

Interpretive Memorandum

Under Section (H) of the Rules, Stewardship Ontario is allowed to publish Interpretive Memorandums describing its interpretation of the Rules and how it proposes to administer them.

The Obligation Year is the period set out by the life span of the associated fees and rules - (i.e. Rules for Stewards with respect to Payment of fees (2004) is for the 2004 Obligation year).

The Data Year is the calendar year in which the Stewards use to calculate the amount of obligated packaging tonnage generated from the sales/distribution of all products and services that it owned in the given data year - this year is specified in the Rules in the Definition of Steward's Report.

Stewards are required to include all the Designated Blue Box Waste packaging data from all the brands that they owned and/or imported in the data year for the specified Obligation Year (which can be up to 2 years later). This is irrespective of whether not any or all of those brands are owned in the obligation year.

Example 1: A Steward that owned Brand Y in 2004 (the data year) but not in 2006 (obligation year) is the obligated steward for Brand Y in 2006 - that means obligated to report all the DBBW that Brand Y generated for the quantity of units that the steward sold in 2004.

Example 2: Should Brand X be sold in 2004 by selling steward to purchasing steward, the purchasing steward will be obligated in 2006 for the amount of DBBW that Brand X generated that the purchasing steward sold in 2004. This will be the first Obligation Year that the purchasing steward is required to report data from the sales of Brand x. The selling steward would be obligated for all the Designate Blue Box Waste that Brand X generated in 2004 in the 2006 Obligation Year, that the selling steward sold.

To help illustrate the above example:

- Steward A sells brand "X" to Steward B on August 31, 2004
 - Brand "X" represents 150,000 kg of material
- In March 2005 the 2005 obligation year steward's will reports will contain the following :
 - Steward A reports 150,000 kg for ownership of "X" from Jan. 1 to Dec. 31, 2003
 - Steward B reports 0 kg for ownership of "X" from Jan. 1 to Dec. 31, 2003

Steward (based on Brand X)	Selling Steward	Purchasing Steward
2005: Report filed March 31, 2005 (kg)	150,000	0
Fees paid in 2005	\$15,000	\$0

- Example: Steward A sells brand “X” to Steward B on August 31, 2004
 - Brand “X” represents 150,000 kg of material
- In March 2006 the 2006 obligation year steward’s will reports will contain the following :
 - Steward A reports 100,000 kg for ownership of “X” from Jan. 1 to Aug. 31, 2004
 - Steward B reports 50,000 kg for ownership of “X” from Sept. 1 to Dec. 31, 2004

Steward (based on Brand X)	A	B
2006: Report filed March 31, 2006 (kg)	100,000	50,000
Fees paid in 2006	\$10,000	\$5,000

(Fees are for illustrative purposes only)