

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

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

SECTION 1. Interpretation

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

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

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

“**Corrugated Cardboard**” means paper-based material consisting of a fluted corrugated sheet and one or two flat linerboards.

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

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

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

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

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

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

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

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

“**Industrial, Commercial and Institutional**” or “**ICI**” means any operation or facility other than a Curbside Household, including but not limited to industrial facilities such as warehouses, distribution centres, manufacturing facilities; commercial facilities such as retail stores, offices, strip malls and vacation facilities, such as hotels, motels, cottages, cabins and rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts); and, institutional facilities such as schools, churches, community buildings, local government buildings, arenas, libraries, fire halls, police stations and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

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

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

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

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

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

“Service Commencement Date” means [●].

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

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

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

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):

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

SECTION 2. Services

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

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

2.1.1 Service Area.

- (a) Contractor will perform Curbside Collection from Curbside Households in the Service Area.
- (b) Changes to the Service Area will be made in accordance with the change process set out in Section 2.2 of the Agreement.
- (c) Notwithstanding the Curbside Household Baseline and subject to Sections 2.1.2(g) and 2.1.4(e), Contractor is obligated to provide Curbside Collection from all Curbside Households in the Service Area.

- (d) Contractor will collect In-Scope PPP only from ICI locations approved by Recycle BC in advance. Recycle BC shall have the right, exercisable at any time in its sole discretion, to revoke its approval of any one or more ICI locations.
- (e) Contractor will not be entitled to receive any Fees or other payments in respect of In-Scope PPP collected from ICI locations and will be solely responsible for all costs associated with the collection and post-collection management of In-Scope PPP collected from ICI locations. Recycle BC reserves the right to develop and apply a methodology, at its own sole discretion, for calculating the amount of In-Scope PPP from ICI locations included in the Contractor-collected In-Scope PPP delivered to the Designated Post-Collection Facility (the “**Determined ICI Amount**”). Without limiting the generality of the foregoing, Contractor acknowledges and agrees that Contractor will be solely responsible for any costs or fees charged by the Designated Post-Collection Service Provider in respect of the Determined ICI Amount.

2.1.2 PPP Materials.

- (a) Contractor will collect (i) all In-Scope PPP from all Customers that is placed in Containers (including both Contractor-provided and Customer-owned Containers) and (ii) any Corrugated Cardboard that is flattened and stacked by the Customers’ Container (or stacked alone if no Container is present).
- (b) Materials collected by Contractor may not contain more than 3% by weight of Not Accepted Materials. Loads exceeding 3% by weight of Not Accepted Materials may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits.
- (c) Materials collected by Contractor may not contain (i) any packaging containing hazardous or special waste or (ii) Categories 4, 5 or 9.
- (d) If Contractor collects In-Scope PPP in multi-stream, Contractor must ensure that:
 - (i) loads of Categories 1, 2 and 3(b) do not contain more than 1% by weight of Categories 3(a), 6 and 7; and
 - (ii) loads of Categories 3(a), 6 and 7 do not contain more than 3% by weight of Categories 1, 2 and 3(b).
- (e) Subject to Section 2.1.2(h), Contractor must ensure that loads of Categories 1, 2, 3(a), (3(b), 6 and 7 (whether collected in a single stream or a multi-stream) do not contain more than 3% by weight of Category 8.
- (f) If Contractor collects Category 8 segregated from other In-Scope PPP, Contractor must ensure that such material stream does not contain more than 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate). Loads of segregated Category 8 exceeding 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate) may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits.
- (g) Contractor will implement and maintain reasonable procedures to ensure that loads delivered to the Designated Post-Collection Facility comply with the requirements set forth in this Section 2.1.2, including procedures to monitor the content of collected materials and procedures to notify and reject material from

Customers who do not comply with such requirements. Such procedures are subject to review by Recycle BC at any time and from time to time. If Recycle BC determines that such procedures are inadequate, Contractor will adopt such procedures as Recycle BC may reasonably require in order to ensure compliance with this Section 2.1.2.

