaper, but does not include flyers, or other material that is inserted in a newspaper;

“Non-member Newspaper Producer” means a Newspaper Producer who has not entered into an agency agreement with MMBC for the purposes of compliance with the Regulation;

“Offer Collection Services,” in relation to a local government, means

- (a) for curbside collection, MMBC will either:
 - (i) offer the local government an arrangement whereby MMBC will pay the local government incentives for curbside collection of PPP, provided by the local government, or
 - (ii) at the option of MMBC, MMBC will offer the local government the option of:
 - (A) the arrangement described in subparagraph (i), or
 - (B) MMBC providing curbside collection of PPP within the territory of the local government.
- (b) for depot and multi-family collection, MMBC will either:
 - (i) offer the local government an arrangement whereby MMBC will pay the local government incentives for depot or multifamily collection of PPP, provided by the local government, or
 - (ii) provide depot and multifamily collection of PPP within the territory of the local government;

“On-boarding Plan” means the MMBC Waitlist On-boarding Plan dated December 7, 2017, a copy of which is attached as Schedule “2” to this Agreement, as amended from time to time by written agreement of the Parties;

“PPP” means packaging, and printed paper as defined in the Regulation;

“Regulation” means the *Recycling Regulation*, B.C. Reg. 449/2004 as amended from time to time;

“Tonnes” means metric tonnes;

“Total Audited Residential Volume” means, for a calendar year, the total mass (Tonnes) of Newsprint for which any of the Major Newspaper Producers are a producer under the Regulation that is Discarded through the Residential Waste Stream in that year, as determined under section 3.7;

“Transfer Agreement” means the agreement attached as Schedule 1;

“Volume for Payment Purposes” means, in relation to a calendar year, the total of

- (a) 3,000 Tonnes, (representing the amount the Parties estimate and agree upon, as of the Commencement Date, of Newsprint produced by Minor Newspaper Producers that is Discarded through the Residential Waste Stream during a calendar year), or such other amount the Parties agree to in writing pursuant to section 3.8, plus,
- (b) Total Audited Residential Volume, for that calendar year
minus Tonnes of Newsprint produced by a Non-Member Newspaper Producer that has an approved stewardship plan where such approved stewardship plan:
- (c) does not rely primarily or wholly on collection services offered by MMBC;
- (d) provides for compensation to MMBC for any Newsprint collected by MMBC.

ARTICLE 2– ON BOARDING PLAN

- 2.1 On-boarding Plan. Both parties agree to work co-operatively, taking reasonable and appropriate steps to complete the requirements, tasks and deadlines identified in the On-boarding Plan for the purpose of obtaining the goals identified in the On-boarding Plan. For greater clarity, the obligations of the Province under this section 2.1 are subject to section 6.1.

- 2.2 Amendments to On-boarding Plan. For the purpose of achieving the goals identified in the On-boarding Plan, the Parties agree to negotiate in good faith, amendments to the On-boarding Plan where requirements, tasks and deadlines identified in the On-boarding Plan cannot be reasonably achieved or are no longer appropriate or reasonable.
- 2.3 Information Sharing. The Parties agree to share information as appropriate for the purpose of ensuring transparency in working towards the goals of the On-boarding Plan, and fulfilling obligations under this Agreement. The Parties agree, on the request of the other, to consult with one another regarding the implementation of this Agreement. MMBC will provide the Province with audited financial statements for MMBC on an annual basis, and each Party agrees to, on request of the other Party, make commercially reasonable efforts to provide information that is available to it and relevant to the implementation of sections 2.6 or 2.7. The Province may request from MMBC and MMBC will provide within 30 days a model of MMBC costs following a format similar to the document entitled '2018 BC Cost Model v1.0 – Material Allocations.xls' and issued to the Province on June 2, 2016 as Commercial Confidential – Not for Distribution. Information contained within the Cost Model will include:
- (a) the percent of Newsprint material collected in the MMBC system,
 - (b) the cost to collect and process Newsprint,
 - (c) any indirect costs to manage Newsprint such as the cost to conduct waste composition audits and
 - (d) the commodity revenue attributable to Newsprint
- and will reflect costs incurred in one of the preceding two calendar years.
- 2.4 Confidentiality. Any information provided under section 2.3 will be deemed to be confidential commercial information, which may not be disclosed to any other person except:
- (a) with the consent of the Party who provided the information to the other Party (the "Disclosing Party"),
 - (b) if required by law, including the *Freedom of Information and Protection of Privacy Act*,
 - (c) in connection with legal proceedings relating to this Agreement, or
 - (d) if the Party who received the information from the other Party (the "Receiving Party") demonstrates that the information is generally and publicly available

but in any situation referred to in subsection (b) or (c), the Receiving Party shall provide written notice to the Disclosing Party prior to making such disclosure and provide details of the proposed form, nature and purpose of such disclosure for the purpose of allowing the Disclosing Party to seek a protective order if it considers necessary.

- 2.5 Basis for Commitments. The Parties acknowledge that the obligations of MMBC under section 3.1 of this Agreement, have been negotiated and agreed to based on
- (a) the Parties achieving the goals identified in the On-boarding Plan, or, in the case of Non-member Newspaper Producers, MMBC receiving funds from the Province equivalent to estimated fees that Newspaper Producers would otherwise pay to MMBC over five years if they were members of MMBC as estimated on June 2, 2016;
 - (b) MMBC making contributions to the cost of delivering the services required under section 3.1 from funds available to MMBC to the extent that the costs of delivering such services exceed the contributions provided by the Province under this Agreement and the Transfer Agreement. However, the contribution provided by the Province shall be reduced to the extent that fees are paid or become payable to MMBC by Newspaper Producers who enter into an agency relationship with MMBC for the purpose of compliance with the Regulation during the term of this Agreement; and
 - (c) local governments to whom services are offered under section 3.1, accepting such offers.
- 2.6 Changes to Obligations if Province fails to Implement Onboarding Plan Commitments
The Parties agree that if the Province does not fulfill a commitment made by it in the On-boarding Plan, other than commitments made in relation to compliance with the Regulation by Non-member Newspaper Producers, and such failure has a material impact on the revenues received by MMBC, the Parties will negotiate reasonable changes to Schedule 3 or Section 3.2 or section 3.3 to reflect the negative impact, if any, on MMBC's revenues but taking into consideration that:
- (a) the obligations of MMBC under section 3.1 are intended to be funded in part by contributions from MMBC as described in Schedule 4, and
 - (b) the Parties' intention that any shortfall in revenue expectations that is not caused by the Province's failure to meet commitments under the On-Boarding Plan will be made up by increased contributions from funds available MMBC.

- 2.7 Obligations if Local Governments do not accept offers. The Parties further agree that if a local government does not accept services offered under section 3.1 or section 3.6 MMBC will accelerate on-boarding of another waitlisted community, where the cost to on-board the accelerated community is approximately equal to MMBC's avoided cost associated with the local government that did not accept services. MMBC will, on request of the Province, consult with the Province in relation to the implementation of this section.

ARTICLE 3 – ON BOARDING COMMITMENTS

- 3.1 Extension of MMBC Services. MMBC will Offer Collection Services to local governments in accordance with the MMBC Stewardship Plan, and as described in Schedule 3, provided that the Province has completed all requirements that are identified in Schedule 3 as pre-conditions for offers to local governments by the applicable dates specified in Schedule 3.
- 3.2 Payment. Subject to sections 3.3 to 3.5, if in respect of a calendar year identified in column 1 of Schedule 5, MMBC initiates, to the satisfaction of the Province, acting reasonably, the actions described in column 2 of Schedule 5 opposite that calendar year by the dates provided in column 2, the Province will become obligated to pay to MMBC an amount equal to \$110/per tonne of Newsprint multiplied by the Volume for Payment Purposes for the calendar year that is prior to the calendar year in Column 1.
- 3.3 Maximum Amount. Despite anything else in this Agreement, the obligations and payments referred to in section 3.2 shall not exceed the maximum payment by the Province identified in Schedule 4 (\$14 million in total) during the term of this Agreement under section 4.1. This amount (\$14 million) includes:
- (a) \$5 million, the receipt of which is hereby acknowledged by MMBC, that MMBC received prior to the date of this Agreement pursuant to the Transfer Agreement, and
 - (b) additional payments up to a maximum of \$9 million made pursuant to section 3.4 and Schedule 4.

This section does not limit the Province's obligation to pay amounts in respect of LDB PPP under section 3.9.

- 3.4 Additional Payments. After the cumulative annual amounts due to MMBC have exceeded \$5 million, the Province will on an annual basis, pay such additional amounts as required to meet its obligations under section 3.2.
- 3.5 Invoicing and Timing of Payments. For each calendar year in column 1 of Schedule 5, MMBC will invoice the Province for the amounts payable by the Province for that

calendar year, on the same schedule as payments are made by producers with a membership agreement with MMBC (January 31, April 30, July 31, and October 31 if paid in installments), on the same terms with regard to payment installments through the calendar year as are imposed on members in respect of their payment of fees to MMBC. Invoices shall identify amounts, if any, paid from funds held by MMBC under section 3.3(a), and any additional payments required under section 3.4. For invoices issued in 2017, prior to the Province submitting Volume for Payment Purposes information under section 3.8 to MMBC, MMBC shall base the invoice on an estimated Volume for Payment Purposes of 32,000 Tonnes, representing the total estimate of the Volume for Payment Purposes for which Major Newspaper Producers are the producer under the Regulations (29,000 Tonnes), and an estimated 3,000 Tonnes for which Minor Newspaper Producers are producers.

