

**Schedule B to the Program Agreement between Stewardship Ontario and the
Resource Productivity and Recovery Authority**

**Rules for Stewards with Respect to Payment of Blue Box Fees for the Period
Commencing January 1, 2018**

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PART I: DEFINITIONS

1. In these Rules the following terms have the following meanings:

“Adjustment Request” is the mechanism by which Stewards may request changes to their previously Filed Annual Steward Report within two years from the associated report submission deadline pursuant to the Adjustment Policy in Appendix E and posted on the Stewardship Ontario website [\[insert link\]](#).

“Affiliate” means that one Steward shall be deemed to be affiliated with another Steward if:

- (a) one Steward is the subsidiary of the other Steward; or
- (b) both Stewards are subsidiaries of the same corporation; or
- (c) each Steward is ultimately controlled by the same corporation.

“Annual Steward Report” is the annual report Filed by all Stewards and Voluntary Stewards in accordance with Part IV of these Rules, which describes the aggregate amount of Designated Blue Box Waste, expressed in kilograms or units by category, Supplied by the Steward and its Franchisees or Affiliates during the Data Year.

“Blue Box Program Plan” means the Blue Box Program Plan dated February 2003, or as may be amended from time to time, found here [\[Insert link\]](#).

“Brand” is a trademark.

“Brand Owner” is a Person Resident in Ontario who is:

- (a) the owner of the registered or unregistered trademark; or
- (b) a licensee of the registered or unregistered trademark, where “licensee” includes a person who packages goods, the packaging of which is Designated Blue Box Waste and bears a trademark, other than a packer or

filler of Private Label Goods, and includes any person whose corporate name or business name registration contains the trademark.

“Confidential Information” means sales or other data submitted by a Steward to Stewardship Ontario that is not publically available from any source.

“Consumer” means an individual (other than a Person in the Industrial, Commercial, or Institutional (IC&I) sector) to whom Designated Blue Box Waste is Supplied, regardless of whether the Designated Blue Box Waste is disposed of by the Consumer in the Residential Waste System.

“Data Year” is the year for which the Steward is reporting, which could be:

- (a) calendar year in which the Steward Supplied Designated Blue Box Waste; or
- (b) the Steward’s fiscal year in which the Steward Supplied Designated Blue Box Waste; or
- (c) for new Stewards only, an estimate of the Steward’s Supplied quantity of Designated Blue Box Waste for the calendar year or fiscal year.

“Designated Blue Box Waste” is Printed Paper, Packaging or Service Packaging consisting of glass, metal, paper, plastic, or textile, or any combination that is Supplied to a Consumer.

Designated Blue Box Waste does not include:

- (a) Transportation Packaging,
- (b) Durable Packaging,
- (c) Packaging or Service Packaging made of wood, ceramic, crystal, rubber, borosilicate glass or leather.

“Durable Packaging” is Packaging that is used for long-term use, protection, transportation or storage of the product, which has a useful life of at least five years and which remains with the product throughout its useful life.

“**Filed**” or “**File**” means submitted by a Steward to Stewardship Ontario through the WeRecycle Portal at <https://wecycle.cssalliance.ca> .

“**First Importer**” is a Person Resident in Ontario who imports Designated Blue Box Waste into Ontario or is the first to take possession or control of Designated Blue Box Waste in Ontario:

- (a) for which a Brand Owner does not exist ; or
- (b) for which a Brand Owner does exist, but the Designated Blue Box Waste entered Ontario from outside of the Brand Owner’s distribution network through Parallel Importation.

“**Franchisor**”, “**Franchisee**”, “**Franchise System**”, or “**Subfranchise**” have the meaning ascribed to these terms in the *Arthur Wishart Act (Franchise Disclosure)* or as may be amended or replaced <https://www.ontario.ca/laws/statute/00a03>.

“**Gross Revenue**” means a Steward’s total revenue derived from all goods and services Supplied in Ontario, without deduction.

“**Gross Weight**” means the total weight of all Designated Blue Box Waste Supplied to Consumers, without deduction.

“**IC&I Material**” means Packaging and Printed Paper which is supplied to the industrial, commercial, or institutional sector and which is not subsequently Supplied to Consumers.

“**IC&I Sector**” means the industrial, commercial, or institutional sector.

“**In Good Standing**” means a Steward who is current with and has fulfilled all of its Stewardship Obligations under these Rules, including with respect to:

- (a) Steward reporting;
- (b) payment of Stewardship Fees;

- (c) responding to reasonable inquiries by Stewardship Ontario; and
- (d) record keeping obligations.

“Industry Stewardship Plan” or **“ISP”** means an RPRA-approved plan allowing one or more Stewards to manage waste that has been designated for a recycling program by the Minister.

