

# District of Barriere

# REQUEST FOR DECISION

<b>Date:</b> December 16, 2024	<b>File:</b> 530.20/Rpts
<b>To:</b> Council	<b>From:</b> Tasha Buchanan, Corporate Officer
<b>Re:</b> Recycle BC Master Services Agreement Renewal	

## Background:

The District of Barriere originally signed on to with Recycle BC to provide Recycling collection services on their behalf in December 2018. The original term ended in February 2024 with the option of Recycle BC to extend the contract up to one year. That extension was utilized and now the Services Agreement is up for renewal. The new term will be from January 1, 2025 to December 31, 2029 with the same clause allowing Recycle BC to extend for up to two further periods of one year each by providing at least one hundred eighty (180) days written notice before expiration of the initial term.

Council was informally provided printed copies of the draft Master Service Agreement for review in November.

## Discussion:

The District of Barriere's Recycling Collection program under Recycle BC has been largely very successful since being put into active service in the spring of 2020.

The current curbside collection fees paid by Recycle BC to the District are summarized as follows:

- \$ 40.65 per curbside household per year (x 771 households in 2023) = approx. \$31,341.15
- \$1,997.50 approx. per year in Education & Admin top-up allowances.

The curbside collection fees provided in the 2025-2029 term are summarized as follows:

- \$ 71.10 per curbside household per year (x 788 households) = \$56,026.80
- \$ 31.20 per curbside multi-family household (x 19 units) = \$592.80
- \$4,010.00 approx. per year in Education & Admin top-up allowances.

Other than the fee changes, a summary of changes made to the new agreements is as follows:

- Added definitions and interpretations into the MSA for greater clarity
- Removal of redundant language, e.g. "Post-Collection Responsibilities"
- Material categories now use common language (Paper and Cardboard, Mixed Containers, Flexible Plastics, Glass Bottles and Jars, Foam Packaging)
- Removal of material definitions table, now linked to material list on Recycle BC website
- Added "epidemic" and "prolonged power failure" to Force Majeure
- General cleanup
  - improved definitions
  - increased clarity of responsibilities, actions, and language
  - removal of redundant or outdated language
  - simplification of requirements around customer service and reporting
- Not-Accepted Material rate change from 3% to 5%
- Bonus based on Not-Accepted Material rate vs. capture rate
- Added Flexible Plastics as a segregated material
- Added an annual adjustment to fee rates based on Consumer Price Index or cost study
- Changed "will..." to "may incur Service Level Failure Credits..."

**Recommendation: That Council direct the Acting Mayor and Corporate Officer to sign the Recycle BC Master Service and Statement of Work Agreements for the term of January 1, 2025 to December 31, 2029.**

Prepared by: *Tasha Buchanan, Corporate Officer*  
Reviewed by: *Daniel Drexler, CAO*

# MASTER SERVICES AGREEMENT

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This Master Services Agreement (this “**Agreement**”) is entered into as of January 1, 2025 (“**Effective Date**”)

BETWEEN:

**DISTRICT OF BARRIERE**, having a place of business at 4936 Barriere Town Rd, Barriere, BC V0E 1E0 (“**Contractor**”),

AND:

**MMBC RECYCLING INC.**, a not-for-profit company incorporated under the *Canada Not-for-profit Corporations Act*, carrying on business as Recycle BC (“**Recycle BC**”).

RECITALS:

- A. WHEREAS Recycle BC represents companies and organizations (“**Producers**”) that supply products in packaging and printed paper to residents of British Columbia obligated under the *Recycling Regulation* (the “**Regulation**”) under the *Environmental Management Act* (British Columbia);
- B. WHEREAS Recycle BC developed the Packaging and Printed Paper Stewardship Plan;
- C. WHEREAS the Packaging and Printed Paper Stewardship Plan was approved by the Director, Waste Management, Environmental Standards Branch, Ministry of Environment on April 15, 2013;
- D. WHEREAS Recycle BC is meeting Producers’ obligations under the Regulation by implementing the Packaging and Printed Paper Stewardship Plan, including through this Agreement; and
- E. WHEREAS Recycle BC wishes to receive, and Contractor wishes to provide, the services set out in this Agreement, and the parties wish to foster dialogue and a good business relationship in carrying out such services.

NOW THEREFORE, in consideration of the mutual covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Recycle BC and Contractor agree as follows:

## **SECTION 1. INTERPRETATION**

1.1. Definitions. In this Agreement, the following terms will have the following meanings:

“**Affiliate**” means any entity controlled by, controlling, or under common control with a party.

“**Agreement**” has the meaning set out on the first page of this document.

“**Applicable Law**” means any domestic or foreign law, rule, statute, subordinate legislation, regulation, by-law, order, ordinance, protocol, code, guideline, treaty, policy, notice, direction or judicial, arbitral, administrative, ministerial or departmental judgment, award, decree, treaty, directive, or other requirement or guideline published or in force at any time during the Term which applies to or is otherwise intended to govern or regulate any person (including any party), property, transaction, activity, event or other matter, including any rule, order, judgment, directive or other requirement or guideline issued by any governmental or regulatory authority.

“**Business Continuity Plan**” has the meaning set out in Section 4.5.

**“Business Day”** means any day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia.

**“Change”** has the meaning set out in Section 2.2.1.

**“Change Proposal”** has the meaning set out in Section 2.2.3.

**“Change Response”** has the meaning set out in Section 2.2.2.

**“Change Request”** has the meaning set out in Section 2.2.1.

**“Confidential Information”** means information of or relating to a party (the **“Disclosing Party”**) that has or will come into the possession or knowledge of the other party (the **“Receiving Party”**) whether such information is or has been conveyed verbally or in written or other tangible form, and whether such information is acquired directly or indirectly such as in the course of discussions or other investigations by the Receiving Party, that: (a) where Recycle BC is the Disclosing Party, is any information of Recycle BC or relating to its business or affairs including technical, financial and business information, ideas, concepts or know-how, Services performance and Services delivery reporting information, and the terms of this Agreement; and (B) where Contractor is the Disclosing Party, is limited to financial information of Contractor. However, Confidential Information does not include information that: (i) was already known to the Receiving Party, without obligation to keep it confidential, at the time of its receipt from the Disclosing Party; or (ii) is or becomes available to the public other than as a result of a breach hereof by the Receiving Party; provided that the foregoing exceptions will not apply with respect to any personal information that is subject to Privacy Laws.

**“Contractor”** has the meaning set out on the first page of this Agreement.

**“Designated Post-Collection Facility”** means the facility at which Contractor delivers Contractor-collected Inbound Material to the Designated Post-Collection Service Provider.

**“Designated Post-Collection Service Provider”** means the entity, designated by Recycle BC, to receive Contractor-collected Inbound Material.

**“Dispute”** has the meaning set out in Section 14.1.

**“Effective Date”** has the meaning set out on the first page of this Agreement.

**“Fees”** has the meaning set out in Section 5.1.

**“Flexible Plastics”** means material listed in the “Flexible Plastics” category of the Materials List.

**“Foam Packaging”** means material listed in the “Foam Packaging” category of the Materials List.

**“Force Majeure”** has the meaning set out in Section 15.3.

**“Glass Bottles and Jars”** means material listed in the “Glass Bottles and Jars” category of the Materials List.

**“Inbound Material”** has the meaning set out in Schedule 4.2.

**“Intellectual Property Rights”** means inventions, patents, copyrights, trademarks, industrial designs, integrated circuit topography rights, know-how, trade secrets, Confidential Information, and any other intellectual property rights whether registered or unregistered, and including rights in any application for any of the foregoing.

**“Key Personnel”** has the meaning set out in Section 6.2.

**“Labour Disruption”** has the meaning set out in Section 4.6.2.

**“Materials List”** means Recycle BC’s list of accepted materials which is incorporated herein by reference and available here: <https://recyclebc.ca/what-can-i-recycle/>.

**“Mixed Containers”** means material listed in the “Plastic Containers”, “Cartons and Paper Cups”, “Aluminum Containers” and “Steel Containers” categories of the Materials List.

**“Other Service Providers”** has the meaning set out in Section 11.2.

**“Packaging and Printed Paper”** or **“PPP”** means Paper and Cardboard, Mixed Containers, Glass Bottles and Jars, Flexible Plastics and Foam Packaging.

**“Paper and Cardboard”** means material listed in the “Paper” and “Paper Packaging and Cardboard” categories of the Materials List.

**“Privacy Laws”** has the meaning set out in Section 9.4.

**“Recycle BC”** has the meaning set out on the first page of this Agreement.

**“Recycle BC Policies and Standards”** has the meaning set out in Section 4.2.

**“Regulation”** has the meaning set out on the first page of this Agreement.

**“Representatives”** has the meaning set out in Section 9.1.

**“Service Level Failure”** has the meaning set out in Section 4.4.2.

**“Service Level Failure Credit”** has the meaning set out in Schedule 4.4.

**“Service Levels”** has the meaning set out in Section 4.4.1.

**“Services”** has the meaning set out in Section 2.1.

**“Statement of Work”** or **“SOW”** means any statement of work attached hereto or as may from time to time be issued hereunder.

**“Term”** has the meaning set out in Section 3.1.

**“Withheld Taxes”** has the meaning set out in Section 5.5.

**“Work Product”** means the deliverables to be created or provided to Recycle BC by Contractor pursuant to any Statement of Work and any data, records, and reports that have been prepared, created, written or recorded in performance of the Services, whether by Contractor, Recycle BC, or Contractor and Recycle BC together.

1.2. Interpretation.

1.2.1. The terms ‘including’ and ‘includes’ are not terms of limitation.

1.2.2. Any capitalized term used in this Agreement that is not defined herein will have the generally accepted industry or technical meaning given to such term.

- 1.2.3. In this Agreement, words importing the singular number will include the plural and vice versa, and words importing the use of any gender will include the masculine, feminine and neuter genders and the word “person” will include an individual, a trust, a partnership, a body corporate, an association or other incorporated or unincorporated organization or entity.
- 1.2.4. The headings in this Agreement are solely for convenience of reference and will not be used for purposes of interpreting or construing the provisions hereof.
- 1.2.5. Unless otherwise provided for herein, all monetary amounts referred to herein will refer to the lawful money of Canada.
- 1.2.6. When calculating the period of time within which or following which any act is to be done or step taken pursuant to this Agreement, the date which is the reference date in calculating such period will be excluded. If the last day of such period is not a Business Day, then the time period in question will end on the first Business Day following such non-Business Day.
- 1.2.7. Any references in this Agreement to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body, including any Applicable Law, will be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.
- 1.3. Schedules. As of the Effective Date, the following Schedules form part of this Agreement (note that Schedule numbering is not sequential and is based on a related section reference):

<b>Schedule</b>	<b>Description</b>
Schedule 2.1(a)	– Statement of Work for Curbside Collection Services Provided by Local Government
Schedule 2.1(b)	– Statement of Work for Multi-Family Building Collection Services Provided by Local Government
Schedule 2.1(g)	– Statement of Work for Consolidation and Transfer Services
Schedule 4.2	– Recycle BC Policies and Standards
Schedule 4.4	– Service Level Methodology
Schedule 12.1	– Insurance Requirements

- 1.4. Priority. In the event of any inconsistency between any of the provisions of the main terms and conditions of this Agreement, any Schedule that is not a Statement of Work, and any Statement of Work, the inconsistency will be resolved by reference to the following descending order of priority: (i) Section 1 through Section 15 of this Agreement; (ii) the Schedules annexed to this Agreement that are not Statements of Work; and (iii) the applicable Statement of Work, except to the extent a Statement of Work expressly states that it is intended to have priority over the main body of this Agreement or a Schedule referred to in subsection (ii), in which case the Statement of Work will have priority but solely with respect to such Statement of Work.

## **SECTION 2. SCOPE OF SERVICES**

- 2.1. Services. Contractor will perform the services set out in each Statement of Work, including the delivery of any Work Product, and any services that are inherent, necessary, or customarily provided as part of those services (collectively, the “**Services**”), all in accordance with the terms and conditions of this Agreement and the applicable Statement of Work, which shall be appended hereto as part of Schedule 2.1. Each Statement of Work will be effective, incorporated into and form a part of this Agreement when mutually accepted and duly executed by both parties.

## 2.2. Changes.

- 2.2.1. Recycle BC may, at any time and from time to time, request additions, deletions, amendments or any other changes to the Services set out in any Statement of Work or the manner in which such Services shall be performed (a “**Change**”) by issuing a “**Change Request**”. Contractor acknowledges that Recycle BC may be dependent on Contractor for the provision of the Services and, accordingly, acknowledges and agrees that Contractor shall be required to make a good faith Change Proposal (as defined below).
- 2.2.2. Contractor will provide an initial response to any Change Request (a “**Change Response**”) within twenty (20) Business Days following receipt of such Change Request, such response to indicate whether Contractor is able to implement such Change Request. If is not technically possible for Contractor to implement the Change Request, the parties will, on Recycle BC’s request, meet to discuss, in good faith, whether it would be technically possible for Contractor to implement the Change Request.
- 2.2.3. Unless the parties have agreed that it would not be technically possible for Contractor to implement a Change Request, Contractor will provide a detailed proposal (a “**Change Proposal**”) within thirty (30) Business Days of providing the Change Response. Such Change Proposal must include details with respect to the implementation of the Change Request and details of any costs or other changes required to this Agreement or the applicable Statement of Work to comply with the Change Request.
- 2.2.4. Contractor may, at any time and from time to time, request a Change by delivering a Change Proposal (which proposal may be in the form of a business case) to Recycle BC.
- 2.2.5. If Recycle BC, in its sole discretion, accepts a Change Proposal, an authorized Recycle BC representative will provide Contractor with written approval of Recycle BC’s acceptance in the form of an executed change order. If Recycle BC does not accept a Change Proposal, the parties will, on Recycle BC’s request, negotiate in good faith the terms pursuant to which the parties may agree to implement the proposed Change. For the avoidance of doubt, Contractor will not implement any Change to any Statement of Work without Recycle BC’s prior written approval.
- 2.2.6. Contractor will make requested Changes at no additional charge to Recycle BC unless implementing the Change will require Contractor to incur material additional costs, in which case Contractor will deal transparently with Recycle BC, including that Contractor will make available to Recycle BC all supporting information and documentation reasonably requested by Recycle BC that relates to the pricing of the proposed Change.
- 2.3. Non-Exclusive. Neither this Agreement nor any Statement of Work will grant Contractor exclusivity of supply unless expressly stated otherwise, with reference to this Section, in the applicable Statement of Work (and in no event will the scope of such exclusivity extend beyond the scope of Services under such Statement of Work).

## **SECTION 3. DURATION**

- 3.1. Term of Agreement. This Agreement will commence on the Effective Date and will continue until the expiration or termination of the last Statement of Work under this Agreement (the “**Term**”).
- 3.2. Term of Statement of Work. Each Statement of Work will set out the term of the Statement of Work and any terms and conditions relating to the renewal of the Statement of Work.



## SECTION 4. SERVICE STANDARDS

- 4.1. Performance. Contractor warrants that Contractor will perform, or cause to be performed (including through appropriate supervision and inspection), the Services and otherwise fulfill its obligations hereunder honestly and in good faith, exercising reasonable skill, care and diligence, in accordance with recognized professional and North American industry standards, practices, and methods, in the applicable jurisdiction, in a timely manner and in accordance with the terms and conditions of this Agreement and any Statement of Work, having regard for the concerns, needs, and interests of residents and the environment. Except where otherwise set out in the Agreement, all weighing and measurement to be performed by Contractor will be made in accordance with the Recycle BC Policies and Standards on weights and measurements identified in Schedule 4.2.
- 4.2. Contractor to Comply with Recycle BC Policies and Standards. Contractor will comply at all times with all terms and requirements set out in the policies and standards set out in Schedule 4.2, as such policies and standards may be updated by Recycle BC from time to time, and such other policies and standards that Recycle BC brings to the attention of Contractor from time to time (collectively, "**Recycle BC Policies and Standards**"). Notice of updating of, or new, Recycle BC Policies and Standards may be made by Recycle BC by e-mail to the address set out in Section 15.5 (as such address may be updated pursuant to Section 15.5) and, notwithstanding Section 15.5, such notice will be deemed duly given when so e-mailed, without the need to confirm receipt. If compliance with updated or new Recycle BC Policies and Standards would require a Change and would require Contractor to incur material additional costs, then Contractor may request a Change pursuant to Section 2.2.4 for the implementation of the updated or new Recycle BC Policies and Standards; provided that Contractor must make any such request within thirty (30) days of Recycle BC providing notice of the updated or new Recycle BC Policies and Standards.
- 4.3. Compliance with Law. Contractor will perform its obligations under this Agreement in a manner that complies with all Applicable Laws, including:
- (a) the *Employment Standards Act* (British Columbia);
  - (b) the *Workers' Compensation Act of the Province* (British Columbia) and the *Occupational Health and Safety Regulations* thereunder;
  - (c) the *Environmental Management Act* (British Columbia); and
  - (d) the *Waste Management Act* (British Columbia).
- 4.4. Service Levels.
- 4.4.1. Contractor will continuously monitor each Service in order to identify, measure and report and correct problems and to ensure that Contractor is meeting or exceeding the following service levels (the "**Service Levels**"):
- (a) all service levels set out in this Agreement, including in the applicable Statement of Work; and
  - (b) if no service level is provided for a Service or component thereof, all performance levels and measurements for such Service or component that are industry best practices,
- provided that in the event of a conflict between any service levels, the highest service level standard will apply. Contractor will notify Recycle BC in writing immediately if Contractor knows that Contractor has failed, or believes Contractor will fail, to achieve a Service Level.

