

**2023**

**Schedule of Contributions  
for « Containers and Packaging »,  
« Printed Matter »  
and « Newspapers » classes**

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DRAFT

**Unified Schedule of Contribution**  
**Éco Entreprises Québec – RecycleMédias**

**PREAMBLE**

The *Environment Quality Act*, (chapter Q-2) (the “**Act**”) contains provisions with respect to the compensation to municipalities and Native communities for the services that they offer to ensure the recovery and reclaiming of residual materials designated in the *Regulation respecting compensation for municipal services provided to recover and reclaim residual materials* (chapter Q-2, r.10) (the “**Regulation**”). This Regulation specifies the main principles and basic orientations regarding the contribution of enterprises to the financing of selective collection.

In force since 2005, the Regulation obliges enterprises that market containers, packaging, printed matter and newspapers (“**Targeted Persons**”) to compensate municipalities for the net costs for the selective collection, transport, sorting and treatment of materials targeted by the Regulation.

In March 2021, the Act to amend mainly the Environment Quality Act with respect to deposits and selective collection was sanctioned. This Act constitutes the first step towards modernizing the current selective collection system according to a model based on Extended Producer Responsibility (“**EPR**”), as announced by the *Ministre de l’Environnement et de la Lutte contre les changements climatiques* in February 2020. Not only did this Act grant the government the facilitating powers necessary to regulate in order to elaborate, to manage and to finance a modernized selective collection system for Targeted Persons, this Act also provides transitional and final provisions, of which certain come to modify section 4.1 of the Environment Quality Act (“**EQA**”), in regard to compensation for municipal services. These modifications are necessary to ensure the most fluid transition possible between the current compensation regime and the modernized selective collection system, which will co-exist during a period of approximately three (3) years.

Considering the transitional and final provisions of the Act and to ensure the coordination between the current compensation regime and the future modernized system, the Regulation had to be substantially modified in December 2021. In the process, certain irritants in its application that had been raised by the stakeholders over the past few years, were also corrected.

Pursuant to section 53.31.12 of the Act, the bodies certified by the *Société québécoise de récupération et de recyclage* must remit to same Société, the amount of the monetary compensation owed to municipalities. In order to fulfill this obligation, the certified bodies may, pursuant to section 53.31.13 of the Act, collect from the Targeted Persons under the Regulation, and for similar activities of their members, the contributions necessary to remit a) the amount of compensation determined by the *Société québécoise de récupération et de recyclage*, including the interests and applicable penalties, as the case may be, b) the amount necessary to indemnify the certified bodies for their management costs and other expenses related to the compensation regime, as well as, c) the amount payable to the *Société québécoise de récupération et de recyclage* as per section 53.31.18 of the Act.

From this approach, the certified bodies also have the responsibility, pursuant to section 53.31.14, to prepare and propose a schedule that may cover up to a period of three years, which also respects the

objectives of the Act. The proposed rules in this schedule must be approved by the Government and are published afterwards in the *Gazette officielle du Québec*.

It is in this context that Éco Entreprises Québec (ÉEQ) was recertified on December 11, 2020, to represent persons having an obligation to compensate for the “containers and packaging” and “printed matter” classes of materials and collect from the latter the monetary compensations that will be remitted to municipalities.

RecycleMédias (“RM”) was recertified on December 21, 2021, to represent persons having an obligation to compensate for the class of “newspapers”.

The Act imposes a number of requirements that guide ÉEQ’s and RM’s actions in the preparation of the Contribution Table for the enterprises, which are:

- The payable contributions must be established on the basis of a schedule that has been the subject of a special consultation with the “Targeted Persons”;
- The criteria taken into account to determine the schedule must evolve over the years in order to foster the accountability of the various classes of Targeted Persons in regards to the environmental consequences of the products they manufacture, market, distribute or commercialise, or the materials they otherwise generate, having regard to the content of recycled materials, the nature of materials used, the volume of residual materials produced as well as their potential for recovery, recycling or other forms of reclamation.

Section 53.31.14 of the Act states that the schedule may provide for exemptions and exclusions and that it may specify the terms according to which the contributions are to be paid to certified bodies. In the context of the government’s “Politique gouvernementale sur l’allègement réglementaire et administratif – Pour une réglementation intelligente”, adopted by Order in council (O.I.C. 1166-2017), ÉEQ and RM have worked in collaboration to propose a sole and unified Schedule of Contributions. All of which falls under the government’s actions seeking to reduce regulatory and administrative burdens on enterprises.

The schedule prepared and proposed by ÉEQ and RM has been drafted in a way to include all the elements enabling a person to determine whether they are targeted, to understand the scope of their obligations and to determine the amount of the payable contribution. To reach all those clarity and conciseness goals in a sole document, ÉEQ and RM have reproduced certain provisions of the Act and the Regulation, and they also propose a chapter providing the definitions of certain terms employed.

With the same concern for clarity, ÉEQ and RM propose explanations to targeted persons that are available on their websites at [www.eeq.ca](http://www.eeq.ca) and [www.recyclemedias.com](http://www.recyclemedias.com).

ÉEQ and RM favour alternative dispute resolution methods.

During the time where ÉEQ and RM are in possession of information that has been communicated to them in the scope of the compensation regime, they shall see to it that all agreed upon means are put in place to ensure the safety and confidentiality and ensure the respect of all other obligations provided for by the applicable laws pertaining to the confidentiality and conservation of this information.

The document hereafter constitutes the Schedule for the 2023 Obligation Year for “Containers and Packaging”, “Printed Matter” and “Newspapers” Classes (the “Schedule”) proposed by ÉEQ and RM to be approved by the government

## 1. DEFINITIONS

### 1.1. Definitions

In the Schedule, unless the context indicates otherwise, the following words and expressions mean or refer to:

- a) "Obligation Year": the year 2023, year for which a Targeted Person is required to pay the payable contribution established on the basis of the Materials it marketed during the Reference Year defined in this Schedule;
- b) "Reference Year": time period from January 1 to December 31, 2022, for which a Targeted Person must submit the quantities of materials for the establishment of the payable contribution related to the corresponding Obligation Year;
- c) "Classes of Materials": classes of materials targeted by the Compensation Regime, specifically "containers and packaging", "newspapers" and "printed matter";
- d) "Ultimate Consumer": the ultimate recipient or ultimate user of a product or a service;
- e) "Containers and Packaging" includes all flexible or rigid material, for example paper, carton, plastic, glass or metal, and any combination of such materials that, as the case may be:
  - is used to contain, protect or wrap the products during any stage from the producer to the Ultimate Consumer, notably for the presentation;
  - is intended for a single or short-term use and designed to contain, protect or wrap products, such as storage bags, wrapping paper and paper or styrofoam cups.
- f) "Voluntary contributor": a natural person, partnership, cooperative or a legal person, defined in section 2.3 of the Schedule;
- g) "Payable contribution": the amount required to be paid to a certified body by a Targeted person under the Schedule;
- h) "Retailer": a person for whom the principal activity consists in the operation of one or several points of sale intended for an Ultimate Consumer;
- i) "Principal distributor": the person who mainly dedicates its principal activities to managing the inventory of products and services from various fabricants, manufacturers or suppliers, which will be sold or otherwise distributed to various retailers or operators of e-commerce platforms;
- j) "Éco Entreprises Québec": body certified by RECYC-QUÉBEC that represents companies that market containers, packaging and printed matter in Québec;
- k) "Establishment": a physical place wherein takes place, by one or many persons, an organized economic activity, whether or not it is commercial in nature, consisting in the production of goods, their administration or their alienation, or in the provision of services. A place described in Appendix B of the Schedule is deemed to constitute an establishment.
- l) "RECYC-QUÉBEC fees": the administrative fees and other expenses of RECYC-QUÉBEC related the Compensation Regime and payable to RECYC-QUÉBEC by RecycleMédias pursuant to article 53.31.18 of the Act and article 8.14 of the Regulation;

