



Atlantic Used Oil
Management Association

Processors Agreement

for the province of Nova Scotia

Version of June 4, 2024 - Including the Appendix I of September 17, 2025

PROCESSORS AGREEMENT:

BETWEEN:

SOCIÉTÉ DE GESTION DES HUILES USAGÉES DE L'ATLANTIQUE - ATLANTIC USED OIL MANAGEMENT ASSOCIATION, a company constituted under Part III of the *Companies Act*, having its principal place of business at 644 Main Street # 601 Moncton, New Brunswick, represented by

(print name)

(print title)

duly authorized to act herein;

(hereinafter called "UOMA NS")

AND:

(print complete legal entity name)

having its principal place of business at:

(address)

herein represented by:

(print name)

(print title)

duly authorized to act herein, as he/she so declares:

(hereinafter called the "**Processor**")

PREAMBLE

WHEREAS UOMA NS has been constituted and recognized by Nova Scotia Environment to represent its members that are subject to the Regulation and for the purposes of implementing and managing a recovery and reclamation system for designated materials within the territory of the Province of Nova Scotia; in accordance with this Regulation;

WHEREAS UOMA NS has set up a process for selection and registration of the processors who will reclaim designated materials in accordance with the Regulation;

Initials : _____

page 2

WHEREAS the Processor wishes to register with UOMA NS so that it can participate in the reclamation system for designated materials within the territory of the province of Nova Scotia in accordance with the Regulation;

THE PARTIES AGREE AS FOLLOWS:

1. Definitions

The following words and expressions mean or define:

- (i) **Act:** means the *Environment Act* and the regulations enacted pursuant to it;
- (ii) **Applicant** means any processor who wants to register with UOMA NS, does whatever is necessary, and submits all documents and information required for that purpose;
- (iii) **Collection facility (return collection facility)** means a facility that, as per section 18R of the Regulation, is identified as such under an approved oil and glycol stewardship plan and accepts used oils, used glycols (antifreezes), used oil containers, used glycol (antifreeze) containers, and used diesel exhaust fluid containers of 50 liters or less, used oil filters as well as used aerosol lubricant containers for all kinds of lubricants and used aerosol cleaners for automotive parts from people who wish to return them;
- (iv) **Collector** means a business registered with UOMA NS to pick up the designated materials governed by the Regulation from generators or collection facilities and deliver them to a processor registered with UOMA NS;
- (v) **Collectors and Processors Manual** means the manual supplied by UOMA NS to collectors and processors which describes the management system for designated materials set up by UOMA NS and the details of the systems and procedures that relate to their businesses, as amended from time to time by UOMA NS;
- (vi) **Designated materials** means used oils, used oil containers with a capacity of 50 liters or less including used aerosol lubricant containers for all kinds of lubricants, used glycols (antifreezes) and its containers with a capacity of 50 liters or less, used diesel exhaust fluid containers of 50 liters or less, used aerosol containers for cleaners for automotive parts and used oil filters throughout the territory of the province of Nova Scotia;
- (vii) **Generators** means the users of the designated materials in the normal course of business or as private consumers;
- (viii) **Glycol (antifreeze)** means ethylene or propylene glycol used or intended for use as a vehicle or commercial engine coolant, but does not include the following: plumbing glycol (antifreeze), windshield washer glycol (antifreeze), lock de-icers glycol (antifreeze), gasoline and diesel fuel glycol (antifreeze), as described in section 18 R of the Regulation;
- (ix) **Minister** means Nova Scotia Environment;