After the Province provides MMBC with a Volume for Payment Purposes for 2016 MMBC will, in the next invoice issued to the Province, include adjustments based on the latest Volume for Payment Purpose provided by the Province.

For each subsequent year, MMBC will calculate fees owing based on the most current information made available by the Province and will calculate adjustments upon receipt of the annual data report from the calendar year preceding the year of the invoice.

- 3.6 Continuation of Services and Standing Offer. If MMBC Offers Collection Services to a local government, under section 3.1 for the term set out in Schedule 3, and that offer is accepted by a local government within the time frame set out in Schedule 3, MMBC must continue to provide such services in accordance with accepted offers. If MMBC Offers Collection Services under section 3.1 and that offer is not accepted within the time frame set out in Schedule 3, MMBC must, for a period of two years from when it was required to Offer Collection Services to that Local Government under Schedule 3, continue to Offer Collection Services to that Local Government, as described in Schedule 3, for any 5 year term commencing in that two year period that is specified by the local government, provided that, in no circumstance, is MMBC required to offer Collection Services beyond December 31, 2022.
- 3.7 Provision of Information respecting Newspaper Volumes. The Province, in respect of each calendar year from 2016 to 2020, will provide MMBC with the following information in relation to all Newsprint for which the Major Newspaper Producers are the producers under the Regulation:
- (a) the mass (Tonnes) of Newsprint for which each Major Newspaper Producer is the producer under the Regulation in a calendar year, or if all or some of the Major Newspaper Producers choose to provide information on their combined production,

the mass of Newsprint for which those producers are the producer under the Regulation in the calendar year,

- (b) the mass (Tonnes) of Newsprint for which each Major Newspaper Producer is the producer under the Regulation that is Discarded through the Residential Stream in the calendar year, or if all or some of the Major Newspaper Producers choose to provide information on their combined production under subsection (a), the mass of Newsprint for which those producers are the producer under the Regulation that is Discarded through the Residential Stream in the calendar year,
- (c) the Total Audited Residential Volume, and
- (d) other data and information agreed to by the Parties

The Province will supply this information on the same schedule applicable to all MMBC producers pursuant to the MMBC Membership Agreement, by May 31 of the following calendar year, provided that the Province may defer the provision of information in respect of the 2016 calendar year if it is unable to secure such information making commercially reasonable efforts.

3.8 Audit. The information described in section 3.7 (a) and (b) will, on request by MMBC, be audited by an independent qualified professional engaged by the Province and paid for by the relevant Major Newspaper Producer or those Major Newspaper Producers choosing to provide combined information under Section 3.7 (a), except that if one or more of those producers enter into an arrangement with MMBC whereby those producers agree to allow MMBC to carry out audits to obtain information referred to in Section 3.7 (a) and (b),

- (a) the Province is not required to provide information related to that Major Newspaper Producer, and the Province is not required to include the volumes of Newsprint produced by the Producer in its estimates of Total Audited Residential Volume provided under section 3.7,
- (b) MMBC is required to provide the Province with evidence of the amount referred to in section 3.7 (b).

The Province will consult with MMBC regarding the methodologies that the Province will cause to be used in producing audited information that the Province is required to provide MMBC under this section. The Parties will negotiate changes to the amount referred to in paragraph (a) of the definition of "Volume for Payment Purposes" if either Party can demonstrate that the agreed amount (3,000 Tonnes) no longer represents a reasonable estimated amount of Newsprint produced by Minor Newspaper Producers that is Discarded

through the Residential Waste Stream during a calendar year and will in good faith negotiate adjustments to amounts previously paid in respect of Newsprint produced by Minor Newspaper Producers.

- 3.9 LDB Volumes. For the purposes of paying fees to MMBC under the Province's Membership Agreement with MMBC, the Province will deem itself to be a producer (as defined in the Regulation), as claimed or asserted by MMBC, in relation to all LDB PPP for calendar years 2017 to 2022. The Province will by February 28, 2017, include in the Province's reports of PPP produced by the Province, Tonnes of all LDB PPP produced in 2015, including that portion of PPP where LDB has clearly stated that it is not a producer under the Regulation. The Province will for each year from 2016 to 2021, report such tonnage volumes in accordance with the Membership Agreement, deeming the Province to be the Producer for LDB PPP.
- 3.10 Amendment to Stewardship Plan. The Province will by December 7, 2016, prepare and submit to the Director, a recommendation that the Director approve proposed amendments to the MMBC Stewardship Plan extending the timeframes in Appendix C of that Plan to December 31, 2022.
- 3.11 Newspaper Compliance. The Province will take actions that are appropriate, necessary and within the bounds of the Province's authority to ensure that the Newspaper Producers will be compliant with the Regulation by September 2017, and will remain in compliance with the Regulation until at least December 31, 2022.
- 3.12 Allocation of Tonnage. If Newspaper Producers are brought into compliance with the Regulation by approval under the Regulation of a stewardship plan that includes an arrangement by which MMBC provides collection services for Newsprint and Newspaper Producers include tonnage collected by MMBC under the newspaper producer's stewardship plan, MMBC agrees
- (a) that, subject to the Regulation or terms of an approved stewardship plan, any amounts of newspaper produced by a Non-member Newspaper Producer that has an approved stewardship plan, which is collected by MMBC, for which the Province has paid MMBC under section 3.2, is hereby allocated to the Province and may be re-allocated by the Province to that Newspaper Producer;
 - (b) MMBC will take all commercially reasonable steps necessary to allow such allocation.
- 3.13 Preconditions. The Parties agree that if any pre-condition identified in Schedule 3 is not met and MMBC does not extend services in the manner anticipated under section 3.1, the

Parties will negotiate reasonable delays in the fulfillment of pre-conditions and the delivery of obligations under section 3.1.

ARTICLE 4 – TERM, TERMINATION AND EVENTS OF DEFAULT

- 4.1 Term and Survival. This Agreement commences on the Commencement Date and extends until the latter of December 31, 2022 or the fulfillment of the Province's obligations under section 3.2, unless terminated earlier under this article. Articles 1, 5 and 6 and Section 4.3 survive termination of this Agreement. Section 2.4 of this Agreement survives termination by 3 years.
- 4.2 Review of Agreement and On-boarding Plan. The Parties agree that no later than June 30, 2020, they will meet to review the implementation of this Agreement and the On-boarding Plan and negotiate such further agreements or arrangements, if any, as the Parties agree are necessary for meeting the goals of the On-boarding Plan.
- 4.3 Dispute. In the event that either party alleges and gives notice to the other party that the other party has failed to fulfil an obligation under this Agreement, any such dispute shall be resolved through the Dispute Resolution mechanism in Article 5 of this Agreement.
- 4.4 MMBC Non-Compliance. If MMBC does not comply with section 3.1 or section 3.6, the Province shall give written notice to MMBC, requiring MMBC to correct the non-compliance event, and if MMBC fails to correct the non-compliance event within 30 days to the satisfaction of the Province, the Province may in its sole discretion adjust the obligations and payments it is required to provide to MMBC under section 3.2, by an amount equivalent to what the Minister of Environment or the Minister's delegate, acting reasonably, considers to be the amount of the provincial share of funds that MMBC would have expended but for the non-compliance event in relation to section 3.1.
- 4.5 Provincial Non-Compliance. If the Province does not comply with Section 3.2, and MMBC gives written notice to the Province requiring that the Province correct the non-compliance event, and the Province fails to correct the non-compliance event within 30 days to the satisfaction of MMBC, MMBC shall have the right, in its sole discretion, to reduce its offerings under section 3.1 to the extent commensurate with the shortfall in MMBC's estimated revenue or an increase in MMBC's estimated costs (collectively an "Identified Loss") caused by the Province's non-compliance event, provided that if the Province subsequently compensates MMBC for such Identified Loss, MMBC will make offers required under section 3.1 that have not been made or have been withdrawn pursuant to this section and in relation to such Identified Loss.

- 4.6 Termination. The Parties may terminate participation in this Agreement at any time by mutual consent. However, in no case shall MMBC's obligations under this Agreement extend beyond December 31, 2022.

