

N. APPENDIX

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MANITOBA ASSOCIATION FOR RESOURCE RECOVERY CORP.

**AMENDED AND RESTATED
BY-LAW NUMBER ONE**

This Amended and Restated By-Law Number One, dated with effect on April 27, 2022, replaces and supercedes all prior By-Laws of the Corporation .

ARTICLE I - INTERPRETATION

1.01 Definitions

In these By-laws, unless the context otherwise requires:

- (a) "Act" shall mean *The Waste Reduction and Prevention Act* (Manitoba), as same may be amended, re-enacted and/or replaced from time to time;
- (b) "Regulations" shall mean the Regulations in effect from time to time pursuant to the Act ;
- (c) "Designated Material" shall have the same meaning as in the Act and Regulations;
- (d) "Steward" shall have the same meaning as in the Act and Regulations and for greater certainty, shall include both a Steward of Antifreeze and Antifreeze Containers and a Steward of Oil, Oil Filters and Containers ;
- (e) "Board" means the Board of Directors of the Corporation;
- (f) "Corporation" means the "Manitoba Association for Resource Recovery Corp.";
- (g) "Chair" means the Chair of the Board;
- (h) "Member" shall mean a member of the Corporation;
- (i) "Membership" shall mean the members of the Corporation;
- (j) "Membership Agreement" shall mean the form of agreement providing for membership in the Corporation, as adopted by the Board from time to time;
- (k) "Steward of Antifreeze and Antifreeze Containers" is: (i) the first person who, in the course of business in Manitoba, supplies automotive antifreeze or containers, as defined in the Act and the Regulations, to another person; or (ii) a person who, in the course of business in Manitoba, uses automotive antifreeze or containers obtained in a supply transaction outside of Manitoba.

- (l) "Steward of Oil, Oil Filters and Containers" is: (i) the first person under the Act who supplies oil, oil filters or containers as defined in the Act and Regulations; or (ii) a person who, in the course of business in Manitoba, uses oil, oil filters or containers obtained in a supply transaction outside of Manitoba
- (m) "CPPI Director" shall mean a director of the Corporation who is a member of, or an employee of a member of, the Canadian Petroleum Products Institute or a successor industry association.

Words importing the singular gender include the plural and vice versa; words importing gender include the masculine, feminine, and neuter gender; and words importing persons include individuals, bodies corporate, partnerships, and unincorporated organizations.

ARTICLE 11 - MEMBERSHIP

2.01 Members and Membership

Any Steward of Designated Material, as defined in the Act and Regulations shall, subject to section 2.03 hereof, be eligible for Membership in the Corporation upon payment by it of the Membership fee, the signing by it of the Membership Agreement and the Board having confirmed its acceptance as a new Member, in the Board's sole discretion. In addition, any other person or organization approved and accepted by the Board may be a Member on condition that the Membership fee is paid and the Membership Agreement signed and that the person or organization either: (a) purchases Designated Material from a Steward and re-sells or otherwise supplies those Designated Material in Manitoba; or (b) in the course of business, uses in Manitoba Designated Material obtained in a supply transaction outside of Manitoba.

2.02 Withdrawal of Membership

Any Member wishing to withdraw from Membership may do so upon giving notice in writing to the Board. The terms and mechanics of withdrawal will be determined by the Membership Agreement then in effect. The membership of a Member is not transferable and is terminated when: (i) the member dies or resigns; (ii) the member is expelled or his or her membership is otherwise terminated in accordance with these By-laws; (iii) the member's term of membership expires; or (iv) the Corporation is liquidated and dissolved.

2.03 Suspension or Termination by Reason of Default

If any Member is in breach of any provision of the Act, the Regulations or the Membership Agreement, including failure to pay any fees or assessments to the Corporation when due, the Board may resolve, in their sole discretion, to suspend or, having regard to the severity or recurrence of such default, terminate the membership of such Member on such notice as the Board deems appropriate in the circumstances. In circumstances where protection of the

public or reputation of the Corporation is at risk, such termination may be immediate. In all other circumstances, unless otherwise specifically directed by the Board, the Corporation shall give the Member written notice of such default and sixty (60) days from the date of such notice to cure such default to the satisfaction of the Board, failing which the membership of such Member may thereafter be suspended or terminate as directed by the Board. If a Member's membership is suspended, such Member shall not be entitled to membership privileges until such time as the Member's membership has been reinstated by the Board. A Member whose membership has been terminated may be eligible to reapply for membership in the Corporation on such terms or conditions as the Board may impose. The notice referred to herein may be delivered personally or mailed to the last address of the Member as shown on the register of Members and, if mailed, shall be deemed to be received 3 business days following the mailing.

2.04 Cancellation of Membership

In addition to the power of the Board to terminate a Member's membership pursuant to section 2.03 of these By-Laws, the Members may, if cause exists, by a resolution passed by a majority of not less than three-quarters of the votes of Members at a meeting called for the purpose, at any time cancel the membership of a Member; provided that at least seven (7) days' written notice of the meeting and of the resolution proposed to be passed thereat shall be given to the Member whose membership it is proposed to be canceled. The notice may be delivered personally or mailed to the last address of the Member as shown on the register of Members. Any Member named in the notice or its representative shall be entitled to make representations at the meeting.

2.05 Continuing Obligations

The obligations of a Member under the Membership Agreement shall not continue after the effective date of termination of membership. However, withdrawal or cancellation of its membership shall not, in and of itself, release a Member from any obligations accrued to that time.

ARTICLE III - BOARD OF DIRECTORS

3.01 Number of Directors

The affairs of the Corporation shall be managed by a Board of not less than three (3) directors and not more than eleven (11) directors. The number of directors will be determined by the Board, from time to time.

3.02 Eligibility of Directors

A director is not required to be a Member, or a director, officer, employee or consultant of a Member of the Corporation, but at least one director must reside in Manitoba. A retiring director shall be eligible for re-election.

3.03 Composition of Board of Directors

In appointing the Directors, the Members are to keep in mind the following composition objectives:

- (i) although not a requirement, to the extent such persons are available, Members should strive for a majority of the Board to be nominees or representatives of Stewards of Oil, Oil Filters and Containers, one of whom to be a nominee or representative of a Steward of Oil Filters if such a person is available;
- (ii) although not a requirement, to the extent such persons are available, Members should strive for at least two directors to be CPPI Directors; and
- (iii) although not a requirement, to the extent such person is available, Members should strive for at least one director to be a nominee or representative of a Steward of Antifreeze and Antifreeze Containers.

For greater clarity, a Member may be both a Steward of Oil, Oil Filters and Containers and a Steward of Antifreeze and Antifreeze Containers, and a nominee nominated by such a Member and/or a representative of such a Member would both satisfy the objective of paragraph 3.03(iii), and be counted towards satisfying the objectives of paragraph 3.03(i).

A “representative of a Member” is an individual who is then a current director, officer, employee or consultant of the Member. Upon such individual retiring as a director, officer, employee or consultant of the Member, such individual shall cease to be considered a representative of the Member. An individual need not, however, be a representative of a Member to be nominated by such Member and a Member may nominate any individual whatsoever, whether employed in the Member’s industry or not, as its nominee for potential board appointment.

3.04 No Member shall have more than two (2) representatives or nominees as directors on the Board at any given time and, provided there are sufficient other nominations put forth for election from other Members, or from the Board pursuant to section 3.05 hereof, in such case no Member shall have more than one (1) representative or nominee of it elected as a director on the Board.

3.05 Nomination of Directors

A Member who is in good standing with the Corporation may nominate up to a maximum of two (2) individuals for election to the Board by submitting their nomination, in writing, to the Board at least thirty (30) days prior to the annual general meeting of the Corporation. Nominations from Members need not be seconded or supported by another Member. The Board,

or a committee thereof, shall evaluate each nomination received and, if acceptable, shall put the name of such nominee(s) forward for election at the annual general meeting of Members. The Board shall not be obligated to accept any particular nomination and without limiting the generality of the forgoing, the Board shall be entitled to reject any nomination, and advise the nominating Member of such rejection, based on any of the following criteria:

- (a) the composition objectives of Article 3.03 hereof and the maximum representation limits of section 3.04 hereof;
- (b) if it appears in the reasonable opinion of the Board that any particular Member's or group of Members' interests might be advanced over the interests of the Membership as a whole;
- (c) the Member who submitted the nomination is not in good standing with the Corporation;
- (d) the competency and skills that the Board considers to be necessary for the Board, as a whole, to possess, and any concerns of the Board respecting the competency or skills of such nominee; or
- (e) any concerns of the Board respecting the ability of the nominee to devote sufficient time and resources to his or her duties as a board member.

Notwithstanding the forgoing, the Board, or a committee thereof, may, by whatever means deemed necessary by the Board, including without limitation, mail-out, telephone solicitation, public advertisement or direct contact, solicit expressions of interest from individuals who are willing to sit as members of the Board and the Board may put forward such willing candidates either individually or as a slate of nominees for election. Such solicitation shall be done each year reasonably in advance of the annual general meeting of Members such that the names of such individuals approved by the Board may be included in the list of individuals nominated for election at the next annual general meeting of Members.

If there are insufficient nominees to fill any vacancy or vacancies created by a retiring director or directors, the Board may, on its own initiative, and notwithstanding that such appointment may not satisfy the composition objectives of Article 3.03 hereof, appoint, as a director, one or more individuals to fill such vacancy or vacancies until the next annual general meeting of Members.

Nothing herein contained shall preclude a Member in good standing with the Corporation from nominating for election an individual to sit as a director from the floor of the annual general meeting, provided that individual meets the eligibility criteria of Article 3.02 hereof.

3.06 Committees

The Board may appoint such committees as it, from time to time, considers advisable. No committee shall have the power to act for or on behalf of the Board but shall only have the power to make recommendations to the Board.

3.07 Election and Term

The term of each director shall be two years with half the directors elected in even numbered years and the remaining half of the directors elected in odd numbered years. An adjustment in length of term may be made for the initial Board in order to achieve this term procedure. An election of directors shall take place at each annual general meeting of the Corporation, and all the directors having completed a two-year term shall retire but, if qualified, still be eligible for re-election. If a vacancy occurs on the Board during a director's term, that vacancy shall be filled by the Board to complete the director's term.

3.08 Removal of Directors

The Membership may, by a resolution passed by a majority of the votes of the Members at a meeting called for such purpose, remove any director before the expiration of his or her period of office for any cause which the Membership of the Corporation may deem reasonable.

3.09 Management

The management of the affairs of the Corporation shall be vested in the directors.

3.10 Meetings of Directors

Meetings of the Board shall be not less than twice per annum and shall be called by the Chair. A special meeting of the Board may be called upon the written request of any two (2) directors.

3.11 Place of Meetings

Meetings of the Board may be held at any place within or outside the Province of Manitoba.

3.12 Notice

Notice of the time and place of each meeting of the directors shall be sent to each director by regular mail, electronic mail, telephone or personal delivery, in each case addressed to the director at his or her last address (or electronic mail address or telephone number) as shown in the records of the Corporation. If the notice is sent by regular mail, it shall be sent not less than seven (7) days before the meeting. If notice is given by telephone, electronic mail or delivered personally, then it shall be done not less than twenty-four (24) hours before the meeting. If mailed, the notice shall be deemed to have been received on the third (3rd) day following the date of mailing; if delivered by telephone or electronic mail or any other means of communications, the notice shall be deemed to have been received on the date of transmission and, if delivered

personally, on the date of delivery. A director who participates in a meeting shall be deemed to have received notice of it.

3.13 Quorum

The quorum for the transaction of business at any meeting of the Board shall consist of not less than 50% of the directors then on the Board.

3.14 Chair

The Chair of the Board shall be appointed by the directors at the conclusion of the annual general meeting. The Chair shall direct the meetings of the Board. In the absence of the Chair, the directors shall choose one (1) of their number to be Chair.

3.15 Votes to Govern

Questions arising at any meeting of the Board shall be decided by a majority of the votes. In the case of an equality of votes, the motion is defeated.