- (h) If immediately prior to the SOW Effective Date Contractor (i) did not provide Curbside Collection from Curbside Households in the Service Area or (ii) did not provide Curbside Collection from Curbside Households in the Service Area pursuant to a statement of work with Recycle BC, Contractor will not be required to comply with Section 2.1.2(e) until the six month anniversary of the Service Commencement Date. If Contractor is not in compliance with Section 2.1.2(e) by the six month anniversary of the Service Commencement Date, Contractor will, within 90 days, prepare and submit to Recycle BC for approval a remediation plan designed to reduce the quantity of Category 8 to the required level. Following approval of the remediation plan by Recycle BC, Contractor will use its best efforts to implement the plan and provide monthly reporting to Recycle BC detailing the progress and outcomes of the remediation plan. If Contractor is not in compliance with Section 2.1.2(e) within 90 days after implementing the remediation plan, Contractor will work with Recycle BC to establish additional changes and to adopt best practices recommended by Recycle BC in order to achieve the stated objective.

2.1.3 Collection.

- (a) Contractor will not place limits on the quantity of In-Scope PPP collected from Customers.
- (b) Contractor will pick up In-Scope PPP placed by Customers (in accordance with Section 2.1.2(a)) at the Curb along the collection vehicle route, which may be a Public Street or a Private Road.
- (c) Subject to Section 2.1.3(d), Contractor will perform Curbside Collection from each Curbside Household in the Service Area no more frequently than weekly and no less frequently than bi-weekly.
- (d) If Contractor collects Category 8 segregated from other In-Scope PPP, Contractor will collect Category 8 from each Curbside Household in the Service Area no more frequently than weekly and no less frequently than once every month.
- (e) Contractor will make collections in an orderly, non-disruptive, and quiet manner, and will return Containers (including, in the case of carts, with their lids closed) in their set out location in an orderly manner. The location of returned Containers should not block sidewalks, driveways, or on street parking.
- (f) If Contractor provided Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date, Contractor will provide Curbside Collection services that meet or exceed the level of service provided by Contractor prior to the Service Commencement Date.

2.1.4 Containers.

- (a) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, Contractor will, at Contractor's cost, provide Containers to each Curbside Household in the Service Area that provide Customers with sufficient volume to accommodate In-Scope PPP generated by Customers between collections so that Container capacity is not a barrier to Customer use of the Curbside Collection service.
- (b) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, if Curbside Households or geographical areas are added to a Service Area under Section 2.1.1(b), Contractor will deliver Containers to any new Curbside Households added to the Service Area at least ten Business Days prior to the start date provided by Recycle BC.
- (c) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, Contractor will deliver a Container to a requesting Customer within seven Business Days of the Customer's initial request.
- (d) If any Customers choose to provide their own Containers, Contractor will handle the Customer-owned Containers in such a way as to prevent undue damage, and Contractor will be responsible for unnecessary or unreasonable damage to Customer-owned Containers.
- (e) In the event that a particular Customer repeatedly damages a Container or requests more than one replacement Container more frequently than a time period allowing for reasonable wear and tear during the SOW Term, Contractor may charge Customer for the depreciated value of the replaced Container. In the event that the problem continues, Contractor may discontinue service to that Customer provided Recycle BC provides prior written approval.
- (f) If Contractor did not provide Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date, Contractor will deliver Containers that meet the requirements set out in this Agreement to each Customer in the Service Area at least ten Business Days prior to the Service Commencement Date unless otherwise approved by Recycle BC in writing.
- (g) Contractor may not collect In-Scope PPP in single-use bags.
- (h) If Contractor proposes to change the type of Container it uses for Curbside Collection in the Service Area, Contractor will submit a detailed transition plan to Recycle BC a minimum of six months prior to the scheduled or planned change. Any change to the type of Containers used for Curbside Collection in the Service Area is subject to approval in writing by Recycle BC, which approval will not be unreasonably withheld.

2.1.5 Designated Post-Collection Facility.

- (a) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection, unless alternative arrangements have been approved in writing by Recycle BC. If Contractor is unable to deliver collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection for an unforeseen reason outside Contractor's reasonable control, Contractor will deliver such collected In-Scope PPP to the Designated Post-Collection Facility as soon as possible thereafter and will store such In-Scope PPP during the interim in

a safe and secure manner. Contractor may not charge any amounts to the Designated Post-Collection Service Provider in connection with such storage. Contractor will not deliver In-Scope PPP to any location other than the Designated Post-Collection Facility or dispose of any collected In-Scope PPP without prior written authorization from Recycle BC.