ARTICLE 5 - DISPUTE RESOLUTION

- 5.1 Dispute Resolution. Any dispute between MMBC and the Province that relates to the validity, construction, meaning, performance or effect of this Agreement or the rights or liabilities of the parties or any matter arising out of, or in connection with this Agreement, excluding any dispute involving the exercise of authority by the Director under the Regulation or the *Environmental Management Act*, (a "**Dispute**") will be addressed as follows:
- (a) The Parties, acting reasonably, will first attempt to resolve the Dispute through senior representatives from each of MMBC and the Province who will meet and work together in good faith to attempt to resolve the Dispute within 15 days of either Party giving notice to the other Party invoking this section 5.1, or as otherwise agreed upon.
 - (b) If the Dispute is not resolved through the discussion above within the time period set out above, then either party may escalate the Dispute to non-binding third party mediation by giving notice to the other Party requesting non-binding third party mediation. The mediation will take place at a time and place mutually agreed by the parties and will be led by a third-party facilitator jointly selected by the parties (who, unless otherwise mutually agreed by the parties, will be an individual accredited to provide such services). If the Dispute remains unresolved within 45 days from the point at which a party gave notice requesting non-binding third party mediation, either party may escalate the Dispute by giving notice to the other party referring the matter to binding arbitration.
 - (c) If the parties, acting reasonably, are unable to resolve the Dispute within the above period, unless otherwise mutually agreed by the parties in writing, the Dispute will be conclusively settled by means of private and confidential binding arbitration, to the exclusion of courts of law. The arbitration will take place before a single arbitrator in Vancouver in the English language and will otherwise be undertaken under the *Arbitration Act*. The decision of the arbitrator will be final and binding on the parties and will not be subject to appeal on any grounds whatsoever, and will be enforceable against MMBC and the Province as the case may be. The parties will mutually agree on an arbitrator within 10 days of giving notice

referring the matter to binding arbitration, and where the parties are unable to mutually agree on an arbitrator, the arbitrator will be determined pursuant to the rules of the British Columbia Arbitration & Mediation Institute.

- (d) Unless the parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the parties must share equally the costs of a mediation or arbitration under this section 5.1 other than those costs relating to the production of expert evidence or representation by counsel, such costs being the responsibility of each respective party.
- (e) Notwithstanding anything to the contrary in this Section 5.1, either party may start litigation proceedings in a court of law at any time for an application for interim equitable relief and each party hereby attorns to the exclusive jurisdiction of the courts of the Province of British Columbia for such purpose. The parties shall have no other recourse to the courts other than to obtain interim equitable relief, pending the outcome of the dispute resolution process described in sections 5.1 (a), (b), (c) and (d). The parties shall have no right of appeal from a decision of the arbitrator or for any other purpose.

ARTICLE 6 – GENERAL PROVISIONS

- 6.1 Fettering and Improper Purpose. Nothing in this Agreement is intended to fetter statutory decision makers, and any commitment by the Province to take an action that can only be taken by a statutory decision maker will be interpreted as commitment to make recommendations to the statutory decision maker to take that action provided that it is lawful and appropriate in all the circumstances to take such actions. The Province confirms that its payment obligations in this Agreement are not conditional on a decision by a statutory decision-maker.

Nothing in this Agreement is intended to require the Province make recommendations to the Director or other statutory decision makers based on considerations that are irrelevant or improper under the *Recycling Regulation* or relevant enactment.

- 6.2 Entire Agreement and Previous Instruments. Except as specified below,
- (a) this Agreement will constitute the entire agreement between the parties with respect to the subject matter hereof and will replace all prior promises or understandings, oral or written;

- (b) there is no representation, warranty, collateral term or condition or collateral agreement affecting this Agreement, other than as expressed in writing in this Agreement;
- (c) supersedes and invalidates all other commitments, representations and warranties related to the subject matter hereof which may have been made by the parties either orally or in writing prior to the date hereof, including the letter from the Deputy Minister of Environment to the Chair of MMBC, dated October 26, 2016 all of which become null and void from the date this Agreement is signed.

Despite the above, this Agreement,

- (d) does not supersede or invalidate the Membership Agreement or any commitment, representation or warranty contained therein;
 - (e) does not supersede or invalidate sections 3, 5, 7, 8, 9, 10, 14 and 16 of the Transfer Agreement which survive and are incorporated into this Agreement for the term of this Agreement, provided that amounts paid by the Province to MMBC pursuant to the Transfer Agreement shall pursuant to section 3.3(a) of this Agreement constitute partial payment of the Province's obligations under this Agreement.
- 6.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia, and the laws of Canada applicable thereto, without giving effect to the principles, policies or provisions thereof concerning conflict or choice of law, and shall be binding on the Province and MMBC, and their respective heirs, trustees, personal representatives, successors and permitted assigns, as the case may be.
- 6.4 Force Majeure. Neither party to this Agreement will be liable to the other party for any failure or delay in fulfilling an obligation hereunder, if said failure or delay is attributable to a fire, act of God, war, riot, civil disturbance, earthquake, flood, or court or any order or action of any level of government, including any order or action of a statutory decision maker under any provincial, federal or local legislation, beyond such party's reasonable control, but not including an action of the Province ("Force Majeure"). The parties agree that the deadline for fulfilling the obligation in question will be extended for a period of time equal to that of the continuance of the Force Majeure. The party to which the Force Majeure applies will use all commercially reasonable efforts to minimize the effect of the Force Majeure on its performance under this Agreement.

- 6.5 Notices. All notices, requests, demands or other communications (collectively “**Notices**”) given by one party to the other party, will be in writing, in the English language, and will be deemed duly given (i) when delivered by hand; (ii) when sent by facsimile (with receipt confirmed), (iii) except for a notice of termination permitted under this Agreement, by e-mail (with receipt confirmed other than by an automatically generated delivery or read receipt), (iii), on the designated day of delivery after being given to an express overnight courier with a reliable system for tracking delivery, or (iv) six (6) days after the day of mailing, when mailed by Canada Post, registered or certified mail, return receipt requested and postage prepaid, and addressed as follows:

To Province of British Columbia:

Deputy Minister
Ministry of Environment
5th Floor, 2975 Jutland Road
Victoria, BC
Tel: 250.387.5429 | Fax: 250.387.6003
E-mail: wes.shoemaker@gov.bc.ca

Attention: Deputy Minister of Environment

To MMBC:

230-171 Esplanade West
North Vancouver, BC V7M 3J9

Fax No.: 1-844-471-1836
E-mail: alangdon@multimaterialbc.ca

Attention: MMBC Board Chair and MMBC Managing Director

or to such other address as may be designated by notice given by either party to the other.

- 6.6 Further Assurances. The parties will do, execute or deliver all such further acts, documents and things as the other party may reasonably require from time to time for the purpose of giving effect to this Agreement and will use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.
- 6.7 Timing. Time will be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement will operate as a waiver of this provision.

- 6.8 Severability. If any provision, or portion thereof, of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, such determination will not impair or affect the validity, legality or enforceability of the remaining provisions of this Agreement and each provision, or portion thereof, is hereby declared to be separate, severable and distinct.
- 6.9 Waiver. A waiver of any provision of this Agreement will only be valid if provided in writing and will only be applicable to the specific incident and occurrence so waived. The failure by either party to insist upon the strict performance of this Agreement, or to exercise any term hereof, will not act as a waiver of any right, promise or term, which will continue in full force and effect.
- 6.10 Remedies Cumulative. No single or partial exercise of any right or remedy under this Agreement will preclude any other or further exercise of any other right or remedy in this Agreement or as provided at law or in equity. Rights and remedies provided in this Agreement are cumulative and not exclusive of any right or remedy provided at law or in equity.
- 6.11 Amendment. This Agreement may only be amended by written agreement duly executed by authorized representatives of the parties.
- 6.12 Binding. This Agreement creates binding obligations between the Parties and their successors or permitted assigns.
- 6.13 Assignment. Subject to MMBC's right to assign this Agreement to MMBC Recycling Inc. as part of the reorganization of MMBC as a corporation under federal law, neither the rights nor obligations of either Party may be assigned without the written consent of the other Party.
- 6.14 Appropriation. The Province's obligation to become obligated or pay money to MMBC is subject to the *Financial Administration Act*, which makes that obligation subject to an appropriation being available in the fiscal year of the Province during which such obligation or payment becomes due. The Province undertakes to use its best efforts to obtain the necessary appropriation in accordance with the Province's financial obligations in this Agreement. In the unlikely event that the Province is not successful in securing the necessary appropriation to satisfy its financial obligation to MMBC, then to the extent that Newspaper Producers have not become members of MMBC and paid or become obligated to pay fees to MMBC during the term of this agreement, and are non-compliant with the regulation, within 60 days thereafter, MMBC may at its discretion cease to provide extended services under this Agreement, and to cease collections of newsprint otherwise cover by Newspaper Producer stewardship plans, to the extent that such volumes would be

in excess of minimum volumes necessary for MMBC to meet its approved MMBC Stewardship Plan targets.


6.15 Confidentiality. The Parties agree that this Agreement contains confidential business information and agree that they will not disclose the agreement or the contents of the Agreement except

- (a) with the written consent of the other Party
- (b) if required by law, including the *Freedom of Information and Protection of Privacy Act*,
- (c) in connection with legal proceedings relating to this Agreement.

6.16 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

ARTICLE 7 - SIGNATORIES

7.1 The following Parties confirm their understanding and acceptance of the terms and conditions of this Agreement:



Wes Shoemaker
Deputy Minister
Ministry of Environment
Province of British Columbia

Dec. 9/16
Date



Paul Hazra
Chair
Multi Material BC Society

Dec 12/16
Date

Schedule 1
Transfer Agreement

Schedule 2.
MMBC Waitlist On-Boarding Plan

Schedule 3

Phase 1.