3.16 Meetings by Telephone

If all the directors participating in a meeting consent, one (1) or more directors may participate in a meeting of the directors by means of telephone or such other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by this means is deemed to be present at the meeting. Any such consent shall be effective whether given before, at or after the meeting to which it relates and may be given with respect to all meetings of the directors held while a director holds office.

ARTICLE IV - OFFICERS

4.01 Appointment

The officers of the Corporation shall be appointed by the Board and shall consist of a Chair, a Treasurer, a Secretary and an Executive Director and such other officers as the directors may determine. Other than the Chair, officers need not be a director. One (1) person may hold more than one office.

4.02 Chair of the Board

The Chair of the Board need not be a Member or a representative of a Member. The Chair must however be one of the directors.

4.03 Executive Director

The Board shall hire an Executive Director of the Corporation, who shall report to the Board. The Executive Director's duties shall be set by the Board, from time to time, and shall include being custodian of the seal of the Corporation and all relevant contracts and records of the Corporation. The Executive Director shall also be responsible for ensuring the proper recording of monies received by the Corporation and shall work with the accountants hired by the Corporation to properly account for the funds of the Corporation and deliver to the Board and Membership appropriate financial reports, as directed.

4.04 Powers and Duties of Other Officers

The powers and duties of all officers shall be such as the terms of their engagement call for or as the Board may specify and delegate.

4.05 Removal of Officers

The directors may at any time, in their sole discretion, remove any officer of the Corporation.

ARTICLE V - MEETINGS OF THE MEMBERS

5.01 Annual Meetings

The annual meeting of the Corporation shall be held once a year at the date, time and place as determined by the Board.

5.02 Special Meetings

A special meeting of the Members shall be called by the Chair or Secretary upon receipt by either of them of a petition signed by one-third of the Members in good standing, setting out the reasons for calling such meeting.

5.03 General Meetings

General meetings of the Members of the Corporation may be called at any time by the Board.

5.04 Place of Meetings

Meetings of the Members may be held at any place within or outside the Province of Manitoba.

5.05 Notice

Notice of the time, place and agenda of each meeting of the Members shall be sent to each Member by regular mail addressed to the Member at its last address as shown in the records of the Corporation not less than twenty one (21) days nor more than fifty (50) days before the meeting. If notice of the meeting is sent by telephone, facsimile, e-mail or delivered personally, then it shall be done not less than three (3) days before the meeting. If mailed, the notice shall be deemed to have been received on the third (3rd) day following the date of mailing; if delivered by telephone or facsimile or any other means of communication, the notice shall be deemed to have been received on the date of transmission and, if delivered personally, on the date of delivery. A Member who participates in a meeting shall be deemed to have received notice of it.

5.06 Quorum

The quorum for the transaction of business at any meeting of the Members shall consist of the lesser of ten (10) Members or 10 % of the Members in good standing.

5.07 Chair

The Chair shall be the Chair of any meeting of the Members. In the absence of the Chair, the Board shall choose one (1) of their number to act as Chair for the purposes of the meeting.

5.08 Voting and Votes to Govern

(a) A Member who has not withdrawn from the Corporation or whose membership has not been suspended shall have the right to vote at any meeting of the Membership. Questions arising at any meeting of the Membership shall be decided by a majority of the votes. In the case of an equality of votes, the Chair shall have a casting vote.

(b) A Member entitled to vote at a meeting of the Membership may, by means of a proxy, appoint a proxyholder to attend and act at the Membership meeting in the manner and to the extent authorized by the proxy. The proxy shall be in writing and signed by the Member. A proxy shall be valid only at the meeting for which it is given or any adjournment of that meeting. The directors may specify in any notice calling a meeting of the Membership a time, not exceeding 48 hours, including Saturdays and Sundays, preceding the Membership meeting before which any proxy to be used at the meeting must be deposited with the Corporation.

5.09 Meetings by Telephone

If a two-thirds majority of the Members participating in a meeting consent, one (1) or more Members may participate in a meeting of the Membership by means of telephone or such other communications facilities as permit all persons participating in the meeting to hear one another.

5.10 Voting by Mail

The Board may direct that a mail vote be conducted on any issue related to the Corporation. Notice of a mail vote giving full details of the matter to be voted upon must be mailed to all Members not less than twenty-one (21) days in advance of the vote being taken. If objections to a mail vote are received by the Board, in writing, not less than three (3) days before the announced date of the vote from not less than 10% of the Members, the voting by mail procedure shall not proceed and the issue in question shall be set over to the next meeting of the Membership.

5.11 Quorum of Mail Vote

A mail vote shall be declared valid if not less than the lesser of ten (10) Members or 10% of the Membership casts a ballot. The issue in question shall be declared carried or defeated on the basis of a simple majority of the mail votes returned.

ARTICLE VI - AUDITING

6.01 Auditor

The books, accounts, and records of the Corporation shall be audited as required by the Act, the Regulations and/or the Board.

6.02 Financial Year End

The financial year end for the Corporation shall be determined by the Board.

6.03 Inspection of Records

The books and records of the Corporation may be inspected by any Member of the Corporation at the annual meeting of the Members or at anytime upon giving reasonable notice and arranging a time satisfactory to the Officers having charge of the books. Each Member of the Board shall at all reasonable times have access to such financial books and records.

ARTICLE VII - REMUNERATION

7.01 The Board shall fix the remuneration of the Board and the officers of the Corporation. All officers and directors shall receive reimbursement for all reasonable costs incurred in carrying out any duties with respect to the Corporation.

ARTICLE VIII - BORROWING POWERS

8.01 Authority

For the purpose of carrying out its objects, the Corporation may borrow or raise or secure the payment of money in such manner as it thinks fit, but this power shall be exercised only under the authority of the Board.

ARTICLE IX – MEMBERSHIP AGREEMENT

9.01 Form of Membership Agreement

The Board shall be authorized and empowered for and on behalf of the Corporation and its Members to establish and adopt the form and content of Membership Agreement to be in force from time to time and, in the Board's sole discretion, to add, delete, or modify any provision thereof at any time.

The Board's authority to add, delete, or modify provisions of the Membership Agreement shall include the authority to add or delete rights or obligations of the Members; to impose financial terms, such as (subject to compliance with article 9.02 hereof) the amount of environmental handling charge ("EHC") that each Member is required to remit, the schedule of remittance dates, late remittance fees and interest requirements, as well as other terms such as the nature, extent, and enforcement of the rights and obligations that the Member or the Corporation may have under the Membership Agreement. Modifications, additions, or deletions to the Membership Agreement are referred to herein as "Changes" or a "Change".

9.02 Restrictions on ability to increase EHC:

The Board shall be at liberty to decrease the amount of EHC in its sole discretion. However, any proposed increase in EHC shall not be effective unless and until such increased amount of EHC has been approved by the Members, by Ordinary Resolution, at a duly convened meeting of the membership

9.03 Amended Membership Agreement binding on new and existing Members

The Corporation will notify each existing Member of any material Change(s) to the Membership Agreement and the effective date of any such Change(s). Such Change(s) may be given retroactive or retrospective effect. However, unless otherwise stated in such notice, any Change relating to terms of payment will apply only to any unremitted EHC or other amounts owing to the Corporation and to any new amounts owing to the Corporation thereafter. The notice referred to herein may be delivered personally or mailed to the last address of the Member as shown on the register of Members and, if mailed, shall be deemed to be received 3 business days following the mailing.

All Members shall be bound by the Membership Agreement, as so amended, when adopted by the Board and without any further action or signature required from the Member. Provided, however, that should a Member not be prepared to accept or be bound by any of the Changes to the Membership Agreement, such Member may, by written notice to the Corporation

given within 60 days of such Member having received the Corporation's notice of the Change(s), withdraw as a Member. In such a case, such Member shall not be bound by the Change(s) to the Membership Agreement and his/her/its membership shall come to an end on the 60th day following the Member's receipt of the Corporation's notice of the Change(s). If the Member does not notify the Corporation in writing within the said 60 day period, or if the Member notifies the Corporation, in writing, that it is withdrawing as a Member, but then uses the services of the Corporation after the said 60th day following the notice, the Member will be deemed to accept all Changes in the notice and to accept, confirm and be bound by, all terms of the Membership Agreement, as amended by the Change(s)

ARTICLE X - BY-LAWS

10.01 Amendments

These By-laws may be rescinded, altered, or amended at any annual or special meeting, saving that the amendment must be passed by two-thirds of the Members voting.

ARTICLE XI - INDEMNIFICATION

11.01 Limitation of Liability

Every director and officer of the Corporation in exercising his or her powers and discharging his or her duties must act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer is liable for:

- (a) the acts or omissions, negligent or otherwise, of any other director, officer or employee;
- (b) any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation;
- (c) the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation are invested;
- (d) any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or effects of the Corporation are deposited;

- (e) any loss occasioned by any error of judgment or oversight on his or her part;
- (f) any other loss, damage or misfortune which happens in the execution of the duties of his or her office or in relation to it;

however nothing, in this section 11.01 relieves any director or officer from the duty to act in accordance with the Act and the Regulations under the Act or from liability for any breach of the Act.

11.02 Except respecting an action by or on behalf of the Corporation to procure a judgment in its favour, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder, a member or a creditor, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment reasonably incurred by him or her respecting any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being one of the above, where:

- (a) he or she acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.

With the approval of the Court, the Corporation shall also indemnify those persons mentioned above respecting an action by or on behalf of the Corporation to procure a judgment in its favour, to which he or she is made a party by reason of being or having been a director or an officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by him or her in connection to that action if he or she fulfills the conditions set out in clauses (a) and (b) above.

Notwithstanding anything in this section 11.01, a person mentioned in the first paragraph hereof is entitled to indemnity from the Corporation respecting all costs, charges and expenses reasonably incurred by him or her in connection with the defence of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director or officer of the Corporation, if the person seeking indemnity:

- (c) was substantially successful in the merits in his or her defence of the action or proceeding; and
- (d) fulfills the conditions set out in clauses (a) and (b).

The Corporation must also indemnify these persons in the other circumstances that the Act or *The Corporations Act* permits or requires. Nothing in this bylaw limits the right of any person entitled to indemnity to claim indemnity apart from the provisions of this bylaw.

ARTICLE XII- NON-PROFIT CORPORATION

12.01 Manitoba Association for Resource Recovery Corp. is a non-profit corporation.

ARTICLE XIII - DISSOLUTION OF CORPORATION

13.01 In the event that the Corporation is dissolved or wound-up, for any reason, the remaining assets shall be paid over to one or more non-profit organizations who have as their object recycling.

Passed and confirmed by the Members by special resolution at the Annual General Meeting Held April 27, 2022.



Chairman



Secretary

Governance - MARRC Director Manual

TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

I. INTRODUCTION

Manitoba Association for Resource Recycling Corp. ("MARRC" or the "Association") is a not-for-profit organization incorporated under the *Societies Act*. It promotes and facilitates the recovery of valuable, non-renewable resources by providing consumers with a simple, convenient way to dispose of used oil, used oil filters, used oil containers and antifreeze.

II. PURPOSE

- A. The MARRC Board of Directors (the "Board") has a primary responsibility to foster the Association's short and long-term success consistent with the Board's responsibility to the Members, giving consideration to the legitimate interests held by other stakeholders including employees, customers, suppliers, communities and the public.
- B. The directors are stewards of the Association. The Board has the responsibility to oversee the conduct of the Association's business and to oversee management, which is responsible for the day-to-day operation of the Association. In overseeing the conduct of the business, the Board, through the Executive Director, will set the standards of conduct for MARRC.
- C. These terms of reference are prepared to assist the Board and management in clarifying responsibilities and ensuring effective communication between the Board and management.