Initials : _____

page 3

- (x) **Oil** means petroleum or synthetic derived crankcase oil, engine oil and gear oil, and hydraulic fluid, transmission fluid and heat transfer fluid, or fluid used for lubricating purposes in machinery or equipment, as described in section 18 R of the Regulation;
- (xi) **Oil filter** means a spin-on style or element style fluid filter that is used in hydraulic, transmission or internal combustion engine applications, or an oil filter, a diesel fuel filter, a storage tank fuel filter and a household furnace oil filter other than a gasoline filter as described in section 18 R of the Regulation;
- (xii) **Processor** means a business registered with UOMA NS that process in order to give a second life to designated materials governed by the Regulation;
- (xiii) **Processors Agreement or Agreement** means this “Agreement” entered into between the Processor and UOMA NS;
- (xiv) **Processors Registration Application Form** means the document to be completed by businesses that apply to UOMA NS for registration as processors
- (xv) **Reclamation** means an activity for reuse, processing, including biological treatment, any other operation whereby residual materials are processed for use as substitutes for raw materials, and energy recovery recognized by Nova Scotia Environment, or any other activity authorized by Nova Scotia Environment that involves cleaning, decontaminating or declassifying products as hazardous residual materials. Bulking, shredding and bundling are not considered reclamation activities;
- (xvi) **Reclamation Incentive** means the financial incentive disbursed by UOMA NS to certain registered processors for reclamation of plastic oil, glycol (antifreeze) and diesel exhaust fluid containers (cleaning for reuse, shredding, decontamination, reducing the plastic into pellets for transformation into finished goods, etc.) in recognition of the fact that this activity is not yet profitable;
- (xvii) **Regulation** means *Solid Waste-Resource Management Regulations*, made under Section 102 the *Environment Act*;
- (xviii) **UOMA NS** means SOCIÉTÉ DE GESTION DES HUILES USAGÉES de l’Atlantique – Atlantic USED OIL MANAGEMENT ASSOCIATION and has been constituted and recognized by Nova Scotia Environment to represent its Members that are subject to the Regulation and for the purposes of implementing and managing a recovery and reclamation system for designated materials within the territory of the province of Nova Scotia in accordance with this Regulation;
- (xix) **Used aerosol containers** means a container that contained aerosol lubricant and cleaner for automotive parts;
- (xx) **Used diesel exhaust fluid containers** means a container with a capacity of 50 liters or less that contained diesel exhaust fluid;
- (xxi) **Used glycol (antifreeze)** means glycol which through use, storage or handling can no longer be used for its original purpose;

- (xxii) **Used glycol (antifreeze) containers** means a container with a capacity of 50 liters or less that contained glycol (antifreeze);
- (xxiii) **Used oil** means oil which, through use, storage or handling, can no longer be used for its original purpose;
- (xxiv) **Used oil containers** means a container with a capacity of 50 liters or less that contained oil;
- (xxv) **Used oil filters** means oil filters which through use, storage or handling can no longer be used for their original purpose.

2. Conditions of registration and maintenance of registration

- 2.1. Applicants must send the “Processors Registration Application Form” (available on UOMA NS’ website at www.uoma-atlantic.com – in the processors section), together with the documents required on the form and all other documents or information that UOMA NS might reasonably request.
- 2.2. All registrations end on December 31 of each year. They must therefore be renewed by January 1, as per the conditions specified on the “Processors Registration Renewal Form” (available on UOMA NS’ website at www.uoma-atlantic.com – in the processors section), and all other documents or information that UOMA NS might reasonably request. The said registration renewals automatically renew the previously signed “Processors Agreement”.
- 2.3. The Processor and its respective activities and facilities must comply at all times with the applicable laws and regulations, in particular with regard to management of the designated materials and their traceability, risk management and the safety of their operations, as well as training and information for the employees and executives responsible for or the people assigned to such activities.
- 2.4. The Processor must promptly send UOMA NS a copy of any notice of infraction, investigation, complaint or other request from a government or other authority relating to any order, statement of offence, pecuniary administrative penalty or notice of non-compliance with any regulation or legislation, especially any environmental legislation or regulation governing its UOMA NS-related activities.
- 2.5. The Processor agrees not to use the UOMA Atlantic-Atlantique logo or any other designation prescribed as such by UOMA NS in any form of communication without written authorization by UOMA NS describing the terms and conditions of such use. However, the Processor may mention that it is registered with UOMA NS. If authorized to use UOMA NS’ name, the Processor undertakes to specify that it is doing so as a partner and not as an associate.

3. Obligations of the Processor

- 3.1.a) Used oils

Initials : _____

page 5

- i) The Processor agrees that it is responsible for checking the volume of the used oils received from the collector.
- ii) If the reclamation activity is not the end use or does not result in the creation of a new product, the person or business that will use the product and the purpose of that use must be known. The Processor will be responsible for proving such transactions on a quarterly basis by producing confirmation of delivery to such person or business
- iii) The Processor must provide UOMA NS with an “Annual Statement” showing the total volume reclaimed, including the quantities received from collectors registered with and recognized by UOMA NS, the total quantities reported to UOMA NS and the inventories at the beginning and end of the year, etc. (form available on UOMA NS’ website at www.uoma-atlantic.com – in the processors section).