- m) "RecycleMédias fees": the administrative fees and other expenses of RecycleMédias related to the Compensation Regime that are collected by RecycleMédias pursuant to article 53.31.13 of the Act;
- n) "Éco Entreprises Québec fees": the administrative fees and other expenses of Éco Entreprises Québec related to the Compensation Regime that may be collected by Éco Entreprises Québec pursuant to article 53.31.13 of the Act;
- o) "Printed matter": Class of Materials includes paper and other cellulosic fibres, whether or not they are used as a medium for text or images;
- p) "Newspapers": Class of Materials includes paper and other cellulosic fibres used as a medium for written current affairs periodicals published on newsprint, notably dailies and weeklies, as well as the containers and packaging used to deliver newspapers directly to the Ultimate Consumer or recipient (notably bags and elastic bands);
- q) "Act": the *Environment Quality Act* (chapter Q-2), as amended from time to time;
- r) "Brand": means a mark that is used by a person for the purpose of distinguishing or so as to distinguish products or services manufactured, sold, leased, hired or performed by the person from those manufactured, sold, leased, hired or performed by others, but does not include a certification mark within the meaning of section 2 of the *Trade-marks Act*, (R.S.C. 1985, c. T-13);
- s) "Materials": containers, packaging, printed matter or newspapers included in a Class of Materials;
- t) "Name": means the name under which any business is carried on, whether or not it is the name of a legal person, a partnership or an individual;
- u) "Body" or «Certified Body»: body certified by RECYC-QUÉBEC, specifically Éco Entreprises Québec and RecycleMédias;
- v) "Targeted Person"»: a natural person, partnership, cooperative or a legal person obligated by the Compensation Regime and subject, for the purposes of the payable contribution, to exemptions and other terms prescribed under section 2 of the Schedule;
- w) "Point of Sale" : a physical retail or sale outlet or distribution by e-commerce directly or indirectly used to sell or distribute services or products in Québec;
- x) "First Supplier": means a person who has a domicile or an establishment in Québec and is the first to take title, or possession, or control, in Québec, of a material or a product that is targeted by the Schedule;
- y) "Product" : material good, excluding any newspaper, intended for an Ultimate Consumer, whether directly or indirectly sold or distributed otherwise;
- z) "Digital products": websites (including any portal) and other digital products devoted primarily to current events, that are owned by the Targeted Person or another member of the Person's corporate group ;
- aa) "Foreign publication": a newspaper that markets less than 25 % of its total materials in Québec;

- bb) "Practical owner of the group": is a franchisor or a person who has decisional power and real control of a franchise or a chain of establishments operating under a banner name or as part of another similar form of affiliation or group of businesses;
- cc) "RecycleMédias": body certified by RECYC-QUÉBEC to represent companies that market Newspapers in Québec;
- dd) "RECYC-QUÉBEC": the Société québécoise de récupération et de recyclage, as designated in section 1 of the Act respecting the Société québécoise de récupération et de recyclage (chapter S-22.01);
- ee) "Compensation Regime": the compensation regime prescribed by Chapter IV, Division VII, subdivision 4.1 of the Act and by the Regulation, as amended from time to time;
- ff) "Regulation": *The Regulation respecting compensation for municipal services provided to recover and reclaim residual materials* (chapter Q-2, r.10);
- gg) "Group": a collection of enterprises or group of enterprises belonging to physical persons or legal persons that may be juridically distinct and independent from one another, or not, for which their activity is controlled by a person, which through one or many officers, hold between them a certain financial power, management or economic control over the running of the group of enterprises;
- hh) "Service": service that is not a material good and that is intended for an Ultimate Consumer, whether it is sold or otherwise provided, either directly or indirectly;
- ii) "Distinguishing Guise": means the shaping of containers or packaging or the format of a newspaper, the appearance of which is used by a person for the purpose of distinguishing or so as to distinguish products manufactured, sold, leased, hired or performed, or newspapers put on the market, by the person from those manufactured, sold, leased, hired or performed, or newspapers put on the market, by others.

## **2. DESIGNATION OF PERSONS SUBJECT TO PAYING A CONTRIBUTION**

### **2.1. Targeted Persons**

- 2.1.1. The persons referred to in sections 3 and 6 of the Regulation, that are the owners of a Brand, a Name or a Distinguishing Guise are the only ones who may be required to pay a contribution for:
  - 1) Containers and packaging used for commercialising or marketing a Product or Service in Québec under that Brand, Name or Distinguishing Guise;
  - 2) Containers, packaging and newspapers identified by that Brand, Name or Distinguishing Guise;
  - 3) Containers and packaging intended for a single or short-term use and designed to contain, protect or wrap products, such as storage bags, wrapping paper and paper or styrofoam cups;
  - 4) Materials included in the printed matter class identified by that Brand, Name or Distinguishing Guise.



When a Product or a Service, a container, a packaging, a printed matter or a newspaper, that is mentioned in the first paragraph, is identified by more than one Brand, Name or Distinguishing Guise having different owners, the Targeted Person is the owner of the Brand, Name or Distinguishing Guise that is the most closely related to the production of the Product or the Service, the container, the packaging, the printed matter or the newspaper.

- 2.1.2. If the owner has no domicile or establishment in Québec, the payment of the contribution can then be required from the First Supplier in Québec of the Products or the Services, or the containers and packaging, or the printed matter, or the newspaper concerned, other than the manufacturer, whether or not that supplier is the importer.

When the First Supplier in Québec is operating a Point of Sale that is supplied or operated as a franchise or a chain of establishments, under a banner name or as part of another similar form of affiliation or group of businesses or establishments, the payment of the contribution can then be required from the First supplier acting as a practical owner of the chain, banner or group in question, franchisor, owner of the chain or the banner, or the group of businesses or establishments which has a domicile or establishment in Québec. If the practical owner does not have a domicile or establishment in Québec, the payment of the contribution can then be required from the First supplier in Québec of the Products or the Services, or the containers and packaging, the printed matter, or the newspaper concerned, other than the manufacturer, whether or not that supplier is the importer.

- 2.1.3. The following rules apply in respect of containers or packaging added at Point of Sale, whether or not the containers or packaging are subject to section 2.1.1 of the Schedule, paragraphs 1, 2 and 3, and section 2.1.2 of the Schedule:

- 1) Where a Point of Sale is supplied or operated as a franchise or a chain, under a banner name, or as part of another similar form of affiliation or group of businesses or establishments, the contribution for containers or packaging added at the Point of Sale is payable by the franchisor, owner of the chain, banner or group who has a domicile or establishment in Québec. If this franchisor or owner of the chain has no domicile or establishment in Québec, the contribution becomes payable by the person who proceeded to add those containers and packaging at the Point of Sale.
- 2) When a Point of Sale which has equal to or superior to 929m<sup>2</sup> of total floor area, is not operated as a franchise, a chain, a banner, or as part of another similar form of affiliation or group of businesses or establishments, the contributions for containers and packaging added at this Point of Sale are payable by the person who proceeded to add those containers and packaging at the Point of Sale;
- 3) When a Point of Sale which has less than 929m<sup>2</sup> of total floor area, is not operated as a franchise, a chain, a banner, or as part of another similar form of affiliation or group of businesses or establishments, no contribution is required for containers and packaging added at this Point of Sale.