“Methodology” means the process used by the Steward to determine its calculation of its Supplied quantity of Designated Blue Box Waste, including, but not limited to, data sources, percentage allocation of data reported, data collection systems, and the use of calculators, worksheets, commercial software, or mathematical formulae.

“Obligation Year” means the calendar year, or any part thereof, for which the Steward is obligated to fulfill its stewardship obligations under these Rules.

“On-Premise Waste Management Program” means a Restaurant’s own on-premise waste management program, which results in Designated Blue Box Waste never entering the Residential Waste System and which is managed entirely at the Steward’s own expense.

“Packaging” means materials that are used for the containment, protection, handling, delivery or presentation of goods Supplied to Consumers, and includes, but is not limited to, Service Packaging and all packaging components and ancillary elements integrated into the Packaging.

“Parallel Importation” means goods which enter Ontario from outside of the Brand Owner’s distribution network, as described in the Parallel Importation Policy [[insert link](#)].

“Permitted Deductions” means the deductions that may be claimed by Stewards on receipt of Stewardship Ontario’s approval with respect to Designated Blue Box Waste

as permitted by section X of these Rules. Other than the Permitted Deductions in section X of these Rules, there are no other Permitted Deductions.

“**Person**” means an individual, partnership, joint venture, sole proprietorship, corporation, government, trust, trustee, executor, administrator or any other kind of legal personal representative, unincorporated organization, association, institution, or entity.

“**Primary Contact**” means an individual appointed by a senior officer in the Steward’s organization as the Steward’s authorized officer or agent under whose authority the Steward’s Annual Steward Report is Filed according to the Primary Contact Policy [\[insert link\]](#).

“**Printed Paper**” means any material that is not Packaging, but is printed with text or graphics as a medium for communicating information, Supplied to Consumers, and includes, but is not limited to:

- (a) newspapers, including those paid through subscription, provided through free distribution and those purchased through retail channels;
- (b) daily, weekly, monthly and quarterly glossy magazines including those paid through subscription, provided through free distribution and those purchased through retail channels;
- (c) directories, including those paid through subscription, provided through free distribution and those purchased through retail channels;
- (d) lottery tickets and lottery information;
- (e) warranty information, assembly instructions, product use instructions and health information, product registration cards and promotional information that is found inside purchased products;
- (f) envelopes, statements and information inserts from banks, credit companies, utilities, service providers, etc.;
- (g) information, forms and promotional materials distributed by municipal, regional, provincial and federal governments;
- (h) promotional calendars, posters that are distributed to consumers free of charge;

- (i) unsolicited promotional information, coupons, handbills and flyers; and
- (j) transportation and transit schedules.

Printed Paper does not include bound reference books, bound literary books, or bound textbooks.

“Private Label Goods” means goods that carry the Brand of a Brand Owner and are Supplied to Consumers by such Brand Owner that is a retailer in Ontario.

“Registered” means having completed the registration process by submitting all of the requested information to Stewardship Ontario either electronically or other means as required by Stewardship Ontario, including:

- (a) company name and contact information;
- (b) Primary Contact information; and
- (c) permitted Steward exemption status based on Gross Revenues and Gross Weight.

“Registered Charity” means a charitable organization which is registered with the Canada Revenue Agency as a registered charity and listed in the attached link, which may be updated from time to time: <http://www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html>.

“Regulations” means regulations made under the *Waste Diversion Transition Act* applicable to the Blue Box Program.

“Reporting Deadline” is the date by which a Steward must File its Annual Steward Report as set out in Appendix A to these Rules.

“Resident in Ontario” with respect to a corporation, means a corporation that has a permanent establishment in Ontario in accordance with the provisions of Appendix B.

“Residential Waste System” means a system of waste collection which services residential dwellings, including all single family and multi-family dwellings, regardless of whether the service is provided by a municipal government or by private contractors.

“Resource Productivity and Recovery Authority (RPRA)” is a corporation which oversees the operation of Stewardship Ontario and the Blue Box Program in accordance with the *Waste Diversion Transition Act, 2016*. RPRA is the successor to Waste Diversion Ontario.

“Restaurant” for the purposes of these Rules, means an establishment which Supplies prepared food and beverages directly to Consumers, and includes take-home, drive-through or delivery services, but does not include restaurants on site at grocery retailers, general merchandise retailers, drug and pharmacy retailers, convenience and gas station retailers, club, wholesale, cash-and-carry retailers.

“Rules” means these Rules.

“Service Packaging” means packaging which may or may not bear a Brand that is Supplied at the point of sale by the retail, food-service or other service providers to facilitate the delivery of goods, and includes all bags, boxes, and other items for the containment of goods at point of sale.

“Steward” means the Person who is obligated with respect to Designated Blue Box Waste in accordance with Part III of these Rules, and includes any Person who elects to become a Voluntary Steward in accordance with section 18 of these Rules and the Voluntary Steward Policy posted on the Stewardship Ontario website.