- (b) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility segregated, at a minimum, in the manner set out in Attachment 2.1.2.
- (c) If Contractor collects Categories 1, 2, 3(a), 3(b), 6 and 7 in multi-stream, Contractor must (i) unload Categories 1, 2 and 3(b) in a separate bunker or other location than Categories 3(a), 6 and 7 and (ii) unload Categories 3(a), 6 and 7 in a separate bunker or location than Categories 1, 2 and 3(b), in each case as directed by the Designated Post-Collection Service Provider. Loads delivered in violation of this Section 2.1.5(c), including as a result of driver error or mechanical failure, may be subject to a Service Level Failure Credit.
- (d) Contractor will follow all reasonable instructions and procedures regarding the delivery of In-Scope PPP as directed by the Designated Post-Collection Service Provider and Recycle BC, including but not limited to instructions and procedures pertaining to health and safety, delivery and unloading of In-Scope PPP, audit procedures and weigh scale operation.
- (e) If Contractor is scheduled to collect In-Scope PPP from Curbside Households in the Service Area on a holiday, Contractor will coordinate directly with the Designated Post-Collection Service Provider a minimum of ten Business Days in advance of such holiday in order to schedule the delivery of such In-Scope PPP.
- (f) If the Service Area is within the Metro Vancouver Regional District, the Designated Post-Collection Facility will be located within 30 minutes (on average based on typical traffic conditions between 10 am and 2 pm Monday to Friday) from the Service Area boundary at the point of least distance to the Designated Post-Collection Facility.
- (g) If the Service Area is not within Metro Vancouver Regional District, the Designated Post-Collection Service Provider will locate the Designated Post-Collection Facility within 60 kilometers from the Service Area boundary at the point of least distance to Designated Post-Collection Facility. If delivery to the Designated Post-Collection Facility requires the use of a ferry, then delivery boundary is the ferry terminal and the portion of the trip that requires ferry travel is to be the responsibility of the Designated Post-Collection Service Provider. If the Designated Post-Collection Service Provider has used commercially reasonable efforts to locate the Designated Post-Collection Facility within such area but is unable to do so, Contractor will not be required to deliver In-Scope PPP to the Designated Post-Collection Facility except on terms mutually acceptable to Contractor and the Designated Post-Collection Service Provider.
- (h) Recycle BC may change the location of the Designated Post-Collection Facility upon 30 days' written notice. If Recycle BC changes the location of the Designated Post-Collection Facility such that the new location is greater than 10 kilometers beyond the applicable maximum distance set out in Section 2.1.5(f) or (g), as the case may be, such change will be made pursuant to the change process in Section 2.2 of the Agreement (provided that Contractor may not refuse such a change).

- (i) Unless Recycle BC otherwise agrees in writing, Contractor may not consolidate or otherwise sort In-Scope PPP collected from Customers in the Service Area before delivering such materials to the Designated Post-Collection Facility. Such approval may be subject to such conditions or procedures as Recycle BC considers appropriate or necessary in the circumstances and may be revoked at any time by Recycle BC in its sole discretion, including without limitation if Contractor has failed to comply with such conditions or procedures.
- (j) If the Designated Post-Collection Service Provider rejects a load of In-Scope PPP from Contractor due to a verified claim that such load contains more than 3% by weight of Not Accepted Materials or contains any hazardous or special waste, Recycle BC reserves the right to designate alternative procedures and requirements associated with that load and to deduct any additional costs associated therewith from the Fees otherwise due to Contractor.

2.1.6 Spillage.

- (a) All loads collected by Contractor will be completely contained in collection vehicles at all times, except when material is actually being loaded. Hoppers on all collection vehicles will be cleared frequently to prevent the occurrence of blowing or spillage.
- (b) Any spillage of materials that occurs during Curbside Collection will be immediately cleaned up or removed by Contractor at its sole expense. Contractor will keep accurate records of each occurrence of spillage and of its clean-up, and will make such records available to Recycle BC on request and, if requested by Recycle BC, as part of a regular report to be delivered with such frequency as requested by Recycle BC (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 2.1.6(b) above, Contractor will maintain all collection vehicles to ensure that no liquid wastes (e.g., leachate) or oils (e.g., lubricating, hydraulic, or fuel) are discharged to Customer premises or Public Streets or Private Roads. All collection and route supervisor vehicles used by Contractor will be equipped with a spill kit sufficient in size to contain a spill of equivalent volume to the largest lubricating, hydraulic or fuel tank on the largest collection vehicle. Any discharge of liquid wastes or oils that may occur from Contractor's collection vehicles prior to them being removed from service will be cleaned up or removed by Contractor within three hours of being noticed by route staff, Customers, or Recycle BC, and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with pictures, and notice of such clean-up or removal will be provided to Recycle BC in writing. Contractor will immediately notify the Recycle BC-designated spill coordinator of any spills that enter ground-water or drainage systems.

