

SCHEDULE A-1

STATEMENT OF WORK FOR COMMUNITY DEPOT OPERATIONS

for

MASTER SERVICES AGREEMENT

Number 2024-00-[●]



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STATEMENT OF WORK

STATEMENT OF WORK NUMBER: [●]

This statement of work ("**Statement of Work**") is incorporated into and forms part of the Master Services Agreement ("**MSA**"), made as of _____ between [Contractor], a [●], having a place of business at [●] ("**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 ("**CM**", and with the Contractor, each a "Party" and collectively the "**Parties**"), with an effective date of _____ (the "**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 Service Commencement Date, the Contractor shall perform the Work required by this Statement of Work for all Depots listed in Exhibit 2.
2. The Work under this Statement of Work shall include all the Contractor's other obligations under the MSA.
3. The period during which the Work required by this Statement of Work is to be performed is from the Service Commencement Date, until [●]. Pursuant to Section 2.1(b) of the MSA, CM and the Contractor may, by Change Order, extend this Statement of Work [for up to XX(XX) further periods of XX(XX) 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 5, which excludes applicable taxes. Applicable taxes are payable by CM 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 7.4 of the MSA, CM 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, CM shall not be liable to make any other payments in connection with this Statement of Work resulting from 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. 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 – Depots in Communities;
 - iii. Exhibit 3 – PPP Depot Collection Streams;
 - iv. Exhibit 4 – PPP Master List by Category;
 - v. Exhibit 5 – Compensation.

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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.

Circular Materials

By: _____
Name: Allen Langdon
Title: CEO

I have authority to bind CM.

EXHIBIT 1: SCOPE OF WORK AND OTHER PROVISIONS

ARTICLE 1 DEFINITIONS

1.1 Definitions

“Base Depot Operation Compensation” has the meaning set out in Exhibit 5.

“Collection Services” means the Work required by this Statement of Work, which is the operation of Depots listed in Exhibit 2 for the collection of PPP.

“Depot” means a depot that receives PPP from Premises, and which is listed in Exhibit 2.

“Hazardous Waste” means a hazardous and special product as set out in the Regulation.

“Non-PPP” means material which is not PPP.

“Premises” means new Residential Premises, Residential Premises, Institutional Facilities, Schools and Small Businesses.

“PPP” means single-use products, packaging, and paper products as defined in Schedule 2 of the Regulation and “designated material” as defined in section 105 of the Environment Act (Yukon), except in the context of a Statement of Work if it has a meaning expressly set out in such Statement of Work.

“Service Commencement Date” means November 1, 2025.

“SOW Term” has the meaning set out in the recitals to this Statement of Work.

“Statement of Work Effective Date” has the meaning set out in the recitals to this Statement of Work.

ARTICLE 2 SCOPE OF COLLECTION SERVICES

2.1 Scope of Collection Services

- (a) The Contractor shall provide Collection Services at the Depots listed in Exhibit 2
- (b) The Collection Services include receiving PPP from Premises in the community(ies) and conducting quality control of received PPP and storage of PPP at each Depot listed in Exhibit 2.
- (c) Without limiting the generality of the foregoing, the Collection Services shall meet the applicable requirements of the Regulation.
- (d) The Contractor shall retain responsibility for, and control of, PPP at a Depot from receipt from Premises through to pick-up by CM or a contractor identified by CM from time to time.
- (e) The Contractor shall work in coordination with CM and/or a contractor identified by CM to ensure timely pick-up of PPP from the Depot in a manner that maintains uninterrupted collection of PPP at the Depot.

- (f) Ownership of the PPP accepted at a Depot by the Contractor shall not transfer to the Contractor.
- (g) CM 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

- (a) CM 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 8.7 of the MSA.

3.2 PPP to be Collected

- (a) The Contractor will collect the PPP listed in Exhibit 4 collected from or delivered by Premises to a Depot and store for pick-up by CM and/or a Contractor designated by CM in the material streams as listed in Exhibit 3.
- (b) The Contractor will use best efforts to protect the collected PPP from weather including rain, snow and sun.
- (c) The Contractor will use best efforts to reduce the quantity of Non-PPP in collected PPP to no more than four per cent (4%) by weight.
- (d) If the average amount of Non-PPP in collected PPP picked up by CM, or a contractor identified by CM from time to time, from the Depots in any rolling six (6) month period exceeds four per cent (4%) the Contractor will, within ninety (90) calendar days, prepare and submit to CM a plan including the identification of sources of Non-PPP and strategies and supporting measures to mitigate the amounts of Non-PPP. The Contractor will implement the plan and provide quarterly reporting to CM detailing the progress and outcomes of the plan. If improvement does not occur within ninety (90) calendar days after the start of plan execution, based on composition data provided by CM through their audit protocol, the Contractor will work with CM to establish additional changes and to adopt best practices recommended by CM.
- (e) The Contractor may not collect, and collected PPP may not contain, packaging containing Hazardous Waste.
- (f) PPP as set out in Exhibit 4 is to be collected from Premises in the community Depot(s) listed in Exhibit 2, and in containers as agreed to by CM. If PPP is collected in multiple streams, the streams will be agreed to by CM.

3.3 Insurance

- (a) 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 of the MSA for all Depots.

3.4 Working Days and Hours of Operation for the Collection Services

- (a) The Contractor shall perform Collection Services at the Depots in Exhibit 2 on the same days and during the same hours as the Depots in Exhibit 2 were operated prior to November 1, 2025, unless otherwise approved by CM.
- (b) Collection Services from each community shall be as approved by CM, respecting provincial statutory holidays in keeping with Yukon labour laws.
- (c) The Contractor shall bear, at its own expense, any additional or unforeseen costs including, but not limited to, such overtime, rates for extra forces, and cost for any additional requirement or services as may be necessary to ensure continuous and uninterrupted service in accordance with Contractor's obligations under the MSA.