III. COMPOSITION AND BOARD ORGANIZATION

- A. The directors are nominated and elected by the Voting Members of the Association as outlined in Article III of the MARRC Bylaws.
- B. Certain of the Board's responsibilities may be delegated to Board committees. The responsibilities of those committees will be as set forth in their terms of reference, as amended from time to time.
- C. The Board retains the responsibility for managing its own affairs including the responsibility to:
 - i) ensure that new directors receive a comprehensive orientation and on-going director development, as required;

TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

- ii) annually review, in conjunction with the Executive Director, the skills and experience represented on the Board in light of MARRC's strategic direction;
- iii) make recommendations to the groups and Membership sectors that nominate or appoint directors regarding the criteria they should consider in making nominations or appointments to the Board;
- iv) if the circumstance arises that there are no nominations for a vacancy or vacancies on the Board at the annual general meeting, appoint, as a director, a Voting Member or Voting Members (representatives of) from the group or Membership sector which has the vacancy;
- v) if a vacancy occurs among the directors during the course of the year, select a person to fill that vacancy from the Membership sector or group the vacating director had previously represented;
- vi) appoint, determine the composition of and set the terms of reference for, Board committees;
- vii) implement an appropriate process for assessing the effectiveness of the Board, the Board Chair, committees and directors in fulfilling their responsibilities;
- viii) assess the adequacy and form of director compensation and determine director compensation, as appropriate.
- ix) assume responsibility for the Association's governance practices and ensure they meet the needs of the Members, the Association, and the public;
- x) approve the terms of reference for the Board, the Chair, the Executive Director and the directors; and
- xi) elect the Chair, a Secretary and a Treasurer to the Board from among the directors.

TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

IV. DUTIES AND RESPONSIBILITIES

A. Human Resources

The Board has the responsibility to:

- i) appoint the Executive Director, approve a succession plan for the Executive Director and, if necessary, replace the Executive Director;
- ii) approve terms of reference for the Executive Director;
- iii) monitor and, at least annually, review the Executive Director's performance against agreed upon annual objectives;
- iv) approve the Executive Director's compensation;
- v) review the senior management structure including such duties and responsibilities to be assigned to officers of the Association;
- vi) to the extent feasible, satisfy itself as to the integrity of the Executive Director and the Administrative Employee and satisfy itself that they create a culture of integrity throughout the Association; and
- vii) provide advice and counsel to the Executive Director in the execution of the Executive Director's duties.

B. Mission, Strategy and Plans

The Board has the responsibility to:

- i) participate with management in the development of, and ultimately approve, the Association's Mission and Vision;
- ii) adopt a strategic planning process that takes into account, among other things, the opportunities and risks of the Association;
- iii) participate with management in the development of the Association's Business Plan, taking into consideration the commercial, public policy, social responsibility and regulatory responsibilities of MARRC;
- iv) approve the Business Plan and the annual operating and capital budgets that support MARRC's ability to meet its Business Plan;

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- v) direct management to develop, implement and maintain a reporting system that accurately measures the Association's performance against the Business Plan;
- vi) monitor MARRC's progress towards the approved strategic objectives and performance against the Business Plan, and to alter its direction in light of changing circumstances; and
- vii) review and approve changes to the plans.
- viii) report against the Business Plan annually pursuant to form required by the Manitoba Used Oil, Oil Filters and Containers Stewardship Regulation.

C. Financial and Risk Issues

The Board has the responsibility to:

- i) take reasonable steps to ensure the implementation and integrity of the Association's internal control and management information systems;
- ii) ensure management identifies the principal financial and non-financial risks of the Association and implements appropriate systems and programs to manage these risks;
- iii) monitor operational and financial results;
- iv) approve annual financial statements, and approve release thereof by management;
- v) select an external auditor for approval by the Members, and approve auditors' fees; and
- vi) ensure the books, accounts and records of the Secretary and Treasurer are audited at least once each year by a duly qualified accountant.

D. Policies and Procedures

The Board has the responsibility to:

- i) approve and monitor, through management, compliance with all major policies and procedures that govern MARRC's operations;

TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

- ii) approve and act as the guardian of MARRC's values, including:
 - a) approving the Code of Conduct, Conflict of Interest and Ethics Policy;
 - b) monitor compliance with the Code of Conduct, Conflict of Interest and Ethics Policy and ensure that it complies with applicable legal or regulatory requirements; and
 - c) disclosure of any waivers granted from the Code of Conduct, Conflict of Interest and Ethics Policy
- iii) direct management to ensure the Association operates at all times within applicable laws and regulations and to the highest ethical and moral standards; and
- iv) review all policies annually, approve changes to existing policies, or repeal policies that are no longer relevant or useful.

E. Stakeholder Communications

The Board must pay particular attention to the fact that it operates within a highly public environment. MARRC's actions have a significant public impact and there is a need to ensure communications are effective and appropriate.

The Board has the responsibility to:

- i) ensure the Association has in place effective communication processes with Members, the Minister other stakeholders and the general public;
- ii) approve and periodically review the Association's communications policy;
- iii) ensure the Board has measures in place to receive feedback from stakeholders;
- iv) ensure the financial performance of the Association is adequately and promptly reported to the Voting Members and the Minister in its Annual Report;
- v) ensure financial results are reported fairly and in accordance with governing laws and generally accepted accounting principles;

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- vi) ensure timely reporting of any other developments that have a significant and material effect on the Association; and
- vii) ensure that the Association meets its responsibilities regarding the Annual Report, as specified in section 14 of the Used Oil, Oil Filters and Containers Stewardship *Regulation*.

V. GENERAL LEGAL OBLIGATIONS OF THE BOARD OF DIRECTORS

- A. The Board is responsible for directing management to ensure legal requirements have been met, and documents and records have been properly prepared, approved and maintained.
- B. Directors are under a fiduciary duty to MARRC to carry out the duties of their office:
 - i) honestly and in good faith;
 - ii) with a view to the best interests of MARRC;
 - iii) with the care, diligence, and skill of a reasonably prudent person; and
 - iv) the powers of the directors are conferred upon them to exercise on behalf of and for the benefit of MARRC. The directors are legally bound to serve the interests of the Association.
 - v) Directors have specific statutory duties and obligations under employment, environmental, and financial reporting law as well as under the withholding provisions of taxation law.

TERMS OF REFERENCE FOR THE BOARD CHAIR

I. INTRODUCTION

- A. The Board Chair is elected by the directors.
- B. The Board Chair's primary role is to act as the presiding Director at Board meetings and to manage the affairs of the Board of Directors (the "Board") including ensuring the Board is organized properly, functions effectively and meets its obligations and responsibilities.
- C. The Board Chair works with the Executive Director to ensure effective relations with the Members, the Minister and other stakeholders.
- D. The Board Chair is an ex-officio member of committees where he is not appointed as a full member.
- E. The Board Chair works closely with the Secretary, the Treasurer and management, as required, and is the Board's key liaison with the Minister.

II. DUTIES AND RESPONSIBILITIES

The items below outline the Board Chair's principal duties and responsibilities. The Board chair is also responsible for such other matters as the Board determines, and may, with approval of the Board, delegate powers and duties as necessary.

A. Working With Management

The Board Chair has the responsibility to:

- i) act as a sounding board, counselor and confidant for the Executive Director, including helping to review strategies, define issues, maintain accountability, and build relationships;
- ii) in conjunction with the Executive Director, assist in representing the Association as required;
- iii) ensure the Executive Director is aware of concerns of the Members and other stakeholders;
- iv) lead the Board in monitoring and evaluating the performance of the Executive Director, ensure the accountability of the Executive

TERMS OF REFERENCE FOR THE BOARD CHAIR

Director, and ensure implementation of the management succession and development plans by the Executive Director;

- v) work closely with the Executive Director to ensure management strategies, plans and performance are appropriately represented to the Board; and
- vi) act as the primary spokesperson for the Board.

B. Managing the Board

The Board Chair has the responsibility to:

- i) ensure the Board is alert to its obligations to the Association, the Members and other stakeholders;
- ii) chair Board meetings and ensure that the appropriate issues are addressed;
- iii) establish the frequency of Board meetings and review such frequency from time to time, as considered appropriate or as requested by the Board;
- iv) assist the Governance, Compensation and Fund Management Committee in developing director criteria and potential candidates to be recommended to the Voting Members for the nomination and appointment of directors and communicate with the Voting Members regarding the criteria;
- v) recommend the committee members and committee chair appointments to the Board for approval and review and report to the Board the need for, and the performance and suitability of, those committees;
- vi) maintain a liaison and communication with all directors and committee chairs to co-ordinate input from directors, and optimize the effectiveness of the Board and its committees;
- vii) ensure the co-ordination of the agenda, information packages and related events for Board meetings in conjunction with the Executive Director and the Secretary;

TERMS OF REFERENCE FOR THE BOARD CHAIR

- viii) ensure major MARRC initiatives have proper and timely Board understanding, consideration, oversight and approval;
- ix) ensure the Board receives adequate and regular updates from the Executive Director on all issues important to the welfare and future of the Association;
- x) build consensus and develop teamwork within the Board;
- xi) review director conflict of interest issues as they arise;
- xii) in collaboration with the Executive Director, the Secretary and the Treasurer, ensure information requested by directors or committees of the Board is provided and meets their needs; and
- xiii) review and assess director attendance and performance and the size and composition of the Board and make recommendations to the Voting Members as required.

C. Code of Conduct

With regard to the MARRC Code of Conduct, the Board Chair shall:

- i) if a gift of more than \$200 is received by a director or management or a related person, determine whether it should be retained, returned or donated to charity, having regard to the principles set out in this Code of Conduct;
- ii) clear in advance, or designate someone else to clear in advance, entertaining at home on behalf of MARRC; and
- iii) annually ensure that each director reviews and signs the Code of Conduct, Conflict of Interest and Ethics Policy.

D. Relations with the Members and other Stakeholders

The Board Chair has the responsibility to

- i) preside at all meetings of the Membership;
- ii) present a report of the activities of the Board to Members of the Association at the annual general meeting; and

TERMS OF REFERENCE FOR THE BOARD CHAIR

- iii) in consultation with the Executive Director, ensure that MARRC's management and, where applicable, the Board is appropriately represented at official functions and meetings;
- iv) represent MARRC at:
 - a) meetings with national and provincial used oil associations;
and
 - b) the Annual Meeting with the Minister.

TERMS OF REFERENCE FOR A DIRECTOR

I. INTRODUCTION

The Board of Directors acts collectively and exercises its powers and responsibilities as a group. Individual Directors have no power to act on their own.

II. FIDUCIARY RESPONSIBILITIES

Broadly speaking, a Director of the Association has several fundamental obligations to perform.

A. Honesty and Good Faith

Common law requires a Director to act honestly and in good faith with a view towards the best interests of the Association. The key elements of this standard of behaviour are:

- i) A Director must act with a view to the best interests of the Association and not in his self-interest. This also means a Director should not be acting in the best interests of some special interest group or constituency.
- ii) A Director cannot take personal advantage of opportunities that come before him in the course of performing his Director duties.
- iii) A Director must disclose to the Board any personal interests that he holds that may conflict with the interests of the Association.
- iv) A Director must respect the requirements of the Association's Conflict of Interest Policy, Confidentiality Policy, Business Ethics Policy and Code of Conduct.

B. Skillful Management

A Director shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances. This means:

- i) The standard of behavior expected of a Director will depend upon the particular qualities or characteristics that the Director brings to the Association relative to the particular matters under consideration.

TERMS OF REFERENCE FOR A DIRECTOR

- ii) The Director must be proactive in the performance of his or her duties by:
 - a) attending Board and committee meetings; a Director who has not attended meetings, must show diligence by examination of reports, discussion with other Directors, and otherwise being sufficiently familiar with the organization's activities so that he does not suffer as a result of non-attendance;
 - b) participating in a meaningful way; and
 - c) being vigilant to ensure the Association is being properly managed and is complying with laws affecting the Association.

III. STANDARDS OF BEHAVIOUR ESTABLISHED BY THE BOARD

The Board has established the following standards of behaviour for Directors.

A. General

As a member of the Board, each Director will:

- i) demonstrate a solid understanding of the role, responsibilities and legal duties of a Director and the governance structure of the Association as outlined in the Directors' Manual;
- ii) demonstrate high ethical standards in personal and professional dealings; and
- iii) understand the difference between governing and managing, and not encroach on management's area of responsibility.

