

## **INDUSTRY STEWARDSHIP PLAN AGREEMENT**

**THIS AGREEMENT** made as of the 4<sup>th</sup> day of April, 2016

**B E T W E E N:**

**WASTE DIVERSION ONTARIO**, a corporation without share capital incorporated by the Waste Diversion Act, 2002 (Ontario)  
(hereinafter referred to as "WDO")

- and -

**SodaStream Canada Ltd.**, a corporation incorporated under the laws of Canada  
(hereinafter referred to as the "ISO")

**WHEREAS** Section 34 of the Act authorizes WDO to approve an ISP with respect to a designated waste for which the Minister has approved a waste diversion program under Section 26 of the Act;

**AND WHEREAS** the ISO has submitted an application for approval of an ISP for purposes of Section 34 of the Act to WDO and WDO has approved such ISP;

**NOW THEREFORE** in consideration of the premises and mutual agreements contained herein and subject to the terms and conditions hereinafter set forth, the parties covenant and agree as follows:

### **1. PURPOSE OF THE AGREEMENT**

1.1 The purpose of this Agreement between WDO and the ISO is to:

- (a) Define the roles and responsibilities of the two parties;
- (b) Set out the operating relationships between the two parties; and
- (c) Ensure openness and transparency to serve the public interest.

### **2. DEFINITIONS AND INTERPRETATION**

2.1 Terms beginning with capital letters and used herein without definition shall have the meanings given to them in the Act, unless otherwise specified.

2.2 When used in this Agreement, the following words and expressions have the following meanings:

- (a) "Act" means the Waste Diversion Act, 2002, S.O. 2002, c. 6, as the same may be amended from time to time and includes any legislation which replaces the Waste Diversion Act, 2002, S.O. 2002, c. 6 in whole or in part;
- (b) "Agreement" means this Plan Agreement which is entered into by the parties and includes all attached schedules, the Protocols and any amendments thereto;
- (c) "Approval" means the written approval of the ISP by WDO;

- (d) **"Business Day"** means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely: New Year's Day; Family Day; Good Friday; Easter Monday; Victoria Day; Canada Day; Civic Holiday; Labour Day; Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Government of Ontario has elected to be closed for business;
- (e) **"Data Requirements for Monitoring"** means WDO's Data Requirements for Monitoring Effectiveness and Efficiency of Waste Diversion Programs in Ontario dated May, 2010, as the same may be amended from time to time hereafter;
- (f) **"Dispute Resolution Protocol"** means the protocol used to resolve the disputes identified in Section 13.1 of this Agreement established or amended by WDO from time to time following consultation with the ISO;
- (g) **"Designated Waste"** means the waste for which the Minister has approved a waste diversion program under Section 26 of the Act and as described in Appendix A to this Agreement.
- (h) **"Documentation"** means, for purposes of Section 10 of this Agreement, all documentation prepared by or at the request of the ISO with respect to the implementation and operation of this ISP including but not limited to correspondence, documents pertaining to public consultation, summary of the minutes of meetings of the Board of Directors including the rationale for any Board decision, subcommittees, advisory committees, internal reports, consultants' reports, agendas and other information and data obtained, created or maintained by the ISO but shall exclude any documentation subject to solicitor-client privilege;
- (i) **"Effective Date"** means the date upon which the Approval of the ISP becomes effective in accordance with its terms;
- (j) **"FIPPA"** means the Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.31, as amended;
- (k) **"Industry Stewardship Plan" or "ISP"** means the ISP dated April 4, submitted by the ISO to WDO for approval pursuant to Section 34 of the Act with respect to the reduction, reuse and recycling of the Designated Waste;
- (l) **"In Good Standing"** means a steward who is current with its financial and reporting obligations to the Industry Funding Organization identified by Ontario Regulation 542/06 to operate the Waste Diversion Program for the Designated Waste;
- (m) **"ISP Participants"** means (i) each person who has been approved as a participant by the ISO and WDO in the ISP in accordance with the terms of the Act and this Agreement who would otherwise be a steward under the Waste Diversion Program and (ii) Voluntary Participants;
- (n) **"Minister"** means the Minister of the Environment, Province of Ontario;
- (o) **"Program Performance Audit"** means an audit conducted in accordance with the Program Performance Audit Protocol;

