

CALL2RECYCLE MEMBERSHIP AGREEMENT

(FINAL - April 1, 2020)

Membership in Call2Recycle is subject to the terms and conditions of this Agreement. This is a legal contract between you and Call2Recycle. Please read the entire Agreement carefully before accepting.

THIS AGREEMENT ESTABLISHES THE TERMS AND CONDITIONS TO WHICH YOU AGREE AND TO WHICH YOU ARE SUBJECT AS A MEMBER OF CALL2RECYCLE.

This Membership Agreement (the “Agreement”) is entered into as of the Agreement Date (defined herein),

Between:

CALL2RECYCLE CANADA, INC. (« CALL2RECYCLE »)

a federal not for profit corporation having its head office at:
100 Sheppard Ave East, Suite 800, Toronto, ON, M2N 6N5

And:

_____ (the « MEMBER »)

an entity having an office at the address:

WHEREAS: _____

- A. CALL2RECYCLE is a not for profit organization whose purpose is to develop and manage environmental stewardship programs for specific products.
- B. Various provinces have environmental stewardship regulations, pursuant to which certain entities have been mandated to develop and manage a stewardship plan for specific types of products.
- C. The Regulations (as defined below) permit the Member to appoint an agent to develop, submit for approval and operate the required stewardship programs, on behalf of the Member.
- D. CALL2RECYCLE has developed the Programs (as defined below), and the Programs have been approved by the Regulator (as defined below).

- E. CALL2RECYCLE develops, implements and operates the Programs in accordance with the Regulations.
- F. The Member wishes to appoint CALL2RECYCLE as its agent for the purposes of carrying out its obligations under the Regulations in respect of the Programs, and CALL2RECYCLE is prepared to act as the agent of the Member in carrying out those obligations, all upon and subject to the terms and conditions of this Agreement.

In consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the receipt of which is hereby acknowledged by each party hereto, the parties agree as follows:

1. Definitions and Interpretation

1.1 **Definitions** – In addition to any terms or phrases defined elsewhere in this Agreement, unless the context otherwise specifies or requires, for the purposes of this Agreement, capitalized terms used in this Agreement shall have the respective meanings attributed to them as follows:

“Agreement” means the Membership Agreement as modified from time to time, and includes all schedules and amendments hereto.

“Agreement Date” means the date on which the Member has properly completed the CALL2RECYCLE registration system and indicated acceptance of this Agreement.

“Appointment Date” means the date on which the Member has been granted membership by CALL2RECYCLE.

“Confidential Information” means all information, know-how, trade secrets, ideas, designs, technology, applications, methodologies or data concerning or related to products (including all hardware and/or software products) (including the discovery, invention, research, improvement, development, manufacture, marketing, or sale of products), processes, or general business operations (including any business, financial and legal information, corporate strategies, reports, plans, technical documentation, information relating to existing, previous and potential suppliers, customers and contracts, sales, costs, profits, pricing, methods, organization, employee lists and processes), whether relating to the Member (or other member of CALL2RECYCLE, as applicable) or its directors, officers, shareholders, employees, contractors, suppliers or customers, whether such information is conveyed verbally or in written or other tangible form and which, if not otherwise described above, is of such a nature that a reasonable person would believe it to be confidential or proprietary.

“Contributor by Proxy” means an entity who agrees to report and remit the required EHF on behalf of a Producer in a given jurisdiction. All obligations contained in the present Agreement are applicable to the Contributor by Proxy.

“EHFs” means environmental handling fees or any similar fees established pursuant to or in respect of the Regulations, or payable as a result of the management of any environmental stewardship plan for specific products and which are or become the subject of the Programs.

“Member” means a Producer (as defined below) or a Contributor by Proxy (as defined above) which have been granted membership in CALL2RECYCLE.

“CALL2RECYCLE Website” means ‘www.call2recycle.ca’, or such other program specific websites as CALL2RECYCLE may from time to time establish and maintain for the fulfillment of its objects and purposes, including www.appelarecyclier.ca.