3.5 Promotion and Education

- (a) CM will have the primary responsibility for developing, designing, and executing public promotion, education and outreach programs associated with the collection of PPP. As needed, the Contractor will provide CM with assistance and cooperation, including installation of P&E signage on bins or at depot, distributing CM promotional and educational brochures and assisting with promotion, education, and outreach programs at the direction of CM.
- (b) The Contractor will not speak on behalf of CM or make any public statements regarding the PPP collection services unless agreed upon in writing by CM. In instances where CM has agreed that the Contractor may provide public statements about the PPP collection services, the Contractor will provide CM with its draft public statement for approval prior to releasing publicly.
- (c) All branding, design elements, logos, and related materials produced or utilized must receive prior written approval from CM. This includes, but is not limited to, any visual representations, promotional materials, digital assets, and printed collateral associated with the program. CM reserves the right to review and request modifications to any materials that do not meet its brand standards or guidelines.
- (d) Any use of CM trademarks, logos, or branding elements in connection with the program must adhere strictly to CM brand guidelines, which will be provided upon request. Unauthorized use of these elements without prior approval may result in legal action.
- (e) Requests for approval should be submitted to CM designated representative at least 10 business days prior to the intended use of the material including but not limited to depot signage, bin decals, PPP signage

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 Service Commencement Date and shall submit an updated inventory of equipment for each Depot on an annual basis.

- (b) The Contractor shall retain records for the PPP that is collected including and not limited to a record of the number and types of containers picked up and, if available, weight in metric tonnes of each load picked up by CM or a contractor identified by CM.
- (c) If applicable, outbound weigh scale receipts must be maintained and made available upon request by CM in a format and manner acceptable to CM.
- (d) For greater certainty, the records required under this Section 4.1 of this Exhibit 1 shall be provided separately for each Depot listed in Exhibit 2.
- (e) CM may request from time to time, reports or information required for CM to comply with its reporting obligations to the Authority or under Applicable Law.

ARTICLE 5 DOCUMENTATION AND PAYMENT

5.1 Documentation and Payment

All monthly payments set forth will be payable in arrears, in equal monthly instalments (subject to proration for any partial periods), with each payment due within thirty (30) days after the end of the applicable calendar month. If the amount of any monthly payment is adjusted during the course of the month, CM will make such adjustment in good faith as it considers necessary to account for such adjustment.

- (a) If requested by CM, the Contractor shall provide CM evidence of the Work performed.
- (b) For greater certainty, except as expressly set out in the MSA, there shall be no increase to the prices set out in this Statement of Work for any changes to the Contractor's responsibilities.

EXHIBIT 2: DEPOTS IN COMMUNITIES

Community	Depot Name	Street Address	City	Depot Type	Days of Operation per calendar month	Hours of Operation per day	Seasonal Schedule Change Details (if applicable)

Total number of Premises in communities without curbside services: [XXXX]

***NOTE:** The information is based on available information at the time of the preparation of the Statement of Work. CM holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.

EXHIBIT 3: PPP DEPOT COLLECTION STREAMS

Depot Name	Material Stream 1	Material Stream 2	Material Stream 3	Material Stream 4	Material Stream5	Material Stream 6	Materials tream7
Depot 1 - Example	OCC	Mixed Fibre	Mixed Container	Mixed Flexibles	Steel/Alum	Glass	EPS
Depot 2 - Example	Fibres	Containers					

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

EXHIBIT 4: PPP MASTER LIST BY CATEGORY

Residential PPP materials accepted will be consistent with current practices and for the initial 18-month term of the agreement except where new materials are added through the change order process.

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

EXHIBIT 5: COMPENSATION

1.1 Contract Price

For each calendar month during the SOW Term, after the Service Commencement Date in respect of a community, the Contract Price for the Work performed under this Statement of Work in accordance with the requirements of the MSA in respect of such community shall be:

- (a) **[\$/Month] (“Base Depot Operation Compensation”).**

1.2 Contract Price Adjustment

The Contract Price adjustment for each calendar year of the SOW Term shall be determined as follows:

- (a) Adjusted Contract Price = Base Depot Operation Compensation + CPI Adjustment
- (b) The **“Base Depot Operation Compensation”** is the Contract Price as set out in Section 1.1(a) of this Exhibit 5.
- (c) The **“CPI Component”** is 100% of the Base Depot Operation Compensation.
- (d) For the first annual anniversary of the Service Commencement Date and for each subsequent annual anniversary, the Base Depot Operation Compensation shall be adjusted to account for changes in the Consumer Price Index (CPI) and the adjustment shall be equal to the Base Depot Operation Compensation for the prior year (“Prior Year”) multiplied by the year-over-year CPI Change. The Consumer Price Index price adjustment amount will increase or decrease the Base Depot Operation Compensation, depending on the CPI Change. An example is shown below:

Consumer Price Index Price Adjustment = Base Depot Operation Compensation for the prior year x (CPI Change)

- (e) For the purposes of this Section 1.2 of Exhibit 5, **“CPI Change”** means the average annual CPI change (for all items), as published two months prior to the annual anniversary date in the Whitehorse, Yukon Consumer Price Index (Table 18-10-0004-13) (<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000413&pickMembers%5B0%5D=1.23&cubeTimeFrame.startMonth=12&cubeTimeFrame.startYear=2023&referencePeriods=20231201%2C20231201>).
- (f) The Consumer Price Index table used to determine the CPI Change shall be subject to revision as agreed by the Parties in the event that Statistics Canada materially changes such index or discontinues or replaces it.