MMBC will by two weeks following the execution of this Agreement, Offer Collection Services to the City of Abbotsford, the District of Mission, the City of Chilliwack, the City of Kamloops, and the Fraser Valley Regional District. MMBCs offer will be for curbside and multifamily collection, as specified in the On-boarding Plan.

The offered service agreement will be effective January 1, 2017, which date shall be conditional on collectors providing MMBC with confirmation that they meet MMBC's Collector Qualification Standards, dated May 31, 2013. Services offered will commence at the earliest date agreed to by the local government that is on or after January 1, 2017, and will extend to December 31, 2021.

Phase 2.

If the Province has met the preconditions for Phase 1 and 2 described below by December 31, 2016, MMBC will Offer Collection Services to the Township of Langley, Town of Comox, Squamish Lillooet Regional District (for Britannia Beach and Furrey Creek), District of Squamish, and City of Powell River and to any local governments listed in Phase 1, above, who did not accept the offer of services during Phase 1. MMBCs offer will be for curbside and multifamily collection, as specified in the On-boarding Plan.

The offered service agreement will be effective July 1, 2017, which date shall be conditional on collectors providing MMBC with confirmation that they meet MMBC's Collector Qualification Standards, dated May 31, 2013. Services offered will commence at the earliest date agreed to by the local government that is on or after July 1, 2017, and will extend to July 1, 2022.

Phase 3.

If the Province has met the preconditions for Phase 3 described below by the dates identified below, MMBC will, by December 31, 2017, Offer Collection Services to City of Delta, Thomson-Nicola Regional District, District of Hope, District of Sechelt, City of Fort St. John, Township of Spallumcheen and to any local governments listed in Phase 1 and Phase 2, above, who did not accept the offer of services during Phase 1 or Phase 2. MMBCs offer will be for curbside and multifamily collection, as specified in the On-boarding Plan.

MMBC will, by December 31, 2017, Offer Collection Services for depot collection to the Regional Districts of East Kootenay, Bulkley Nechako, Central Kootenay and Fraser Fort George.

The Services Agreement will be effective January 1, 2018 which date shall be conditional on collectors providing MMBC with confirmation that they meet MMBC's Collector Qualification Standards, dated May 31, 2013. Services offered will commence at the earliest date after January 1, 2018 agreed to by the local government and extend to December 31, 2022.

Phase 4.

Communities that did not have curbside garbage or PPP collection services as of November 2012 and were ineligible for MMBC collection services under the MMBC Stewardship Plan or that formally opted out of the program and subsequently expressed interest in obtaining MMBC services, will be considered by MMBC on an annual basis, beginning in the 3rd quarter of 2018 as part of the annual performance and accessibility review as outlined in the MMBC Stewardship Plan.

Preconditions for Phase 1 and Phase 2

Parties agree that preconditions for Phase 1 and 2 are met by sections 3.10 and 3.11 of this Agreement.

Preconditions for Phase 3 and 4

The Parties agree that it is a precondition for expanding service in Phase 3 and 4, that the Province will have:

- If MMBC requests in writing prior to June 1, 2017, the Province will have by October 30, 2017 assisted MMBC in reaching an agreement with Encorp on compensation for managing glass deposit containers within the MMBC program, by facilitating discussions between MMBC and Encorp, and if necessary and if the Province considers it appropriate, making recommendations to the Director regarding amendments to Encorp's approved stewardship plan.
- the Province has fulfilled its obligations under section 3.9 of the Agreement (excluding any obligations that are only due at a future date).

All Phases.

The collection services offered to each local government will be those described above on terms and conditions that are consistent with the MMBC Stewardship Plan, as amended from time to time, and on terms and conditions which are substantially the same as MMBC currently provides services of that type to local governments that are served by MMBC as of the date of this Agreement.

Offers will remain open in accordance with section 3.7.

Schedule 4
Distribution of Estimated MMBC Funds for Onboarding as Part of Total Estimated Joint
MMBC/Ministry Funding Commitment

A	B	C	B-C
MMBC's estimate of Total Funds Required for Onboarding (Phases 1 through 3)	Maximum Payment by Province	Provincial Funding previously provided under Transfer Agreement	Additional Provincial Funding provided under section 3.4
\$60 million	\$14million	\$5 million	\$9 million

Schedule 5

Column 1 Year	Column 2 Milestone
2017	<p>Completion of:</p> <ul style="list-style-type: none"> • Offer of Collection Services as described for phase 1 and phase 2 is Schedule 3 by the deadlines referred to in Schedule 3. • Extended Offer of Services as required by section 3.6 throughout 2017 • Provision of collection services in relation to all accepted offers under this Agreement, for the duration of the calendar year 2017.
2018	<p>All of:</p> <ul style="list-style-type: none"> • Offer of Collection Services as described for phase 1, 2 and 3 by the deadlines referred to in Schedule 3. • To extent MMBC, in consultation with the Province, offers services in Phase 4, such Offer of Collection Services. • Extended Offer of Services as required by section 3.6 throughout 2018 • Provision of collection services in relation to all accepted offers under this Agreement, for the duration of the calendar year 2018.
2019	<p>All of:</p> <ul style="list-style-type: none"> • To extent MMBC, in consultation with the Province, offers services in Phase 4, such Offer of Collection Services. • Extended Offer of Services as required by section 3.6 throughout 2019 • Provision of collection services in relation to all accepted offers under this Agreement, for the duration of the calendar year 2019.
2020	<p>All of:</p> <ul style="list-style-type: none"> • To extent MMBC, in consultation with the Province, offers services in Phase 4, such Offer of Collection Services. • Extended Offer of Services as required by section 3.6 throughout 2019 • Provision of collection services in relation to all accepted offers under this Agreement, for the duration of the calendar year 2020.
2021	<p>All of:</p> <ul style="list-style-type: none"> • To extent MMBC, in consultation with the Province, offers services in Phase 4, such Offer of Collection Services. • Extended Offer of Services as required by section 3.6 throughout 2021 • Provision of collection services in relation to all accepted offers under this Agreement, for the duration of the calendar year 2021.



Natural Resource Sector

**GOVERNMENT TRANSFER –
GRANT AGREEMENT**

Agreement #:

Project Title:

THIS AGREEMENT dated for reference the 31st day of March , 2016

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, represented by the Minister of Environment (ENV)

(the "Province")

AND *Multi-Material BC (MMBC)*, a corporation incorporated pursuant to
the laws of British Columbia

(the "Recipient")

The parties to this Agreement agree as follows:

SECTION 1 - DEFINITIONS

1. Where used in this Agreement

- (a) "Financial Contribution" means the total aggregate value stipulated in Schedule B;
- (b) "Material" means all findings, data, reports, documents, records and material, (both printed and electronic, including but not limited to, hard disk or diskettes), whether complete or otherwise, that have been produced, received, compiled or acquired by, or provided by or on behalf of the Province to, the Recipient as a direct result of this Agreement, but does not include
 - I. personal Information which could reasonably be expected to reveal the identity of clients;
 - II. assets or other property owned or controlled by the Recipient;
- (c) "Project" means the project described in Schedule A;
- (d) "Services" means the services described in Schedule A;
- (e) "Term" means the duration of the Agreement stipulated in Schedule A;
- (f) "Third Party" means any person or entity or its officers, employees or agents, other than a party to this Agreement that is involved in the delivery of the Services.
- (g) "Refund" means any refund or remission of federal or provincial tax or duty available with respect to any items that the Province has paid for or agreed to pay for under this Agreement.

SECTION 2 - APPOINTMENT

The Recipient must carry out and complete the Project described in Schedule A and may use the Province's funding only for the purpose specified in Schedule A.

SECTION 3 - PAYMENT OF FINANCIAL CONTRIBUTION

Subject to the provisions of this Agreement, the Province must pay the Recipient the amount, in the manner, and at the times set out in Schedule B.

The Province has no obligation to make the Financial Contribution unless the Recipient has complied with the criteria set out in Schedule A.

The Province's obligation to make the Financial Contribution is subject to

- (a) sufficient monies being available in an appropriation, as defined in the *Financial Administration Act* ("FAA"), to enable the Province, in any fiscal year when any payment of money by the Province to the Recipient falls due pursuant to this Agreement, to make that payment; and
- (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subparagraph (a) of this paragraph.

The previous paragraph continues in force indefinitely, even after this Agreement expires or is terminated.

The Recipient is responsible for any Provincial Sales Tax (PST) and Goods and Services Tax (GST) and any other charges for which the Province has not expressly agreed to accept responsibility under the terms of this Agreement.

The Recipient must declare any amounts owing to the government under legislation or an agreement. Amounts due to the Recipient under this Agreement may be set-off against amounts owing to the government.

SECTION 4 - REPRESENTATIONS AND WARRANTIES

The Recipient represents and warrants to the Province, with the intent that the Province rely on it in entering into this Agreement, that

- (a) all information, statements, documents and reports furnished or submitted by the Recipient to the Province in connection with this Agreement are true and correct; and
- (b) the Recipient is not in breach of, or in default under, any law of Canada or of the Province of British Columbia applicable to or binding on it.

All representations, warranties, covenants and agreements made in this Agreement and all certificates, applications or other documents delivered by or on behalf of the Recipient are material, have been relied on by the Province, and continue in effect during the continuation of this Agreement.

