

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE
HOUSEHOLD BATTERY STEWARDSHIP PROGRAM**

This Memorandum of Understanding is made effective this 1st of March 2015, in the Province of New Brunswick

BETWEEN

The New Brunswick Department of Environment and Local Government

AND

Call2Recycle Canada, Inc.

PURPOSE OF THE HOUSEHOLD BATTERY STEWARDSHIP PROGRAM:

1. The overall purpose of this Memorandum of Understanding (MOU) is to enable the household battery industry to address the environmentally responsible management of end-of-life household batteries. End-of-life batteries include all household single use and rechargeable dry-cell batteries of less than 5kg marketed and recovered in the Province of New Brunswick.
2. As a component in an overall approval to address the challenges involved in sustaining the environment, product stewardship involves the constructive involvement of manufacturers, brand owners and first importers in the management of recyclable materials and the avoidance of end-of-life batteries in the solid waste stream sent to landfills. By taking responsibility for the waste management aspects of their products, industry can contribute by:
 - a) integrating recycling considerations into the manufacturing of their products,
 - b) providing funding assistance for solid waste management as it relates to responsible recycling of household batteries in the solid waste stream,
 - c) providing industry leverage to communicate the safe collection, transportation and recycling message to reach the entire audience of potential recycling participants,
 - d) maintaining an ongoing information scan and research process to ensure that all pertinent information with respect to reducing, reuse and recycling of end-of-life household batteries is maintained.

On-going public and industry relations are a critical feature in ensuring that the recycling process will succeed in the long term. Industry can support public and industry education with respect to recycling, in general, and the industry's own products, in particular.

3. This MOU further recognizes that the Department of Environment and Local Government for the Province of New Brunswick and Call2Recycle Canada, Inc. have successfully established a spirit of co-operation during the development of an end-of-life Household Battery Stewardship Program, as outlined in Appendix "A" attached hereto.

STATEMENT OF THE HOUSEHOLD BATTERY STEWARDSHIP PROGRAM
PRINCIPLES:

1. Household batteries include, but are not limited to, the following dry-cell batteries with an individual weight not over 5kg:
 - a) Nickel Cadmium (Ni-Cd),
 - b) Nickel Cadmium Hydride (Ni-MH) and Nickel Zinc (Ni-Zn),
 - c) Lithium Ion (Li-Ion),
 - d) Small Sealed Lead Acid (SSLA/Pb),
 - e) Lithium Primary,
 - f) Alkaline (AA, AAA, C, D, 9V, etc...).
2. The manufacturers, brand owners and first importers of end-of-life household batteries represented by Call2Recycle Canada, Inc. will take responsibility for ensuring end-of-life household batteries are recycled and diverted from the solid waste stream in New Brunswick.
3. The New Brunswick Household Battery Stewardship Program will be monitored in order to allow the opportunity of reviewing program costs, new innovations and new technologies.
4. Household batteries will be managed and recycled in a manner consistent with other materials designated under the *Clean Environment Act-Designated Materials Regulation* and all other relevant Federal and Provincial environmental regulations.
5. Household batteries are used by many New Brunswickers and businesses. The Household Battery Stewardship Program will be implemented throughout the province by way of drop-off points set up by Call2Recycle Canada, Inc. as necessary to ensure a comprehensive and effective collection system for end-of-life household batteries.
6. Where possible, the Household Battery Stewardship Program will make use of existing infrastructure compatible with end-of-life household batteries as provided for in the stewardship plan.
7. Any price increase involved in the sale of household batteries attributed to the Household Battery Stewardship Program will not be passed on to consumers by way of a separate fee. Stewardship costs will be built into the overall cost of purchasing the products.

MANAGEMENT REVIEW:

1. Call2Recycle Canada, Inc. will establish a joint Atlantic Canada Advisory Committee that will include a minimum of two (2) members chosen by the New Brunswick Department of Environment and Local Government, with the duty to meet at least annually, and a mandate to review the operation of the Household Battery Stewardship Program for current and future batteries covered by the program.
2. The Advisory Committee will annually review the effectiveness and efficiency of the program, bring forward recommendations, and file a written report with the Department of Environment and Local Government and with Call2Recycle Canada, Inc. The annual review will be carried out in May and June following each fiscal year, which will be the time period related to the review. The written report shall be made before the end of June each year.
3. The parties agree that it is appropriate for Call2Recycle Canada, Inc. to maintain a management information system that enables it to determine the costs and efficiency of managing each type or classification of end-of-life household batteries covered by the Household Battery Stewardship Program pursuant to the MOU.
4. A separate internal report providing information related to the overall cost of the New Brunswick Household Battery Stewardship Program which shall include: the money collected by Call2Recycle Canada, Inc. from manufacturers, brand owners and first importers of products covered by the program, the money used for operating the Household Battery Stewardship Program and any surplus realized by Call2Recycle Canada, Inc. as a result of the New Brunswick Household Battery Stewardship Program, will be delivered, in confidence, to the Department of Environment and Local Government before the end of July each year.
5. The Department of Environment and Local Government maintains the right to audit the New Brunswick Household Battery Stewardship Program.