- (p) **"Program Performance Audit Protocol"** means the protocol surrounding performance audits established or amended by WDO from time to time following consultation with the ISO;
- (q) **"Program Performance Reporting Protocol"** means the protocol surrounding reporting templates, reporting schedules, program metrics, targets and corrective action established or amended by WDO from time to time following consultation with the ISO;
- (r) **"Publications, Information, Inquiries, Complaints and Communications Protocol" or "PIICC Protocol"** means the protocol related to the sharing of publications, information, inquiries, complaints and communications established or amended by WDO from time to time following consultation with the ISO;
- (s) **"Protocols"** means, collectively, the Dispute Resolution Protocol, the Program Performance Audit Protocol, the Program Performance Reporting Protocol and the PIICC Protocol;
- (t) **"Voluntary Participants"** means those persons who have agreed to participate in the ISP but are not subject to the Waste Diversion Program;
- (u) **"Waste Diversion Program"** means the Municipal Hazardous or Special Waste Program Plan approved by the Minister pursuant to the Act, as such Plan may be amended from time to time.

### 2.3 In this Agreement:

- (a) Words denoting the singular include the plural and vice versa and words denoting any gender include all genders;
- (b) The word "including" or "includes" shall mean "including (or includes) without limitation";
- (c) Any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced, from time to time, and any successor statute thereto, unless otherwise expressly provided;
- (d) When calculating the period of time within which or following which any act is to be done or step taken, the date which is the reference day in calculating such period shall be excluded; if the last day of such period is not a Business Day, the period shall end on the next Business Day;
- (e) All dollar amounts are expressed in Canadian dollars;
- (f) Any tender of notices or documents under this Agreement shall be made upon the relevant party at the address set out in Section 18;
- (g) The division of this Agreement into separate sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement; and

- (h) Except as specifically defined or provided for in this Agreement, words and abbreviations which have well known or trade meanings are used in accordance with their recognized meanings.

2.4 The parties acknowledge that the recitals to this Agreement are true and correct.

### 3. TERM OF AGREEMENT AND AMENDMENT

3.1 Subject to the provisions of Section 14 of this Agreement, the term of this Agreement shall commence on the date first set forth above and shall continue for a period of three (3) years following the Effective Date. This Agreement shall automatically renew for additional periods of one (1) year each thereafter unless either party gives written notice of termination to the other not less than one hundred and eighty (180) days prior to the end of such initial term or any such renewal term.

3.2 Any changes to the terms of this Agreement shall be by written amendment signed by both parties. No changes shall be effective or shall be carried out in the absence of such an amendment.

3.3 The ISO acknowledges receipt of a copy of WDO's Data Requirements for Monitoring and the Protocols in their present form. WDO shall have the right, following consultations with the ISO, to amend any provisions of WDO's Data Requirements for Monitoring or the Protocols and any amendments thereto will be communicated to the ISO in accordance with the notice provisions of Section 17 of this Agreement.

3.4 The parties agree to conduct a review of the implementation and performance of this Agreement and the ISP at any time when a review is requested by either of the parties including when a review is required to reflect any changes to the Act or if there is any new legislation or regulation that would impact this Agreement or the ISP. As part of such review, each of the parties may suggest any appropriate amendments to the terms of this Agreement or the ISP. In the event that a review is required by WDO and, following thirty (30) days of good faith negotiations, the parties have been unable to agree upon the terms of an amendment to this Agreement or the ISP, WDO shall have the right to settle the terms of such amendment (subject to any approvals required from the Minister) if such amendment is required: (i) to reflect any changes in applicable law; (ii) to implement the terms of any policy direction given by the Minister to WDO pursuant to the Act; (iii) if an annual report provided by the ISO to WDO or a WDO Program Performance Audit reveals that the ISO has failed to achieve any of the collection targets, recycling targets, recycling efficiency rate targets or accessibility targets, whether before or after corrective action has been taken; or (iv) if, in WDO's reasonable opinion, an amendment is required to enable WDO to perform its monitoring role under the Act.