Representation and Warranty of Government

The government of British Columbia represents and warrants to the Recipient that it has all necessary authority to execute, deliver and perform under this Agreement and to provide to the Recipient the monies described in Schedule B hereto.

SECTION 5 - INDEPENDENT RELATIONSHIP

No partnership, joint venture, agency or other legal entity is created by this Agreement or by any actions of the parties pursuant to this Agreement.

The Recipient is independent and neither the Recipient nor its servants, agents or employees are the servants, employees, or agents of the Province.

SECTION 6 - RECIPIENT'S OBLIGATIONS

The Recipient must

- (a) carry out the Services in accordance with the terms of this Agreement during the Term stated in Schedule A;
- (b) comply with the requirements set out in Schedule B, including all requirements concerning the use, application and expenditure of the payments provided under this Agreement;
- (c) comply with all applicable laws;
- (d) hire and retain only qualified staff;
- (e) unless agreed otherwise, supply all labour, materials and approvals necessary to carry out the Services;
- (f) unless agreed otherwise, retain ownership to all assets acquired or intangible property created in the process of carrying out this Agreement; and
- (g) co-operate with the Province in making the public announcements regarding the Services and the details of this Agreement that the Province requests.

SECTION 7 - RECORDS

The Recipient must

- (a) establish and maintain accounting and administrative records in form and content satisfactory of the Province; and
- (b) establish and maintain books of account, invoices, receipts and vouchers for all expenses incurred in form and content satisfactory to the Province.

The Province does not have control, for the purpose of the *Freedom of Information and Protection of Privacy Act*, of the records held by the Recipient.

SECTION 8 - REPORTS/STATEMENTS AND ACCOUNTING

At the sole option of the Province, any portion of the funds provided to the Recipient under this Agreement and not expended at the end of the Term

- (a) must be returned by the Recipient to the Minister of Finance;
- (b) may be retained by the Recipient as supplemental funding provided for under an amendment to this Agreement; or
- (c) may be deducted by the Province from any future grants and transfers approved by the Province.

SECTION 9 - CONFLICT OF INTEREST

The Recipient must not, during the Term, perform a service for or provide advice to any person if the performance of that service or the provision of the advice may, in the reasonable opinion of the Province, give rise to a conflict of interest between the obligations of the Recipient to the Province under this Agreement and the obligations of the Recipient to the other person.

SECTION 10 - CONFIDENTIALITY

The Recipient must treat as confidential all information and material supplied to or obtained by the Recipient, or any Third Party, as a result of this Agreement. The Recipient must not, without the prior written consent of the Province, permit its disclosure, except as required by applicable law or to the extent that the disclosure is necessary to enable the Recipient to fulfill its obligations under this Agreement.

SECTION 11 - DEFAULT

Any of the following events constitute an Event of Default:

- (a) the Recipient fails to comply with any provision of this Agreement;
- (b) any representation or warranty made by the Recipient in accepting this Agreement is untrue or incorrect;
- (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of the Recipient pursuant to or as a result of this Agreement is untrue or incorrect;
- (d) the Recipient ceases, in the opinion of the Province, to operate;
- (e) a change occurs with respect to any one or more, of the properties, assets, condition (financial or otherwise), business or operations of the Recipient which, in the opinion of the Province, materially adversely affects the ability of the Recipient to fulfill its obligations under this Agreement;
- (f) an order is made or a resolution is passed or a petition is filed for the liquidation or winding up of the Recipient;

- (g) the Recipient becomes insolvent or commits an act of bankruptcy or makes an assignment for the benefit of its creditors or otherwise acknowledges its insolvency;
- (h) a bankruptcy petition is filed or presented against, or a proposal under *the Bankruptcy and Insolvency Act* (Canada) is made by, the Recipient;
- (i) a receiver or receiver-manager of any property of the Recipient is appointed;
- U) the Recipient permits any sum which is not disputed to be due by it to remain unpaid after legal proceedings have been commenced to enforce payment.

SECTION 12 - TERMINATION

Upon the occurrence of any Event of Default and at any time after that the Province may, despite any other provision of this Agreement, at its option, elect to do any one or more of the following:

- (a) terminate this Agreement, in which case the payment of the amount required under the last paragraph of Section 12 of this Agreement discharges the Province of all liability to the Recipient under this Agreement;
- (b) require the Event of Default be remedied within a time period specified by the Province;
- (c) suspend any installment of the Financial Contribution or any amount that is due to the Recipient while the Event of Default continues;
- (d) waive the Event of Default;
- (e) pursue any other remedy available at law or in equity.

If this Agreement is terminated before 100% completion of the Project, the Province must pay to the Recipient that portion of the Financial Contribution which is equal to the portion of the Project completed to the satisfaction of the Province prior to termination.

SECTION 13- DISPUTE RESOLUTION

The Parties agree to first refer any matter in dispute under this Agreement to senior officers of the Parties. If the matter cannot be resolved, they must submit it to a mediator as agreed upon by both Parties, both acting reasonably. The Parties must bear equally the expenditures directly related to the mediation process.

SECTION 14 - INSURANCE

Insurance

Without limiting its obligations or liabilities under this Agreement, and at its own expense, the Recipient must obtain and maintain insurance which it is required to have by law and

insurance which a prudent businessperson conducting similar operations would obtain and maintain to cover the risks it has assumed or may encounter as a result of entering into this Agreement or providing the Services during the Term.

If applicable, the Recipient must ensure the Province is added as an additional insured on insurance policies of the Recipient and Third Parties.

Within 10 business days of obtaining each relevant policy of insurance, and from time to time if requested by the Province, the Recipient must provide to the Province evidence of the insurance in the form of a completed Province of British Columbia Certificate of Insurance. If requested by the Province at any time, the Recipient must provide to the province certified true copies of the relevant insurance policies.

The Recipient must require and ensure that each Third Party maintains insurances comparable to those required above.

SECTION 15- ASSIGNMENT AND SUB-CONTRACTING

The Recipient must not, without the prior, written consent of the Province

- (a) assign, either directly or indirectly, this Agreement or any right of the Recipient under this Agreement; or
- (b) sub-contract any obligation of the Recipient under this Agreement.

No sub-contract entered into by the Recipient relieves the Recipient from any of its obligations under this Agreement or imposes on the Province any obligation or liability arising from it.

This Agreement binds the Province and its assigns and the Recipient and the Recipient's successors and permitted assigns.

SECTION 16 - REPAYMENT OR REDUCTIONS

An amount paid by the Province to the Recipient or which is treated as such pursuant to the terms of this Agreement, and to which the Recipient is not entitled according to the terms of this Agreement is repayable to the Province and until repaid constitutes a debt due to the Province.

If for any reason, the Project is not completed to the satisfaction of the Province, the Recipient must repay to the Province the Province's Financial Contribution (or any part which has been paid to the Recipient) under this Agreement, within 30 days of receipt by the Recipient of a written request for repayment from the Province.

SECTION 17 - NOTICES

If in this Agreement any notice or other communication is required to be given by any of the parties, it must be given in writing. It is effectively given

- (a) by delivery to the address of the party set out below, on the date of delivery; or,
- (b) by pre-paid registered mail, to the address of the party set out below, on the fifth business day after mailing; or
- (c) by e-mail, to the e-mail address of the party, mentioned in this Agreement, on the date the e-mail is sent.

The contact details of the parties are

**Province: BC Ministry of Environment
Bob McDonald, PO Box 9341, STN PROV GOVT,
Bob.McDonald@gov.bc.ca, ph: 250 387-3588**

**Recipient: Multi-Material British Columbia
230-171 Esplanade West
North Vancouver, BC V7M 3J9
Ph: 778-588-9504**

The address, phone number, facsimile number, or email set out above may be changed by notice in the manner set out in this provision.

SECTION 18 - NON-WAIVER

No term or condition of this Agreement and no breach by the Recipient of any term or condition is waived unless the waiver is in writing signed by the Province and the Recipient.

A written waiver by the Province of any breach by the Recipient of any provision of this Agreement is not a waiver of any other provision or of any subsequent breach of the same or any other provision of this Agreement.

SECTION 19 - ENTIRE AGREEMENT

This Agreement including the Schedules constitutes the entire Agreement between the parties with respect to the subject matter of this Agreement.

SECTION 20 - MISCELLANEOUS

Changes to this Agreement are only effective if made in writing and by both parties.

All of the provisions of this Agreement in favour of the Province and all of the rights and remedies of the Province, either at law or in equity, survive any expiration or sooner termination of this Agreement.

Agreement # _____


Nothing in this Agreement operates as a consent, permit, approval or authorization by the Province to or for anything related to the Project that by law, the Recipient is required to obtain unless it is expressly stated to be.

SECTION 21 - ACCEPTANCE

The Recipient indicates its agreement by dating and executing both copies of this Agreement in the space and manner indicated below and returning them to the contact shown above, free of any conditions. In signing or executing below, the Recipient is committing to a binding agreement

IN WITNESS OF WHICH the parties have duly executed this Agreement as of the _____ day of _____, 20__.

SIGNED AND DELIVERED on behalf of the Recipient



Signature of Recipient's Signing Authority

Allen Laramie, Managing Dir.