3.1.b) Used glycols (antifreezes)

- i) The Processor agrees that it is responsible for checking the volume and quality of the used glycols (antifreezes) received from the collector.
- ii) The Processor must take samples and submit all loads of used glycols (antifreezes) for analysis to measure the percentage of glycol (antifreeze) and water, then it has to submit the results to UOMA NS with the signed receiving document. The Processor agrees that all samples must be representative of the total load received.
- iii) The Processor agrees to hold harmless and indemnify UOMA NS and its employees and agents against all liability and all claims and suits relating to the reclaimed products or their use.
- iv) The Processor must confirm the quality of the reclaimed glycols (antifreezes) to UOMA NS in accordance with one of the following methods:
 - a) Conductivity (below 1,000)
 - b) ASTM D7713
 - c) ASTM E1177
 - d) other tests acceptable to UOMA NS

Note: If the reclamation activity is not the end use or does not result in the creation of a new product, the person or business that will use the product and the purpose of that use must be known. The Processor will be responsible for proving such transactions to UOMA NS on a quarterly basis by producing confirmation of delivery to such person or business.

- v) The Processor must provide UOMA NS with an “Annual Statement” showing the total volume reclaimed, including the quantities received from collectors registered with and recognized by UOMA NS, the total quantities reported to UOMA NS and the inventories at the beginning and end of the year, etc. (form available on UOMA NS’ website at www.uoma-atlantic.com – in the processors section)

3.1.c) Used filters

- i) The Processor agrees that it is responsible for checking the total weight of the container and/or the number of full or partly filled barrels or bins and for weighing all incoming loads and supplying a scale ticket to the collector, not including the weight of the containers. **The Processor must also make sure that the designated materials have been recovered for UOMA NS. If a load contains materials designated for UOMA NS and materials that are outside UOMA NS, there must be separate measurements.**
- ii) The Processor must deduct the weight of the waste received and note the corrected weight on its bill of lading, giving a copy to the collector.

Note: If the reclamation activity is not the end use or does not result in the creation of a new product, the person or business that will use the product and the purpose of that use must be known. The Processor will be responsible for proving such transactions to UOMA NS on a quarterly basis by producing confirmation of delivery to such person or business.

- iii) The Processor must provide UOMA NS with an “Annual Statement” showing the total volume reclaimed, including the quantities received from collectors registered with and recognized by UOMA NS, the total quantities reported to UOMA NS and the inventories at the beginning and end of the year, etc. (form available on UOMA NS’ website at www.uoma-atlantic.com – in the processors section).

3.1.d) Used oil, glycol (antifreeze) and diesel exhaust fluid containers (including used aerosol lubricant and cleaner for automotive parts containers)

- i) The Processor agrees that it is responsible for checking the total weight of the containers recovered and the degree of contamination. The Processor must also make sure that the designated materials have been recovered for UOMA NS. **If a load contains materials designated for UOMA NS and materials that are outside UOMA NS, there must be separate measurements.**
- ii) The Processor must weigh all incoming loads and supply a scale ticket to the collector. The Processor must deduct the weight of the

Initials : _____

page 7

waste received and note the corrected weight on its bill of lading, giving a copy to the collector.

- iii) The Processor is required to assist UOMA NS' field auditor in characterizing plastic containers and aerosols.

Note: If the reclamation activity is not the end use or does not result in the creation of a new product, the person or business that will use the product and the purpose of that use must be known. The Processor will be responsible for proving such transactions to UOMA NS on a quarterly basis by producing confirmation of delivery to such person or business. Bulking, shredding and bundling are not considered reclamation activities;

- iv) The Processor must provide UOMA NS with an "Annual Statement" showing the TOTAL volume reclaimed, including the quantities received from collectors registered with and recognized by UOMA NS, the total quantities reported to UOMA NS and the inventories at the beginning and end of the year, etc. (form available on UOMA NS' website at www.uoma-atlantic.com – in the processors section).