3.5 No material change may be made to the ISP without the prior written approval of WDO, acting reasonably, including but not limited to:

- (a) Changes to the collection targets, recycling targets, recycling efficiency rate targets, or accessibility targets;
- (b) Changes to the available for collection factors;
- (c) Changes to standards; or

(d) Changes to the definition of Designated Waste.

3.6 Any and all information, including amendments submitted to WDO for review, approval and/or information shall be submitted in accordance with the Program Performance Reporting Protocol.

#### 4. ROLES OF THE PARTIES

4.1 WDO hereby covenants and agrees with the ISO that WDO shall:

- (a) Perform its obligations under this Agreement in a responsible, complete and thorough manner, and on a timely basis;
- (b) Perform the duties imposed on WDO in relation to the ISP under the Act;
- (c) Establish and charge fees pursuant to Section 34 of the Act to reimburse WDO for costs reasonably incurred for:
  - (i) Considering the application to approve the ISP;
  - (ii) Monitoring the performance and effectiveness of the ISP;
  - (iii) Performing other functions related to the ISP; and
  - (iv) Performing any of its responsibilities in relation to the ISP under the Act;such fees to be invoiced by WDO to the ISO on a monthly basis commencing one month following the Effective Date;
- (d) Give written notice to the ISO if, in the opinion of WDO, the ISO has failed to comply with any requirement of the Act or the terms of the ISP or this Agreement including, without limitation, the Protocols and, in addition, recommend to the ISO reasonable actions required to remedy such non-compliance within a reasonable time period.

4.2 The ISO hereby covenants and agrees with WDO that the ISO shall:

- (a) Following approval of the ISP by WDO, implement and operate the ISP as approved;
- (b) Perform its obligations under the ISP and this Agreement including, without limitation, the Protocols in a responsible, complete and thorough manner, and on a timely basis;
- (c) Perform all of its obligations under the Act on a timely basis;
- (d) Honour invoices from WDO pursuant to Section 4.1 within thirty (30) days of receipt;
- (e) Comply with all requirements of applicable law;
- (f) Consult with WDO from time to time during the implementation of the ISP as reasonably required by WDO;
- (g) Operate the ISP so as to affect the marketplace in Ontario in a fair manner including providing an equitable opportunity to compete and refrain from engaging in any anti-

competitive behaviour or other acts prohibited by the Competition Act (Canada) under the guise of carrying out its duties under the ISP;

- (h) Implement any actions reasonably required by WDO following good faith consultation and discussions with the ISO to bring the ISO into compliance with any requirement of the Act;
- (i) Implement any actions reasonably required by WDO following good faith consultation and discussions with the ISO to bring the ISO into compliance with this Agreement (including the Protocols) or the ISP and implement any corrective or other action required pursuant to the Protocols;
- (j) Implement any actions reasonably required by WDO, following good faith consultation and discussions with the ISO, to ensure that the implementation and operation of the ISP by the ISO affects Ontario's marketplace in a fair manner including providing an equitable opportunity to compete;
- (k) Provide evidence that a code of conduct with respect to conflict of interest, confidentiality and other matters for its directors, officers and committee members has been established for good governance that is satisfactory in all respects to WDO, acting reasonably, provided that such code of conduct shall not prohibit an employee of or a contractor to an ISP Participant from serving as a director, officer or committee member of the ISO;
- (l) Adopt and maintain a strategy to identify, mitigate and manage risks that may affect the achievement of targets stated in the ISP and if the ISO has failed to achieve the targets, take such corrective action as reasonably required by WDO in accordance with the provisions of Section 11 of this Agreement and the Program Performance Reporting Protocol;
- (m) Ensure that any agreement between the ISO and a municipality is satisfactory in form and substance to WDO; and
- (n) Perform and comply with all of its other obligations under this Agreement.