- 4.4.2. Contractor recognizes that Contractor's failure to meet a Service Level (each such failure a "**Service Level Failure**") will have a material adverse impact on the business and operations of Recycle BC and that damages resulting from a Service Level Failure may not be capable of precise determination. As such (and without limiting Recycle BC's rights or remedies), Recycle BC will be entitled to any express remedies for Service Level Failures that may be set out in Schedule 4.4 or the applicable Statement of Work. Contractor agrees that it is obligated to meet all Service Levels, even if no express remedy for a failure to meet such Service Level is provided in Schedule 4.4 or in a Statement of Work.
- 4.4.3. In the event of a Service Level Failure in respect of a Service Level expressly set out in a Statement of Work, Contractor will credit to Recycle BC the applicable Service Level Failure Credit set out in such Statement of Work. Contractor agrees that Service Level Failure Credits compensate Recycle BC in part for the reduced value of the Services actually provided by Contractor (and not as a penalty or exclusive liquidated damages). Contractor agrees that the Service Level Failure Credits are only partial compensation for the damage that may be suffered by Recycle BC as a result of Contractor's failure to meet a Service Level and that payment of any Service Level Failure Credit is without prejudice to any entitlement Recycle BC may have to damages or other remedies under this Agreement, at law or in equity. Service Level Failure Credits will be due regard-less of the manner in which the Service Level Failure is identified (including where reported by Contractor or identified by Recycle BC).
- 4.4.4. Upon Recycle BC's request, and in any event at least once per year, Recycle BC will meet with Contractor (which meeting may be in person or by phone as determined by Recycle BC) to review and discuss Contractor's performance level of the Services and Service Levels.
- 4.5. Contingency Planning. Without limiting Contractor's liability for performance of its obligations under this Agreement, Contractor will implement and maintain throughout the Term such contingency measures as may be appropriate, in Recycle BC's sole discretion (acting reasonably), including a comprehensive business continuity plan (the "**Business Continuity Plan**"), to continue the performance of its obligations under this Agreement under various scenarios including equipment failure, fuel shortage, strike, road closures (including due to weather, construction or otherwise), fire, pandemic, quarantine, and natural disasters. Recycle BC will have the right, upon demand from time to time, to review the Business Continuity Plan. Contractor will update its Business Continuity Plan at least once each year and in the event of any material change in operations or circumstance. Contractor will invoke its Business Continuity Plan where necessary due to any incident or event, including an event of Force Majeure, that has the potential to have a material impact on Contractor's ability to provide any material part of the Services for any material period of time, or upon the request of Recycle BC. Without limiting Contractors' obligations under this Agreement, whenever an incident or event that invokes the Business Continuity Plan also impacts other services provided by Contractor, and as a result Contractor is allocating resources or implementing temporary service changes or workarounds, Contractor will treat Recycle BC and the Services no less favourably than: (i) where Contractor is a local government, any other non-essential services it provides, or (ii) where Contractor is not a local government, any of its other customers, in each case in the allocation of such resources or in the implementation of such temporary service changes or workarounds.
- 4.6. Labour Disruption.
- 4.6.1. Contractor will provide Recycle BC with at least thirty (30) days prior written notice of the expirations of any labour agreement and, as soon as reasonably possible after providing such notice, Contractor will provide an assessment of the likelihood of a Labour Disruption (as defined below) in connection with the expiry of such labour agreement.
- 4.6.2. In the event that a labour disruption of any kind causes a reduction in Service Levels (a "**Labour Disruption**"), Contractor will inform Recycle BC within four (4) hours by phone and e-mail of the

nature and scope of the disruption, as well as Contractor's immediate plans to invoke any or all of its Business Continuity Plan.

- 4.6.3. Without limiting Contractor's obligations under this Agreement, where a Labour Disruption also impacts other services provided by Contractor, and as a result Contractor is allocating resources or implementing temporary service changes or workarounds, Contractor will treat Recycle BC no less favourably than any of its other customers, in the allocation of such resources or in the implementation of such temporary service changes or workarounds (for example, if Contractor provides collection Services hereunder and other collection services, and Contractor proposed to provide temporary drop-off sites in respect of its other collection services, then Contractor will also propose to provide such sites in respect of the Services hereunder).
- 4.6.4. Recycle BC will have the right to make a proportionate reduction to any Fees to reflect the value of any Services not received by Recycle BC due to a Labour Disruption.
- 4.6.5. In the event that a Labour Disruption lasts more than three (3) collection cycles (i.e. bi-weekly), and for so long as the Labour Disruption continues, Recycle BC will have the right to suspend payment of Fees (defined below) and terminate this Agreement or any Statements of Work, for cause, immediately upon delivery of written notice of termination by Recycle BC to Contractor.

## **SECTION 5. PAYMENT**

- 5.1. Fees. In consideration of the complete and proper fulfillment of Contractor's obligations in accordance with the terms and conditions of this Agreement, Recycle BC will pay Contractor the amounts set forth in any Statement of Work (the "**Fees**"). Except as expressly set out in a Statement of Work, there will be no other amounts payable by Recycle BC to Contractor in respect of the Services or this Agreement, including any amounts for expenses or costs of travel, personnel, fuel, equipment or facilities relating to the Services or this Agreement.
- 5.2. Set-Off. Recycle BC may set-off and deduct from any amounts payable to Contractor: (a) any amounts owing by Contractor to Recycle BC pursuant to this Agreement or any other agreement between Contractor and Recycle BC that deals with the Services, including any Service Level Failure Credits; and (b) any costs incurred by Recycle BC in collecting any amounts owing by Contractor to Recycle BC pursuant to this Agreement or any other agreement between the parties that deals with the Services. The failure by Recycle BC to set-off or deduct any amount from an invoiced payment will not constitute a waiver of Recycle BC's right to set-off, deduct or collect such amount.
- 5.3. Invoicing.
  - 5.3.1. Unless otherwise set out in a Statement of Work, Contractor will submit claims using the Recycle BC claims reporting portal, or through such other method as Recycle BC may designate. Recycle BC will review submitted claims and will issue a purchase order to Contractor for valid approved claims.
  - 5.3.2. After receipt of a purchase order from Recycle BC, Contractor will invoice Recycle BC for the validated claim, with reference to the issued purchase order; provided that Recycle BC may, in its discretion, choose to issue payment to the Contractor based on the approved purchase order without the need for Contractor to submit an invoice. Where invoices are required by Recycle BC, Contractor will invoice Recycle BC using the contact information provided by Recycle BC for such purpose (as may be updated by Recycle BC from time to time).
  - 5.3.3. Where applicable as may be set out in a Statement of Work, Contractor must submit all claims within thirty (30) days of the performance of the applicable Services, and all invoices (where required to be submitted by Recycle BC) within thirty (30) days of the purchase order date. In no

event will Recycle BC be liable for payment of any claim submitted more than ninety (90) days after the performance of the applicable Services, or payment of any invoice submitted more than ninety (90) days after the purchase order date.

- 5.4. Taxes. Except where otherwise noted, the Fees exclude all applicable sales, goods and services, value added, use or other commodity taxes that may be lawfully imposed upon the Services; where Contractor clearly and separately itemizes such taxes on Contractor's invoice to Recycle BC, Recycle BC will pay and Contractor will remit such taxes to the appropriate taxing authority. On request, Contractor will provide reasonable assistance to Recycle BC to challenge the validity of any tax imposed on it due to this Agreement. If it is determined that Recycle BC paid Contractor an amount for tax that was not due, Contractor will refund the amount to Recycle BC. The parties will cooperate with each other to enable each party to determine its tax liabilities accurately and to reduce such liabilities to the extent permitted by Applicable Law.
- 5.5. Withholding Taxes. Recycle BC may deduct or withhold from any payment(s) made to Contractor any amount that Recycle BC is required to deduct or withhold in accordance with Applicable Law, including administrative practice ("**Withheld Taxes**") and will remit such Withheld Taxes to the appropriate taxing authority in a timely manner. All such Withheld Taxes will be treated as having been paid to Contractor by Recycle BC.
- 5.6. Payment. Subject to the terms and conditions of this Agreement and any Statement of Work, Recycle BC will pay Contractor, via electronic funds transfer, the undisputed Fees for the Services within thirty (30) days of the purchase order date. Contractor will provide Recycle BC with complete and accurate billing and contact information, including all information required by Recycle BC to effect electronic funds transfers and a billing email address to which Recycle BC may send submission reports and purchase orders. Contractor will promptly provide Recycle BC with any updates to such billing and contact information.
- 5.7. No Volume Commitment. Notwithstanding anything to the contrary in the Agreement, Contractor acknowledges that Recycle BC makes no representation or warranty as to the nature, timing, quality, quantity or volume of Services required from Contractor under this Agreement or the compensation that may be earned by Contractor, including as to any amounts of materials to be collected or managed through post-collection services by a Contractor.

## **SECTION 6. PERSONNEL**

- 6.1. Suitable Personnel. Upon Recycle BC's request, Contractor will promptly investigate any written complaint from Recycle BC regarding any unsatisfactory performance by any of Contractor's personnel (including employees of a subcontractor or agent) and take immediate corrective action. If the offending conduct is repeated, and Contractor is not restricted by a collective agreement from doing so, Recycle BC may require that such person be removed from all performance of additional work for Recycle BC. Removal of such person will be addressed by Contractor immediately.
- 6.2. Key Personnel. During the term of each Statement of Work, Contractor will not remove any of the persons identified as "**Key Personnel**" in such Statement of Work (or their replacements) except (a) for cause or (b) if such person is replaced at the time of removal by personnel approved in advance by Recycle BC acting reasonably, it being understood that any such replacement shall have applicable ability, experience and expertise equal to or greater than the person being replaced. If any Key Personnel (or their replacement) ceases to serve in the applicable role for any reason whatsoever, Contractor shall (i) notify Recycle BC in writing within five (5) Business Days and (ii) use commercially reasonable efforts to replace such person with personnel approved in advance by Recycle BC acting reasonably, and shall provide Recycle BC with the updated contact information as soon as it is available, it being understood that any such replacement shall have applicable ability, experience and expertise equal to or greater than the person being replaced.

- 6.3. Subcontracting. Contractor will not delegate or subcontract all or any part of Contractor's obligations under this Agreement to anyone without the prior written consent of Recycle BC (not to be unreasonably withheld), including that Recycle BC's prior written consent is required by Contractor to continue to delegate or subcontract to a person following a change in control (including a sale of all or substantially all assets) of such person. The delegation or subcontracting of all or any part of Contractor's obligations under this Agreement will not relieve Contractor from any obligation or liability hereunder. Any breach of this Agreement by any delegate or subcontractor will be deemed to be a breach of this Agreement by Contractor.

## **SECTION 7. REPORTING AND AUDIT**

- 7.1. Record Keeping. During the Term and thereafter until the later of three (3) years (or such longer period as may be required by Applicable Law) or the date all Disputes or other matters relating to this Agreement are resolved, Contractor will keep and maintain complete and accurate data, records, and documents in accordance with generally accepted accounting principles consistently applied to support and document all claims and amounts becoming payable to Contractor by Recycle BC hereunder, and all data, records, and documents relating to the performance of the Services, and compliance with Contractor's obligations under this Agreement.
- 7.2. Reporting. In addition to any other reporting obligations under this Agreement or a Statement of Work, Contractor will provide the following reporting to Recycle BC:
- (a) at least quarterly (or such other period as may be set out in a Statement of Work), Contractor will report, through Recycle BC's claims reporting portal, or through such other method as Recycle BC may designate, the reporting information set out in the applicable Statement of Work for Services performed. Such reporting may include applicable sites, amount, type, or weight of materials and service dates;
  - (b) upon such frequency as Recycle BC may request (but not more frequently than monthly), reports pertaining to the performance of the Services and Contractor's other obligations under this Agreement reasonably sufficient to permit Recycle BC to monitor and manage Contractor's performance; and
  - (c) such additional reports as Recycle BC may reasonably identify from time to time to be generated and delivered by Contractor on an ad-hoc or periodic basis.
- 7.3. Audit.
- 7.3.1. Without limiting any other audit right, during the Term and for the period Contractor is required to comply with Section 7.1, Recycle BC (or its audit representative) will have the right upon reasonable prior written notice to audit and inspect: (a) any site, facility, vehicle, or equipment relating to the performance of the Services; and (b) all data, records, documentation and other information of Contractor relating to this Agreement or the Services, in order to verify Contractor's performance and compliance with its obligations under this Agreement, including that Recycle BC (or its audit representative) may conduct a financial audit to verify the amounts paid or payable by Recycle BC hereunder. If any audit reveals that Recycle BC has been overbilled, Contractor will reimburse the overcharged amount to Recycle BC. If the overbilled amount exceeds five percent of the total amounts charged during the time period audited, Contractor will bear all of Recycle BC's costs in relation to such audit.
- 7.3.2. Without limiting any other audit right, during the Term and for the period Contractor is required to comply with Section 7.1, Contractor will make the data, records, and documents retained pursuant to Section 7.1 available for inspection or audit by Recycle BC (or its audit representative) upon Recycle BC's request.

- 7.3.3. Without limiting any other audit right, during the Term, Recycle BC (or its audit representative) may conduct composition studies, without notice, of any materials collected, transported, processed, or otherwise handled under this Agreement, at any stage of the Services and regardless of the location of such materials.
- 7.3.4. Contractor will co-operate with and provide to Recycle BC (or its audit representative) such reasonable assistance as they require in order to exercise the rights set out in this Section 7.3. Contractor will ensure that it has agreements in place with all subcontractors to enable Recycle BC (or its audit representative) to directly exercise the audit rights under this Section 7.3 in respect of such subcontractor.

## **SECTION 8. REPRESENTATIONS AND WARRANTIES**

- 8.1. Contractor Representations and Warranties. Contractor represents and warrants to and covenants with Recycle BC that:
- (a) it is duly incorporated, validly existing, and in good standing under the laws of its jurisdiction of incorporation, and is duly qualified to do business in all jurisdictions in which qualification is necessary in order to transact its business and perform its obligations set out in this Agreement;
  - (b) it has full power, authority, and right to execute and deliver this Agreement, to make the representations, warranties, and covenants set out herein, and to perform its obligations under this Agreement in accordance with its terms;
  - (c) this Agreement has been validly executed by an authorized representative of Contractor, and constitutes a valid and legally binding and enforceable obligation of Contractor;
  - (d) it has and will, at its own expense, procure all permits, certificates and licenses required by Applicable Law for the performance of the Services;
  - (e) the representations, warranties, covenants, claims, inducements, and agreements made by Contractor in Contractor's written response to any procurement process related to the Services or this Agreement are true and correct as of the Effective Date, including those in any proposal submitted in response to a request for proposals and any statements or claims in any completed and submitted questionnaire in response to any offer of a collection fee; and
  - (f) it has not given and will not give commissions, payments, kickbacks, gifts, lavish or extensive entertainment, or other inducements of more than minimal value to any employee or agent of Recycle BC in connection with this Agreement and, to the best of its knowledge, no officer, director, employee, agent or representative of Contractor has given any such commissions, payments, kickbacks, gifts, entertainment or other inducements to any employee or agent of Recycle BC.

## **SECTION 9. CONFIDENTIALITY**

- 9.1. Confidentiality Covenant. The Receiving Party will: (i) take all measures reasonably required to maintain the confidentiality and security of the Confidential Information of the Disclosing Party; (ii) not use or reproduce Confidential Information for any purpose, other than as reasonably required to exercise or perform its rights or obligations under this Agreement; (iii) not disclose any Confidential Information other than to employees, agents or subcontractors of the Receiving Party ("**Representatives**") to the extent, and only to the extent, they have a need to know the Confidential Information in order for Receiving Party to exercise its rights or perform its obligations under this Agreement and who are bound by a legal obligation to protect the received Confidential Information from unauthorized use or disclosure; and (iv) be responsible for any breach of this Agreement by any of its Representatives.

- 9.2. Legal Requirement. Notwithstanding Section 9.1, the Receiving Party may disclose Confidential Information of the Disclosing Party to the extent required by a court of competent jurisdiction or other governmental authority or otherwise as required by Applicable Law, provided that, unless prohibited by Applicable Law, the Receiving Party gives the Disclosing Party an opportunity to oppose the disclosure or to seek a protective order protecting such Confidential Information prior to any such disclosure.
- 9.3. Return of Confidential Information. Upon expiry or termination of this Agreement, or upon request by the Disclosing Party, the Receiving Party will return to the Disclosing Party, or irrecoverably destroy, any Confidential Information of the Disclosing Party.
- 9.4. Privacy Laws. Contractor will not access, collect, use, disclose, dispose of or otherwise handle information of or about individuals that is subject to Applicable Laws relating to privacy (“**Privacy Laws**”) in the performance of its obligations under this Agreement, except: (a) to the extent necessary to perform the Service; (b) in accordance with all Privacy Laws; and (c) in a manner that enables Recycle BC to comply with all Privacy Laws, including that Contractor will obtain appropriate consents from the applicable individuals to allow Contractor and Recycle BC to exercise their rights and to perform their obligations under this Agreement as they relate to such information. Unless prohibited by Applicable Law, Contractor will immediately notify Recycle BC of any demand, or request by a third party (including any government or a regulatory authority) for the disclosure of any information of Recycle BC that is subject to Privacy Laws, and, to the maximum extent permitted by law, will oppose, seek judicial relief of and appeal any such demand or request. Contractor will immediately notify Recycle BC if Contractor becomes aware that Contractor has failed to comply with Privacy Laws in connection with the performance of this Agreement.

## **SECTION 10. PROPRIETARY RIGHTS**

- 10.1. Ownership. Except as otherwise specifically provided in any Statement of Work, or as otherwise agreed to by the parties in writing, the Work Product, together with any Intellectual Property Rights therein, will be owned by Recycle BC; accordingly, Contractor will assign and hereby assigns to Recycle BC all rights, title and interest it may have from time to time in the Work Products effective upon creation. During the Term, Contractor will have a non-exclusive, non-transferable license to use the Work Products for the sole purpose of providing and completing the Services. Contractor will obtain from all individuals involved in the development of the Work Product an express and irrevocable waiver in favour of Recycle BC, its successors and assigns of any and all moral rights arising under the *Copyright Act (Canada)* as amended (or any successor legislation of similar force and effect) or under similar legislation in other jurisdictions or at common law that Contractor or such individuals, as authors, have with respect to the Work Products. Notwithstanding the foregoing, Recycle BC shall not acquire any Intellectual Property Rights with respect to Contractor’s tools, equipment, methodologies, questionnaires, responses, and proprietary research and data, as well as any and all computer software, code or codes and technology, used by Contractor in connection with the provision of the Services under this Agreement that is created or acquired prior to the Effective Date or otherwise created or acquired independent of the Services (“**Contractor Background IP**”). Contractor hereby grants to Recycle BC a perpetual, worldwide, fully-paid, and sub-licensable license to the Contractor Background IP as necessary for Recycle BC to exercise its rights in and to the Work Product and otherwise use the Services and obtain the rights granted to Recycle BC under this Agreement. All Work Product in the possession of Contractor will be promptly delivered to Recycle BC following termination of this Agreement or at such other time as Recycle BC may reasonably request.