Printed Name & Title of Recipient's Signing Authority

March 31st, 2016

Date ,

SIGNED AND DELIVERED on behalf of the Province,



Signature of Province's Signing Authority

W.H. (Wes) Shoemaker, Deputy Minister

Printed Name & Title of Province's Signing Authority

Date

March 31, 2016

SCHEDULE A - SERVICES

The Project

TERM

Notwithstanding the date of execution of this Agreement, the term of this Agreement starts on March 31, 2016 and ends on March 31, 2018.

PROJECT

The Province is supporting the expansion of producer funded recycling collection of Packaging and Printed Paper (PPP) services in select BC communities.

PURPOSE & EXPECTED RESULTS

The Province intends to see producer funded recycling collection services expanded to communities currently without such funding in place. The monies will be distributed by MMBC (the product stewardship agency currently implementing the PPP program on behalf of all producers), but distribution of these funds to the communities identified by the Province will not involve MMBC incorporating these communities or materials into MMBC's operational and reporting framework.

The \$5 million Provincial contribution will be used to fund one year of curbside recycling collection services currently in place in the communities of the City of Abbotsford, City of Chilliwack and District of Mission at a minimum, plus other communities as this level of funding permits.

The \$5 million Provincial contribution is considered bridging funding to relieve the above communities of the current lack of newspaper funding, while the Province and MMBC pursue longer term approaches to service expansion, funding expansion, and leveraging of additional producer funding for additional communities.

The contribution will also be used to leverage MMBC producer funding for recycling services for the City of Kamloops through a customized one-year funding arrangement by MMBC.

The funding of the above noted communities through the \$5 million Provincial contribution will also form the first component of a sustainable On-boarding Plan (the "Plan") that will be further developed over the next 90 days. The Plan will see all currently waitlisted communities offered MMBC producer funded services starting no later than January 2018, with offers communicated to these communities during 2017. The Plan will be developed by ENV and MMBC, and should be agreed upon by June 30, 2016 and form the basis of a joint MOU for execution over the following 18 months.

The Plan is over and above the offer of funding through the \$5 million Provincial contribution. It will recognize and set out a means to address all issues serving as barriers to province-wide implementation of the PPP program:

- The Plan will incorporate the fundamental Provincial commitment to identify a resolution to the newspaper industry compliance/funding issue by July 2017.
- The Plan will also include commitments to be made by both the Province and MMBC to address outstanding issues such as:
 - broader compliance and enforcement measures, including the application of Administrative Monetary Penalties.
 - materials generated by and issues associated with Encorp Pacific;
 - materials generated by Brewers Distributors Limited;
 - materials generated by Liquor Distribution Branch; and
 - exempted, miscellaneous and unaccounted for materials.

DELIVERABLES

During 2016, MMBC will offer to the communities noted above curbside recycling collection funding for the 2017 calendar year at rates based on an agreed compensation structure. MMBC will work with ENV on developing the above On-boarding Plan and associated MOU by June 30, 2016 in order to see all currently waitlisted communities offered ongoing producer funded services by 2018.

Funding for 2017 will be provided in two distinct manners. For those communities receiving funding through the \$5 million Provincial contribution, it will be at rates based on an agreed-upon compensation structure. This does not involve MMBC incorporating these communities into MMBC's operational and reporting framework. For Kamloops for 2017, funding will also be at rates based on an agreed-upon compensation, but will rely on producer funding on a customized basis due to the short-term arrangement. In contrast to other communities relying on the \$5 million Provincial contribution, Kamloops and its materials will be incorporated into MMBC's reporting framework

Should any of the communities noted not accept the contribution or producer funding offered, MMBC will approach alternative communities to be selected by the Province in order to support local PPP recycling services, as these levels of funding permit.

Provincial funding can only be used for supporting curbside recycling collection and processing services by the communities noted above and/or alternative communities selected by the Province.

REPORTING REQUIREMENTS:

Financial Reporting:

Interim Reporting

The Recipient must provide an accounting for the use of the \$5 million Provincial contribution upon written request by the Province, and on a quarterly basis during the term noted.

Annual Reporting

The Recipient shall summarize the distribution of Provincial funds in the communities noted above in an annual report that is submitted to the Ministry of Environment.

The Recipient shall not include or represent the collected tonnages or financial expenditures specifically resulting from the Provincial contribution (\$5 million) as part of its annual reporting requirements to the Ministry as per its approved stewardship plan and in accordance with the Recycling Regulation.

All MMBC producer funded tonnes e.g. Kamloops will be reported as per the current regulatory requirements in place.

Final Reporting

The Recipient must, no later than 90 days after the end of the Term, provide a final financial report including:

- a Project income and expenditure summary which identifies all sources and use of the total Provincial funds by the above noted communities over the term of this Agreement;
- a statement detailing the use by the above noted communities of the Province's contributions provided over the term of this Agreement.
- a description of the costs incurred by the Recipient in carrying out the terms of this Agreement.

Certification / Attestation

All financial reports submitted by the Recipient must be certified by a senior officer of the Recipient's organization (such as a CEO or CFO) attesting to the correctness and completeness of the financial information provided.

Project Reporting:

Ongoing Communication

The Recipient must make all reasonable efforts to respond to ad-hoc requests by the Province for information on Project progress. The Recipient must also advise the Province immediately of any substantial events that could impact the Project timeline. This includes reporting on progress towards the MOU as set out in Schedule A.

Annual Reporting

The Recipient must, no later than 30 days after each quarter, provide a progress report on the Project, and progress made in achieving the results as set out in Schedule A.

Final Reporting

The Recipient must, no later than 90 days after the end of the Term, provide a Project performance report with Project highlights, description of outcomes with respect to results set out in Schedule A, quantitative and qualitative description of the accomplishments / success of the Project; challenges faced and solutions found, information on results (negative or positive) that were not anticipated, and lessons learned.

SCHEDULE B
FINANCIAL CONTRIBUTION

PAYMENTS

1. The Province agrees to provide to the Recipient a maximum amount of \$5,000,000 during the Term of the Agreement.
2. Payment of \$5,000,000 must be made upon signing of this Agreement by both Parties.

MMBC Waitlist On-boarding Plan

Original targeted timeline for plan development: **June 30, 2016**

Plan implementation: **Ongoing - January 1, 2018**

Definitions:

In this Plan the following terms, when capitalized, have the definitions ascribed below:

“Agreement” means the Agreement between MMBC and the Province executed December 12, 2016;

“Director” means the director under the Regulation;

“Discarded through the Residential Waste Stream,” in discarded, in British Columbia, as trash or collected, in British Columbia for recycling that is not collected as trash or recyclables from industrial, commercial or institutional property;

“LDB PPP” means, in respect of a calendar year,

- (a) PPP for which the LDB is the producer under the Regulation in that calendar year Discarded through the Residential Waste Stream, and
- (b) the Province’s best estimate, based on information available to it or that it can obtain making reasonable efforts, of any additional PPP associated with liquor products, that are imported into British Columbia during that calendar year and Discarded through the Residential Waste Stream, other than:
 - (i) PPP referred to in paragraph (a),
 - (ii) PPP associated with beer, cider or refreshments the producer of which was, as of December 1, 2017, covered by the approved PPP stewardship plan of BC Brewers Recycled Container Collection Council or subsequently becomes covered by that Plan, and
 - (iii) PPP associated with liquor in relation to which the producer under the Regulation is in compliance with the Regulation;

“PPP” means packaging, and printed paper as defined in the Regulation;

“Regulation” means the *Recycling Regulation*, B.C. Reg. 449/2004 as amended from time to time;

Principles:

- The On-boarding Plan is a plan that the Parties have developed for the purpose of allowing the continued roll out of the MMBC program.
- Transparent sharing of information and data towards a shared objective of completing the continued roll out of the MMBC program
- Ensure that additional service does not impact the level of service provided to existing communities within the program
- Both parties agree to work co-operatively, taking reasonable and appropriate steps to complete the requirements, tasks and deadlines identified in the On-boarding Plan for the purpose of obtaining the goals identified in the On-boarding Plan and agree to periodically update the plan as needed to meet its objectives.
- Fulfill government's broader policy objectives associated with implementing EPR programs
- Nothing in this plan fetters the director under the Recycling Regulation, or other statutory decision makers in making decisions under that Regulation or other enactments
- Statutory decision makers to make decisions independently based on relevant factors

Goals & Objectives:

Goals:

- Abbotsford, Chilliwack, Mission, Fraser Valley Regional District and Kamloops on-boarded (i.e. offered MMBC producer funded services via financial incentive offers) as of Jan 2017
- All currently eligible waitlisted communities offered MMBC producer funded services via financial incentive offers in 2017 for service starting no later than January 2018

Objectives:

- Identify and agree upon the outstanding issues with the PPP program impacting MMBC's ability to on-board all waitlisted communities
- Identify and agree upon the process to on-board all waitlisted communities, as the issues become resolved (see Service Rollout Plan)
- Continue to execute this long-term plan for resolving issues identified herein which will form the basis of the Agreement for implementation beginning in 2016
- Ensure compliant producers are paying for fulfilling the obligations of the plan, without materially subsidizing any significant free-riding producers

Outcomes:

- As issues are resolved, waitlist on-boarding can begin (see Attachment: Confirmed MMBC Waitlist)
- By January 1, 2018, the full waitlist is to be offered MMBC financial incentives with a Services Agreement to join the MMBC program
- This on-boarding plan represents the implementation of the MMBC plan for eligible communities that did not accept MMBC's original incentive offer and have since expressed their interest in joining the MMBC program.