- 2.1.4. Any Targeted Person who has a right of ownership in the Brand, Name or Distinguishing Guise and who sells, transfers or otherwise assigns a right to another

person during the Reference Year, remains, with the other person, fully and solidarily liable for the payment of the payable contribution for the materials marketed and other amounts stipulated in the Schedule , for the entire Reference Year, including the period following the sale, transfer or otherwise assignment, notwithstanding the fact that at the moment that this Schedules comes into force or afterwards:

- 1) The Targeted Person is no longer owner of the brand, the name of distinctive guise that identifies Materials stipulated in the Schedule, or
- 2) The Targeted Person no longer markets the Materials, or
- 3) The Targeted Person is no longer the First Supplier in Québec of this Material.

2.1.5. Any Targeted Person who totally or partially sells, transfers, or otherwise assigns an enterprise to another person, during the Reference Year, remains, with the other person, fully and solidarily liable for the payment of the payable contribution for the materials marketed and other amounts stipulated in the Schedule, during the entire Reference Year, including the period following the total or partial sale, transfer, or otherwise assignment, notwithstanding the fact that at the moment that this Schedule comes into force or afterwards:

- 1) The Targeted Person is no longer owner of the Brand, Name or Distinctive Guise that identifies Materials stipulated in the Schedule, or
- 2) The Targeted Person no longer markets the Materials, or
- 3) The Targeted Person is no longer the First Supplier in Québec of this Material.

2.1.6. When a Product is acquired outside of Québec, through a sale subject to the laws of Québec, by a person domiciled or having an establishment in Québec who is not exercising an organized economic activity, by a municipality, or by a public body as defined in section 4 of the Act respecting contracting by public bodies, (chapter C-65.1), for their own use, the payment of the contributions pursuant to section 53.31.14 of the Environment Quality Act, (chapter Q-2) for the containers and packaging used for commercialising, marketing or any other type of distribution of this Product in Québec is required:

- 1) From the Person who operates a transactional website, through which the product was acquired, that allows a person that has neither domicile nor an establishment in Québec, to commercialise, to market or otherwise distribute a Product in the province;
- 2) From the person from whom the Product was acquired, whether or not this this person has a domicile or an establishment in Québec, where applicable.

This is also the case, with the necessary modifications, for the containers and packaging acquired outside of Québec, through sale subject to the laws of Québec, by a person domiciled or having an establishment in Québec that does not exercise an organized economic activity, by a municipality, or by a public body as defined in

section 4 of the Act respecting contracting by public bodies, (chapter C-65.1), for their own use.

These persons cannot benefit from the exemption found at section 2.2.2, paragraph 3).

## **2.2. Exempted Persons**

2.2.1. In accordance with section 5 of the Regulation, the persons mentioned therein are exempt from paying a contribution for those containers and packaging for which they already have obligations to ensure the recovery and reclamation of said materials:

1) Persons who are already required under a regulation made under the Act to take measures or contribute financially towards measures to recover or reclaim certain containers or packaging;

2) Persons already required under a consignment system recognized under Québec law to take measures or contribute financially towards measures to recover or reclaim containers or packaging targeted by this system, such as beer and soft drink non-refillable containers;

3) Persons who are able to establish that they participate directly in another system to recover and reclaim containers or packaging that operates on an established and regular basis in Québec, such as the program for the recovery of refillable beer bottles existing on November 24, 2004.

2.2.1.1. Is also exempt from paying a contribution, the First Supplier in Quebec that is subject to subparagraph 2° of the second paragraph of Section 3 of the Regulation, other than the manufacturer, whether or not that supplier is the importer, of a Product or a Service, or a container and packaging, when the owner of the Brand, a Name or a Distinguishing Guise has a domicile or an establishment in Quebec, but who commercialises, markets or otherwise distributes this Product or this Service, or containers and packaging, outside of Quebec, following which, these containers and packaging are then commercialised, marketed or otherwise distributed in this province.

2.2.2. Are also exempt from paying a contribution in regard to containers and packaging and printed matter:

1) The Targeted Persons subject to sections 2.1.1 and 2.1.2 of the Schedule whose gross sales, receipts, revenues or other inflows for Products marketed in Québec or Services provided in Québec were less than or equal to \$1,000,000 or who marketed in Québec one or more Materials of which the total weight of the Materials or group of Materials is less than or equal to one (1) metric ton;

2) The Targeted Persons subject to section 2.1.3, paragraphs 2° or 3° of the Schedule whose gross sales, receipts, revenues or other inflows for Products marketed in Québec or Services provided in Québec were less than or equal to \$1,000,000 or who marketed in Québec one or more Materials of which the total weight of the Materials or group of Materials is less than or equal to one (1) metric ton. In order to determine the gross sales, receipts, revenues or other inflows in Québec or the total weight of these Materials or group of

Materials, the Targeted Persons who are subject to section 2.1.3, paragraphs 2 or 3 of the Schedule must take into consideration the combined activities in Québec of all of its retail outlets that are supplied or operated as a franchise or a chain, under a banner name, or as part of another similar form of affiliation or group of businesses or establishments;

- 3) The Targeted Persons who are retailers and operate only one retail outlet and which location is not supplied or operated as a franchise or a chain of establishments, under a banner name, or as part of another similar form of affiliation or group of businesses or establishments. However, those Targeted Persons referred to under Section 2.1.3, paragraph 3 of the Schedule, cannot benefit from the present exemption.

2.2.3. Targeted Persons who demonstrate to RecycleMédias that the contributions prescribed in section 3.5 of the Schedule have been paid in full, on their behalf, by a third party recognized by RecycleMédias as a voluntary contributor under section 2.3, are exempted from paying said contributions.

2.2.4. In order to promote freedom of the press and lighten the administrative burden of RecycleMédias, Targeted Persons who own the Brand, Name or Distinguishing Guise that identifies a Newspaper subject to contributions pursuant to the Schedule and who, during the Reference Year, marketed Newspapers weighing less than a total of fifteen (15) metric tons, are also exempted from the contribution payable for Newspapers.

### **2.3. Voluntary Contributor**

2.3.1. The certified bodies may accept that a third party whose domicile and establishment is outside Québec and who is the owner of a Brand, a Name or a Distinguishing Guise becomes a voluntary contributor, notably if that third party:

- 1) is not exempt from paying a contribution pursuant to chapter 5 of the Regulation or section 2.2 of the Schedule; and
- 2) Submit to the certified body, pursuant to section 6.1.6 of the Schedule, a report for the Materials that it marketed, by notably submitting the data and information required, enumerated under sections 6.1.2 or 6.1.4 of the Schedule and in the delays established in sections 6.1.2 or 6.1.5 of the Schedule;
- 3) satisfies the conditions set out in the following sections.

2.3.2. A voluntary contributor may only act to fulfill obligations that, according to the Schedule, with regard to their Products and Services, containers and packaging or printed matter or newspapers, identified by a brand, a name or a distinguishing guide, would be the responsibility of the First Supplier, but this does not have the effect of exempting the First Supplier from its obligations under the Schedule.

2.3.3. A third party may be recognized as a voluntary contributor after having entered into an agreement to that effect with Éco Entreprises Québec, which includes, amongst other conditions:

- 1) That it undertakes to assume all of the obligations of a Targeted Person pursuant to the Schedule, notably the payment of any contribution, as well as, the

filing of the Material Report required under the Schedule, except for the payment exemptions at section 2.2.2 or from the lump sum contribution based on revenues as per section 4.2 of the Schedule;

2) That it undertakes, in regard to the First Suppliers, to fulfill any obligation flowing from the agreement;

3) That it undertakes to abide by Québec laws and agrees that lawsuits be instituted in the Province of Québec, according to Québec laws.

The third party who has entered into such an agreement is deemed to be a Targeted Person pursuant to the Regulation and the Schedule, subject to the limits imposed in the present section.