2.1.7 Routes.

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

2.1.8 Pilot programs.

- (a) Recycle BC may wish to test or implement one or more new services or developments in PPP material segregation, processing, or collection technology. Recycle BC 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 in the Service Area. The allocation of any costs (or savings) accrued by Recycle BC-initiated pilot programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the Agreement. If Recycle BC deems the pilot 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 Agreement.
- (b) Contractor-initiated pilot programs will require prior written notification to and written approval by Recycle BC. Contractor-initiated pilot programs will be performed at no additional cost to Recycle BC.

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

2.2.1 Customer Service Requirements

- (a) Contractor'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 Recycle BC representatives. Customer calls will be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, Contractor will have an answering or voice mail service available to record messages from all incoming telephone calls, and include in the message an emergency telephone number for Customers to call outside of normal office hours in case of an emergency.
- (b) Contractor will maintain a 24 hour emergency telephone number for use by Recycle BC. Contractor will have a representative, or an answering service to contact such representative, available at such emergency telephone number for Recycle BC-use during all hours, including normal office hours.
- (c) Contractor's Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service.

2.2.2 Customer Service Representative Staffing

- (a) Contractor will maintain sufficient staffing to answer and handle complaints and service requests in a timely manner made by all methods, including telephone, letters, e-mails and text messages. If staffing is deemed to be insufficient by Recycle BC 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 Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date, Contractor will provide additional staffing from Service Commencement Date through 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 Recycle BC 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 Recycle BC during Contractor's office hours, and will be in a format approved by Recycle BC. Contractor will provide a copy of this log in an electronic format from the Microsoft Office suite of software to Recycle BC on request and, if requested by Recycle BC, as part of a regular report to be delivered with such frequency as requested by Recycle BC (but not more frequently than monthly).

2.3 Promotion and Education.

- 2.3.1 Contractor will have primary responsibility for executing public promotion, education, and outreach programs associated with the collection of In-Scope PPP. Contractor will incorporate Recycle BC-developed communications messages and images in Contractor public promotion, education, and outreach programs.
- 2.3.2 Recycle BC 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 In-Scope PPP, including but not limited to recycling guides, collection calendars, website content and "oops tags."
- 2.3.3 If Contractor receives Resident Education Top Up payments in accordance with Attachment 5, Contractor must spend the total amount of the Resident Education Top Up payments paid to Contractor on promotion, education and outreach programs on an annual basis.
- 2.3.4 Except for logos of the applicable local government, Recycle BC, 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 dates and times of Curbside Collection.

- 2.4 Transition and Implementation Services. If immediately prior to the SOW Effective Date Contractor (i) did not perform Curbside Collection from Curbside Households in the Service Area or (ii) did not provide Curbside Collection from Curbside Households in the Service Area pursuant to a statement of work with Recycle BC, Contractor will, beginning on the SOW Effective Date and with Recycle BC's input, develop and submit to Recycle BC no later than two weeks after the SOW Effective Date a transition and implementation plan (the "**Transition and Implementation Plan**") for

implementing Curbside Collection, including a specific timeline as to when different activities and events will occur, details of how different events impact other events in the timeline, and the process to be used to ensure that implementation occurs on the Service Commencement Date with no disruption. The Transition and Implementation Plan will cover the entire period from the SOW Effective Date to and including the six month anniversary of the Service Commencement Date. Contractor will describe in detail what is involved with each of the activities and events listed in the Transition and Implementation Plan. Finalization of the Transition and Implementation Plan will be subject to Recycle BC's prior approval.