## **SECTION 11. INDEMNITY**

- 11.1. Indemnity. Contractor will indemnify and save harmless Recycle BC, its Affiliates, and their respective directors, officers, contractors, employees, volunteers, and agents from and against any and all manner of actions or causes of actions, damages, costs, losses or expenses of whatever kind (including related legal fees on a solicitor and client basis) which may be sustained or incurred

by reason of or directly or indirectly arising out of any act or omission of Contractor or any person for whom the Contractor is, at law or under this Agreement, responsible, in relation to the Services or this Agreement, including those arising out of any (i) breach of this Agreement; (ii) damages to persons or property, personal injury or death; (iii) breach of Applicable Law; (iv) spill, leak, contamination, or other environmental damage; or (v) infringement, violation or misappropriation of any third party's right, including any Intellectual Property Right.

- 11.2. Available Remedies. If Contractor sustains damage in the course of performing the Services that is caused by another contractor of Recycle BC with whom Contractor is obligated under this Agreement to interact with directly (an "**Other Service Provider**"), Recycle BC will, upon Contractor's reasonable and good faith request, use commercially reasonable efforts to exercise, for Contractor's benefit, such contractual remedies of indemnification or receipt of Service Level Failure Credits as Recycle BC may have with the Other Service Provider that apply to the damage sustained by Contractor and the event which caused the damage; provided that Contractor: (i) has first used reasonable efforts to address the damage directly with the Other Service Provider, including exercising direct remedies Contractor may have under Applicable Law, contract or otherwise; and (ii) will have a duty to mitigate its damages.

## **SECTION 12. INSURANCE AND PERFORMANCE BOND**

- 12.1. Insurance. During the Term, and for any additional period following the end of the Term set out in Schedule 12.1, Contractor will have and maintain in force in Canada, and will cause it subcontractors to have and maintain in force in Canada, at a minimum, the insurance coverages set out in Schedule 12.1, and Contractor will (and will cause its subcontractors to) otherwise comply with the provisions of Schedule 12.1. Failure to secure or maintain such insurance coverage, or the failure to comply fully with any of Schedule 12.1 will be deemed to be a material breach of this Agreement. None of the requirements contained herein as to types, limits and approval of insurance coverage to be maintained by Contractor are intended to and will not in any manner limit the liabilities and obligations assumed by Contractor under this Agreement.
- 12.2. Performance Bond. Contractor will comply with any performance bond requirements that may be set out in a Statement of Work.

## **SECTION 13. TERMINATION**

- 13.1. Termination for Convenience. Either party may, at any time and without cause, terminate this Agreement or any Statements of Work for convenience upon giving the other party one hundred eighty (180) days' prior written notice (or such shorter amount of notice as mutually agreed in writing by the parties).
- 13.2. Termination by Recycle BC for Cause. Recycle BC may elect to terminate this Agreement or any Statements of Work by providing written notice of such termination, effective immediately or at such other time set out in the notice of termination, to Contractor in the event that:
- (a) Contractor becomes subject to proceedings in bankruptcy or insolvency, voluntarily or involuntarily, if a receiver is appointed with or without Contractor's consent, if Contractor assigns its property to its creditors or performs any other act of bankruptcy or if the other party becomes insolvent and cannot pay its debts when they are due;
  - (b) Contractor commits a material breach of this Agreement and does not cure such breach within thirty (30) days of receipt of notice thereof from Recycle BC;
  - (c) Contractor fails to provide all or a material portion of the Services for a consecutive period of more than seven (7) days, unless this is a result of a Labour Disruption or Force Majeure as per Section 4.6;



- (d) Contractor's performance creates a hazard to public health or safety or to the environment;
  - (e) Contractor is assessed five separate Service Level Failure Credits during any rolling six (6) month period; or
  - (f) any other termination right described in this Agreement or a Statement of Work is triggered.
- 13.3. Termination by Contractor for Cause. Contractor may elect to terminate this Agreement or any Statement of Work by providing written notice of such termination, effective immediately, to Recycle BC in the event that Recycle BC fails to pay undisputed Fees, as they become due, in the preceding three months and Recycle BC does not cure such non-payment within sixty (60) days of receipt of notice thereof from Contractor.
- 13.4. Change in Applicable Law. Recycle BC may elect to terminate this Agreement or any Statement of Work by providing written notice of such termination, effective immediately or at such other time set out in the notice of termination, to Contractor in the event that there is a material change in Applicable Law applicable to Recycle BC or the Services, including if there is a material change to an approved plan under the Regulation or if any new plan (whether submitted by Recycle BC or any other person) is approved thereunder.
- 13.5. Disruption of Service. The parties expressly agree that the failure or inability of Contractor to perform its obligations under this Agreement will constitute a breach hereunder, and that any costs and expenses reasonably incurred by Recycle BC for any replacement services as a result of such a failure or inability will be considered direct damages hereunder.
- 13.6. Termination Obligations and Assistance. Upon termination or expiration of this Agreement, Contractor will cooperate with Recycle BC to ensure the orderly wind down of the Services including, if requested by Recycle BC, continuing to provide such Services as are necessary to ensure an orderly transfer of the Services following termination of this Agreement on terms and conditions acceptable to each of the parties acting reasonably. Upon receipt of a notice of termination by either party under this Section 13 (Termination), Contractor will prepare its statement of account on the basis of the effective date of termination specified in the notice, and immediately return all Work Product to Recycle BC, whether completed or not.
- 13.7. Survival. The following sections will survive the expiration or termination of this Agreement, regardless of the reasons for its expiration or termination, in addition to any other provision which by law or by its nature should survive: Section 9 (Confidentiality), Section 11 (Indemnity), Section 12 (Insurance and Performance Bond), Section 14 (Dispute Resolution) and Section 15 (General Provisions) in their entirety, and Sections 7.1, 7.3, 10.1, 13.6, and 13.7. The expiry or termination of this Agreement will not affect the rights of any party to make a claim for damages arising from a breach of any provision of this Agreement which occurred prior to such expiry or termination.

## **SECTION 14. DISPUTE RESOLUTION**

- 14.1. Disputes. Any dispute that touches upon 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 (a "**Dispute**"), between Recycle BC and Contractor will be addressed as follows:
- (a) The parties will first attempt to resolve the Dispute through representatives from each of Recycle BC and Contractor who work most closely with each other on related matters, within fifteen (15) days after written notice of the Dispute was first given, or as otherwise agreed upon.

- (b) If the Dispute is not resolved in accordance with Section 14.1(a), either party may escalate the Dispute to the senior Recycle BC and Contractor representatives, who will meet and work together in good faith to attempt to resolve the Dispute within a further fifteen (15) days, or as otherwise agreed upon.
- (c) If the Dispute is not resolved in accordance with Section 14.1(b), then either party may escalate the Dispute to 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 forty-five (45) days from the point at which a party escalated the Dispute to non-binding third party mediation, either party may escalate the Dispute by delivering a written notice to the other party referring the matter to binding arbitration.
- (d) If the Dispute is not resolved in accordance with Section 14.1(c) 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 auspices and rules of the British Columbia Arbitration & Mediation Institute. 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 Recycle BC and Contractor as the case may be. The parties will mutually agree on an arbitrator, 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.
- (e) Notwithstanding anything to the contrary in this Section 14.1, either party may start litigation proceedings in a court of law at any time for an application for a temporary restraining order or other form of injunctive relief and each party hereby attorns to the non-exclusive jurisdiction of the courts of the province of British Columbia for such purpose.

## **SECTION 15. GENERAL PROVISIONS**

- 15.1. Relationship of the Parties. It is acknowledged by the parties hereto that the Contractor is being retained by Recycle BC in the capacity of independent contractor and not as an employee of Recycle BC. The Contractor and Recycle BC acknowledge and agree that this Agreement does not create a partnership, joint venture, agency, or other special relationship between them. Except as may be specified in writing, neither party will have the power to obligate or bind the other party. Personnel supplied by Contractor will work exclusively for Contractor and will not be considered employees or agents of Recycle BC for any purpose.
- 15.2. Assignment. This Agreement may not be assigned by either party in whole or in part, without the other party's prior written consent, except that Recycle BC may assign this Agreement without Contractor's consent to a person with an approved plan under the Regulation, or who otherwise has obligations similar to those of Recycle BC or one or more Producers under any successor regulation or legislation, or to a person as part of a corporate reorganization of Recycle BC. Any attempt by a party to assign all or any part of this Agreement without prior written consent (where such consent is required) is void. Any assignment occurring by operation of law such as on a bankruptcy or amalgamation will be deemed to be an assignment and will be subject to this Section 15.2.
- 15.3. Force Majeure. Neither party to this Agreement or any Statement of Work 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 an act of God, natural disaster, earthquake, fire, flood, war, riot, civil disturbance, epidemic, prolonged power failure or court or governmental order beyond such party's reasonable control ("**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 or any Statement of Work. If Contractor's failure or delay in fulfilling its obligations under this Agreement due to a Force Majeure Event exceeds [30] days, then Recycle BC may immediately terminate this Agreement in whole or in part by giving written notice of termination.

15.4. Governing Law. This Agreement and any Statement of Work will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein without regard to conflicts of law that would apply a different body of law. Subject to Section 14 (Dispute Resolution), the parties hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of British Columbia for any legal proceedings arising out of this Agreement, any Statement of Work or the performance of the obligations hereunder.

15.5. Notices. All notices, requests, demands or other communications 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) by e-mail (with receipt confirmed), (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 Contractor:

District of Barriere  
4936 Barriere Town Rd  
Barriere, BC V0E 1E0

E-mail: [tbuchanan@barriere.ca](mailto:tbuchanan@barriere.ca)

Attention: Tasha Buchanan

To Recycle BC:

MMBC Recycling Inc.  
405-221 West Esplanade  
North Vancouver, BC V7M 3J3

E-mail: [agreements@recyclebc.ca](mailto:agreements@recyclebc.ca)

Attention: Director, Collection Recycle BC

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

15.6. 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.

15.7. No Publicity. Contractor will not use the name or trademarks of Recycle BC nor make any statement or issue any advertisement, publicity release, press releases to the public or the media with respect to this Agreement or Recycle BC, unless it has obtained Recycle BC's prior written approval, including that Contractor will not disclose or otherwise publicly report on any Service performance metrics (including volumes of material collected or processed).

- 15.8. 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.
- 15.9. Severability. If any provision, or portion thereof, of this Agreement or any Statement of Work 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 or any Statement of Work, and each provision, or portion thereof, is hereby declared to be separate, severable and distinct.
- 15.10. Waiver. A waiver of any provision of this Agreement or any Statement of Work will only be valid if provided in writing and will only be applicable to the specific incident and occurrence so waived. No omission, delay or failure to exercise any right or power, or any waiver by either party of any breach or default, whether expressed or implied, or any failure to insist on strict compliance with any provision of this Agreement, will be a waiver of any other provision. Any waiver of any provision or breach of this Agreement will not be a continuing waiver unless otherwise stated.
- 15.11. Remedies Cumulative. No single or partial exercise of any right or remedy under this Agreement or any Statement of Work will preclude any other or further exercise of any other right or remedy in this Agreement or any Statement of Work or as provided at law or in equity. Rights and remedies provided in this Agreement or any Statement of Work are cumulative and not exclusive of any right or remedy provided at law or in equity.
- 15.12. Amendment. This Agreement or any Statement of Work may only be amended by written agreement duly executed by authorized representatives of the parties.
- 15.13. Entire Agreement. This Agreement, including all Schedules hereto, and any Statement of Work 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. There is no representation, warranty, collateral term or condition or collateral agreement affecting this Agreement, other than as expressed in writing in this Agreement. Any purchase order or other instrument of Contractor accompanying a Statement of Work, an invoice or otherwise is for Contractor's internal use only and its terms will not alter or amend the terms of this Agreement.
- 15.14. Counterparts. This Agreement and any Statement of Work 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 or any Statement of Work by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement or the Statement of Work by such party.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this Agreement effective as of the Effective Date.

**MMBC RECYCLING INC.**

Per: \_\_\_\_\_  
(I have authority to bind Recycle BC)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

**DISTRICT OF BARRIERE**

Per: \_\_\_\_\_  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Per: \_\_\_\_\_  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Note: Second signatory to be completed by Contractor only if Contractor requires two signatories (and by leaving the second signatory blank and returning the Agreement to Recycle BC, Contractor and the first signatory represent that no additional signatories are required).

## SCHEDULE 4.2 RECYCLE BC POLICIES AND STANDARDS

As of the Effective Date, the following are Recycle BC Policies and Standards:

1. Recycle BC's Weight and Measurement Standards, a copy of which is set out below:

Recycle BC requires that materials collected by Contractor in connection with the Services ("**Inbound Material**") be weighed, and that accurate weights be reported to Recycle BC.

Weight is defined by Recycle BC as the following:

**"Gross Weight"** means the weight of the truck or container plus its contents, measured in kilograms unless otherwise noted.

**"Tare Weight"** means the weight of the empty truck, container or equipment without its contents, measured in kilograms unless otherwise noted.

**"Net Weight"** means the weight of the contents of the container or truck, calculated as Gross Weight minus Tare Weight, measured in kilograms unless otherwise noted.

The following equation must always be true.

$$\text{Net Weight} = \text{Gross Weight} - \text{Tare Weight}$$

Measurement Canada has produced a comprehensive guide on taking and recording weights, available at <http://www.ic.gc.ca/eic/site/mc-mc.nsf/eng/lm00205.html>.

### **Contractor Responsibilities**

All loads must be documented in a manner specified by Recycle BC, as amended by Recycle BC from time to time, including a certified scale ticket. The certified scale ticket may be provided by the Designated Post-Collection Service Provider to the Contractor if the weighing is performed by the Post-Collection Service Provider. If the Contractor is performing the actual weighing, the Post-Collection Service Provider responsibilities noted below must be followed by the Contractor.

Contractors are to maintain the following Net Weight records and provide upon request to Recycle BC:

- Curbside Collection: Tonnage of Inbound Material by collection date and individual truck number
- Multi-Family Building Collection: Tonnage of Inbound Material by collection date and individual truck number
- Depot Collection: Tonnage of Inbound Material by each container type, material category, and by the date on which the Designated Post-Collection Service Provider removed the PPP from the depot

**SCHEDULE 4.4**  
**SERVICE LEVEL METHODOLOGY**

1. Contractor will measure and record all data reasonably required by Recycle BC to determine Contractor's performance of the Services against the applicable Service Levels. Contractor will retain such records in accordance with Section 7.1 of the Agreement. Upon request, and upon such frequency as Recycle BC may indicate (which may not be more frequently than monthly), Contractor will deliver to Recycle BC a report, in a form and format approved by Recycle BC, setting out details of Contractor's actual performance of the Services as measured against each Service Level during the applicable reporting period.

**SCHEDULE 12.1  
INSURANCE REQUIREMENTS**

1. **Insurance Coverage.** The insurance coverage required pursuant to Section 12.1 of the main body of the Agreement is as follows:
  - (a) Comprehensive General Liability coverage with limits of not less than \$5,000,000 (five million dollars) per occurrence with a deductible not exceeding \$100,000 per occurrence, or, where Contractor is a local government, Contractor may self-insure for equivalent or better coverage (in which case Contractor will respond to all claims, actions, demands, expenses and losses by whomsoever made in the same manner as if commercial comprehensive general liability insurance was purchased for same and as if Recycle BC were included in such policy as an additional insured);
  - (b) Contractor will seek advice and obtain any necessary environmental impairment liability insurance or other such policy as may be recommended by their insurance broker or legal counsel to adequately protect against risks of environmental liability, with typical environmental impairment liability insurance for the Services having a limit of not less than \$1,000,000 (one million dollars) per occurrence with a deductible not greater than \$100,000 (for clarity, neither the amount nor type of environmental impairment liability insurance obtained by Contractor will in any manner limit or qualify the liabilities and obligations assumed by Contractor under this Agreement);
  - (c) Workers' Compensation Insurance or Workplace Safety & Insurance coverage with the applicable Provincial (including in all cases British Columbia) or Territorial Workplace Safety & Insurance Board or Employer's Liability Insurance or both with limits as required by Applicable Law covering all Contractor personnel; and
  - (d) Such other insurance coverage as may be set out in a Statement of Work.
2. **Requirements for Insurer.** All insurers must be reputable and financially creditworthy insurers with an A.M. Best financial strength rating of "A-" or higher (or equivalent rating by a similar agency, in Recycle BC's sole discretion).
3. **Recycle BC as Additional Insured.** Contractor will add Recycle BC as an additional insured on its Commercial General Liability policy with the following language: "MMBC Recycling Inc. and its affiliated entities, officers, partners, directors, employees, representatives and agents are included as Additional Insureds for Comprehensive General Liability."
4. **Evidence of Insurance.** Contractor will cause its insurers to issue to Recycle BC certificates of insurance on the Effective Date, and once each calendar year thereafter, evidencing that the coverages and policy endorsements required under this Agreement are maintained in force. Where Contractor is a local government and opts to self-insure pursuant to Section 1(a), Contractor will provide a written attestation stating and evidencing such self-insurance (including evidence of authority and financial ability to self-insure), in a form acceptable to Recycle BC, on the Effective Date and once each calendar year thereafter.
5. **Changes to Insurance Coverage.** Contractor will not reduce any insurance coverage below the requirements set out in this Schedule without Recycle BC's prior written consent. Contractor will provide not less than 30 days' notice to Recycle BC prior to any material change to its insurance coverage or to its insurer.
6. Intentionally omitted.



7. **Additional Period of Coverage.** Contractor will continue to have and maintain in force the insurance coverages set out in this Schedule, and Contractor will continue to comply with Section 12.1 of the main body of the Agreement and Schedule 12.1, beyond the end of the Term for an additional 2 years thereafter.

**SCHEDULE 2.1(a)**  
**STATEMENT OF WORK FOR CURBSIDE COLLECTION SERVICES PROVIDED BY LOCAL GOVERNMENT**

This Statement of Work is incorporated into and forms part of the Master Services Agreement made between District of Barriere (“**Contractor**”) and MMBC Recycling Inc. carrying on business as Recycle BC (“**Recycle BC**”) made as of January 1, 2025 (the “**Agreement**”). The effective date of this Statement of Work (the “**SOW Effective Date**”) is January 1, 2025.

