



Mr. Oil Drop

Manitoba Association for Resource Recovery Corp.

MARRC 2019 ANNUAL REPORT

THE FINE ART OF THE WILDERNESS

A legacy of diverse and pristine wilderness for us and future generations to cherish and protect.

Souris River & Pembina Valley Escarpment

Photo by Mike Karakas

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Annual General Meeting

Tuesday, April 29, 2020
10:00 am

Hilton Winnipeg Airport Suites
1800 Wellington Avenue
Winnipeg, MB
R3H 1B2

Overview of MARRC

The Manitoba Association for Resource Recovery Corp. (MARRC) is a non-profit corporation established in 1997 by manufacturers and marketers of lubricating products in Manitoba. Its mandate is to develop, implement and administer a cost-effective, sustainable, user-financed, province-wide stewardship program for used oil, used oil filters and used oil containers.

MARRC was incorporated under The Corporations Act of Manitoba on April 1, 1997. It operates in accordance with a Letter of Approval issued by Manitoba Environment on February 26, 1998 under Section 7 of the “Used Oil, Oil Filters and Containers Stewardship Regulation” of the Waste Reduction and Prevention Act.

Further to earlier approvals of 5 year terms, MARRC received a letter of approval dated September 25, 2013, from the Minister of Conservation extending the Stewardship Plan term for an additional five years to December 15, 2017.

On May 1, 2011 the Corporation was also approved to operate the Used Antifreeze Stewardship Program by the Minister of Conservation. The Used Antifreeze Stewardship Program commenced operation August 1, 2011. The approval from the Minister of Conservation expires December 31, 2016. On October 22, 2015, the Minister approved an extension to the “Condition of Approval”. This approval expires on December 15, 2017. The Corporation submitted Applications for Renewal for both the Used Lubricating Products Stewardship Program and The Antifreeze Stewardship Program in August of 2017 and has received approval of these Applications from the Minister of Sustainable Development on July 26, 2018 through to June 30, 2023, with Diesel Exhaust Fluid containers included in the approval.

The Corporation derives revenue principally in the form of Environmental Handling Charges (EHCs) applied to the sale or consumption of selected lubricating and antifreeze products in Manitoba. The Corporation’s primary expenses are related to the:

- establishment and operation of a publicly-accessible network of licensed collection facilities for used lubricating and antifreeze products,
- payment of Return Incentives to companies licensed by the province and registered with MARRC to collect used lubricating and antifreeze products and transfer them to approved processors and end-users,
- payment of Processing Incentives to companies licensed by the province and registered with MARRC to recycle used lubricating and antifreeze products, and
- development and distribution of public education materials.

MARRC’s affairs are managed by a six-person Board of Directors drawn from the member companies of MARRC and from other stakeholder organizations, including a Director representing the Antifreeze industry.



**MINISTER OF
SUSTAINABLE DEVELOPMENT**

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

JUL 26 2018

Mr. Ron Benson
Executive Director
Manitoba Association for Resource Recovery Corp.
35-1313 Border Street
Winnipeg MB R3H 0X4

Dear Mr. Benson:

I am pleased to issue an Approval to the Manitoba Association for Resource Recovery Corp. (MARRC) for the Manitoba Stewardship Program Plan for Used Oil and Antifreeze Products (the Program) effective July 1, 2018. This Approval will expire June 30, 2023, pursuant to Section 7(4) of the both the Used Oil, Oil Filters and Containers Stewardship Regulation and the Household Hazardous Material and Prescribed Material Stewardship Regulation (the Regulations) under the Waste Reduction and Prevention Act (WRAP Act).

This Approval is issued to MARRC under Section 7(2) of the Regulations and is subject to MARRC meeting the conditions as set forth in "Attachment A" of this letter, and which forms part of this Approval.

If I am not assured that MARRC is implementing or operating the Program substantially in accordance with its intent, or where I or my officials have concluded, based on relevant circumstances, that the Program or terms of this Approval, including "Attachment A: Conditions of Approval" should be reviewed, then pursuant to Section 7.1 of the Used Oil, Oil Filters and Containers Stewardship Regulation and Section 8 of the Household Hazardous Material and Prescribed Material Stewardship Regulation, new or additional conditions may be imposed as deemed appropriate so as to ensure that the environmental outcomes and regulatory requirements are fulfilled.

The Department intends to establish guidelines for third party assurance of non-financial information to be reported by all approved stewardship program operators in the Province of Manitoba. My officials in Manitoba Sustainable Development will work with MARRC to establish guidelines to provide the Manitoba government with a reasonable level of assurance that key performance measures of the Program are reported accurately.

It is a priority of this department that the Program provide convenient, province-wide accessibility to all Manitoba communities including Manitoba's northern, remote and First Nations communities. I expect MARRC to work collaboratively with other Producer Responsibility Organizations to maximize synergies and deliver program outcomes in a cost effective and efficient manner.

I will take this opportunity to remind you that under Section 10(1) of the Used Oil, Oil Filters and Containers Stewardship Regulation and Section 11(1) of the Household Hazardous Material and Prescribed Material Stewardship Regulation, as Minister, I have the authority to suspend or cancel the Approval of the Program at any time if there is a breach or contravention by MARRC as the operator of the Program, of either the WRAP Act or the Regulations or the conditions set forth in this Approval and, if applicable, subsequent amendments of this Approval.

Any notices to be provided to department officials pursuant to this Approval shall be submitted in writing to: Senior Manager, Waste Diversion and Recycling Unit, Manitoba Sustainable Development, Box 38, 200 Saulteaux Crescent, Winnipeg, Manitoba, R3J 3W3.

MARRC should submit their next application for renewal of this Approval by January 31, 2023 to allow adequate time for review and public consultations.

I look forward to the continued operation of the Program in the Province of Manitoba.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R. Squires', is positioned above the printed name of the Minister.

Rochelle Squires
Minister

Attachment

c: Joe Casciano, Chair of the Board
Glen Holmes

Highlights of 2019

Ambassador Program - Calendar of Events for 2019

MARRC employed 3 full time and some part-time Ambassadors to travel around to various tradeshow and exhibitions in Manitoba for the purpose of enhancing awareness towards improving the recovery of used oil and antifreeze products. Below is a Calendar of Events that MARRC participated in with the Ambassador Program.

APRIL

12-14 World of Wheels	18 Team up to Clean up - Grant Park Shopping Centre	20 Great Canadian Oil Change Main St. EcoDay
26-28 Rodarama		

MAY

27 Teddy Bear's Picnic	26 Teddy Bear's Picnic
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JUNE

7-9 Transcona Hi Neighbour Festival & Parade	5-9 Brandon Exhibition	14 RM of St. Clements Open House
13 RM of St. Andrews Open House	7-8 Niverville Fair & Parade	14-23 Wpg. Red River Exhibition
14-16 Steinbach Summer in the City	27 Portage & District Recycling Open House	29 Teulon Centennial Parade
28-29 Killarney Summer Fair & Parade	30-1 Osborne Village Canada Day	

JULY

1 Assiniboine Park Canada Day	5-6 Falcon Lake Fun Fest	6 Minnedosa Fun Fest & Parade
5-7 Portage Exhibition	14 Gimli Car Show	11-13 Carman County Fair
13-14 St. Pierre Frog Follies Parade	12-14 Selkirk Triple S Fair & Rodeo & Parade	18-21 Morris Stampede & Parade
27 Winnipeg Beach Boardwalk Days & Parade	26-28 Altona Sunflower Festival & Parade	26-29 Austin Thresherman's Reunion & Parade
23-24 Kids Fringe Festival		

AUGUST

1 Dauphin Annual Street Fair Dance	3-5 Gimli Icelandic Festival & Parade	9-11 Melita Banana Days
10 Melita Mud Bog Vehicle Demo Derby	11 Melita Cruisers Show and Shine	9-11 Winkler Harvest Festival & Parade
10 Portage la Prairie Potatoe Festival	14 Northern Association Trade Show	16-18 Hanover Ag Fair & Parade
17-19 Stonewall Quarry Days Parade	23-25 Morden Corn & Apple Festival & Parade	

SEPTEMBER

7 Sherbrook Street Fest	8 Garden City Car Show
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Car Shows:

MARRC Partnered in various other events



World of Wheels at the RBC Convention Centre April 12-14



Rodorama Car Show April 26-28



Garden City Car Show Sept 8

Highlights of 2019

Ambassador Program - Partners in Progress!

The main focus of the Ambassador Program was to engage with the visitors by highlighting the importance of recycling. MARRC participated in over 40 exhibitions, tradeshows and parades this year. Visitors received information on recycling used oil and antifreeze products as well as valuable prize giveaways. MARRC also partnered with two other Producer Responsible Organizations (PROs) and distributed their brochures and informational material as well:



Health Product Stewardship Association (HPSA) – Responsible for recovering medications that have expired or no longer needed and handling of them in a safe and responsible manner before they are disposed of as waste or poured down sewers and drains.



Call2Recycle – This program is a free and easy way for people to dispose of old batteries and cell phones, safely and reliably diverting them away from landfills.