SECTION 3. Performance Standards and Operational Requirements

- 3.1 Personnel Conduct. Contractor personnel performing Curbside Collection will at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, Contractor personnel will follow the regular pedestrian walkways and paths, returning to the street after replacing empty Containers. Contractor personnel will not trespass or loiter, cross flower beds, hedges, or property of adjoining premises, or meddle with property that does not concern them or their task at hand.
- 3.2 Vehicle Standards. Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards in respect of collection vehicles used to perform Curbside Collection:
- 3.2.1 All collection vehicles will be maintained in a clean and sanitary manner, and will be thoroughly washed at least once each week. All collection vehicles will have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with applicable law. All collection vehicles and all parts and systems of all collection vehicles will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards, and be in a condition satisfactory to Recycle BC. Any vehicles not meeting these standards will not be used within the Service Area until repairs are made. All collection vehicles will be equipped with variable tone or proximity activated reverse movement back-up alarms.
- 3.2.2 Contractor will maintain all vehicles used in the performance of Curbside Collection in a manner intended to achieve reduced emissions and particulates, noise levels, operating costs, and fuel use.
- 3.3 SOW Record and Reporting Requirements.
- 3.3.1 Service Delivery Reporting. In addition to the record keeping and reporting requirements in the Agreement, Contractor will:
- (a) maintain an electronic record of all calls related to Missed Collections and the response provided by Contractor;
 - (b) maintain an electronic record of all Customer requests, complaints and inquiries, including Customer name, mailing address, contact information (both telephone number and e-mail, if available), property name and service address, if different from mailing address, date of contact, reason for contact, results of Customer request, complaint or inquiry, resulting changes, additional follow-up needed, follow-up conducted, results of follow-up, and list of educational or outreach materials provided;
 - (c) maintain such other records as may be requested by Recycle BC. including:

- (i) tonnage by collection date and weight scale ticket (which must include the collector name and truck number);
 - (ii) customer communications related to Curbside Collection including telephone calls, letters, e-mails, text messages or webpage messages received; and
 - (iii) notices left for Customers;
- (d) make all records maintained pursuant to this Statement of Work available to Recycle BC upon request and, if requested by Recycle BC, provide a regular (but no more frequently than monthly) report to Recycle BC, in a format and by a method approved by Recycle BC, setting out or summarizing (at Recycle BC's discretion) such records as may be indicated by Recycle BC for the reporting period;
- (e) upon Recycle BC's request, provide up to two reports each year on associated collection metrics necessary to the calculation of the greenhouse gas emissions associated with the performance of Curbside Collection; and
- (f) upon Recycle BC's request, provide up to four ad-hoc reports each year, at no additional cost to Recycle BC. 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 Recycle BC-defined format and software compatibility. These reports will not require Contractor to expend more than 60 staff hours per year to complete.

3.3.2 Claims Reporting

- (a) At Recycle BC'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, in a manner specified by Recycle BC from time to time, including by a certified scale ticket provided by the Designated Post-Collection Service Provider, with Contractor name and address, Designated Post-Collection Service Provider name and address, date, time, truck number, net weight by material type (by material types set out in Attachment 2.1.2) and such other information as Recycle BC may designate (collectively, "**Claim Information**"). Claim Information with respect to any delivery of In-Scope PPP to the Designated Post-Collection Facility must be submitted within 10 Business Days of the delivery date.
- (c) Recycle BC will issue a claim summary to Contractor based on Claim Information directly provided to Recycle BC pursuant to Section 3.3.2(b), and Contractor will review the claim summary for accuracy. Contractor must report to Recycle BC any content in the claim summary that Contractor disputes within five days of the claim summary being issued.
- (d) After Recycle BC has approved the Claim Information, Recycle BC will issue a purchase order to Contractor, including a reference number. Recycle BC 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 Recycle BC, Contractor will invoice Recycle BC using the

contact information provided by Recycle BC for such purpose (as may be updated by Recycle BC from time to time).

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

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

SECTION 4. SOW Term

This Statement of Work will commence on the SOW Effective Date and its initial term will continue until [●]. Recycle BC 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 180 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 Recycle BC for the performance by Contractor of the SOW Services are set out in Attachment 5 to this Statement of Work, and such Fees begin after the Service Commencement Date. For the avoidance of doubt, Contractor acknowledges and agrees that it will not be entitled to receive any Fees in respect of In-Scope PPP collected from ICI locations.

