

ATTACHMENT ● TO SCHEDULE A
STATEMENT OF WORK FOR
ELIGIBLE COMMUNITY DEPOT COLLECTION
for
MASTER SERVICES AGREEMENT
Number 2023 -●

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STATEMENT OF WORK

STATEMENT OF WORK NUMBER: ●

This statement of work (“Statement of Work”) is given pursuant to the Master Services Agreement (“MSA”), made as of ● BETWEEN ● (“Contractor”) and Circular Materials, a federal not-for-profit corporation, having a place of business at 1 St. Clair Avenue West, Suite 700, Toronto ON M4V 1K6, operating as Circular Materials Ontario (“CMO”, and with the Contractor, each a “Party” and collectively the “Parties”), with an effective date of ● (“Statement of Work Effective Date”).

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties acknowledge and agree to all covenants, terms and conditions as stipulated in the MSA, as follows:

1. Beginning on the applicable Statement of Work Eligible Community Service Commencement Date listed in Exhibit 5, the Contractor shall perform the Work required by this Statement of Work for all Depots listed in Exhibit 2 and Exhibit 3.
2. The Work under this Statement of Work shall include all the Contractor’s other obligations under the MSA.
3. The time period during which the Work required by this Statement of Work is to be performed is from the earliest Statement of Work Eligible Community Service Commencement Date listed in Exhibit 5 until December 31, 2025. Pursuant to Section 2.1(b) of the MSA, CMO and the Contractor may, by Change Order, extend this Statement of Work for up to three (3) further periods of one (1) year each. The initial term and any such additional term or terms are herein referred to as the “SoW Term”.
4. The full compensation for the Work under this Statement of Work shall be as set forth in Exhibit 6, which excludes Value Added Taxes. Value Added Taxes are payable by CMO to the Contractor on the price of the Statement of Work.
5. In the event of the termination of the MSA in accordance with Section 7.5 of the MSA, CMO shall only pay for the Work authorized by this Statement of Work which is performed prior to the termination date. For the purposes of clarity, CMO shall not be liable to make any other payments in connection with this Statement of Work as a result of such termination of the MSA.
6. Capitalized terms not defined in this Statement of Work shall have the meaning set out in the MSA.
7. This Statement of Work forms part of, and is subject to and governed by, the MSA.
8. Attached and forming an integral part of this Statement of Work are the following exhibits:
 - (i) Exhibit 1 – Scope of Work and Other Provisions;
 - (ii) Exhibit 2 – Staffed Depots in Eligible Communities;
 - (iii) Exhibit 3 – Unstaffed Depots in Eligible Communities;
 - (iv) Exhibit 4 – Blue Box Material Accepted in Collection System;
 - (v) Exhibit 5 – Service Commencement Dates; and
 - (vi) Exhibit 6 – Compensation.

IN WITNESS WHEREOF, the terms and conditions of this Statement of Work are acknowledged and agreed to by the Parties as of the date first listed above.

[Contractor]

By: _____
Name: ●
Title: ●

By: _____
Name: ●
Title: ●

We have authority to bind the Contractor.

[CMO]

By: _____
Name: ●
Title: ●

We have authority to bind CMO.

EXHIBIT 1: SCOPE OF WORK AND OTHER PROVISIONS

**ARTICLE 1
DEFINITIONS**

1.1 Definitions

“COLLECTION” means the receipt of Blue Box Material from an Eligible Source and delivery of the collected Blue Box Material to an RF.

“COLLECTION SERVICES” means the portion of the Work required by this Statement of Work.

“DEPOT” means a Staffed Depot or an Unstaffed Depot or a New Depot.

“ELIGIBLE SOURCES” means, collectively, (i) eligible sources as defined in the Regulation and (ii) sources agreed by the Parties to be eligible sources for the purposes of the MSA.

“HAZARDOUS WASTE” means: (i) a hazardous and special product or HSP as defined by Ontario Regulation 449/21 under the (Ontario) Resource Recovery and Circular Economy Act, 2016; or (ii) a hazardous waste as defined in Revised Regulations of Ontario 1990, Regulation 347 under the (Ontario) Environmental Protection Act.

“NEW DEPOT” means a new depot as agreed to by the Parties for the purposes of this MSA.

“NON-BLUE BOX MATERIAL” means material that is not Blue Box Material.

“NON-ELIGIBLE SOURCE” means a source within an Eligible Community listed in Exhibit 5 that is not an Eligible Source.