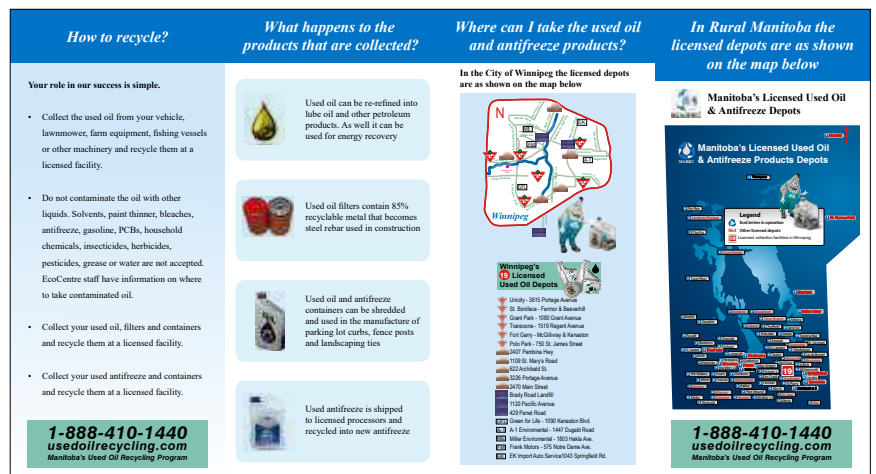
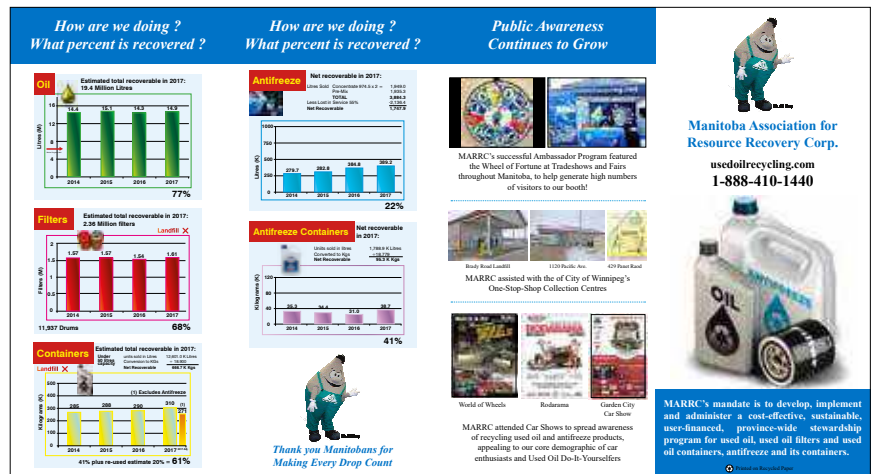
Ambassador Program – Brochures Distributed

The Ambassadors also distributed brochures which detail important information about the MARRC Stewardship Program such as what happens to the products once they are collected; where people can take the products throughout Manitoba; our collection progress to date as well some of our communication initiatives.

Wrapped Vans



MARRC rented 2 vans for the Ambassador Program which were wrapped with colourful advertising for used oil & antifreeze recycling. The van was at each of the trade shows, exhibitions and parades and were very well received.



Highlights of 2019

Ambassador Program – Survey

Over 10,000 visitors completed the survey!

The Ambassadors participated with the visitors by having them respond to the sample survey.



The participants then spun our Wheel of Fortune for a chance to win some great prizes

The participants also entered for a chance to win a \$50 Canadian Tire Gift Card.



You could win a Canadian Tire Gift Card worth \$50!

Please complete the following: For Steinbach

- Do you change your own oil and antifreeze or do you take your vehicle in for service?
Do it yourself _____ Take In For Service _____
 - If you change your own oil, what oil and antifreeze products do you recycle (ignore if you take your vehicle in)?
Oil _____ Filters _____ Containers _____
Antifreeze _____ None of the above _____
 - Where do you recycle your used oil and antifreeze products:
EcoCentre _____ Canadian Tire _____ Dealer / FastLube / GCOC _____
No Vehicle _____ Other _____
 - Did you know that you can recycle your used oil & antifreeze products at the Hanover Landfill in Steinbach?
YES _____ NO _____
- Name _____
- Phone # _____

Ambassador Survey Results Summer 2019

Location	Total Entries
Red River Ex Winnipeg	1609
Gimli Icelandic Festival	1199
Morden Corn & Apple Festival	968
Osborne Village Canada Day	697
Brandon Fair	523
Winkler Harveset Festival	485
HI Neighbor Festival	449
World of Wheels	441
Steinback Summer in the City	424
Rodarama	407
Morris Stampede	407
Dauphin Street Fair	208
Austin Thresherman's Rodeo	192
Carman County Fair	190
Winnipeg Beach Boardwalk Days	188
Altona Sunflower Festival	187
Selkirk Triple S Fair and Rodeo	169
Portage la Prairie Ex	158
Stonewall Quarry Days	158
Gimli Car Show	157
Melita Banana days	154
Portage La Prairie Potato Festival	122
Hanover Ag Fair	115
Garden City Car Show	108
Falcon Lake Fun Fest	93
Sherbrook Street Fest	63
Minnedosa Fun Fest	51
Killarney Summer Fair	34
Great Canadian Oil Change Eco Day	28
Ninette Fair	20
Total	10,004

There were 600 Radio ads on 9 rural radio stations as well as 800 ads on Winnipeg radio stations promoting each specific local event. Both City of Winnipeg as well as Rural Map Fridge Magnets were distributed. They displayed the locations of Licensed collection depots throughout Manitoba.

Sign Board displayed at events

FREE DRAW

FOR A
CANADIAN TIRE
\$50.00
GIFT CARD!

Manitoba Association for Resource Recovery Corp.
Useoilrecycling.com
1-888-410-1440

Manitoba's Licensed Used Oil & Antifreeze Depots

Winnipeg's 18 Licensed Used Oil Depots

- Unicity - 3615 Portage Avenue
- St. Boniface - Fermor & Beaverhill
- Grant Park - 1080 Grant Avenue
- Transcona - 1519 Regent Avenue
- Fort Garry - McGillivray & Kenaston
- Polo Park - 750 St. James Street
- 2407 Pembina Hwy
- 1109 St. Mary's Road
- 622 Archibald Street
- 3226 Portage Avenue
- 2470 Main Street
- Brady Road Landfill
- 1120 Pacific Avenue
- 429 Panet Road
- Green for Life - 1090 Kenaston Blvd.
- A-1 Environmental - 1447 Dugald Road
- Frank Motors - 575 Notre Dame Ave.
- EK Import Auto Service - 1043 Springfield Rd.

1-888-410-1440 | www.usedoilrecycling.com
Manitoba's Used Oil & Antifreeze Recycling Program

Highlights of 2019

Ambassador Program

MARRC utilized an LED flashing Wheel of Fortune to generate excitement at the Ambassador booth. After visitors completed the used oil recycling survey, they could spin the wheel to determine what prize had been won. Participation at the MARRC booth was very high with long line-ups at the booth in many cases. All prizes featured used oil recycling branding and were very well received. Bookmarks, wristbands and brochures were distributed at tradeshow, exhibitions and parades as well.



Bookmarks



Grocery Bags



Tape Measures



Hats



Magnetic Fridge Clips



Mrs. Oil Drop Beanie Babies



Wheel of Fortune



4 Different Colour Wristbands



Mr. & Mrs. Oil Drop Tattoos

Highlights of 2019

Ambassador Event Participation



Mr. & Mrs. Oil Drop participates in the Icelandic Parade in Gimli



Mr. & Mrs. Oil Drop participates in the Icelandic Parade in Gimli



Great Canadian Oil Change – EcoDay in Winnipeg



Gimli Icelandic Festival booth with Mr. Oil Drop



Keith Jones of the Melita EcoCentre with Ambassador at the Melita Banana Days



Mr. & Mrs. Oil Drop with other mascots at the Teddy Bear's Picnic

Highlights of 2019

MARRC Radio & Newspaper Media Partnerships

MARRC Advertisises in the Manitoba Association of Auto Clubs (MAAC)Event Guide, First NationsVoice, Manitoba Mining Review and The Leaf

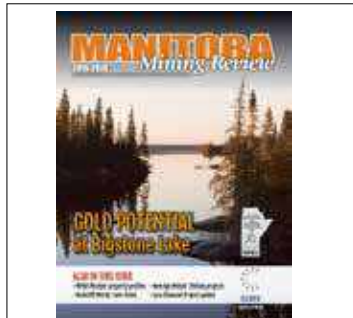
- MAAC is recognized as the voice of collector car and specialty vehicle enthusiasts across Manitoba. This comprehensive Guide lists all car clubs and events taking place in Manitoba in 2019. Over 50,000 copies are delivered throughout Manitoba to all Winnipeg Free Press Subscribers, car dealerships, doctor's offices, dental offices, uptown racks, MAAC Membership and numerous other retail locations.

- First Nations Voice is a privately owned newspaper with a distribution of over 100,000 that provides an educational and information-sharing vehicle for both First Nations/ Aboriginal communities and non-Aboriginal communities in Manitoba. The purpose is to educate, inspire and inform the general public from a First Nations/Aboriginal perspective.

- The Manitoba Mining Review is distributed to association members, all pertinent government officials and to all companies with an interest in Manitoba mining.

- The Leaf is distributed to 4,100 people in the Wolseley, Armstrong Point & South Broadway areas.

- Herald – Lance – Metro – Times – Sou-Wester – Headliner – have a combined circulation of over 200,000 people in the City of Winnipeg and Headingly. MARRC advertised in the Waste Reduction Week Issue in the springtime as well as the Winnipeg Recycles issue in the fall.



CJOB AM and Power 97 FM, Winnipeg radios stations aired over 700 ads promoting each specific local Ambassador event during the summer



9 Manitoba rural radio stations aired over 600 ads promoting each specific local Ambassador event during the summer as well.



Highlights of 2019

Local Initiatives



Roadside billboards were used to promote Steinbach's EcoDay



City of Steinbach's
Annual Used Oil
EcoDay – June 13
147 Customers
delivered
5,782 litres
of used oil.

Customers received
1 litre of new oil
free for every 5
litres of used oil
delivered (max 5
litres per person).



Customers received 1
litre of new oil free for
every 5 litres of used oil
(max 2 litres per person)

Advertising took
place in the North of
68 Paper plus the RM
of Fisher Newsletter
which circulated to all
residents.

