



Question	Response
1. Will a copy of the webinar slides be made available to us?	Yes, the slides are available on AMS’s website <a href="#">here</a> . They will also be available, along with the webinar on the WDO website <a href="#">here</a> .
2. How could a steward choose to use AMS or Stewardship Ontario?	<p>A steward may want to consider the benefits of joining AMS versus remaining with Stewardship Ontario to help inform their choice. Those benefits include:</p> <ul style="list-style-type: none"> <li>• Cost savings due to the fact that AMS can claim input tax credits for HST in the order of magnitude of \$2.5M per year.</li> <li>• Predictable annual fees rather than the quarterly cost recovery model Stewardship Ontario is mandated to employ under Regulation 11/12 for the MHSW program</li> </ul> <p>If you are a steward of these materials and these benefits appeal to you, then we encourage you to send us a Letter of Intent, which states your interest in joining AMS’s ISP. To obtain the Letter of Intent template, visit the AMS website at <a href="http://www.automotivematerialstewardship.ca">www.automotivematerialstewardship.ca</a>, download the Letter of Intent template, put it in your own letterhead and send us a signed copy at <a href="mailto:info@autostewardship.ca">info@autostewardship.ca</a>.</p> <p>Stewards that do not send a letter of intent will remain with Stewardship Ontario by default, and will not receive the benefits of the ISP.</p>
3. You mentioned that there is a deadline to register with AMS within 30 days of an effective date. If we don’t register by that date, do we have to stay with SO indefinitely?	No automotive steward will be forced to stay with Stewardship Ontario indefinitely. However, there will likely be set time windows when stewards can move from SO to AMS. For example, stewards of paints and coatings that wish to join the Product Care ISP are able to do so at the start of each quarter. That said, the sooner a steward joins AMS, the sooner they can begin realizing the cost savings and stabilized fees. We expect that stewards who wish to participate in the ISP as of the effective date will need to register no later than 30 days prior to the effective date.
4. What is the proposed effective date?	AMS has proposed that the ISP becomes effective on the first day of the quarter that is three months following its approval. For example, if the ISP is approved on June 15 <sup>th</sup> , the effective date would be October 1, 2016. That said,



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	the decision to approve the ISP and the effective date will be determined by WDO.
5. Will there be set fee rates?	Yes, there will be a published fee table that will be set annually and posted. Fee stability is one of the primary benefits of joining AMS' ISP.
6. Why is AMS proposing to operate the ISP for 5 years when new legislation is pending (Section 2.0 Page 7). Shouldn't the plan account for pending change?	<p>AMS has proposed a 5 year plan, as that is the standard for program plans under the Waste Diversion Act.</p> <p>The transition date of the MHSW Program, including ISPs for MHSW materials, under for the proposed legislation has not been determined. In the event that the legislation is passed and the MHSW Program is transition during the five year duration of the ISP, then the ISP will be wound up as well. AMS will continue, and will be able to continue providing services to stewards under the Resource Recovery and Circular Economy Act to meet stewards' obligations.</p> <p>In the meantime, that transition may not happen for two to three years, years which AMS members could be realizing the cost savings and enjoying a stabilized annual fee rates.</p>
7. If the new legislation is passed shortly, will this ISP have time to get through?	It depends on when the WDO is able to complete its review of the ISP and when the new legislation actually passes. It is difficult to predict.
8. Why couldn't Stewardship Ontario reorganize itself to be eligible for the tax input credits to which AMS will be eligible?	Stewardship Ontario is governed by the Waste Diversion Act and Regulation 11/12 both of which do not allow it to "reorganize" itself. The Canada Revenue Agency has ruled that the Waste Diversion Act places obligations on Stewardship Ontario that prevent it from claiming input tax credits. In contrast, AMS does not have similar obligations imposed on it, and is acting as a service provider to its member stewards.
9. What does it mean "ISP participants will not levy visible	Participants in the ISP will be required to sign a membership agreement that,



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fee”?	among other things, includes an agreement not to levy visible fees. Visible fees are fees advertised or displayed in a retail store separate from the shelf price of the product, as a way to recover the rate paid by a member of the ISP to the industry stewardship organization. AMS takes no position on business-to-business fees, or fees levied by businesses that are not stewards.
10. Are AMS’s performance targets lower than Stewardship Ontario’s targets? Won’t this affect AMS’s ability to have its ISP approved?	AMS’s performance targets exceed the performance targets imposed on Stewardship Ontario through the Consolidated MHSW Program Plan. In addition, AMS will seek to maintain Stewardship Ontario’s reported performance where such performance exceeds target.
11. Is the program equal or better based on current program performance?	Please see answer above.
12. Aside from the input tax credits, would we expect costs to go up, down or remain constant vs. the current Stewardship Ontario program?	AMS expects that, all things remaining equal, costs will not substantially change, with the exception of the cost savings mentioned. However, AMS will consult with all stakeholders to identify opportunities for additional cost savings without adversely impacting performance.
13. Is used oil included in the ISP? I realize that WDA only designate containers and filters but all other programs in Canada include collection of used oil as well. From a harmonization perspective, shouldn’t an Ontario program include this as well, if you want to eventually expand nationally?	Used oil is not an obligated material in Ontario and therefore this ISP does not include it.
14. Is it your intention to move away from the municipal collection structure to mirror the structure of other programs across Canada?	AMS is proposing to assume responsibility for Stewardship Ontario’s entire supply chain for collection and management of used antifreeze, oil containers and oil filters, in order to avoid disruption to the marketplace. AMS is also proposing to adopt Stewardship Ontario’s service provider vendor standards and registrations.
15. What is the relationship between AMS and CSSA?	To keep program management costs low, AMS will contract with CSSA to provide program administrative and operation services. CSSA currently provides administrative services to Stewardship Ontario, and therefore AMS’s



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	use of CSSA will minimize disruption to stewards and service providers, while taking advantage of the scale that CSSA provides. Administrative services include steward reporting, service provider reporting, financial services, communications, supply chain design and field services.
16. What is the deadline to register? Is there a difference between the effective date and the deadline?	We ask that stewards immediately register with AMS by executing a Letter of Intent (LOI) to demonstrate your support of AMS's ISP. AMS will be accepting LOIs up to the ISP approval date. Once the ISP is approved, AMS will ask stewards to sign a Membership Agreement with AMS. The registration of stewards wishing to join the ISP as of the effective date (which is to be determined) will close approximately 30 days prior to the approval date. Stewards that register after that date will be eligible to join the ISP at a later date.
17. How does the proposed plan deal with commodity risks associated with fluctuating markets?	<p>Fluctuating commodity markets are a normal occurrence. One example of how AMS will deal with commodity risk is the adoption of the fuel surcharge used by Stewardship Ontario for the payment of transportation services under the Automotive Incentive Program. The fuel surcharge ensures an appropriate level of risk sharing in the price paid for transportation services.</p> <p>In addition, AMS will undertake regular reviews of its collection channels, processes and payment rates to ensure a cost effective program that achieves the its collection and recycling commitments it has made.</p>