“Plan” or “Plans” mean the stewardship plan or plans developed by CALL2RECYCLE in response to the Regulations, as set out on the CALL2RECYCLE Website, as the same may be amended or replaced from time to time.

“Producer” means the obligated party mandated to develop and manage a stewardship plan for specific products as per the Regulations.

“Products” means those products that fall within the product categories provided for in the Regulations as further defined in the Plans of the Programs, and as set out on the CALL2RECYCLE Website, as the same may be modified, amended or replaced from time to time, in accordance with this Agreement.

“Program” or “Programs” means the program or programs developed by CALL2RECYCLE in response to Regulations and as outlined in the relevant Plans (as applicable), in which the Member indicates its participation, as modified from time to time through the online registration process, in accordance with this Agreement.

“Regulation” or “Regulations” means the relevant Act(s) and/or regulation(s) established by a Canadian province or territory in connection with the establishment and implementation of the Programs contemplated in this Agreement.

“Regulator” means the director or other senior manager or official or oversight agency identified in the applicable Regulations, or the relevant legislation pursuant to which the Regulations have been established, and identified as responsible for the management and operation of the relevant provincial environmental stewardship program(s).

“Rules and Policies” means any rules, directives, procedure manuals, administrative guidance or other document regarding or relating to any Plan or the implementation of any Program established by CALL2RECYCLE and in effect at the relevant time, as the same may be modified, amended or replaced from time to time, in accordance with this Agreement, and includes, but is not limited to any Schedules to this Agreement.

“Trade Name and Logo” means the trade name and style, trade-marks, and logos and designs used, owned by, or licensed by the Member in connection with the Member’s business.

- 1.2 Rules of Interpretation – In this Agreement the following rules shall apply to the interpretation thereof: words denoting the singular include the plural and vice versa and words denoting any gender include all genders; the words “include”, “includes” and “including” and other similar words and expressions shall in all cases be deemed to be followed by the words “without limitation”; any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re- enacted, consolidated and/or replaced, from time to time, and any successor statute thereto, unless otherwise expressly provided; when calculating the period of time within which or following which any act is to be done or step taken, the date which is the reference day in calculating such period shall be excluded; unless otherwise specifically noted herein, all dollar amounts are expressed in Canadian currency; the division of this Agreement into separate Articles, Sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement; and except as otherwise specifically defined or provided for in this Agreement, words or abbreviations which have well known or trade meanings are used in accordance with their recognized meanings.

2. **CALL2RECYCLE Membership and Program Participation**

- 2.1 Membership in CALL2RECYCLE – Upon completion of the CALL2RECYCLE on-line registration, including the ‘click through’ acceptance of the terms and conditions of this Agreement, the Member applies to become a member of CALL2RECYCLE or for an existing member of CALL2RECYCLE, to reaffirm its membership in CALL2RECYCLE. In addition, the Member shall indicate in the registration process the Products and Programs in which the Member is participating, as modified by the Member from time to time. Upon notification to the Member of acceptance of such application, the Member shall be deemed to be a member of CALL2RECYCLE as of and from the Appointment Date or in the case of an existing member, the membership of the Member in CALL2RECYCLE is reaffirmed and becomes subject to the terms of this Agreement as of the Agreement Date. The Member acknowledges the requirement to update the Member’s registration from time to time with respect to the Products and Programs in which the Member is participating and any other applicable information.
- 2.2 Rules and Policies– The parties agree that the membership of the Member in CALL2RECYCLE is subject to the Rules and Policies in effect from time to time, and the Member shall be required at all times to conduct itself in accordance with the Rules and Policies.
- 2.3 Program Participation – CALL2RECYCLE operates a number of Programs, pursuant to Plans made in connection therewith, and in accordance with the Regulations relating thereto. The Member hereby agrees to participate in the Program(s) identified by it pursuant to Section 2.1, and agrees that CALL2RECYCLE shall implement and operate the Programs for the collection, transportation and recycling of the Products relating to such Programs for and on behalf of the Member.