**SECTION 1. Interpretation**

1.1 Definitions. In this Statement of Work (including the attachments hereto), the following terms will have the following meanings. Capitalized terms used but not defined in this Statement of Work will have the respective meanings ascribed to them in the Agreement.

“**Agreement**” has the meaning set out on the first page of this Statement of Work.

“**Claim Information**” has the meaning set out in Section 3.3.2.

“**Collection Container**” means any reusable bin, box, tote, bag, open container or cart acceptable to Recycle BC used for household storage and curbside set-out of In-Scope PPP in the performance of this Statement of Work but, for the avoidance of doubt, may not include single-use bags.

“**Contractor**” has the meaning set out on the first page of this Statement of Work.

“**Curb**” or “**Curbside**” means a location within one metre of a Public Road or Private Road.

“**Curbside Collection**” has the meaning set out in Section 2.1.

“**Curbside Household**” means a self-contained dwelling unit providing accommodation to one or more people, including (i) single-family dwellings, (ii) buildings with up to four suites (iii) rowhouses and townhouses and, iii) secondary suites or carriage houses in each case where the resident of each unit is expected to individually deliver In-Scope PPP to the Curb for collection.

“**Curbside Household Baseline**” has the meaning set out in Attachment 5.

“**Customer**” means residents of Curbside Households within the Service Area.

“**Determined ICI Amount**” has the meaning set out in Section 2.1.1.

“**Hazardous Waste**” means any waste that may pose a risk to health, safety or the environment if not properly managed, including materials that are corrosive, reactive, toxic, leachable or ignitable (e.g. used oil, paint, pesticides, batteries, chemicals).

“**In-Scope PPP**” means the PPP set out in Attachment 2.1.2 and such other materials identified as In-Scope PPP by Recycle BC in writing from time to time.

“**Industrial, Commercial and Institutional**” or “**ICI**” means any operation or facility other than a residential premises as defined in the Regulation, including industrial facilities such as warehouses, distribution centres, manufacturing facilities; commercial facilities such as retail stores, offices, strip malls and vacation facilities, such as hotels, motels, cottages, cabins and rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts); and, institutional facilities such as schools, churches, community

buildings, local government buildings, arenas, libraries, fire halls, police stations and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

**“Missed Collection”** means any failure of Contractor to collect In-Scope PPP that has been set out by a Customer on the Customer’s scheduled collection day by the appointed set out time.

**“Multi-Family Building Collection”** has the meaning set out in Section 2.1.7.

**“Multi-Stream”** means In-Scope PPP collected as segregated material categories. These categories may include Paper and Cardboard and Mixed Containers, with each category stream collected and maintained separate from each other.

**“Not Accepted Materials”** means, collectively, any material that is not PPP.

**“Old Corrugated Cardboard”** means paper-based material consisting of a fluted corrugated sheet and one or two flat linerboards. For clarity, waxed or coated old corrugated cardboard is excluded from this definition.

**“Private Road”** means a privately-owned and maintained right-of-way that allows for access by a service vehicle and that serves multiple residences.

**“Public Road”** means a public right-of-way used for public travel, including public alleys.

**“Reduced Split Weighing”** means a method whereby a subset of randomly selected collection vehicles of a Multi-Stream Contractor have each material category compartment weighed separately, and the results are extrapolated to calculate the split between the material categories on the remainder of the Contractor’s collection vehicles on a monthly basis, therefore eliminating the need for all collection vehicles to weigh each compartment individually.

**“Resident Education Top Up”** means a top up amount paid by Recycle BC to Contractor for the purposes of promotion, education and outreach programs in connection with PPP.

**“Service Administration Top Up”** means an amount paid by Recycle BC to Contractor for the purposes of administrative expenses associated with PPP program coordination, including office staff, data analysis and reconciliation, correspondence, office rent and office equipment.

**“Service Area”** means the geographic area delineated in Attachment 2.1.1.

**“Service Commencement Date”** means January 1, 2025.

**“Single-Stream”** means In-Scope PPP collected as comingled material categories. These categories may include Paper and Cardboard and Mixed Containers, collected together in the same Collection Container.

**“SOW Effective Date”** has the meaning set out on the first page of this Statement of Work.

**“SOW Services”** has the meaning set out in Section 2.

**“SOW Term”** has the meaning set out in Section 4.

**“Transition and Implementation Plan”** has the meaning set out in Section 2.4.

1.2 Attachments. As of the SOW Effective Date, the following Attachments form part of this Agreement (note that Attachment numbering is not sequential and is based on a related section reference):

<u>Attachment</u>	<u>Description</u>
Attachment 2.1.1	- Service Area
Attachment 2.1.2	- In-Scope PPP
Attachment 3.4	- Service Level Failures
Attachment 5	- Fees

## SECTION 2. Services

Contractor will provide, on the terms and conditions set out in the Agreement as supplemented and modified by the terms and conditions of this Statement of Work, the following Services (the “**SOW Services**”):

2.1 Curbside Collection Services. Beginning on the Service Commencement Date, Contractor will collect In-Scope PPP at Curbside from all Customers within the Service Area as further described in this Section 2.1 (“**Curbside Collection**”) and in accordance with the terms of the Agreement and this Statement of Work.

### 2.1.1 Service Area.

- (a) Notwithstanding the Curbside Household Baseline and subject to Section 2.1.2(i), Contractor is obligated to provide Curbside Collection from all Curbside Households in the Service Area.
- (b) Changes to the Service Area will be made in accordance with the change process set out in Section 2.2 of the Agreement.
- (c) Recycle BC may, in its sole discretion, approve Contractor to collect In-Scope PPP from a limited number of ICI locations. Contractor will collect In-Scope PPP only from ICI locations approved by Recycle BC in advance. Recycle BC shall have the right, exercisable at any time, in its sole discretion, to revoke its approval of any ICI locations.
- (d) Contractor will not be entitled to receive any Fees or other payments in respect of In-Scope PPP collected from ICI locations and will be solely responsible for all costs associated with the collection and post-collection management of In-Scope PPP collected from ICI locations. Recycle BC reserves the right to develop and apply a methodology, in its sole discretion, for calculating the amount of In-Scope PPP from ICI locations included in the Contractor-collected In-Scope PPP delivered to the Designated Post-Collection Facility (the “**Determined ICI Amount**”). Without limiting the generality of the foregoing, Contractor acknowledges and agrees that Contractor will be solely responsible for any costs or fees charged by the Designated Post-Collection Service Provider or Recycle BC in respect of the Determined ICI Amount.

### 2.1.2 PPP Materials.

- (a) Subject to the right of Contractor to reject In-Scope PPP that is not properly set out and subject to Section 2.1.4(d) and Section 2.1.4(f), Contractor will collect all In-Scope PPP from all Customers that is placed in Collection Containers or Customer-owned Collection Containers.
- (b) Where Contractor uses Collection Containers other than automated carts, Contractor will collect Old Corrugated Cardboard that is flattened and stacked by the Customer’s Collection Container (or stacked alone if no Collection Container

is present). Contractor will specify the appropriate measurements and size of flattened cardboard.

- (c) Materials collected by Contractor may not contain more than 5% by weight of Not Accepted Materials. Loads exceeding 5% by weight of Not Accepted Materials may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits.
- (d) Materials collected by Contractor may not contain (i) any packaging containing Hazardous Waste; (ii) Foam Packaging; or (iii) Flexible Plastics.
- (e) If Contractor collects In-Scope PPP in Multi-Stream, Contractor must ensure that:
  - (i) loads of Paper and Cardboard do not contain more than 1% by weight of Mixed Containers; and
  - (ii) loads of Mixed Containers do not contain more than 3% by weight of Paper and Cardboard.
- (f) Contractor must ensure that loads of Paper and Cardboard and Mixed Containers (whether collected in a Single-Stream or a Multi-Stream) do not contain more than 3% by weight of Glass Bottles and Jars.
- (g) If Contractor collects segregated Flexible Plastics from other In-Scope PPP, Contractor must ensure that the loads of Flexible Plastics do not contain more than 5% by weight of Paper and Cardboard, Mixed Containers or Glass Bottles and Jars.
- (h) Contractor must ensure that loads of Glass Bottles and Jars do not contain more than 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate). Loads of segregated Glass Bottles and Jars exceeding 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate) may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits.
- (i) Contractor will implement and maintain reasonable procedures to ensure that loads delivered to the Designated Post-Collection Facility comply with the requirements set forth in this Section 2.1.2, including procedures to monitor the content of collected materials and procedures to notify and reject material from Customers who do not comply with such requirements. Such procedures are subject to review by Recycle BC at any time and from time to time. If Recycle BC determines that such procedures are inadequate, Contractor will adopt such procedures as Recycle BC may reasonably require in order to ensure compliance with this Section 2.1.2.
- (j) Recycle BC will work collaboratively with Contractor to provide assistance and direction to support Contractor in ensuring that loads delivered to the Designated Post-Collection Facility comply with the requirements set forth in this Section 2.1.2, with the ultimate goal of continuous improvement.

### 2.1.3 Collection.

- (a) Contractor will not place limits on the quantity of In-Scope PPP collected from Customers. Where Contractor uses automated carts as the Collection Container,

the quantity of material collected may be limited to what can reasonably fit inside the Collection Container.

- (b) In accordance with Section 2.1.2(a) and Section 2.1.2(b), Contractor will pick up In-Scope PPP placed by Customers at the Curb along the collection vehicle route, which may be a Public Road or a Private Road.
- (c) Subject to Section 2.1.3(e), Contractor will perform Curbside Collection from each Curbside Household in the Service Area no more frequently than weekly and no less frequently than every two weeks.
- (d) Contractor may, in its sole discretion, provide a service to assist applicable Customers to carry or roll their Collection Containers to the Curb if they have demonstrated a medical need to Contractor in accordance with procedures determined and implemented by Contractor and reviewed and approved by Recycle BC.
- (e) If Contractor collects either Flexible Plastics or Glass Bottles and Jars segregated from other In-Scope PPP, Contractor will collect these materials from each Curbside Household in the Service Area no more frequently than weekly and no less frequently than once every month.
- (f) Contractor will make collections in an orderly, non-disruptive and quiet manner, and will return Collection Containers in their set out location in an orderly manner. The location of returned Collection Containers should not block sidewalks, driveways or street parking.
- (g) Contractor will perform Curbside Collection on a regular schedule, which may shift as necessary to accommodate holidays, extreme weather events, construction and other unforeseen events.
- (h) Subject to Section 2.1.2(a), Section 2.1.2(b) and Section 2.1.3(a), Contractor will not reject any In-Scope PPP set out by a Customer unless Customer is notified of the reason for such rejection.

#### 2.1.4 Collection Containers.

- (a) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, Contractor will, at Contractor's cost, provide Collection Containers to each Curbside Household in the Service Area that provide Customers with sufficient volume to accommodate In-Scope PPP generated by Customers between collections so that Collection Container capacity is not a barrier to Customer use of the Curbside Collection service.
- (b) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, if Curbside Households or geographical areas are added to the Service Area under Section 2.1.1(a), Contractor will deliver Collection Containers to any new Curbside Households added to the Service Area at least ten (10) Business Days prior to the start date provided by Recycle BC.
- (c) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, Contractor will deliver a Collection Container to a requesting Customer within ten (10) Business Days of the Customer's initial request.

- (d) If any Customers choose to provide their own Collection Containers, Contractor will handle the Customer-owned Collection Containers in such a way as to prevent undue damage, and Contractor will be responsible for unnecessary or unreasonable damage to Customer-owned Collection Containers. Contractor is not required to collect materials from any Customer-owned Collection Container if (i) collecting material from such Collection Container would involve a risk of injury to Contractor personnel or risk of damage to Contractor or Customer property; (ii) the Collection Container is otherwise incompatible with Contractor's collection model; or (iii) Customer provided Collection Containers are prohibited by municipal bylaw.
- (e) If Contractor did not provide Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date, Contractor will deliver Collection Containers that meet the requirements set out in this Agreement to each Customer in the Service Area at least ten (10) Business Days prior to the Service Commencement Date unless otherwise approved by Recycle BC in writing.
- (f) Contractor may not collect In-Scope PPP in single-use bags.
- (g) If Contractor proposes to change the type of Collection Container it uses for Curbside Collection in the Service Area, Contractor will submit a detailed transition plan to Recycle BC a minimum of six (6) months prior to the scheduled or planned change. Any change to the type of Collection Containers used for Curbside Collection in the Service Area is subject to approval in writing by Recycle BC, which approval will not be unreasonably withheld.

#### 2.1.5 Designated Post-Collection Facility.

- (a) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection, unless alternative arrangements have been approved in writing by Recycle BC. If Contractor is unable to deliver collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection for an unforeseen reason outside Contractor's reasonable control, Contractor will deliver such collected In-Scope PPP to the Designated Post-Collection Facility on the next Business Day, unless otherwise approved by Recycle BC in writing, and will store such In-Scope PPP during the interim in a safe and secure manner. Contractor may not charge any amounts to the Designated Post-Collection Service Provider in connection with such storage. Contractor will not deliver In-Scope PPP to any location other than the Designated Post-Collection Facility or dispose of any collected In-Scope PPP without prior written authorization from Recycle BC.
- (b) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility segregated, at a minimum, in the manner set out in Attachment 2.1.2.
- (c) If Contractor collects Paper and Cardboard and Mixed Containers in Multi-Stream, Contractor must unload both Paper and Cardboard and Mixed Containers in separate bunkers or locations, as directed by the Designated Post-Collection Service Provider. Loads delivered in violation of this Section 2.1.5(c), including as a result of driver error or mechanical failure, may be subject to a Service Level Failure Credit.
- (d) Contractor will follow all reasonable instructions and procedures regarding the delivery of In-Scope PPP as directed by the Designated Post-Collection Service Provider and Recycle BC, including instructions and procedures pertaining to



health and safety, Reduced Split Weighing, delivery and unloading of In-Scope PPP, audit procedures and weigh scale operation.

- (e) If Contractor is scheduled to collect In-Scope PPP from Curbside Households in the Service Area on a holiday, Contractor will coordinate directly with the Designated Post-Collection Service Provider and Recycle BC a minimum of ten (10) Business Days in advance of such holiday in order to schedule the delivery of such In-Scope PPP.
- (f) If the Service Area is within the Metro Vancouver Regional District, subject to Section 2.1.5(h), the Designated Post-Collection Facility will be located within 30 minutes (on average based on typical traffic conditions between 10 am and 2 pm Monday to Friday) from the Service Area boundary at the point of least distance to the Designated Post-Collection Facility.
- (g) If the Service Area is not within Metro Vancouver Regional District, subject to Section 2.1.5(h), the Designated Post-Collection Service Provider will locate the Designated Post-Collection Facility within sixty (60) kilometers from the Service Area boundary at the point of least distance to Designated Post-Collection Facility. If delivery to the Designated Post-Collection Facility requires the use of a ferry or barge, then delivery boundary is the ferry or barge terminal and the Designated Post-Collection Service Provider will be responsible for the portion of the trip that requires ferry or barge travel.
- (h) If, after using commercially reasonable efforts, the Designated Post-Collection Service Provider is unable to locate a Designated Post-Collection Facility in accordance with 2.1.5(f) and Section 2.1.5(g), as applicable, Contractor will not be required to deliver In-Scope PPP to the Designated Post-Collection Facility except on terms mutually acceptable to Contractor and the Designated Post-Collection Service Provider.
- (i) Recycle BC may change the location of the Designated Post-Collection Facility with (i) thirty (30) days' written notice if the new Designated Post-Collection Facility is within 20 kilometers of the existing Designated Post-Collection Facility and in compliance to Section 2.1.5(f) or Section 2.1.5(g); and (ii) ninety (90) days' written notice if the new Designated Post-Collection Facility is more than 20 kilometers from the existing Designated Post-Collection Facility and in compliance to Section 2.1.5(f) or Section 2.1.5(g).
- (j) Unless Recycle BC otherwise agrees in writing, Contractor may not consolidate or otherwise sort In-Scope PPP collected from Customers in the Service Area before delivering such materials to the Designated Post-Collection Facility. Such approval may be subject to such conditions or procedures as Recycle BC considers appropriate or necessary in the circumstances and may be revoked at any time by Recycle BC, in its sole discretion, including if Contractor has failed to comply with such conditions or procedures.
- (k) If the Designated Post-Collection Service Provider rejects a load of In-Scope PPP from Contractor due to a verified claim that such load contains more than 5% by weight of Not Accepted Materials, contains any Hazardous Waste or resulted in the cross contamination of segregated materials due to a bulkhead failure Recycle BC reserves the right to designate alternative procedures and requirements associated with that load and to deduct any additional costs associated therewith from the Fees otherwise due to Contractor.



- (l) Recycle BC will, in its sole discretion, approve any Reduced Split Weighing, and the percentage of loads required to split weigh. If Recycle BC has provided such approval to Contractor, the Contractor is required to follow all direction as per Section 2.1.5(d). Recycle BC reserves the right to remove or change Reduced Split Weighing requirements at any time.
- (m) On a monthly basis, or on a schedule agreed upon by the Designated Post-Collection Service Provider, Contractor will retrieve any Collection Containers which have been inadvertently dropped into the collection vehicle and tipped at the Designated Post-Collection Facility.
- (n) If at any time during the SOW Term the Designated Post-Collection Facility is temporarily closed for three (3) Business Days or less, including without limitation due to emergency, mechanical breakdown or maintenance, Contractor shall deliver In-Scope PPP collected pursuant to this Statement of Work to an alternative location specified by Recycle BC in writing. If the Designated Post-Collection Facility is closed for longer than three (3) Business Days, Contractor and Recycle BC will mutually agree on a solution.