4. General payment information

The Processor acknowledges and agrees that it is responsible for keeping proper documentation for the purposes of preparing invoices to be sent to UOMA NS and for the purposes of obtaining the processor return incentive. The Processor agrees to send UOMA NS any invoice for payment of the return incentives for used plastic containers with the "Used Plastic CONTAINER Processor Return Incentives Claim Form" (available on UOMA NS' website at www.uoma-atlantic.com – in the processors section), and all of the information or documents indicated therein.

4.1 The Processor agrees to submit quarterly statements describing:

- (a) the quantity of used plastic oil, glycol (antifreeze) and diesel exhaust fluid containers received from UOMA NS registered collectors and recovered for UOMA NS (separate weighing);
- (b) the current inventories of used plastic oil, glycol (antifreeze) and diesel exhaust fluid containers (quarterly);
- (c) the amount of sales and payments of plastic containers reduced into plastic pellets or products for transformation into finished goods or the equivalent (quarterly); and
- (d) in the case of reuse, production reports, purchase reports of covers and the inventory of containers and covers, the amount of sales, and any other documents UOMA NS deems necessary.

UOMA NS undertakes to pay the return incentives within thirty (30) days of receipt of the "Used Plastic CONTAINER Processor Return Incentives Claim Form" (available on UOMA

Initials : _____

page 8

NS' website at www.uoma-atlantic.com – in the processors section), duly completed with all the required vouchers attached.

5. Obligations of UOMA NS

- 5.1. UOMA NS undertakes to disburse to the Processor the return incentives corresponding to the quantities of used plastic oil, glycol (antifreeze) and diesel exhaust fluid containers that have been reused, reduced to pellets or products for transformation into finished goods or the equivalent, based on the amount set out in Appendix I hereof.
- 5.2. Except as stipulated herein, UOMA NS undertakes not to disclose any confidential document or information received from the Processor, in compliance with the *Freedom of Information and Protection of Privacy Act* (SNS 1993, c.5). However, UOMA NS may transmit any document or information to Nova Scotia Environment – including the information included in its annual report and its business plan – or to the Minister or to any authorized person at the Nova Scotia Environment, or when such transmission is required by law or by any judicial or quasi-judicial authority.
- 5.3. UOMA NS will send the Processor ninety (90) days' written notice of any amendment to Appendix I about the return incentives, unless such amendments clearly benefit the Processors.

6. Term of the Agreement

- 6.1. This "Agreement" has a term of one (1) year as of the date it is signed by UOMA NS, or until the Processor registration renewal date on or before January 1st after the "Agreement" signed.
- 6.2. In the event that the Processor gives UOMA NS written notice of its intention to terminate this "Agreement", it shall be deemed cancelled within 60 days of the date of receipt of the notice. Upon receipt of the notice, UOMA NS may request a compliance review of the Processor's books and records.
- 6.3. The Processor hereby acknowledges and agrees that UOMA NS may suspend or revoke the Processor's registration if the Processor contravenes the law or the applicable regulations or the instruments set out below in subsection 7.3 and in this "Agreement", or upon any false, misleading or inaccurate representation made, in particular in the application for registration or in a claim form for the purposes of payment of the return incentives by UOMA NS. The Processor also acknowledges and agrees that UOMA NS may suspend or revoke the Processor's registration certificate if (a) the Processor retires from business, (b) the Processor requests revocation of its registration certificate with UOMA NS, (c) the Processor becomes bankrupt or insolvent, or (d) there are significant or repeated breaches of the Processor's obligations under the terms hereof or those outlined in the "Collectors and Processors Manual".
- 6.4. The Processor agrees to surrender its registration certificate promptly to UOMA NS if the Processor's registration is revoked or suspended. The Processor agrees not to

Initials : _____

page 9

participate in UOMA NS' programs or carry on a business under the banner of such programs if it is not registered or if its registration is suspended or revoked.

