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Introduction

The Société de récupération des appareils commerciaux (SORAC, Commercial Appliance Recovery Society) is pleased to present its commercial and institutional refrigeration and freezing appliance recycling program. SORAC's main mission is to represent businesses in the implementation of the program for the recovery and recycling of the products listed in Chapter VI, Division 6, Subsection 53.0.1, paragraph 2 of the Regulation Respecting the Recovery and Reclamation of Products by Enterprises (Q-2,r. 40.1). The objective of this Regulation is to set the operating rules and obligations in relation to the extended producer responsibility (EPR) to provide mechanisms for the recovery and reclamation of the listed products when they have reached the end of their useful life.

By participating in this program, you will be helping keep these refrigeration and freezing appliances out of landfills and thus preventing environmentally harmful products from being released into the atmosphere. Collecting and recycling products at the end of their useful life also provides an opportunity to recover some of the components that can then be put back into the production chain to reduce the use of raw materials.

This guide complements the Membership Agreement and clarifies how the program is managed, its objectives and the steps involved in becoming a SORAC member. It also explains SORAC's role and commitment in representing your business, in organizing the collection of the eco-fees and appliances and in ensuring that the appliances are recycled at the end of their useful life. Members will also find a section of frequently asked questions at the end of this guide.

The guide is in its first edition and will be regularly updated to reflect the reality of the members and to include additional useful information as well as any new regulatory interpretations of interest to the various stakeholders concerned.

The program

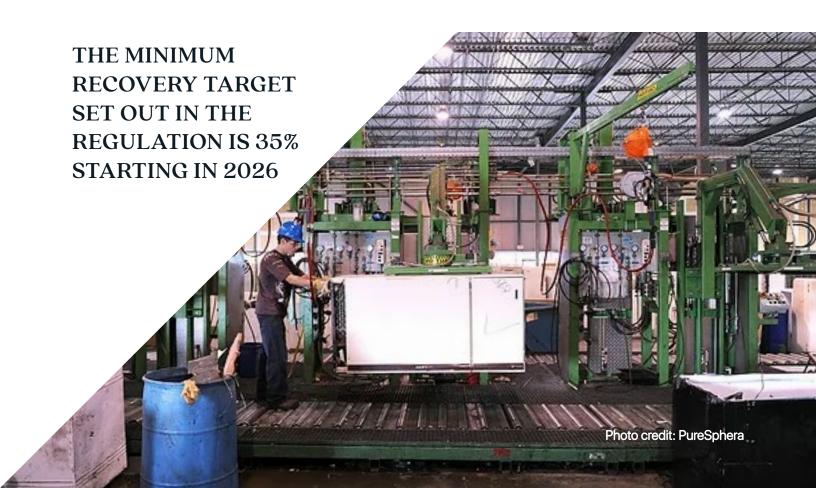
PROGRAM OBJECTIVES

The program put in place by SORAC has the following objectives:

- ► Enable the members to meet the requirements of the Regulation Respecting the Recovery and Reclamation of Products by Enterprises
- ► Ensure that the products concerned are recycled in a responsible manner that protects the environment and the health and safety of the workers
- ► Implement, throughout Quebec, a program that aims for recovery and reclamation rates in accordance with the Regulation
- ► Keep operating and management costs as low as possible

More specifically, the program will make it possible to safely process the hazardous components the recovered products contain, such as

- Refrigerant gases and blowing agents used to expand insulating foam
- ▶ Mercury switches
- ▶ Compressor oils
- ▶ Printed circuit boards and other electronic components



SORAC'S ROLE AND COMMITMENT

The program is managed by the Société de récupération des appareils commerciaux (SORAC), a non-profit organization incorporated under the Canada Not-for-Profit Corporations Act, whose head office is at 600E-18005 Rue Lapointe, Mirabel, Quebec, J7J 0G2. Full contact details can be found on page 28.

SORAC is responsible for implementing and managing the program in a way that ensures that all requirements set out in the Regulation are met and the hazardous components contained in the recovered products are safely recovered and processed.

SORAC is committed to doing the following to manage the program:

- ▶ Implement a plan to raise awareness and promote the program among users of the appliances concerned.
- ► Recruit members and implement an enrolment process.
- Support members in fulfilling their obligations.
- Collect eco-fee payments from members.
- Set up a service to collect the appliances.
- ► See to it that the appliances are recycled.
- ► Manage the agreements with the various suppliers.
- ► Conduct audits and ensure that members are compliant.
- ► Ensure accountability to the government (RECYC-QUÉBEC).