#### 2.1.6 Spillage.

- (a) All loads collected by Contractor will be completely contained in collection vehicles at all times, except when In-Scope PPP is actually being loaded. Hoppers on all collection vehicles will be cleared frequently to prevent the occurrence of blowing or spillage.
- (b) Any spillage of In-Scope PPP that occurs during Curbside Collection will be immediately cleaned up or removed by Contractor at its sole expense. Contractor will keep accurate records of each occurrence of spillage and its clean-up, and will make such records available to Recycle BC on request. Contractor expressly acknowledges it is solely responsible for any violations of Applicable Law that may result from said spillage.
- (c) Without limiting Section 2.1.6(b) above, Contractor will maintain all collection vehicles to ensure that no liquid wastes (e.g., leachate) or oils (e.g., lubricating, hydraulic or fuel) are discharged to Customer premises, Public Roads or Private Roads. All collection and route supervisor vehicles used by Contractor will be equipped with a spill kit sufficient in size to contain a spill of equivalent volume to the largest lubricating, hydraulic or fuel tank on the largest collection vehicle. Any discharge of liquid wastes or oils that may occur from Contractor's collection vehicles prior to them being removed from service will be cleaned up or removed by Contractor within three hours of being noticed by route staff, Customers or Recycle BC, and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with pictures and notice of such clean-up or removal will be provided to Recycle BC in writing. Contractor will immediately notify Recycle BC or the Designated Post-Collection Service Provider of any spills that enter ground-water or drainage systems.

#### 2.1.7 Routes.

- (a) Contractor Curbside Collection routes may not extend outside the Service Area. Contractor collection vehicles used to perform Curbside Collection may only be used for collection services inside or outside the Service Area or for any other use if they are emptied before and after such other use and Contractor has obtained prior approval from Recycle BC in writing.

- (b) If Contractor also provides collection services to multi-family buildings pursuant to another Statement of Work under the Agreement (“**Multi-Family Building Collection**”), Recycle BC must provide its prior written approval to use the same collection vehicle to collect materials from Multi-Family Building Collection together with In-Scope PPP collected from Curbside Households under this Statement of Work.

#### 2.1.8 Pilot programs.

- (a) Recycle BC may wish to test or implement one or more new services, technology systems or developments in PPP material segregation, processing or collection technology (collectively, “**Pilot Program**”). Recycle BC will provide at least ninety (90) days’ written notice of its intention to implement a Pilot Program. The allocation of any costs (or savings) accrued by Recycle BC-initiated Pilot Programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the Agreement. If Recycle BC deems the Pilot Program a success and desires to incorporate the service, technology or development from the Pilot Program into this Statement of Work, such a change will be made pursuant to the change process set out in Section 2.2 of the Agreement.
- (b) Contractor-initiated Pilot Programs will require prior written approval by Recycle BC and will be performed at no additional cost to Recycle BC.

### 2.2 Customer Service and Management. As part of Curbside Collection, Contractor will provide the following services:

#### 2.2.1 Customer Service Requirements.

- (a) Contractor will have and maintain throughout the SOW Term a Customer service office and call center, which will be accessible by a local area code and prefix phone number or a toll-free number. Customer service representatives will be familiar with the Recycle BC program requirements and will make best efforts to be available through Contractor’s call center during office hours for communication with Customers and Recycle BC representatives. Customer calls will be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, Contractor will have an answering or voice mail service available to record messages from all incoming telephone calls.
- (b) Contractor’s Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service.

#### 2.2.2 Customer Service Representative Staffing.

- (a) Contractor will maintain sufficient staffing to answer and handle complaints and service requests in a timely manner made by all methods, including telephone, letters, e-mails, social media posts and text messages.

#### 2.2.3 Customer Complaints and Requests.

- (a) Contractor will record all Customer complaints and service requests, regardless of how received, including date, time, Customer’s name and address, if the Customer is willing to give this information, method of transmittal and nature, date and manner of resolution of the complaint or service request in a computerized daily log. Contractor will make a commercially reasonable efforts to resolve all

complaints and service requests within two (2) Business Days of the original contact.

- (b) Contractor's customer service log will be available for inspection by Recycle BC, with consideration to Contractors confidentiality obligations, if requested by Recycle BC.

### 2.3 Promotion and Education.

- 2.3.1 Contractor will have primary responsibility for executing public promotion, education and outreach programs associated with the collection of In-Scope PPP. Contractor will incorporate Recycle BC-developed communications messages and images in Contractor's public promotion, education and outreach programs.
- 2.3.2 Recycle BC reserves the right, in its sole discretion, to require Contractor to seek advance approval of any or all public promotion, education and outreach materials associated with the collection of In-Scope PPP, including recycling guides, collection calendars, website content and "oops tags."
- 2.3.3 If Contractor receives Resident Education Top Up payments in accordance with Attachment 5, Contractor must spend the total amount of the Resident Education Top Up payments paid to Contractor on promotion, education and outreach programs on an annual basis. Recycle BC reserves the right to request proof of use of Resident Education Top Up payments.
- 2.3.4 Except for logos of the applicable local government, Recycle BC, Contractor or any subcontractor of Contractor, Contractor may not affix or otherwise include any logo of, or any reference to, any other party or person on a Collection Container in any manner whatsoever, including stickers and hot stamps.
- 2.3.5 Contractor will have primary responsibility for providing Customers service-oriented information such as dates and times of Curbside Collection.

- 2.4 Transition and Implementation Services. If, immediately prior to the SOW Effective Date, Contractor (i) did not perform Curbside Collection from Curbside Households in the Service Area; or (ii) did not provide Curbside Collection from Curbside Households in the Service Area pursuant to a statement of work with Recycle BC, Contractor will, beginning on the SOW Effective Date and with Recycle BC's input, develop and submit to Recycle BC no later than two weeks after the SOW Effective Date a transition and implementation plan (the "**Transition and Implementation Plan**") for implementing Curbside Collection, including a specific timeline as to when different activities and events will occur, details of how certain events impact other events in the timeline, and the process to be used to ensure that implementation occurs on the Service Commencement Date with no disruption. The Transition and Implementation Plan will cover the entire period from the SOW Effective Date to and including the six (6) month anniversary of the Service Commencement Date. Contractor will describe in detail what is involved with each of the activities and events listed in the Transition and Implementation Plan. Finalization of the Transition and Implementation Plan will be subject to Recycle BC's prior approval.

## **SECTION 3. Performance Standards and Operational Requirements**

- 3.1 Personnel Conduct. Contractor personnel performing Curbside Collection will at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise and avoid damage to public or private property. If on private property, Contractor personnel will follow the regular pedestrian walkways and paths, returning to the street after replacing empty Containers. Contractor personnel will not trespass, loiter, cross

flower beds, hedges or property of adjoining premises, or meddle with property that does not concern the SOW Services being performed.

3.2 Vehicle Standards. Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards in respect of collection vehicles used to perform Curbside Collection:

3.2.1 All collection vehicles will be well maintained and clean. All collection vehicles will have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights and warning flags, all in accordance with applicable law. All collection vehicles and all parts and systems of all collection vehicles will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards and be in a condition satisfactory to Recycle BC. Any vehicles not meeting these standards will not be used within the Service Area until repairs are made. All collection vehicles will be equipped with variable tone or proximity activated reverse movement back-up alarms.

3.2.2 Contractor will maintain all vehicles used in the performance of Curbside Collection in a manner intended to achieve reduced emissions and particulates, noise levels, operating costs and fuel use.

3.3 SOW Record and Reporting Requirements.

3.3.1 Service Delivery Reporting. In addition to the record keeping and reporting requirements in the Agreement, Contractor will:

- (a) maintain an electronic record of all Customer requests, Missed Collections, complaints and inquiries, including Customer name, mailing address, contact information (both telephone number and e-mail, if available), service address, if different from mailing address, date of contact, reason for contact;
- (b) maintain such other records as may be requested by Recycle BC, including:
  - (i) tonnage by collection date and weight scale ticket (which must include the collector name and truck number); and
  - (ii) Customer communications related to Curbside Collection including telephone calls, letters, e-mails, text messages or webpage messages received;
- (c) make all records maintained pursuant to this Statement of Work available to Recycle BC upon request;
- (d) provide a report to Recycle BC on associated collection metrics necessary to calculate the greenhouse gas emissions associated with the performance of Curbside Collection no more frequently than once per quarter and no less frequently than once per year;
- (e) upon Recycle BC's request, provide a report on the costs associated with the performance of Curbside Collection services, no more frequently than once per year;
- (f) upon Recycle BC's request, provide a response to questions posed by Recycle BC's non-financial auditor; and

- (g) upon Recycle BC's request, provide up to two ad-hoc reports each year, at no additional cost to Recycle BC, and such ad-hoc reports (i) may include Customer service database tabulations to identify specific Service Level or participation patterns or other similar information reports; and (ii) will not require the Contractor to expend more than forty (40) staff hours per year to complete,

and such records and reports will be provided in Recycle BC-defined format and software compatibility. For reports that are provided at Recycle BC's request, Recycle BC will use best efforts to communicate such request sixty (60) days in advance of due date. Contractor and Recycle BC will meet to discuss requests outside of this scope, all parties being reasonable.

### 3.3.2 Claims Reporting

- (a) Responsibility for claim reporting under Section 3.3.2(b) shall be assigned to the Designated Post-Collection Service Provider.
- (b) All loads will be documented by the Designated Post-Collection Service Provider in a manner specified by Recycle BC, including by a certified scale ticket provided by the Designated Post-Collection Service Provider with Contractor name and address, Designated Post-Collection Facility's name and address, date, time, truck number, net weight by material type (as set out in Attachment 2.1.2) and such other information as Recycle BC may designate (collectively, "**Claim Information**").
- (c) Recycle BC will issue a claim summary to Contractor based on Claim Information directly provided to Recycle BC by the Designated Post-Collection Service Provider, pursuant to Section 3.3.1(g)(b), and Contractor will review the claim summary for accuracy. Contractor must report to Recycle BC any content in the claim summary that Contractor disputes within thirty (30) days of the claim summary being issued.
- (d) After Recycle BC has approved the Claim Information, Recycle BC will issue a purchase order to Contractor, including a reference number. Recycle BC will issue payment to Contractor based on the approved purchase order without the need for Contractor to submit an invoice.
- (e) Standard tare weights for specific trucks may only be used on specific written permission of Recycle BC.

3.4 Service Levels. If Contractor fails to meet any Service Level set out in Attachment 3.4, Recycle BC will, in Recycle BC's sole discretion, be entitled to the applicable Service Level Failure Credits set out in Attachment 3.4.

## **SECTION 4. SOW Term**

This Statement of Work will commence on the SOW Effective Date and its initial term will continue until December 31, 2029. Recycle BC may extend this Statement of Work for up to two further periods of one year each by providing at least one hundred eighty (180) days written notice before the expiration of the initial term or any such additional term or terms. The initial term and any such additional term or terms are herein referred to as the "**SOW Term**".

## **SECTION 5. Fees**

The Fees payable by Recycle BC for the performance by Contractor of the SOW Services are set out in Attachment 5 to this Statement of Work, and such Fees begin after the Service Commencement Date. For the avoidance of doubt, Contractor acknowledges and agrees that it will not be entitled to receive any Fees in respect of In-Scope PPP collected from ICI locations.

## **SECTION 6. Additional Terms**

- 6.1 No Double Charge. Contractor will not directly or indirectly charge Customers, including by way of tax, levy or other surcharge, for the cost of providing the SOW Services if and to the extent that such costs are covered by Fees (prior to deducting any Service Level Failure Credits) or other payments that Contractor is entitled to receive from Recycle BC under this Statement of Work. In the event that the Fees do not fully cover the Contractors costs of the program, the Contractor may directly or indirectly charge Customers for the portion of the costs of providing the SOW Services that are not covered by the Fees; provided that the Contractor shall not profit from such amounts.
- 6.2 Scavenging Forbidden. Contractor will not scavenge, or permit any employee (or, at the request of Recycle BC, any other person) to scavenge, any materials (including, if permitted by law, materials other than In-Scope PPP that have been set out to be collected by other collection service providers) at any time and at any location during Contractor's performance of the SOW Services or otherwise.
- 6.3 Risk. Contractor will be responsible for all risk, including risk of loss or damage caused by the In-Scope PPP, from the time that the In-Scope PPP is collected by Contractor until the Contractor delivers such In-Scope PPP to the Designated Post-Collection Facility. In-Scope PPP will be deemed to be delivered when off-loaded from Contractor's vehicles at the Designated Post-Collection Facility and accepted by receipt of scale ticket or bill of lading from the Designated Post-Collection Service Provider. Contractor will be responsible for the cost of any damage to Collection Containers or the Designated Post-Collection Facility caused by Contractor.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this Statement of Work effective as of the SOW Effective Date.

**MMBC RECYCLING INC.**

Per: \_\_\_\_\_  
(I have authority to bind Recycle BC)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

**DISTRICT OF BARRIERE**

Per: \_\_\_\_\_  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Per: \_\_\_\_\_  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Note: Second signatory to be completed by Contractor only if Contractor requires two signatories (and by leaving the second signatory blank and returning the Statement of Work to Recycle BC, Contractor and the first signatory represent that no additional signatories are required).

**ATTACHMENT 2.1.1 TO SCHEDULE 2.1(a)  
DESIGNATED SERVICE AREA**

1. Under this Statement of Work, the initial Curbside Household Baseline will be 788.
2. The Service Area is:

**District of Barriere**



**ATTACHMENT 2.1.2 TO SCHEDULE 2.1(a)**  
**IN-SCOPE PPP**

For the purpose of this Statement of Work, In-Scope PPP will mean the material described in the categories of PPP below that have been selected, as indicated by an "x" in the associated check box (and the In-Scope PPP shall be segregated, at a minimum, in the streams that have been selected below):

- PPP, in Single-Stream, in which Paper and Cardboard and Mixed Containers are collected together.
- PPP, in Multi-Stream, in which Paper and Cardboard must be segregated from all other PPP.
- PPP, in Multi-Stream, in which Mixed Containers must be segregated from all other PPP.
- PPP that is Glass Bottles and Jars, which must be segregated from all other PPP.
- PPP that is Flexible Plastics, which must be segregated from all other PPP.

To the extent beverage containers as defined in Schedule 1 of the Regulation are comingled with In-Scope PPP to be collected by Contractor, such beverage containers shall be deemed to be In-Scope PPP for the purposes of this Statement of Work, with polycoated beverage containers, plastic beverage containers and metal beverage containers defined as Mixed Containers and glass beverage containers defined as Glass Bottles and Jars.

**ATTACHMENT 3.4 TO SCHEDULE 2.1(a)  
SERVICE LEVEL FAILURES**

Contractor may incur Service Level Failure Credits for the Service Level Failures described in this Attachment 3.4; provided, however, that the aggregate amount of Service Level Failure Credit in respect of any calendar year shall not exceed the aggregate amount of Fees payable to Contractor in respect of such calendar year:

	<b>Service Level Failure</b>	<b>Service Level Failure Credit</b>						
1	Failure to clean up or collect spilled PPP within two hours from the time the Contractor has been notified of the spill or it has been observed by the Contractor.	Twice the cost of cleanup incurred by Recycle BC (if Recycle BC performs the cleanup) plus \$500 per incident (regardless of who performs the cleanup).						
2	Contractor: a) fails to accurately report pursuant to Section 3(a) of Attachment 5;  b) overstates or otherwise inaccurately reports the Curbside Household Baseline; or  c) understates the number of ICI locations in the Service Area per Section 2.1.1(c).	\$5,000 per incident.						
3	Failure to provide a required report pursuant to Section 3.3.1 or in Section 3(a) of Attachment 5 on time.	Withholding of all Fees due to Contractor until the required report is submitted.						
4	Failure to separate In-Scope PPP collected from Curbside Households in the Service Area from materials collected outside of the Service Area without prior written approval from Recycle BC.	\$5,000 per route, plus \$3,000 per month (pro-rated in the case of a partial month) until the Service Level Failure has been remedied or a request for approval by the Contractor has been approved in writing by Recycle BC.						
5	If the Curbside Household Baseline does not exceed 25,000, a delivery of materials to the Designated Post-Collection Facility that contains more than 5% by weight of Not Accepted Materials.	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount</p> <p>For the purpose of this Service Level Failure, the “<b>Per Load Amount</b>” in respect of any year will be determined by the Curbside Household Baseline for such year, in accordance with the following table:</p> <table border="1"> <thead> <tr> <th>Curbside Household Baseline</th> <th>Per Load Amount</th> </tr> </thead> <tbody> <tr> <td>10,000-25,000</td> <td>\$5,000</td> </tr> <tr> <td>5,000-9,999</td> <td>\$3,750</td> </tr> </tbody> </table>	Curbside Household Baseline	Per Load Amount	10,000-25,000	\$5,000	5,000-9,999	\$3,750
Curbside Household Baseline	Per Load Amount							
10,000-25,000	\$5,000							
5,000-9,999	\$3,750							

Service Level Failure		Service Level Failure Credit													
		2,500-4,999	\$2,500												
		499-2,499	\$1,250												
		0-499	\$500												
6	If the Curbside Household Baseline exceeds 25,000, a delivery of materials to the Designated Post-Collection Facility that contains more than 5% by weight of Not Accepted Materials.	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.</p> <p>For the purpose of this Service Level Failure, the “Per Load Amount” will initially be \$5,000. If Contractor is required to make one or more payments in respect of this Service Level Failure in respect of any year, the Per Load Amount for the following year will be automatically increased by \$5,000 (to a maximum of \$20,000). If Contractor is not required to make any payments in respect of this Service Level Failure in respect of a particular year, the Per Load Amount for the following year will be reset at \$5,000.</p>													
7	If Contractor collects Mixed Containers and Paper and Cardboard in Multi-Stream, delivery of a load in violation of Section 2.1.5(c).	\$1,000 per load.													
8	<p>Delivery of a load of:</p> <p>a) In-Scope PPP in Multi-Stream in violation of Section 2.1.2(e);</p> <p>b) Mixed Containers and Paper and Cardboard (whether collected in a single stream or a Multi-Stream) in violation of Section 2.1.2(f);</p> <p>c) Flexible Plastics in violation of Section 2.1.2(g); or</p> <p>d) Glass Bottles and Jars in violation of Section 2.1.2(h).</p>	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.</p> <table border="1"> <thead> <tr> <th>Curbside Household Baseline</th> <th>Per Load Amount</th> </tr> </thead> <tbody> <tr> <td>10,000+</td> <td>\$5,000</td> </tr> <tr> <td>5,000-9,999</td> <td>\$3,750</td> </tr> <tr> <td>2,500-4,999</td> <td>\$2,500</td> </tr> <tr> <td>499-2,499</td> <td>\$1,250</td> </tr> <tr> <td>0-499</td> <td>\$500</td> </tr> </tbody> </table>		Curbside Household Baseline	Per Load Amount	10,000+	\$5,000	5,000-9,999	\$3,750	2,500-4,999	\$2,500	499-2,499	\$1,250	0-499	\$500
Curbside Household Baseline	Per Load Amount														
10,000+	\$5,000														
5,000-9,999	\$3,750														
2,500-4,999	\$2,500														
499-2,499	\$1,250														
0-499	\$500														
9	The occurrence of a Labour Disruption, if Contractor fails to (i) implement its Business Continuity Plan in respect of such Labour Disruption; or (ii) fails to comply with Sections	An equitable reduction in the Fees to reflect the value of any SOW Services not received by Recycle													

	<b>Service Level Failure</b>	<b>Service Level Failure Credit</b>
	4.6.1 or 4.6.2 of the Agreement in respect of such Labour Disruption.	BC plus \$5,000 per day of Labour Disruption.
10	Contractor delivers In-Scope PPP to any location, such as a landfill, incinerator or energy recovery facility, other than the Designated Post-Collection Facility without the prior written permission of Recycle BC	\$25,000 per incident.
11	Contractor fails to follow Designated Post-Collection Service Provider direction as per Section 2.1.5(d).	\$5000 per incident.