B. Strategies and Plan

As a member of the Board, each Director will:

- i) demonstrate an understanding of the Association's strategic direction;
- ii) contribute and add value to discussions regarding the Association's strategic direction; and

TERMS OF REFERENCE FOR A DIRECTOR

- iii) participate in monitoring and evaluating the success of the Association and the Executive Director in achieving established goals and objectives.

C. Preparation, Attendance and Availability

As a member of the Board, each Director will:

- i) prepare for Board and committee meetings by reading reports and background materials distributed in advance;
- ii) maintain an excellent Board and committee meeting attendance record¹;
- iii) organize himself so as to be able to attend the entire Board or committee meeting, not just parts of meetings; and
- iv) participate in committees and contribute to their purpose.

D. Communication and Interaction

As a member of the Board, each Director will:

- i) demonstrate good judgement;
- ii) interact appropriately with the leadership and management of the Association;
- iii) participate fully and frankly in the deliberations and discussions of the Board;
- iv) be a positive and constructive force within the Board;
- v) demonstrate an openness to others' opinions and the willingness to listen;
- vi) have the confidence and will to make tough decisions, including the strength to challenge the majority view;
- vii) maintain collaborative and congenial relationships with colleagues on the Board; and

¹ The target is 100% attendance. Anything less than 80%, without extenuating circumstances, would create difficulties for the Board.

TERMS OF REFERENCE FOR A DIRECTOR

- viii) advise the Executive Director and the Board Chair in advance when introducing significant and/or previously unknown information or material at a Board meeting.

E. Nominating and Appointing Entities

While recognizing a Director's fiduciary duty to act in the best interests of the Association, a Director is expected to ensure that the perspective of the group or Membership Sector that nominated or appointed that Director is known and thus forms an integral part of the deliberations of the Board of Directors.

F. Association Knowledge

Recognizing that decisions can only be made by well-informed Directors, each Director will:

- i) become generally knowledgeable about the business of MARRC and its industry.
- ii) in consultation with the Board Chair, attend industry conferences and any other relevant forums;
- iii) participate in Director orientation and development programs developed by the Association from time to time;
- iv) maintain an understanding of the regulatory, legislative, social and political environments within which the Association operates;
- v) become acquainted with the Association's senior management team; and
- vi) be an effective ambassador and representative of MARRC.

TERMS OF REFERENCE FOR THE EXECUTIVE DIRECTOR

I. INTRODUCTION

- A.** The Executive Director is appointed by and reports to the Manitoba Association for Resource Recycling Corp. ("MARRC" or the "Association") Board of Directors (the "Board") and maintains open communication with the Board and the Board Chair.
- B.** The Executive Director is responsible for:
 - i) providing leadership, general supervision, management and control of the operations of the Association on a day-to-day basis in accordance with the strategies, plans and policies approved by the Board;
 - ii) providing overall leadership and vision in developing the tactics and plans necessary to realize objectives; and
 - iii) managing the Association to ensure strategic and annual plans are effectively implemented, the results are monitored and reported to the Board, and financial and operational objectives are attained.

II. DUTIES AND RESPONSIBILITIES

- A.** Lead and manage the Association within parameters established by the Board.
- B.** Develop and recommend the strategic plan to the Board consistent with the Vision and Mission. This includes updating and making changes as required, and involving the Board in the early stages of developing strategy.
- C.** Develop for Board approval and successfully implement the corresponding Business Plan, and annual operating and capital budgets. Review and report regularly to the Board on the overall progress and results against the Plan and initiate courses of action for improvement.
- D.** Develop ongoing operating forecasts of revenue, expenditures, operational results, and financial performance. These forecasts serve as operating and financial guidelines and do not require Board approval.
- E.** Keep the Board fully informed of all significant operational, financial and other matters relevant to the Association. This includes items emanating from Members and stakeholders.

TERMS OF REFERENCE FOR THE EXECUTIVE DIRECTOR

- F.** Oversee management responsibilities with regard to:
- i) preparation of the financial statements for review and approval by the Board;
 - ii) establishing and maintaining accounting policies, procedures and practices and internal controls to safeguard the Association, including its assets;
 - iii) the receipt of all money paid or remitted to MARRC;
 - iv) operations of accounts for the deposit of funds in MARRC's approved bank or other recipient;
 - v) accounting for the real and personal property of MARRC and the preparation and custody of such financial records as are necessary;
 - vi) presentation of financial statements to the Audit Committee as required; and
 - vii) receiving, reviewing and responding responsibilities.
- G.** Authorize the commitment of funds against capital and operating plans consistent with Tab B-8, Levels of Financial Authority, in the Directors' Manual.
- H.** Authorize commitment of corporate resources. Enter into agreements, contracts, leases, etc. in the ordinary course of business, in order to pursue the approved strategies, plans, and objectives of the Association, provided however, that major commitments, exposures, and risks shall be reported to the Board on a regular and timely basis.
- I.** Identify the principal risks of the Association's business and implement appropriate systems to manage these risks.
- J.** Review the terms and conditions of the employee that supplies administrative and financial management (the "Administrative Employee");¹
- K.** Develop and maintain a sound, effective organization structure, ensure capable management succession, progressive employee training and development programs.

¹ This is addressed by contract with the Administrative Employee (at this time).

TERMS OF REFERENCE FOR THE EXECUTIVE DIRECTOR

- L.** Annually establish and maintain a Board approved plan for senior management development and succession.
- M.** Provide the Board, at Board and committee meetings, with exposure to the Association's key management.
- N.** Ensure that employees have their responsibilities and authorities clearly established.
- O.** Establish effective control and co-ordination mechanisms for all operations and activities. Ensure the integrity of the internal control and management systems.
- P.** Ensure effective communications and maintain appropriate relationships with the Members and stakeholders.
- Q.** Manage and oversee the required interfaces between the Association and the Members and stakeholders and act as the principal spokesperson for the Association.
- R.** Ensure the safe, efficient operation of the Association.
- S.** Ensure all operations and activities of the Association are conducted in accordance with laws, regulations, the Association's Conflicts of Interest Policy, Business Ethics Policy, Confidentiality Policy, Code of Conduct, sound business practice and in accordance with the policies and practices approved by the Board of Directors.
- T.** Foster a corporate culture that promotes ethical practices and encourages individual integrity and social responsibility.
- U.** Obtain Board approval prior to acceptance of significant public service commitments and/or outside Board appointments.
- V.** Manage MARRC's relationship with national and provincial used oil associations.

CODE OF CONDUCT, CONFLICT OF INTEREST AND ETHICS POLICY

I. BACKGROUND

- A. Directors must be mindful that their actions will be subject to public scrutiny. MARRC has been delegated certain powers, duties and responsibilities of the Minister of Conservation under The Waste Reduction and Prevention Act and the Regulations thereto. The Directors discharge these powers, duties, and responsibilities in a manner which is consistent with and which furthers the public interest.
- B. The Directors, by virtue of their position of control over the affairs of MARRC, are in a position to receive and review potentially confidential information in its possession. Consequently, the Directors must have regard to both their duties as directors in stewarding the affairs of the MARRC, and the importance of safeguarding the information received from those involved in its programs.
- C. All of MARRC's stakeholders, the Minister, and Manitobans generally have a right to be assured that MARRC's business is conducted with efficiency, impartiality and integrity. It is this special obligation which demands that there not be, nor seem to be, any conflict between the private interests of the Directors and their responsibility to stakeholders, the Minister, and the public.

II. DEFINITIONS

In this Code of Conduct and Ethics Policy,

- A. "associated" means a relationship, transaction or connection such that the relationship, transaction or connection:
 - i) has the potential to affect, or give the appearance of affecting, the ability of the Director to act impartially on behalf of MARRC in a transaction; or
 - ii) between MARRC and the person would, or would be seen, to confer a direct or indirect benefit upon the Director.
- B. "benefit" means a direct or indirect pecuniary or non-pecuniary advantage and includes the avoidance of a detriment, but does not include the prestige associated with the position of Director nor participation in

CODE OF CONDUCT, CONFLICT OF INTEREST AND ETHICS POLICY

activities or programs of MARRC in which the public has an opportunity to participate;

- C. "Board" or "Board of Directors" means the Board of Directors of MARRC;
- D. "Code" means this document—the Code of Conduct, Conflict of Interest and Ethics Policy.
- E. "Committee" means a Board Committee or Sub-Committee of MARRC;
- F. "Confidential Information" means proprietary sales or business information, trade secrets, confidential processes or techniques;
- G. "Contractor" means an individual, corporation, association, partnership or organization who has entered into a contract with MARRC for the supply of goods or services, or in any way relating to MARRC's programs, and includes employees of MARRC;
- H. "Environmental Handling Charge" or "EHC" means the levy or surcharge as described in MARRC's Bylaws;
- I. "Gift" means any gift or prize of value, transferred to another, for which no specific service or compensation is expected or received. Gifts include materials, services, repairs or improvements at prices lower than would otherwise be available in the marketplace.
- J. "Management" or "Manager" means the management or administration of MARRC, whether employed by MARRC or retained by contract, and includes support staff;
- K. "person" means an individual, corporation, association, partnership or organization who is a Director, Manager, Employee or Contractor;
- L. "Program" means MARRC's Waste Reduction and Prevention Program;
- M. "Regulation" means the Used Oil, Oil Filters and Containers Stewardship Regulations;
- N. "Steward" means a steward of designated material as defined in the Regulations.

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- O.** "transaction" means an arrangement, other than a gift, under which
 - i) MARRC and another person agree to exchange value or services;
 - ii) MARRC confers a benefit on another person, or
 - iii) MARRC receives a benefit from another person.

III. STATEMENT OF PRINCIPLES

- A.** Directors shall at all times act in accordance with and display utmost good faith and a heightened sense of loyalty and fidelity towards MARRC.
- B.** Directors shall not disclose any information that is confidential to MARRC during or after their tenure as Directors except as may be authorized by MARRC or required by law.
- C.** Directors shall not disclose any Confidential Information of any Steward after their tenure as Directors or Management, as the case may be, except as may be authorized by the Steward, or as may be necessary under any other enactment, or otherwise required by law.
- D.** Directors shall not use for personal or professional gain any confidential information, assets, goods or opportunities that the Director may obtain by virtue of his or her position as Director, whether during the term of Directorship or afterward.
- E.** Directors shall at all times act in accordance with this Code.

IV. CODE OF CONDUCT

- A. Outside Employment**
 - i) Any Director may be engaged or employed outside of MARRC, including self-employment, but must not:
 - a) perform such other engagement or employment in such a way as to appear an act or representation of MARRC;

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- b) allow such other employment or engagement to interfere with MARRC duties; or
 - c) use MARRC premises, equipment, supplies or resources for the purposes of the other employment or engagement, unless such use is authorized by MARRC.
- ii) Disclosure of all other engagements or employment must be made to the Board where there is a possibility of a perceived conflict, or a perception any of the above may occur.

B. Gifts

- i) Directors are not precluded from accepting modest gifts that are appropriate for official events and ceremonial occasions sanctioned by MARRC.
- ii) **Under no circumstances may gifts be solicited**
- iii) The current level of gift deemed to be of nominal value is \$200. If a gift of more than \$200 is received by a Director, the MARRC Chairman will determine whether it should be retained, returned or donated to charity, having regard to the principles set out in this Code of Conduct.
- iv) Directors should consider not only the extent and frequency of the receiving or giving of gifts but also the need and ability to reciprocate to avoid the possibility of being or appearing to be influenced by such gifts.
- v) When Directors are invited to address or otherwise contribute to an external organization in a seminar, symposium or lecture forum, solely as a result of their position with the MARRC, any fees or honoraria should be turned over to MARRC.

C. Entertainment

- i) The \$200 nominal value limit for gifts does not apply to the giving or receiving of entertainment.