2.3.4. The certified body may decide to enter into the agreement provided under section 2.3.3 of the Schedule with a third party, whose domicile or establishment is outside Québec, and, while not being owner of a Brand, a Name or a Distinguishing Guise, is its Principal Distributor in Québec. Section 2.3.2 of the Schedule applies equally to this third party.

2.3.5. The First Supplier and the voluntary contributor are solidarily liable for the obligations they are subject to pursuant to the Schedule.

#### **2.4. Publication of the names of Targeted Persons**

2.4.1. Éco Entreprises Québec can make a list available including the names of any person who has fulfilled the obligations of section 6.1 of the Schedule and has consented to such disclosure.

2.4.2. RecycleMédias can publish on its website the names of any person, who according to it, meets the criteria of a Targeted person under section 2.1 of the Schedule.

### **3. DESIGNATION OF CLASSES OF MATERIALS REQUIRING A CONTRIBUTION AND EXCLUSIONS TO THE SCHEDULE**

#### **3.1. « Containers and Packaging »: included in the payable contribution**

3.1.1. The containers and packaging defined in section 1.1, paragraph e) and listed in Appendix A, as well as the containers and packaging sold or given out free of charge as Products, must be included in the establishment of the payable contribution.

#### **3.2. « Containers and Packaging » excluded from the payable contribution**

3.2.1. The following containers and packaging are excluded from the establishment of the payable:

- 1) Containers and packaging whose Ultimate Consumer is an industrial, commercial or institutional establishment;
- 2) Containers and packaging whose Ultimate Consumer is an agricultural establishment, notably rigid containers of pesticides for agriculture use approved by the Pest Management Regulatory Agency and rigid containers of fertilizers approved by the Canadian Food Inspection Agency subject to the programs enacted by CleanFARMS/AgriRÉCUP;

- 3) The pallets, tertiary or transport packaging, designed to facilitate the handling and transport of a number of sales units or bundled packaging conceived in order to prevent physical handling and transport damage. However, containers and packaging that are likely to be used not only for such transportation but also for delivery of products directly to the Ultimate Consumer, including paper, carton, polystyrene protection or plastic film, remain covered and must consequently be included in the establishment of the payable contribution;
- 4) Containers and packaging sold as products which are implicitly meant to contain or package materials other than those designated by the compensation regime, such as household waste, organic compost and biomedical waste;
- 5) Long-life containers or packaging are considered as such containers or packaging designed to accompany, protect or store a Product throughout its life when the Product is designed to last for five (5) years or more;
- 6) Containers or packaging accompanying a Product intended solely to be used or consumed by an Ultimate Consumer at the site of distribution or sale of the Product when such containers or packaging are taken into charge on that same site. As an example, but not limited to, such excluded containers and packaging are those accompanying food in a restaurant, but not those accompanying drive-thru and take-out orders.

### **3.3. « Printed Matter » included in the payable contribution**

- 3.3.1. The Printed Matter defined in section 1.1, paragraph p) and listed in Appendix A, as well as any paper and other cellulosic fibres, whether or not they are sold or given out free of charge as Products, such as calendars and greeting cards, must be included in the establishment of the payable contribution.

Materials that can be identified by a Brand, a Name or a Distinguishing Guise are considered as Printed Matter that should be included in the establishment of the payable contribution.

### **3.4. « Printer Matter » excluded from the payable contribution**

- 3.4.1. The following printed matter are excluded from the payable contribution:
  - 1) Printed matter whose Ultimate Consumer is an industrial, commercial or institutional establishment;
  - 2) Books as well as materials included in the “Newspapers” Class of Materials;
  - 3) Printed matter already included in the “containers and packaging” Class of Materials;
  - 4) Printed matter serving as personal identification documents, official documents or that contain personal information, such as birth certificates, passports and medical records;
  - 5) Printed matter generated while providing a Service or accompanying a Product intended solely to be used or consumed by an Ultimate Consumer at the site of distribution or sale of the Service or the Product when such printed matter is taken into charge on that same site.

### **3.5. « Newspapers » included in the payable contribution**

3.5.1. The Newspapers defined in section 1.1, paragraph q), must be included in the calculation of payable contribution.

### **3.6. Fees included in the payable contribution**

3.6.1. The fees for RECYC-QUÉBEC, the fees for RecycleMédias and the fees for Éco Entreprises Québec must be included in the calculation of the payable contribution.

## **4. DETERMINATION OF THE CONTRIBUTION AMOUNT AND PAYMENT**

### **4.1. Payable contribution and reference year for the calculation of the contribution**

4.1.1. For the Obligation Year 2023:

- 1) A Targeted Person that marketed Materials in the course of the year 2022 must pay a contribution for the Obligation Year 2023;
- 2) For the purpose of calculating the payable contribution for this Obligation Year 2023, the Materials that must be considered are those marketed in Québec between January 1<sup>st</sup>, 2022, and December 31<sup>st</sup>, 2022, inclusively, which year constitutes the Reference Year.

4.1.2. With respect to containers, packaging and printed matter, the contribution amount payable by a Targeted Person due for the Obligation Year 2023 is determined by multiplying, for each Material, the quantity in kilograms that is marketed in Québec during the Reference Year applicable to this Obligation Year by the rate applicable to that Material pursuant to the applicable Contribution Table for same Obligation Year, annexed in Appendix A of the Schedule, respectively, and then by adding together all of these amounts.

4.1.3. With respect to Newspapers, the contribution amount payable by a Targeted Person due for the Obligation Year 2023 corresponds to the quantity that is marketed in metric tons between January 1<sup>st</sup> 2022 and December 31, 2022 inclusively, this Year constituting the Reference Year, multiplied by the rate applicable pursuant to the applicable Contribution Table for same Obligation Year, annexed in Appendix A of the Schedule.

### **4.2. Lump Sum Payment option for the “Printed Matter”, “Packaging and Containers” Classes**

4.2.1. Any Targeted Person who is not eligible for an exemption from payment under section 2.2.2 or any Targeted Person under the provisions of section 2.3.1, may choose, for the Obligation Year related to this Reference Year, either to pay the contribution established under section 4.1 of the Schedule or opt to pay the lump sum payment set out as follows:

- 1) When the total weight of the Materials or group of Materials is less than or equal to 2.5 metric tons, the lump sum payable contribution is established at \$880.

- 2) When the total weight of the Materials or group of Materials is more than 2.5 metric tons but less than or equal to 5 metric tons, the lump sum payable contribution is established at \$1,760.
- 3) When the total weight of the Materials or group of Materials is more than 5 metric tons but less than or equal to 10 metric tons, the lump sum payable contribution is established at \$3,520.
- 4) When the total weight of the Materials or group of Materials is more than 10 metric tons but less than or equal to 15 metric tons, the lump sum payable contribution is established at \$5,290.

Alternatively, when the Targeted Person's, under section 2.1, gross sales, receipts, revenues or other inflows for the Products marketed or Services provided in Québec are greater than \$1,000,000 but equal to or less than \$2,000,000, it may choose to pay the lump sum payable contribution established at \$5,290.

In order to determine the gross sales, receipts, revenues or other inflows in Québec or the total weight for the Material or Targeted Materials, the Targeted Person subject to section 2.1.3 of the Schedule must take into consideration the combined activities in Québec of all its Point of Sales that are supplied or operated as a franchise or a chain, under a banner name, or as part of another similar form of affiliation or group of businesses or establishments.

This option is only available to a Targeted Person who market printed matter, containers or packaging and does not apply to those who market newspapers.

The revenue-based lump sum does not apply to a third party that qualifies as a voluntary contributor as defined in section 2.3.