“Stewardship Fees” means the Fees calculated in accordance with these Rules.

“Supplied” means sold, leased, donated, disposed of, used, transferred the possession of or title of, or otherwise made available to a Consumer in Ontario or distributed for use by a Consumer in Ontario. Supply and Supplies have similar meanings.

“Transportation Packaging” means Packaging that:

- (a) is used exclusively for packaging products during the shipment from their place of manufacture to the place of distribution in Ontario;
- (b) is not Supplied to the Consumer;
- (c) does not enter the Residential Waste System; and
- (d) is not Service Packaging

“Validation Data” means data such as SKU, UPC or other product categorization information, including:

- (a) descriptions of each product item or group;
- (b) product sizes;
- (c) packaging materials and weight;
- (d) sales volumes

that may be requested by Stewardship Ontario to:

- (a) substantiate quantities reported by Stewards in their Annual Steward Report;
- (b) assess a Steward’s request for a Permitted Deduction; or
- (c) assess a Steward’s Adjustment Request

“Voluntary Steward” means a Person who elects to become a Voluntary Steward in accordance with section 18 of these Rules and the Voluntary Steward Policy posted on the Stewardship Ontario website.

“WeRecycle Portal” means the Internet portal that must be used by all Stewards when submitting their Annual Steward Report in accordance with Part IV of these Rules.

PART II: APPLICATION, DURATION, NONCOMPLIANCE, POLICIES, NOTICE, CONFIDENTIALITY

Application of These Rules

2. These Rules apply to all:

- (a) Stewards who are obligated to File an Annual Steward Report in the current year;
- (b) Stewards (regardless of whether they have Registered) who were obligated but failed to Register and/or File an Annual Steward Report in a prior year;¹
- (c) New Stewards who began Supplying Designated Blue Box Waste in the current year;
- (d) Stewards who make an Adjustment Request in the current year in accordance with the Adjustment Policy in Appendix E and on the Stewardship Ontario website [\[insert link\]](#) for any current or prior year's Annual Steward Report; and
- (e) Steward requests for Dispute Resolution made in the current year.

Duration of These Rules

3. These Rules:

- (a) remain in force from the time that they are approved by RPRA and posted on the Stewardship Ontario website until the time they are replaced on the Stewardship Ontario website with RPRA-approved Rules; and
- (b) shall be automatically amended for years subsequent to 2018 by substituting the year appearing in these Rules with the subsequent year unless or until new rules are approved by RPRA and are posted on the Stewardship Ontario website.

Noncompliance with These Rules

4. All Stewards are required to comply with these Rules. Failure to comply with these Rules may result in Administrative Fees, Penalties, Interest and/or compliance and enforcement actions undertaken by Stewardship Ontario and/or RPRA as provided for:

- (a) in these Rules;

¹ These Rules apply to all Annual Steward Reports which should have been Filed but were not Filed by a Steward for a prior Data Year. However, the calculation of Fees associated with any past unfiled Annual Steward Report will be calculated in accordance with the Stewardship Fee rates applied in each of the applicable prior Data Years.

- (b) in the *Waste Diversion Transition Act, 2016*;
- (c) in the Regulations, or
- (d) as otherwise permitted by RPRA or the Ontario Ministry of the Environment and Climate Change.

Policies, Guidance and Interpretive Memoranda

5. Stewardship Ontario may, but is not required to, publish on the Stewardship Ontario website policies, guidance, and interpretive memoranda (collectively “secondary guidance”) with respect to these Rules that must be followed by Stewards.

Notice to Stewardship Ontario

6. A Steward must inform Stewardship Ontario within 30 days of its change of address, change of Primary Contact, bankruptcy, closing, merger, acquisition, sale, or divestiture of all or part of its business and any impact on the Steward’s obligation to pay Stewardship Fees. All notices to Stewardship Ontario shall be provided:
 - (a) in writing, addressed to Stewardship Ontario, 1 St. Clair Avenue West, Suite 700, Toronto, ON, M4V 1K6, Attention: CFO; or
 - (b) by email to [insert email address].

Notice to Stewards

7. All Stewards (regardless of whether the Steward has Registered with Stewardship Ontario) are deemed to have notice of the contents of these Rules and are bound by these Rules, including the reporting and payment obligations:
 - (a) from the time that these Rules are approved by RPRA and posted on the Stewardship Ontario website; and
 - (b) from the time that the Steward begins to Supply Designated Blue Box Waste to Consumers.

Publishing of Company Names

8. Stewardship Ontario may, but is not required to, publish any of the following:
 - (a) the names of Stewards Filing an Annual Steward Report with Stewardship Ontario;
 - (b) a list of all Stewards In Good Standing; and
 - (c) a registry of all Brands reported in Annual Steward Reports.

