

Appendix “B” – Summary of Key Terms in Draft Haulage Agreement with Ontario Tire Stewardship

1. The City will haul Used Tires only to registered Processors as directed by OTS.
2. OTS shall pay the City the Transportation Incentives at the rate determined by OTS and approved by WDO after the required documentation is received by OTS. Payments shall be paid once per month.
3. The year 1 transportation incentives have been set at an average level of \$1.70 per tonne/kilometre for on-road tires, and \$2.12 per tonne/kilometre for off the road tires
4. OTS may terminate the agreement immediately if the City breaches any terms or conditions of the agreement or the OTS plan, if the City submits false inventory reports or if the Ministry terminates the program.
5. The parties agree that in the event of a dispute, resolution will be first subject to Mediation under Appendix 12 of the Used Tire Program Plan, and if such dispute is not able to be resolved by mediation then it shall be subject to arbitration under Appendix 13 of the Used Tire Program Plan.
6. The City shall indemnify OTS for all costs, expenses, claims, demands, actions, causes of action or any other loss suffered by OTS arising out of the performance or non-performance of the City under the agreement.
7. The City is required to have comprehensive general liability insurance of at least \$2,000,000.00 per occurrence, and add the OTS as a named additional insured.
8. The City agrees that OTS will never take possession of the Used Tires and that OTS will not be held liable to anyone for any damages, direct or indirect for the improper use, disposal or environmental degradation connected in any way to the Used Tires.
9. The Used Tire Program Plan may be revised from time to time without the input of the City, and the City shall be bound by each revised version.
10. The incentives payable may be modified from time to time. All changes will be posted on the OTS internet web site no less than 60 days before the effective date of such a change.
11. OTS retains the right to revise or amend this agreement. OTS will give notice to the City of such a change and the City shall have 45 days to indicate whether the changes are acceptable. If the changes are not acceptable this agreement will be terminated.