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- ii) The following examples may be of assistance in deciding the appropriateness of entertainment:
 - a) Invitations to receptions, dinners, parties, plant openings and expansions, etc., that are widely distributed are acceptable.
 - b) Tickets to occasional sports events, theatres, concerts or similar functions are acceptable, provided representatives of the suppliers are present, and the tickets are unsolicited and reasonable and serve a valid business purpose.
 - c) Tickets to occasional sports events, theatres, concerts or similar functions where representatives of the supplier are not in attendance are gifts and must be dealt with under the guidelines for gifts.
 - d) The need to reciprocate to avoid the possibility of being or appearing to be influenced by entertainment should be considered.
 - e) Directors may pay, on behalf of the MARRC, expenses incurred in the connection with discussions of specific business matters with other persons with whom the MARRC does business or is seeking to do business. Such expenses may include, for example, the cost of meeting rooms and meals.
 - f) Entertaining at home on behalf of the MARRC should be cleared in advance by the MARRC Chairman or designate.

D. Contracts and Other

- i) No Director may receive any benefit, interest, or perceived benefit or interest, as a result of any contract to which MARRC is a party, or any business arrangement to which the MARRC is a party, unless the contract or business arrangement has been approved by the Board with the process outlined in item V.C(ii) of this Code (Prohibited and Permitted Transactions).
- ii) Where the business or financial interests of a Director are affected or appear to be affected by actions taken or decision made in the

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course of service with MARRC, the person affected shall disclose those interests in writing to the Board, and shall take the direction of the Board.

V. CONFLICTS OF INTEREST

A. Requirements of Fiduciaries at Common Law

- i) The common law imposes upon fiduciaries the duty to act in utmost good faith towards their beneficiaries. Fiduciaries must act toward their beneficiaries with a heightened sense of loyalty and fidelity. Fiduciaries must act in a manner consistent with the best interests of their beneficiaries in all matters related to the undertaking of trust and confidence. Fiduciaries must scrupulously avoid placing themselves in a position of conflict of interest.
- ii) The general rule regarding conflicts of interests is that no one who has duties of a fiduciary nature is allowed to enter into engagements in which he has or can have a personal interest conflicting with the interests of those whom he is bound to protect. Even where the fiduciary acts in good faith, the foregoing restriction applies. A fiduciary cannot place his own interests ahead of those of his beneficiary, even in situations where the beneficiary benefits from the arrangement. A fiduciary cannot benefit personally from any opportunity that comes to his awareness by ways of his fiduciary position. A fiduciary must not use any aspect of the beneficiary's property for personal gain. More specifically, a fiduciary must not use for personal benefit a beneficiary's assets, goods, information or opportunities.
- iii) Fiduciaries must not use their position to benefit persons closely associated with them. Where a benefit is conferred upon a person with whom the fiduciary is closely associated, the fiduciary benefits indirectly. Regard must be had to all of the surrounding circumstances to determine whether a person is associated with a fiduciary. Persons sharing business relations or family relations will in most instances be characterized as associates of the fiduciary. In some instances, close personal relations will also give rise to an association between the fiduciary and the person. The

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key issue in determining whether a fiduciary is associated with another person is whether the fiduciary's ability to represent the interests of the beneficiary is or appears to be compromised as a result of the fiduciary's relationship with the third party.

B. General Fiduciary Responsibilities

- i) The Board of Directors has been structured so as to ensure the Board of Directors is composed of a diverse selection of individuals, although many are representative of industry or related to industry. Each individual director is expected to bring to the Board of Directors a set of viewpoints and experiences which may not be experienced by his fellow Directors. This diversity of viewpoints at the Board adds strength and depth to Board decisions. In similar fashion, the Committees have been established to ensure a broad selection of individuals will be selected to serve on those committees.
- ii) Directors must appreciate that while their selection to the Board may be as a result of a particular organization or nomination by a particular group or interest, once appointed their loyalties are first and only to MARRC.
- iii) Directors will be required to make decisions based on what they perceive to be the best interests of MARRC. Although it is intended that Directors will draw upon their experiences and views gained through their association with other organizations, it is not intended that they serve as representatives of those associations on MARRC. As Directors, their loyalties are first and only to MARRC.
- iv) Directors will be required to make decisions based on what they perceive to be the best interests of MARRC. This may necessarily require that Directors receive information relating to the expenses and revenues of MARRC. Directors are required to make informed decisions and as well, are accountable to the membership, industry, government and the public for the collection and expenditure of funds and the administration of its programs.
- v) Directors may find themselves in a position of conflict as a result of their associations with organizations having dealings with

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MARRC. A conflict may arise where an organization seeks to enter into a transaction with MARRC. Where a conflict arises, the affected Director must declare the conflict, fully disclose any personal interest he or she may have in the transaction, and refrain from discussing or voting upon the matter. Whether the transaction will be approved will be a matter for the Board.

- vi) It would be inconsistent with his or her duties of loyalty and fidelity to MARRC for a Director to participate in a discussion or decision relating to a matter in which they have a conflict of interest. Participation in any discussions or decisions related to a matter in which they have a conflict could invalidate the decision and could result in embarrassment to both MARRC and the affected organization. If the conflict is significant, public confidence in MARRC could suffer.

C. Prohibited and Permitted Transactions

- i) Except in accordance with this Code, MARRC shall not enter into transactions with a Director where the Director may benefit personally from the transaction.
- ii) MARRC may enter into a transaction with a Director if the affected Director
 - a) declares a conflict of interest in respect of the proposed transaction;
 - b) discloses to the Board the full nature and extent of his interest in the proposed transaction and , to the extent that he is able, the interest of any related person in the proposed transaction; and
 - c) establishes to the satisfaction of the Board that

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1. the proposed transaction is fair and reasonable to MARRC, and
 2. the proposed transaction would meet or exceed community expectations about the conduct of MARRC; and
 3. the Board approves the proposed transaction.
- iii) When authorizing a transaction under section C(ii), the Board may impose any conditions it deems necessary in the circumstances to protect MARRC or to safeguard public confidence in MARRC's undertakings.
 - iv) For the purposes of section C(ii), the affected Director shall not participate in any decisions relating to the proposed transaction.
 - v) For the purposes of section C(ii), the affected Director shall not be counted as part of the quorum making any decisions relating to the proposed transaction.
 - vi) Where the Board approves a transaction under section C(ii), an entry shall be made into the minutes of the meeting confirming the approval of the transaction by the Board.
 - vii) In the event a collection compliance issue regarding a Steward is required to be discussed at the Board, any Director conflicted shall declare the conflict, and absent himself or herself from discussion and voting;
 - viii) In the event a registration compliance issue regarding a Steward is required to be discussed at the Board, any Directors conflicted shall declare the conflict, and absent himself or herself from discussion and voting.
 - ix) Where all, or a majority, of the Directors in attendance at a meeting are stakeholder representatives who make decisions that
 - a) affect themselves only to the extent that they are part of a group, and

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- b) do not prefer their personal financial interests over those of other members of the group;

there is no need to declare a conflict or abstain from discussion or voting on the decision.

VI. GENERAL RESPONSIBILITIES OF THE BOARD RELATING TO CONFIDENTIALITY

A. The Board of Directors recognizes that, as a matter of management style, it will generally receive information from management of MARRC in the aggregate, as that information relates to MARRC's program, its administration, management or membership, rather than information relating to individuals.

B. Registrant Information

- i) All obligations of confidentiality on Directors as they may relate to Stewards, apply only in situations where Stewards are Stewards in good standing, in compliance with the Bylaws, policies, contracts Regulations and any requirements of MARRC.
- ii) Confidential Information received by MARRC from Stewards shall be received in confidence, and shall be maintained as Confidential Information.
- iii) Unless required by rule of law, bylaw or policy, individual names or information relating to Stewards shall not be recorded in the minutes of Board meetings.

VII. GUIDELINES FOR ETHICAL STANDARDS

- A. All Directors shall govern themselves in a way that is ethical and in accordance with this Code. This Code is meant to provide an understanding and appreciation of the values MARRC expects of Directors.
 - i) Respect for the Law and Codes of Conduct

CODE OF CONDUCT, CONFLICT OF INTEREST AND ETHICS POLICY

- a) Directors shall conduct their activities in compliance with the letter and the spirit of all applicable federal, provincial and municipal laws, regulations and judicial decrees.
 - b) Directors shall not take any action on behalf of MARRC or in furtherance, or in purported furtherance, of MARRC's objects or programs, which is known or could reasonably be expected to violate any law or regulation or any government permit or approval.
 - c) Directors have an obligation to report any behaviour by any person that that they believe is illegal or unethical to the Board Chair, or if they feel it is inappropriate to discuss the matter with the Board Chair, to the Executive Director.
- ii) Safeguarding MARRC Property
- a) All Directors have an obligation to safeguard and not disclose proprietary, commercial or valuable or confidential information belonging to MARRC, or any party with whom MARRC contracts.
 - b) All Directors shall maintain the integrity and safety of all MARRC property including MARRC's name, logos, brochures, printed material, program facilities or assets.
- iii) Accuracy of Records
- a) All of MARRC's records must accurately reflect the transactions that they purport to record and completely document information relating to those transactions. No fund or transaction is to be concealed from MARRC auditors.
 - b) Directors, on behalf of MARRC, shall not undertake any transaction for the purpose of unlawfully evading any tax, duty or other levy imposed by any level of government or legislation.
- iv) Disposal of MARRC Assets and Surplus Material

No Director shall dispose of any assets of MARRC or surplus material of MARRC without first obtaining the permission or approval of MARRC's Executive Director and/or the Board Chair.

CODE OF CONDUCT, CONFLICT OF INTEREST AND ETHICS POLICY

v) Fairness

All Directors shall conduct themselves in a fair and ethical manner generally having regard to this Code.

VIII. BREACH OF THE CODE

- A. If any person affected by this Code is in doubt about whether there is a conflict of interest or in respect of any matter that may be affected by this Code, that person must request the advice of the Board of Directors of MARRC, and act on the advice or direction of the Board.
- B. Any breach of this Code may result in a person:
- i) being reprimanded;
 - ii) being required to refrain from sitting at meetings or voting for a specified period of time;
 - iii) expelled from the Board of Directors; or
 - iv) any one or more of the above.
- C. All matters relating to this Code, or its enforcement shall be dealt with by the Board of Directors, except any Director who may be the subject of consideration may not participate in the discussions and the decisions of the Board.

IX. COMPLIANCE MONITORING AND WAIVERS OF THIS CODE

- A. From time to time, the Board may waive certain provisions of this Code. Any Director who believes that a waiver may be called for should discuss the matter with the Board Chair, or if they feel it is inappropriate to discuss the matter with the Board Chair, with the Executive Director.
- B. The Board of Directors has responsibility to monitor compliance with this Code.

CODE OF CONDUCT, CONFLICT OF INTEREST AND ETHICS POLICY

X. COMMITMENT

- A. To demonstrate our determination and commitment, MARRC asks each Director to review the Code periodically throughout the year. Take the opportunity to discuss with the Board Chair any circumstances that may have arisen that could be an actual or potential violation of these ethical standards of conduct.

- B. Directors are required to sign this Code annually.

I ACKNOWLEDGE that I have read and considered the Manitoba Association of Resource Recycling Corp's Code of Conduct, Conflict of Interest and Ethics Policy (the "Code") and agree to conduct myself in accordance with the Code.

Signature

Print Name

Date

MARRC Membership Agreement,
Updated February 15, 2022

MANITOBA ASSOCIATION FOR RESOURCE RECOVERY CORP.