#### **4.3. Dates of payment of the contribution owed to Éco Entreprises Québec**

4.3.1. With respect to the printed matter, containers and packaging class, the Targeted Person must pay to Éco Entreprises Québec the amount of the payable contribution as determined pursuant to section 4.1.2 of the Schedule within the delays and according to the terms and conditions of payment indicated hereafter:

- a) 80% of the payable contribution must be paid no later than the last day of the third month following the effective date of the Schedule of Contributions.
- b) The balance of the contribution must be paid no later than the last day of the fifth month following the effective date of the Schedule of Contributions.

4.3.2. Where the Targeted Person chooses to pay a lump sum pursuant to section 4.2.1 of the Schedule, the Targeted Person must pay 100% of such lump sum no later than the last day of the third month following the effective date of the Schedule of Contributions.



#### **4.4. Dates of payment of the contribution owed to RecycleMédias**

- 4.4.1. With respect to the Newspapers class, the payable contribution must be paid to RecycleMédias by the Targeted Person subject within ninety (90) days of receipt of any invoice. Each invoice must be paid in a single payment, unless RecycleMédias decides otherwise.
- 4.4.2. RecycleMédias may specify an alternative deadline for payment of the payable contribution.

#### **4.5. Interest, administration fees and recovery amount**

- 4.5.1. Under reserve of any additional amount required to be paid as the contribution owed as per a revised invoice, any part of the payable contribution owed by the Targeted Person that has not been paid to the certified body in the period fixed under section 4.3.1, 4.3.2 or 4.4.1 of the Schedule, and pursuant to the payment terms provided for at section 4.6 of the Schedule, will bear interest at the rate fixed by section 28 of the Tax Administration Act (chapter A-6.002), and this in conformity with section 53.31.16 of the Act. The interest is calculated daily on the amount owed from the date at which this part of the contribution must be paid until the date of payment, at the rate mentioned hereabove. Any change in the rate will immediately bring a change to the payable interest rate pursuant to the present section.

However, the daily interest calculated between the date the invoice is issued pursuant to the Schedule and the date of payment are cancelled if the amount required by this invoice is paid at the latest thirty (30) days following the date the invoice was issued.

- 4.5.2. Under reserve of any additional amount required to be paid in the contribution owed as per a revised invoice, any Targeted Person who has not paid a part of the payable contribution in a period of ninety (90) days following the date at which said part of the contribution is due pursuant to section 4.3.1, 4.3.2 or 4.4.1 of the Schedule, must pay, in addition to the interest required under section 4.5.1 of the Schedule, the administrative fees equivalent to 10% of the part of the payable contribution owed in order to compensate the administrative costs incurred by the certified body.
- 4.5.3. When referring to an amount owing to Éco Entreprises Québec, when a Targeted Person makes the written request and only minor administrative measures were necessary for Éco Entreprises Québec to claim a sum owed under the terms of the Schedule, a 50% reduction of the administrative fees that are due under section 4.5.2. can be applied.

The Targeted Persons that are subject to section 4.2 of the Schedule who have not been the object of any recovery measures by Éco Entreprises Québec under section 6.2.2 of the Schedule and who, voluntarily and in conformity with section 6.1 of the Schedule, register with Éco Entreprises Québec and submit a Materials Report to it, may be admissible to a credit equivalent to 100% of the administrative fees that are owed under the first paragraph upon the receipt of a written request.

- 4.5.4. Pursuant to section 53.31.16 of the Act, where a certified body commences a legal recourse to claim a sum it is owed, it may claim an amount equal to 20% of that sum.

**4.6. Place and method of payment**

- 4.6.1. Any payment, made according to the Schedule must be in Canadian legal currency.
- 4.6.2. Any payment, owed according to the Schedule may be made by cheque, pre-authorized debit, wire transfer or a centralized payment service.

In the event the payment is made by way of a wire transfer or by a centralized payment service, a written notice to that effect must be submitted to the certified body. If such notice is not forwarded, the certified body is exonerated from any liability if the amount of the payment is not applied.

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## **5. CREDITS AND ECO-MODULATION MEASURES**

### **5.1. Targeted Person eligible to credits and eco-modulation measures**

- 5.1.1. Are eligible for the credits and other eco-modulation measures the Targeted Persons who have generated containers, packaging and printed matter during the Reference Year and having submitted a detailed report and paid in full their contribution due under the Schedule, within the prescribed deadlines, unless there is a prior written agreement with ÉEQ.
- 5.1.2. Are not eligible to credits and other eco-modulation measures, Targeted Persons who are exempt from paying the contribution under divisi section on 2.2 of the Schedule or who have taken advantage of a lump sum payment under section 4.2 of the Schedule. Are however eligible to credits and other eco-modulation measures, the Targeted Persons who are eligible to for a lump sum payment, but who have elected to submit a detailed report of their materials.
- 5.1.3. ÉEQ has the authority to review all applications for credits, bonuses, and other eco-modulation measures and to request additional supporting documentation as required. The Targeted Persons applying for credit shall retain supporting data for their application for a period of five (5) years from the date they applied.

### **5.2. Credit for post-consumer recycled content**

- 5.2.1. A Targeted Person that has generated materials with a percentage of post-consumer recycled content that meets or exceeds the threshold set out in Appendix A is eligible to receive a credit of 20% of the payable contribution for the materials concerned, where the Materials Report was submitted within the prescribed delay.
- 5.2.2. The credit shall be issued by means of a separate invoice issued within one year of the deadline for submission of the concerned report. The supporting documents required for the determination of this post-consumer recycled content must be sent to the competent certified body before the deadline for payment of the contribution.

### **5.3. Ecodesign incentive bonus**

- 5.3.1. A bonus of up to 50% of the contribution payable for the containers or packaging of a Product concerned by an ecodesign measure may be granted to any eligible Targeted Person who has carried out an ecodesign measure for containers or packaging and who demonstrates that their measures meet the requirements set out on the ÉEQ website, when the total contribution to the Schedule has been paid in full, within the prescribed delay.

The Targeted Person must provide the supporting documents to the certified body within the required delay.

- 5.3.2. A Targeted Person may submit a bonus application to Éco Entreprises Québec for several products. A separate application must be submitted by the Targeted Person for each container or packaging concerned by an ecodesign process.

The Targeted Person may obtain a credit of up to \$25,000 per bonus application and may accumulate several credits up to a maximum amount of \$60,000 per Targeted Person.

A minimum amount of \$5,000 per Targeted Person will be awarded to any Targeted Person whose bonus applications are deemed eligible by the certified body. This minimum amount will be capped at the total amount of the contribution payable in the Reference Year, if it is less than \$5,000.

The ecodesign bonus is granted only for the reported quantities of containers and packaging marketed during the Reference Year.

## **6. REGISTRATION AND REPORTING BY TARGETED PERSONS**

### **6.1. Registration and reporting by targeted persons**

- 6.1.1. All Targeted Persons must register with the competent certified body with respect to the Class of Materials marketed in conformity with the procedure set out in section 6.1.6 of the Schedule before its first Report. The registration done with Éco Entreprises Québec must be made no later than the sixtieth (60th) day following the effective date of the Schedule to which the person is subject.
- 6.1.2. With respect to the printed matter, containers and packaging class, any Targeted Person must also submit to Éco Entreprises Québec, no later than the sixtieth (60th) day following the effective date of the Schedule, in order to establish the contribution payable under section 5, a Materials Report that it has marketed, by submitting the following data and information:
- a) A description of the methodology and data used to prepare the Targeted Person's Materials report;
  - b) A description of the Materials excluded from the Materials report used to establish the Targeted Person's payable contribution;
  - c) A description of deducted Materials from the Targeted Person's Materials report, as well as the number of kilograms or the percentage applied according to the type of Material;
  - d) A description of the containers, packaging and printed matter that the Targeted Person marketed and that are not mentioned in the Materials report, as well as the quantity in kilograms of the marketed containers, packaging and printed matter;
  - e) A list of Brands, Names and Distinguishing Guises that are covered in the Targeted Person's Materials report;
  - f) A declaration as to the truthfulness of the information contained in the Targeted Person's Materials report.
- 6.1.3. Registration with RecycleMédias must be made by any Targeted Person who has marketed newspapers (including any Targeted Person who is exempt from contributions under section 2.2.3 of the Schedule) by sending the information required in Appendix C of the Schedule no later than the thirtieth (30th) day following its registration.