- MoE will work with MMBC on two distinct plan amendment recommendations in the near future:
 - Phase 1 – Q4 2016: MoE staff will recommend a Director's amendment to extend the timeframe for the MMBC program, in order to provide MMBC the ability to move with greater certainty when establishing new collection contracts with waitlisted local governments and other service providers (see Issue 8), and will include 'housekeeping' amendments to allow on-boarding of waitlisted communities and review current performance measures to ensure greater certainty for future program implementation.
 - Phase 2 – Q2 2018: MoE staff will recommend an amendment that revises specific language in the plan regarding eligibility of 'new' communities that did not originally qualify for the program, based on Ministry performance goals for the program and the outcome of stakeholder consultation that is planned to occur in Q3 2017 (see Issue 6 and Issue 8)

Requirements:

- This on-boarding plan is based on a number of commitments to be completed by the MOE/provincial government prior to December 31, 2016, as well as others into 2017. If the Province does not fulfill a commitment made by it in this On-boarding Plan, other than commitments made in relation to compliance with the Regulation by Non-member Newspaper Producers, and such failure has a material impact on the revenues received by MMBC, the Parties will negotiate reasonable changes to on-boarding commitments of MMBC or compensation by Province to MMBC, in accordance with the Agreement. It is agreed that:

MMBC will not issue contracts to any of Phase One or Phase Two local governments until the government:

- has provided adequate assurances or commitments that they will resolve the newspaper sector non-compliance issue on an on-going basis under the Recycling Regulation (Issue 1, Task 3). It is agreed that this condition is fulfilled by section 3.11 of the Agreement; and
- has made recommendations to the Director that the Director approve proposed amendments to the MMBC Stewardship Plan extending the timeframes in Appendix C of that plan to December 31, 2022.(Issue 8, Task 1).

MMBC will not issue contracts to any of the Phase Three and Four local governments until the government:

- has fulfilled commitments for Phase One and Two as described above;
- (if so requested by MMBC in writing prior to June 1, 2017), the Province will have by October 30, 2017 assisted MMBC in reaching agreement with Encorp on compensation for managing glass deposit containers within MMBC program by facilitation of discussions between MMBC and Encorp and if necessary and if the Province considers it appropriate, making recommendations to the Director regarding amendments to Encorp Pacific's approved stewardship plan; and
- The Province has complied with all its obligations under section 3.9 of the Agreement (excluding any obligations that are only due at a future date). (Issue 5, Task 6).

Attachment:

1. Confirmed MMBC Waitlist (showing status and service schedule for each community)

Issues Matrix:

Item	Issue	Issue Type	Lead	Due	Critical
1	Newspaper sector non-compliance	Compliance	MoE	Sep 2017	Y
2	Compliance and enforcement (C&E) measures, including the application of AMPs	Compliance	MoE	Jan 2017	Y
3	Materials generated by and issues associated with Encorp Pacific	Regulatory	MMBC/MoE	Oct 2017	Y
4	Materials generated by Brewers Distributors Limited	Regulatory	MoE/MMBC	Aug 2016	Y
5	Materials generated by Liquor Distribution Branch	Regulatory	MoE/MMBC/LDB	Feb 2017	Y
6	MMBC Waitlist for service offering phases	Program	MMBC	Aug 2016	Y
7	Service Roll-out Plan	Program	MMBC	Jan 2018	Y
8	MMBC Plan Stability	Program	MMBC/MoE	Jun 2018	Y

Issues:

1. Newspaper Sector Non-Compliance/MMBC Funding Shortfall (est. tonnage: 32,000 est. est. cost: \$3.5M including Minor Newspaper Producers)

Goal: Outline steps that government will take to ensure newspaper compliance and funding for on-boarding of communities

Lead: MoE

Deadline: September, 2017

Requirements:

- Accurate tonnage information from newspaper sector, agreed upon by Government and for MMBC to adjust their recovery rate Newspaper tonnage information should indicate volumes for data year and an estimated projection for future years. This will provide insight on MMBC funding shortfall and costs for future years. Province or Major Newspaper Producers to provide audited annual tonnage reports in accordance with the Agreement sections 3.7 and 3.8.
- Newspaper Producers to be covered by the MMBC Stewardship Plan; or obtain approval under the Regulation of a stewardship plan that includes an arrangement by which MMBC collects newspapers, and newspaper producers include tonnage collected by MMBC under the newspaper producer's stewardship plan; or otherwise be in compliance with the Regulation.

Tasks and Due-dates: (Gov = general government to take lead, MoE = Ministry to take lead)

1.	Gov	ADMs and staff to review and facilitate discussions on newspaper tonnage numbers between MMBC and newspapers	June 30, 2017
2.	MoE	Staff to identify options for ongoing commitment from government to resolving newspaper sector non-compliance issue	Aug 30, 2016
3.	Gov	Government to select option(s) to resolve newspaper sector non-compliance issue, and provide assurance/commitment to MMBC	Nov 30, 2016
4.	Gov	Government to finalize approach to resolve newspaper sector non-compliance	Dec 31, 2016
5.	Gov	Government to resolve non-compliance issue with newspaper sector	Sep, 2017
6.	MoE/NSP	Verification process takes place with newspapers	Sep 2017
7.	MMBC	Drawdowns on \$5M GA pending on-boarding of communities	Jan-Oct 2017

2. **Compliance and enforcement (C&E) measures, including the application of AMPs** (est. tonnage: 5,208 est. membership fee: \$2M)

Goal: To complete C&E work on free-riding PPP producers (in addition to newspaper sector)

Objectives:

- Overcome backlog of pending administrative monetary penalties (AMPs)
- Bring remaining non-compliant producers from the previously established (June 2015) Top 60 list into compliance
- Develop Action Plan to complete C&E work on free-riding PPP producers by Jan 31, 2017

Lead: MoE

Deadline: Jan 31, 2017

Requirements:

- Ensure additional resources are allocated to MoE C&E work, alongside additional MMBC resources in a supportive/research role
- Develop a specific C&E Action Plan that identifies all known non-compliant producers, the Top 60 non-compliant producers and focuses on the goal on completing C&E action by Jan 31, 2017.
- Review impact of current exemptions within the regulation and consider changes to scale back these commitments whereby they may have inadvertently exempted large producers. Several smaller compliance-based issues exist, such as producer under-reporting, cross-border sales and internet shopping. s.15

Tasks and Due-dates:

1.	MoE	Confirm list of potential non-compliant producers provided by MMBC	Sep 15, 2016
2.	MoE	Issue pending AMPs	Aug 31, 2016
3.	MoE	Develop compliance and enforcement Action Plan	Oct 31, 2016
4.	MoE	Achieve goals of Action Plan as set out therein	Jan 31, 2017
5.	MoE	Undertake review of current exemption criteria, and work on smaller compliance-based issues	Ongoing

Note:

- Ongoing maintenance C&E work post January 2017 is not included in this on-boarding plan and is not considered a critical component to fulfilling this plan.

3. **Materials generated by and issues associated with Encorp Pacific** (est. tonnage: 2,400 est. membership fee: \$921K)

Goal: Encorp Pacific to take financial responsibility for its Schedule 1 material (deposit-return glass containers) that is improperly placed in MMBC PPP collection system (materials are recycled by MMBC, but management costs incurred entirely by MMBC for Encorp stewarded material, while Encorp keeps associated deposits and retains all handling fees).

Objectives:

- MMBC and Encorp develop an agreed upon methodology for determining contamination levels of Encorp material in PPP segregated glass system, and establish appropriate compensation for MMBC.

Lead: MMBC/MoE

Deadline: Dec 31, 2016

Requirements:

- MMBC to work with Encorp to reach a mutually agreeable resolution to this issue
- MoE to intervene only if requested by MMBC and to provide regulatory interpretation
- MoE to convey MMBC's agreement with BDL as a policy precedent
- If requested, MoE to consider making recommendations to the Director regarding amendments to Encorp's approved stewardship plan

Tasks and Due-dates:

1.	MMBC	Develop new methodology	Jun 30, 2016
2.	MMBC	Share methodology with Encorp to review and accept	Jul 31, 2016
2. a	MoE	If Encorp does not accept methodology, upon written request by MMBC MoE will facilitate discussions between MMBC and Encorp	On-going
3.	MMBC	Develop estimate of tonnage volume and cost of deposit containers in PPP segregated glass system	Jun 30, 2016
4.	MMBC	Reach agreement on compensation for managing glass deposit containers within the MMBC program	Dec 31, 2017

4. Materials generated by Brewers Distributors Limited

Goal: For BDL to compensate MMBC for the Schedule 5 material (beer packaging) that is deposited in MMBC PPP collection system (materials are recycled by MMBC, but management costs incurred entirely by MMBC for BDL stewarded material).

