

SECTION I: INTRODUCTION

1. The present Mediation and Arbitration Procedures (hereinafter the “Procedures”) seek to put into place an alternative dispute resolution mechanism that will permit the parties to settle their conflicts without having to seek recourse before the various tribunals, as is indicated in Chapter 6 of the applicable Schedule of Contributions (“Schedule”), after sending a “Notice of Dispute”.
2. These Procedures apply to the Schedules for the obligation years 2009 and following.
3. By invoking the Procedures, the Targeted Person recognizes that it is legally subject to the *Environmental Quality Act* (RLSQ, Chapter Q-2), the *Regulation Respecting Compensation for Municipal Services provided to recover and reclaim residual materials* (RLSQ, Chapter Q-2, r. 10) and to the applicable Schedule.
4. By having recourse to mediation or in case of a failed mediation, to arbitration, or when the Targeted Person prefers to avoid mediation and directly seek arbitration, these recourses all exclude any intervention of the tribunals of general jurisdiction, except for provisional measures.
5. By invoking these Procedures, the Targeted Person recognizes that it exercises its choice freely in order to resolve the dispute opposing it and Éco Entreprises Québec (“ÉEQ”) without having been subject to pressure or threats and with full knowledge of the consequences of making such a decision.

SECTION II : MEDIATION RULES

i) Choice of mediator

6. Following the transmission of the “Notice of Dispute”, the Targeted Person must obtain the services of a mediator recognized as being competent in civil and commercial mediation, who is also a member of the Canadian Commercial Arbitration Centre (hereinafter : “CCAC”).
7. In the thirty (30) days following ÉEQ’s receipt of the “Notice of Dispute”, the Targeted Person and ÉEQ must jointly choose a CCAC recognized mediator from amongst those listed by the CCAC as able to handle this type of dispute.

8. If the parties cannot agree on a choice of mediator in the given delay, the mediation is deemed to have failed and the dispute between the parties will go directly to arbitration in conformity with Section III of the Procedures.
9. The mediator's fees and other costs related to the mediation will be paid equally by both parties.
10. Any security for costs established by the CCAC must be paid, in equal parts, within fifteen (15) days following the request made by the CCAC to the parties.
11. Any default to pay the security for costs required by either one of the parties will have the effect of the mediation being deemed ended and the dispute between the parties will then go directly to arbitration in conformity with Section III of the Procedures

ii) Mediation

12. The present mediation rules will take precedence over the Conciliation and Mediation Rules of the CCAC, which can only be applied by the mediator in a suppletive manner to the current Procedures.
13. The mediation's goal is to assist the parties to communicate, to identify their interests and to evaluate their positions, to negotiate and to explore the solutions that are mutually beneficial for the parties in order to come to a settlement.
14. The mediator will define, in concert with the parties, the ways to proceed with the mediation and to establish the specific measures that will help facilitate the proceedings and to establish the calendar of meetings.
15. The mediation takes place in the presence of the parties and, if the parties so wish, with their attorneys. The mediator who will preside can meet with the parties separately if they consent thereto. Third parties may also participate where the mediator considers their presence to be useful in settling the dispute.
16. The parties may, of their own accord or at the suggestion of the mediator, suspend any session in order to consult their attorneys or any other person, depending on the nature of the advice required.
17. The parties must ensure that the persons authorized to conclude an agreement are present at the mediation or can be consulted in a timely manner in order to provide their consent.
18. All that is said or written during the mediation is confidential and the parties must sign a Confidentiality Agreement to this effect.

iii) End of the mediation

19. If a settlement is reached, the agreement of the parties will be recorded in writing and will be considered to be a Transaction as per the terms of the *Civil Code of Quebec*, which may be homologated as per the procedures established in the *Code of Civil Procedure*.
20. Either of the parties may, at any moment during the mediation, put an end to the mediation without having to justify said request. The mediator may also end the mediation if he/she estimates that it is not in the interest of the parties to continue. In these cases, the mediator will send a written notice to the parties, in the shortest possible delays, indicating that the mediation has been terminated.
21. The mediation is ended whatever the state of the proceedings if, within the sixty (60) days of a security for costs having been paid in full to the CCAC, no agreement has been reached by the parties within this delay. The parties may, however, prolong this delay for a determined period as long as they consent to it in writing.
22. If the mediation ends without concluding in a settlement, the litigious questions raised in the “Notice of Dispute” must be referred to a CCAC recognized arbitrator.

SECTION III : ARBITRATION RULES

i) **Nomination of an arbitrator**

23. In the case where arbitration is requested directly, or if the parties seek arbitration following mediation that has failed, the parties must, within thirty (30) days following the transmission of the “Notice of Dispute” (if there was no mediation) or at the end of the mediation in the other case, jointly choose a sole arbitrator accredited by the CACC to hear the dispute, excluding any person that could have acted as mediator.
24. The arbitrator named is fully competent to handle any questions raised by the dispute and to definitively settle any questions raised.
25. If the parties do not succeed in agreeing on the nomination of an arbitrator in the thirty (30) day delay, as per Article 23, the CACC will nominate a sole arbitrator to hear the arbitration chosen from its list of accredited arbitrators for this type of arbitration.
26. The arbitrator’s fees and other costs related to the arbitration will be paid equally by the parties.

27. The security for costs established by the CCAC must be paid by the parties, in equal parts, in the fifteen (15) days following the request made by the CCAC to the parties.
28. Any failure by one of the parties to pay its part of the costs will allow the other party to proceed by default against it in order to obtain an arbitration award.

ii) Arbitration

29. The present arbitration rules take precedence over the CCAC's General Commercial Arbitration Rules, which can only be applied in a suppletive manner by the arbitrator.
30. The Targeted Person must expose its arguments in writing, in a precise and exhaustive manner, with any documents in support thereof, as the case may be, and remit them to the arbitrator in the thirty (30) days following his nomination. ÉEQ must submit its arguments in the same manner in the sixty (60) days following the arbitrator's nomination.
31. Any failure for a party to expose its arguments in the given delay will allow the other party to proceed by default in order to obtain an arbitration award.
32. In its written arguments, one or any of the parties may request a hearing and if this is the case, the arbitrator will convoke the parties for such a hearing.

iii) Arbitration award

33. The arbitration award must be motivated in writing and must be rendered at the latest in the ninety (90) days following the receipt of the arguments of the parties or following the end of the hearing, as the case may be.
34. The arbitrator's award is final, without appeal and binds the parties.
35. The delays provided for in the present section may be extended if the parties agree by writing or if the arbitrator consents, upon receiving a motivated request by one of the parties, to prolong these delays for a specific period. Any request to extend the delays formed by one of the parties must be submitted in writing and this, within thirty (30) days preceding the expiration of the delay in which the party is supposed to act.
36. The arbitration award may be homologated as per the procedures established by the *Code of Civil Procedure*.