SCHEDULE 2.1(c)
STATEMENT OF WORK FOR DEPOT COLLECTION SERVICES

This Statement of Work is incorporated into, and forms part of the Master Services Agreement made between [●] ("**Contractor**") and Multi-Material Stewardship Manitoba Inc. ("**MMSM**") made as of (the "**Agreement**"). The effective date of this Statement of Work (the "**SOW Effective Date**") is [●].

SECTION 1. Interpretation

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

"**Accepted Materials PPP"** means the PPP identified by MMSM to be targeted as accepted for collection as set out in Attachment 1 and such other materials identified as Accepted Materials PPP by MMSM in writing from time to time.

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

"**Approved Depots**" means, at any time, the Depots listed in Attachment 2.1.1 (as such attachment may be amended from time to time), and "**Approved Depot**" means any one of them.

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

"**Container**" means containers used for storage of Accepted Materials PPP at a Depot such as front end bins, roll-off bins and pallet boxes.

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

"**Customer**" means all Manitoba residential users of a Depot.

"**Depot**" means a fixed location collection site operated by Contractor to which Accepted Materials PPP can be delivered by Customers, and in each case, all surrounding portions of such site from the public entrance way onward, including any parking lots, buildings, and storage facilities.

"**Depot Collection Services**" has the meaning set out in Section 2.1.

"**Designated Post-Collection Service Provider**" means the entity, designated by MMSM, to receive loose or baled single stream Accepted Materials PPP.

"**ICI PPP**" means Accepted Materials PPP from an ICI (Industrial & Commercial Institute location).

2.1.2"**Industrial, Commercial and Institutional**" or "**ICI**" means any operation or facility other than a residential household, including but not limited to industrial operations of any size; commercial operations of any size including small businesses with one or more employees, retail stores, offices, strip malls and vacation facilities, such as hotels, motels, rentals, co-operative, fractional ownership, or condominium accommodation associated with sports and leisure facilities; and, institutional operations of any size including schools, churches, community buildings, local government buildings, arenas, libraries, fire halls, police stations, social or community service organizations and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

"**Not Accepted Materials**" means, collectively, any material that is not PPP (as that term is defined in the Agreement).

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"**Old Corrugated Cardboard**" or "**OCC**" means paper-based material consisting of a fluted corrugated sheet and one or two flat linerboards without wax cover - Old Corrugated Cardboard.

"Reuse" means conventional reuse where the item is used again whole and intact for the same function (e.g., a refillable milk bottle refilled with milk by a dairy), and next-life reuse where the item is used for a different function (e.g., a wine bottle reused to hold flowers).

"Scavenge" means unauthorized rerouting of collected Accepted Materials PPP to anyone other than the Designated Post-Collection Service Provider. Scavenging does not include the diversion of Accepted Materials PPP for Reuse.

"**Service Commencement Date**" means is [●].

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

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

"**Temporary Collection Site**" means a temporary or mobile collection site to which Accepted Materials PPP can be delivered by Customers.

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

Attachment		Description
Attachment 1	–	PPP Definitions
Attachment 2.1.1	–	Approved Depots
Attachment 3.4	–	Service Level Failures
Attachment 4	–	Rejected Load Protocol
Attachment 5	–	Fees
Attachment 6	–	Protocol for Determining Contamination Rates and Resulting Actions

SECTION 2. SERVICES

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

2.1 Depot Collection Services. Beginning on the Service Commencement Date, Contractor will collect Accepted Materials PPP from Customers at each of the Approved Depots as further described in this Section 2.1 ("**Depot Collection Services**") and in accordance with the terms of the Agreement and this SOW.

2.1.1 Depots.

(a) Contractor may not collect Accepted Materials PPP at any collection site other than an Approved Depot or Temporary Collection Site.

(b) Contractor may not add any Depot to the list of Approved Depots without the prior written approval of MMSM, such written approval to specify a date mutually acceptable to the parties on which such Depot will be added to the list of Approved Depots. Effective as of the date such Depot is added to the list of Approved Depots, Attachment 5 will be amended if and to the extent necessary.

(c) Contractor may not remove any Depot from the list of Approved Depots without the prior written approval of MMSM, such written approval to specify a date mutually acceptable to the parties on which such Depot will be removed from the list of Approved Depots. Effective as of the date such Depot is removed from the list of Approved Depots, Attachment 5 will be amended if and to the extent necessary.

(d) Contractor may not operate or collect Accepted Materials PPP at a Temporary Collection Site except (i) with the prior written approval of MMSM and (ii) in accordance with the terms and conditions set forth in such written approval.

2.1.2 PPP Materials.

(a) Contractor will collect all single stream Accepted Materials PPP that Customers bring to an Approved Depot.

(b) Materials collected by Contractor may not contain more than 50% Not Accepted Materials and may be subject to rejection by the Designated Post-Collection Service Provider, as outlined in Attachment 4, and may result in **Service Level Failure Credits**, and/or corrective action plan.

(c) Materials collected by Contractor may not contain hazardous or special waste.

(d) Contractor will implement and maintain reasonable procedures to ensure that materials deposited into Containers at each Depot comply with the requirements set forth in this Section 2.1.2, including procedures to monitor the content of collected material and procedures to notify and reject material from Customers who do not comply with such requirements. Such procedures are subject to review by MMSM at any time and from time to time. If MMSM determines that such procedures are inadequate, Contractor will adopt such procedures as MMSM may reasonably require in order to ensure compliance with this Section 2.1.2.

2.1.3 Collection.

(a) Contractor will not place limits on the quantity of Accepted Materials PPP delivered by Customers to a Depot if the Accepted Materials PPP is from a household. Limits may be placed on the quantity or types of Accepted Materials PPP delivered by Customers to Temporary Collection Site, at Contractor's sole discretion.