SORAC MEMBER OBLIGATIONS

SORAC members have the following obligations:

- Fill out the membership application form (Excel or online).
- ► Check the box to accept the SORAC Membership Agreement.
- ▶ Pay the annual membership fee, making it out to SORAC.
- ► Collect the eco-fees for the concerned products marketed to the end user.
- ▶ If the member collects eco-fees when selling to their client, ensure that the collection and display are made in accordance with the regulations in force, as well as SORAC policies.
- Make a monthly declaration of the concerned products put on the market, on the SORAC portal or in the file that will be provided.
- ► Submit the collected eco-frees to SORAC via a payment made within the specified timeframes.

BECOMING A SORAC MEMBER

The diagram below illustrates the steps involved in becoming a member:

STEP 1

- ► The applicant fills out the membership form.
- And accepts the membership agreement.

STEP 2

- SORAC approves the member.
- Sends a confirmation to the member.
- ► Sends an invoice for the annual membership fee.

STEP 3

- The member pays the annual membership fee.
- And becomes responsible for making periodic declarations of the sales of concerned products.

MEMBERSHIP FEE

The annual membership fee is the only cost you will incur to participate in the program. During the program's implementation, it was decided that the annual membership fees would be based on business size rather than on the sale of the appliances concerned. Your total annual sales (all products) in Canada will determine your annual membership fee.

The following table shows the annual membership fees for 2022 and 2023.

ANNUAL MEMBERSHIP FEES FOR 2022 AND 2023		
Annual sales less than \$2M	\$500	
Annual sales from \$2M to \$10M	\$750	
Annual sales more than \$10M	\$1,000	

ECO-FEES

The appliance collection and recycling process is primarily funded by the eco-fees collected in Quebec when marketing new products covered in the Regulation. These eco-fees reflect the actual cost to fund the collection, transportation and recycling of the appliances, as well as the program's management.

Due to the collection of eco-fees, the recovery of these products at the end of their useful life will not incur any costs for the members. Eco-fees fall into five categories. The product categories and their related eco-fees can be found on page 10.



VISIBILITY OF ECO-FEES IN RETAIL PRICES

According to Section 7 of the Regulation, the costs related to the recovery and reclamation of a product (eco-fee) must be internalized in the price asked for the product as soon as it is put on the market in Quebec by the business concerned, which constitutes the first link in the distribution chain in Quebec.

It is therefore not mandatory to make the eco-fee visible and it is not prohibited from doing so. The decision is up to the member. However, the information must be disclosed as soon as the product is put on the market.

In keeping with the spirit of the Regulation, which is to maximize the recycling of appliances, displaying the eco-fees informs and raises the awareness of the end user as to the importance of returning the product when it has reached the end of its useful life. In addition to making the eco-fee visible, it is recommended to include a reference to the SORAC program so that it can be consulted.

Examples of how the eco-fee can be displayed in compliance with the Regulation as concerns ERP are displayed on the next page.

EXAMPLES OF WAYS IN WHICH SALES PRICES CAN BE DISPLAYED

ECO-FEE VISIBILITY

- ► The recovery costs are included in the product's sales price.
- ► The recovery costs are not visible anywhere on the tag.

Refrigerator



Price: \$53199



- ► The recovery costs are included in the product's sale price.
- ► The label mentions that the sale price includes an eco-fee.
- The amount to pay, before GST and QST, is higher than the amount of the recovery fees displayed.

Refrigerator



Price: \$531⁹⁹ Includes a \$42.50 eco-fee



- ► The recovery costs are included in the product's sale price.
- ➤ The label mentions that the sale price includes a recovery fee. The reference to the SORAC program allows the buyer to obtain relevant information.

Refrigerator



Price: \$531⁹⁹

Includes an eco-fee*
*For information: https://sorac.ca



Non-compliant display

- The recovery costs are not included, as they are added to the product's base price (breakdown of the price asked for the product).
- ► The price indicated, before GST and QST, is lower than the final price displayed.