Confidentiality

9. Stewardship Ontario will use reasonable diligence and care to prevent the unauthorized disclosure of a Steward's Confidential Information. Stewardship Ontario may disclose Confidential Information:
 - (a) to its administrative service provider or a third party auditor, provided that the administrative service provider or the third party auditor also agrees to protect the Steward's Confidential Information;
 - (b) to the RPRA as permitted by law or the Blue Box Program Plan; or
 - (c) in accordance with the Steward's consent.

PART III: DESIGNATION OF STEWARDS

Designation of Stewards

10. Subject to the Parallel Importation Policy [[insert link](#)], the following Persons are designated as Stewards for Designated Blue Box Waste. If two or more Persons are designated as a Steward pursuant to the following provisions, then the earlier provision shall prevail.

Stewards for Packaging

11. For Packaging (except for Service Packaging) the Steward is the Person Resident in Ontario who:
 - (a) is the Brand Owner for the Ontario market; or
 - (b) if the Person described in paragraph (a) does not exist, then a Person who manufactures, packs or fills or causes the manufacturing, packing or filling of products regardless of whether the activity takes place in Ontario or not; or

- (c) if a Person described in paragraphs (a) or (b) does not exist, then the First Importer, unless the First Importer is a Consumer.

Stewards for Service Packaging

- 12. Any Person that Supplies Service Packaging in Ontario at the point-of-sale shall be the Steward for such Service Packaging.

Stewards for Printed Paper

- 13. For Printed Paper, the Steward is the Person Resident in Ontario who:
 - (a) is the publisher of the Printed Paper, whether production of the Printed Paper takes place in Ontario or not; or
 - (b) if a Person described in paragraph (a) does not exist, then a Person who is the title-owner of the Printed Paper or is a licensee of those rights for Ontario, whether production of the Printed Paper takes place in Ontario or not; or
 - (c) if a Person described in paragraphs (a) or (b) does not exist, then a Person who prints or causes the printing of the Printed Paper whether the printing takes place in Ontario or not; or
 - (d) if a Person described in paragraphs (a), (b), or (c) does not exist, then the First Importer, unless the First Importer is a Consumer.

Franchisor is Obligated for Ontario Franchisees Regardless of Franchisor's Residency

- 14. A Franchisor is designated as a Steward with respect to all Designated Blue Box Waste which is Supplied to Consumers within the Franchisor's Ontario Franchise System, regardless of whether the Franchisor is Resident in Ontario.

More Than One Brand Owner for the Same Designated Blue Box Waste

- 15. If there is more than one Brand Owner for the same Designated Blue Box Waste, the Brand Owner more directly connected to the production of the Designated Blue Box Waste shall be deemed to be the Steward.

Products Containing Two or More Independent Brands

16. If products containing two or more independent Brands are packaged to be Supplied together, the Brand Owner, First Importer or Franchisor most directly connected to the joint Packaging shall be designated as the Steward for the joint Packaging.

Voluntary Stewards

17. A Person may elect to become a Voluntary Steward in accordance with Stewardship Ontario's Voluntary Steward Policy [\[insert link\]](#) upon execution of Stewardship Ontario's Voluntary Stewardship Agreement by:

(a) the Voluntary Steward; and

(b) Stewardship Ontario.

Voluntary Stewards must comply with these Rules and the Voluntary Steward Policy.

Voluntary Steward Fails to Comply with Obligations

18. In accordance with these Rules and the Voluntary Steward Agreement, in the event that the Voluntary Steward defaults on its responsibility to report on or pay Stewardship Fees with respect to the Designated Blue Box Waste Supplied into Ontario, the obligation for that Designated Blue Box Waste will revert to the Brand Owner or First Importer. Voluntary Stewards must also comply with their Voluntary Steward Agreement.

Stewards that are Not-For-Profit Entities

19. Subject to Part V (Steward Exemptions From Reporting or Paying Fees), a Steward that is a not-for-profit entity, including Registered Charities, not-for-profit corporations, educational institutions, municipalities and provincial agencies, is required to File an Annual Steward Report and pay Stewardship Fees pursuant to these Rules.

PART IV: STEWARD REPORTING

Reporting Deadline for Stewards and Voluntary Stewards

20. Every Steward shall:

- (a) File an Annual Steward Report and pay Stewardship Fees in accordance with the timetable in Appendix C;
- (b) if applicable, immediately File all overdue Steward Reports for prior Obligation Years; and
- (c) if applicable, File an Annual Steward Report within 60 calendar days after such Person becomes a Steward pursuant to Part III using the Steward Portal.

Reporting Deadline for New Stewards

21. A Steward who begins Supplying Designated Blue Box Waste must Register with Stewardship Ontario within 60 days and comply with the Onboarding Policy [\[insert link\]](#). Stewards who fail to Register with Stewardship Ontario will be subject to the compliance and enforcement actions in section 4.