SECTION 6. Additional Terms

- 6.1 No Double Charge. Contractor will not directly or indirectly charge Customers, including 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 Recycle BC under this Statement of Work.
- 6.2 Scavenging Forbidden. Contractor will not scavenge, or permit any employee (or, at the request of Recycle BC, any other person) to scavenge, any materials (including, if permitted by law, materials other than In-Scope PPP that have been set out to be collected by other collection service providers) at any time and at any location during Contractor’s performance of the SOW Services or otherwise.
- 6.3 Risk. Contractor will be responsible for all risks, including risk of loss of, or damage caused by, the In-Scope PPP from the time the In-Scope PPP is collected by Contractor until delivery to the Designated Post-Collection Facility. In-Scope PPP will be deemed to be delivered when off-loaded from Contractor’s vehicles at the Designated Post-Collection Facility and accepted by 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 or the Designated Post-Collection Facility caused by Contractor.

(Signature page follows.)

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

MMBC RECYCLING INC.

[CONTRACTOR]

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

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

Name: _____
(Please Print)

Name: _____
(Please Print)

Title: _____

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 Recycle BC, Contractor and the first signatory represent that no additional signatories are required).

SAMPLE

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

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

[Note: When the SOW is executed, Attachment 2.1.1 will include a description of the geographic area to be serviced with Curbside Collection by Contractor.]

SAMPLE

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

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

- PPP, in single stream, in Category 1, Category 2, Category 3(a), Category 3(b), Category 6 and Category 7.
- PPP, in multi stream, in Category 1, Category 2, and Category 3(b) which may be comingled together, but must be segregated from all other PPP.
- PPP, in multi stream, in Category 3(a), Category 6 and Category 7 which may be comingled together, but must be segregated from all other PPP.
- PPP in Category 8, segregated from all other PPP.

To the extent beverage containers as defined in Schedule 1 of the *Recycling Regulation* to the *Environmental Management Act* (BC) are comingled with In-Scope PPP to be collected by Contractor, such beverage containers shall be deemed to be In-Scope PPP for the purposes of this Statement of Work, with polycoated beverage containers defined as Category 3(a), plastic beverage containers defined as Category 6, metal beverage containers defined as Category 7 and glass beverage containers defined as Category 8.

SAMPLE

**ATTACHMENT 3.4 TO SCHEDULE 2.1(a)
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	Overstatement of Curbside Households or understatement of Industrial, Commercial and Institutional locations in the Service Area.	\$5,000 per incident.												
2	Failure to provide a required report pursuant to Section 3.3.1 on time.	\$500 per day past deadline.												
3	Failure to separate In-Scope PPP collected from Curbside Households in the Service Area from materials collected outside of the Service Area without prior written approval from Recycle BC.	\$5,000 per route, plus \$3,000 per month (pro-rated in the case of a partial month) until the Service Level Failure has been remedied or a request for approval has been approved in writing by Recycle BC.												
4	If the Curbside Household Baseline does not exceed 25,000, a delivery of materials to the Designated Post-Collection Facility that contains more than 3% by weight of Not Accepted Materials.	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount</p> <p>For the purpose of this Service Level Failure, the “Per Load Amount” in respect of any year will be determined by the Curbside Household Baseline for such year, in accordance with the following table:</p> <table border="1" data-bbox="997 1346 1354 1593"> <thead> <tr> <th data-bbox="997 1346 1192 1434">Curbside Household Baseline</th> <th data-bbox="1198 1346 1354 1400">Per Load Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="997 1442 1192 1472">10,000-25,000</td> <td data-bbox="1198 1442 1354 1472">\$5,000</td> </tr> <tr> <td data-bbox="997 1480 1192 1509">5,000-9,999</td> <td data-bbox="1198 1480 1354 1509">\$3,750</td> </tr> <tr> <td data-bbox="997 1518 1192 1547">2,500-4,999</td> <td data-bbox="1198 1518 1354 1547">\$2,500</td> </tr> <tr> <td data-bbox="997 1556 1192 1585">499-2,499</td> <td data-bbox="1198 1556 1354 1585">\$1,250</td> </tr> <tr> <td data-bbox="997 1593 1192 1623">0-499</td> <td data-bbox="1198 1593 1354 1623">\$500</td> </tr> </tbody> </table>	Curbside Household Baseline	Per Load Amount	10,000-25,000	\$5,000	5,000-9,999	\$3,750	2,500-4,999	\$2,500	499-2,499	\$1,250	0-499	\$500
Curbside Household Baseline	Per Load Amount													
10,000-25,000	\$5,000													
5,000-9,999	\$3,750													
2,500-4,999	\$2,500													
499-2,499	\$1,250													
0-499	\$500													
5	If the Curbside Household Baseline exceeds 25,000, a delivery of materials to the Designated Post-Collection Facility that contains more than 3% by weight of Not Accepted Materials.	The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.												