RM of Fisher Oil Recycling Day on August 10
for all used oil products.

Community Recycling Event

SEPTEMBER 17th

10 AM to 2 PM

VENUE CHANGE!!!! SKATING RINK PARKING LOT

Come on out on Tuesday, September 17th and recycle everything you can!
We will be set up with participating recycling partners.

WE WILL BE ACCEPTING:

— PAINT — AEROSOL CANS — FLAMMABLE MATERIALS — FLUORESCENT LIGHTS (including CFL bulbs) — TOXIC MATERIALS — USED OIL, ANTI REZE, FILTERS & CONTAINERS — ~~ELECTRONIC WASTE — USED DRUGS, MEDICATION, NUCLES & TESTING EQUIPMENT (both human & animal) — WASTING INSTRUMENTS (pens, mechanical pencils, markers, highlighters)~~ — EYE GLASSES, PRESCRIPTION SUNGLASSES, READERS — ~~BATTERIES (only dry cell batteries only)~~ — ~~PLASTIC BAGS (including shopping bags, garbage bags, package wrapping, bubble wrap, all must be clean and contained within one clear bag) —~~

A great big thank you to our participating sponsors:



RM of Ethelbert's EcoDay on September 17
for all hazardous waste.



The City of Dauphin, EcoOil Recycling held an EcoDay on June 15

CKDM Radio in Dauphin advertised for 2 weeks and was present with their radio remote at the event.
Over 110 people participated delivered 1,600 litres of used oil that day. Free food and drinks were distributed to all who attended.

Highlights of 2019

MARRC Continuing to Participate in Schools

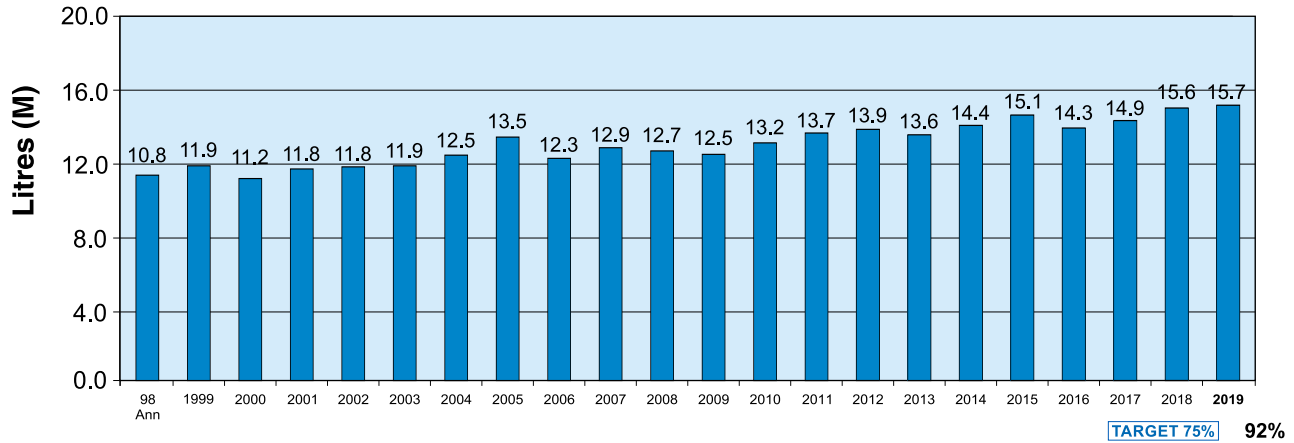
Expounding on the Merits of Recycling To Cherish and Protect The Environment For Future Generations



Collection Activity by Product 2019

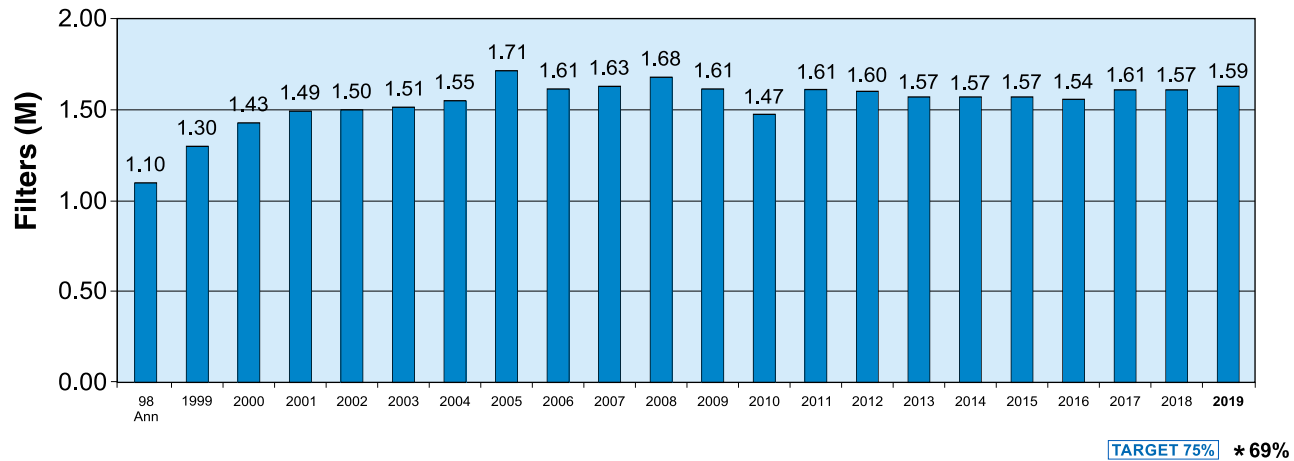
Oil

Litres Sold 26.3 M Litres
 Less Lost in Service 35% -9.2
 Net Recoverable 17.1 M Litres



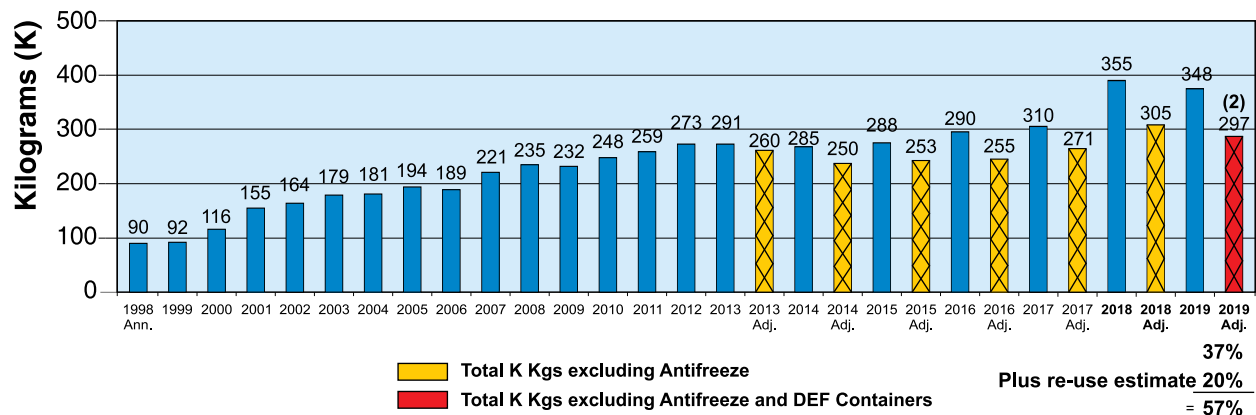
Filters

Filters sold 2.30
 Filters recoverable 2.30
 11,788 drums x 135 filters per drum = 1.59 M filters collected



Containers under 50 litres capacity

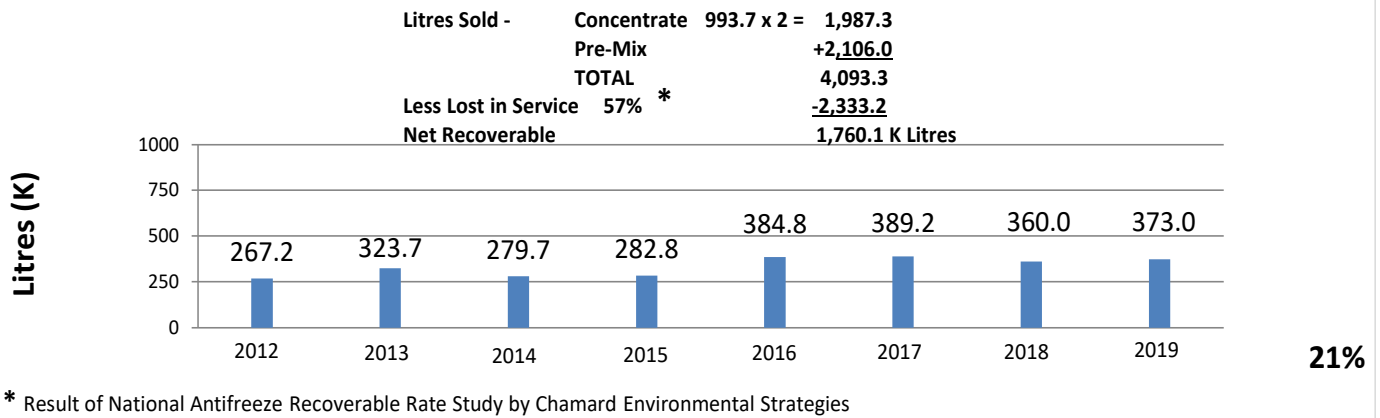
Units Sold in Litres 12,139 K Litres
 Converted to Kgs ÷ 15.22
 Net Recoverable 797.6 K Kgs