Reporting for Affiliates and/or Franchisees

22. A Steward, including Resident and non-Resident Franchisors, shall report for its Ontario Affiliates and/or Franchisees under one Steward number. Any Person whose Designated Blue Box Waste is included in its Affiliates' or Franchisors' Annual Steward Report shall not File a separate Annual Steward Report. Affiliates must seek Stewardship Ontario's approval to report separately.

Contents of Annual Steward Report

23. Each Steward shall provide Stewardship Ontario with all of the information requested on the Steward Portal, including but not limited to:

- (a) company name, mailing address, phone number, and sector;
- (b) Obligation Year and Data Year for the Annual Steward's Report;
- (c) contact information, including email addresses and phone numbers for the Steward's Primary Contact, billing contact, secondary contacts and environmental lead;

- (d) Gross Weights of Designated Blue Box Waste, without deduction, Supplied to Consumers during the Data Year according to the reporting categories set out in Appendix A,
- (e) description of Methodology and sources of data, including any changes from the Methodology used by the Steward in the prior year's Annual Steward Report;
- (f) details of any Permitted Deductions from Designated Blue Box Waste Supplied by the Steward, including data used to prepare, calculate and determine these Permitted Deductions;
- (g) any Steward initiatives, business practices, or Packaging changes that may explain any variation in quantities in Supplied Designated Blue Box Waste from the prior year's Annual Steward Report;
- (h) a list of Brands included in the Steward's Annual Steward Report, and any changes in Brands since the prior year's Annual Steward Report;
- (i) a list of all Affiliates and/or Franchisees included in the Annual Steward Report; and
- (j) the Primary Contact's declaration that the Annual Steward Report is accurate.

Deemed Obligated Materials Are Not Eligible for Deductions

24. All Designated Blue Box Waste Supplied to Consumers through the following sales and distribution channels:

- (a) grocery retailers;
- (b) general merchandise retailers;
- (c) drug and pharmacy retailers;
- (d) convenience and gas station retailers;
- (e) club, wholesale, cash-and-carry;
- (f) product sales utilizing the Internet;
- (g) on-premise factory stores for public or employees;
- (h) direct home sales; and
- (i) unsolicited Printed Paper delivered directly to households,

is deemed to be obligated Designated Blue Box Waste, and is not eligible for any Permitted Deduction, regardless of whether the Designated Blue Box Waste is disposed of in the Residential Waste System.

Permitted Deduction: Restaurant's On-Premise Waste Management

25. A Restaurant Steward which has established its own On-Premise Waste Management system for portions of its Designated Blue Box Waste may apply for a deduction to Stewardship Ontario for that portion of Designated Blue Box Waste that:

- (a) is managed by the Restaurant's own On-Premise Waste Management Program;
- and
- (b) does not enter the Residential Waste System.

Unless or until the deduction is approved by Stewardship Ontario, the Steward may not take this deduction.

Restaurants that Supply Consumers Using Take-Out, Drive-Through or Home Delivery

26. A Restaurant Steward that Supplies Designated Blue Box Waste to Consumers through take-out, drive-through, or home delivery of products is required to report on the total quantities, without deduction, of Designated Blue Box Waste that are not managed exclusively through the Steward's own On-Premise Waste Management Program, regardless of whether the Designated Blue Box Waste Supplied through take-out, drive-through, or home delivery is disposed of in the Residential Waste System.

Identification of Permitted Deductions in the Steward's Annual Report

27. A Steward who is claiming a Permitted Deduction in its Annual Steward Report must:

- (a) report on the Gross Weight of Printed Paper and Packaging Supplied to Consumers;

- (b) identify the Weight of the Designated Blue Box Waste, by material type, for which it seeks the Permitted Deduction in section 25;
- (c) complete and submit a Deduction Request form [insert link] identifying the objective method by which the Deduction Request was derived, which must include Validation Data;
- (d) provide the Validation Data upon which the Steward relies for the Permitted Deduction;
- (e) maintain the Steward's records in support of the Permitted Deduction for at least five years and make these records available to Stewardship Ontario upon request; and
- (f) receive approval from Stewardship Ontario for the Permitted Deduction before the Steward can claim the Permitted Deduction.

Steward Fails to File its Annual Steward Report

28. If a Steward fails to File its Annual Steward Report by the deadline or otherwise in accordance with Part IV, Stewardship Ontario will apply the fees and penalties in the Administrative Fee, Penalty and Interest Policy in Appendix F and on the Stewardship Ontario website [insert link] and may take the action specified in section 4.

