

July 7, 2023

Dear Producer,

Further to the webinar today and the uncertainty caused by the Minister's decision to form a committee to design and implement a DRS in Ontario, the CBCRA Board gave notice on July 1, 2023, of its intention not to provide the services under the agreement in 2024.

Following feedback from some producers, the CBCRA Board has decided to offer each Participant the option of exiting the Participant Agreement next week at their discretion. CBCRA will be providing a form letter on Monday, July 10, 2023, to facilitate this process.

If a producer opts out, they will not be obligated to pay any CRFs to CBCRA in 2023. They will continue to be responsible for any Circular Materials Ontario (CMO) or Stewardship Ontario (SO) fees they are charged in 2023. However, CBCRA, at the encouragement of some of the beverage producers, will be invoicing Ontario producers to recover \$4.9 million in investments made into the development of CBCRA Ontario. These invoices will be voluntary and will be proportionate to producers' market share based on 2021 sales in Ontario.

Should a producer choose not to exit the CBCRA Participant Agreement they will be responsible to remit to CBCRA CRFs for beverage containers sold on and after July 31, 2023. CBCRA will then provide services stated in the Participant Agreement within the amount of total funds available.

A decision on which option a producer chooses is required by July 14, 2023.

Please let us know if you have any questions by contacting producers@cbcra-acrcb.org.