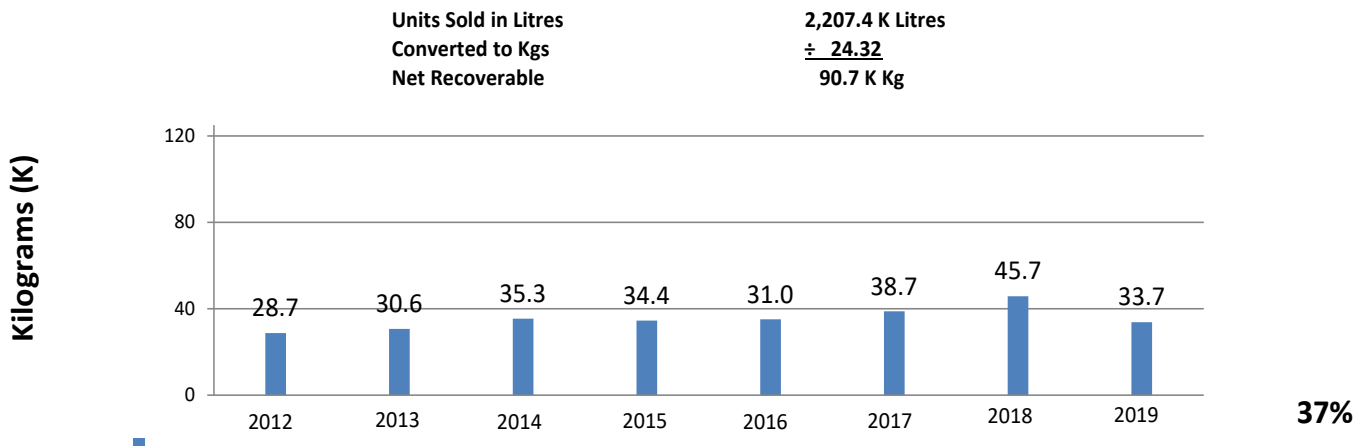
Collection Activity by Product 2019

Fluid

Antifreeze



Antifreeze Containers



DEF Containers



Antifreeze recovery rates in the Province and indeed throughout Canada has been relatively low while sales of Antifreeze fluid have been stable as confirmed in the EHC numbers. This brings up the question, where is the used product going?

The Used Oil Management Programs across Canada initiated a detailed Recoverable Antifreeze Rate Study by Province by using Chamard Environmental Strategies to determine how much antifreeze is actually “lost in service”. They concluded that actual Lost in Service rate for Antifreeze in Manitoba is 57%. The methodology is as noted below.



Other Highlights in 2019

MARRC Participated with the Northern Association of Community Councils (NACC)

Their 49th Annual tradeshow was held at the Canad Inns Polo Park Hotel in Winnipeg on August 15th. The NACC represents the interests of 52 northern and remote communities under the jurisdiction of aboriginal leaders and northern affairs. Over 200 delegates from the northern communities federal and provincial affiliates, private sector and non-profit organizations attended.



Bursaries awarded for a Sixteenth year

Bursaries were awarded to students (2 x \$500 each) qualifying in Environmental Studies at the University of Manitoba, University of Brandon, the University of Winnipeg and Red River Community College.

EcoCentre / Collection Depot licensed network

Training and audits promote safety and compliance

MARRC as part of its contractual arrangements with owners/operators of licensed collection facilities, provides initial and recurrent on-site training for management and staff. The training and follow-up audits are designed to promote a safe operation and compliance with each facility's operating license issued by Manitoba Conservation. During 2019, inspections were conducted at two thirds of all of the licensed EcoCentres and collection depots in the Province of Manitoba.

Manitoba Association of Regional Recyclers (MARR) Forum October 30

MARRC presented at 2 breakout sessions on Waste Management Action at the MARR Forum held on October 30 in Winnipeg. A MARRC booth was also in place. There were 172 delegates that included Mayors, Reeves and Councillors from Municipalities all across Manitoba that were in attendance.



Highlights 2019

City of Winnipeg Collection Depot Network Expanding



5 Great Canadian Oil Change locations now accepting used oil and antifreeze products in Winnipeg and 4 more throughout Manitoba!

RECYCLE Your Used Oil & Antifreeze products only here



6 Canadian Tire Locations accepting used oil and antifreeze products in Winnipeg!

City of Winnipeg opens 3 new One-Stop-Shop Collection Centres!



Brady Road Landfill



1120 Pacific Ave.



429 Panet Road

Winnipeg's 18 Licensed Used Oil Depots

- Unicity - 3615 Portage Avenue
- St. Boniface - Fermor & Beaverhill
- Grant Park - 1080 Grant Avenue
- Transcona - 1519 Regent Avenue
- Fort Garry - McGillivray & Kenaston
- Polo Park - 750 St. James Street
- 2407 Pembina Hwy
- 1109 St. Mary's Road
- 622 Archibald Street
- 3226 Portage Avenue
- 2470 Main Street
- Brady Road Landfill
- 1120 Pacific Avenue
- 429 Panet Road
- Green for Life - 1090 Kenaston Blvd.
- A-1 Environmental - 1447 Dugald Road
- Frank Motors - 575 Notre Dame Ave.
- EK Import Auto Service - 1043 Springfield Rd.

1-888-410-1440 | www.usedoilrecycling.com
Manitoba's Used Oil & Antifreeze Recycling Program



Manitoba's Licensed Used Oil & Antifreeze Depots





EcoCentres - Reflecting Amalgamations in 2015

	Location	Owner/Operator
1	Steinbach	City of Steinbach
2	Carman	Town of Carman
3	Melita	S K L Enterprises Ltd.
4	Altona	Town of Altona / Municipality of Rhineland
5	Neepawa	Town of Neepawa
6	Selkirk	City of Selkirk
7	Russell	Municipality of Russell-Binscarth / Riding Mountain West
8	Glenboro	Municipality of Glenboro South Cypress
9	Minto	Municipality of Grassland
10	Pilot Mound	Louise Integrated Waste Managment
11	Baldur	RM of Argyle
12	Swan River	Town of Swan River
13	Hamiota	Hamiota Municipality
14	Inwood	RM of Armstrong
15	Chatfield	RM of Armstrong
16	Meleb	RM of Armstrong
17	Virden	RM of Wallace-Woodworth
18	Arborg	BAR Waste Authority Co-op Inc.
19	Gladstone	Municipality of Westlake-Gladstone
20	Rosburn	Rosburn Municipality
21	Portage la Prairie	Portage & District Recycling Inc.
22	Teulon	Town of Teulon & RM of Rockwood
23	Brandon	City of Brandon
24	Earl Grey	RM of St. Andrews
25	Langruth	Municipality of Westlake-Gladstone
26	Elm Creek	RM of Grey

	Location	Owner/Operator
27	The Pas	Town of The Pas
28	Winkler	City of Winkler
29	Morris	Town of Morris
30	St. Georges	RM of Alexander Town of Powerview-Pinefalls
31	Traverse Bay	RM of Alexander & RM of Victoria Beach
32	Clandeboye	RM of St. Andrews
33	Dauphin	EcoOil Recycling Centre
34	Lac du Bonnet	RM of Lac du Bonnet
35	Waskada	Municipality of Brenda-Waskada
36	Carberry	RM of North Cypress-Langford
37	Thompson	Thompson Recycling Centre
38	St. Laurent	RM of St. Laurent
39	Erickson	Municipality of Clanwilliam-Erickson
40	Eriksdale	C.E.W.D.G. Board
41	Flin Flon	City of Flin Flon
42	Dunrea	RM of Prairie Lakes
43	MacGregor	Municipality of North Norfolk
44	Roblin	Municipality of Hillsburg-Roblin-Shell River
45	Onanole	Municipality of Harrison Park
46	Whitemouth	Whitemouth-Reynolds-North Whiteshell
47	Gimli	RM of Gimli
48	Arnes	RM of Gimli
49	St. Lazare	RM of Ellice-Archie
50	St. Pierre	RM of De Salaberry
51	Lorette	RM of Taché
52	Souris	Municipality of Souris-Glenwood
53	Birtle	Municipality of Prairie View

Other Licensed Collection Facilities

1	Winnipeg	A-1 Environmental Services, 1447 Dugald Rd.
2	Winnipeg	GFL Green For Life 1090 Kenaston Blvd.
3	Winnipeg	Frank Motors 575 Notre Dame Ave.
4	Winnipeg	EK Import Auto Service Ltd., 1043 Springfield Rd.
5	Winnipeg	Canadian Tire Grant Park 1080 Grant Ave.
6	Winnipeg	Canadian Tire East Kildonan 1519 Regent Ave.
7	Winnipeg	Canadian Tire Polo Park 750 St. James St.
8	Winnipeg	Canadian Tire Fort Garry McGillivray & Kenaston
9	Winnipeg	Canadian Tire St. Boniface Fernor & Beaverhill
10	Winnipeg	Canadian Tire Unicity 3615 Portage Ave.
11	Winnipeg	Great Canadian Oil Change, 1109 St. Mary's Road
12	Winnipeg	Great Canadian Oil Change, 2407 Pembina Hwy.
13	Winnipeg	Great Canadian Oil Change, 3226 Portage Ave.
14	Winnipeg	Great Canadian Oil Change, 622 Archibald St.
15	Winnipeg	Great Canadian Oil Change, 2470 Main Street
16	Winnipeg	4R, Brady Road Landfill
17	Winnipeg	4R, 1120 Pacific Avenue
18	Winnipeg	4R, 429 Panet Road
19	Headingley	Recycle West 6 Sabrina Way
20	Stonewall	RM of Rockwood
21	Notre Dame	Jean Farms Ltd.
22	Morden	Penner Waste Inc., 160 Grant Ave.