Steward's Duty to Ensure that the Annual Steward Report is Accurate

29. Stewards must ensure that their Annual Steward Reports are accurate. Stewards shall not misrepresent any information provided to Stewardship Ontario in the Annual Steward Report. A Steward who submits an Annual Steward Report containing incorrect data, upon notice from Stewardship Ontario, will be:

- (a) deemed not to have complied with its reporting obligation, and subject to the Administrative Fees, Penalties and Interest Policy in Appendix F and on the Stewardship Ontario website [insert link];
- (b) escalated to Stewardship Ontario's compliance team and/or RPRA.

Errors in the Annual Report

30. Any Steward who discovers an error in its Annual Steward Report shall notify Stewardship Ontario of the error within 30 days.

Steward Adjustment Requests to Annual Steward Report and Adjustment Policy

31. Subject to the Steward's obligation in section 30 to notify Stewardship Ontario within 30 days of discovering an error, a Steward who is In Good Standing may make a request to correct an error in an Annual Steward Report in accordance with the:

- (a) Adjustment Policy in Appendix E and on the Stewardship Ontario website [insert link]; and
- (b) Administrative Fee, Penalty and Interest Policy in Appendix F and on the Stewardship Ontario website [insert link].

Changes to the Steward Annual Report Initiated by Stewardship Ontario

32. Stewardship Ontario may require changes to a Filed Annual Steward Report following an audit or review by Stewardship Ontario. For changes initiated by Stewardship Ontario as a result of an audit or review, Stewards are required to report and pay for all Designated Blue Box Waste Supplied to Consumers from the time the Steward begins Supplying the Designated Blue Box Waste for a maximum of five years prior to the current calendar year.² Administrative fees, penalties and interest will be applied in accordance with the Administrative Fees Penalties and Interest Policy in Appendix F and on the Stewardship Ontario website [insert link].

Stewards are Obligated for All Data Years in which they Supplied Designated Blue Box Waste

33. Subject to Part V (Steward Exemptions), Stewards are obligated to File and pay Fees for all Data Years from the date the Steward began Supplying Designated Blue Box Waste in Ontario. This obligation applies regardless of whether the Steward has sufficient records to substantiate the Supplied quantities of Designated Blue Box Waste during prior years. Where necessary, Stewardship Ontario will rely on the

² For example, Stewards are responsible for the Fees (if any) associated with errors in a prior Data Year's Steward Report discovered by Stewardship Ontario in the current calendar year (2018) for up to five prior calendar years (2017, 2016, 2015, 2014, and 2013).

Steward's most recent sales data or other available data to set the prior years' Stewardship Fees.

PART V: STEWARD EXEMPTIONS FROM REGISTERING, REPORTING OR PAYING FEES

Steward Intends to Join An RPRA-Approved ISP

34. Any steward that intends to join an RPRA-approved ISP covering Designated Blue Box Waste Supplied by the Steward that:

- (a) is In Good Standing with Stewardship Ontario; and
- (b) has received approval from RPRA to join the ISP,

is no longer required to report to Stewardship Ontario for the related Designated Blue Box Waste Supplied on and after the date on which the Steward is accepted to join the ISP. The Steward must adhere to any additional criteria agreed to between Stewardship Ontario and/or RPRA and the ISP.

Steward Reporting Exemption: Gross Revenues Less Than \$2 Million

35. A Steward is exempt from Filing an Annual Steward Report and paying fees to Stewardship Ontario if, during the Data Year, the Steward's, its Affiliates', and/or its Franchisees' combined Gross Revenues from all:

- (a) products; and/or
- (b) services

Supplied in Ontario was less than \$2 million.

Stewardship Ontario May Require an Exempted Person to File an Annual Steward Report

36. Regardless of sections 35, Stewardship Ontario may require a Steward to File an Annual Steward Report by sending a written notice by registered mail or email to the Steward.

Steward Fee Exemption: Supplied Kilograms Less Than 15,000

37. Other than a Steward with Gross Revenues of less than \$2 million, a Steward shall File an Annual Steward Report but shall be exempt from paying Stewardship Fees otherwise due and payable to Stewardship Ontario if, during the Data Year, the Steward, its Affiliates and Franchisees in the combined aggregate Supplied less than 15,000 kg of Designated Blue Box Waste in Ontario.

No Exemptions for Voluntary Stewards

38. Voluntary Stewards are not eligible for the reporting and payment exemptions in sections 35, 36, and 38.

PART VI: STEWARD FEES

Steward's Obligation

39. Stewards are required to pay Stewardship Fees on all Designated Blue Box Waste from the date they began to Supply Designated Blue Box Waste in Ontario to the date they no longer Supply Designated Blue Box Waste in Ontario. Stewards are deemed to have notice of their obligation to pay Stewardship Fees for the current Obligation Year and for all past Obligation Years from the time that these Rules are approved by RPRA and posted on the Stewardship Ontario website.

Calculation of Stewardship Fees

40. A Steward's Stewardship Fee shall be calculated in accordance with:

- (a) the fee methodology in Appendix D; and
- (b) the material fee rates as posted on the Stewardship Ontario website.