7. General conditions

- 7.1. The Processor hereby confirms that all information transmitted to UOMA NS is true and accurate; and undertakes to supply UOMA NS with any change thereto promptly or upon renewal of its "Agreement". The Processor also undertakes that any document or information to be transmitted to UOMA NS in the future will be in compliance and accurate.
- 7.2. The Processor agrees to indemnify and hold harmless UOMA NS, its officers, employees and its agents or mandataries against all liability of any nature whatsoever relating to its operations, costs, expenses, claims and suits, including judicial and extra-judicial fees, as well as reasonable attorney fees and other expenses, that may result from any false, misleading or inaccurate or untrue statement provided by the Processor.
- 7.3. The Processor acknowledges UOMA NS' authority to adopt, amend or withdraw regulations, programs, policies and procedures; and agrees to be bound by this "Agreement", by the "Collectors and Processors Manual", and by UOMA NS' bylaws, programs, policies and procedures; and to honor the obligations contained therein.
- 7.4. Without restricting the obligations prescribed in Section 8 hereof, the Processor agrees to provide UOMA NS with any inquiry, certificate of insurance, document, receipt, registration or other information required for the purposes of its registration or a claim for processor return incentives that UOMA NS may reasonably request.
- 7.5. The Processor agrees that UOMA NS will create and maintain an up-to-date database of processors registered with UOMA NS, which may be consulted by Nova Scotia Environment and the information it contains may be transmitted to the Minister and published in the *Nova Scotia Royal Gazette*, in accordance with the Act.
- 7.6. In the event that a registration is granted and/or a payment is made by UOMA NS and the information provided by the Processor is false, misleading or inaccurate, it is understood that such registration or payment was made without right or in error. Any such registration will therefore be null, void and any such payment must be promptly reimbursed to UOMA NS upon discovery of the misstatement or error.
- 7.7. UOMA NS retains the right, in its sole discretion, to withhold any payment or registration application until it completes verification or obtains verification or information it deems sufficient from the Processor.

8. Independent auditor: compliance review

- 8.1. The Processor acknowledges and agrees to keep for at least 6 years complete, accurate and up-to-date books and records of all operations and information required under the terms hereof and the Regulation with regard to the reclaimed designated materials and the processor return incentives.
- 8.2. The Processor acknowledges and agrees that, in order to meet the requirements of the Regulation and this "Agreement" in relation to the compliance review, UOMA NS,

Initials : _____

page 10

Nova Scotia Environment, their auditors, inspectors or other duly authorized representatives shall have full access during normal business hours to the Processor's place of business and books and records, or to the place where the Processors' books and records are kept, and to any other document or information required in order to complete the compliance reviews required by the Regulation, and have the right to take a copy of those documents at the Processor's expense throughout the term of this "Agreement" and for a period of six (6) years following the termination or cancellation of this "Agreement" or any renewal thereof, as the case may be. Accordingly, the Processor agrees to keep all its books and records and all other documents required for the purposes hereof in the same province in which it registered with UOMA NS.

8.3. Such compliance reviews are conducted at UOMA NS' expense, unless considerable errors (over 10%) of any amount paid to and/or any data supplied by the Processor are discovered following the compliance review, in which case the Processor must immediately disburse the following amounts to UOMA NS, together with all applicable taxes:

- a) the amount of the incentives overpaid;
- b) the compliance review expenses; and
- c) administrative expenses over and above the compliance review expenses, as the case may be, equal to 20% of the overpaid incentive amounts.

9. Final provisions

9.1 The Parties herein and their respective successors, heirs and legatees, assigns, and other legal representatives and their beneficiaries, agree to be bound by the provisions hereof and those of the "Collectors and Processors Manual", and to honor the obligations incumbent upon them.

9.2 The Processor may in no way assign, encumber, alienate or subcontract, in whole or in part, the rights and obligations resulting from this "Agreement" for a purpose not specifically stipulated in the "Agreement", without the prior written consent of UOMA NS. In the event of any assignment, the Processor will remain liable for the obligations incumbent upon it under the terms of this "Agreement", jointly and severally with any assignee, even in the event of bankruptcy or insolvency of the assignee. All documents transmitted by the Processor to UOMA NS will be submitted for information, review and verification purposes.

9.3 All rights described herein are cumulative and not alternative. The Processor cannot be released from its obligations under the terms of this "Agreement" by the fact that UOMA NS remains silent or delays the exercise of a right or remedy granted to it under this "Agreement"; such silence or delay is never to be interpreted against UOMA NS as an exemption or waiver of the full exercise of its rights and remedies, provided the legal limitation period for the exercise of such rights or remedies has not expired.