23	Hartney	Southwest Recycling
24	Grand Rapids	ET Development Ltd.
25	Killarney	Town of Killarney
26	Dunnottar	Village of Dunnottar
27	Cranberry Portage	LUD of Cranberry Portage
28	Rorketon	RM of Lakeshore
29	Vita	RM of Stuartburn
30	Deloraine	Municipality of Deloraine-Winchester
31	Fisher Branch	RM of Fisher
32	Moosehorn	RM of Grahamdale
33	Ashern	Municipality of West Interlake
34	Beausejour	Beausejour Tire
35	Hillside	RM of Springfield
36	Oakwood	RM of Springfield
37	Steinbach	Great Canadian Oil Change, 41 Hwy 12 North
38	Winkler	Great Canadian Oil Change, 611 Main Street
39	Portage la Prairie	Great Canadian Oil Change, 1040 Saskatchewan Ave W
40	Brandon	Great Canadian Oil Change, 827 18th St
41	Monominto	RM of Taché
42	Shoal Lake	RM of Yellowhead
43	Minnedosa	Evergreen Environmental Technologies
44	Plumas	Municipality of Westlake-Gladstone
45	Westbourne	Municipality of Westlake-Gladstone

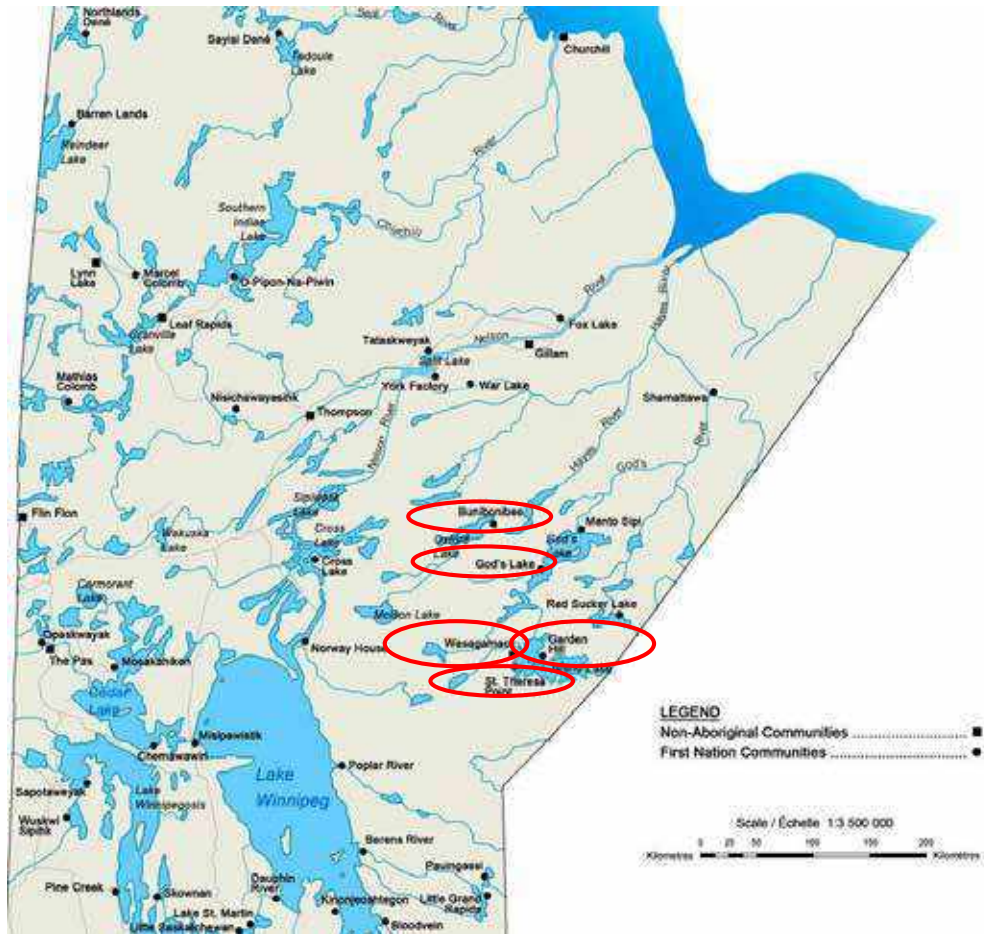
Northern Remote Communities

1	St. Theresa Point	St. Theresa Point First Nation
2	Churchill	The Town of Churchill

3	Hollow Water	Manitoba Aboriginal and Northern Affairs
4	Bloodvein	Bloodvein First Nation

Northern Manitoba Update

1. Winter Road Access – 4 to 6 weeks – 5 Initial Locations



Pallets & Tires shipped currently to Winnipeg

	Oil	Electronics	Batteries	Tires
St. Theresa Point	1	10	6	1572
Garden Hill	3	0	4	948
Wasagamack	9	1	2	931
God's Lake Narrows	2	0	3	25
Oxford House	2	3	1	100
TOTAL	17	14	16	3576

47 Pallets

Oil Pallets include – 20 litre pails, bags of 4 litre containers & 4 drums

Oil is supplied to the burning unit for heating of the ELV garage

2. End of Life Vehicles (ELV) Process

Example – St. Theresa Point

- Population 2,900
- EL Vehicles **5,000**

Required – Garage 50' x 60'



- Hoist or Stilts
- For Removing
 - Oil
 - Tires
 - Batteries



- Crushing Unit



- Crushed vehicles for shipment



Highlights of 2019

Waste Management Example of Clean-up activities of Used Oil & Antifreeze and other products

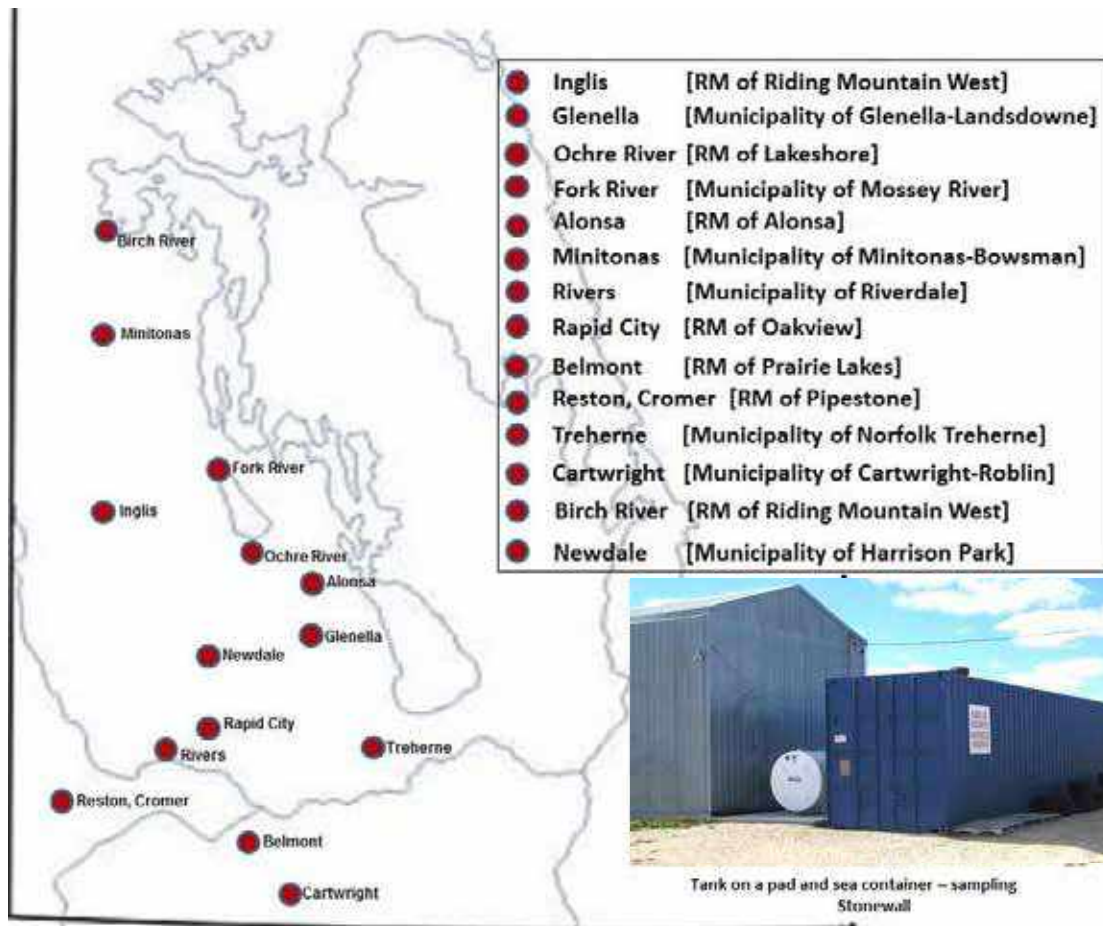


Before



After

*Further to the Licensed EcoCentre locations shown with the map on page 17,
MARRC will be working with the following
communities to assist them with appropriate compliance.*



Tarik on a pad and sea container – sampling
Stonewall



In response to Member input...

The Used Oil Management Associations (UOMA) of Canada have developed a new web-based Environmental Handling Charge (EHC) remittance application designed to streamline, modernize and harmonize the remittance process across the country.

October 25, 2019

Notice to All Members

Subject: Environmental Handling Charge Remittances - New Web-Based Remittance System for 2020.

In the fall of 2016, Members were surveyed to determine their level of satisfaction with the Associations as service providers. Overall, the results were very positive and provided us with constructive feedback. One of the key messages conveyed through that survey was the strong support for a one window system, or portal, to support the EHC remittance process, as well as creating greater provincial harmonization on communications, programs, product lists and definitions.

After working with many of our Members over the last two years via a multi-agency Focus Group, we are excited to announce that we will be launching our new one window EHC application January 1, 2020! This new EHC application will simplify and streamline filing EHC remittances.