(A Non-Profit Corporation)

MEMBERSHIP AGREEMENT *(updated effective February 15, 2022)*

Article 1 – Definitions and Interpretation

1.01 In this Agreement, unless the context otherwise requires:

- (a) “Act” shall mean *The Waste Reduction and Prevention Act*, (Manitoba), as the same may be amended from time to time, and including any act of the legislature enacted in replacement thereof;
- (b) “Automotive Antifreeze Stewardship Program” shall mean the household hazardous material or prescribed material stewardship program in respect of automotive antifreeze and automotive antifreeze containers operated by the Corporation pursuant to the Regulations;
- (c) “Regulations” shall mean the *Regulations* pursuant to the Act, as the same may be amended from time to time, and including any successor or supplemental regulations enacted under the Act in replacement thereof;
- (d) “Designated Material” shall have the same meaning as in the Act and Regulations and, for greater certainty, includes oil, oil filters and containers, automotive antifreeze and automotive antifreeze containers, , as well as all Other MARRC Designated Materials from time to time;
- (e) “Steward” shall have the same meaning as in the Act and the Regulations;
- (f) “Used Oil Products & Material Stewardship Program” shall have the same meaning as in the Act and the Regulations;
- (g) “Board” means the Board of Directors of the Corporation;
- (h) “Chartered Accountants” means a firm of chartered accountants as selected by the Board from time to time;
- (i) “Corporation” means the Manitoba Association for Resource Recovery Corp. and, for certainty, whenever herein a decision, determination or election is to be made by the Corporation, such decision, determination or election shall be made by and through the Board;

- (j) “Member” shall mean a member of the Corporation;
- (k) “Membership Agreement” shall mean the membership agreement in place between a Member and the Corporation as amended from time to time pursuant to Article 14 hereof;
- (l) “EHC” shall mean the Environmental Handling Charge(s) assessed by the Corporation for the Designated Materials sold or supplied in Manitoba by a Member, as from time to time amended, save that no increase in EHC shall become effective unless and until it is approved by the Members, by ordinary resolution, at a duly convened meeting of the Membership;
- (m) “EHC Payment Schedule” shall mean the schedule periodically issued by the Corporation detailing the EHC payable on Designated Materials and the method of calculating EHC remittances to the Corporation;
- (n) “EHC Compliance Review” shall mean a review of the records of the Member, through the use of the firm of Chartered Accountants, with respect to the sale or supply of Designated Materials and remittance to the Corporation of EHC, as more particularly described in Article 7.01 hereof; and
- (o) “EHC Compliance Review letter” shall mean the written summary of the EHC Compliance Review sent to the Member by the Corporation that specifies the date(s) of the review, the findings of the review, the actions required of the Member to comply with the review and the date by which the actions must be completed by.
- (p) “Ordinary Resolution” means a resolution passed by a majority of the members present (in person or by proxy or by other approved means of communications pursuant to the Corporation’s by-laws) at a duly convened meeting of members;
- (q) “Other MARRC Designated Material” means each of those Designated Materials, other than used oil, oil filters and containers and automotive antifreeze and containers (as such terms are respectively defined under the Regulations), in respect of which the Corporation from time to time establishes and/or maintains a stewardship program pursuant to the Act and the Regulations or which otherwise falls within a stewardship program maintained by the Corporation from time to time, and includes Designated Materials under the Packaging and Printed Paper Stewardship Regulation and/or under the Household Hazardous Materials and Prescribed Material Stewardship Regulation in respect of which the Corporation from time to time establishes and/or maintains a stewardship program pursuant to the Act and the Regulations or which otherwise fall within a stewardship program maintained by the Corporation from time to time.
- (r) “Other MARRC Designated Material Stewardship Program” shall mean the stewardship program(s) in respect of Other MARRC Designated Material(s) operated by the Corporation from time to time pursuant to the Regulations;
- (s) “Stewardship Programs” means collectively, the Used Oil Products & Material Stewardship Program, the Automotive Antifreeze Stewardship Program, and all Other MARRC Designated Material Stewardship Programs.

- 1.02 Words importing the singular gender include the plural and vice versa; words importing gender include the masculine, feminine, and neuter gender; and words importing persons include individuals, bodies corporate, partnerships, and unincorporated organizations.

Article 2 - Statement of Intention

- 2.01 The Member acknowledges to the Corporation that it is requesting membership in the Corporation because it is a Steward of Designated Materials and wishes to take advantage of membership in the Corporation in order to have access to one or more of the Stewardship Programs, and thereby meet the requirements of having such a program, as required of Stewards by the Regulations, or is a person or organization who purchases Designated Materials from a Steward and resells or otherwise supplies them in Manitoba and is interested in supporting the objectives of the Corporation.

Article 3 - Membership

- 3.01 The Member, in consideration of being permitted to become a Member of the Corporation and, in that way, have access to one or more of the Corporation's Stewardship Programs, hereby agrees with the Corporation as follows:
- (i) to pay an initial membership fee of \$200.00 to be paid at the time of the signing of this Agreement;
 - (ii) to pay such annual membership fee as is from time to time set by the Board;
 - (iii) to pay to the Corporation the EHC on all Designated Materials sold or supplied by the Member, effective from the date such Member first began selling or supplying Designated Materials in Manitoba, and whether before or after such Member became a member of the Corporation, such payments to be in the amount set out by the Corporation in the EHC Payment Schedule, as amended from time to time; and
 - (iv) to pay to the Corporation the late payment and interest charges for failure to remit EHC to the Corporation as and when the same was due, as more particularly set out in Schedule "A" attached hereto, as the same may be amended, restated or revised by the Corporation from time to time.

Article 4 - Term of Membership

- 4.01 The Member acknowledges that upon the signing of this Agreement and the payment of the initial membership fee that it will maintain membership in the Corporation, subject to cancellation, termination or suspension of the Member's membership by the Board or the Members pursuant to the By-laws, for a period of not less than three years from the date hereof. Subsequent to the initial three year term, membership in the Corporation, and the obligations flowing from membership, shall be considered renewed annually, unless the Member gives a written notice addressed to the Board by registered mail of its intention to withdraw from the Corporation. In that event, the Member shall be considered to have

withdrawn from the Corporation 180 days from the date of the notice. Subject to the initial three year membership obligation, a Member may give notice of its intention to withdraw from the Corporation at any time. The Member's membership may also be cancelled, terminated and/or suspended by the Corporation (acting through the Board) or the members of the Corporation in the manner and in the circumstance(s) set out in the By-Laws.

Article 5 - Remittance of Environmental Handling Charge

- 5.01 The Member agrees with the Corporation to remit the applicable EHC for each Designated Material sold or supplied by the Member. The total of the EHCs with respect to the sale or supply of the Designated Materials are to be remitted quarterly, as scheduled by the Board, to the Corporation within 30 days of the end of the quarter in which the sale or supply of the Designated Materials took place. The remittance to the Corporation shall be in a form and fashion as from time to time determined by the Board.
- 5.02 If the total of a Member's EHCs remitted in the 4 quarters of the previous calendar year is less than \$2,000 and the Member has remitted all EHCs due to the Corporation in a manner and time satisfactory to the Corporation, then the Member shall have the option of providing the Corporation with notice in writing in the first quarter of the current calendar year that it shall make remittance of the EHCs for the current calendar year on an annual basis. In such event the remittance of the EHCs for the calendar year shall be remitted to the Corporation within 30 days of the end of the calendar year. The remittance to the Corporation shall be in the form and fashion as from time to time determined by the Board.
- 5.03 The EHC to be remitted by the Member with respect to the sale or supply of Designated Materials shall be in accordance with the EHC Payment Schedule, as the same may be amended, restated, or revised from time to time by the Corporation. The Member is solely responsible to ensure that the EHCs remitted by it (either to the Corporation or any of their suppliers) are calculated accurately including, without limitation, to have sufficient systems in place and exercise due diligence to ensure that they are not over-remitting as a result of calculating and remitting EHCs on Designated Materials sold to another Member of the Corporation or for use outside Manitoba. Except only as provided in section 7.04 below, the Corporation shall have no liability to a Member, nor shall the Corporation have any obligation to refund to a Member, any incorrect and/or over-remittance of EHCs made by the Member to the Corporation or to a supplier of the Member.
- 5.04 The Member shall remit the EHC on all Designated Materials sold or supplied by the Member, even if the Member is not a Steward of the Designated Material.
- 5.05 Notwithstanding 5.03 and 5.04, the Corporation and the Member acknowledge and agree that if a Member is selling Designated Materials to another Member of the Corporation in good standing or is selling Designated Materials for use outside Manitoba, then no assessment or remittance of EHC is required with respect to that sale or supply. It is the Member's obligation to ensure that it exercises due diligence and has proper systems in place to identify such sales and, except only as set out in section 7.04 hereof, the Corporation shall have no liability for over-remittances arising out of the Member's failure to properly identify or account for such sales in its calculation and remittance of EHCs to the Corporation or to any of its suppliers.

Article 6 - Record Keeping

- 6.01 The Member agrees to keep a record of all transactions respecting Designated Materials, in the form and fashion approved by the Board, for a period of no less than seven (7) years.
- 6.02 The Member agrees to include in its invoices to customers, respecting Designated Materials, such information as the Corporation may reasonably require.

Article 7 – EHC Compliance Review by Corporation

- 7.01 The Member agrees that the Corporation may, from time to time and as approved by the Board, review the records of the Member, through the use of the firm of Chartered Accountants, with respect to the sale or supply of Designated Materials by the Member and remittance to the Corporation of EHC in relation to such sale or supply of such Designated Materials. The Member further agrees that such review may extend back to the period of time when such Member first began selling or supplying Designated Materials, whether or not the Member was a member of the Corporation at such time.
- 7.02 In the event of an EHC Compliance Review, the Member shall make available to the Corporation's Chartered Accountants any and all records relating to the sale or supply of the Designated Materials and remittances to the Corporation of EHC by the Member, and the Member shall further provide to the Corporation's Chartered Accountants any information respecting transactions relating to Designated Materials, provided that such records and information are reasonably required in order to perform an accurate EHC Compliance Review.
- 7.03 In the event a Member is found, after an EHC Compliance Review, to have under-remitted EHC to the Corporation in an amount in excess of \$500.00 for the period subject to the EHC Compliance Review, then the Member shall, in addition to any other liability to the Corporation hereunder, be liable to pay to the Corporation immediately the following:
- (a) the EHC due plus interest thereon at the rate of 1% per month, compounded monthly (12.68% per year) from the time(s) the EHC was due to the time it is paid;
 - (b) the costs of the EHC Compliance Review; plus
 - (c) 20% of the EHC due, by way of an administrative fee to the Corporation.
- 7.04 In the event that a Member is reviewed and it is found that the Member has over-remitted EHC to the Corporation then, provided that (and only provided that) such over-remittance was not caused or contributed to by the negligence of the Member, or a supplier to the Member, in the application or calculation of EHCs resulting in such over-remittance, the Corporation shall, as soon as practicable, including over a term of up to 3 years, reimburse the Member for the amount of EHC over-paid by it to the Corporation in the 12 months immediately preceding the date of such finding, without any provision for interest thereon. For greater certainty, and notwithstanding anything else to the contrary in this Agreement, in no event shall the Corporation be liable for, or obligated to reimburse any Member for, EHCs over-remitted or remitted in error by or for the account of the Member or by any supplier to the

Member in respect of Designated Materials supplied by it to the Member and which, in each case, were remitted or paid to the Corporation more than twelve (12) months prior to the Corporation being made aware in writing of such over-remittance or incorrect remittance, including as to the specific amount thereof.

- 7.05 In the event that an EHC Compliance Review is initiated by the Corporation in respect of a Member as a result of either: (a) the Corporation having good faith reason to believe that the Member has under-remitted EHC to the Corporation; or (b) the Member having, in the past, demonstrated poor performance in calculating and/or remitting EHCs to the Corporation or having more than once failed to comply with the terms of an EHC Compliance Review Letter, then the cost of such EHC Compliance Review shall be borne by the Member, who shall, in addition to any other liability hereunder to the Corporation, be required to pay the cost of same to the Corporation immediately upon being invoiced by the Corporation, and regardless of the results of such EHC Compliance Review.

Article 8 - Corporation By-laws Govern

- 8.01 The Member agrees that its membership in the Corporation will be governed by this Agreement and the By-laws of the Corporation, as the same may be amended, supplemented or restated from time to time.