	Service Level Failure	Service Level Failure Credit												
		<p>For the purpose of this Service Level Failure, the “Per Load Amount” will initially be \$5,000. If Contractor is required to make one or more payments in respect of this Service Level Failure in respect of any year, the Per Load Amount for the following year will be automatically increased by \$5,000 (to a maximum of \$20,000). If Contractor is not required to make any payments in respect of this Service Level Failure in respect of a particular year, the Per Load Amount for the following year will be reset at \$5,000.</p>												
6	If Contractor collects Categories 1, 2, 3(a), 3(b), 6 and 7 in multi-stream, delivery of a load in violation of Section 2.1.5(c) .	\$1,000 per load.												
7	Delivery of a load of Category 8 to the Designated Post-Collection Facility that contains more than 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate).	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.</p> <p>For the purpose of this Service Level Failure, the “Per Load Amount” in respect of any year will be determined by the Curbside Household Baseline for such year, in accordance with the following table:</p> <table border="1" data-bbox="998 1318 1356 1577"> <thead> <tr> <th data-bbox="998 1318 1193 1413">Curbside Household Baseline</th> <th data-bbox="1193 1318 1356 1413">Per Load Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="998 1413 1193 1444">10,000+</td> <td data-bbox="1193 1413 1356 1444">\$5,000</td> </tr> <tr> <td data-bbox="998 1444 1193 1476">5,000-9,999</td> <td data-bbox="1193 1444 1356 1476">\$3,750</td> </tr> <tr> <td data-bbox="998 1476 1193 1507">2,500-4,999</td> <td data-bbox="1193 1476 1356 1507">\$2,500</td> </tr> <tr> <td data-bbox="998 1507 1193 1539">499-2,499</td> <td data-bbox="1193 1507 1356 1539">\$1,250</td> </tr> <tr> <td data-bbox="998 1539 1193 1577">0-499</td> <td data-bbox="1193 1539 1356 1577">\$500</td> </tr> </tbody> </table>	Curbside Household Baseline	Per Load Amount	10,000+	\$5,000	5,000-9,999	\$3,750	2,500-4,999	\$2,500	499-2,499	\$1,250	0-499	\$500
Curbside Household Baseline	Per Load Amount													
10,000+	\$5,000													
5,000-9,999	\$3,750													
2,500-4,999	\$2,500													
499-2,499	\$1,250													
0-499	\$500													
8	The occurrence of a Labour Disruption, if Contractor fails to (i) implement its Business Continuity Plan in respect of such Labour Disruption or (ii) fails to comply with Section 4.6.1 or 4.6.2 in respect of such Labour Disruption.	An equitable reduction in the Fees to reflect the value of any SOW Services not received by Recycle BC plus \$5,000 per day of Labour Disruption.												
9	Contractor delivers In-Scope PPP to any location, such as a landfill, incinerator or energy recovery facility, other than the Designated Post-Collection Facility without the prior written permission of Recycle BC	\$25,000 per incident.												

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

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

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

“Curbside Household Baseline” means the number of Curbside Households in the Service Area as initially set out in Attachment 2.1.1, as may be modified in accordance with Section 3 of this Attachment 5 or pursuant to a change order made pursuant to Section 2.2 of the Agreement.

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

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

Curbside Collection Financial Incentive		
	Collection Type	\$ per Curbside Household per Year
<input type="checkbox"/>	Single-stream using automated carts – Categories 1, 2, 3(a), 3(b), 6 and 7	\$37.40
<input type="checkbox"/>	Single-stream using Containers other than automated carts – Categories 1, 2, 3(a), 3(b), 6 and 7	\$38.80
<input type="checkbox"/>	Multi-stream – Categories 1, 2 and 3(b), separate from Categories 3(a), 6 and 7	\$42.80

(b) Each of the following that are selected (as indicated by an x in the associated check box) in the table below (which may be none): (i) the Resident Education Top Up amount; and (ii) the Service Administration Top Up amount, in each case as set out in the table below times the Curbside Household Baseline to be invoiced and paid in arrears, in equal quarterly payments, provided that Contractor has submitted all applicable claims:

	Top Up available to local governments accepting Curbside Collection incentive	\$ per Curbside Household per Year
<input type="checkbox"/>	Resident Education Top Up	\$0.75
<input type="checkbox"/>	Service Administration Top Up	\$3.50

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 Collection Services.