3. Confidentiality Obligations

- 3.1 Both the Member and CALL2RECYCLE acknowledge and agree that one of the purposes of the Member being a member of CALL2RECYCLE is to fulfill the Member's compliance obligations under the Regulations in respect of the Programs. Subject to disclosure of information in accordance with this Agreement and the Rules and Policies, the Member's membership in CALL2RECYCLE shall not provide the Member with access to, or any right in or to, any Confidential Information of any other member of CALL2RECYCLE.
- 3.2 The Parties agrees to keep confidential and prevent disclosure to any third-party of any and all Confidential Information transmitted by the other party for any purpose, including the audit rights of CALL2RECYCLE as set out in this Agreement, except as may be required by law or permitted pursuant to this Agreement, and the Rules and Policies, or any consent given or deemed to be given by the Member.
- 3.3 CALL2RECYCLE will, from time to time, provide the Member with a current list of all members of CALL2RECYCLE and CALL2RECYCLE and the Member will reasonably cooperate (subject to compliance with existing agreements) to facilitate the identification of suppliers or customers of the Member or other persons who are or may be obligated under the Regulations, to ensure completeness with respect to the reporting and payment to CALL2RECYCLE of EHF's for each Program in which the Member is participating.

4. Covenants of the Member

- 4.1 Compliance – The Member covenants and agrees at all times during the Term to abide by the terms and conditions of this Agreement and the Rules and Policies.
- 4.2 Remitting of EHF's – During the Term, the Member shall remit to CALL2RECYCLE within the next calendar month following the end of each reporting period (as described in Article 4.4 below) all EHF's on the sale or distribution of Products by the Member for each Program in which the Member is participating including the sales or distribution of such Products which occurred prior to the Appointment Date. CALL2RECYCLE will waive the Member's obligation to remit EHF's on any Products, when permitted by applicable Regulations, where the Member can provide evidence satisfactory to CALL2RECYCLE that another member has agreed to report and remit the required EHF's on its behalf.
- 4.3 Overdue Payments – The Member agrees that any overdue EHF's owing by the Member to CALL2RECYCLE shall be treated by CALL2RECYCLE as a debt owing to CALL2RECYCLE, and subject to interest at the rate and upon the terms set out in the Rules and Policies.
- 4.4 Reporting – The Member agrees to provide CALL2RECYCLE all reports and other information from time to time as are reasonably requested by CALL2RECYCLE, in accordance with the Rules and Policies, including the Rules and Policies set out at Schedule "A" to this Agreement, and to do so

within the time frames set out in any such Rules and Policies. Without limitation, the Member acknowledges that such reports will include reporting monthly, or such other reporting period as permitted by CALL2RECYCLE, on the sales of the Member's Products relating to the Programs in which the Member is participating, on a participating province basis and the sales of any Products for which the Member has agreed to assume the obligations under the Regulations and for which the Member will be remitting EHF's to CALL2RECYCLE, with respect to the Programs in which the Member is participating.