## **5. COMMENCEMENT OF ISP**

- 5.1 The ISO shall commence implementation of the ISP on the Effective Date.
- 5.2 The ISO shall give notice in writing to WDO not later than the date of this Agreement of the names of the ISP Participants including Voluntary Participants, who will comprise the initial ISP Participants.
- 5.3 After the Effective Date, the ISO shall give written notice to WDO of the proposed admission of a person as an ISP Participant and shall provide written notice to WDO within thirty (30) days following the date upon which any person ceases to be an ISP Participant.
- 5.4 With the exception of Voluntary Participants, a person shall become an ISP Participant seven (7) days following the date upon which WDO gives notice in writing to the ISO that it has approved such person as an ISP Participant. As part of granting such approval, WDO may reasonably require that such person satisfies the requirements of the Act to become an ISP Participant.

WDO may also require that the ISP Participant provide evidence that it is In Good Standing with the Industry Funding Organization identified by Ontario Regulation 542/11 to operate the Waste Diversion Program for the Designated Waste.

- 5.5 WDO's approval as described under Section 5.4 may be withdrawn should an ISP Participant cease to be In Good Standing with the Industry Funding Organization identified by Ontario Regulation 542/11 to operate the Waste Diversion Program for the Designated Waste.
- 5.6 The ISO shall at all times maintain a complete and current list of all ISP Participants, including Voluntary Participants, which shall be open for inspection by authorized representatives of WDO during normal business hours upon request.

## **6. REPORTING OBLIGATIONS**

- 6.1 WDO shall provide a good faith estimate of the fees for the balance of the first calendar year of the term within thirty (30) days of the Effective Date. WDO shall provide its draft annual budget for each subsequent calendar year during the term of this Agreement to the ISO not later than the 30<sup>th</sup> day of September of the preceding year and shall provide its final annual budget to the ISO not later than the first week of December of the preceding year, provided that such budgets shall not restrict or limit WDO's right to recover its actual reasonable costs incurred;
- 6.2 The ISO shall provide an annual business performance plan to WDO not later than the 30<sup>th</sup> day of November prior to the commencement of each calendar year during the term of this Agreement. The annual business performance plan will be submitted in accordance with the Program Performance Reporting Protocol and will include the following:
  - (a) Promotion and education activities planned;
  - (b) The collection targets, recycling targets and recycling efficiency rate targets expressed in tonnes and the calculation thereof in accordance with the Program Performance Reporting Protocol; and
  - (c) Key initiatives to be undertaken in support of the achievement of targets for underperforming categories of Designated Waste, including actions, financial investments, projected impacts and outcomes, timing and any narrative the ISO deems appropriate or as WDO may reasonably request.

The ISO shall provide the annual business performance plan, as outlined in Section 6.2, for the balance of the first calendar year following the Effective Date to WDO within thirty (30) Business Days of the Effective Date.

- 6.3 The quantities of the Designated Waste supplied into the market and the available for collection factors which are used by the ISO to determine the collection targets, recycling targets and the recycling efficiency rate targets as expressed in tonnes shall be subject to the approval of WDO, acting reasonably and in good faith. In the event of any disagreement as to the calculation of the collection targets, recycling targets and/or recycling efficiency rate targets expressed in tonnes, WDO's determination of such amounts shall be final and binding, absent manifest error in calculation.
- 6.4 The ISO shall, within forty-five (45) days following the completion of each calendar quarter during the term of this Agreement and the termination of this Agreement, submit a quarterly

report to WDO in the format and containing the information outlined in the Program Performance Reporting Protocol in order to facilitate performance tracking by WDO against both ISP targets and the performance metrics set out in the Program Performance Reporting Protocol.