- 6.1.4. With respect to the Newspapers class, any Targeted Person (including any Reporting Person exempt from contributions under section 2.2.3 of the Schedule) shall also file a report of Materials that was marketed during the Reference Year, by transmitting to RecycleMédias the information required in Appendix D of the Schedule, including but not limited to:
- a) A list of the brands, names and distinguishing guises covered by the Materials Report of the Targeted Person;
  - b) a list and a description of the Materials excluded from the Materials report used to establish the Targeted Person's payable contribution;
  - c) A statement certifying that the content of the Materials report of the Targeted Person is true and accurate;
  - d) a list of the digital products that the Targeted Person owns and offers throughout the Obligation Year.
- 6.1.5. The Materials Report for the 2023 Obligation Year for RecycleMédias must be done by the Targeted Person no later than March 31, 2024;
- 6.1.6. The registration and Materials report must be transmitted the certified body electronically. This must be done by using the forms that are provided to this effect in the registration and reporting interfaces that are available on Éco Entreprises Québec's website at [www.eeq.ca](http://www.eeq.ca) or on the RecycleMédias' website [www.recyclemedias.com](http://www.recyclemedias.com), all according to the submission procedures described on any of the websites.

## **6.2. Billing, credits, reimbursement and penalties**

- 6.2.1. With respect to the Targeted Person subject to the jurisdiction of Éco Entreprises Québec, upon receipt of the Materials report from the Targeted Person, the certified body sends by e-mail to the Targeted Person who submitted the report one (1) or two (2) invoice(s) for the payable contribution, which is established based on the information contained in the Materials report, and in relation to the type of contribution established pursuant to sections 4.3.1 or 4.3.2 of the Schedule, as the case may be.

With respect to the Targeted Persons subject to the jurisdiction of RecycleMédias, the certified body sends to the Targeted Persons one or more invoices showing the contribution payable .

The present section cannot, however, be interpreted as exonerating the Targeted Person from paying the contribution within the period stipulated in section 4.3 and 4.4 of the Schedule.

The present section also cannot be interpreted as denying a certified body of its right to review said Materials report and to send an imposed invoice or a revised invoice pursuant to sections 6.2.2, 6.2.3 and 6.2.4 of the Schedule.

- 6.2.2. Any failure to register, any failure to submit the Materials report and the submission of an incomplete, late, erroneous or fraudulent Materials report gives rise to the possibility that the certified body, at any time, may impose the amount of the contribution payable, by means of an estimate based on all elements in its possession, notably based on the installations or activities of the Targeted Person, or by way of a recognized fixed-price estimate method. These elements or methods remain confidential if personal information concerning a Targeted Person are used by the certified body to establish the imposed invoice. In this case, the certified body cannot be compelled to reveal these elements or methods. This imposed invoice is presumed valid and if it is contested, it belongs to the Targeted Person to establish that the invoice is ill-founded.

This imposed invoice includes interest and the administrative fees established pursuant to sections 4.5.1, 4.5.2 and 4.5.3 of the Schedule. Despite any contestation, any amount owed under the imposed invoice, must be paid in the thirty (30) days of the invoice being issued.

A penalty of up to \$5,000 may also be charged by a certified body to a Targeted Person for failure to register, failure to report materials, and any incomplete, late, erroneous or fraudulent Materials report. This penalty must be paid within thirty (30) days of the date of the invoice.

In the event that the Targeted Person subject to the first paragraph has previously been sent an imposed invoice under the terms of one or more previous Schedules, the certified body may require payment of an amount equivalent to an increase of at most 20% of the payable contribution in conformity with the first paragraph, as the case may be.

6.2.3. A certified body can, within a delay of three (3) years following the date when the Targeted Person submits the Materials report, review the Materials report submitted by the Targeted Person and require that the Targeted Person provide the necessary supporting documentation to the competent certified body within a delay of sixty (60) days. The certified body can also decide to make the necessary corrections after having informed the Targeted Person. Following these corrections, a revised invoice indicating the adjusted payable contribution is sent to the Targeted Person. This revised invoice is presumed valid and if it is contested, it belongs to the Targeted Person to establish that it is ill-founded.

Despite any contestation, the additional sum required to be paid for the contribution as indicated in the revised invoice must be paid by the Targeted Person to the competent certified body within a delay of thirty (30) days following the issuance of this invoice.

The amount owed will bear interest at the rate fixed by section 28 of the *Tax Administration Act* (chapter A-6.002), and this in conformity with section 53.31.16 of the Act. The interest is calculated daily on the unpaid amount, starting from the date this amount must be paid until the date of payment, at the rate mentioned here above. Any change to this rate automatically brings a change to the payable interest rate pursuant to the present section.

In addition to interest, any Targeted Person that has not paid the sum required within the delay of ninety (90) days following the date at which this sum is due, must pay fees equivalent to 10% of the sum owed to compensate for the administrative fees incurred by the competent certified body.

6.2.4. In the event that a Targeted Person believes that it has grounds that could justify a revision of its Materials report by the certified body, it must submit, within a period of one (1) year following the deadline to submit the Materials report provided for at sections 6.1.2 or 6.1.5 of the Schedule, as the case may be, failing which its claim is forfeited, this amended Materials report for approval by a certified body. This predetermined time limit is of two (2) years when the amended Materials report seeks to correct a situation where more than one Targeted Person has submitted a Materials report relating to the same Material(s), which resulted in duplicate reports. All relevant documents and information allowing a certified body to proceed with a complete analysis and to render an enlightened decision must be filed in the same delay. If a certified body approves in all or in part the said revised Materials report, a revised invoice of the payable contribution is then transmitted to the Targeted Person. This revised invoice is presumed valid and where it is contested, it belongs to the Targeted Person to establish that it is ill-founded.

If, within a delay of one (1) year following the delay established in sections 6.1.2 or 6.1.5 of the Schedule, as the case may be, a Targeted Person submits more than one amended Materials report for approval to the certified body, said person is subject to pay administration fees corresponding to the greatest amount between \$250 and 5% of the difference between the existing contribution and the contribution indicated in the new revised Materials report submitted for approval, for a maximum of \$25,000. Those administrative fees are payable at the time of

submission of the revised Materials report and prior to any analysis, by the certified body, of any revised Materials report.

When any revised Material report is approved by the competent certified body pursuant to the second paragraph, and a Targeted Person must pay a higher contribution than that of the previously accepted revised Materials report by the certified body, the certified body may renounce to the Targeted Person having to pay the administration fees due under the second paragraph of this section. The amount of administration fees already paid is to be credited to the Targeted Person, as the case may be.

Despite any contestation, the additional amount required to be paid for the contribution as indicated in the revised invoice must be paid by the Targeted Person within a delay of thirty (30) days following the issuance of this invoice. The amount owed will bear interest at the rate fixed by section 28 of the *Tax Administration Act* (chapter A-6.002), and in conformity with section 53.31.16 of the Act. The interest is calculated daily on the unpaid amount, starting from the date this amount must be paid until the date of payment, at the rate mentioned here above. Any change to this rate automatically brings a change to the payable interest rate pursuant to the present section.

In addition to interest, any Targeted Person that has not paid the sum required within the delay of ninety (90) days following the date at which this sum is due, must pay fees equivalent to 10% of the sum owed to compensate for the administrative fees it incurred by the certified body.