(b) Each Depot must be fully staffed when open to Customers. A Depot is considered to be "fully staffed" when there are a sufficient number of staff members that staff are able to (i) regularly check the Containers into which Customers place Accepted Materials PPP throughout the period of time the Depot is open to Customers, (ii) instruct and direct Customers to place Accepted Materials PPP in the appropriate Containers or locations, (iii) promptly and regularly remove items that are not Accepted Materials PPP, (iv) promptly and regularly remove items which Customers did not properly place in the appropriate Containers or locations, (v) communicate with Customers about contamination problems or improperly sorted Accepted Materials PPP and (vi) otherwise comply with the requirements of this Agreement (including without limitation Sections 2.1.2(d) and 2.2).

(c) Each Depot must be securely fenced and/or locked when closed to Customers. A Depot is considered to be "securely fenced and/or locked" when (i) Customers are not able to deliver Accepted Materials PPP to the Depot and (ii) access to the Depot is restricted and the Accepted Materials PPP stored at the Depot and

awaiting delivery to the Designated Post-Collection Facility is safe from tampering and vandalism.

2.1.4 Containers.

(a) Any Containers used for Depot Collection Services will be provided by Contractor. Where the Community owns Containers or other relevant infrastructure, such use shall only occur if explicitly approved in writing by MMSM. Upon termination or expiration of this Statement of Work or the Agreement, any Containers provided by Contractor to provide the Depot Collection Services will remain the property of Contractor.

2.1.5 Designated Post-Collection Service Provider.

(a) The Contractor must ensure that all Accepted Materials PPP collected under this Statement of Work, including from Temporary Collection Sites, is transported to the Designated Post-Collection Facility. The Designated Post-Collection Service Provider is not responsible for collecting Accepted Materials PPP directly from the Contractor.

(b) The Contractor must not deliver Accepted Materials PPP to any facility, other than the Designated Post-Collection Facility, without prior written approval from MMSM.

(c) The Contractor must store Accepted Materials PPP in a manner acceptable to MMSM and the Designated Post-Collection Service Provider, ensuring protection from weather to maintain recyclability and marketability. MMSM may require additional protective measures as needed.

(d) MMSM may change the Designated Post-Collection Service Provider upon 30 days' written notice.

(e) If the Designated Post-Collection Service Provider rejects any material made available for pick-up at a Depot in accordance with rejection protocol outlined in Attachment 4, MMSM reserves the right to designate alternative procedures and requirements associated with respect to such material and to deduct any additional costs associated therewith from the Fees otherwise due to Contractor.

2.1.6 PPP from Industrial, Commercial and Institutional Sources.

(a) Contractor will not be entitled to receive any Fees or other payments in respect of ICI PPP and will be solely responsible for any costs associated with the collection and management of ICI PPP. The amount of Accepted Materials PPP collected at a Depot (the "**Determined Household Amount**") will be determined in accordance with Section 2.1.6(b). Without limiting the generality of the foregoing, Contractor acknowledges and agrees that Contractor will be solely responsible for any costs or fees charged by the Designated Post-Collection Service Provider in respect of ICI PPP.

(b) For purposes of determining the Determined Household Amount in respect of a Depot, Contractor will adopt one of the following options (each, an "**ICI Management Option"**) for such Depot, in each case as set forth in Attachment 2.1.1.

Option 1 – Separation of Household Accepted Materials PPP from ICI PPP – Contractor will ensure that Household Accepted Materials PPP is received, weighed and processed separately from ICI PPP. Contractor will implement and

maintain rules and procedures acceptable to MMSM to ensure that Household Accepted Materials PPP is received, weighed and processed separately from ICI PPP in such manner (including ensuring that Containers are clearly marked to indicate which are for Household Accepted Materials PPP and which are for ICI PPP) as is necessary to ensure that the amount of Household Accepted Materials PPP collected at the Depot is accurately determined. The separation of Household Accepted Materials PPP and ICI PPP will be clearly communicated to Customers in a manner acceptable to MMSM and consistently applied and enforced by Contractor.

Option 2 – No Collection of ICI PPP – Contractor will not accept ICI PPP at the Depot. The Contractor will implement and maintain rules and procedures acceptable to MMSM to ensure that only Household Accepted Materials PPP is collected at the Depot. The fact that ICI PPP may not be delivered to the Depot will be clearly communicated to Customers in a manner acceptable to MMSM and consistently applied and enforced by Contractor.

Option 3 – Calculation of Mix of Household Accepted Materials PPP and ICI PPP – Contractor will determine the percentage of Accepted Materials PPP collected at the Depot that is comprised of ICI PPP (the "**Determined ICI Amount**") using a methodology acceptable to MMSM in its sole discretion. Once the Determined ICI Amount has been determined in accordance with such methodology, Contractor will provide to MMSM such records and information as MMSM reasonably requires in order to confirm that the Determined ICI Amount accurately reflects ratio of Household Accepted Materials PPP to ICI PPP collected at the Depot, including without limitation:

(i) over a period that represents at least 20% of the annual tonnage collected by the Depot in any year, (A) the number of vehicles from a residential address that did not contain ICI PPP and (B) the number of vehicles from a non-residential address or that otherwise contained ICI PPP collected by the Depot; and

(ii) over a period that represents at least 20% of the annual tonnage collected by the Depot in any year, (A) the aggregate weight of Household Accepted Materials PPP and (B) the aggregate weight of ICI PPP collected by the Depot.

On an annual basis on a date to be determined by MMSM, and at such other time as the parties may agree, Contractor will determine the then-current ratio of Household Accepted Materials PPP to ICI PPP collected at the Depot. If MMSM determines that Determined ICI Amount does not accurately reflect the then-current ratio of Household Accepted Materials PPP to ICI PPP collected at the Depot, MMSM will be entitled to make such adjustments to the Determined ICI Amount as it considers necessary.