Article 9 - Obligations of the Corporation

- 9.01 The Corporation shall create and maintain a Used Oil Products & Materials Stewardship Program as well as an Automotive Antifreeze Stewardship Program with respect to the sale or supply of Designated Materials, which program shall meet the requirements of the Act and Regulations for so long as the Corporation is approved for same pursuant to the Act. The Corporation may also maintain a Stewardship Program for such other Designated Materials as the Board may approve and for which the Corporation's proposed stewardship program is approved under the Act and the Regulations from time to time. The Corporation shall give the Member notice, as soon as reasonably possible, in the event that the Corporation is no longer approved for, or will otherwise cease to maintain, any Stewardship Program then maintained by the Corporation.
- 9.02 The Corporation covenants with the Member to keep confidential any and all information received by it from the Member for any purpose, including the EHC Compliance Review, except as required by law, saving that it is permitted for the Corporation to identify a Member who is in arrears of EHC remittance in the Corporation's public annual report.
- 9.03 The Corporation shall provide to all Members a ninety day advance notice, in writing, of any change to the EHC Payment Schedule.
- 9.04 The Corporation may retain the firm of Chartered Accountants to provide the following services for the Corporation:
- (a) Receive, deposit and account for all EHC remittances from the Members on a confidential basis; and

- (b) Advise the management of the Corporation from time to time of the aggregate EHC remittances from Members.
- 9.05 The Corporation shall retain the firm of Chartered Accountants to provide the following services for the Corporation:
- (a) Prepare and present annual financial statements as required under the Act or *The Corporations Act* (Manitoba) and as required by the Corporation;
 - (b) Conduct regular EHC Compliance Reviews as approved by the Board under 7.01;
 - (c) Review EHC remittances and recommend EHC Compliance Reviews for Board approval without disclosure of confidential information;
 - (d) Maintain strictest confidentiality of Member information, except as required by law.
- 9.06 The Corporation will provide non-proprietary information to Members, as required for Member's annual report to the Manitoba Minister of Conservation.
- 9.07 The Corporation will provide to each Member documentary proof of Membership and will from time to time provide Members with a current list of all Members in good standing of the Corporation and generally cooperate with the Membership so as to facilitate easy identification of Members of the Corporation.

Article 10 - Limited Liability

- 10.01 No Member shall be liable for a debt or obligation of the Corporation merely by reason of membership in the Corporation.

Article 11 - Personal Information

- 11.01 This Membership Agreement requires the Member to provide certain personal information to the Corporation. Such information is being collected by the Corporation for the purposes of admitting the Member as a member of the Corporation, for general administrative purposes, for the purpose of enabling the Corporation to comply with legal and regulatory requirements including for the purpose of communicating with Members of the Corporation and completing and delivering to regulatory authorities any reports required to be filed by the Corporation under the Act, *The Corporations Act* (Manitoba) or as may be required as a consequence of such Member holding a membership in the Corporation, and for such other purposes as are elsewhere identified in this Agreement. The undersigned acknowledges and agrees that such personal information may be used and disclosed by the Corporation for the foregoing purposes and to governmental and regulatory agencies, departments or authorities responsible for administration of corporate and environmental legislation in the Province and Canada Revenue Agency and any similar provincial taxation authority. By agreeing to be bound by this Membership Agreement, the Member is deemed to be consenting to the foregoing collection, use and disclosure of the Member's personal information.

Article 12 - Facsimile and Electronic Communication

12.01 The Corporation shall be entitled to rely on delivery by electronic mail or by facsimile of an executed copy of this Membership Agreement and acceptance by the Corporation of such electronic or facsimile copy shall be legally effective to create a valid and binding agreement between the Member and the Corporation in accordance with the terms hereof. The Membership Agreement may be executed in any number of counterparts, each of which when delivered, either in original, electronic or facsimile form, shall be deemed to be an original and all of which shall constitute one in the same document. More generally, for the purpose of facilitating communication between the Corporation and its Members, the Member hereby consents to the Corporation delivering to the Member, by facsimile or electronic mail, at the fax number or email address provided by the Member to the Corporation, any notices, documents or other written communication that the Corporation may now or hereafter be required pursuant to applicable legislation, this Agreement or the By-laws, or that the Corporation may otherwise elect to send to its Members, and this shall constitute a continuing consent of the Member for that purpose. The Member agrees to advise the Corporation of its mailing address, email address or phone or facsimile numbers and any changes thereto from time to time.

Article 13 - Meetings of Members

13.01 The Member consents to the Corporation holding such annual general or special meetings of Members as the Board of the Corporation may determine from time to time, at such times and such place, whether within or outside of Manitoba, as the Board, in its discretion, may decide.

Article 14 – Change in Terms of This Agreement

14.01 The Member acknowledges that the Board can change the terms of this Membership Agreement at any time, and in the Board's sole discretion, regardless of whether the Member is using one or more of the Stewardship Programs at such time, by adding, deleting, or modifying any provision hereof. The Board's right to add, delete, or modify provisions hereof includes financial terms, such as the amount of EHC to remit (provided that any increase to EHC shall not be effective until approved by the Members by way of Ordinary Resolution at a duly convened meeting of members), the schedule of remittance dates, late remittance fees and interest requirements, and other terms such as the nature, extent, and enforcement of the rights and obligations the Member or the Corporation may have relating to this Agreement. Modifications, additions, or deletions are referred to herein as "Changes" or a "Change". The Corporation will notify each existing Member of any material Change to this Agreement and the effective date of such change(s). Such Change(s) may be given retroactive or retrospective effect. However, unless otherwise stated in such notice, any Change(s) relating to terms of payment will apply to any unremitted EHC or other amounts owing to the Corporation and to any new amounts owing to the Corporation thereafter. The notice referred to herein may be delivered personally or mailed to the last address of the Member as shown on the register of Members and, if mailed, shall be deemed to be received 3 business days following the mailing.

All Members shall be bound by the Membership Agreement, as so amended, when adopted by the Board and without any further action or signature required from the Member. Provided however, that should a Member not be prepared to accept or be bound by any of the Changes to the Membership Agreement, such Member may, by written notice to the Corporation given within 60 days of such Member having received the Corporation's notice of the Change(s), withdraw as a Member. In such a case, such Member shall not be bound by the Change(s) to the Membership Agreement and his/her/its membership shall come to an end on the 60th day following the Member's receipt of the Corporation's notice of the Change(s). If the Member does not notify the Corporation in writing within the said 60 day period, or if the Member notifies the Corporation but then uses the services of the Corporation after the said 60th day following the notice, the Member will be deemed to accept all Changes in the notice and to accept, confirm and be bound by, all terms of the Membership Agreement, as amended by the Change(s)

IN CONSIDERATION OF THE MUTUAL PROMISES set out above, the Member and the Corporation have caused this Agreement to be executed under the hands of their respective proper officers.

MANITOBA ASSOCIATION FOR RESOURCE RECOVERY
CORP.

PER: _____
Authorized Officer

PER: _____
Authorized Officer

MEMBER

(Print name of Corporation)

(Date)

PER: _____
Authorized Signatory

(Print name)

PER: _____
Authorized Signatory

(Print name)

Schedule "A"

Late payment administration fees and interest will be applied to late remittance of EHC as follows:

- Level I - \$100: To be applied on all Reminder Letters sent to late remitters following the 30th day of the month in which the EHC was due;
- Level II - \$200: To be applied on all Warning Letters sent out to late remitters ten (10) business days following failure of a Member to comply with the direction in a Reminder Letter; and
- Level III - \$625.00: To be applied on all Membership Continuation Assessment Letters sent out to late remitters ten (10) business days following failure of a Member to comply with a Warning Letter.
- Interest shall be charged at the rate of 1% per month, compounded monthly (12.68% per year), on any amounts owed by a Member to the Corporation from the date that such amount was due and owing to the Corporation.

This schedule in effect from: November 5, 2018.

MANITOBA ASSOCIATION FOR RESOURCE RECOVERY CORP. (MARRC)

35-1313 Border Street
Winnipeg, MB R3H 0X4
marrc@mts.net

Phone: 204-632-5255

TOLL FREE: 1-888-410-1440

FAX: 1-204-633-9380

www.usedoilrecycling.com

MARRC REGISTRATION FORM

In accordance with The Used Oil, Oil Filters & Containers Stewardship Regulation, the undersigned hereby applies for registration with Manitoba Association for Resource Recovery Corp. (MARRC).

1. DATE OF APPLICATION: YEAR _____ MONTH _____ DAY _____

2. INDICATE:

a) NAME OF APPLICANT: _____

ADDRESS OF APPLICANT'S REGISTERED OFFICE:

(Street, Postal Box, Town/City, Postal Code)

NAME OF CONTACT PERSON: _____

TELEPHONE: _____

FAX: _____

EMAIL: _____

b) LOCATION OF BOOKS AND RECORDS:

(Street, Postal Box, Town/City, Postal Code)

NAME OF CONTACT PERSON AT THIS LOCATION: TELEPHONE: _____

_____ FAX: _____ EMAIL: _____

c) NATURE OF BUSINESS (e.g.: Manufacturer, Distributor, Wholesaler, Retailer and User):

d) DO YOU SELL INITIAL FILL (OEM) PRODUCTS IN MANITOBA? (e.g.: riding lawnmowers, utility vehicles, automotive, electrical, agricultural, construction, and forestry equipment)

3. ATTACH A LIST OF PRODUCTS SOLD: including the brands of Lubricating Oil, Plastic Containers (from Oil, Antifreeze, DEF), Antifreeze, Filters, and/or OEM.

4. DATE APPLICANT COMMENCED SALES OF LUBRICATING OIL MATERIALS IN THE PROVINCE OF MANTIOBA:

***** ONE-TIME REGISTRATION FEE: \$210.00 (\$200 plus GST), payable to MARRC *****

REGISTRATION REQUIREMENTS

In accordance with The Used Oil, Oil Filters & Containers Stewardship Regulation, (the "Regulation") a 'First Seller' must enter into an agreement with a person to operate, on the first seller's behalf, an approved product stewardship program, or must operate a product stewardship program approved by the minister.

Registration is complete when Membership Agreements, Registration Fee and Registration Form are received and approved. MARRC will provide you with your Registration Number and Registration information once approved.

For more information, please contact MARRC. We thank you for registering and helping to make a cleaner environment.

	OFFICE USE ONLY	OFFICE USE ONLY
SIGNATURE:	DATE:	REGISTRATION NUMBER:

Nationally Harmonized -
EHC Rate Schedule &
EHC Applicable Product List

Used Oil Management Associations

AB Alberta Recycling Management Authority (Alberta Recycling)
BC Used Oil Management Assoc (BCUOMA)
MB Association for Resource Recovery Corp (MARRC)
SK Association for Resource Recovery Corp (SARRC)

QC La Société de gestion des huiles usagées (SOGHU)
NB Société de gestion des huiles usagées de l'Atlantique/Atlantic Used Oil Management Association (**UOMA NB**)
PE Société de gestion des huiles usagées de l'Atlantique/Atlantic Used Oil Management Association (**UOMA PE**)

NL Société de gestion des huiles usagées de l'Atlantique/Atlantic Used Oil Management Association (**UOMA NL**)
NS Société de gestion des huiles usagées de l'Atlantique/Atlantic Used Oil Management Association (**UOMA NS**)

Environmental Handling Charges (EHC)

Applicable Products List and Rates Schedule

EHC Applicable Products List

All Oil Fluid and Oil Container (for container sizes of 50 litres or less in BC, MB, SK, QC, NB, PE, NL and NS and 30 litres or less in AB)

Fluid is EHC applicable since it is not consumed in use and is available for collection and recycling.

circulating oil	hydraulic fluid	polyolester fluids	turbine oil
compressor oil	marine engine oil for vessels operating domestically	power steering fluid	vegetable oil for lubrication
crankcase oil (petroleum or synthetic)	mineral heat transfer fluid	refrigeration system oil	
electrical insulating oil (Except for QC, NB, PE, NL et NS)	natural gas compressor oil not consumed in use	re-refined oil	
engine oil	paper machine oil	synthetic crankcase oil	
gear oil	petroleum crankcase oil	transmission fluid	

Oil Container only (for container sizes of 50 litres or less in BC, MB, SK, QC, NB, PE, NL and NS and 30 litres or less in AB)

Fluid is not EHC applicable since it is consumed in use and not available for collection and recycling.