6.2.5. Once the amended Materials report is approved by a certified body, and it appears that the Targeted Person paid a contribution that was higher than it should have paid, the amount overpaid is credited to any contribution payable for the following Obligation Year, up to the adjusted contribution amount for the current Obligation Year. The certified body reimburses the Targeted Person, without interest, any amount exceeding this credit subject to any administration fees owed to the certified body pursuant to section 6.2.4, paragraph 2.

6.2.6. A Targeted Person to whom an imposed or revised invoice has been sent may attempt to arrive at an agreement with the competent certified body pursuant to section 7 of the Schedule if the dispute relates to the quantity or the qualification of Materials that should have been taken into account in the Materials report. This process does not exempt, however, the Targeted Person from their obligation to pay the amount indicated in the imposed invoice in the period indicated at section 6.2.2 of the Schedule, or the additional sum required to be paid as a contribution indicated in the revised invoice within the delay indicated at section 6.2.3 or 6.2.4, as the case may be. In the event where an agreement is reached and results in an overage paid, section 6.2.5 of the Schedule applies with any necessary adjustments.

### **6.3. Verification and conservation of files**

6.3.1. A certified body reserves the right to require, from any Targeted Person, as well as any person whom the certified body has reasonable grounds to believe is a Targeted Person, the books, registries, accounting documents and any other documents deemed necessary by the certified body in order to establish the payable contribution by this person.



Any person to whom such a request is made must render this information available to be consulted and photocopied by the certified body, during normal business hours, no later than sixty (60) days following the receipt of a written notice from the certified body to that effect.

- 6.3.2. Other than the information and documents that the Targeted Person must submit in support of its Materials report, the competent certified body reserves the right to require from the said person that it provide, within sixty (60) days following the receipt of a written notice, any supplementary information, such as, a complete list of containers and packaging, printed matter and newspapers covered by the Schedule, whether or not this information was used in the preparation of the Materials report, the data tables, audit reports, list of declared Brands and list of Brands excluded from the Materials report and the distribution of percentages, which were used by the Targeted Person to complete its Materials report.
- 6.3.3. When a Targeted Person does not provide the information and documents required by the certified body within the delay set out in sections 6.3.1 or 6.3.2, as the case may be, said person is subject to pay administration fees corresponding to the greatest amount between \$250 and 1% of the contribution owed for the relevant Obligation year following this default, for a maximum amount of \$25,000.
- 6.3.4. Any Targeted Person must keep a record of all documents and other supports used to prepare the Materials report for a period of at least five (5) years from the date that this Materials report is transmitted .

## **7. DISPUTE RESOLUTION**

### **7.1 Procedure**

- 7.1.1 In the case of a dispute between the Targeted Person and the certified body regarding the quantity or the qualification of the Materials that should have been taken into account in the Materials report following the issuance of an imposed invoice pursuant to section 6.2.2 of the Schedule, or following the issuance of a revised invoice pursuant to section 6.2.3 or 6.2.4 of the Schedule, the Targeted Person and the certified body will endeavour to resolve the dispute by way of discussions between their respective representatives in the thirty (30) days following the issuance of the invoice, a written notice of dispute or of a mutual agreement, which shall be recorded in writing.
- 7.1.2 If the dispute cannot be resolved during the prescribed period, the certified body may have recourse to the courts or to any alternative dispute resolution methods of its choice.
- 7.1.3 Non-payment or the failure by the Targeted Person to submit its Materials report shall not be subject to an arbitration.

## **8. ADJUSTMENTS**

### **8.1 Adjustments**

- 8.1.1 In the case where, for a particular Class of Materials, Éco Entreprises Québec collects, following the expiry of the twenty-four (24) month period following the date where

the balance for the payable contribution is due as prescribed by section 4.3.1 of the Schedule, an amount that exceeds by 4% the required amount to be paid for this Class of Materials, for one (1) year where said amounts become due, a) the amount of the compensation determined by the Société québécoise de récupération et de recyclage, including the interest, administrative fees and applicable penalties, as the case may be, b) the amount necessary to indemnify Éco Entreprises Québec for its management costs and other expenses related to the compensation regime, as well as, c) the amount payable to the Société québécoise de récupération et de recyclage pursuant to section 53.31.18 of the Act (this last amount being identified in the present SectionChapter, as being the “required amount”), Éco Entreprises Québec may issue a credit to Targeted Persons that have paid the contribution for the Obligation Year in which the surplus has accumulated. This credit will correspond to the amount collected above the exceeding 4% and is redistributed pro rata amongst the payable contributions by sub-class of Materials within each class, and then, by pro rata amongst the contributions paid by the Targeted Persons within each sub-class.

If Éco Entreprises Québec determines that it is likely to collect an amount exceeding 4% of the amount necessary, for a Class of Materials, following the expiry of the twenty-four (24) month period following the date on which the balance of the contribution is payable under section 4.3.1 of the Schedule, Éco Entreprises Québec may, even before the expiry of the twenty-four (24) month period, apply all or part of this amount to the contribution due, for this category of materials, for the current or a subsequent Obligation Year.

- 8.1.2 In the case where RecycleMédias collects, for the Obligation Year, an amount exceeding 5% the amount necessary to pay in respect to the Newspapers class a) the amount of the annual compensation determined by the Société Québécoise de recuperation et recyclage, including the interests and the administrative fees and applicable penalties, as the case may be, b) the RECYC-QUÉBEC fees and c) the fees of RecycleMédias, RecycleMédias may grant a credit to those Targeted Persons of the Newspapers class who have paid their contributions payable for the Obligation Year for which this excess has accumulated. This credit will correspond to the amount collected in excess of the 5% and will be distributed in pro rata to the contributions payable paid by the Targeted Persons of the Newspapers class.
- 8.1.3 In the case where Éco Entreprises Québec does not collect the required amount for a Class of Materials following the expiry of the twenty-four (24) month period following the date where the balance for the payable contribution is due pursuant to section 4.3.1 of the Schedule, Éco Entreprises Québec can require from Targeted Persons for this Class of Materials the amount needed to satisfy the difference. This amount is distributed pro rata amongst the required contributions by a sub-class of Materials within this Class and then, by pro rata amongst the required contributions for each Targeted Person within each sub-class. This amount must be paid to Éco Entreprises Québec by the Targeted Persons within a delay of thirty (30) days following the transmission of an invoice to this effect by Éco Entreprises Québec. The sections 4.5 and 4.6 of the Schedule are applicable for this amount by making the necessary modifications.

If Éco Entreprises Québec judges that it will most likely not be able to collect the amount necessary for a Class of Materials, at the expiry of a twenty-four (24) month

period following the date at which the balance of the payable contribution is payable pursuant to section 4.3.1 of the Schedule, Éco Entreprises Québec can, even before the expiry of the twenty-four (24) month period, require an amount that it deems necessary to satisfy the difference. This amount is distributed pro rata amongst the required contributions by sub-class of Materials within this Class, and then, pro rata amongst the required contributions to be paid by the Targeted Persons within each sub-class. This amount must be paid to Éco Entreprises Québec by the Targeted Persons within thirty (30) days following the transmission of an invoice to this effect by Éco Entreprises Québec. The sections 4.5 and 4.6 of the Schedule are applicable to this amount by making the necessary modifications.