This means that as of January 1, 2020, the new EHC application will be available for use by our Members for all EHC applicable transactions occurring from that date and thereafter.

Remittance Schedule:

Monthly Remitters	Starting February 1, 2020, monthly EHC remittances will be filed via the new application.
Quarterly Remitters	Starting April 1, 2020, quarterly EHC remittances will be filed via the new application.
Annual Remitters	Starting January 1, 2021, annual EHC remittances will be filed via the new application.

Please note that EHC applicable transactions occurring on or before December 31, 2019, will continue to be entered on the existing EHC Forms system until further notice.

Next Steps:

Over the coming weeks and months, more information will be provided to our Membership regarding the new EHC application features, training for you and your staff, as well as instructions on how to gain access to the application.

On behalf of ...



**BC, Alberta, Saskatchewan, Manitoba, Quebec and
Atlantic Used Oil Associations**



MARRC

Plastic Container Processing Background and Good News

In 2011, MARRC's main plastic container processor, XPotential, terminated operation following a fire at their location in Winnipeg.

MARRC proceeded to search out various options ending up with sites in Quebec and BC being the designated alternatives. Given the expensive freight component, MARRC's primary objective remained and that was to have a plastic processing facility located within the Province of Manitoba.

A Manitoba company, Innovative NRG, located in St. Eustache, Manitoba (30 minutes from Winnipeg) invented, developed and manufactured a revolutionary Waste to Energy (WtE) Solution, the Rapid Organic Converter – ROC, that vaporizes all Carbon- based/organic waste material.

The patented and proprietary ROC employs radiant energy vaporization to accelerate the decomposition process of all carbon-based/organic waste material on hand in the market, within mere seconds.

The ROC captures the energy released in the conversion process delivering clean thermal energy to heat buildings, heat water for industrial processes or create steam to generate electricity.

The ROC – How it Works

Waste materials feedstock is conveyed into the conversion chamber

Rapid Decomposition occurs using radiant energy to vaporize feedstock

- Plastics decomposition/conversion takes place in less than 10 seconds
- NOT Incineration
- Hot gases are drawn into the flameless oxidation chamber where ambient air is added
- Hot gases are then drawn into the retention chamber
- With high heat at 850C or higher, the gases stay in chamber for 2 seconds with chemical destruction of harmful particulate

Retention chamber gases are drawn through.....

The high heat exchanger to create steam for electricity generation
The lower heat exchanger for site and district heating

Gas stream is drawn through a fan.....

The residual heat is recirculated to the ROC
The filtration then takes place in either the baghouse or water scrubber for particulate removal
The clean gas stream then goes up the stack, meets cooler air with water vapour, then into the atmosphere

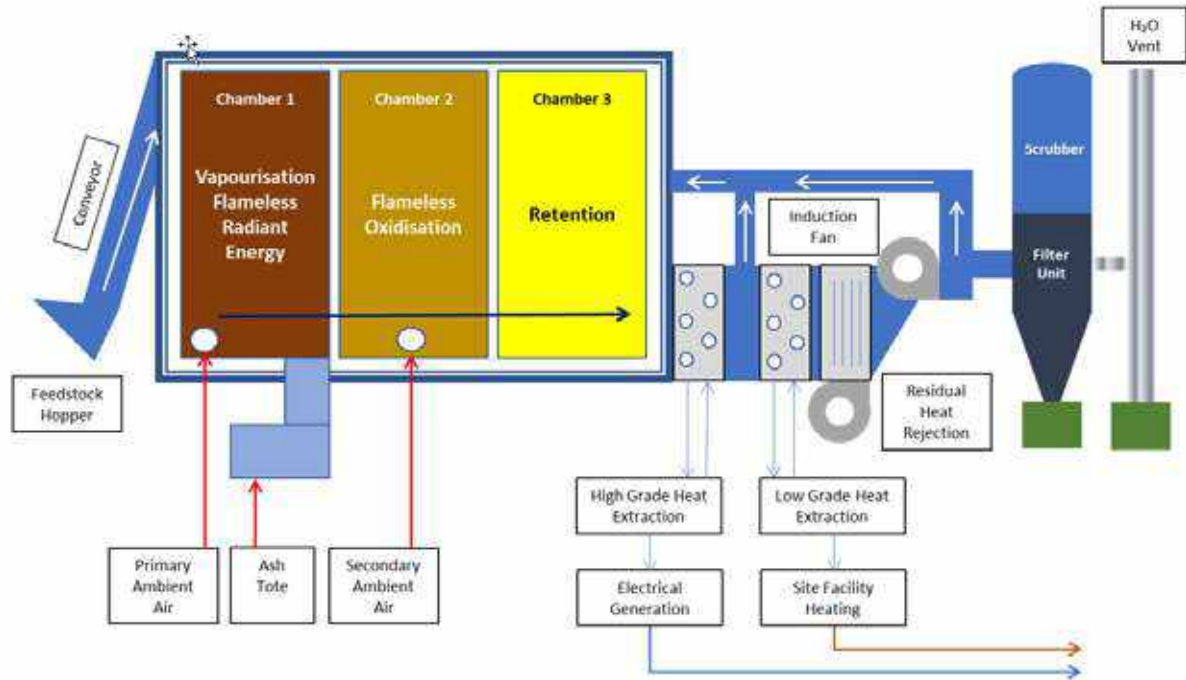
Design and Operation

- One step process – waste feedstock directly to clean Thermal Energy
- Runs by itself – no fossil fuels to operate – uses energy from feedstocks
- Quiet operation

Efficient single pass process

Profitable use of renewal energy from waste to offset natural gas cost

Lower GHG emissions than alternatives - incineration



Stairways to stack platform



Receiving & preparation building - front & side



Collector Delivery Process



Truck Unloading



Grinder Addition



Containers & Bags Received



Containers & Bags Processed

Manitoba Sustainable Development (MSD)

This ROC site is Licensed by Manitoba Sustainable Development (MSD) to process biomass waste materials on a continuous basis and has a Pilot License from MSD to pilot test alternative waste streams, including MARRC oil, antifreeze and DEF containers.

With constructive direction, support and collaboration with MSD regional and local staff, they embarked on an extensive set of manufacturing projects, equipment acquisitions and facility upgrades to the site to ensure compliance with all MSD requirements to receive, handle and process the MARRC containers efficiently, profitably and safely with a focus on triple level containment of liquids at all stages of their conversion to energy.