- 6.5 The ISO shall submit to WDO an annual report as of the end of each calendar year in accordance with the Program Performance Reporting Protocol, and satisfying the requirements of Subsection 34 (5) of the Act not later than March 15<sup>th</sup> of the following calendar year.
- 6.6 In accordance with the Program Performance Reporting Protocol, the ISO shall submit to WDO annual audited financial statements as outlined in Section 10.2 of this Agreement and, if required by WDO, confirmation by an independent consultant satisfactory to WDO of the accuracy and completeness of the information set out in the annual report, including completeness of non-financial data reported against program targets and the key performance metrics set out in the Program Performance Reporting Protocol, together with any notes or recommendations of such consultant for improvement.
- 6.7 The Program Performance Reporting Protocol shall be deemed to incorporate, and all performance reports shall be prepared in accordance with, the Data Requirements for Monitoring, with any necessary changes in terminology to make the Data Requirements for Monitoring applicable to industry stewardship plans rather than waste diversion programs.
- 6.8 In the event that WDO determines that it requires Documentation or information in addition to that provided in the ISO's periodic reports outlined above in order to fulfil its duties to monitor the ISP's compliance with the terms of the Agreement, the ISP and the Act, the ISO shall provide such information (excluding any information which is subject to solicitor-client privilege or that contains information which could be used to identify an individual ISP Participant) to WDO within five (5) Business Days or such longer period as WDO may agree.

## **7. TRANSPARENCY**

- 7.1 The ISO will maintain an Internet website accessible by the public and the ISP Participants and post reasonable information pertinent to each such group on its website. The ISO's website is to include information on, or contain the appropriate electronic links to, the ISP and the ISO's annual reports since the Effective Date pursuant to Subsection 34(5) of the Act. The ISO's website must notify members of the public that they may contact WDO with any complaints or concerns regarding the implementation or operation of the ISP.

## **8. CONFIDENTIALITY**

- 8.1 Any data or materials provided by the ISO to WDO which are confidential and are to remain confidential shall be clearly marked as confidential and confidential information shall include information which a prudent person would reasonably regard as confidential even if not marked as such.
- 8.2 Each of the parties agrees to hold data and information received from the other which are marked confidential in confidence, unless:
  - (a) Such party is required to disclose such data or information by applicable law or by the order of any court or tribunal of competent jurisdiction;



- (b) Such data or information have become generally available to the public without breach of this Agreement;
- (c) Such data or information were developed independently by the recipient without the use of such confidential data or information or were lawfully received from another source having the right to furnish such data or information;
- (d) Such data or information was previously known to the recipient free of any restriction as evidenced by documentation in the recipient's possession; or
- (e) Such information was delivered or provided by the ISO to WDO pursuant to the Program Performance Reporting Protocol.

## **9. STAKEHOLDER AND PUBLIC CONSULTATION**

- 9.1 WDO may reasonably require the ISO to provide opportunities for consultation with stakeholders, including the public, who may be affected by any proposed changes to the ISP and the ISO shall provide opportunities for consultation as so reasonably required by WDO. The ISO agrees to provide consultation plans and stakeholder engagement plans to WDO for review and comment in advance. Any such consultation is to be open, accessible and responsive to concerns expressed. Such requirements for consultation shall include consultation on operational changes to the ISP.

## **10. THE ISO'S RESPONSIBILITY FOR DOCUMENTATION AND AUDIT**

- 10.1 The ISO shall be responsible for maintaining Documentation in carrying out its responsibilities under this Agreement and the ISP, in a responsible and complete manner. Documentation may be maintained in paper or electronic format, as permitted by applicable law.
- 10.2 The ISO agrees to implement and maintain measures to ensure the security and integrity of the Documentation and to protect the Documentation against loss, alteration and destruction. The ISO will cause annual audited financial statements to be prepared and will provide a copy thereof to WDO promptly following approval thereof by the Board of Directors or other governing body of the ISO. WDO acknowledges that such audited financial statements may include financial information with respect to operations of the ISO in addition to the implementation and operation of the ISP, provided that the information with respect to the implementation and operation of the ISP is segmented from the financial information with respect to any of the ISO's other operations and presented in a separate schedule or in some other manner acceptable to WDO.