5. Covenants of CALL2RECYCLE

- 5.1 Administration of Programs – Provided that the Member is a member of CALL2RECYCLE in good standing and not in breach of this Agreement, CALL2RECYCLE agrees to permit the Member to participate in the Programs chosen by it during the Term, on the terms set out herein, in the applicable Program Plans, and in the Rules and Policies.
- 5.2 Implementation of Programs – CALL2RECYCLE shall:
- (a) implement and operate the Programs as submitted and approved by the Regulator(s) and in accordance with the Regulations;
 - (b) ensure that the Programs continue to be in good standing with the Regulator(s) and in compliance with the Regulations, and that any requirements of the Regulator(s) are adhered to; and
 - (c) submit any additional information or material to the Regulator(s) to which the Regulator is entitled and which the Regulator(s) request and consider relevant.
- 5.3 Reporting – CALL2RECYCLE agrees to provide the Member with annual reports on the performance of the Programs, in a form and incorporating such content as CALL2RECYCLE may from time to time approve.
- 5.4 Modifications to Rules and Policies - CALL2RECYCLE will provide not less than ninety (90) days prior written notice to the Member of any amendment or change to any Rules and Policies and/or any Schedule made in accordance with this Agreement, including any new or additional Rules or Policies.
- 5.5 Modification to EHF rates - CALL2RECYCLE shall provide not less than ninety (90) days prior written notice to the Member of any change to the EHF rate to be charged to the Member under this Agreement.
- 5.6 Amendment to the Agreement – The Member acknowledges that CALL2RECYCLE may amend, change or modify this Agreement from time to time in a manner which is not detrimental to the Member. CALL2RECYCLE shall provide not less than ninety (90) days prior written notice to the Member of any such amendment.

- 5.7 Amendments to Plans – The Member acknowledges and agrees that CALL2RECYCLE may change, update, replace, restate or otherwise amend the Plans from time to time, subject to compliance with the Regulation and the approval of the relevant Regulator(s). CALL2RECYCLE will provide not less than ninety (90) days prior written notice to the Member of any contemplated amendment to the Plan. CALL2RECYCLE agrees to provide to the Member a copy of all amendments made to the Plans in accordance with this Agreement within thirty (30) days of the approval by the relevant Regulator(s), of each such amendment. The Member shall be bound by each revised version of the same as each revision may be issued, as though each was set out originally in the Plan and the Member covenants and agrees to abide by, comply with and satisfy such revised Plan.
- 5.8 Notice of Regulatory Issues – CALL2RECYCLE shall provide prompt written notice to the Member
- (a) in the event that the approval from any Regulator in respect of the Programs is suspended or cancelled, together with the stated reasons for the suspension or cancellation, to the extent CALL2RECYCLE is or becomes aware thereof, or
 - (b) of any hearing or similar meeting that is anticipated or pending, of which CALL2RECYCLE is or becomes aware, in connection with a suspension or cancellation of any Regulator’s approval of the Programs.
- 5.9 Applicable Products – CALL2RECYCLE shall have no obligation with respect to any item manufactured, sold, distributed or otherwise handled by the Member which is not a designated Product under a Program in which the Member participates.
- 6. Audit by CALL2RECYCLE/Refund Request by Member**
- 6.1 Audit Right – CALL2RECYCLE may from time to time, at its discretion, audit and inspect the records of the Member with respect to the sale, supply, distribution and importing of Products in the relevant provinces where the Programs are being implemented and operated (the “Records”) in order to verify the accuracy of the remittances of EHF’s by the Member to CALL2RECYCLE under this Agreement. The Member acknowledges that CALL2RECYCLE may use a designated third-party to perform such audit and inspection. CALL2RECYCLE is responsible for the costs of the audit.
- 6.2 Cooperation of Member – If CALL2RECYCLE notifies the Member that it intends to conduct such an audit, the Member shall make available or cause to be made available to CALL2RECYCLE, or its designee, within thirty (30) days following a written request therefor and during regular business hours at its head office, any and all information and material as may be reasonably requested by CALL2RECYCLE, or its designee, for the purposes described in Article 6.1 above and otherwise give such cooperation as may be required by CALL2RECYCLE, or its designee, including providing access to all Records and any other information in respect of transactions relating to the Products. The Member shall have the right to observe and be informed in respect of all audit activities conducted by CALL2RECYCLE, or its designee, hereunder.