Calculation of Stewardship Fees for New Stewards

41. For a Steward that begins to Supply Designated Blue Box Waste on or after January 1, 2018, the Steward's 2018 Stewardship Ontario Stewardship Fee will be calculated using an estimate of quantities of Designated Blue Box Waste that will be Supplied during 2018. The Annual Steward Report containing the estimate of quantities is due

to Stewardship Ontario within 60 days of the date on which the Steward begins to Supply Designated Blue Box Waste in Ontario. Additional information can be found in the Onboarding Policy [\[insert link\]](#).

Stewards who Fail to Register with Stewardship Ontario

42. Any Steward who fails to Register with Stewardship Ontario within 60 days of beginning to Supply Designated Blue Box Waste in Ontario is required to pay the administrative fees, penalties, and interest in accordance with the Administrative Fees, Penalties, and Interest Policy in Appendix F and on the Stewardship Ontario website [\[insert link\]](#).

Newspapers

43. Stewards who are members of the Canadian Newspaper Association or the Ontario Community Newspapers Association shall report and pay Stewardship Fees in accordance with the amendments to the Blue Box Program Plan dated November 4, 2005.

PART VII: COMPLIANCE

Administrative Fees, Penalties and Interest

44. Stewardship Ontario shall impose administrative fees, penalties and interest on a Steward or Voluntary Steward in accordance with the Administrative Fee, Penalty and Interest Policy in Appendix F and on the Stewardship Ontario website [\[insert link\]](#).

Steward and Voluntary Steward Records Retention

45. All Stewards and Voluntary Stewards shall retain all of the records to substantiate and verify the accuracy of the information submitted in their Annual Steward Report for a period of not less than five years from the date of submission. Any Steward who fails to produce documentation to substantiate its Annual Steward Report Filed during the five year retention period must pay Stewardship Fees on the total amount of Designated Blue Box Waste:

- (a) substantiated by the Steward's available documentation; or
 - (b) based on an estimate calculated with reference to a prior or subsequent year's Steward Report; or
 - (c) as determined by a third-party auditor,
- whichever is greatest. Stewards are subject to the Administrative Fees, Penalties and Interest Policy in Appendix F and on the Stewardship Ontario website [[insert link](#)].

Duty to Comply with Stewardship Ontario's Requests for Documentation

46. Upon written request from Stewardship Ontario, Stewards and Voluntary Stewards shall promptly provide documentation in support of their Annual Steward Report, including, but not limited to:

- (a) data used by Stewards or Voluntary Stewards in the preparation of any Annual Steward Report;
- (b) relevant information regarding Affiliates and/or Franchisees included in the Annual Steward Report;
- (c) calculation Methodology;
- (d) Gross Weight and deductions from Gross Weight;
- (e) Gross Revenue;
- (f) product and packaging data such as packaging samples or packaging data provided by vendors;
- (g) audit reports; and
- (h) a list of Brands included in the Annual Steward Report and any changes in Brands from those Brands reported in the prior Annual Steward Report.

Duty to Provide Access to Stewardship Ontario

47. A Steward or Voluntary Steward shall grant access during business hours to Stewardship Ontario or its authorized representative to inspect and review the Steward's records maintained under Part VIII for up to five years after the Filing deadline for the Annual Steward Report.

Duty to Cooperate with a Verification Audit

48. At the request of Stewardship Ontario, a Steward must:

- (a) provide confirmation from a senior officer confirming that the data contained in the Annual Steward Report is accurate and complete; and
- (b) cooperate in an audit or review of the Steward's records, including:
 - (i) providing Stewardship Ontario with all requested documentation, data, records and reports within 30 days of such request; and
 - (ii) providing access to the Steward's business premises by Stewardship Ontario, its administrative service provider, or an independent third-party within 30 days of such request.

PART VIII: DISPUTE RESOLUTION

Dispute Resolution Policy and Procedure

49. Disputes between Stewardship Ontario and a Steward or Voluntary Steward regarding the payment of Stewardship Fees shall be addressed through the Dispute Resolution Policy posted on the Stewardship Ontario website [[attach link](#)]. A Steward must be In Good Standing with all of its obligations to Stewardship Ontario other than the matter which is the subject of the dispute resolution.