Members of MARRC

49 North Lubricants Ltd.	Gamma Sales Inc.	Orgill Canada Hardlines ULC
10046880 Manitoba Ltd. (Oil Source)	Gates Canada Inc.	OBR Oil and Marine Inc.
A & I Products Canada Inc.	General Motors of Canada Limited	PACCAR of Canada, Ltd. Parts Division
ABB Inc.	Greenland Corporation	PSC-Power Source Canada Ltd.
ADP Distributors Inc.	Harley-Davidson Canada L.P.	Parker Hannifin Canada
AGCO Corporation	Hastings Filters	Parkland Industries Ltd. (Bluewave Energy)
AGS Company Automotive Solutions	Henkel Canada Corporation	Partner Technologies Inc.
AMSOIL Inc.	Hino Motors Canada Ltd.	Parts Canada
Acklands-Grainger Inc.	Home Depot of Canada Inc.	PartsSource Inc.
Agricity Crop & Nutrition Ltd.	Home Hardware Stores Limited	Peavey Industries Limited
Airparts Network Ltd.	Honda Canada Inc.	Petro-Canada Lubricants Inc.
Altrom Auto Group Ltd.	Husky Energy Inc.	Phillips 66 Canada Ltd.
Applied Industrial Technologies Lp	Husqvarna Canada Corp.	Polaris Industries Inc.
Atlas Copco Compressors Canada	Hyundai Auto Canada Corp.	Porsche Cars Canada Inc.
Aviall Canada Ltd.	ITW Permatex Canada	Prestone Canada
BASF Canada Inc.	Imperial Oil Ltd.	Prévost, a Division of Volvo Group Canada Inc.
BMW Canada Inc.	Importations Thibault Ltée	Princess Auto Ltd.
BOSS Lubricants	Industrial Truck Service Ltd.	RONA Inc.
BP Lubricants USA Inc.	Irving Blending & Packaging	Radiator Specialty Company of Canada Ltd.
Baldwin Filters, Inc.	Isuzu Commercial Truck of Canada Inc.	Recochem Inc.
Beck/Arnley Worldparts, Inc.	Jaguar Land Rover Group Canada Inc.	Revolution ORS LP (DBA Terrapure)
BestBuy Distributors Limited	John Deere Canada ULC	Robco Inc.
Blue Streak - Hygrade Motor Products	KLONDIKE Lubricants Corporation	Robert Bosch Inc.
Blue Water West Limited	KTM Canada Inc.	SC CLS Holding ULC
Bombardier Recreational Products Inc.	Kadex Aero Supply Ltd.	SMS Equipment Inc.
Bosch Rexroth Canada Corp.	Kaesar Compressors Canada Inc.	Safety-Kleen Canada Inc.
Brandt Tractor Ltd.	Kia Canada Inc.	7-11 Canada
Buhler Versatile Inc.	Kimpex Inc.	Shell Canada Products Ltd.
CG Power Systems Canada Inc.	King-O-Matic Industries Limited	Sherwin Williams Canada Inc.
CNH Canada Ltd.	Kleen-Flo Tumbler Industries Limited	Southwestern Petroleum Canada Ltd.
CORE-MARK International Inc.	Kubota Canada Ltd.	Spectrum Brands Canada Inc.
CPT Canada Power Technology Limited	LCT Lubricants Inc.	Stihl Limited
Carberry Oil & Parts Inc.	Larry Penner Enterprises Inc.	Subaru Canada Inc.
CanAgro Exports Inc.	Loblaw Inc.	Suzuki Canada Inc.
Canadian Kawasaki Motors Inc.	Lubricon Industries Canada Limited	TVH Canada Ltd.
Canadian Pacific Railway	Lucas Oil Products (Canada) Company	Texas Refinery Corp. of Canada Limited
Canadian Tire Corporation, Limited	MANN & HUMMEL Filtration Technology Canada	Textron
Canadian Tire Petroleum	MFTA Canada Inc.	The North West Company Inc.
Castrol Industrial North America Inc.	Macdon Industries Ltd.	Toromont Industries Ltd.
Cervus Equipment Corporation	Machinerie R. Gagnon Inc.	Total Canada Inc.
Champion Laboratories, Inc.	Mahle Aftermarket Inc.	Toyota Canada Inc.
Chevron Canada Limited	Manitoba Hydro	Transt Warehouse Distribution
Churchill Marine Tank Farm Co.	Maryn international Ltd.	UAP Inc.
Cleanair Filter Service	Maxim Transportation Services Inc.	United Chemical Services
Club Car LLC - Ingersoll Rand	Mazda Canada Inc.	United Farmers of Alberta Co-op Ltd.
Comairco Ltd.	Mercedes-Benz Canada Inc.	Univar Canada Ltd.
Costco Wholesale Canada Ltd.	Mid-Canada Filtration Solutions	Vallen Canada Inc.
Cummins Western Canada	Midwest Sales	Valvoline Canada Ltd.
D.A.S. Distributors Inc.	Miller Supply Ltd.	Vermeer Canada Inc.
Daimler Trucks Canada Ltd.	Mitsubishi Motor Sales of Canada, Inc.	Viscosity Oil Company
Daleco Systems Inc.	Modern Sales Co-op	Volkswagen Canada Inc.
Davanac Inc.	Mopac Auto Supply (Alberta) Ltd.	Volvo Cars of Canada Corp.
Echo Power Equipment (Canada)	Mopac Auto Supply Ltd.	Volvo Group Canada Inc.
Eni USA R&M Co. Inc.	Motion Industries (Canada) Inc.	Wainbee
Eskimo Point Lumber	Motor Coach Industries Limited	Wajax Equipment
FCA Canada Inc.	Motosel Industrial Group Inc.	Wajax Industrial Components
FRAM Group Canada Inc.	Motovan Corporation	Wakefield Canada Inc.
Fastenal Canada Ltd.	NCH Canada Inc.	Wal-Mart Canada Corp.
Federated Co-operatives Limited	National Energy Equipment Inc.	Wallace & Carey Ltd.
Ford Motor Company of Canada Ltd.	Navistar Canada Inc.	Westcon Equipment & Rentals Ltd.
Fort Garry Industries Ltd.	NemCo Resources Ltd.	Western Turbo & Fuel Injection Ltd.
Fuchs Lubricants Canada Ltd.	New Flyer Industries Ltd.	Westpower Equipment Ltd.
Fuelex Energy Ltd.	Nissan Canada Inc.	Worldpac Canada Inc.
Full-Bore Marketing Ltd.	Noco Lubricants LP	Wurth Canada Limited
G.F. Thompson Company Limited	Norcan Fluid Power Ltd.	Yamaha Motor Canada Ltd.
G.K. Industries Ltd.	Nynas Inc.	Yetman's Ltd.
GEA Westfalia Surge Inc.	Oil Depot Limited	
GFL Environmental Corp.	Oil Mart Limited	

Manitoba Association for Resource Recovery Corp.

Financial Statements
December 31, 2019

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED**

Manitoba Association for Resource Recovery Corp.

Balance Sheet

As at December 31, 2019

	2019				2018	
	Used Lubricating Products Stewardship Program \$	Antifreeze Stewardship Program \$	Diesel Exhaust Fluid Containers Program \$	Invested in Capital Assets \$	Total \$	Total \$
Assets						
Current assets						
Cash and cash equivalents	140,609	382,952	117,946	-	641,507	608,331
Short-term investments (note 4)	572,719	-	-	-	572,719	434,667
Environmental handling charges receivable	958,502	143,795	55,314	-	1,157,611	1,219,623
Accrued interest receivable	29,101	-	-	-	29,101	26,543
Prepaid expenses and deposits	905	-	-	-	905	905
Due from Diesel Exhaust Fluid Containers Program	92,608	40	-	-	-	-
Due from Antifreeze Stewardship Program	169,665	-	-	-	-	-
	1,964,109	526,787	173,260	-	2,401,843	2,290,069
Long-term investments (note 4)	1,490,917	-	-	-	1,490,917	1,581,933
Capital assets						
Office furnishings, equipment and leasehold improvements	-	-	-	130,106	130,106	48,682
Less: Accumulated amortization	-	-	-	44,353	44,353	42,683
	-	-	-	85,753	85,753	5,999
	3,455,026	526,787	173,260	85,753	3,978,513	3,878,001
Liabilities and Net Assets						
Current liabilities						
Return and processing incentives payable	518,793	25,583	-	-	544,376	512,635
Accounts payable and accrued liabilities (note 6)	426,651	9,896	3,985	-	440,532	278,337
Due to Diesel Exhaust Fluid Containers Program	-	-	40	-	-	-
Due to Used Lubricating Products Stewardship Program	-	169,665	92,608	-	-	-
	945,444	205,144	96,633	-	984,908	790,972
Net Assets						
Invested in capital assets	-	-	-	85,753	85,753	5,999
Unrestricted	2,509,582	321,643	76,627	-	2,907,852	3,081,030
	2,509,582	321,643	76,627	85,753	2,993,605	3,087,029
	3,455,026	526,787	173,260	85,753	3,978,513	3,878,001

Commitments (note 7)

Approved by the Board of Directors

_____ Director _____ Director

The accompanying notes are an integral part of these financial statements.

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
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Manitoba Association for Resource Recovery Corp.

Statement of Operations

For the year ended December 31, 2019

	2019				2018
	Used Lubricating Products Stewardship Program \$	Antifreeze Stewardship Program \$	Diesel Exhaust Fluid Containers Program \$	Invested in Capital Assets \$	Total \$
Revenue					
Environmental handling charges	3,871,408	480,728	140,793	-	4,492,929
Membership fees	800	-	-	-	800
	<u>3,872,208</u>	<u>480,728</u>	<u>140,793</u>	<u>-</u>	<u>4,493,729</u>
Expenses					
Return and processing incentives	3,199,377	205,965	23,163	-	3,428,505
EcoCentre support costs (note 8)	224,642	80,229	16,046	-	320,917
Wages, contract and benefits	137,525	49,116	9,823	-	196,464
Container freight and plastic processing costs	145,374	51,919	10,384	-	207,677
Ambassador program (note 9)	70,863	56,690	14,173	-	141,726
Professional fees	81,497	10,085	2,954	-	94,536
Public relations and promotion (note 10)	23,530	18,824	4,706	-	47,060
Rent	39,321	4,866	1,425	-	45,612
Office and administration	18,910	2,340	686	-	21,936
Green Manitoba agreement	-	-	-	-	(30,235)
Director fees and expenses	19,122	2,366	693	-	22,181
Antifreeze study	-	8,672	-	-	8,672
Compliance reviews	37,534	10,009	2,502	-	50,045
Travel and automobile	13,143	1,626	476	-	15,245
Telephone and fax	7,238	896	262	-	8,396
Used oil lost in service study	4,546	-	-	-	4,546
Bursaries	3,448	427	125	-	4,000
Meetings	8,952	1,108	324	-	10,384
Insurance	5,486	679	199	-	6,364
Amortization	-	-	-	1,670	1,670
Bank charges and interest	779	442	382	-	1,603
	<u>4,041,287</u>	<u>506,259</u>	<u>88,323</u>	<u>1,670</u>	<u>4,637,539</u>
Excess (deficiency) of revenue over expenses from operations	(169,079)	(25,531)	52,470	(1,670)	(143,810)
Investment income (note 5)	50,386	-	-	-	50,386
Excess (deficiency) of revenue over expenses	<u>(118,693)</u>	<u>(25,531)</u>	<u>52,470</u>	<u>(1,670)</u>	<u>(93,424)</u>

The accompanying notes are an integral part of these financial statements.

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
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Manitoba Association for Resource Recovery Corp.

Statement of Changes in Net Assets

For the year ended December 31, 2019

	2019				2018
	Used Lubricating Products Stewardship Program \$	Antifreeze Stewardship Program \$	Diesel Exhaust Fluid Containers Program \$	Invested in Capital Assets \$	Total \$
Balance – Beginning of year	2,709,699	347,174	24,157	5,999	3,087,029
Excess (deficiency) of revenue over expenses	(118,693)	(25,531)	52,470	(1,670)	(93,424)
Purchases of capital assets	(81,424)	-	-	81,424	-
Balance – End of year	2,509,582	321,643	76,627	85,753	3,087,029

The accompanying notes are an integral part of these financial statements.

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
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Manitoba Association for Resource Recovery Corp.