“NON-ELIGIBLE SOURCE BLUE BOX MATERIAL UNIT PRICE” has the meaning set out in Exhibit 6.

“NON-ELIGIBLE SOURCE DEDUCTION” has the meaning set out in Section 3.3(a) of Exhibit 1.

“RECEIVING FACILITY” or “RF” means any facility designated by CMO as the point where the Contractor is to unload Blue Box Material, including any alternate facilities identified by CMO for use when an RF is unable to accept Blue Box Material.

“RESIDENTIAL DEPOT COLLECTION COSTS” has the meaning set out in Exhibit 6.

“SINGLE STREAM” means Stream 1 and Stream 2 materials combined.

“SOW TERM” has the meaning set out in Section 3 of this Statement of Work.

“STATEMENT OF WORK EFFECTIVE DATE” has the meaning set out in the recitals to this Statement of Work.

“STAFFED DEPOT” means a facility listed in Exhibit 2.

“STREAM 1” has the meaning set out in Section 3.2(e)(i) of Exhibit 1 to this Statement of Work.

“STREAM 2” has the meaning set out in Section 3.2(e)(ii) of Exhibit 1 to this Statement of Work.

“TRANSITION DATE” means the transition date for an Eligible Community set forth in the document of the (Ontario) Ministry of Environment, Conservation and Parks entitled “Blue Box Transition Schedule” and dated June 1, 2021.

“UNSTAFFED DEPOT” means a facility listed in Exhibit 3.

“VALUATION TYPE” or “VALTYPE” means the source of Blue Box Material, including single-family residences, multi-family residences, long-term care homes, retirement homes, schools, depots and public spaces. The ValType shall be recorded on weigh scale tickets at an RF.

ARTICLE 2
SCOPE OF COLLECTION SERVICES

2.1 Scope of Collection Services

- (a) The Contractor shall provide Collection Services, including receiving Blue Box Material from Eligible Sources, quality control of received Blue Box Material, storage of Blue Box Material, sorting as required, hauling of material to an RF and unloading by material stream for Blue Box Material, for each Depot in a manner that meets or exceeds the standards, level, scope and quality of collection services the Depot (or, for a New Depot, a similar Depot) received immediately prior to the Transition Date and complies with the terms of the MSA.
- (b) Without limiting the generality of the foregoing, the Collection Services shall meet the applicable requirements of the Regulation, including Sections 24 and 25.
- (c) The Contractor shall retain responsibility for, and control of, Blue Box Material from a Depot through to delivery to an RF.
- (d) Ownership of the Blue Box Material accepted at a Depot by the Contractor shall not transfer to the Contractor.
- (e) CMO shall not be obligated to join or instigate litigation to protect the right of the Contractor. The Contractor may independently enforce its rights under this Statement of Work against third party violators, including but not limited to seeking injunctive relief.

ARTICLE 3 SERVICE PROVISION

3.1 Addition or Removal of Depots

CMO and the Contractor may add New Depots or remove existing Depots, and make related revisions to the relevant exhibits, by Change Order, pursuant to Section 8.8 of the MSA.

3.2 Blue Box Material to be Collected

- (a) The Contractor will collect Blue Box Material listed in Exhibit 4 and delivered by Eligible Sources to a Depot.
- (b) The Contractor will use best efforts to reduce the quantity of Non-Blue Box Material in collected Blue Box Material to no more than four percent (4%) by weight.
- (c) If the average amount of Non-Blue Box Material in collected Blue Box Material delivered to the RF in any rolling six (6) month period exceeds four percent (4%), the Contractor will, within ninety (90) calendar days, prepare and submit to CMO a plan that includes identification of sources of Non-Blue Box Material and strategies and supporting measures to mitigate the amounts of Non-Blue Box Material. The Contractor will implement the plan and provide quarterly reporting to CMO detailing the progress and outcomes of the plan. If improvement does not occur within ninety (90) calendar days after the start of the plan execution, the Contractor will work with CMO to establish additional changes and to adopt best practices recommended by CMO.
- (d) The Contractor may not collect, and collected Blue Box Material may not contain, any packaging containing Hazardous Waste.
- (e) If Blue Box Material is to be collected from Eligible Sources in the Eligible Communities listed in Exhibit 5 in a minimum of two streams as set out in Exhibit 4, the minimum separation of streams is as follows:
 - (i) Stream 1 – Paper Products and the following types of Paper Packaging:
 - paper laminates
 - kraft paper carry-out bags
 - kraft paper - non-laminated
 - corrugated cardboard
 - boxboard and other paper packaging
 - (ii) Stream 2 – Plastic Packaging, Metal Packaging, Glass Packaging and the following types of Paper Packaging:
 - gable top containers
 - aseptic containers