FUNDING:

1. Call2Recycle Canada, Inc. will provide funding for the environmental management of end-of-life household batteries collected in New Brunswick. Specifically, Call2Recycle Canada, Inc. will:
 - a) provide the funding of the Household Battery Stewardship Program via the financial contributions of its members, in accordance with the rates established by Call2Recycle Canada, Inc., and
 - b) work with manufacturers, brand owners and first importers to translate the financial contributions of its members into a component of the overall price of new household batteries.

2. As the recycling program gains experience, costs may vary and therefore Call2Recycle Canada, Inc. will undertake annual reviews to ensure that contributions remain current with actual costs.

THE HOUSEHOLD BATTERY STEWARDSHIP PROGRAM

1. Call2Recycle Canada, Inc. will, within six (6) months of signing this MOU, submit a stewardship program plan to the New Brunswick Department of Environment and Local Government.
2. Call2Recycle Canada, Inc. will, within three (3) months of receiving a letter from the Department of Environment and Local Government indicating that the stewardship program plan is acceptable, launch the New Brunswick Household Battery Stewardship Program throughout the province.
3. The New Brunswick Household Battery Stewardship Program plan shall provide for the following:
 - a) the collection of all end-of-life household batteries sold in New Brunswick,
 - b) proper environmental management of all end-of-life household batteries collected,
 - c) Call2Recycle Canada, Inc.'s plan that will include reporting the following:
 - i) Quantities of household batteries marketed in New Brunswick (excluding exports) by unit, weight, and weight per capita,
 - ii) Key Performance Indicators that will allow for comparison of the New Brunswick stewardship program to other Canadian jurisdiction programs,
 - d) the establishment of drop-off depots that will ensure reasonable and free consumer and industry access for the disposition of end-of-life household batteries by all New Brunswickers,
 - f) a communication plan for informing consumers and industry of the Call2Recycle Canada, Inc. Household Battery Stewardship Program and the location of drop-off depots,
 - g) the elimination or reduction of the environmental impacts of end-of-life household batteries.


ANNUAL REPORT

1. A year for the New Brunswick Household Battery Stewardship Program shall end each year on December 31.

2. Call2Recycle Canada, Inc. shall, on or before July 1 in each year, provide the New Brunswick Department of Environment and Local Government with an annual report detailing the effectiveness of the Household Battery Stewardship Program plan during the previous year including, but not limited to the following:
 - a) weight of household batteries marketed and per capita weight marketed,
 - b) weight of household batteries collected and sent for recycling and per capita weight collected and sent for recycling,
 - c) total weight of metals and elements recovered for use by product manufacturers,
 - d) a description of the types of processes utilized to recycle or otherwise treat household batteries recovered,
 - e) the location of drop-off depots for household batteries,
 - f) the location of any processing or containment facilities used for the New Brunswick Household Battery Stewardship Program,
 - g) the types of consumer and industry information, educational materials and strategies adopted by Call2Recycle Canada, Inc. in relation to the Household Battery Stewardship Program.

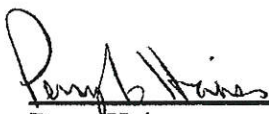
TERMINATION

1. This MOU is for five (5) years, but will be subject to an annual management review. At the end of five years it may be extended for an additional period of time by mutual agreement of the two parties. Change to the terms, including those party to the MOU, may be proposed by the signatories but must be approved by all parties.
2. This MOU may be terminated by any of the signatories with one year's written notice to the other parties.



Joe Zenobio
Executive Director
Call2Recycle Canada, Inc.

March 23 /15
Date



Perry Haines
Assistant Deputy Minister
Environment and Local Government

March 10, 2015
Date

APPENDIX "A"

MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE NEW BRUNSWICK HOUSEHOLD BATTERY
STEWARDSHIP PROGRAM

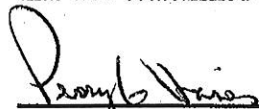
The New Brunswick Household Battery Stewardship Program developed by Call2Recycle Canada, Inc. addresses, in an environmentally responsible manner, the management of current and future forms of end-of-life household batteries in New Brunswick. The net cost of activities associated to the program will be underwritten by the manufacturers, brand owners and first importers that are members of Call2Recycle Canada, Inc.

The Department of Environment and Local Government believes that the responsible management of end-of-life household batteries forms a legitimate component of the production and distribution of these products, and therefore forms a part of the overall cost of household batteries.

There are two goals for the program, one related to coverage of the program, which includes consumer education, and one related to level of recovery. It is the objective of this Memorandum of Understanding (MOU) that all residents of the province have the opportunity to recycle end-of-life household batteries. Recognizing the variations that exist in the recovery and recycling infrastructure, the goal is to provide residents of the province of New Brunswick with free and reasonable access to drop-off depots for household batteries. Key performance indicators related to an acceptable recovery rate have been established as part of the New Brunswick Household Battery Stewardship Program.

Recognizing that changes in government policy can have an impact on manufacturers, brand owners and first importers, it is agreed that consultation will be undertaken by the Department of Environment and Local Government with the affected parties before any policy changes come into effect in regard to the management of current and future forms of household batteries.

The Department of Environment and Local Government would like to recognize the spirit of cooperation that was established during the development of this industry-led Household Battery Stewardship Program.



Perry Haines
Assistant Deputy Minister
Environment and Local Government
Province of New Brunswick