Refrigerator



Price: \$489⁴⁹

Eco-fee of \$42.50 Final price: \$531.99





EXAMPLES OF HOW THE FEE CAN BE INDICATED ON AN INVOICE

Business XYZ

Invoice

Code	Product	Price	Quantity	Total
0001	Refrigerator	\$531.99 ¹	1	\$531.99
0002	Freezer	\$845.99 ²	1	\$845.99
			Subtotal	\$1377.98
			GST (5%)	\$68.90
			QST (9.975%)	\$137.45
			Total	\$1584.33

1. Includes an eco-fee of \$42.50

2. Includes an eco-fee of \$68.50

For information: https://sorac.ca



- ► The related fee for each product is included in the product's sales price.
- ► There is a note at the bottom of the invoice indicating that each product's sales price includes a recovery fee and indicates the amount of the fee.
- ► The reference to a website allows the consumer to get information about the recovery and reclamation program.

EXAMPLES OF HOW THE FEE CAN BE INDICATED ON AN INVOICE (CONT.)

- ➤ The recovery fee is included in the product's base sale price (not in the price after discount).
- ➤ There is a note at the bottom of the receipt indicating that the base price includes a recovery fee and indicates the amount of this fee.
- ► A reference at the bottom allows the consumer to get information about the recovery of the products purchased.



Store XYZ

123, Corner Street City, QC, X0X 0X0 (555) 123-4567

MAR # 1234567 TERM # C987654 COMMS: 0001

TRANS #: 009999

Date: Octobrer 01, 2022

Time: 2:10 PM

ITEMS		PRICE
Mouse Y0333 20% Discount Disc. price		\$27.75* \$22.20 \$22.20
		\$1.17 \$2.34
TC)TAL	\$26.77

* Incluant les frais de récupération de \$1.25 For information: https://sorac.ca

GST # 000000000000 / QST # 000000000000

MERCI / THANK YOU



EXAMPLES OF HOW THE FEE CAN BE INDICATED ON AN INVOICE (CONT.)

Non-compliant display

The recovery fee is not included in the price, but is instead added to the product's base price after discount (breakdown of the price asked for the product).



Store XYZ

123, Corner Street City, QC, X0X 0X0 (555) 123-4567

MAR # 1234567 TERM # C987654 COMMS: 0001

TRANS #: 009999

Date: Octobrer 01, 2022

Time: 2:10 PM

ITEMS	PRICE
Mouse Y0333 20% Discount Disc. price Eco-fees	\$27.75 \$22.20 \$22.20 \$1.25
	\$1.17 \$2.34
TOTAL	\$26.77

GST # 0000000000000 / QST # 0000000000000

MERCI / THANK YOU

Products covered by the Regulation

TYPES OF PRODUCTS

- ► Refrigerators
- ▶ Freezers
- Cooling units
- ► Refrigerating wine cellars
- ▶ Wine coolers
- ► Refrigerated display cases
- ► Ice machines
- Refrigerated automatic food or beverage vending machines
- ▶ Beverage centres

EXCLUDED PRODUCTS

- ▶ Products that weigh more than 400 kg.
- ▶ Refrigerators and freezers whose effective volume is less than 2.5 ft³.
- ▶ Products that form an integral part of an immovable to ensure its usefulness or facilitate its use within the meaning of article 901 of the Civil Code. Example: central air-conditioning system, heat pumps, walk-in refrigerator (beer refrigerator).
- ▶ Used products.

A more detailed list of products by category and the applicable eco-fees is provided on the next page.



PRODUCTS BY CATEGORY AND APPLICABLE ECO-FEE

Product Categories Eco-fees Category A \$150 Refrigerator/freezer with solid door(s) (400 kg and less) - 1 door A1 Undercounter refrigerator/freezer (>=2.5 cu .ft.) - Refrigerated base A2 Undercounter refrigerator/freezer (>=2.5 cu. ft.) - Refrigerated table, salad/sandwich, pizza A3 Beer fridge A4 Ice machines - Large (30 inches wide or more) A5 Ice cream freezer A6 Ice cream stand A7 Refrigerated cellar (A8) Dry aging cabinet (A9) Other devices not listed - Medium (40-99 kg) Floor model Ice cream machine – (48 inches and more) A10 A10 **A4**

PRODUCTS BY CATEGORY AND APPLICABLE ECO-FEE (CONT.)