Appendix A
Designated Blue Box Waste Reporting Categories

Material Category	2018 DBBW Reporting Categories <i>(based on 2016 Data Year Reported in Kilograms)</i>
Printed Materials	Newsprint–CNA/OCNA Members
	Other Newsprint–Non-CNA/OCNA Members
	Magazines and Catalogues
	Directories
	Other Printed Materials
Paper Packaging	Gable Top Containers
	Aseptic Containers
	Paper Laminates
	Corrugated Cardboard
	Boxboard and Other Paper Packaging
Plastic Packaging	PET Bottles < 5 Litres
	PET Bottles ≥ 5 Litres
	HDPE Bottles and Jugs < 5 Litres
	HDPE Bottles and Jugs ≥ 5 Litres
	LDPE/HDPE Film
	LDPE/HDPE Film Carry-Out Bags
	LDPE/HDPE Film Carry-Out Bag Units*
	Expanded Polystyrene
	Non-Expanded Polystyrene
	Natural and Synthetic Textiles
	Other Plastic Packaging < 5 Litres
	Other Plastic Packaging ≥ 5 Litres
	Plastic Laminates
PLA, PHA, PHB	
Steel and Other Metal Packaging	Steel Aerosol Containers
	Steel Paint Cans
	Other Steel and Metal Containers and Packaging
Aluminum Packaging	Aluminum Food and Beverage Containers
	Aluminum Aerosol Containers
	Other Aluminum Packaging
Glass Packaging	Clear Glass
	Coloured Glass

* Report LDPE/HDPE Film Carry-Out Bags Units in the number of units Supplied

Appendix B³ Resident in Ontario⁴

Resident in Ontario, with respect to a corporation, means a corporation that has a permanent establishment in Ontario, where:

- (a) “permanent establishment” includes branches, mines, oil wells, farms, timberlands, factories, workshops, warehouses, offices, agencies and other fixed places of business, and
- (b) the following rules apply:

Contracting Employees or Inventory Sufficient

Where a corporation carries on business through an employee or agent who has general authority to contract for the corporation or who has a stock of merchandise owned by the corporation from which the employee or agent regularly fills orders which the employee or agent receives, such employee or agent shall be deemed to operate a permanent establishment of the corporation.

Commission Agent not Sufficient

The fact that a corporation has business dealings through a commission agent, broker or other independent agent shall not of itself be deemed to mean that the corporation has a permanent establishment.

Subsidiary of Parent not Sufficient

The fact that a corporation has a subsidiary controlled corporation in a place or a subsidiary controlled corporation engaged in a trade or business in a place shall not of itself be deemed to mean that the first-mentioned corporation is operating a permanent establishment in that place.

Licensed Insurance Company Sufficient

An insurance corporation is deemed to have a permanent establishment in each jurisdiction in which the corporation is registered or licensed to do business.

Purchasing Office not Sufficient

The fact that a corporation maintains an office solely for the purchase of merchandise shall not of itself be deemed to mean that the corporation has a permanent establishment in that office.

Ownership of Land Sufficient

Where a corporation, otherwise having a permanent establishment in Canada, owns land in a province or territory of Canada, such land is a permanent establishment.

Production Packing and other Activities Sufficient

³ Contents from “*Corporations Tax Act, Ontario*”

⁴ The language in this appendix is from the Corporations Tax Act and should be applied to determine residency in Ontario rather than residency in Canada in order to help determine a Person’s status as a steward

The fact that a non-resident corporation in a year produced, grew, mined, created, manufactured, fabricated, improved, packed, preserved or constructed in whole or in part anything in Canada, whether or not the corporation exported that thing without selling it prior to exportation, shall of itself, be deemed to mean that the corporation maintained a permanent establishment at any place where the corporation did any of those things in the taxation year.

Machinery or Equipment Sufficient

The use of substantial machinery or equipment in a particular place at any time in a year of a corporation constitutes a permanent establishment of such corporation in that place for such a year.

Principal Place of Business Sufficient

Where a corporation has no fixed place of business, it has a permanent establishment in the principal place in which the corporation's business is conducted.

Charter or By Laws designating Head or Registered Office Sufficient

Where a corporation does not otherwise have a permanent establishment in Canada, it has a permanent establishment in the place designated in its charter or by-laws as being its head office or registered office.

Appendix C
Reporting and Payment Schedule

Table 1

Reporting Schedule ⁵	2018 Due Date
Steward's Report filing deadline	May 31, 2018

Table 2

Payment Schedule ⁶	2018 Due Dates
<i>Quarterly payment option⁷</i>	
First payment due (25%)	January 31, 2018
Second payment due (25%)	April 30, 2018
Third payment due (25%)	July 31, 2018
Fourth payment due (25%)	October 31, 2018
<i>Annual payment option⁸</i>	
Annual payment due (100%)	January 31, 2018

⁵ 2018 Reports are based on 2017 data except for new stewards whose data may be based on estimates

⁶ 2017 Reports inform 2018 invoices

⁷ Stewards may elect on the WeRecycle Portal to pay quarterly or annually

⁸ Stewards may elect on the WeRecycle Portal to pay quarterly or annually

Appendix D
The Methodology for Calculating Stewardship Ontario Fees

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Appendix E
Adjustment Policy

(Will be copied into Rules)

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Appendix F
Administrative Fee, Interest and Penalty Policy

(will be copied into Rules)

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