2-cycle engine oil	dripless lube	metal working oil	saw guide oil
agricultural spray oil	emulsified oil	natural gas compressor oil consumed in use	silicone lubricant
anti-seize lubricant	food grade white mineral oil	pneumatic system oil	textile oil
chain oil	form release oil	process oil	wiring pulling lubricant (petroleum or vegetable based)
conveyor lube	gasoline / 2-cycle engine oil mixes	quenching oil	
dedusting oil	machine tool and slideway lubricant	rock drill oil	
drawing, stamping and shaping oil	marine cylinder oil	rustproof oil	

Oil Filters

spin-on or element style filter that is used in hydraulic, transmission or internal combustion engine applications including diesel fuel filter	household furnace fuel filter	plastic / paper element style filter	sump type automatic transmission filter
coolant filter	oil / air separator filter	storage tank diesel fuel filter	
diesel fuel filter used at retail & commercial pump islands			

Automotive Antifreeze Fluid and Container (for container sizes of 50 litres or less)

for BCUOMA, MARRC, SARRC, SOGHU, UOMA NB, UOMA PE, UOMA NL and UOMA NS only

ethylene glycol engine coolant	propylene glycol engine coolant
--------------------------------	---------------------------------

Diesel Exhaust Fluid Container (for container sizes of 50 litres or less)

for MARRC, SARRC UOMA NS and UOMA PE only

diesel exhaust fluid (DEF)

Aerosol Container

for SOGHU, UOMA NB, UOMA PE, UOMA NL, UOMA NS only

aerosol propelled lubricant	yes	aerosol grease	no
aerosol brake cleaner	yes	aerosol paint	no
automotive parts cleaner aerosol	yes (except QC, NB, NL)	aerosol solvent/cleaner	no

EHC is NOT Applicable on the following Products

Neither Oil Product nor Container

3-in-1 household oil	export oil sales	oil treatment	urethane coating
aerosol propelled lubricant (Except for QC, NB, PE, NL, NS)	glycol-based heat transfer fluid	penetrating oil	water glycol hydraulic fluid
base oil, including re-refined base oil	grease	phosphate ester hydraulic fluid	wax
brake fluid	gun oil	polyglycol synthetic compressor oil	windshield washer fluid
cleaning/flushing fluids for motors/equipment	heating furnace oil	propylene glycol heat transfer fluid	winter start fluid
cooking oil	hydraulic jack oil	sewing machine oil	
diesel fuel treatment	hydraulic oil dye	silicone heat transfer fluid	
electrical insulating oil (QC, NB, PE, NL, NS only)	kerosene	solvents	
ethylene glycol heat transfer fluid	marine engine oil for vessels operating internationally	synthetic aromatic hydrocarbon heat transfer fluid	
	oil additive	undercoating	

nor Filters

air filter	household furnace air filter
crankcase ventilation filter	sock-type filter
gasoline fuel filter	

Neither Antifreeze Product nor Container

aircraft de-icing fluid	lock de-icing fluid
antifreeze plumbing fluid	windshield washer fluid
fuel line de-icing fluid	

EHC Rates Schedule

	Alberta Recycling Alberta	BCUOMA British Columbia	MARRC Manitoba	SARRC Saskatchewan	SOGHU Quebec	UOMA NB New Brunswick	UOMA PE Prince Edward Island	UOMA NL Newfoundland/ Labrador	UOMA NS Nova Scotia
Lubricating Oil	\$0.05 per litre	\$0.06 per litre	\$0.06 per litre	\$0.05 per litre	\$0.05 per litre	\$0.03 per litre	\$0.03 per litre	\$0.07 per litre	\$0.03 per litre effective April 1, 2022
Containers HDPE or Metal	\$0.05 per litre / container size 30 litres or less	\$0.12 per litre / container size 50 litres or less	\$0.12 per litre / container size 50 litres or less	\$0.10 per litre / container size 50 litres or less	\$0.15 per litre / container size 50 litres or less	\$0.12 per litre / container size 50 litres or less	\$0.12 per litre / container size 50 litres or less	\$0.20 per litre / container size 50 litres or less	\$0.12 per litre / container size 50 litres or less
Containers Non-Metal or Non- HDPE	\$0.05 per litre / container size 30 litres or less	\$0.20 per litre / container size 50 litres or less	\$0.20 per litre / container size 50 litres or less	\$0.17 per litre / container size 50 litres or less	\$0.35 per litre / container size 50 litres or less	\$0.20 per litre / container size 50 litres or less	\$0.20 per litre / container size 50 litres or less	\$0.50 per litre / container size 50 litres or less	\$0.20 per litre / container size 50 litres or less
Filters less than 8" or all sump type filters	\$0.50 per filter	\$0.55 per filter	\$0.50 per filter	\$0.50 per filter	\$0.30 per filter effective Jan 1, 2022	\$0.30 per filter effective April 1, 2022	\$0.50 per filter	\$0.60 per filter	\$0.40 per filter effective April 1, 2022
Filters equal to or greater than 8"	\$1.00 per filter	\$1.25 per filter	\$1.00 per filter	\$1.00 per filter	\$0.80 per filter effective Jan 1, 2022	\$0.80 per filter effective April 1, 2022	\$1.00 per filter	\$1.20 per filter	\$0.90 per filter effective April 1, 2022
Glycol/Antifreeze Concentrate	-	\$0.20 per litre	\$0.08 per litre	\$0.14 per litre	\$0.16 per litre	\$0.12 per litre	\$0.12 per litre	\$0.35 per litre	\$0.18 per litre
Glycol/Antifreeze Premix	-	\$0.20 per litre	\$0.08 per litre	\$0.14 per litre	\$0.10 per litre	\$0.08 per litre	\$0.08 per litre	\$0.20 per litre	\$0.10 per litre
Glycol/Antifreeze Container	-	\$0.12 per litre / container size 50 litres or less	\$0.12 per litre / container size 50 litres or less	\$0.10 per litre / container size 50 litres or less	\$0.08 per litre / container size 50 litres or less	\$0.12 per litre / container size 50 litres or less	\$0.12 per litre / container size 50 litres or less	\$0.20 per litre / container size 50 litres or less	\$0.10 per litre / container size 50 litres or less
Diesel Exhaust Fluid Container	-	-	\$0.12 per litre / container size 50 litres or less	\$0.10 per litre / container size 50 litres or less	-	-	\$0.10 per litre / container size 50 litres or less effective Jan 1, 2022-	-	\$0.10 per litre / container size 50 litres or less
Brake Cleaner Aerosol Container	-	-	-	-	\$0.35 per unit	\$0.25 per unit	\$0.25 per unit	\$0.35 per unit	\$0.25 per unit
Automotive parts cleaner Aerosol Container	-	-	-	-	-	-	\$0.25 per unit effective Jan 1, 2022-	-	\$0.25 per unit
Lubricant Aerosol Container	-	-	-	-	\$0.35 per unit	\$0.25 per unit	\$0.25 per unit	\$0.35 per unit	\$0.25 per unit

v. Apr 1, 2022

Initial Fill (OEM) Category Summary

	Hydraulic & Lube Oil (litre)	Coolant Premix (litre)	Filters small < 8"	Filters large >= 8"	
AB Recycling Management Authority	0.05	-	0.50	1.00	
BC Used Oil Management Association	0.06	0.20	0.55	1.25	
MB Association for Resource Recovery Corp	0.06	0.08	0.50	1.00	
NB UOMA NB	0.03	0.08	0.30	0.80	
NL UOMA NL	0.07	0.20	0.60	1.20	
NS UOMA NS	0.03	0.10	0.40	0.90	
PE UOMA PE	0.03	0.08	0.50	1.00	
QC La Société de gestion des huiles usagées	0.05	0.10	0.30	0.80	
SK Association for Resource Recovery Corp	0.05	0.14	0.50	1.00	

Group Category

Description	Category or Size	Hydraulic & Lube Oil (litre)	Coolant Premix (litre)	Filters small < 8"	Filters large >= 8"	Additional Information
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Automotive

Cars		13	8	2	0	
Light Trucks		18	10	2	0	
Medium Duty Trucks / Buses / Motorhomes		27	17	2	0	From GVWR - 8501 to 19,500 lb
Heavy Duty Trucks / Buses / Motorhomes		144	55	0	3	From GVWR - 19,501 lb or greater
<i>1 Cars and Light Trucks categories are as defined in Natural Resources Canada Fuel Consumption Guide (updated annually)</i> <i>Any other vehicles that are not specifically identified in the Natural Resources Canada Fuel Consumption Guide are either Medium Duty trucks or Heavy Duty Trucks according to the appropriate (GVWR) Gross vehicle weight rating.</i>						

Electrical Equipment

Transformers and Capacitors						Report actual volumes of oil used in the initial fill of all transformers and capacitors
All other electrical equipment not specifically listed above - Effective in Alberta July 1, 2020, effective in all other Associations January 1, 2022						Customizable - report actual quantities
* Report actual volumes of oil used in the initial fill of all transformers and capacitors - no EHC on these oils neither in Quebec nor in New Brunswick						

Riding Mowers & Utility Vehicles

Commercial Riding Mowers		13	4	1	0	Riding is defined as the operator either stands on a platform or sits on a seat
Utility Vehicles		13	4	1	0	
All other riding mowers & utility vehicles not specifically listed above - Effective in Alberta July 1, 2020, effective in all other Associations January 1, 2022						Customizable - report actual quantities

Agriculture Equipment - following AEM category

Combine	FE23	178	69	1	4	All sizes
Forage Harvesters	FE27	259	74	0	6	All sizes
Sprayers	FESP	224	32	3	1	All sizes
Tractor	FE01-1	33	5	3	1	PTO HP less than 40 HP
Tractor	FE01-2	69	16	3	1	PTO HP between 40-100 HP
Tractor	FE01-3	132	31	3	2	PTO HP greater than 100 HP
Tractor	FE22	436	52	0	6	4-wheel drive
Tractor	Tracks	379	48	1	4	All sizes
Wind Rowers	FEW3	113	29	3	1	All sizes
All other agricultural equipment not specifically listed above - Effective in Alberta July 1, 2020, effective in all other Associations January 1, 2022						Customizable - report actual quantities

Construction Equipment - following ISO 6165

Dozer	Compact	59	8	1	3	Less than 4500 kg
Dozer	Full size	190	30	1	3	Greater than 4500 kg
Dumper	Compact	130	92	1	2	Less than 4500 kg
Dumper	Full size	420	369	2	2	Greater than 4500 kg
Excavator	Compact	61	6	3	2	Less than 6000 kg
Excavator	Full size	384	36	2	2	Greater than 6000 kg
Grader	Compact	95	14	1	3	Less than 4500 kg
Grader	Full size	308	56	1	3	Greater than 4500 kg
Horizontal Direction Drills	All	123	63	2	2	
Loader	Compact	57	9	1	2	Less than 4500 kg
Loader	Full size	184	36	3	2	Greater than 4500 kg
Pipe Layers	All	366	65	0	5	Including rotating
Rollers	Full size	120	21	4	0	Greater than 6000 kg
Rollers	Compact	74	19	4	0	Less than 6000 kg
Scrapers	All	871	528	0	6	
Trenchers	Full size	128	16	2	1	Greater than 3000 kgs
Trenchers	Compact	73	0	2	1	Less than 3000 kgs
Trenchers	Portable	33	10	1	0	All walk behind & stand/ride behind
All other construction equipment not specifically listed above - Effective in Alberta July 1, 2020, effective in all other Associations January 1, 2022						Customizable - report actual quantities

Forestry Equipment

Attachments - Planting, Site Preparation	All	65	15	1	1	
Feller, Feller Bunchers	All	368	35	2	1	
Harvesters	All	43	267	3	0	
Log Loaders, Processors, Slashers	All	398	26	3	1	
Skidders	All	162	29	4	3	
All other construction equipment not specifically listed above - Effective in Alberta July 1, 2020, effective in all other Associations January 1, 2022						Customizable - report actual quantities

Specialized Equipment

All specialized equipment. Effective in Alberta July 1, 2020, effective in all other Associations January 1, 2022						Customizable - report actual quantities
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Recreational Equipment

All recreational equipment. Effective in Alberta July 1, 2020, effective in all other Associations January 1, 2022						Customizable - report actual quantities
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