## **11. CORRECTIVE ACTION AND PERFORMANCE AUDITS**

- 11.1 If the ISO becomes aware that it is or will be unable to achieve ISP collection targets, recycling targets or recycling efficiency rate targets, either in a current or future year, the ISO must inform WDO as soon as reasonably practicable. The ISO will require WDO approval to proceed with activities and operations that would result in the ISO's inability to achieve target.
- 11.2 The parties acknowledge and agree that WDO is obligated pursuant to paragraph 5(g) of the Act to monitor the effectiveness of the ISP for the Designated Waste. In the event that an annual report provided by the ISO to WDO or a WDO Program Performance Audit reveals a failure to

achieve ISP collection targets, recycling targets or recycling efficiency rate targets, WDO may, in accordance with the Program Performance Reporting Protocol and following consultation with the ISO, notify the ISO of its requirements for corrective action and the ISO will implement any measures reasonably required by WDO to achieve the ISP targets.

- 11.3 In accordance with the Program Performance Reporting Protocol, the ISO agrees to provide WDO, or a third party acting on its behalf, access to its premises, facilities, books, records and Documentation in order to conduct a Program Performance Audit at any time, but not to exceed once in a calendar year, whether before or after any requirement by WDO for corrective action.
- 11.4 The ISO shall obtain the same rights, by contract or otherwise, for WDO with respect to the premises, facilities and records of any collectors, processors or other contractors and their affiliates engaged by the ISO to carry out the ISP, or parts of the ISP, for the Designated Waste. WDO acknowledges and agrees that the scope of any such Program Performance Audit shall be limited to access required to assess the effectiveness of the ISP for the Designated Waste.
- 11.5 Access to the premises and facilities of the ISO or any collector, processor or other contractor engaged by the ISO in the implementation of the ISP for the Designated Waste shall be subject to not less than 48 hours prior written notice and shall take place during normal business hours.
- 11.6 The ISO shall use its best efforts to ensure that each of its direct contractors obtains from each of its direct and indirect subcontractors equivalent audit rights to those described in Sections 11.4 and 11.5 above for the benefit of WDO.
- 11.7 WDO agrees to indemnify and hold the ISO and any such collectors, processors or other contractors harmless in respect of any losses or damages caused by its representatives in carrying out such performance audits. The representatives of WDO shall abide by any reasonable safety or other policies adopted by the ISO or any such collector, processor or other contractor in respect of visitors to its premises.
- 11.8 WDO agrees to hold the results of any such audit in confidence, subject to the exceptions set out in Section 8 above, provided that the information obtained therefrom may be aggregated with other audit information to produce an anonymised report.

## **12. INSURANCE**

- 12.1 The ISO will put into effect and maintain throughout the term of this Agreement all of the insurance that would normally be obtained by a prudent organization carrying on activities similar to those of the ISO.

## **13. DISPUTE RESOLUTION**

- 13.1 The ISO shall offer to resolve any disputes of the types described below in accordance with the Dispute Resolution Protocol:
  - (a) Disputes between the ISO and a municipality with respect to payments to be made to the municipality under the ISP;
  - (b) Disputes between the ISO and an ISP Participant; or

- (c) Disputes under contracts entered into by the ISO with collectors, transporters and processors in the course of implementing and operating the ISP.

13.2 The ISO acknowledges and agrees that it is obligated to implement any actions reasonably required by WDO pursuant to paragraphs 4.2(h) or (i) or Section 11.2 of this Agreement promptly following notice from WDO, pending the resolution of any dispute as to whether the ISO is in breach of the Act, the Agreement or the ISP. The parties acknowledge and agree that a determination by WDO that the implementation and operation of the ISP does not affect Ontario's marketplace in a fair manner and any notice given by WDO to the ISO to implement actions pursuant to clause 4.2(j) as a result thereof are final and binding on the ISO and not subject to dispute resolution in any forum.