- 8.1.4 In the event that RecycleMédias does not collect, for the Obligation Year, or determines that it is unlikely to collect, the amount necessary to pay in regards to the Newspapers class a) the annual compensation amount determined by the Société Québécoise de récupération et de recyclage, including interest and administrative fees and applicable penalties, as the case may be, b) RECYC-QUÉBEC's fees, and c) RecycleMédias' fees, RecycleMédias may request from the Targeted Persons of the Newspapers class the amount required to make up the difference. This amount shall be distributed pro rata amongst the required contributions payable by each Targeted Person for the Obligation Year. In such a case, this amount shall be paid to RecycleMédias by the Targeted Persons of the Newspapers class within a period of thirty (30) days following the transmission of an invoice for this purpose by RecycleMédias. Chapter 4 of the Schedule shall apply to this amount, with the necessary adaptations.

## **9. EFFECTIVE DATE AND DURATION**

### **9.1 Effective Date**

The Schedule shall be effective on the day of its publication in the *Gazette officielle du Québec*.

### **9.2 Duration**

The Schedule is valid for the 2023 Obligation Year.

## APPENDIX A: 2023 CONTRIBUTION TABLE

Contributions for the period from January 1<sup>st</sup> through December 31<sup>st</sup>, 2022<sup>1</sup>

A. Contributions for the classes of printed matter, containers and packaging					
Class of Materials	Sub-class of Materials	Materials	Annualized contributions ¢/kg	Credit for recycled content (Threshold to achieve <sup>2</sup> )	
Printed matter		• Newsprint inserts and circulars	21.967	80 %	
		• Catalogues and publications	28.815	50 %	
		• Magazines		50 %	
		• Telephone books		80 %	
		• Paper for general use		80 %	
		• Other printed matter			
Containers and Packaging	Paperboard <sup>3</sup>	• Corrugated cardboard	25.701	n/a	
		• Kraft paper shopping bags		100 %	
		• Kraft paper packaging		100 %	
		• Boxboard and other paper packaging	32.836	n/a	
		• Gable-top containers	35.614	n/a	
		• Paper laminants	46.174	100 %	
		• Aseptic containers	42.193	n/a	
	• Cork and wood	55.352	n/a		
	Plastics		• Polyethylene terephthalate (PET) bottles	44.058	100 %
			• High-density polyethylene (HDPE) bottles and containers < 5l.	23.936	100 %
			• Plastic laminants	73.201	n/a
			• Plastic HDPE and Low-density polyethylene (LDPE) films	74.456	n/a
			• HDPE, LDPE plastic shopping bags		n/a
• Expanded Polystyrene – food packaging			127.303	n/a	

<sup>1</sup> For the calculation of the contribution for the 2023 Obligation Year, the Targeted Persons must, without fail, for the purposes of the application of chapters 4 and 6 of the Schedule, declare the materials that were marketed in Québec for the twelve (12) months comprised between January 1<sup>st</sup> and December 31<sup>st</sup> of the Reference Year, that is prescribed in division 4.1 of the Schedule.

<sup>2</sup> see Division 5.2 of the Schedule.

<sup>3</sup> Also includes other fibers

**A. Contributions for the classes of printed matter, containers and packaging**

Class of Materials	Sub-class of Materials	Materials	Annualized contributions ¢/kg	Credit for recycled content (Threshold to achieve <sup>2</sup> )
		• Expanded Polystyrene – cushioning packaging		n/a
		• Non expanded Polystyrene		n/a
		• PET containers	44.058	100 %
		• Polyvinyl chloride (PVC)	127.303	n/a
		• Polylactic acid (PLA) and other degradable plastics		n/a
		• Polypropylène (PP)	41.871	n/a
		• Other plastics, polymers and polyurethane	47.555	n/a
	Aluminum	• Food and beverages aluminum containers	20.470	n/a
		• Other aluminum containers and packaging		
	Steel	• Steel aerosol containers	23.875	n/a
		• Other steel containers		
	Glass	• Clear glass	25.645	n/a
		• Coloured glass	26.071	n/a
• Ceramic and porcelain		49.955	n/a	

**B. Contribution for the Newspaper class**

Class of Maters	Matter	Annualized contributions ¢/kg
Newspapers	• Newspapers	20,760
	• Containers or packaging used to deliver newspapers directly to Ultimate Consumers or recipients (including bags or rubber bands)	74.456

## APPENDIX B: ESTABLISHMENT IN QUÉBEC

For the purposes of this Appendix, a Targeted Person is referred to as “enterprise”.

If an enterprise does not have its head office, which constitutes its domicile, in the Province of Québec, it may still have one or several establishments in the Province.

Here are some non-exhaustive examples provided solely as a guide to assist in determining whether an enterprise has an establishment in Québec for the purposes of the Schedule:

- a) The enterprise indicates an address in Québec in the “Établissements” section of the report it filed with the Registraire des entreprises du Québec or in its corporate bylaws or regulations.
- b) Insurance companies or financial institutions:

An enterprise that offers insurance or financial products in Québec and holds a license issued by the Autorité des marchés financiers (“AMF”) is deemed to have an establishment in Québec.
- c) The owner of immovable property in the province:

When an enterprise owns an immovable in Québec, that immovable is presumed to be an establishment.
- d) An enterprise using equipment or machinery in the province:

When an enterprise does not have a fixed place of business in the province, it may still have an establishment at the place where it uses an important quantity of machinery or material for a particular moment within a reference year. Said enterprise is then deemed to have an establishment at such place.
- e) Commercial activities in the province related to raw materials:

When the activities of an enterprise consist of producing, growing, excavating, mining, creating, manufacturing, improving, transforming, preserving or constructing, in full or in part, anything in Québec, whether or not the sale of the thing occurs in Québec or elsewhere, this activity will allow us to conclude that the enterprise possessed an establishment in Québec in the year in which the activity took place.
- f) A representative in Québec:

The establishment of an enterprise signifies a fixed place or a principal place where it carries on business. An establishment also includes an office, a residence, a branch, a mine, a gas or oil well, an agricultural endeavor, a woodlot, a factory, a storage facility or a workshop.

When an enterprise is operated or represented through an employee, an agent or a mandatary who is established at a particular place and has general authority to contract for his employer or mandator, or who possesses an inventory of merchandise belonging to the employer or mandator that is used to regularly fill orders that such employee, agent or mandatary receives, the enterprise is deemed to have an establishment at this place, even if the orders are sometimes placed with a distribution center that is situated outside of Québec.
- g) Commission agent, broker, other independent agent or subsidiary:

An enterprise is not deemed to have an establishment by the sole fact that it has a business relationship with someone else through a commission agent, a broker or any other independent agent, or by the fact that it maintains an office or a warehouse for the sole purpose of purchasing merchandise; it will also not be deemed to

have an establishment in a place for the sole reason that it controls a subsidiary that itself carries on business in the province.

Attention: A person acting as an “attorney for service” for a legal person that is registered at the Registraire des entreprises du Québec does not constitute an element that would be considered sufficient to determine that the legal person has an establishment in Québec.

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## **APPENDIX C: REGISTRATION WITH RECYCLEMÉDIAS OF A TARGETED PERSON**

Name of the company.

Nature of liability.

Head office address and telephone number.

If the head office is not in Québec, address and telephone number of the domicile or an establishment in Québec.

Website of the company.

Name and contact information of the company's primary contact.

## **APPENDIX D: MATERIALS REPORT FOR RECYCLEMÉDIAS**

Obligation year.

Reference year.

The quantity of newspapers marketed in Québec, in metric tons (distinguishing between papers and other cellulosic fibers, and containers or packaging).

A list of the marks, names, distinctive guises that are part of the Materials report of the Targeted Person.

A list and description of the excluded materials that have been omitted from the Targeted Person's Materials report.

A statement of the Targeted Person certifying that the content of the Materials report is true and accurate.

A list of the digital products that the Targeted Person owns and offers throughout the Reference Year 2023.

Notwithstanding the foregoing, as provided in section 6.3.2, RecycleMédias reserves the right to request the Targeted Person to provide additional information that was used by the Targeted Person to develop its Materials report.