Option 4 – Automatic Deduction of Fixed ICI Percentage – The Determined Household Amount will be calculated by deducting a fixed percentage (the "**Fixed ICI Percentage**") from the weight of the Accepted Materials PPP collected at the Depot, which amount shall initially be 25%. MMSM will be entitled to monitor the amount of ICI PPP collected at the Depots and, should the quantity of Accepted Materials PPP collected at the Depot be greater than the Fixed ICI Percentage, MMSM shall be entitled to increase the Fixed ICI Percentage so that it reflects the ratio of Household Accepted Materials PPP to ICI PPP collected at the Depot.

(c) All rules, procedures and methodologies adopted by Contractor pursuant to this Section 2.1.6 are subject to review by MMSM at any time and from time to time. If MMSM determines that such rules, procedures or methodologies in respect of a Depot are inadequate for purposes of ensuring that Contractor only receives Fees or other payments under this Statement of Work for Household Accepted Materials PPP, Contractor will adopt such rules, procedures or methodologies as MMSM may reasonably require in order to ensure compliance with this Section 2.1.6.

(d) Contractor may change the ICI Management Option for a Depot with the prior written approval of MMSM. A decision to accept a request to change the ICI Management Option for a Depot is solely at MMSM's discretion but will not generally be withheld if MMSM determines that such change will not impair the ability of MMSM to accurately determine the amount of Household Accepted Materials PPP collected at the Depot.

(e) MMSM may at any time change the ICI Management Option applicable to a Depot if MMSM, in its sole discretion, determines that (i) the rules and procedures necessary to operate such Depot in a manner consistent with the applicable ICI Management Option are not being consistently applied and enforced or (ii) the application of the applicable ICI Management Option does not enable MMSM to accurately determine the amount of Household Accepted Materials PPP collected at the Depot.

2.1.7 Spillage.

(a) All Accepted Materials PPP collected at a Depot will be completely contained in Containers at all times, except when material is actually being loaded.

(b) Any spillage of materials that occurs at a Depot or while transporting materials from a Temporary Collection Site to the designated Depot will be immediately cleaned up or removed by Contractor at its sole expense. Contractor will keep accurate records of each occurrence of spillage and of its clean-up and will make such records available to MMSM on request and, if requested by MMSM, as part of a regular report to be delivered with such frequency as requested by MMSM (but not more frequently than monthly). Contractor expressly acknowledges it is solely responsible for any violations of Applicable Law that may result from said spillage.

(c) Without limiting Section 2.1.7(b) above, any discharge of liquid wastes or oils that may occur at Depots or while transporting materials from a Temporary Collection Site to the designated Depot will be promptly cleaned up or removed by Contractor and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with photographs and notice of such clean-up or removal will be provided to MMSM in writing. Contractor will comply with all Applicable Laws in respect of groundwater or drainage systems safety and standards.

2.1.8 Schedule.

(a) Contractor will clearly indicate at each Depot (i) the day(s) of the week that such Depot will be open and (ii) on each day that the Depot is open, the hours of operation when Accepted Materials PPP can be delivered to the Depot.

(b) Contractor may change the day(s) of the week that a Depot will be open or the hours of operation when Accepted Materials PPP can be delivered to the Depot by giving written notice to MMSM at least 45 days prior to the effective date of the proposed change and obtaining written approval from MMSM. If MMSM approves

the proposed change, Contractor will provide Customers with a minimum of 30 days' notice of the schedule change.

(c) Each Depot will remain open for collection of Accepted Materials PPP on the day(s) of the week and at the hours specified under Section 2.1.8(a) regardless of weather conditions, unless weather conditions are such that continued operation would result in danger to Contractor personnel, Customers or property. Contractor will maintain accurate records of all disruptions to Depot Collection Services that are due to hazardous weather, including time closed.

2.1.9 Pilot Programs.

(a) MMSM may wish to test or implement one or more new services or developments in PPP material segregation, processing, or collection technology. MMSM will notify Contractor in writing at least 90 days prior of its intention to implement a pilot program or of its intentions to utilize a new technology system at any Depot. The allocation of any costs (or savings) accrued by MMSM-initiated pilot programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the MSA. If MMSM deems the pilot a success, and desires to incorporate the service or development represented in the pilot program into this Statement of Work, such a change will be made pursuant to the change process in Section 2.2 of the MSA.

(b) Contractor-initiated pilot programs will require prior written notification to and written approval by MMSM. Contractor-initiated pilot programs will be performed at no additional cost to MMSM.

2.2 Customer Service.

2.2.1 Customer Service Requirements.

(a) Without limiting the generality of Section 2.1.3(b), at all times when a Depot is open for collection of Accepted Materials PPP, Contractor will ensure that the Depot is sufficiently staffed to provide personal Customer service, educate Customers regarding Accepted Materials PPP accepted and avoid Customer delay.

(b) Contractor will place signage at each Depot to assist Customers in delivering Accepted Materials PPP to the appropriate areas of the Depot. Signage is to incorporate images and graphics available from MMSM and is subject to approval by MMSM.

(c) Contractor's Customer service office and call center will be accessible by a local area code and prefix phone number. Customer service representatives will be available through Contractor's call center during office hours for communication with Customers and MMSM representatives. Customer calls will be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, Contractor will have an answering or voice mail service available to record messages from all incoming telephone calls and include in the message an emergency telephone number for Customers to call outside of normal office hours in case of an emergency.

(d) Contractor will maintain a 24-emergency telephone number for use by MMSM. Contractor will have a representative, or an answering service to contact such representative, available at such emergency telephone number for MMSM-use during all hours, including normal office hours.

(e) If possible, Contractor's Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service. If electronic access is not feasible, a call record should be available.