#### 14. TERMINATION

14.1 If, in the reasonable opinion of WDO, there has been a material breach of this Agreement by the ISO including a breach by the ISO of one of the covenants set out in Section 4.2 of this Agreement, WDO may terminate this Agreement if the ISO fails to remedy such breach within thirty (30) days following written notice from WDO outlining the breach in reasonable detail. In the event that the remedy of such breach by the ISO reasonably requires more than thirty (30) days, the ISO shall so advise WDO without delay and provide a revised time line to remedy such breach. WDO shall notify the ISO in writing as to whether the revised time line is acceptable and, if it is, the revised time line to remedy such breach will apply. Notwithstanding the foregoing, with respect to a breach of Section 16, WDO may terminate this Agreement immediately if the ISO has not given written notice to WDO that it disputes such breach within ten (10) days of the notice of breach from WDO.

14.2 Notwithstanding Section 14.1, WDO may terminate this Agreement immediately upon written notice to the ISO if:

- (a) The ISO makes a voluntary assignment or a proposal under the Bankruptcy and Insolvency Act (Canada) or a petition or any other proceeding shall be filed, instituted or commenced with respect to the ISO under any bankruptcy, insolvency, debt restructuring, reorganization, liquidation, winding-up or similar law now or hereafter in effect, unless such proceedings are commenced by a party other than the ISO and are being diligently contested by the ISO and are stayed within thirty (30) days from the date of notice of such proceedings being received by the ISO;
- (b) A receiver or trustee is appointed for any part of the assets of the ISO; or
- (c) The ISO ceases for any reason whatsoever to be the operator of the ISP or the ISP is terminated for any reason whatsoever.

14.3 In the event of: (i) any change in the law or regulations of the Province of Ontario, or any policy or regulatory requirement having the force of law in the Province of Ontario, which has a material adverse effect on the ISP; or (ii) the occurrence of another external event beyond the control of the parties that has a material adverse effect on the ability of either of the parties to perform its obligations hereunder or the cost of performing such obligations, the parties shall negotiate in good faith with a view to concluding mutually satisfactory alternative arrangements for accomplishing the waste diversion objectives of the ISP. Failing the conclusion of such mutually satisfactory arrangements within one hundred and eighty (180) days following notice

by either of the parties requiring such negotiations, either party shall have the right to terminate this Agreement on a further one hundred and eighty (180) days prior written notice to the other, but the ISO shall not be required to make any changes to its program not expressly required by the change in law or regulations during that time. The ISO shall have the right to terminate this Agreement on one hundred and eighty (180) days prior written notice to WDO in the event that WDO has required this Agreement or the ISP to be amended pursuant to Section 3.3 above.

14.4 Upon the effective date of termination of this Agreement, the ISP will terminate and the ISP Participants would immediately become subject to the terms of the Waste Diversion Program in respect of the Designated Waste unless another Industry Stewardship Plan has first been approved under the Act.

14.5 Any provision of this Agreement requiring the ISO to pay an amount to WDO which has not been paid as of the date of termination or which continues to accrue following termination including, without limitation, wind-down costs, shall survive termination of this Agreement. The obligations in Sections 6 and 11 and any obligations under the Program Performance Reporting Protocol shall also survive termination of this Agreement.

#### **15. WIND-DOWN COSTS**

15.1 The ISO acknowledges and agrees that, if the ISO ceases for any reason to carry on business WDO may suffer damages in the form of actual out-of-pocket costs to manage the Designated Waste during a wind-down period including, without limitation, payments to collectors, processors, other suppliers and to municipalities, until such time as the Designated Waste can be managed pursuant to the Waste Diversion Program or a new Industry Stewardship Plan. In such circumstances, the ISO undertakes to indemnify and hold WDO harmless in respect of any such actual out-of-pocket costs for the Designated Waste that has been collected for processing on the date when the ISO ceases to carry on business or that is collected for processing within the period of sixty (60) days immediately thereafter.