3.3 Non-Eligible Source Deduction

- (a) Subject to Section 3.3(b), the non-eligible source deduction for each calendar month ("Non-Eligible Source Deduction"), based on information and documents provided by the Contractor, shall be ● percent (●%) and such amount shall be used in the calculation of the Contract Price, pursuant to Exhibit 6.

- (b) If:
- (i) the Contractor has submitted information and documents substantiating, to CMO's reasonable satisfaction, that the proportion of Blue Box Material from Non-Eligible Sources is less than ● percent (●%), then, at CMO's discretion, CMO may reduce the Non-Eligible Source Deduction upon thirty (30) days written notice; or
 - (ii) the amount of Blue Box Material collected differs from the amount expected by CMO, based on the typical capture rates of Blue Box Material and the estimated Blue Box Material available for collection, then, at CMO's discretion, CMO may increase the amount of the Non-Eligible Source Deduction, upon thirty (30) days written notice, to reflect the capture rate for Blue Box Material that is within the typical range of capture rates,

and, in either case, such adjusted amount shall be used in the calculation of the Contract Price for subsequent calendar months, pursuant to Exhibit 6.

3.4 Unloading Blue Box Material

- (a) The locations of the RF(s) for each Eligible Community will be provided by CMO no later than ninety (90) calendar days prior to the Statement of Work Eligible Community Service Commencement Date for the Eligible Community.
- (b) Contractor will deliver all collected Blue Box Material to the RF identified by CMO. The Contractor will not release Blue Box Material to anyone other than the RF or dispose of any collected Blue Box Material without prior written authorization from CMO.
- (c) Delivery to an RF shall adhere to the following steps:
 - (i) The inbound Hauling Vehicle shall pass over the weigh scale without exception. The operator of the Hauling Vehicle must provide information such that a weigh scale ticket with all required data can be generated;
 - (ii) The Hauling Vehicle shall go to the designated tipping floor area of the RF. Blue Box Material, as Single Stream, Stream 1 and Stream 2, or each type of further segregated subcategories of Stream 1 and Stream 2, must be deposited into the appropriate tipping floor area. A Hauling Vehicle operator must take instruction from the tipping floor supervisor and only empty when permitted;
 - (iii) If Hauling Vehicles have more than one compartment and are carrying more than one Stream of Blue Box Material, selected Hauling Vehicles will be directed to return to the weigh scale after emptying the first compartment to get a split weight (estimated 10% of Hauling Vehicles by Eligible Community will be directed to split weigh). After split weighing, a Hauling Vehicle will return to the tipping floor area for the second compartment and empty the contents of the Hauling Vehicle. The Hauling Vehicle will then return to the weigh scale to obtain a tare weight;
 - (iv) The Hauling Vehicle must empty the fibre and container compartments on every trip to the RF. The Hauling Vehicle operator must ensure each compartment is completely emptied before moving to the next tipping floor area and before leaving the property. The Hauling Vehicle operator shall not clean out the Hauling Vehicle in a manner that causes or may cause fibre materials to be commingled with containers or vice versa;

- (v) If the Hauling Vehicle experiences a bulkhead failure, the Hauling Vehicle operator shall work with the tipping floor supervisor to separate the materials from each compartment;
 - (vi) Every Hauling Vehicle must have a tare weight taken once every two months without exception. To alleviate the potential for backup and delays on the weigh scale, tare weight timing will be staggered; and
 - (vii) In the event an RF is unable to accept Blue Box Material from a Hauling Vehicle, the Contractor shall immediately notify CMO and the Hauling Vehicle shall proceed to another RF as directed by CMO. If the other RF is more than a sixty (60) minute drive from the centroid of an Eligible Community where the Blue Box Material was collected, CMO will reimburse the Contractor for reasonable expenses it incurs as a result of the Hauling Vehicle's travelling beyond the sixty (60) minute boundary.
- (d) The Hauling Vehicle operators shall comply with all operational protocol and procedures of an RF during unloading of Blue Box Material.