- 6.3 Notification of Results – Within sixty (60) days of completion of any audit or inspection under this Article 6, CALL2RECYCLE shall provide to the Member a summary report of the results of such audit or inspection.
- 6.4 Under-Payment – If any audit discloses that the Member has under-paid EHF's to CALL2RECYCLE, such under-payment and the Member shall be subject to the applicable Rules and Policies.
- 6.5 Over-Payment – If any audit discloses that the Member has over-paid EHF's to CALL2RECYCLE, such over-payment shall be subject to the applicable Rules and Policies. Without in any way limiting the foregoing, in such event, CALL2RECYCLE shall promptly notify in writing the Member of such over-payment and reimburse the Member within thirty (30) days of such notice.
- 6.6 No Waiver – Any inspection, audit or review by CALL2RECYCLE, or its designee, pursuant to this Article 6 shall not relieve the Member of any of its obligations to fulfil or comply with the terms of this Agreement.
- 6.7 Refund Request – If Member in good faith believes it has overpaid EHF's and no audit has been conducted, Member shall notify Call2Recycle and provide supporting materials to CALL2RECYCLE. CALL2RECYCLE, acting reasonably, shall within sixty (60) days of receiving such notice either: (i) confirm such overpayment and refund the overpaid amount; or (ii) provide a written explanation in sufficient detail explaining why CALL2RECYCLE disagrees with the Member's assertion that the Member has overpaid.
- 7. Term and Termination**
- 7.1 Termination – This Agreement may only be terminated in accordance with the provisions of this Article 7.
- 7.2 Resignation – Member may terminate this Agreement at any time upon providing ninety (90) days written notice in which case the Agreement shall terminate as of the end of such notice period.
- 7.3 Termination for Insolvency – This Agreement will terminate automatically if: (i) the Member makes an assignment for the benefit of its creditors, consents to the appointment of a receiver for all or substantially all of the property of the Member, files a petition in bankruptcy or for a reorganization under the appropriate bankruptcy legislation, or is adjudicated bankrupt or insolvent; or (ii) if a court order is entered, without the consent of the Member, appointing a receiver or trustee for all or substantially all of the property of the Member, or approving a petition or for a reorganization pursuant to the appropriate bankruptcy legislation or for any other judicial modification or alteration of the rights of creditors of the Member.
- 7.4 Termination for Default—Either party may terminate this Agreement with immediate effect if the other party commits a Default.

- 7.5 Effect of Termination – Termination shall not affect the Member’s obligations to submit any reporting or pay any amount to CALL2RECYCLE up to and include the date of termination. Should the Agreement be terminated, Member shall respond to any request for reporting or make payments owing within 60 days from the date it has received written notice of Call2Recycle of same.
- 7.6 Effect of Termination – Audit – At the discretion of CALL2RECYCLE, a termination notice by a member may trigger a final audit undertaken by CALL2RECYCLE. CALL2RECYCLE is responsible for the costs of the audit, if any.
- 7.7 Survival – The provisions of Article 3, Sections 4.2 and 4.3, Article 6, Section 7.5, 7.6 and 7.8 shall survive termination of this Agreement.
- 7.8 Notwithstanding the foregoing, in connection with the payment of EHF’s by the Member to CALL2RECYCLE, the Member shall only be liable for the accrued and unpaid EHF’s as of the effective date of Termination of this Agreement.

8. Default

- 8.1 Default – The occurrence of any of the following while this Agreement is in effect shall constitute a “Default” under this Agreement:
- (a) If the Member or CALL2RECYCLE breaches or fails to comply with any provision of this Agreement, the Plan(s), or any applicable Rule or Policy, and does not rectify such breach or failure to the other party’s reasonable satisfaction within thirty (30) days of written notice of the breach or failure being sent by the other party.
 - (b) If the Member fails to make payment of any amount required in this Agreement or under any Program or Plan, when such payment becomes due and payable, and fails to pay such amount in full within thirty (30) days of written demand therefor being sent by CALL2RECYCLE.