Objectives:

- MMBC to implement signed agreement (MOU) with BDL that outlines annual compensation from BDL for Schedule 5 packaging material managed in the MMBC system (becomes active 6 months after approval of BDL Schedule 5 plan)
- BDL stewardship plan identifies retailers and depots as primary return locations for BDL Schedule 5 material. BDL to implement plan upon approval, and identify any potential freeriding PPP producers to Ministry
- MoE staff to submit BDL Schedule 5 PPP stewardship plan to the Statutory Decision Maker (SDM) for decision as soon as possible

Lead: MoE/MMBC

Deadline: Feb 1, 2017

Requirements:

- MoE to lead plan review process in timely manner

Tasks and Due-dates:

1.	MoE	Submit BDL Schedule 5 PPP stewardship plan to SDM for decision.	Jun 15, 2016
2.	MoE	Target SDM to render decision	Jul 31, 2016
3.	BDL	BDL to confirm all producers that will participate in PPP plan	Jan 31, 2017
4.	MMBC	MMBC/BDL agreement active, BDL begins payments to MMBC	Feb 1, 2017

5. **Materials generated by Liquor Distribution Branch** (est. tonnage: 400 est. membership fee: \$150K)

Goal: Government takes responsibility for Schedule 5 material associated with LDB PPP that may be deposited in MMBC residential PPP collection system

Objectives:

- Achieve agreement between MMBC, Government whereby Government will act as if it were the obligated party (first importer) for LDB PPP that may be deposited in MMBC PPP collection system
- Government to provide revised reports that include LDB PPP

Lead: MoE/MMBC/Government

Deadline: Feb 28, 2017

Requirements:

- MMBC to work with LDB to resolve this issue
- MoE and government to facilitate the dialogue if needed and provide government objectives towards resolution

Tasks and Due-dates:

1.	MMBC	Communicate position with LDB	Apr 30, 2016
2.	MoE	Review internally and provide interpretation to legal counsel	May 31, 2016
3.	Gov	Prepare a statement that sets out the Province's position and reasoning, and share with MMBC for legal consideration	Sep 15, 2016
4.	Gov/MoE	Decide on best option to resolve outstanding producer issue: A. Resolve issues of whether government is obligated producer in relation to all LDB PPP and if so pursue LDB as obligated producer. B. request government to become voluntary producer for PPP associated with liquor imports	Sep 30, 2016
5.	Gov	Provide revised reports including secondary liquor packaging for LDB PPP and pay associated fees for this packaging.	Feb 28, 2017
6.	MMBC	Begins to receive compensation (for LDB PPP)	Jan 31, 2017

6. MMBC Waitlist for service offering phases

Goal: Offer MMBC financial incentives to all communities that are eligible under the MMBC stewardship plan and have requested to be added to MMBC's Waitlist to join the MMBC program via a Services Agreement

Objectives:

- Provide updated list of communities currently on MMBC's Waitlist that are eligible under the stewardship plan to join the MMBC program (see Attachment: Confirmed MMBC Waitlist)
- Develop eligibility criteria to determine whether curbside or depot service is the most effective and efficient option for new communities seeking to join the MMBC program (after January 1st, 2018). Once developed, these criteria could be formally adopted through amendments to MMBC's stewardship plan (e.g. any communities currently outside of the program and not eligible for current waitlist)

Lead: MMBC

Deadline: Aug 31, 2016

Requirements:

- MMBC will develop a comprehensive list of all communities in BC, which outlines (see Attachment: Confirmed MMBC Waitlist):
 - Existing service levels
 - History of negotiations (regarding the incentive)
 - Currently waitlisted communities
 - Eligible communities as per MMBC plan that may want to join MMBC via a Services Agreement
 - Estimated tonnage and cost of financial incentives for each community on the waitlist
- Consider amendments to MMBC plan to fulfill intent of plan and provide certainty of service

Tasks and Due-dates:

1.	MoE/MMBC	Confirm approach to incentive offerings to all eligible communities	Jun 30, 2016
2.	MMBC	Provide detailed MMBC Waitlist complete with background regarding community eligibility (see Attachment: Confirmed MMBC Waitlist)	Aug 31, 2016
3.	MMBC/MoE	Consider amendments to MMBC's plan to reflect changes noted above	Jun 30, 2018

7. Service Roll Out Plan

Goal: Provide MMBC financial incentive offers to eligible communities as various issues in on-boarding plan are resolved

Objectives:

- Create a balanced approach to on-boarding, reflecting MoE and MMBC meeting respective compliance and regulatory obligations in staged manner
- Offers of financial incentives by MMBC will be done in a prioritized manner, with the objective of providing the most people with the greatest degree of service as soon as possible i.e. curbside services offered to major population bases first, with depot offerings in more remote jurisdictions to follow.
- At the completion of the roll out plan, all the known waitlisted communities who currently desire PPP collection service through the MMBC program via a Services Agreement will be offered financial incentives and be on-boarded should the local government accept the financial offer and execute the Services Agreement with MMBC.

Lead: MMBC

Deadline: Jan 1, 2018

Requirements:

- MoE is committed to resolving issues on time

Tasks and Due-dates: (see Attachment: Confirmed MMBC Waitlist for definitive offerings), a summary of which follows below:

1.	MMBC	Phase 1 rollout: <ul style="list-style-type: none"> • City of Abbotsford • District of Mission • City of Chilliwack • City of Kamloops • Fraser Valley RD <u>Precondition:</u> <ul style="list-style-type: none"> • Government has provided adequate assurances or commitments that they will resolve the newspaper sector non-compliance issue on an on-going basis under the Recycling Regulation (Issue 1, Task 3). It is agreed that this condition is fulfilled by section 3.11 of the Agreement; and • Government has made recommendations to the Director that the Director approve proposed amendments to the MMBC Stewardship Plan extending the timeframes in Appendix C of that plan to December 31, 2022.(Issue 8, Task 1) 	Jan 2, 2017 (Q1)
2.	MMBC	Phase 2 rollout: <ul style="list-style-type: none"> • Township of Langley • Town of Comox • Britannia Beach and Furrey Creek (SLRD) • District of Squamish • City of Powell River <u>Preconditions:</u> <ul style="list-style-type: none"> • Same as for Phase one 	Jul 1, 2017 (Q3)

3.	MMBC	<p>Phase 3 rollout:</p> <ul style="list-style-type: none"> • City of Delta • Thomson-Nicola Regional District District of Hope • District of Sechelt • City of Fort St. John • Township of Spallumcheen • RDEK, RDBN, RDCK and RDFFG Depots <p><u>Preconditions:</u></p> <ul style="list-style-type: none"> • If so requested by MMBC in writing prior to June 1, 2017, the Province will have by October 30, 2017 assisted MMBC in reaching agreement with Encorp on compensation for managing glass deposit containers within MMBC program by facilitation of discussions between MMBC and Encorp and if necessary and if the Province considers it appropriate, making recommendations to the Director regarding amendments to Encorp Pacific's approved stewardship plan; and • The Province has complied with all its obligations under section 3.9 of the Agreement (excluding any obligations that are only due at a future date). (Issue 5, Task 6). 	Jan 1, 2018 (Q1)
4.	MMBC	<p>Phase 4 rollout:</p> <ul style="list-style-type: none"> • Communities that did not have curbside garbage or packaging collection services as of Nov 2012 and were therefore ineligible for MMBC collection services, or those that formally opted out of the program and now desire service, will be considered for future service by MMBC on an annual basis, beginning Q3 2018. (Subject to any MMBC plan amendments to determine future eligibility) 	Post - Jan 1, 2018

8. MMBC plan stability

Goal: To better clarify and reconcile MMBC performance measures for on-boarding of the waitlist and future services, and align the delayed start date of these service contracts (due to extended timeframe to bring major freeriding PPP producers into compliance) with the MMBC plan itself.

Objectives:

- Provide MMBC with market consistencies associated with renewal of its plan that extends its timeframe (e.g. 5 years through 2022), to better align with new 5-year service contracts to be issued in 2017/2018
- Revised performance measures into plan that reflect existing performance of MMBC and feedback from consultations on the collection system being conducted in the latter half of 2017
- Make amendments to the MMBC plan to accommodate further on-boarding of communities subject to additional eligibility requirements

Lead: MoE/MMBC

Deadline: June 30, 2018

Requirements:

- MMBC will draft an extended plans with amendments
- MoE will review and submit extended plans for SDM consideration
- Revised plans will include several outcomes:
 - Revised wording and extension of performance measures to reconcile with on-boarding contracts
 - Revised performance measures (e.g. 75% tonnage/collection rate, streetscape collection)
 - Revised language regarding future eligibility to help guide additional on-boarding of communities after January 1st, 2018

Tasks and Due-dates:

1.	MOE	Government has made recommendations to the Director that the Director approve proposed amendments to the MMBC Stewardship Plan extending the timeframes in Appendix C of that plan to December 31, 2022	Dec 7, 2016
2.	MMBC	MMBC Consultation (as per the stewardship plan following 3 years of operating data)	Nov. 30, 2017
3.	MMBC	Submit amendments based on feedback from consultation and review of first three years performance data	Mar 31, 2018
3.	MoE	Review and submit amendments to MMBC plan to SDM for consideration	Jun 30, 2018