9.4 The preamble, the "Collectors and Processors Manual" and any document appended to this "Agreement" and any form to be completed (available on UOMA NS' website at www.uoma-atlantic.com – in the processors section) form an integral part hereof.

Initials : _____

page 11

- 9.5 Any contested claim arising from the enforcement of this “Agreement”, any dispute with regard to its performance, including its cancellation or revocation, and any dispute arising from a problem of interpretation of this “Agreement” shall be submitted to arbitration, to the exclusion of the law courts.
- 9.6 The Parties hereto agree that the provisions of the *Arbitration Act* (RSNS 1989, c.19), (the “Act”) currently in effect will govern any arbitration held hereunder. The parties agree that the said arbitration is to be held in the Province of Nova Scotia, City of Halifax before one arbitrator who will be chosen jointly by the parties within 10 days of the claim, failing which the arbitrator is to be appointed by a judge, on motion of one of the parties, pursuant to the provisions of the *Act*.
- 9.7 Any notice required under this “Agreement” will be sufficient if it is in writing and sent by a method of communication which allows the sending party to prove that the said notice was actually delivered to the addressee party at the address indicated at the beginning of the “Agreement” or at any other address that the latter may make known in accordance with this section.
- 9.8 This “Agreement” may be amended, in whole or in part, only on UOMA NS’ initiative. Subject to the Processor’s right to terminate this “Agreement”, any amendment thus made will take effect only on the date stipulated in the written notice communicated to the Processors in accordance with this “Agreement”.
- 9.9 The “Agreement” and its interpretation, performance, application, validity and effects are subject to the applicable laws in effect in the Province Nova Scotia and in Canada, which govern all of the provisions it contains in whole or in part.
- 9.10 Any provision of this “Agreement” not in compliance with the legislation shall be deemed to have no effect to the extent that it is prohibited by any law. The same applies for all clauses subordinated or related to such provision, to the extent that their applicability depends on the said provision.

THE PROCESSOR:

**SOCIÉTÉ DE GESTION DES HUILES USAGÉES DE
L’ATLANTIC - ATLANTIC USED OIL MANAGEMENT
ASSOCIATION (UOMA NS):**

(print company name)

Signature:

(print signatory’s name)

(signatory’s title)

Date: _____

Signature:

Date: _____

Initials : _____

page 12

APPENDIX I

(As per the email notice to processors on March 31, 2025)

This Appendix I nullifies and replaces any previous Appendix I

Processing incentive for oil and antifreeze plastic containers involving decontamination.

Effective rates for collection made on and after July 01, 2025

A variable incentive will be paid to processors of oil and antifreeze plastic containers whose process consists of cleaning containers for re-use, or whose process includes shredding, decontamination, and reducing into pellets prior to transformation into finished goods. This incentive aims to recognize that both these processes are not yet profitable.

Nonetheless, shredding alone cannot be considered processing.

The variable incentive rate will be determined based on the price of virgin resin in¹ accordance with the following chart:

Average price of virgin resin in the last 3 months (\$CAD/KG)	Plastic containers process incentive (\$CAD/KG)
Less than \$1.20	\$0.00
\$1.20 to \$1.39	\$0.00
\$1.40 to \$1.59	\$0.00
\$1.60 to \$1.79	\$0.00
\$1.80 to \$1.99	\$0.00
\$2.00 to \$2.19	\$0.00
\$2.20 to \$2.39	\$0.00
\$2.40 and more	\$0.00

Note 1: *The price of virgin resin will be determined based on the average quarterly price of HDPE Medium Quality, Injection Molding, CDI, Assessment, Hopper Car, Month, Contract Survey, Monthly from ICIS, in Canadian dollars per kilogram.*

Initials : _____

page 13

Transportation Incentives for used containers, oil and plastic antifreeze containers

Rates in effect on pickups on or after September 1, 2022

A transportation incentive of \$0.40/kg will be granted to the transporter (collector or processor registered with UOMA Atlantic) for plastic delivered to a processor located outside of the Atlantic and registered with UOMA Atlantic.

Initials : _____

page 14