Product Categories

Eco-fees

Category B

\$175

Solid door refrigerator/freezer (400 kg and less) - 2 doors **B1**

Solid door refrigerator/freezer (400 kg and less) - 3 doors

Other devices not listed - Large (100-199 kg)





PRODUCTS BY CATEGORY AND APPLICABLE ECO-FEE (CONT.)

Product Categories Eco-fees Category C \$150 Refrigerator/freezer with glass door(s) (400 kg and less) - 1 door C1 Refrigerator/freezer with glass door(s) (400 kg and less) - 2 doors c2 Refrigerator/freezer with glass door(s) (400 kg and less) - 3 doors Refrigerated drop-in c3 Refrigerated/frozen island C4 Refrigerated counter display **C5** Refrigerated pastry display C6 Air curtain open refrigerated display (grab n go style) c7 Vertical refrigerated/frozen display c8 C6 C3 C1 C4

PRODUCTS BY CATEGORY AND APPLICABLE ECO-FEE (CONT.)

Product Categories

Eco-fees

Category D

\$215

Refrigerated vending machines (food or drink) D1

Other appliances not listed - Extra large (200-299 kg)



Category E

\$90

Beverage/juice dispenser E1

Beer, wine dispenser **E2**

Milk dispenser **E8**

Dairy bar machine **E4**

Ice machine- (small) 30 inches wide or less (E3)

Slush machine **E5**

Bottle cooler

Rapid cooler **E6**

Others - Small (less than 40 kg)

Water cooler (including the ones connected to the water supply) [E7]









SORAC









Businesses subject to the Regulation

The program is open to all businesses that are subject to the Regulation, whether they are producers, manufacturers, wholesalers or retailers of refrigerating and freezing appliances designed and intended for commercial or institutional use for the preservation or storage of food or beverages.

Company concerned = Regulation of the Ministère de l'Environnement et de la Lutte contre les changements climatiques:

The first step is to validate if you are a business covered by the Regulation. The information on the next page, taken from the Regulations of the Ministry, will allow you to carry out this validation. If you confirm that your business is covered by the Regulation, you then have the obligation either to set up your own recovery program for refrigerants or to join the SORAC program.

Collect eco-fees = SORAC Regulation and Membership Agreement

In a second step you must validate, depending on how you market your products, whether you are the company that will have to collect the eco-fees. After consideration and several consultations, SORAC Board members have determined that the eco-fees will be collected by the company **that markets** (sells, rents or leave in deposits) the product to the end user.

It is important to remember that if you are a business covered by the regulation, even if you are not the business that markets the products to the end user and you do not collect eco-fees, you must join SORAC or set up your own program. To this end, you will also have to complete the notice of intent form and send it to RECYC-QUEBEC. You can find it at this address: https://www.recyc-quebec.gouv.qc.ca/sites/default/files/documents/formulaire-renseignements-avis-intention-REP-en.pdf.

As a SORAC member, as long as you do not sell products directly to an end user, you will simply have to indicate the quantity 0 when reporting the monthly eco-fees collected.

Your business is subject to the Regulation regarding a concerned product if:

► You are a manufacturer that has a residence or a place of business in Quebec and you market new products on your behalf or for direct users located in Quebec under a brand, a name or a distinctive sign of which you are the owner.

OR

- ▶ You act as the first supplier or distributor by marketing new products that are manufactured by a business that owns the brand, but does not have a residence or place of business in Quebec.
- ➤ You act as the first supplier by marketing new products that do not bear a brand or a distinguishing guise to direct users in Quebec.
- ➤ You are a business that has a residence/place of business in Quebec and you market a concerned product that you acquired outside of Quebec and the business from which you purchased the product has no residence/place of business in Quebec. However, if this business has a residence/place of business in Quebec, the business subject to the Regulation is the one outside Quebec.

- ▶ You are a business that operates a transactional website and does not have a residence or a place of business in Quebec. You market a concerned product through this transactional website to a business or a natural person not engaged in an organized economic activity, a municipality or a public organization with a residence/place of business in Quebec and these purchasers buy the product for their own use.
- ➤ You are a business located outside of Quebec and you market a concerned product to an end user that is either a business or a natural person not engaged in an organized economic activity, a municipality or a public organization with a residence/place of business in Quebec and these purchasers buy the product for their own use.
- ➤ You are not subject to the Regulation if you are a small supplier within the meaning of the Act Respecting the Quebec Sales Tax (chapter T-0.1).

