

Ontario Tire Stewardship (“OTS”) Competition Act Compliance Guidelines

Programs operated by OTS are designed to implement and support tire recycling in Ontario. In connection with that goal, OTS brings together various participants in the tire recycling industry to discuss OTS’s programs and their implementation and to receive feedback regarding improving the tire recycling system in Ontario. Participants in OTS programs and meetings are often competitors within the tire recycling industry.

Any time that an agency like OTS brings together industry competitors (“**Participants**”), both OTS and the Participants must be aware of and take into consideration applicable laws, primarily the *Competition Act* (Canada) (the “**Act**”) which contains both civil and criminal provisions aimed at preventing anti-competitive practices in an industry.

Anti-competitive behaviors precluded by the Act include, but are not limited to:

- (i) price-fixing;
- (ii) agreements relating to restricting advertising or otherwise limiting competition;
- (iii) agreements amongst industry participants designed to or which result in artificial barriers to entry in an industry/market; and
- (iv) data sharing to the extent that information shared could be seen to lead to a lessening of competition.

OTS strictly complies with the Act on its own behalf and insists that its Participants also strictly comply with the Act.

OTS Sponsored Meetings of Participants

In furtherance of its goal to ensure strict compliance with the Act, the following guidelines have been established which will govern all meetings of Participants sponsored by OTS (“**OTS Meetings**”):

1. Acknowledgement of Guidelines: Each OTS Meeting will require Participants to sign an attendance record whereby the Participants will acknowledge that they have been made aware of these Guidelines and agree to comply with them. This record will be published on the OTS website for a period not less than 90 days.
2. Meeting Agendas and Minutes: All OTS Meetings will have a detailed agenda of topics to be addressed at the meeting. Detailed minutes of each meeting will be recorded and published on the OTS website for a period not less than 90 days following the Meeting.
3. Information not to be Discussed: OTS Meetings and materials prepared for such meeting will not include or discuss the following (collectively, “**Restricted Topics**”):

- (a) details of product or services pricing utilized by individual Participants;
- (b) terms and conditions of sales used by individual Participants;
- (c) individual customers' identities and/or profiles;
- (d) details of individual Participants' business plans, investment plans, etc.; and
- (e) detailed capacity/production information of individual Participants.

Should a Participant begin to discuss any Restricted Topic, OTS representatives at the Meeting should remind the Participant of the Guidelines and request that the Participant consider the Guidelines and comply therewith. Other Participants will be encouraged to withdraw from the meeting if one or more Participants continue to discuss Restricted Topics.

4. Discussions Relating to "Best Practices"/Industry Efficiency: Meetings convened by OTS of its Participants may from time to time include topics relating to "Best Practices" or general industry efficiencies. These discussions can result in implementation of practices and efficiencies which foster OTS's mission. However, the following applies to such discussions:

- (a) pricing or individual Participant's strategies or plans should not be discussed;
- (b) unless a particular operational practice is required by OTS, "best practices" discussions should not result in Participants agreeing to use a particular practice or in excluding or refusing to deal with a Participant who has not adopted a particular practice; and
- (c) "Best Practices" discussions should be conducted by technical personnel as opposed to marketing personnel.