2.2.2 Customer Service Representative Staffing.

(a) Contractor will maintain sufficient staffing to answer and handle complaints and service requests in a professional and timely manner made by all methods including telephone, letters, e-mails and text messages. If staffing is deemed to be insufficient by MMSM to handle Customer complaints and service requests in a timely manner, Contractor will increase staffing levels to address the performance deficiency.

(b) If Contractor did not provide Depot Collection Services at a Depot immediately prior to the Service Commencement Date, Contractor will provide additional staffing at such Depot from Service Commencement Date through the end of the four-month anniversary of the Service Commencement Date to ensure that sufficient staffing is available to minimize Customer waits and inconvenience. Contractor will receive no additional compensation for increased staffing levels during the implementation period. Staffing levels during the implementation period will be subject to prior MMSM review and approval.

2.2.3 Customer Complaints and Requests.

(a) Contractor will record all Customer complaints and service requests, regardless of how received, including date, time, Customer's name and address, if the Customer is willing to give this information, method of transmittal, and nature, date and manner of resolution of the complaint or service request in a computerized daily log. Any telephone calls received via Contractor's non-office hours voice mail or answering service will be recorded in the log the following Business Day. Contractor will make a conscientious effort to resolve all complaints and service requests within 24 hours of the original contact. If a longer response time is necessary for complaints or requests, the reason for the delay will be noted in the log, along with a description of Contractor's efforts to resolve the complaint or request.

(b) Contractor's customer service log will be available for inspection by MMSM during Contractor's office hours and will be in a format approved by MMSM. Contractor will provide a copy of this log in an electronic format from the Microsoft Office suite of software to MMSM on request, and if requested by MMSM, as part of a regular report to be delivered with such frequency as requested by MMSM (but not more frequently than monthly).

2.3 Promotion and Education.

2.3.1 Where the Contractor is not a local government, MMSM will have primary responsibility for developing, designing, and executing public promotion, education, and outreach programs. Contractor will provide MMSM with assistance and cooperation, including distributing MMSM-developed promotional and educational brochures and assisting with promotion, education and outreach programs at the direction of MMSM. Where Contractor is a local government, Contractor will have primary responsibility for executing public promotion, education, and outreach programs associated with the collection of Accepted Materials PPP. Contractor will incorporate MMSM-developed communications messages and images in Contractor public promotion, education, and outreach programs.

2.3.2 MMSM reserves the right, at its sole discretion, to require Contractor to seek advance approval of any or all public promotion, education and outreach materials associated with the collection of Accepted Materials PPP, including but not limited to recycling guides, website content and Depot signage.

2.3.3 If Contractor receives Resident Education Top Up payments in accordance with Attachment 5, Contractor must spend the total amount of the Resident Education Top Up payments paid to Contractor on promotion, education and outreach programs on an annual basis.

2.3.4 Except for logos of the applicable local government, MMSM, Contractor or any sub-contractor of Contractor, Contractor may not affix or otherwise include any logo of, or any reference to, any other party or person on a Container in any manner whatsoever, including stickers and hot stamps.

2.3.5 Contractor will have primary responsibility for providing Customers service-oriented information such as hours of operation of the Depots.

2.3.6 If requested, the Contractor shall provide to MMSM, in a format provided by MMSM, all necessary household-level data required to support promotion & education initiatives directed at residents. This data includes, but is not limited to:

- Full residential address (street number, street name, unit number if applicable)
- Local government jurisdiction (municipality, First Nation, city, etc.)
- Postal code

The provided data will be used solely for the purpose of enabling MMSM to communicate effectively with residents regarding waste diversion programs, recycling guidelines, collection schedules, and other relevant initiatives.

SECTION 3. Performance Standards and Operational Requirements

3.1 Personnel Conduct. Contractor personnel performing Depot Collection will at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property.

3.2 Facility Standards. Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards:

3.2.1 Depots will be of sufficient size and dimension to provide Depot Collection Services to Customers.

3.2.2 Depots will be maintained in a clean and sanitary manner. All collection areas will have appropriate safety markings, all in accordance with applicable law. Equipment will be maintained in good condition at all times. All facilities and the equipment to manage the Accepted Materials PPP will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards, and be in a condition satisfactory to MMSM. All vehicles used by the facility for the management of Accepted Materials PPP will be equipped with variable tone or proximity activated reverse movement back-up alarms.

3.2.3 Contractor will receive prior written approval from MMSM for all Depot signage, including Contractor labeling and program information. Contractor will place MMSM-provided logos on Depots as directed at no additional cost to MMSM.

3.3 SOW Record and Reporting Requirements.

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

(a) provide to MMSM, on the Service Commencement Date and at such other times as MMSM may request, a complete inventory of the equipment to be used by Contractor to perform Depot Collection Services;

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

(i) in respect of each Depot, tonnage by each date on which the Accepted Materials PPP was removed from the Depot and delivered to Designated Post Collection Facility;

(ii) changes to equipment or inventory; and

(iii) Customer communications related to Depot Collection Services including telephone calls, letters, e-mails, text messages or webpage messages received;

(c) provide all necessary information to allow all loads documented by the Designated Post-Collection Service Provider, and include a certified scale ticket and, at minimum:

- Service date mmddyyyy;
- Delivery date mmddyyyy;
- Originating site for community or depot name and postal code;
- Collection channel or service type ("Valtype") (i.e., Single-family Household, Multi-family Dwelling, Depot and Facilities, etc.)
- Collection Contractor ID number;
- Collection Vehicle number;
- Scale ticket number;
- Gross Weight (kilograms);
- Tare Weight (kilograms); and
- Net Weight (kilograms).