**ATTACHMENT 5 TO SCHEDULE 2.1(a)  
FEES**

1. In this Attachment, the following terms will have the following meaning:

**“Bonus Period”** means each full calendar year during the SOW Term, commencing on January 1 and ending on December 31 of each year; provided, however, that (i) if the Service Commencement Date is not January 1, the initial Bonus Period shall commence on the Service Commencement Date and end on December 31 of that year; and (ii) if the SOW Term does not end December 31, the final Bonus Period will commence on January 1 of that year and end on the date on which the SOW Term ends.

**“Curbside Household Baseline”** means the number of Curbside Households in the Service Area as initially set out in Attachment 2.1.1, as may be modified in accordance with Section 3 of this Attachment 5.

2. In consideration for Contractor’s performance of the SOW Services, Recycle BC will pay Contractor:

(a) The selected (as indicated by an “x” in the associated check box) annual amount in the table below times the Curbside Household Baseline (to be payable in arrears, in equal monthly payments on net thirty (30) day terms):

<b>Curbside Collection Fee</b>		
	<b>Collection Type</b>	<b>\$ per Curbside Household per Year</b>
<input type="checkbox"/>	Single-Stream using automated carts – Mixed Containers and Paper and Cardboard	\$41.00
<input type="checkbox"/>	Single-Stream using Collection Containers other than automated carts – Mixed Containers and Paper and Cardboard	\$42.60
<input checked="" type="checkbox"/>	Multi-Stream – Paper and Cardboard separate from Mixed Containers	\$71.10
<input type="checkbox"/>	Flexible Plastics - which must be segregated from all other PPP	\$8.00

(b) Each of the following that are selected (as indicated by an “x” in the associated check box) in the table below (which may be none): (i) the Resident Education Top Up amount; and (ii) the Service Administration Top Up amount, in each case as set out in the table below times the Curbside Household Baseline (to be payable in arrears, in equal monthly payments on net thirty (30) day terms):

	<b>Top Up Fee</b>	<b>\$ per Curbside Household per Year</b>
<input checked="" type="checkbox"/>	Resident Education Top Up	\$1.25
<input checked="" type="checkbox"/>	Service Administration Top Up	\$3.75

Without limiting Contractor's obligations under this Statement of Work (including the cost Contractor is required to incur to perform such obligations), the Resident Education Top Up amount must be used for the purpose of providing resident education in respect of the Curbside Collection services.

- (c) If selected (as indicated by an "x" in the associated check box), the following per tonne amount, to be invoiced and paid pursuant to the claims submission process in accordance with the terms of the Agreement:

<b>Curbside Collection Glass Bottles and Jars Fee</b>		
<input type="checkbox"/>	Glass Bottles and Jars	\$ per Tonne
		\$80.00

- (d) For each Bonus Period, the Achieved Bonus Amount times the average Curbside Household Baseline for such period, where the "Achieved Bonus Amount" is the performance bonus amount in the table below that corresponds with the Not Accepted Materials percentage by weight of materials collected by Contractor during the Bonus Period. The foregoing will be calculated annually, at the end of each Bonus Period, based on the average Curbside Household Baseline for such period and the approved material composition audits completed for the Bonus Period. The Achieved Bonus Amount for a Bonus Period, if any, will be paid no later than July 1 of the following year.

For purposes of calculating the Achieved Bonus Amount, Recycle BC will apply a methodology, in its sole discretion, to calculate the average amount of Not Accepted Materials in Contractor's collected material for calculating the Not Accepted Material percentage.

If the Bonus Period is a partial calendar year, the Achieved Bonus Amount will be calculated by Recycle BC on a pro-rated basis taking into account such factors as Recycle BC, acting reasonably, may consider relevant.

If Contractor also provides Multi-Family Building Collection and In-Scope PPP collected in respect of Multi-Family Building Collection is collected in a vehicle with In-Scope PPP collected from Curbside Households under this Statement of Work, then, for the purpose of calculating the performance bonus under this subsection (d), the Curbside Household Baseline will be adjusted to include the number of multi-family households whose In-Scope PPP has been collected in this manner and the not accepted material percentage will be calculated based on audits that include both Curbside and multi-family collected material.

<b>Calculation of Achieved Bonus Amount</b>				
Not Accepted Materials percentage by weight	4.0% - 3.5%	≤ 3.4% - 3.0%	≤ 2.9% - 2.5%	≤ 2.4%
Achieved Bonus Amount	<b>\$ per Curbside Household</b>			
	\$1.00	\$1.50	\$2.00	\$2.50

3. The Curbside Household Baseline may be adjusted as follows:
- (a) On July 1 of each year, or on any other date determined by Recycle BC, and at such other times as the parties may agree, Contractor will, in good faith, report and attest (in a form

acceptable to Recycle BC) to the then-current number of Curbside Households in the Service Area.

- (b) Recycle BC may also provide evidence of the then-current number of Curbside Households in the Service Area. Based on Contractor's attestation and the evidence provided by Recycle BC, Recycle BC and Contractor will work in good faith to mutually agree on the new Curbside Household Baseline. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.
  - (c) For purposes of reporting and determining the number of Curbside Households:
    - (i) A single family dwelling is considered one Curbside Household;
    - (ii) A laneway house is considered one Curbside Household;
    - (iii) A duplex is considered two Curbside Households;
    - (iv) A triplex is considered three Curbside Households;
    - (v) A fourplex is considered four Curbside Households;
    - (vi) A single family dwelling that has been converted into two, three or four residential dwelling units, shall be considered a duplex, triplex or fourplex, as described in (iii), (iv) and (v), respectively, if Contractor recognizes the conversion for utility and/or contract billing;
    - (vii) A single family dwelling that has been converted into multiple dwelling units that is recognized by Contractor as a single family dwelling for utility and/or contract billing is considered one Curbside Household; and
    - (viii) Each self-contained dwelling unit in a rowhouse or townhouse is considered one Curbside Household if the resident of each unit delivers In-Scope PPP to the Curb for collection in separate Collection Containers.
4. If the average annual amount of In-Scope PPP collected per Curbside Household by Contractor, in any twelve (12) month period (based on the Curbside Household Baseline) falls below one hundred (100) kilograms, then Recycle BC may require Contractor to, within ninety (90) days, prepare and submit to Recycle BC for approval a remediation plan designed to raise its collection yield above one hundred (100) kilograms per Curbside Household. Following approval of the remediation plan by Recycle BC, Contractor will execute the plan. Contractor will provide monthly reporting to Recycle BC detailing the progress and outcomes of the remediation plan. If material improvement does not occur within ninety (90) days of beginning to execute the plan, then Contractor will work with Recycle BC to establish additional changes and to adopt best practices recommended by Recycle BC in order to increase collection yield, and, at Recycle BC's discretion, may result in an equitable downward change in the Fees to reflect the reduced value of the amount of In-Scope PPP being collected by Contractor.
5. The Curbside Collection Fee and Top up Fee will be adjusted each year, up or down, on the first day of January of each year. Recycle BC reserves the right to choose the adjustment mechanism to be used each year, as between (i) the results of a cost study that samples the collection service providers to determine the costs associated with the performance of Curbside Collection services; and (ii) an adjustment that is based on the Consumer Price Index (CPI) for BC (All Items), which will be calculated as follows:

- (a) Curbside Collection Fee or Top Up Fee = Curbside Collection Fee or Top Up Fee, as applicable, in the previous year  $\times (1 + (\text{percentage change in CPI}/100))$ , where
- (i) percentage change in CPI =  $(\text{current year CPI} - \text{previous year CPI}) / (\text{previous year CPI}) \times 100\%$ ; and
  - (ii) each year's CPI is the published CPI on September 1st of the year prior.



**SCHEDULE 2.1(b)**  
**STATEMENT OF WORK FOR MULTI-FAMILY BUILDING COLLECTION SERVICES BY LOCAL GOVERNMENT**

This Statement of Work is incorporated into and forms part of the Master Services Agreement made between District of Barriere (“**Contractor**”) and MMBC Recycling Inc. carrying on business as Recycle BC (“**Recycle BC**”) made as of January 1, 2025 (the “**Agreement**”). The effective date of this Statement of Work (the “**SOW Effective Date**”) is January 1, 2025.

**SECTION 1. Interpretation**

1.1 Definitions. In this Statement of Work (including the attachments hereto), the following terms will have the following meanings. Capitalized terms used but not defined in this Statement of Work will have the respective meanings ascribed to them in the Agreement.

“**Agreement**” has the meaning set out on the first page of this Statement of Work.

“**Approved Multi-Family Building**” means a Multi-Family Building on the list of approved Multi-Family Buildings maintained by Recycle BC in accordance with Section 2.1.1, which makes up the Multi-Family Household Baseline.

“**Claim Information**” has the meaning set out in Section 3.3.2.

“**Collection Container**” means any container acceptable to Recycle BC used for storage of In-Scope PPP at a central location in a Multi-Family Building complex, but, for the avoidance of doubt, may not include single-use bags.

“**Contractor**” has the meaning set out on the first page of this Statement of Work.

“**Customer**” means any owner, property manager or resident of an Approved Multi-Family Building.

“**Determined ICI Amount**” has the meaning set out in Section 2.1.1(e).

“**Hazardous Waste**” means any waste that may pose a risk to health, safety or the environment if not properly managed, including materials that are corrosive, reactive, toxic, leachable or ignitable (e.g. used oil, paint, pesticides, batteries, chemicals).

“**In-Scope PPP**” means the PPP set out in Attachment 2.1.2 and such other materials identified as In-Scope PPP by Recycle BC in writing from time to time.

“**Industrial, Commercial and Institutional**” or “**ICI**” means any operation or facility other than a residential premises as defined in the Regulation, including commercial facilities such as retail stores or offices located in the street level or lower levels of a Multi-Family Building and vacation facilities, such as hotels, motels, cottages, cabins and rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts); and, institutional facilities such social or community service organizations and personal or health care facilities located in the street level or lower levels of a Multi-Family Building and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

“**Missed Collection**” means any failure of Contractor to collect In-Scope PPP from an Approved Multi-Family Building on the Approved Multi-Family Building’s scheduled collection day.

“**Multi-Family Building**” means a complex, where residents are expected to deliver In-Scope PPP to a central storage area accessible by all residents, from which collection occurs.

**“Multi-Family Building Collection”** has the meaning set out in Section 2.1.

**“Multi-Family Household”** means a self-contained dwelling unit providing accommodation to one or more people where the resident is expected to deliver In-Scope PPP to a central location on the property of the Multi-Family Building from which In-Scope PPP is collected.

**“Multi-Family Household Baseline”** has the meaning set out in Attachment 5.

**“Multi-Stream”** means In-Scope PPP collected as segregated material categories. These categories may include Paper and Cardboard and Mixed Containers, with each category stream collected and maintained separate from each other.

**“Not Accepted Materials”** means, collectively, any material that is not PPP.

**“Old Corrugated Cardboard”** means paper-based material consisting of a fluted corrugated sheet and one or two flat linerboards. For clarity, waxed or coated corrugated cardboard is excluded from this definition.

**“Private Road”** means a privately-owned and maintained right-of-way that allows for access by a service vehicle and that serves multiple residences.

**“Public Road”** means a public right-of-way used for public travel, including public alleys and lanes.

**“Reduced Split Weighing”** means a method whereby a subset of randomly selected collection vehicles of a Multi-Stream Contractor have each material category compartment weighed separately, and the results are extrapolated to calculate the split between the material categories on the remainder of the Contractor’s collection vehicles on a monthly basis, therefore eliminating the need for all collection vehicles to weigh each compartment individually.

**“Resident Education Top Up”** means a top up amount paid by Recycle BC to Contractor for the purposes of promotion, education and outreach programs in connection with PPP.

**“Service Administration Top Up”** means an amount paid by Recycle BC to Contractor for the purposes of administrative expenses associated with PPP program coordination, including office staff, data analysis and reconciliation, correspondence, office rent and office equipment.

**“Service Area”** means the geographic area delineated in Attachment 2.1.1.

**“Service Commencement Date”** means January 1, 2025.

**“Single-Stream”** means In-Scope PPP collected as comingled material categories. These categories may include Paper and Cardboard and Mixed Containers, collected together in the same Collection Container.

**“SOW Effective Date”** has the meaning set out on the first page of this Statement of Work.

**“SOW Services”** has the meaning set out in Section 2.

**“SOW Term”** has the meaning set out in Section 4.

**“Transition and Implementation Plan”** has the meaning set out in 2.4.

1.2 Attachments. As of the SOW Effective Date, the following Attachments form part of this Agreement:

<u>Attachment</u>	<u>Description</u>
Attachment 2.1.1	– Service Area
Attachment 2.1.2	– In-Scope PPP
Attachment 3.4	– Service Level Failures
Attachment 5	– Fees

**SECTION 2. Services**

Contractor will provide, on the terms and conditions set out in the Agreement as supplemented and modified by the terms and conditions of this Statement of Work, the following Services (the “**SOW Services**”):

2.1 Multi-Family Building Collection Services. Beginning on the Service Commencement Date, Contractor will collect In-Scope PPP from Multi-Family Buildings in the Service Area as further described in this Section 2.1 (“**Multi-Family Building Collection**”) and in accordance with the terms of the Agreement and this Statement of Work.

2.1.1 Approved Multi-Family Buildings.

- (a) Subject to Section 2.1.1(d), Contractor will not collect In-Scope PPP from any location other than an Approved Multi-Family Building. Recycle BC will maintain a list of Approved Multi-Family Buildings, which list will be initially comprised of the Multi-Family Buildings agreed on by Recycle BC and Contractor prior to the SOW Effective Date.
- (b) Contractor will maintain a contact list for all Approved Multi-Family Buildings within the Service Area, made available to Recycle BC upon request.
- (c) Recycle BC may remove all or a portion of a Multi-Family Building from the list of Approved Multi-Family Buildings, immediately upon notice, where Contractor has committed any breach of this Agreement in respect of such Multi-Family Building or portion thereof (including a failure to meet or exceed applicable Service Levels) and has failed to cure such breach within thirty (30) days of being given notice thereof by Recycle BC.
- (d) Recycle BC may, in its sole discretion, approve Contractor to collect In-Scope PPP from a limited number of ICI locations. Contractor will collect In-Scope PPP only from ICI locations approved by Recycle BC in advance. Recycle BC shall have the right, exercisable at any time in its sole discretion, to revoke its approval of any one or more ICI locations.
- (e) Contractor will not be entitled to receive any Fees or other payments in respect of In-Scope PPP collected from ICI locations and will be solely responsible for all costs associated with the collection and post-collection management of In-Scope PPP collected from ICI locations. Recycle BC reserves the right to develop and apply a methodology, in its sole discretion, for calculating the amount of In-Scope PPP from ICI locations included in Contractor-collected In-Scope PPP delivered to the Designated Post-Collection Facility (the “**Determined ICI Amount**”). Without limiting the generality of the foregoing, Contractor acknowledges and agrees that Contractor will be solely responsible for any costs or fees charged by the Designated Post-Collection Service Provider or Recycle BC in respect of the Determined ICI Amount.

### 2.1.2 PPP Materials.

- (a) Contractor will collect all In-Scope PPP from all Approved Multi-Family Buildings that is placed in Collection Containers (including both Contractor-provided Collection Containers and Collection Containers provided by Approved Multi-Family Buildings). The Contractor will not place limits on the quantity of In-Scope PPP collected from Approved Multi-Family Buildings and the quantity of material collected will be limited to what can reasonably fit inside the Collection Container(s). If a location generates an excessive amount of In-Scope PPP, the Contractor may provide additional Collection Containers to accommodate the extra volume. Subject to Section 6.1, if extra Collection Containers have already been provided or there is insufficient space for additional Collection Containers, the Contractor and the building management may collaborate to increase service frequency to meet capacity as an enhanced service.
- (b) Materials collected by Contractor may not contain more than 5% by weight of Not Accepted Materials. Loads exceeding 5% by weight of Not Accepted Materials may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits as set out in Attachment 3.4.
- (c) Materials collected by Contractor may not contain (i) any packaging containing Hazardous Waste; (ii) Foam Packaging; or (iii) Flexible Plastics (outside of the Flexible Plastics Collection Container).
- (d) If Contractor collects In-Scope PPP in Multi-Stream, Contractor must ensure that:
  - (i) loads of Paper and Cardboard do not contain more than 1% by weight of Mixed Containers; and
  - (ii) loads of Mixed Containers do not contain more than 3% by weight of Paper and Cardboard.
- (e) Contractor must ensure that loads of Mixed Containers and Paper and Cardboard (whether collected in a Single-Stream or a Multi-Stream) do not contain more than 3% by weight of Glass Bottles and Jars.
- (f) Contractor must ensure that the loads of Flexible Plastics do not contain more than 5% by weight of Mixed Containers, Paper and Cardboard and Glass Bottles and Jars.
- (g) Contractor must ensure that loads of Glass Bottles and Jars do not contain more than 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate). Loads of segregated Glass Bottles and Jars exceeding 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate) may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits as set out in Attachment 3.4.
- (h) Contractor will implement and maintain reasonable procedures to ensure that loads delivered to the Designated Post-Collection Facility comply with the requirements set forth in this Section 2.1.2, including procedures to monitor the content of collected materials and procedures to notify and reject material from Approved Multi-Family Buildings who do not comply with such requirements. Such procedures are subject to review by Recycle BC at any time and from time to time. If Recycle BC determines that such procedures are inadequate, Contractor will

adopt such procedures as Recycle BC may reasonably require in order to ensure compliance with this Section 2.1.2.

