

Ontario Tire Stewardship
405 The West Mall, Suite 500
Toronto, Ontario,
M9C 5K7

November 12th, 2010

Re: Collectors having pre-program tires in inventory

Dear Collector:

Ontario Tire Stewardship (OTS) is aware that there are organizations in Ontario that may have significant quantities of used tires in inventory (tires Collected or Generated prior to September 1st 2009, referred to as Pre-Program Tires) that are not at this time eligible for free pick-up by Haulers registered with OTS. It has been the policy of OTS that these pre-program tires remain the responsibility of the collector to manage, including assuming the responsibility to pay for the removal of these tires.

While used tires collected or generated in this manner are not the responsibility of the program to manage, OTS recognizes that Collectors may have difficulties absorbing the full up-front costs associated with removing these pre-program tires. As such OTS has agreed to develop a process to facilitate the clean-up of these pre-program tires from registered Collectors.

The Pre-Program Tires in Inventory Clean-up Program will allow OTS to work with identified Collectors to clean-up pre-program tires through a Special Tire Collection (STC) process established by OTS. Tires collected through these STC's will not be eligible for payment of Collection Allowance to the Collector, but will attract the payment of the other incentives, allowing the tires to be picked-up for no charge from the Collector at the time of pick-up, provided the tires are in a condition consistent with the Terms and Conditions of the Collector Agreement.

OTS will track the incentives paid on tires managed through this STC and will assess a debit balance against the Collector's account equal to this amount. Collection Allowance payments that would otherwise be due to the Collector on tires collected after the pre-program tire clean-up will instead be credited to this balance and no payment will be made to the Collector until the balance is zero.

If the amount of Collection Allowance that would otherwise be due over a 12 month period is less than one-third of the amount of the debit amount assessed after the clean-up, OTS will invoice the Collector for the difference. OTS will invoice the Collector for this amount within 90 days after the annual anniversary of the clean-up. This process will continue for a maximum of 3 years or until the balance owing becomes zero, which ever comes first.

The process for cleaning-up pre-program tires is only open to registered Collectors. Organizations not registered as Collectors but who have these tires and wish to avail themselves of this program should register as a Collector and contact OTS to request inclusion in the Pre-Program Tire in Inventory Clean-up Program. Organizations that are not eligible to register as Collectors should contact OTS directly.

Participation in the Pre-Program Tires in Inventory Clean-up Program requires the execution of an addendum to the Collector Agreement. Clean-ups will occur on a timeline determined by OTS. Only pre-program tires in inventory managed through this process will be eligible for inclusion in the program.

Tires collected in accordance with the Addendum through these STCs will need to be off of rims, free from debris and easily accessible for pick up. Haulers may charge an additional fee to pick up tires that do not meet these conditions even as part of this agreement.

For inquiries regarding this or other Collector-related questions please contact OTS at Collector@ontariots.ca or by phone at 1-888-OTS-2202.

Regards,



Andrew Horsman
Executive Director

Cc:

Ontario Tire Stewardship Board

Glenda Gies
Executive Director
Waste Diversion Ontario