9. Trade Name and Logo.

- 9.1 Use of Member Trade Name and Logo – Upon the occurrence of the Agreement Date, and through the duration of Member’s participation in any Programs, Member assigns, conveys, transfers and delivers to CALL2RECYCLE, at no cost, a limited right for CALL2RECYCLE to make use of Member’s Trade Name and Logo for the purpose of marketing, promotional activities, advertising, Member and/or general public information and reporting, including, but not limited to: publishing Member’s Trade Name and Logo in CALL2RECYCLE’s annual reports and on its website. In the event that this Agreement is terminated, CALL2RECYCLE shall have no obligation to remove any publications that used Member’s Trade Name and Logo prior to termination of this Agreement.

10. General Provisions

- 10.1 Notices – All notices or other communications required or permitted under this Agreement (each, a “Notice”) shall be in writing and shall be delivered in person, by prepaid courier service, by e-mail or by facsimile to the addresses or facsimile number as follows:

To CALL2RECYCLE at:

Call2Recycle Canada, Inc.
Attention: President
100 Sheppard Ave East, Suite 800, Toronto, ON, M2N 6N5
E-Mail: ehf@call2recycle.ca

To the Member at:

Company Name: **
Address: **
City, Province, Postal code: **
Email: **

Attention to: **

If personally delivered or delivered via pre-paid courier, a Notice will be deemed to have been given and received on the date of actual delivery and, if by facsimile or e-mail, a Notice will be deemed to have been given and received on the date sent if sent during normal business hours on a business day and otherwise on the next business day.

Either party may at any time and from time to time notify the other party in accordance with this Article 10 of a change of address, facsimile number or e-mail address, to which all notices will be given to it thereafter until further notice in accordance with this Article 10.

- 10.2 Assignment – This Agreement is assignable by CALL2RECYCLE without the consent of the Member to any corporate entity incorporated for the purpose of carrying out the Programs in replacement of or succession to CALL2RECYCLE or another stewardship plan for the Products as approved by the Regulator, provided that ninety (90) days prior written notice is provided to the Member of such assignment and that assignee continues to be bound by the provisions of this Agreement. Except as provided above, neither this Agreement nor the rights or obligations of either party are assignable, except with the prior written consent of the other party, which consent cannot be unreasonably withheld or delayed.
- 10.3 Enurement – This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

- 10.4 Entire Agreement – This Agreement supersedes any prior agreements or understandings between the parties, whether oral or written.
- 10.5 Waiver – Any waiver by a party or any failure on a party's part to exercise any of its rights in respect of this Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or in any way otherwise affect the rights or remedies of such party.
- 10.6 Further Assurances – The parties agree to execute and deliver all such other and additional instruments or documents and to do all such other acts and things as may be reasonably necessary to give full effect to this Agreement.
- 10.7 Governing Law – This Agreement shall be governed by, and interpreted and enforced in accordance with the laws of the Province of Ontario.

11. **Dispute Resolution**

- 11.1 Best Efforts – In the event of any disputes, claim, question or difference arising out of or relating to this Agreement or any breach hereof, the parties shall use their respective best endeavours, acting reasonably, to settle such dispute, claim question or difference. To this effect, the parties shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution satisfactory to all parties to the dispute.
- 11.2 Arbitration – If the parties do not reach a solution within a period of twenty (20) days, then upon written notice by any party to the others, the dispute, question or difference shall be finally settled by arbitration to be held in accordance with the provisions of the *Arbitrations Act* (Ontario) and any amendments thereto. The arbitrator shall be appointed by unanimous agreement of the parties to the Agreement or in the event of failure to agree within 10 days, any party may apply to a judge of the Superior Court of Justice to appoint an arbitrator. In the event that either party applies to the Superior Court of Justice under this Section 11.2, the parties attorn to the exclusive jurisdiction of the courts in the City of Toronto. The procedure to be followed shall be agreed to by the parties within ten (10) days of the appointment of the arbitrator, or, in default of such agreement, determined by the arbitrator. The arbitrator shall have the power to proceed with the arbitration and to deliver his or her award notwithstanding the default by any party in respect of any procedural order made by the arbitrator. The arbitrator shall be instructed that time is of the essence and the arbitration award must be rendered within 30 days of the submission of such dispute to arbitration. The arbitration shall take place in the City of Toronto unless otherwise agreed by the parties. The arbitrator shall not amend or otherwise alter the terms and conditions of this Agreement. The arbitration award shall be given in writing and shall be final and binding on all parties, not subject to any appeal, and shall deal with the costs of arbitration and all matters related thereto. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The parties hereby agree to carry out any decision or order of the arbitrator in good faith.