3.5 Insurance

Without limiting the generality of Section 8.6 of the MSA, the Contractor shall obtain and maintain the "all risk" property insurance referred to in Section 8.6(a)(iv) for all Depots.

ARTICLE 4
RECORD KEEPING AND REPORTING REQUIREMENTS

4.1 Record Keeping and Reporting Requirements

- (a) The Contractor shall provide an inventory of equipment for each Depot prior to the Statement of Work Eligible Community Service Commencement Date and shall submit an updated inventory of equipment for each Depot on a quarterly basis.
- (b) The Contractor shall cause the Hauling Vehicle operator to provide the following information to CMO or such Person identified by CMO from time to time, including the RF representative, such that the following data may be collected for each inbound vehicle:
 - (i) Originating Eligible Community ID number;
 - (ii) Valtype (i.e., Depot) as applicable to the load;
 - (iii) Blue Box Material onboard (e.g. Stream 1, Stream 2, or a Single Stream material type);
 - (iv) Contractor ID number;
 - (v) Hauling Vehicle number; and
 - (vi) Hauling Vehicle licence plate number.
- (c) The Contractor shall retain records for the Blue Box Material that is collected and delivered to a RF including a record of the number of Hauling Vehicles emptied per day, the weight in metric tonnes of each load, and where the load was delivered.
- (d) Within sixty (60) calendar days of the end of a calendar year, the Contractor shall annually provide a report to CMO, in a form reasonably approved by CMO, outlining kilometres driven and actual or estimated fuel consumed by Hauling Vehicles in the delivery of the Work under this Statement of Work. The report will be organized to display information by Hauling Vehicle category and where Hauling Vehicles are used for a specific Valtype the information for Hauling Vehicles will be listed separately.
- (e) The Contractor shall, in addition to the records specified above, review a monthly summary report prepared by CMO and provided to the Contractor via an online web-based interface by the fifth (5th) day of the month following the month addressed in the summary report. If the fifth (5th) day of the month falls on a Saturday, Sunday or Statutory Holiday, the report may be provided on the next Business Day. This report shall include the following information:
 - (i) Originating Eligible Community ID number;
 - (ii) Total number of Depots;
 - (iii) Number of Depots added or removed through a Change Order during the calendar month;
 - (iv) Percentage of Blue Box Material from Non-Eligible Sources;
 - (v) Valtype of each load;

- (vi) Blue Box Material onboard each load;
 - (vii) Scale ticket number;
 - (viii) Gross weight (tonnes);
 - (ix) Tare weight (tonnes, including by split load if applicable); and
 - (x) Net weight (tonnes; tonnes by compartment – Stream 1, Stream 2, where split-weighting occurs).
- (f) Within five (5) calendar days of the monthly summary report being provided to the Contractor via an on-line web-based interface, the Contractor shall review such monthly summary report and notify CMO of (i) any discrepancies in such monthly summary report or (ii) the Contractor's acceptance of such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month. If the fifth (5) calendar day after such report is provided to the Contractor falls on a Saturday, Sunday or Statutory Holiday, the Contractor may notify CMO on the next Business Day.
- (g) If the Contractor does not notify CMO of any discrepancies in, or of the Contractor's acceptance of, such monthly summary report within the time specified in Section 4.1(f) of this Exhibit 1, the Contractor shall be deemed to have accepted such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month.
- (h) If the Contractor notifies CMO of any discrepancies in a monthly summary report within the time specified in Section 4.1(f) of this Exhibit 1, CMO will make commercially reasonable efforts to resolve the discrepancies and reissue such report within five (5) Business Days of being notified by the Contractor of such discrepancy. The Contractor shall review and respond to such reissued report in accordance with the requirements specified in Section 4.1(f) of this Exhibit 1 and Sections 4.1(f) and 4.1(g) of this Exhibit 1 shall otherwise apply to such reissued report.

ARTICLE 5
DOCUMENTATION AND PAYMENT

5.1 Documentation and Payment

- (a) Starting in the first calendar month after the Statement of Work Eligible Community Service Commencement Date for an Eligible Community, the Contractor shall review and accept the monthly summary report for the Work performed in the prior calendar month for such Eligible Community in accordance with Section 4.1 of this Exhibit 1. Once accepted, or deemed to be accepted, by the Contractor, such monthly summary report shall be a work report for the month (the “**Work Report for the Month**”) in respect of the applicable calendar month.
- (b) If requested by CMO, the Contractor shall provide Hauling Vehicle weigh scale records.
- (c) For clarity, the Contractor will only be paid for Work under this Statement of Work in respect of any calendar month once there is a Work Report for the Month for such calendar month.
- (d) For greater certainty, except as expressly set out in the MSA there shall be no increase to the prices set out in the Statement of Work for any changes to the Contractor’s responsibilities.