(d) make all records maintained pursuant to this Statement of Work available to MMSM upon request and, if requested by MMSM, provide a regular (but no more frequently than monthly) report to MMSM, in a format and by a method approved by MMSM, setting out or summarizing (at MMSM's discretion) such records as may be indicated by MMSM for the reporting period;

(e) upon MMSM's request, or at least annually provide a report on associated collection metrics necessary to the calculation of greenhouse gas emissions associated with the performance of Depot Collection Services; and

(f) upon MMSM's request, provide up to four ad-hoc reports each year, at no additional cost to MMSM. These reports may include Customer service database tabulations to identify specific Service Level or participation patterns or other similar information. Reports will be provided in MMSM-defined format and software compatibility. These reports will not require the Contractor to expend more than 60 staff hours per year to complete.

3.3.2 Claims Reporting.

(a) At MMSM's discretion, responsibility for claim reporting under Section 3.3.2(b) shall be assigned by Contractor to the Designated Post-Collection Service Provider.

(b) All loads must be documented by Contractor or the Designated Post-Collection Service Provider, as the case may be, and include requirements defined in 3.3.1(c) and such other information as MMSM may designate (collectively, "**Claim Information**").

(c) Contractor or the Designated Post-Collection Service Provider, as applicable, will report the Claim Information with respect to any Accepted Materials PPP delivered to the Designated Post-Collection Facility from a Depot through MMSM's claims reporting portal or through such other method as MMSM may designate.

(d) MMSM will issue a claim summary to Contractor based on Claim Information provided to MMSM by Contractor or the Designated Post-Collection Service Provider, as applicable, and Contractor will review the claim summary for accuracy. Contractor must report to MMSM any content in the claim summary that Contractor disputes within 5 days of the claim summary being issued.

(e) After MMSM has approved the Claim Information, MMSM will issue a purchase order to Contractor, including a reference number. MMSM may, at its discretion, choose to issue payment to Contractor based on the approved purchase order without the need for Contractor to submit an invoice. Where invoices are required by MMSM, Contractor will invoice MMSM using the contact information provided by MMSM for such purpose (as may be updated by MMSM from time to time).

(f) Standard tare weights for specific trucks may only be used on specific written permission of MMSM.

3.4 Service Levels. If Contractor fails to meet any Service Level set out in Attachment 3.4, MMSM will be entitled to the applicable Service Level Failures set out in Attachment 3.4.

SECTION 4. SOW Term

This Statement of Work will commence on the SOW (Effective Date) and its initial term will continue until [●]. MMSM may extend this Statement of Work for up to two further periods of one year each, by giving Contractor notice in writing not less than 30 days before the expiration of the initial term or any such additional term or terms. The initial term and any such additional term or terms are herein referred to as the "**SOW Term**".

SECTION 5. Fees

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

SECTION 6. Additional Terms

6.1 No Double Charge. Contractor will not directly or indirectly charge Customers, including without limitation by way of tax, levy or other surcharge, for the cost of providing the SOW Services if and

to the extent that such costs are covered by Fees (prior to deducting any Service Level Failure Credits) or other payments Contractor is entitled to receive from MMSM under this Statement of Work. For the avoidance of doubt, Contractor acknowledges and agrees that it shall not be entitled to charge any Customer a direct fee for dropping off or delivering Household Accepted Materials PPP to a Depot.

6.2 Scavenging Forbidden. Contractor will not Scavenge or permit any person (including its employees) to Scavenge, any materials from Accepted Materials PPP that have been delivered by Customers to the Depot) at any time and at any location during Contractor's performance of the Services or otherwise.

6.3 Risk. Contractor will bear all costs of receipt and storage of the Accepted Materials PPP. Contractor will be responsible for all risks, including risk of loss of, or damage caused by Collector to the Accepted Materials PPP from the time the Accepted Materials PPP is received by Contractor until delivery to the Designated Post-Collection Facility. Accepted Materials PPP will be deemed to be delivered to the Designated Post-Collection Service Provider accepted by the signature of an authorized representative of the Designated Post-Collection Service Provider. Contractor will be responsible for the cost of any damage to Containers caused by Contractor.

6.4 Shared Services. Contractor may collect material other than Accepted Materials PPP at the Depot if (a) the activities do not interfere with Depot Collection of Accepted Materials PPP from Customers and (b) Contractor adopts such rules and procedures as are necessary to ensure that such materials are not mixed with Accepted Materials PPP. Such rules and procedures are subject to review by MMSM at any time and from time to time. If MMSM determines that such rules and procedures or methodologies in respect of a Depot are inadequate, Contractor will adopt such rules and procedures as MMSM may reasonably require in order to ensure compliance with this Section 6.4.

6.5 No Exclusivity. Execution of this Statement of Work does not confer on Contractor exclusive access to Customers in proximity to the Depots or otherwise.

(Signature page follows.)

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

MULTI-MATERIAL STEWARDSHIP MANITOBA INC.

Per: [SAMPLE – NOT FOR SIGNATURE]
(I have authority to bind MMSM)

Name: _____
(Please Print)

Title: _____

[CONTRACTOR]

Per: [SAMPLE – NOT FOR SIGNATURE]
(I have authority to bind Contractor)

Name: _____
(Please Print)

Title: _____

Per: [SAMPLE – NOT FOR SIGNATURE]
(I have authority to bind Contractor)

Name: _____
(Please Print)

Title: _____

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

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ATTACHMENT 1 TO SCHEDULE 2.1(c)

"**Packaging and Printed Paper**" or "**PPP**" means the materials set out in MMSM's Packaging and Printed Paper Description, a copy of which is set out in the table below:

PPP	**Description/Examples**
Printed Paper	
Newsprint and flyers	Daily and weekly newspapers, and flyers
Magazines & catalogues	Glossy magazines, catalogues, calendars and product manuals
Telephone directories	Telephone books and other directories
Other Printed Paper	Writing paper, standard printing paper, paper gift cards, mail, bills, and statements
Paper Packaging	
Boxboard	Paperboard, cereal box, shoe box, frozen food box, and toilet paper rolls
Polycoat	Polycoat containers with gable shaped tops used to package sugar, molasses, milk, milk substitutes, and other food and beverages Items for future consideration: takeout coffee cups and other food and beverage containers not currently accepted. Aseptic containers, spiral wound containers, ice cream containers
Residential corrugated cardboard	Cardboard boxes, non-greasy pizza boxes, kraft paper bags and paper wrap, moving boxes
Aluminum Packaging	
Aluminum food & beverage containers	Soda cans, and aluminum food cans Items for future consideration: aluminum foil wrap, pie plates, baking trays
Steel Packaging	
Steel food & beverage containers	Soup cans, pet food cans, and other steel food and beverage cans
Glass Packaging	

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Glass food & beverage containers	Clear and coloured glass containers such as pickle jars, salsa jars, baby food jars, sauce jars, vinegar bottles, wine bottles, and other glass food and beverage containers Cosmetic cream containers, perfume bottles, aftershave bottles, glass storage containers
Plastic Packaging	
PET Plastic (#1)	Soft drink bottles, juice bottles, cooking oil jars, clamshell containers, egg cartons, trays
HDPE Natural and Coloured Plastic (#2)	Milk jugs, soap and shampoo bottles, laundry detergent jugs, household cleaner bottle, #2 margarine containers, #2 yogurt containers
Household Plastics (#3, #4, #5, #7)	Rigid containers, hard packaging, plant pots, trays, pails (excludes black plastic)

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ATTACHMENT 2.1.1 TO SCHEDULE 2.1(c)
APPROVED DEPOTS

[Note: When the SOW is executed, Attachment 2.1.1 will include a list of Depots and in each case, the applicable ICI Management Option.]

Depot Details					
Depot Name	**Street Number**	**Street Name**	**City**	**Postal Code**	**ICI Management Option**
TBC	TBC	TBC	TBC	TBC	TBC
TBC	TBC	TBC	TBC	TBC	TBC

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ATTACHMENT 3.4 TO SCHEDULE 2.1(c)
SERVICE LEVEL FAILURES

Contractor will incur the following Service Level Failure Credits on the following Service Level Failures; provided, however, that the aggregate amount of Service Credit Level Failures in respect of any calendar year shall not exceed the aggregate amount of Fees payable to Contractor in respect of such calendar year:

	Service Level Failure	Service Level Failure Credit
1	Failure to clean-up or collect materials that have spilled outside the Depot boundary within 2 hours.	Twice the cost of cleanup incurred by MMSM (if MMSM performs the cleanup) and $[●] per incident (regardless of who performs the cleanup).
2	Delivery to Designated Post-Collection Facility of Accepted Materials PPP that are rejected in accordance with rejection protocol outlined in Attachment 4.	$[●] per weigh-scale ticketed load, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed $ [●].
3	Contractor delivers Accepted Materials PPP collected at a Depot to any person or facility (including without limitation a landfill, incinerator or energy recovery facility) other than the Designated Post-Collection Service Provider or otherwise disposes of any Accepted Materials PPP collected at a Depot without the prior written authorization of MMSM.	$[●] per incident.

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ATTACHMENT 4 TO SCHEDULE 2.1(c)
REJECTED LOAD PROTOCOL

1. Specially-trained Designated Post-Collection Service Provider staff shall inspect all inbound loads of Accepted Materials PPP upon delivery to the Designated Post-Collection Facility.
2. The Designated Post-Collection Service Provider may implement the procedure set out herein if the specially-trained staff identify Inbound Accepted Materials PPP containing:
    a. More than 25% Hazardous Waste (or any occurrence of explosives, ammunition or putrescible medical waste);
    b. More than 50% Not Accepted Materials;
    c. Not Accepted Materials with dimensions greater than 1m x 1m x 1m (1m3 or equivalent) that cannot be safely removed prior to sorting; or
    d. Medical waste that cannot be safely sorted from the Accepted Materials PPP.
3. Where the Designated Post-Collection Service Provider has determined to implement the procedure set out herein, the Designated Post-Collection Service Provider shall segregate the Accepted Materials PPP until the Designated Post-Collection Service Provider receives a decision in writing from MMSM. This decision will be provided as soon as possible and no later than within two (2) hours.
4. If MMSM authorizes rejection of the Accepted Materials PPP in writing, the Designated Post-Collection Contractor shall:

    a. record the following:

        1. Date and time;
        2. Originating eligible community ID number, as applicable;
        3. Collection Contractor ID number or Designated Post-Collection Facility number, as applicable;
        4. Valtype (Single-family Households, Multi-family Dwellings, Depot, or Facility);
        5. Material type (Single Stream);
        6. Inbound load scale ticket number;
        7. Scale ticket number of rejected Accepted Materials PPP; and
        8. Gross, tare and net weight of rejected Accepted Materials PPP.

    b. Handle the Accepted Materials PPP as directed by MMSM.
2. If MMSM does not authorize rejection of the Accepted Materials PPP, the Designated Post-Collection Contractor shall continue to provide the Services with respect to the Accepted Materials PPP.
3. The Designated Post-Collection Service Provider shall be deemed to have accepted the load if the procedure set out herein has not been implemented within a one (1) hour period.

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ATTACHMENT 5 TO SCHEDULE 2.1(c)
FEES

In consideration for Contractor's performance of the SOW Services, MMSM will pay Contractor the following amounts for Household Accepted Materials PPP collected pursuant to this Statement of Work and made available to the Designated Post-Collection Service Provider for pick-up at a Depot:

(a) [***Pricing Table TBD***]

The selected (as indicated by an x in the associated check box) annual amount in the table below times the Depot Baseline to be payable in arrears, in equal quarterly payments on net 30 day terms, provided that Contractor has submitted all applicable claims:

Any change in whether Contractor bales or does not bale Accepted Materials PPP must be made pursuant to the change procedure in Section 2.2 of the MSA.