- (i) Recycle BC will work collaboratively with Contractor to provide assistance and direction to support Contractor in ensuring that loads delivered to the Designated Post-Collection Facility comply with the requirements set forth in this Section 2.1.2, with the ultimate goal of continuous improvement.

### 2.1.3 Collection.

- (a) Contractor shall not place limits on the quantity of In-Scope PPP collected from Approved Multi-Family Buildings. Where Contractor uses automated carts or front end bins as the Collection Container, the quantity of material collected may be limited to what can reasonably fit inside the Collection Container.
- (b) Contractor will pick up In-Scope PPP from Approved Multi-Family Buildings in Collection Containers that are directly, or reasonably, accessible by the collection vehicle. The Collection Containers may be on a Public Road if the Approved Multi-Family Building has permission from the local government to store the Collection Containers on a Public Road.
- (c) Contractor will perform Multi-Family Building Collection with sufficient frequency that each Approved Multi-Family Building always maintains sufficient capacity in its uncollected Collection Containers so as not to be a barrier to use of Multi-Family Building Collection services by the residents of such Approved Multi-Family Building; provided that the service standard hereunder is not intended to require Contractor to perform Multi-Family Building Collection more frequently than once per week. Without limiting the generality of the foregoing, Contractor will coordinate with each Approved Multi-Family Building to arrange for a pick-up schedule for the Approved Multi-Family Building that, if requested by the Approved Multi-Family Building, is consistent.
- (d) Contractor will make collections in an orderly, non-disruptive and quiet manner, and will return Collection Containers with their lids closed in their set out location in an orderly manner. The location of returned Collection Containers should not block sideways, driveways or street parking.
- (e) Subject to Section 2.1.2(a) and Section 2.1.3(a), Contractor will not reject any In-Scope PPP set out by a Customer unless Customer is notified of the reason for such rejection.

### 2.1.4 Collection Containers.

- (a) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, Contractor will provide Collection Containers to each Approved Multi-Family Building that provide sufficient volume to accommodate In-Scope PPP generated by such Approved Multi-Family Building between collections so that Collection Container capacity and design is not a barrier to use of Multi-Family Building Collection services by the residents of such Approved Multi-Family Building.
- (b) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, if Multi-Family Buildings are added to the list of Approved Multi-Family Buildings under Section 2.1.1(a) Contractor will deliver Collection Containers to

any such Multi-Family Buildings at least ten (10) Business Days prior to the start date provided agreed on by Contractor and Recycle BC.

- (c) If any Approved Multi-Family Building chooses to provide its own Collection Containers, Contractor will handle such Collection Containers in such a way as to prevent undue damage, and Contractor will be responsible for unnecessary or unreasonable damage to such Collection Containers. Contractor is not required to collect materials from any Customer-owned Collection Container if (i) collecting material from such Collection Container would involve a risk of injury to Contractor personnel or risk of damage to Contractor or Customer property; (ii) the Collection Container is otherwise incompatible with Contractor's collection model; or (iii) Customer provided Collection Containers are prohibited by municipal bylaw.
- (d) If Contractor did not provide Multi-Family Building Collection in the Service Area immediately prior to the Service Commencement Date, Contractor will deliver Collection Containers that meet the requirements set out in this Agreement to each Approved Multi-Family Building at least ten (10) Business Days prior to the Service Commencement Date unless otherwise approved by Recycle BC in writing.
- (e) Contractor may not collect In-Scope PPP in single-use bags.
- (f) If Contractor proposes to change the type of Collection Containers it uses for Multi-Family Building Collection in the Service Area, Contractor will submit a detailed transition plan to Recycle BC a minimum of six (6) months prior to the scheduled or planned change. Any change to the type of Collection Containers used for Multi-Family Building Collection in the Service Area is subject to approval in writing by Recycle BC, which approval will not be unreasonably withheld.
- (g) Contractor will replace Collection Containers once they no longer meet a functional condition in accordance with reasonable procedures subject to review and approval by Recycle BC.

#### 2.1.5 Designated Post-Collection Facility.

- (a) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection, unless alternative arrangements have been approved in writing by Recycle BC. If Contractor is unable to deliver collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection for an unforeseen reason outside Contractor's reasonable control, Contractor will deliver such collected In-Scope PPP to the Designated Post-Collection Facility on the next Business Day, unless otherwise approved by Recycle BC in writing, and will store such In-Scope PPP during the interim in a safe and secure manner. Contractor may not charge any amounts to the Designated Post-Collection Service Provider in connection with such storage. Contractor will not deliver In-Scope PPP to any location other than the Designated Post-Collection Facility or dispose of any collected In-Scope PPP without prior written authorization from Recycle BC.
- (b) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility segregated, at a minimum, in the manner set out in Attachment 2.1.2.
- (c) If Contractor collects Mixed Containers and Paper and Cardboard in Multi-Stream, Contractor must unload both Paper and Cardboard and Mixed Containers in separate bunkers or locations as directed by the Designated Post-Collection Service Provider. If Contractor collects Old Corrugated Cardboard segregated, it



must comply with the direction of the Post-Collection Service Provider to tip into either the Paper and Cardboard bunker, or a segregated Old Corrugated Cardboard bunker. Loads delivered in violation of this Section 2.1.5(c), including as a result of driver error or mechanical failure, may be subject to a Service Level Failure Credit as set out in Attachment 3.4.

- (d) Contractor will follow all reasonable instructions and procedures regarding the delivery of In-Scope PPP as directed by the Designated Post-Collection Service Provider and Recycle BC, including instructions and procedures pertaining to health and safety, Reduced Split-Weighing, delivery and unloading of In-Scope PPP, audit procedures and weigh scale operation.
- (e) If Contractor is scheduled to collect In-Scope PPP from an Approved Multi-Family Building on a holiday, Contractor will coordinate directly with the Designated Post-Collection Service Provider and Recycle BC a minimum of ten (10) Business Days in advance of such holiday in order to schedule the delivery of such In-Scope PPP.
- (f) If the Service Area is within the Metro Vancouver Regional District, subject to Section 2.1.5(h) the Designated Post-Collection Facility will be located within thirty (30) minutes (on average based on typical traffic conditions between 10 am and 2 pm Monday to Friday) from the Service Area boundary at the point of least distance to the Designated Post-Collection Facility.
- (g) If the Service Area is not within Metro Vancouver Regional District, subject to Section 2.1.5(h) the Designated Post-Collection Service Provider will locate the Designated Post-Collection Facility within sixty (60) kilometers from the Service Area boundary at the point of least distance to the Designated Post-Collection Facility. If delivery to the Designated Post-Collection Facility requires the use of a ferry or barge, then the delivery boundary is the ferry or barge terminal and the Designated Post-Collection Service Provider will be responsible for the portion of the trip that requires ferry or barge travel.
- (h) If, after using commercially reasonable efforts, the Designated Post-Collection Service Provider is unable to locate a Designated Post-Collection Facility in accordance with Section 2.1.5(f) and Section 2.1.5(g), as applicable, Contractor will not be required to deliver In-Scope PPP to the Designated Post-Collection Facility except on terms mutually acceptable to Contractor and the Designated Post-Collection Service Provider.
- (i) Recycle BC may change the location of the Designated Post-Collection Facility upon i) thirty (30) days' written notice if the new Designated Post-Collection Facility is within twenty (20) kilometers of the existing Designated Post-Collection Facility and in compliance to Section 2.1.5(f) or Section 2.1.5(g) and ii) ninety (90) days' written notice if the new Designated Post-Collection Facility is more than 20 kilometers from the existing Designated Post-Collection Facility and in compliance to Section 2.1.5(f) or Section 2.1.5(g).
- (j) Unless Recycle BC otherwise agrees in writing, Contractor may not consolidate or otherwise sort In-Scope PPP collected from Approved Multi-Family Buildings before delivering such materials to the Designated Post-Collection Facility. Such approval may be subject to such conditions or procedures as Recycle BC considers appropriate or necessary in the circumstances and may be revoked at any time by Recycle BC in its sole discretion, including if Contractor has failed to comply with such conditions or procedures.

- (k) If the Designated Post-Collection Service Provider rejects a load of In-Scope PPP from Contractor due to a verified claim that such load contains more than 5% by weight of Not Accepted Materials or contains any Hazardous Waste, or for instances with bulkhead failures contaminating segregated material loads, Recycle BC reserves the right to designate alternative procedures and requirements associated with that load and to deduct any additional costs associated therewith from the Fees otherwise due to Contractor.
- (l) Recycle BC will, in its sole discretion, approve any Reduced Split Weighing, and the percentage of loads required to split weigh. If Recycle BC has provided such approval to Contractor, the Contractor is required to follow all direction as per Section 2.1.5(d). Recycle BC reserves the right to remove or change Reduced Split Weighing requirements at any time.
- (m) On a monthly basis, or on a schedule agreed upon by the Designated Post-Collection Service Provider, Contractor will retrieve any Collection Containers which have been inadvertently dropped into the collection vehicle and tipped at the Designated Post-Collection Facility.
- (n) If at any time during the SOW Term the Designated Post-Collection Facility is temporarily closed for three (3) Business Days or less, including due to emergency, mechanical breakdown or maintenance, Contractor shall deliver In-Scope PPP collected pursuant to this Statement of Work to an alternative location specified by Recycle BC in writing. If the Designated Post-Collection Facility is closed for longer than three (3) Business Days, Contractor and Recycle BC will mutually agree on a solution.

#### 2.1.6 Spillage.

- (a) All loads collected by Contractor will be completely contained in collection vehicles at all times, except when In-Scope PPP is actually being loaded. Hoppers on all collection vehicles will be cleared frequently to prevent the occurrence of blowing or spillage.
- (b) Any spillage of In-Scope PPP that occurs during Multi-Family Building Collection will be immediately cleaned up or removed by Contractor at its sole expense. Contractor will keep accurate records of each occurrence of spillage and its clean-up, and will make such records available to Recycle BC on request. Contractor expressly acknowledges it is solely responsible for any violations of Applicable Law that may result from said spillage.
- (c) Without limiting Section 2.1.6(b) above, Contractor will maintain all collection vehicles to ensure that no liquid wastes (e.g., leachate) or oils (e.g., lubricating, hydraulic, or fuel) are discharged on the property of Approved Multi-Family Buildings, Public Roads or Private Roads. All collection and route supervisor vehicles used by Contractor will be equipped with a spill kit sufficient in size to contain a spill of equivalent volume to the largest lubricating, hydraulic or fuel tank on the largest collection vehicle. Any discharge of liquid wastes or oils that may occur from Contractor's collection vehicles will be cleaned up or removed by Contractor within three (3) hours of the discharge and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with pictures, and notice of such clean-up or removal will be provided to Recycle BC in writing. Contractor will comply with all Applicable Laws in respect of ground-water or drainage systems safety and standards. Contractor will immediately notify Recycle BC or the Designated Post-Collection Service Provider of any spills that enter ground-water or drainage systems.



### 2.1.7 Routes

- (a) Except for In-Scope PPP collected from ICI locations in accordance with Section 2.1.1(d), Contractor collection vehicles used to perform Multi-Family Building Collection may only be used to collect materials from locations other than Approved Multi-Family Buildings if they are emptied before and after such other use.

### 2.1.8 Pilot Programs.

- (a) Recycle BC may wish to test or implement one or more new services, technology or developments in PPP material segregation, processing or collection technology (collectively, "**Pilot Program**"). Recycle BC will provide at least ninety (90) days written notice of its intention to implement a Pilot Program. The allocation of any costs (or savings) accrued by Recycle BC-initiated Pilot Programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the Agreement. If Recycle BC deems the Pilot Program a success and desires to incorporate the service or development represented in the Pilot Program into this Statement of Work, such a change will be made pursuant to the change process set out in Section 2.2 of the Agreement.
- (b) Contractor-initiated Pilot Programs will require prior written approval by Recycle BC and will be performed at no additional cost to Recycle BC.

## 2.2 Customer Service and Management. As part of Multi-Family Building Collection, Contractor will provide the following services.

### 2.2.1 Customer Service Requirements.

- (a) Contractor will have and maintain throughout the SOW Term a Customer service office and call center, which will be accessible by a local area code and prefix phone number or a toll-free number. Customer service representatives will be familiar with the Recycle BC program requirements and will make best efforts to be available through Contractor's call center during office hours for communication with Customers and Recycle BC representatives. Customer calls will be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, Contractor will have an answering or voice mail service available to record messages from all incoming telephone calls.
- (b) Contractor's Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service.

### 2.2.2 Customer Service Representative Staffing.

- (a) Contractor will maintain sufficient staffing to answer and handle complaints and service requests in a timely manner made by all methods, including telephone, letters, e-mails, social media and text messages.

### 2.2.3 Customer Complaints and Requests.

- (a) Contractor will record all Customer complaints and service requests, regardless of how received, including date, time, Customer's name and address, if the Customer is willing to give this information, method of transmittal, and nature, date and manner of resolution of the complaint or service request in a computerized daily

log. Contractor will use commercially reasonable efforts to resolve all complaints and service requests within two (2) Business Days of the original contact.

- (b) Contractor's Customer service log will be available for inspection by Recycle BC with consideration to Contractors confidentiality obligations, if requested by Recycle BC.

## 2.3 Promotion and Education.

- 2.3.1 Contractor will have primary responsibility for executing public promotion, education, and outreach programs associated with the collection of In-Scope PPP, provided however that Contractor will incorporate Recycle BC-developed communications messages and images in Contractor public promotion, education, and outreach programs.
- 2.3.2 Contractor will use approved Recycle BC promotion and education materials, such as signs, decals, and brochure in each Approved Multi-Family Building to ensure clear understanding of accepted materials and material categories.
- 2.3.3 Contractor will have primary responsibility for providing Customers service-oriented information such as dates and times of Multi-Family Building Collection.
- 2.3.4 Recycle BC reserves the right, in its sole discretion, to require Contractor to seek advance approval of any or all public promotion, education and outreach materials associated with the collection of In-Scope PPP, including recycling guides, collection calendars, website content and "oops" tags.
- 2.3.5 If Contractor receives Resident Education Top Up payments in accordance with Attachment 5, Contractor must spend the total amount of the Resident Education Top Up payments paid to Contractor on promotion, education and outreach programs on an annual basis. Recycle BC reserves the right to request the proof of use of Resident Education Top-Up payments.
- 2.3.6 Except for logos of the applicable local government, Recycle BC, Contractor or any subcontractor of Contractor, Contractor may not affix or otherwise include any logo of, or any reference to, any other party or person on a Collection Container in any manner whatsoever, including stickers and hot stamps.

- 2.4 Transition and Implementation Services. If, immediately prior to the SOW Effective Date, Contractor (i) did not perform Multi-Family Building Collection in the Service Area or (ii) did not provide Multi-Family Building Collection in the Service Area pursuant to a statement of work with Recycle BC, Contractor will, beginning on the SOW Effective Date, and with Recycle BC's input, develop and submit to Recycle BC no later than two (2) weeks after the SOW Effective Date a transition and implementation plan (the "**Transition and Implementation Plan**") for implementing Multi-Family Building Collection in the Service Area, including a specific timeline as to when different activities and events will occur, details of how certain events impact other events in the timeline, and the process to be used to ensure that implementation occurs on the Service Commencement Date with no disruption. The Transition and Implementation Plan will cover the entire period from the SOW Effective Date to and including the six (6) month anniversary of the Service Commencement Date. Contractor will describe in detail what is involved with each of the activities and events listed in the Transition and Implementation Plan. Finalization of the Transition and Implementation Plan will be subject to Recycle BC's prior approval.

## SECTION 3. Performance Standards and Operational Requirements

### 3.1 Personnel Conduct.

3.1.1 Contractor personnel performing Multi-Family Building Collection will at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, Contractor personnel will follow the regular pedestrian walkways and paths. Contractor personnel will not trespass, loiter, cross flower beds, hedges, or property of adjoining premises, or meddle with property that does not concern the SOW Services being performed.

3.1.2 Contractor personnel will wear a professional and presentable uniform with an identifying badge and/or company emblem visible to the average observer.

### 3.2 Vehicle Standards. Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards in respect of collection vehicles used to perform Multi-Family Building Collection:

3.2.1 All collection vehicles will be well maintained and clean. All collection vehicles will have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with applicable law. All collection vehicles and all parts and systems of all collection vehicles will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards, and be in a condition satisfactory to Recycle BC. Any collection vehicles not meeting these standards will not be used in the Service Area until repairs are made. All collection vehicles will be equipped with variable tone or proximity activated reverse movement back-up alarms.

3.2.2 Contractor will maintain all vehicles used in the performance of Multi-Family Building Collection in a manner intended to achieve reduced emissions and particulates, noise levels, operating costs, and fuel use.

### 3.3 SOW Record and Reporting Requirements.

3.3.1 Service Delivery Reporting. In addition to the record keeping and reporting requirements in the Agreement, Contractor will:

(a) maintain an electronic record of all Customer requests, Missed Collection, complaints and inquiries, including Customer name, mailing address, contact information (both telephone number and e-mail, if available), property name and service address, if different from mailing address, date of contact, reason for contact;

(b) maintain such other records as may be requested by Recycle BC, including:

(i) tonnage by collection date and weight scale ticket (which must include the collector name and truck number);

(ii) Customer communications related to Multi-Family Building Collection including telephone calls, letters, e-mails and text messages; and

(iii) Reporting if Old Corrugated Cardboard is collected segregated from other In-Scope PPP at each Approved Multi-Family Building, and if that Old

Corrugated Cardboard is managed by Contractor via Recycle BC, independently as ICI, or by a third party.