EXHIBIT 2: STAFFED DEPOTS IN ELIGIBLE COMMUNITIES

Eligible Community	Depot Name	Street Address	City	Postal Code	Days of Operation per calendar month	Hours of Operation per day

***NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**

EXHIBIT 3: UNSTAFFED DEPOTS IN ELIGIBLE COMMUNITIES

Eligible Community	Depot Name	Street Address	City	Postal Code

***NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**

EXHIBIT 4: BLUE BOX MATERIAL ACCEPTED IN COLLECTION SYSTEM

	Material	Stream 1	Stream 2
Paper/Fibres	Newsprint		
	Magazines and Catalogues		
	Telephone Books		
	Household Fine Paper		
	Other Printed Paper		
	Corrugated Cardboard		
	Boxboard		
	Gable Top Cartons		
	Paper Laminates		
	Aseptic Containers		
Aluminum	Aluminum food or beverage cans		
	Aluminum Foil & Trays		
	Other Aluminum Packaging & Foil		
Plastics	PET Bottles (#1)		
	Thermoform PET (#1), Clamshells & Other Clear Plastic Containers		
	HDPE Containers (#2)		
	Tubs & Lids (#2, #4 & #5)		
	Other Bottles & Containers (#3, #5, #7)		
	Plastic film (LDPE/HDPE) (#2, #4)		
	Plastic Laminates		
	Polystyrene Foam (#6) Polystyrene Crystal (#6)		
Steel	Steel Food and Beverage Cans		
	Steel Aerosols		
	Steel Paint Cans		
Glass	Flint/Clear Glass		
	Coloured Glass		

***NOTE: CMO holds no responsibility or liability for information that is different from the information presented in this Exhibit.**

EXHIBIT 5: SERVICE COMMENCEMENT DATES

The table included below lists the Statement of Work Eligible Community Service Commencement Date when services, forming the Work described by this Statement of Work, are to commence in each Eligible Community.

Eligible Community	Statement of Work Eligible Community Service Commencement Date

EXHIBIT 6: COMPENSATION

1.1 For each calendar month during the SoW Term, the Contract Price for the Work performed under this Statement of Work in accordance with the requirements of the MSA shall be calculated as:

- (a) Residential Depot Collection Costs; less
- (b) the Non-Eligible Source Deduction multiplied by the tonnes of Blue Box Material delivered to all RFs during the applicable calendar month, multiplied by the Non-Eligible Source Blue Box Material Unit Price.

For the purposes of this Statement of Work, “**Residential Depot Collection Costs**” means \$ ● [NTD: Set out applicable monthly price], as adjusted in accordance with this MSA, and “**Non-Eligible Source Blue Box Material Unit Price**” means \$ ● per tonne [NTD: Set out applicable price.], as adjusted in accordance with this MSA.

The Residential Depot Collection Costs include the Contractor’s administration factor as published by the Resource Productivity and Recovery Authority in its 2020 Datacall. Notwithstanding any other provision in the MSA, the Residential Depot Collection Costs shall not be increased, and the Contractor shall not receive any additional compensation, if there is an increase in such administration factor.

1.2 Total Residential Depot Collection Costs Adjustment

- (a) The Residential Depot Collection Costs for each calendar month of the SoW Term shall be determined as follows:

Residential Depot Collection Costs = Base Residential Depot Collection Costs + Diesel Fuel Price Component Adjustment + Natural Gas Fuel Price Component Adjustment + Non-Fuel Price Component Adjustment, where such price adjustments are applicable to the calendar month.

- (b) The “**Base Residential Depot Collection Costs**” is the Residential Depot Collection Costs at the Statement of Work Eligible Community Service Commencement Date as set out in Section 1.1.

1.3 Total Non-Eligible Source Blue Box Material Unit Price Adjustment

- (a) The Non-Eligible Source Blue Box Material Unit Price for each calendar month of the SoW Term shall be determined as follows:

Non-Eligible Source Blue Box Material Unit Price = Base Non-Eligible Source Blue Box Material Unit Price + Diesel Fuel Price Component Adjustment + Natural Gas Fuel Price Component Adjustment + Non-Fuel Price Component Adjustment, where such price adjustments are applicable to the calendar month.