A Depot is considered to be a "Depot in a Community With PPP Curbside/Multi-Family Collection" if more than 80% of households within the drive time distance specified by MMSM (the "Specified Drive Time Distance") have access to PPP curbside or multi-family collection services provided by a local government, private company or MMSM. The Specified Drive Time Distance in respect of a Depot will not be less than [●] or more than [●].

For purposes of this Attachment 5, a household is considered to have "access to curbside or multi-family collection services" if (i) in the case of a curbside household, it receives curbside collection from any entity or (ii) the case of a multi-family household, it receives multi-family collection from Contractor or MMSM (including, for the avoidance of doubt, any contractor who has entered into an agreement to provide multi-family collection for or on behalf of MMSM).

Compensation rates under this agreement shall be adjusted annually to reflect changes in the Consumer Price Index (CPI). The adjustment shall be based on the annual percentage change in the [Canada CPI All-Items Index] as published by Statistics Canada, measured from the month of the Effective Service Date to the same month in the following year.

[Note: Subsection (b) below will only apply to Statements of Work for local governments providing Depot Collection.]

(b) If selected (as indicated by an x in the associated check box) the Resident Education Top Up amount as set out in the table below times the Depot Only Baseline to be invoiced and paid in arrears, in equal quarterly payments on net 30 day terms, provided that Contractor has submitted all applicable claims. The Depot Only Baseline will initially be [●] and may be adjusted from time to time as set forth below.

	Top Up available to local governments accepting Depot Collection incentive	**$ per Depot Only Household**
☐	Resident Education Top Up	$[●]
	Service Administration Top Up	$[●]

In this Attachment 5:

"**Depot Only Baseline**" means the number of Depot Only Households in Contractor's jurisdiction.

"**Depot Only Household**" means a self-contained residential dwelling unit located in

Contractor's jurisdiction that (i) in the case of a curbside household, does not receive curbside collection from any entity or (ii) in the case of a multi-family household, does not receive multi-family collection from Contractor or MMSM (including, for the avoidance of doubt, any contractor who has entered into an agreement to provide multi-family collection for or on behalf of MMSM).

On an annual basis on a date to be determined by MMSM, and at such other time as the parties may agree, Contractor will, in good faith, report and attest (in a form acceptable to MMSM) as to the then-current Depot Only Baseline. MMSM may also provide evidence of the then-current Depot Only Baseline. Based on Contractor's attestation and the evidence provided by MMSM, MMSM and Contractor will work in good faith to mutually agree on the Depot Only Baseline. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.

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

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ATTACHMENT 6 TO SCHEDULE 2.1(c)
PROTOCOL FOR DETERMINING CONTAMINATION RATES AND RESULTING ACTIONS

Audit Sampling and Security Protocol

MMSM will collect audit samples from a municipality or First Nation community (Entity). The audit samples will be determined using the following considerations:

- Size of entity – number of households;
- Single family households vs multi-family dwellings – based on counts provided by Entities.

A sample schedule will be provided to each Receiving, Consolidation, Transfer Facility (RCT) a minimum of one week prior to the beginning of the month. The schedule will be similar to the following:

Single Family or Multi-Family	Collection Category	Receiving Facility Name	Facility Code	Collector Name	Municipality	Week	Date or Truck of Week	Time
Single Family	Single Stream	Receiving Facility #1	RF1	Fero	Entity 98	07/01 to 07/05	2024-07-02	13:10
Multi-Family	Single Stream	Receiving Facility #1	RF1	Fero	Entity 98	07/01 to 07/05	anytime	
Single Family	Fibre Materials	Receiving Facility #1	RF1	Miller	Entity 80	07/15 to 07/19	2024-07-15	10:51
Single Family	Container Materials	Receiving Facility #1	RF1	Miller	Entity 80	07/15 to 07/19	2024-07-16	15:56
Single Family	Single Stream	Receiving Facility #1	RF1	Southern Sanitation	Entity 92	07/22 to 07/26	2024-07-24	12:26
Multi-Family	Fibre Materials	Receiving Facility #1	RF1	Fero	Entity 98	07/22 to 07/26	2nd	
Multi-Family	Container Materials	Receiving Facility #1	RF1	GFL	Entity 106	07/22 to 07/26	3rd	

Training on how to read and take samples will be provided to RCT employees.

Audit Process

1. A sample will be immediately taken upon arrival of the single family/multi-family dwelling truck. The identified truck will be directed to a clear opening on the tip floor where the contents will be emptied.

2. A 100kg sample will be taken as per MMSM's requirements.

3. Materials from the truck will first be mixed with a front-end loader/skidsteer. Once mixed, material will be dropped into a specialty audit sample supersac. To avoid selection bias in the samples, any material which falls over the side of the supersac is not to be picked up. A second bucketload can be added if necessary to fill the supersac.

    a. Generally, one supersac is needed, but two supersacs can be used for lighter container samples, to reach the required 100kg.

    b. At no time are more than two supersacs to be used.

4. Each supersac is zipped close and sealed with an MMSM-provided serialized zip tie. The supersac sample will be clearly marked with a tag identifying the source (route, truck number, Entity, collection service provider), the material samples, date and time of the audit sample and the zip tie number.

5. The individual in charge of the audit sampling will film the audit sampling process and keep the file for a minimum of 45 days after the end of the month, available for viewing by MMSM. The file name will be associated with the time and location of the audit sample taking the unique serial identification number and zip tie and the tag.

6. The weight of each supersac will be taken and recorded for each sample right on the identification tag.

7. Once the sample is taken and sealed, the sample will be placed in a secure area until it is picked up for transport to the auditing centre.

