

TERMS OF REFERENCE FOR THE AD-HOC HANDLING COMMISSIONS COMMITTEE

Revised May 8, 2019

1.0 DEFINITIONS

In these Terms of Reference the following terms have the meaning ascribed to them:

- 1.1 “ABCRC” means Alberta Beverage Container Recycling Corporation.
- 1.2 “Act” means the *Business Corporations Act* (Alberta).
- 1.3 “BCMB” means the Beverage Container Management Board.
- 1.4 “Board” means the board of directors of ABCRC.
- 1.5 “Board Chair” means the board chair of ABCRC appointed by the Board.
- 1.6 “Committee” means the Handling Commission Review Committee.
- 1.7 “Committee Chair” means the chair of the Committee appointed by the Board Chair.
- 1.8 “Common Collection System” means the Alberta collection system that collects and processes all non-refillable beverage containers.
- 1.9 “DCA” mean the Data Collection Agent appointed by the BCMB.
- 1.10 “Directors” mean members of the Board.
- 1.11 “President” means the person appointed by the Board to serve as the most senior operating officer of ABCRC.

2.0 INTERPRETATION

In these Terms of Reference, except if defined in Section 1.0 or the context does not permit:

- 2.1 words and expressions defined in the Act have the meaning given to them in the Act;
- 2.2 words importing the singular include the plural and vice versa; and
- 2.3 words importing gender include masculine, feminine and neuter genders.

3.0 COMMITTEE

An ad-hoc committee to be known as the “Handling Commission Review Committee” is established and will be disbanded once its mandate has been completed.

4.0 APPOINTMENT OF COMMITTEE MEMBERS

Members of the Committee who are appointed by the Board are: Shane Buckingham, Tony Gusikioski and Rachel Morier. The Board may, from time to time, appoint additional members. The Board Chair shall be an ex-officio member of the Committee, with full voting rights.

5.0 REMOVAL AND RESIGNATION

Members of the Committee may, with notice to the Board, resign as a Committee member, or the Board may remove any member of the Committee upon notice to that member.

6.0 COMMITTEE CHAIR

The Board Chair shall appoint the Committee Chair.

7.0 ABSENCE OF COMMITTEE CHAIR

If the Committee Chair is not present at any meeting of the Committee, the President or one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

8.0 SECRETARY OF THE COMMITTEE

The Committee shall appoint a recording secretary.

9.0 MEETINGS

The Committee Chair or any two members of the Committee may call a meeting of the Committee. The Committee shall meet at its discretion but at least often enough to fulfill its mandate.

10.0 QUORUM

A majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other, shall constitute a quorum. Notwithstanding the Board Chair’s status as an ex-officio member of the Committee, the Board Chair shall only be included when determining whether a quorum has been constituted if the Board Chair is present at that meeting. If the Board Chair is not present, a

quorum shall be constituted based on the number of remaining members of the Committee.

11.0 NOTICE OF MEETINGS

Notice of the time and place of every meeting shall be given in writing and shall be sent by courier, personal delivery or other electronic means at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

12.0 ATTENDANCE

12.1 All Committee members, including the applicable Directors, should strive for 100% attendance at Committee meetings while recognizing that from time to time there may be compelling reasons for a person to miss a meeting. While attendance in person at Committee meetings is preferred, particularly for individuals residing in Calgary, Alberta, participation via telephone or other telecommunication device is acceptable.

12.2 At the invitation of the Committee Chair, one or more officers of ABCRC may attend any meeting of the Committee.

13.0 PROCEDURE, RECORDS AND REPORTING

13.1 The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the meeting of the Board next following each applicable Committee meeting). The Board shall receive the minutes of Committee meetings as consent agenda items, as the Board deems appropriate, at each meeting of the Board and the Committee Chair shall address any recommended motions for the Board, any items excluded or removed from the consent agenda and any other questions raised by Directors at each meeting of the Board.

13.2 A portion of each Committee meeting will be held in-camera and, where appropriate, minutes kept of the in-camera session. Minutes taken in the in-camera session shall be sent to the corporate secretary for maintenance in the in-camera minute book.

14.0 VOTING RIGHTS

Questions arising at a Committee meeting shall be decided by a simple majority of the votes cast, excluding abstentions, and in the case of an equality of votes, no member shall be entitled to a casting vote.

15.0 REVIEW OF TERMS OF REFERENCE

The Committee shall review these Terms of Reference at its first meeting or otherwise as it deems appropriate and propose recommended changes to the Governance Committee and the Board.

16.0 GENERAL MANDATE

The Committee's mandate is to ensure that ABCRC actively participates in a Handling Commission Review to protect the interests of the manufacturers; ensure the best evidence is available to those making the decision; and to ensure the effectiveness and efficient viability of the Common Collection System.

17.0 SPECIFIC MANDATES

The Committee shall, in consultation with the Board Chair and the President:

- 17.1 review the BCMB approved by-laws and policies directing the Handling Commission Review process;
- 17.2 review the DCA's requests for proposals and the listing of potential experts and identify any improvements to the requests, conflicts with potential experts, or alternative experts;
- 17.3 review the reports of the DCA's experts and evaluate the need to challenge the findings, or to request further information with regards to any recommendations;
- 17.4 review the DCA's reports (Phase I & II) to the BCMB with regards to recommended handling commissions;
- 17.5 develop, in conjunction with the President, a strategy to challenge, or seek further clarification on, the DCA's recommended handling commissions;
- 17.6 prioritize ABCRC's specific issues for the negotiation with other interested parties;
- 17.7 review and recommend to the Board any proposed unanimous settlement agreement negotiated with other interested parties;
- 17.8 review and recommend any proposed submission or presentation to the BCMB with regards to outstanding issues;
- 17.9 develop, in conjunction with the President, a strategy for presentation of evidence and arguments at a hearing;
- 17.10 evaluate the case for any legal challenge to the BCMB's decision on handling commissions and make a recommendation to the Board; and
- 17.11 within three months of when the Handling Commissions review had ended, the Committee conducts a debrief and makes recommendations to the Board for improvements of the Handling Commissions process.

18.0 DUTIES OF THE CHAIR OF THE COMMITTEE

Generally, the Committee Chair shall assure the integrity of the Committee process including effectiveness of meetings and the Committee's adherence to these Terms of Reference. Specifically, the Committee Chair shall:

- 18.1 except as otherwise provided in these Terms of Reference, call all meetings of the Committee;
- 18.2 set or approve the agenda of all meetings of the Committee called by the Committee Chair;
- 18.3 establish the rules of procedure and rules of order to be followed at meetings of the Committee;

- 18.4 confer with the President regarding all items of business which the President wishes to bring before the Committee;
- 18.5 take reasonable measures to ensure that all Committee members are active and contributing; and
- 18.6 ensure appropriate communication among the Committee members.