The information presented in this section does not replace what is set out in the Regulation or any applicable law and the business concerned is solely responsible for determining whether it is subject to the Regulation.

The Regulation Respecting the Recovery and Reclamation of Products by Enterprises can be consulted in its entirety at this location:

https://www.legisquebec.gouv.qc.ca/en/document/cr/Q-2,%20r.%2040.1

The diagrams on the next pages illustrates which businesses are subject to the Regulation and gives concrete examples of the Regulation's application.

Have you determined that you are a targeted business?

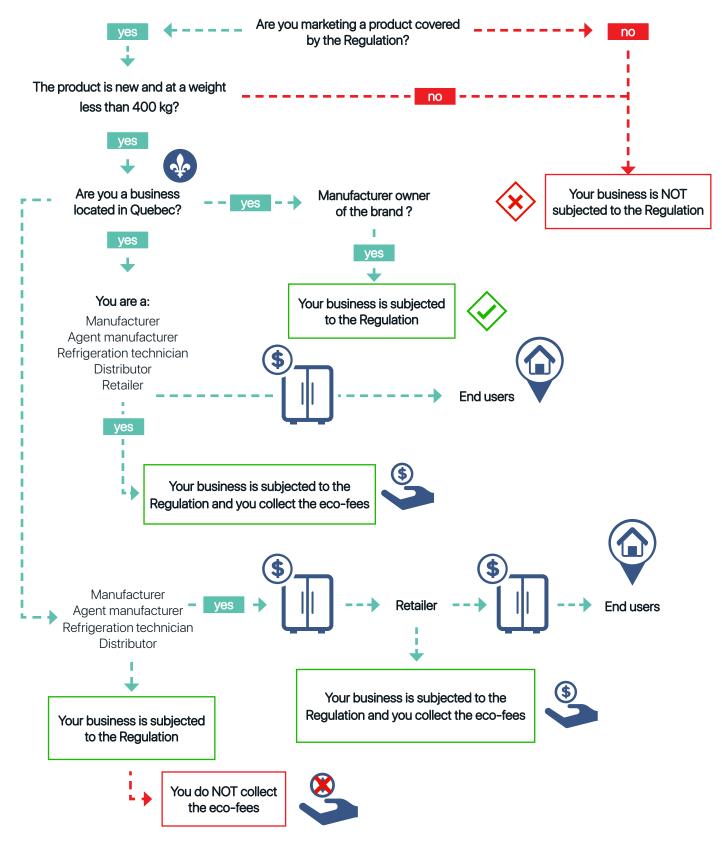
Take note of the diagrams presented on the following pages that illustrate which business are covered and which companies must collect the eco-fees.

If you are a business outside Quebec, please refer to examples 2 to 4 on the following pages.