Audit Sorting Protocol

1. A full-time audit team will be stationed at the auditing centre to complete audits in real-time. Upon arrival at the auditing centre, the supersacs will be removed from the truck and taken to the secure sample storage area.

2. The samples will be sorted in a large, secure room where sorting bins are clearly marked with each material category.

3. Each unique serial number identification number zip tie will be removed at the start of the audit of each sample and will be retained for future reference.

4. Each sample will be sorted individually. Scales will be certified for trade with the certificates stored at the site for ease of review by the MMSM representative. The tare weights of all bins will be clearly marked right on the bin which will be reset each week.

5. All samples will be completely sorted, and all materials weighed with all bins emptied before moving onto the next audit.

6. The information from each audit sample will be immediately entered into a computer and the total weight tallied. The weight will be compared to the audit sample weight to ensure consistency between the total sample weight and the total weight of the categorized materials.

Audit Verification

To support sufficient coverage and accuracy, MMSM will set up at least two cameras at the audit centre to view the auditing process as it occurs. If there is any discrepancy over the results of the audits, this process will ensure the audit process can be reviewed to confirm accuracy.

Having all the audits completed at one location provides several key advantages:

- Higher quality audits with consistency in auditing approach;
- Ability to consistently trains and oversee all staff at the same time;
- Support back-ups to oversee audits if an auditor needs to depart from one of the RFs or other designated auditing sample locations;
- Provide real time data with the sampling of each audit – no month end rush of data points;
- Less likelihood of a “lost” or “contaminated” sample resulting from having to store samples for a month at a time prior to sorting;
- Ability to oversee every audit daily;
- Ability to see first-hand and provide for proper sorting and assignment of new and emerging packaging into the proper categories (and to see new possibly difficult-to-manage packaging types);
- Ability to see all types of non-PPP received to support the development of targeted public education and promotion programs and feedback to collectors;
- Cost effective and efficient – doesn’t require sending representatives to oversee audits at various locations every month; and

- Enables efficiencies thereby reducing the risk associated with statistically insufficient data particularly as collector report cards must have accurate data in support of any conclusions.

Extrapolating Results to Entities and Collectors

The results of the audits are known by collector and by day of the week (i.e., in effect by route). MMSM will not use single data points for the purpose of extrapolating contamination rates for any Entity.

Report cards on contamination are based on all audits taken for an Entity/Collector over a period of six months. All audits will be combined on a normalized basis, i.e., the contamination rate is determined not by averaging each sample, but because sample sizes vary, the contamination rate is calculated at percentage per 100kg. A bare minimum of two (preferably three or more, respecting size of community will be a factor, for example small communities may only be randomly selected infrequently) will be taken before a report card will be generated.

The results of the calculations will be presented by material category to each Entity/Collector, with an accounting of the overall contamination rate for the period.

Entities/Collectors Exceeding Contamination Targets

MMSM's overall goal for contamination is 5%. Note any packaging or paper material designated under the Stewardship Plan, regardless if it is considered recyclable at this time or not (e.g., multi-material, multi-laminated pouches), are not considered contamination for the purposes of calculating the overall contamination rate.

The focus will be starting with those Entities/Collectors which are the farthest from the target. Where an Entity/Collector is identified as having a contamination rate which needs attention, a meeting will be arranged with the Entity/Collector to review the results in more detail. The Contamination Reduction Plans will be implemented in phases if necessary.

Phase 1: Initial Contamination Reduction Plan

Where warranted, MMSM will request the Entity/Collector to develop a Contamination Reduction Plan to address the contamination issue. As the audit results will be broken down into more than 50 categories, the results will likely point to where attention is needed to reduce contamination rates. This will give the Entity/Collector an area of focus to support behaviour change and further public promotion and education. MMSM will support Entities in developing their Contamination Reduction Plan, as well as developing and deploying educational materials for commonly occurring contaminants in the audits.

The Entity will submit its Contamination Reduction Plan for review by MMSM. Upon approval by MMSM, the Entity/Collector will implement the plan. A further six months of samples will be taken and, perhaps, if warranted, additional samples will be taken to evaluate the effectiveness of the Contamination Reduction Plan. The results of the next six months of audits will be shared with the Entity/Collector.

If the contamination rates show significant improvement, e.g., moving from 20% to 15%, MMSM will ask the first Contamination Reduction Plan to be continued, but no Service Level Failure Credits will be applied.

Phase 2: Follow-Up Contamination Reduction Plans

Where contamination rates have not improved or improved only marginally, a second Contamination Reduction Plan will be required from the Entity/Collector. The expectation will be for an enhanced approach with more frequent or targeted communication for a route, greater effort to sort out contamination ahead of collection (e.g., leaving materials behind with "oops" stickers). At this point, no Service Level Credit Failures will be applied.

The cycle will continue as necessary where continuous improvement in the contamination rates is not seen or is marginal. If after a third round of preparing and implementing a Contamination Reduction Plan fails to show improvement in the contamination rates, only then, and at the discretion of MMSM, will Service Level Failure Credits be applied.

Overall, from the beginning of the process until the completion of three rounds of Contamination Reduction Plans, the process will take between 18 and 24 months. The critical factor in avoiding any Service Level Failure Credits, even if 5% is not achieved after this period, is MMSM seeing continuous improvement.

Through its promotion and education plans, MMSM will employ strategies and tactics aimed at educating and influencing recycling behaviour. This includes, but is not limited to, educating consumers on the material accepted within the collection system, how to prepare materials for placement in the recycling collection system, and where collection systems can be accessed. Several communication tools will be deployed to address contamination and maximize reach.

Once MMSM establishes a consistent recycling program across the province with a harmonized list of acceptable materials, promotion and education will be implemented at a larger scale.

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