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

Curbside Collection Financial Incentive	
<input type="checkbox"/>	\$ per Tonne
<input checked="" type="checkbox"/>	\$80.00

- (a) For each Bonus Period, the Achieved Bonus Amount times the average Curbside Household Baseline for such period, where the “Achieved Bonus Amount” is the performance bonus amount in the table below that corresponds with the average amount of In-Scope PPP per Curbside Household actually collected by Contractor during the Bonus Period. The foregoing will be calculated annually, at the end of each Bonus Period, based on the average Curbside Household Baseline for such period and the approved claims submitted for the Bonus Period. The Achieved Bonus Amount for a Bonus Period, if any, will be paid no later than April 30 of the following year.

For purposes of calculating the Achieved Bonus Amount, Recycle BC reserves the right to develop and apply a methodology, at its own sole discretion, to calculate the average amount of (i) Not Accepted Materials in Contractor’s collected material and (ii) In-Scope PPP from ICI locations in Contractor’s collected materials for the purposes of calculating the average In-Scope PPP collected per Curbside Household in the applicable year.

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

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

Calculation of Achieved Bonus Amount				
Average In-Scope PPP collected per Curbside Household Per Year	160 - 179 Kilograms	180 - 199 Kilograms	200 - 219 Kilograms	> 220 Kilograms
Achieved Bonus Amount	\$ per Curbside Household			
	\$1.00	\$2.00	\$3.00	\$4.00

3. Adjustment of Curbside Household Baseline.

- (a) On an annual basis, on a date to be determined by Recycle BC, and at such other times as the parties may agree, Contractor will, in good faith, report and attest (in a form acceptable to Recycle BC) to the then-current number of:
 - (i) Curbside Households in the Service Area; and
 - (ii) Curbside Households per hectare in the Service Area.
 - (b) Recycle BC may also provide evidence of the then-current number of Curbside Households and Curbside Households per hectare in the Service Area. Based on Contractor's attestation and the evidence provided by Recycle BC, Recycle BC and Contractor will work in good faith to mutually agree on the new Curbside Household Baseline. If the agreed upon new values of the foregoing trigger a change in the Fees payable pursuant to this Attachment, the parties will update this Attachment by execution of a change order. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.
 - (c) For purposes of reporting and determining the number of Curbside Households:
 - (i) A single family dwelling is considered one Curbside Household;
 - (ii) A laneway house is considered one Curbside Household;
 - (iii) A duplex is considered two Curbside Households;
 - (iv) A triplex is considered three Curbside Households;
 - (v) A fourplex is considered four Curbside Households;
 - (vi) A single family dwelling that has been converted into two, three or four residential dwelling units, shall be considered a duplex, triplex or fourplex, as described in (iii), (iv) and (v) respectively, if Contractor recognizes the conversion for utility and/or contract billing;
 - (vii) A single family dwelling that has been converted into multiple dwelling units that is recognized by Contractor as a single family dwelling for utility and/or contract billing is considered one Curbside Household; and
 - (viii) Each self-contained dwelling unit in a rowhouse or townhouse is considered one Curbside Household if the resident of each unit delivers In-Scope PPP to the Curb for collection in separate Containers.
4. If the average annual amount of In-Scope PPP collected per Curbside Household by Contractor, in any 12 month period (based on the Curbside Household Baseline) falls below 135 kilograms, then Recycle BC may require Contractor to, within 90 days, prepare and submit to Recycle BC for approval a remediation plan designed to raise its collection yield above 135 kilograms per Curbside Household. Following approval of the remediation plan by Recycle BC, Contractor will execute the plan. Contractor will provide monthly reporting to Recycle BC detailing the progress and outcomes of the remediation plan. If material improvement does not occur within 90 days of beginning to execute the plan, then Contractor will work with Recycle BC to establish additional changes and to adopt best practices recommended by Recycle BC in order to increase collection yield, and, at Recycle BC's discretion, may result in an equitable downward change in the Fees to reflect the reduced value of the amount of In-Scope PPP being collected by Contractor.