- (c) make all records maintained pursuant to this Statement of Work available to Recycle BC upon request;
- (d) provide a report to Recycle BC on associated collection metrics necessary to calculate the greenhouse gas emissions associated with the performance of Multi-Family Building Collection no more frequently than once per quarter and no less frequently than once per year; and
- (e) upon Recycle BC's request, provide a report per year on the costs associated with the performance of Multi-Family Collection services, no more frequently than once per year;
- (f) upon Recycle BC's request, provide a response to questions posed by Recycle BC's non-financial auditor; and
- (g) upon Recycle BC's request, provide up to two ad-hoc reports each year, at no additional cost to Recycle BC, and such ad-hoc reports (i) may include Customer service database tabulations to identify specific Service Level or participation patterns or other similar information reports; and (ii) will not require the Contractor to expend more than forty (40) staff hours per year to complete,

and such records and reports will be provided in Recycle BC-defined format and software compatibility. For reports that are provided at Recycle BC's request, Recycle BC will use best efforts to communicate such request sixty (60) days in advance of due date. Contractor and Recycle BC will meet to discuss requests outside of this scope, all parties being reasonable.

### 3.3.2 Claims Reporting.

- (a) At Recycle BC's discretion, claim reporting under Section 3.3.2(b) shall be assigned by Contractor to the Designated Post-Collection Service Provider.
- (b) All loads will be documented by the Designated Post-Collection Service Provider in a manner specified by Recycle BC, including by a certified scale ticket provided by the Designated Post-Collection Service Provider, with Contractor's name and address, Designated Post-Collection Facility's name and address, date, time, truck number, net weight by material type (as set out in Attachment 2.1.2) and such other information as Recycle BC may designate (collectively, "**Claim Information**").
- (c) Recycle BC will issue a claim summary to Contractor based on Claim Information directly provided to Recycle BC by the Designated Post-Collection Service Provider, pursuant to Section 3.3.2(b), and Contractor will review the claim summary for accuracy. Contractor must report to Recycle BC any content in the claim summary that Contractor disputes within thirty (30) days of the claim summary being issued.
- (d) After Recycle BC has approved the Claim Information, Recycle BC will issue a purchase order to Contractor, including a reference number. Recycle BC will issue payment to Contractor based on the approved purchase order without the need for Contractor to submit an invoice.

- (e) Standard tare weights for specific trucks may only be used on specific written permission of Recycle BC.

3.4 Service Levels. If Contractor fails to meet any Service Level set out in Attachment 3.4, Recycle BC will, in Recycle BC's sole discretion, be entitled to the applicable Service Level Failure Credits set out in Attachment 3.4.

#### **SECTION 4. SOW Term**

This Statement of Work will commence on the SOW Effective Date and its initial term will continue until December 31, 2029. Recycle BC may extend this Statement of Work for up to two further periods of one year each by providing at least one hundred eighty (180) days written notice before the expiration of the initial term or any such additional term or terms. The initial term and any such additional term or terms are herein referred to as the "**SOW Term**".

#### **SECTION 5. Fees**

The Fees payable by Recycle BC for the performance by Contractor of the SOW Services are set out in Attachment 5 to this Statement of Work, and such Fees begin after the Service Commencement Date. For the avoidance of doubt, Contractor acknowledges and agrees that it will not be entitled to receive any Fees in respect of In-Scope PPP collected from ICI locations.

#### **SECTION 6. Additional Terms**

- 6.1 No Double Charge. Contractor will not directly or indirectly charge Customers, including by way of tax, levy or other surcharge, for the cost of providing the SOW Services if and to the extent that such costs are covered by Fees (prior to deducting any Service Level Failure Credits) or other payments that Contractor is entitled to receive from Recycle BC under this Statement of Work. In the event that the Fees do not fully cover the Contractors costs of the program, the Contractor may directly or indirectly charge Customers for the portion of the costs of providing the SOW Services that are not covered by the Fees; provided that the Contractor shall not profit from such amounts.
- 6.2 Scavenging Forbidden. Contractor will not scavenge, or permit any employee (or, at the request of Recycle BC, any other person) to scavenge any materials (including, if permitted by law, materials other than In-Scope PPP that have been set out to be collected by other collection service providers) at any time and at any location during Contractor's performance of the SOW Services or otherwise.
- 6.3 Risk. Contractor will be responsible for all risks, including risk of loss or damage caused by, the In-Scope PPP from the time that the In-Scope PPP is collected by Contractor until the Contractor delivers such In-Scope PPP to the Designated Post-Collection Facility. In-Scope PPP will be deemed to be delivered when off-loaded from Contractor's vehicles at the Designated Post-Collection Facility and accepted by receipt of scale ticket or bill of lading from the Designated Post-Collection Service Provider. Contractor will be responsible for the cost of any damage to Collection Containers or the Designated Post-Collection Facility caused by Contractor.
- 6.4 No Shared Services. Contractor will not collect any material other than the In-Scope PPP to be collected under this Statement of Work (whether on Contractor's own behalf, or on behalf of any third party) while providing the Multi-Family Building Collection pursuant to this Statement of Work.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this Statement of Work effective as of the SOW Effective Date.

**MMBC RECYCLING INC.**

Per: \_\_\_\_\_  
(I have authority to bind Recycle BC)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

**DISTRICT OF BARRIERE**

Per: \_\_\_\_\_  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Per: \_\_\_\_\_  
(I have authority to bind Contractor)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Note: Second signatory to be completed by Contractor only if Contractor requires two signatories (and by leaving the second signatory blank and returning the Statement of Work to Recycle BC, Contractor and the first signatory represent that no additional signatories are required).

**ATTACHMENT 2.1.1 TO SCHEDULE 2.1(b)**  
**SERVICE AREA**

1. Under this Statement of Work, the Multi-Family Household Baseline (as defined in Attachment 5) will initially be 19.
2. The Service Area is: Multi-Family Buildings in the **District of Barriere** receiving Multi-Family Building Collection from Contractor as approved and held by Recycle BC in list format.

**ATTACHMENT 2.1.2 TO SCHEDULE 2.1(b)**  
**IN-SCOPE PPP**

For the purpose of this Statement of Work, In-Scope PPP will mean the material described in the categories of PPP below that have been selected as indicated by an "x" in the associated check box (and the In-Scope PPP shall be segregated, at a minimum, in the streams that have been selected below):

- PPP, in Single-Stream, in which Paper and Cardboard and Mixed Containers are collected together.
- PPP, in Multi-Stream, in which Paper and Cardboard must be segregated from all other PPP.
- PPP, in Multi-Stream, in which Mixed Containers must be segregated from all other PPP.
- PPP, that is Glass Bottles and Jars, which must be segregated from all other PPP.
- PPP, that is Flexible Plastics, which must be segregated from all other PPP.

To the extent beverage containers as defined in Schedule 1 of the Regulation are comingled with In-Scope PPP to be collected by Contractor, such beverage containers shall be deemed to be In-Scope PPP for the purposes of this Statement of Work, with polycoated beverage containers, plastic beverage containers and metal beverage containers defined as Mixed Containers and glass beverage containers defined as Glass Bottles and Jars.



**ATTACHMENT 3.4 TO SCHEDULE 2.1(b)  
SERVICE LEVEL FAILURES**

1. Contractor may incur Service Level Failure Credits for the Service Level Failures described in this Attachment 3.4; provided, however, that the aggregate amount of Service Level Failure Credit in respect of any calendar year shall not exceed the aggregate amount of Fees payable to Contractor in respect of such calendar year:

	<b>Service Level Failure</b>	<b>Service Level Failure Credit</b>				
1	Failure to clean up or collect spilled PPP within two hours from the time the Contractor has been notified of the spill or it has been observed by the Contractor	Twice the cost of cleanup incurred by Recycle BC (if Recycle BC performs the cleanup) plus \$500 per incident (regardless of who performs the cleanup).				
2	Contractor: (a) fails to accurately report pursuant to Section 3(a) of Attachment 5;  (b) overstates or otherwise inaccurately reports the Multi-Family Household Baseline; or  (c) understates the number of ICI locations in the Service Area per Section 2.1.1(d).	\$5,000 per incident.				
3	Failure to provide a required report pursuant to Section 3.3.1 or Section 3(a) of Attachment 5 on time.	Withholding of all Fees due to Contractor until the required report is submitted.				
4	Failure to separate In-Scope PPP collected from Approved Multi-Family Buildings from any other materials collected by Contractor without prior written approval from Recycle BC.	\$5,000 per route, plus \$3,000 per week (pro-rated in the case of a partial week) until the Service Level Failure has been remedied or a request for approval by the Contractor has been approved in writing by Recycle BC.				
5	Delivery of materials to the Designated Post-Collection Facility that contains more than 5% by weight of Not Accepted Materials.	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.</p> <p>For the purpose of this Service Level Failure, the “<b>Per Load Amount</b>” in respect of any year will be determined by the Multi-Family Household Baseline for such year, in accordance with the following table:</p> <table border="1"> <thead> <tr> <th align="center">Multi-Family Household Baseline</th> <th align="center">Per Load Amount</th> </tr> </thead> <tbody> <tr> <td align="center">10,000+</td> <td align="center">\$5,000</td> </tr> </tbody> </table>	Multi-Family Household Baseline	Per Load Amount	10,000+	\$5,000
Multi-Family Household Baseline	Per Load Amount					
10,000+	\$5,000					

Service Level Failure		Service Level Failure Credit													
		5,000-9,999	\$3,750												
		2,500-4,999	\$2,500												
		499-2,499	\$1,250												
		0-499	\$500												
6	If Contractor collects Mixed Containers and Paper and Cardboard in Multi-Stream, delivery of a load in violation of Section 2.1.5(c).	\$1,000 per load.													
7	<p>Delivery of a load of:</p> <p>a) In-Scope PPP in Multi-Stream in violation of Section 2.1.2(d); or</p> <p>b) Mixed Containers and Paper and Cardboard (whether collected in a Single Stream or a Multi-Stream) in violation of Section 2.1.2(e);</p> <p>c) Flexible Plastics in violation of Section 2.1.2(f);</p> <p>d) Glass Bottles and Jars in violation of Section 2.1.2(g).</p>	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.</p> <p>For the purpose of this Service Level Failure, the “<b>Per Load Amount</b>” in respect of any year will be determined by the Multi-Family Household Baseline for such year, in accordance with the following table:</p> <table border="1"> <thead> <tr> <th>Multi-Family Household Baseline</th> <th>Per Load Amount</th> </tr> </thead> <tbody> <tr> <td>10,000+</td> <td>\$5,000</td> </tr> <tr> <td>5,000-9,999</td> <td>\$3,750</td> </tr> <tr> <td>2,500-4,999</td> <td>\$2,500</td> </tr> <tr> <td>499-2,499</td> <td>\$1,250</td> </tr> <tr> <td>0-499</td> <td>\$500</td> </tr> </tbody> </table>		Multi-Family Household Baseline	Per Load Amount	10,000+	\$5,000	5,000-9,999	\$3,750	2,500-4,999	\$2,500	499-2,499	\$1,250	0-499	\$500
Multi-Family Household Baseline	Per Load Amount														
10,000+	\$5,000														
5,000-9,999	\$3,750														
2,500-4,999	\$2,500														
499-2,499	\$1,250														
0-499	\$500														
8	The occurrence of a Labour Disruption, if Contractor fails to (i) implement its Business Continuity Plan in respect of such Labour Disruption or (ii) fails to comply with Sections 4.6.1 or 4.6.2 of the Agreement in respect of such Labour Disruption.	An equitable reduction in the Fees to reflect the value of any SOW Services not received by Recycle BC plus \$5,000 per day of Labour Disruption.													
9	Contractor delivers In-Scope PPP to any location, such as a landfill, incinerator or energy recovery facility, other than the Designated Post-Collection Facility without the prior written permission of Recycle BC	\$25,000 per incident.													
10	Contractor fails to follow Designated Post-Collection Service Provider direction as per Section 2.1.5(d).	\$5000 per incident													

**ATTACHMENT 5 TO SCHEDULE 2.1(b)  
FEES**

1. In this Attachment, the following terms will have the following meaning:

**“Bonus Period”** means each full calendar year day period during the SOW Term, commencing on January 1 and ending on December 31 of each year; provided, however, that (i) if the Service Commencement Date is not January 1, the initial Bonus Period shall commence on the Service Commencement Date and end on December 31 of that year and (ii) if the SOW Term does not end December 31, the final Bonus Period will commence of January 1 of that year and end on the date on which the SOW Term ends.

**“Multi-Family Household Baseline”** means the number of Multi-Family Households in Approved Multi-Family Buildings as initially set out in Attachment 2.1.1, as may be modified in accordance with Section 3 of this Attachment 5.

2. In consideration for Contractor’s performance of the SOW Services, Recycle BC will pay Contractor:

(a) The selected (as indicated by an “x” in the associated check box) annual amount in the table below times the Multi-Family Household Baseline (to be payable in arrears, in equal monthly payments on net thirty (30) day terms):

<b>Multi-Family Collection Fee</b>		
	<b>Collection Type</b>	<b>\$ per Multi-Family Household per Year</b>
<input type="checkbox"/>	Single-Stream – Mixed Containers and Paper and Cardboard	\$19.60
<input checked="" type="checkbox"/>	Multi-Stream – Paper and Cardboard separate from Mixed Containers	\$31.20
<input type="checkbox"/>	Flexible Plastics - which must be segregated from all other PPP.	\$4.00

(b) Each of the following that are selected (as indicated by an “x” in the associated check box) in the table below (which may be none): (i) the Resident Education Top Up amount; and (ii) the Service Administration Top Up amount, in each case as set out in the table below times the Multi-Family Household Baseline (to be payable in arrears, in equal monthly payments on net thirty (30) day terms):

	<b>Top Up Fee</b>	<b>\$ per Multi-Family Household per Year</b>
<input checked="" type="checkbox"/>	Resident Education Top Up	\$1.25
<input checked="" type="checkbox"/>	Service Administration Top Up	\$2.15

Without limiting Contractor’s obligations under this Statement of Work (including the cost Contractor is required to incur to perform such obligations), the Resident Education Top Up amount must be used for the purpose of providing resident education in respect of Multi-Family Building Collection.

- (c) If selected (as indicated by an “x” in the associated check box), the following per tonne amount, to be invoiced and paid pursuant to the claims submission process in accordance with the terms of the Agreement:

<b>Multi-Family Glass Bottles and Jars Fee</b>	
<input type="checkbox"/>	Glass Bottles and Jars
	\$ per Tonne
	\$80.00

- (d) For each Bonus Period, the Achieved Bonus Amount times the average Multi-Family Household Baseline for such period, where the “Achieved Bonus Amount” is the performance bonus amount in the table below that corresponds with the Not Accepted Materials percentage by weight of materials collected by Contractor during the Bonus Period. The foregoing will be calculated annually, at the end of each Bonus Period, based on the average Multi-Family Household Baseline for such period and the approved claims submitted for the Bonus Period. The Achieved Bonus Amount for a Bonus Period, if any, will be paid no later than July 1 of the following year.

For purposes of calculating the Achieved Bonus Amount, Recycle BC will apply a methodology, in its sole discretion, to calculate the average amount of Not Accepted Materials in Contractor’s collected material for calculating the Not Accepted Material percentage.

If the Bonus Period is a partial calendar year, the Achieved Bonus Amount will be calculated by Recycle BC on a pro-rated basis taking into account such factors as Recycle BC, acting reasonably, may consider relevant.

If Contractor also provides collection services to curbside households pursuant to another Statement of Work under the Agreement (“**Curbside Household Collection**”), and In-Scope PPP collected from Multi-Family Buildings under this Statement of Work is collected in a vehicle with In-Scope PPP collected in respect of Curbside Household Collection, then, for the purpose of calculating the amounts payable under this subsection (d), the Multi-Family Household Baseline will be adjusted to exclude the number of Multi-Family Households whose In-Scope PPP has been collected in this manner.

<b>Calculation of Achieved Bonus Amount</b>				
Not Accepted Materials percentage by weight	4.0% - 3.5%	≤ 3.4% - 3.0%	≤ 2.9% - 2.5%	≤ 2.4%
Achieved Bonus Amount	<b>\$ per Multi-Family Household</b>			
	\$0.50	\$0.75	\$1.00	\$1.25

3. Adjustment of Multi-Family Household Baseline.

- (a) On July 1 of each year, or on a date to be determined by Recycle BC, and at such other times as the parties may agree, Contractor will, in good faith, report and attest (in a form acceptable to Recycle BC) as to (i) the then-current number of Multi-Family Households in the Approved Multi-Family Buildings and (ii) the Multi-Family Buildings in the Service Area from which Contractor collects In-Scope PPP.

- (b) Recycle BC may also provide evidence of the then-current number of Multi-Family Households in the Approved Multi-Family Buildings. Based on Contractor's attestation and the evidence provided by Recycle BC, Recycle BC and Contractor will work in good faith to mutually agree on the new Multi-Family Household Baseline. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.
- 4. If the average annual amount of In-Scope PPP collected per Multi-Family Household by Contractor, in any twelve (12) month period (based on the Multi-Family Household Baseline), falls below forty-five (45) kilograms, then Recycle BC may require Contractor to, within ninety (90) days, prepare and submit to Recycle BC for approval a remediation plan designed to raise its collection yield above forty-five (45) kilograms per Multi-Family Household. Following approval of the remediation plan by Recycle BC, Contractor will execute the plan. Contractor will provide monthly reporting to Recycle BC detailing the progress and outcomes of the remediation plan. If material improvement does not occur within ninety (90) days of beginning to execute the plan, then Contractor will work with Recycle BC to establish additional changes and to adopt best practices recommended by Recycle BC in order to increase collection yield, and, at Recycle BC's discretion, may result in an equitable downward change in the Fees to reflect the reduced value of the amount of In-Scope PPP being collected by Contractor.
- 5. The Multi-Family Collection Fee and Top Up Fee will be adjusted each year, up or down, on the first day of January of each year. Recycle BC reserves the right to choose the adjustment mechanism to be used each year, as between (i) the results of a cost study that samples collection service providers to determine the costs associated with the performance of Multi-Family Building Collection services; and (ii) an adjustment that is based on the Consumer Price Index (CPI) for BC (All Items), which will be calculated as follows:
  - (a) Multi-Family Collection Fee or Top Up Fee = Multi-Family Collection Fee or Top Up Fee, as applicable, in the previous year x (1 + (percentage change in CPI/100)); where
    - (i) percentage change in CPI = (current year CPI – previous year CPI)/(previous year CPI) x 100%; and
    - (ii) each year's CPI is the published CPI on September 1st of the year prior.