- (b) The “**Base Non-Eligible Source Blue Box Material Unit Price**” is the Non-Eligible Source Blue Box Material Unit Price at the Statement of Work Eligible Community Service Commencement Date as set out in Section 1.1.

1.4 Fuel Price Component Adjustment

- (a) The “**Fuel Price Component**” is 20% of the Base Residential Depot Collection Costs or 20% of the Base Non-Eligible Source Blue Box Material Unit Price, as applicable.
- (b) Diesel Fuel

If the Contractor utilizes diesel fueled Hauling Vehicles for the performance of Collection Services, for the first calendar month immediately following the Statement of Work Eligible Community Service Commencement Date and for each subsequent calendar month in which diesel fueled Hauling Vehicles are used for the performance of the Work, then the “**Diesel Fuel Price Component Adjustment**” shall be (1) Fuel Price Component multiplied by (2) the percentage of fuel (measured by dollar expenditure) used in the Eligible Communities for the calendar month for the Hauling Vehicles that is diesel, relative to all fuels used (i.e., diesel and compressed natural gas) for Hauling Vehicles in the applicable calendar month multiplied by (3) the percent change in the Southern Ontario Diesel Price, as most recently published in the table of Fuel Prices located at <https://data.ontario.ca/dataset/fuels-price-survey-information> (“**Diesel Fuel Index**”), since the Statement of Work Eligible Community Service Commencement Date. The diesel Fuel Price Component Adjustment will be added to or subtracted from, as applicable, the Base Residential Depot Collection Costs or Base Non-Eligible Source Blue Box Material Unit Price, as applicable.

- (c) Natural Gas

If the Contractor utilizes compressed natural gas fueled Hauling Vehicles for the performance of Collection Services, for the first calendar month immediately following the Statement of Work Eligible Community Service Commencement Date and for each subsequent calendar month in which natural gas fueled Hauling Vehicles are used for the performance of the Work, then the “**Natural Gas Fuel Price Component Adjustment**” shall be (1) Fuel Price Component multiplied by (2) the percentage of fuel (measured by dollar expenditure) used in the Eligible Communities for the calendar month for the Hauling Vehicles that is compressed natural gas, relative to all fuels used (i.e., diesel and compressed natural gas) for Hauling Vehicles in the applicable calendar month multiplied by (3) the percent change in the Ontario Compressed Natural Gas Price, as most recently published in the table of Fuel Prices located at <https://data.ontario.ca/dataset/fuels-price-survey-information> (“**Natural Gas Index**”), since the Statement of Work Eligible Community Service Commencement Date. The Natural Gas Fuel Price Component Adjustment will be added to or subtracted from, as applicable, the Base Residential Depot Collection Costs or Base Non-Eligible Source Blue Box Material Unit Price, as applicable.

1.5 Non-Fuel Price Component Adjustment

- (a) The “**Non-Fuel Price Component**” is 80% of the Base Residential Depot Collection Costs or 80% of the Base Non-Eligible Source Blue Box Material Unit Price, as applicable.
- (b) For the first calendar month immediately following the first annual anniversary of the Statement of Work Eligible Community Service Commence Date and for each subsequent annual anniversary, the “**Non-Fuel Price Component Adjustment**” shall be (1) the Non-Fuel Price Component multiplied by (2) the percentage change in the CPI Index, as most recently published, since the Statement of Work Eligible Community Service Commence Date. The Non-Fuel Price Component Adjustment will be added to or subtracted, as applicable, from the Base Residential Depot Collection Costs or Base Non-Eligible Source Blue Box Material Unit

Price, as applicable, for such calendar month and for each of the subsequent eleven (11) calendar months.

- (c) For the purposes of this Section 1.5, “**CPI Index**” means the Consumer Price Index, monthly, not seasonally adjusted – Ontario (Table 18-10-0004-01)(Formerly CANSIM 326-0020) (<https://www150.statcan.gc.ca/t1/tb11/en/tv.action?pid=1810000401>).

1.6 Changes to Indices

The Diesel Fuel Index, Natural Gas Index and CPI Index shall be subject to revision as agreed by the Parties in the case the publisher materially changes such index or discontinues or replaces it.