Statement of Cash Flows

For the year ended December 31, 2019

	2019				2018	
	Used Lubricating Products Stewardship Program \$	Antifreeze Stewardship Program \$	Diesel Exhaust Fluid Containers Program \$	Invested in Capital Assets \$	Total \$	Total \$
Cash and cash equivalents provided by (used in)						
Operating activities						
Excess (deficiency) of revenue over expenses	(118,693)	(25,531)	52,470	(1,670)	(93,424)	(325,144)
Item not affecting cash						
Amortization	-	-	-	1,670	1,670	1,793
	(118,693)	(25,531)	52,470	-	(91,754)	(323,351)
Changes in non-cash working capital items	293,266	(12,741)	(27,135)	-	253,390	63,725
Due to (from) programs	(74,646)	(17,827)	92,473	-	-	-
Interfund transfers	(81,424)	-	*	81,424	-	-
	18,503	(56,099)	117,808	81,424	161,636	(259,626)
Investing activities						
Purchase of capital assets	-	-	-	(81,424)	(81,424)	(3,807)
Purchase of investments	(481,702)	-	-	-	(481,702)	(795,549)
Proceeds on redemption and sale of investments	434,666	-	-	-	434,666	753,777
	(47,036)	-	-	(81,424)	(128,460)	(45,579)
Increase (decrease) in cash and cash equivalents during the year	(28,533)	(56,099)	117,808	-	33,176	(305,205)
Cash and cash equivalents – Beginning of year	169,142	439,051	138	-	608,331	913,536
Cash and cash equivalents – End of year	140,609	382,952	117,946	-	641,507	608,331

The accompanying notes are an integral part of these financial statements.

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED**

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2019

1 Nature of operations

Manitoba Association for Resource Recovery Corp. (the Corporation) was formed by oil and oil filter first sellers in Manitoba to develop, implement and administer a used lubricating products stewardship program in the province and began operation on January 1, 1997. The Corporation was incorporated as a not-for-profit corporation without share capital under The Corporations Act of Manitoba on April 1, 1997. On February 26, 1998, the Corporation received approval to operate its Used Lubricating Products Stewardship Program from the Minister of Environment, Province of Manitoba. On May 1, 2011, the Corporation was also approved to operate its Antifreeze Stewardship Program by the Minister of Conservation, Province of Manitoba. The Antifreeze Stewardship Program began active operations on August 1, 2011. On April 25, 2018, the Corporation was also approved to operate its Other MARRC Designated Materials Program by the Minister of Sustainable Development, Province of Manitoba. The Other MARRC Designated Materials Program began active operations November 5, 2018 with the collection of an environmental handling charge on diesel exhaust fluid containers.

On July 26, 2018, the Corporation received approval to continue to operate the Used Lubricating Products Stewardship Program and the Antifreeze Stewardship Program from the Minister of Sustainable Development, Province of Manitoba until June 30, 2023.

As a not-for-profit corporation, no provision for corporate income taxes has been made in these financial statements pursuant to paragraph 149(1)(l) of the Income Tax Act.

2 Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3 Summary of significant accounting policies

Fund accounting

The accounts of the Corporation are maintained in accordance with the principles of fund accounting. Fund accounting is a procedure whereby a self-balancing group of accounts is provided for each accounting fund established by the Corporation.

For financial reporting purposes, the accounts have been classified into several funds. The activities carried out by each fund are as follows:

Used Lubricating Products Stewardship Program – reports funds for the operations of the Used Lubricating Products Stewardship program.

Antifreeze Stewardship Program – reports funds for the operations of the Antifreeze Stewardship Program.

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED**

(1)

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2019

Diesel Exhaust Fluid Containers Program – reports funds for the operations of the Diesel Exhaust Fluid Stewardship Program.

Invested in Capital Assets – reports the funds for the purchase and amortization of capital assets used in the operations of the Corporation.

Significant accounting policies are as follows:

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and cash and cash equivalents held at banking institutions.

Investments

Investments consist of guaranteed investment certificates (GICs). Investments that are intended to be held or that have maturity dates under a year are deemed to be short-term investments, with all others classified as long-term investments. Realized and unrealized gains and losses are included as investment income in the statement of operations. Purchases and sales are recognized using trade date accounting.

Capital assets

Capital assets are carried at acquisition cost less accumulated amortization. Amortization of office furnishings, equipment, leasehold improvements and computer software is calculated on a straight-line basis at an annual rate of 20% based on the estimated useful lives of these assets. One-half of the annual rates are charged in the year of acquisition.

Revenue recognition

The Corporation follows the deferral method of accounting for revenues. Revenue from environmental handling charges is recognized in the year for which suppliers and end-users assess it, as regulated by the Used Oil, Oil Filters and Containers Stewardship Regulation, and by the Household Hazardous Material and Prescribed Material Stewardship Regulation and by the Packaging and Printed Paper Stewardship Regulation all under The Waste Reduction and Prevention Act. The one-time membership fees are recorded as revenue when the participating companies join the Corporation.

Dividend and interest income from investments and cash equivalents is recognized when earned and is recorded as investment income in the statement of operations. Other income is recognized when earned.

Return and processing incentives

The return and processing incentives are recognized as an expense in the year to which the claim relates.

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED**

(2)

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2019

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and subsequently measured at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents, investments, environmental handling charges receivable and accrued interest receivable.

Financial liabilities measured at amortized cost include return and processing incentives payable and accounts payable and accrued liabilities.

Financial assets are tested for impairment at the end of each reporting period when there are indications that the assets may be impaired.

4 Investments

	Maturity date	Interest rate %	2019 \$	2018 \$
Short-term investments				
Crosstown Credit Union GIC	August 22, 2019	2.15%	-	225,804
Crosstown Credit Union GIC	July 4, 2019	1.35%	-	100,000
Crosstown Credit Union GIC	July 4, 2019	1.35%	-	108,863
Crosstown Credit Union GIC	July 8, 2020	2.65%	572,719	-
			<u>572,719</u>	<u>434,667</u>
Long-term investments				
Crosstown Credit Union GIC	August 22, 2024	2.75%	230,659	-
Crosstown Credit Union GIC	July 8, 2020	2.65%	-	557,933
Crosstown Credit Union GIC	July 4, 2022	2.75%	101,350	-
Crosstown Credit Union GIC	July 4, 2022	2.75%	110,332	-
Crosstown Credit Union GIC	August 22, 2021	2.40%	1,048,576	1,024,000
			<u>1,490,917</u>	<u>1,581,933</u>
			<u>2,063,636</u>	<u>2,016,600</u>

FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED

(3)

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2019

5 Investment income

	2019		2018	
	Used Lubricating Products Stewardship Program \$	Antifreeze Stewardship Program \$	Total \$	Total \$
Interest and dividends	50,386	-	50,386	94,512

6 Government remittances

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts become due. In respect of government remittances, \$35,093 (2018 – \$27,501) is included within accounts payable and accrued liabilities.

7 Commitments

Operating lease

The annual minimum rental for leased premises under a lease to February 28, 2023 is as follows:

	\$
Fiscal year ending December 31, 2020	45,173
2021	45,315
2022	45,315
2023	7,553

EcoCentres

The Corporation has entered into automatic two-year renewal agreements with 81 EcoCentres and licensed collection facilities that were established to provide no-cost drop-off centres for used oil and antifreeze materials.

FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED

(4)

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2019

As part of its contractual agreement with each EcoCentre owner-operator, the Corporation is committed to provide annual operating support until July 31, 2019. The operating support payments for the EcoCentres currently in operation are estimated to be as follows:

Fiscal year ending December 31, 2020

192,707

8 EcoCentre support costs

	2019 \$	2018 \$
Operating and capital support	293,957	310,274
Remote Centres support	11,357	-
Operational audits, training and supplies	15,603	16,888
	<u>320,917</u>	<u>327,162</u>

9 Ambassador program

	2019 \$	2018 \$
Wages	57,909	73,364
Handouts, bookmarks, ball caps and draw prizes	43,824	43,610
Transportation, meals and accommodation	25,288	20,486
Trade show fees, uniforms, supplies and insurance	14,704	17,665
	<u>141,725</u>	<u>155,125</u>

10 Public relations and promotion

	2019 \$	2018 \$
Radio	17,884	17,945
Website	2,179	3,889
Marketing, advertising and promotional material (see below)	5,159	7,255
Northern region advertising	5,785	2,840
Collection Facility advertising	12,000	12,000
Television commercial production	-	10,019
Mascots	4,053	340
	<u>47,060</u>	<u>54,288</u>

FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED

(5)

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2019

11 Financial instruments

The Corporation manages risk and risk exposures by applying policies approved by the Board of Directors.

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Corporation is exposed to credit risk through its environmental handling charges receivable. The risk is minimized due to the large registrant base.

Interest rate risk

Interest rate risk refers to the risk that a financial instrument or cash flows associated with the instrument will fluctuate due to the changes in interest rates. The Corporation's exposure to interest rate risk pertains to interest-bearing, short-term and long-term investments, which are subject to future changes in interest rates.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting its financial obligations associated with financial liabilities in full. A range of alternatives is available to the Corporation including cash flow provided by operations, debt or a combination thereof.

**FOR DISCUSSION WITH MANAGEMENT ONLY – SUBJECT TO AMENDMENT
NOT TO BE FURTHER COMMUNICATED**

(6)



*Manitoba Association
for Resource Recovery Corp.*

Board of Directors and Staff



Back Row:

Lutz Ehrentraut (Secretary-Treasurer), Keith Penner, Paul Linchuang
Ron Benson (Executive Director).

Front Row:

Aaron Strub (Administrative Services Manager), Richard Waller,
Manny Micklash, Joe Casciano (Chairman).

Board of Directors

Joe Casciano, Midwest Sales
Chairman

Lutz Ehrentraut, Representing the Public
Secretary-Treasurer

Richard Waller, Imperial Oil
Director

Paul Linchuang, Fram Group Canada Inc.
Director

Manny Micklash, Valvoline Canada Corp.
Director

Keith Penner, Representing the Public
Director

Legal Counsel

Fillmore Riley, Barristers & Solicitors

Auditors

PricewaterhouseCoopers LLP, Chartered Professional Accountants

Staff

Ron Benson – Executive Director
Aaron Strub – Administrative Services Manager

MARRC Office

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Mr. Oil Drop



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