#### **16. ASSIGNMENT**

16.1 Neither party shall assign any of its powers, rights or obligations under this Agreement or any part thereof without the prior written consent of the other party.

16.2 The ISO shall not subcontract any of its powers, rights or obligations under this Agreement or any part thereof without the prior written consent of WDO. Notwithstanding the foregoing, the ISO shall have the right to engage service providers such as collectors, haulers and processors of the Designated Waste and providers of information technology and communications services without the prior approval of WDO.

#### **17. NOTICES**

17.1 All notices to or upon the respective parties hereto shall be in writing and shall be delivered to the party to which such notice is required to be given under this Agreement at the respective address set out below by personal delivery, email, or pre-paid registered post. All notices shall be deemed to have been duly given:

- (a) One (1) Business Day after such notice is received by the other party when delivered by personal delivery or email; or
- (b) Five (5) Business Days after posting by prepaid registered post. In the event of a postal disruption, notices must be given by personal delivery and all notices mailed within one (1) week prior to the postal disruption must be confirmed by email to be effective.

**Notices to WDO shall be delivered to:**

Waste Diversion Ontario  
4711 Yonge Street, Suite 1102  
Toronto, Ontario M2N 6K8

Attention: Michael Scott, Chief Executive Officer  
Email: [michaelscott@wdo.ca](mailto:michaelscott@wdo.ca)

**Notices to the ISO shall be delivered to:**

SodaStream Canada Ltd  
5450 Explorer Drive, Suite 202  
Mississauga, ON L4W 5N1

Attention: Robert Budgeon, Director of Finance and Operations  
Email: [rbudgeon@sodastream.com](mailto:rbudgeon@sodastream.com)

- 17.2 Either party may, by written notice delivered to the other party, designate a new address or email for these notices.

**18. WAIVER**

- 18.1 No term, condition or provision hereof shall be deemed to have been waived by WDO by reason of any act, forbearance, indulgence, omission, or event. Only an express written waiver by WDO shall be binding and each such waiver shall be conclusively deemed to be limited to the circumstances, right or remedy therein specified.

**19. SEVERABILITY**

- 19.1 In the event that any provision of this Agreement or any part of such provision shall be determined to be invalid, unlawful or unenforceable to any extent, such provision or part thereof shall be severed from the remaining terms and conditions of this Agreement which shall continue to be valid and enforceable to the fullest extent permitted by law.

**20. AGREEMENT BINDING**

- 20.1 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns.

**21. ENTIRE AGREEMENT**

21.1 This Agreement embodies the entire Agreement between the parties with regard to the implementation of the ISP and supersedes any prior understanding or agreement, collateral, oral or otherwise, existing between the parties with respect to such subject matter at the date of execution of this Agreement.

21.2 This Agreement may be signed in identical counterparts, which together shall constitute a single agreement. The parties agree to accept counterparts transmitted by facsimile or other means of electronic communication as equivalent to originally signed documents.

**22. GOVERNING LAW**

22.1 This Agreement shall be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the parties hereby agree that any dispute arising out of or in relation to this Agreement shall be determined in Ontario.

22.2 The ISO agrees that it shall, and shall require its officers, directors and staff to comply with all laws, ordinances, rules and regulations which apply to the operation of the ISO, any activities of the ISO and the responsibilities of the ISO under the Act.

**23. SIGNATURES**

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date stated above.

**WASTE DIVERSION ONTARIO**

Per:




Geoff Rathbone, Director of  
Operations and Oversight


I have authority to bind  
Waste Diversion Ontario

**SODASTREAM CANADA LTD**

Per:



Doug Pritchard, Country Manager

PP  4/4/2016  
Daniel Birnbaum, Director, and CEO  
of SodaStream

We have authority to bind  
SodaStream Canada Ltd

**APPENDIX A**

**DESIGNATED WASTE**

All pressurized containers in accordance with Ontario Regulation 542/11 of which SodaStream Canada Ltd is the obligated steward in accordance with the Waste Diversion Act, 2002.