By: _____
(Signature)

(Printed Name and Title)

(Date)

FOR CALL2RECYCLE CANADA:

By: _____
(Signature)

(Printed Name and Title)

(Date)



SCHEDULE “A”

EHF Reporting Rules and Policies

Effective January 1, 2020

1. Reporting

General Rule: All members are required to report EHF revenue based on the reporting schedule below:

- Member with Annual Revenue Exceeding \$6000 Annually – Monthly Reporting
- Member with Annual Revenue Less Than \$6000 Annually – Quarterly or Annual Reporting Option (Small Generator Status)

Small Generator Status:

A new or existing member of Call2Recycle who anticipates having annual sales volumes of program products resulting in Environmental Handling Fees (EHFs) of **less than \$6,000 annually** may apply to become a “Small Generator”.

The member must complete a Small Generator Application Form and must provide projected annual sales of covered products and resulting EHFs. The Small Generator Application Form must be submitted for review by Call2Recycle.

If approved, the “Small Generator” will have the option to choose to report quarterly or annually. A confirmation letter will be sent to each Small Generator Member to confirm the reporting frequency for the upcoming calendar year.

2. Late Payment and Late Reporting Procedures:

As per section 4.3 of the Member Agreement – Overdue Payments Members may be subject to the following late payment charges

Call2Recycle Canada at its sole discretion will have the option to charge Members a late payment fee at the rate of 1% per month (12% per annum) for invoices that are overdue more than 30 days. In addition, overdue Member Fees may be subject to administrative fees as follows:

- 1) Written reminder issued at any time (by email, fax or mail) after due date: \$100
- 2) Next reminder for same reporting period issued after 10 or more days after 1): \$200
- 3) Next reminder for same reporting period issued after 10 or more days after 2): \$625

3. Retroactive EHF's

Any entity that has been identified and officially informed by Call2Recycle/Appel A Recycler of its regulatory obligations, and does not respond, communicate, collaborate or refuses to comply, may be subject to retroactive EHF's and administrative fees and interests may apply.

4. Member Audit

As per section 6 of the Call2Recycle Membership Agreement, the member must periodically permit Call2Recycle to audit its records with respect to product sales and the remittance of EHF's to Call2Recycle. Members must keep records of product sales and EHF remittances for audit purpose for 5 years plus the current year.

As per Section 6 of the Member Agreement, Call2Recycle has the right to audit each Member - *CALL2RECYCLE may periodically and at its discretion, audit and inspect the records of the Member with respect to the sale, supply, distribution and importing of Products in the relevant provinces where the Programs are being implemented and operated (the "Records") in order to verify the accuracy of the EHF remittances by the Member to CALL2RECYCLE under this Agreement. The Member acknowledges that CALL2RECYCLE may use a designated third-party to perform such audit and inspection. CALL2RECYCLE is responsible for the costs of the audit. For additional details on the Call2Recycle audit please refer to the Membership Agreement.*

If an audit determines the member has under-reported and under-remitted fees, administrative fees and interest may apply. An administrative charge equal to 20% of the aggregated total of such under-payment may be charged.

In the case of over-reporting and over-remittance of fees as determined by an audit, Call2Recycle will credit the Member for the overpaid amount.

To request a copy of the Small Generator Form:

Email: customerservice@call2recycle.ca