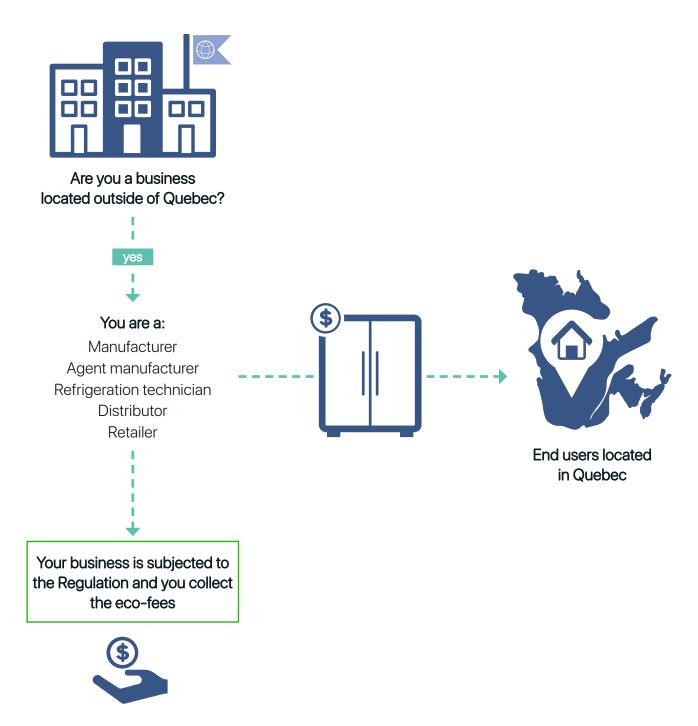


EXAMPLE 1: BUSINESS IN QUEBEC

Direct and indirect sale to an end user

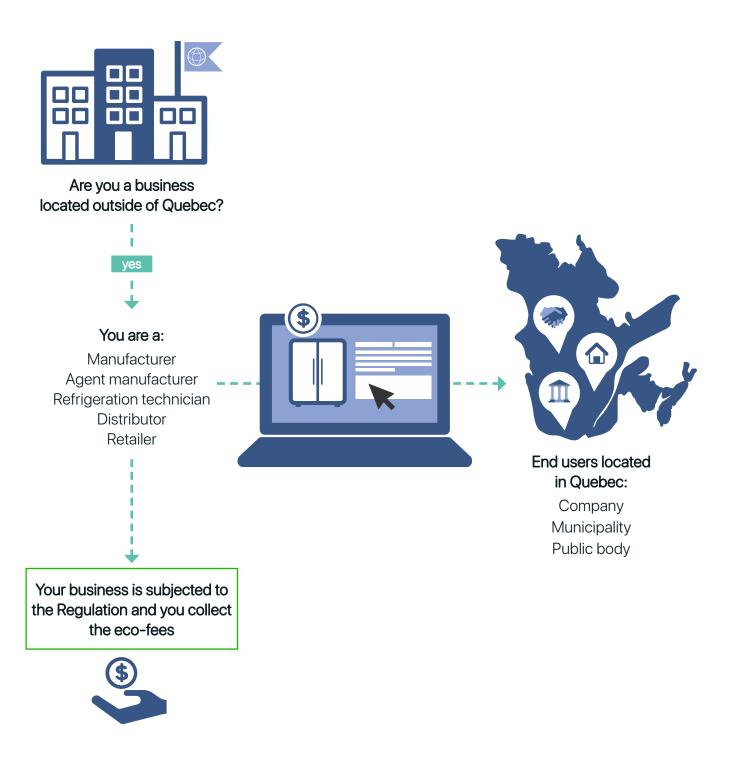


EXAMPLE 2: BUSINESSES OUTSIDE QUEBECDirect sale to an end user in Quebec

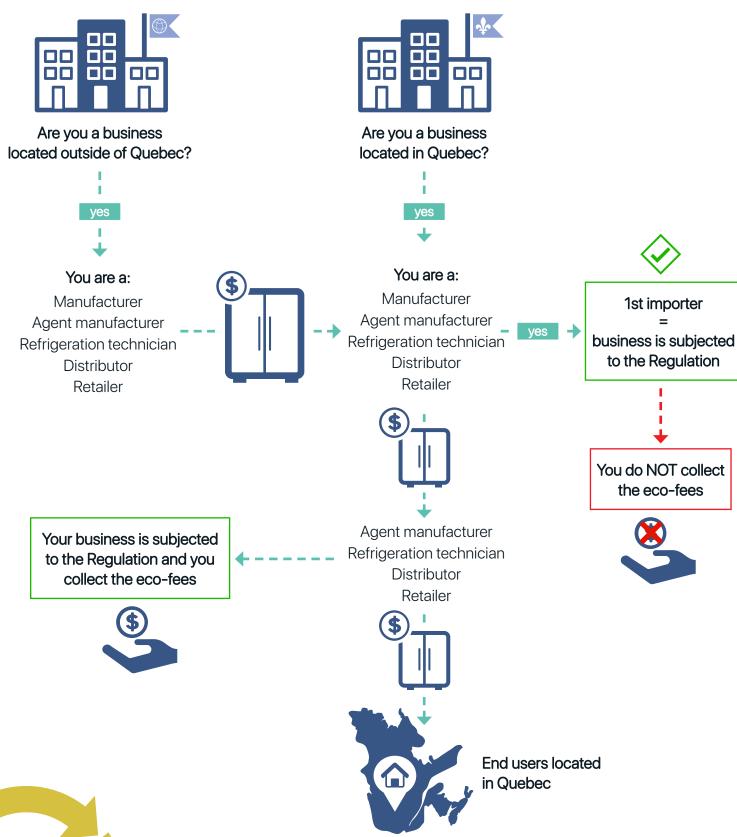




EXAMPLE 3: BUSINESSES OUTSIDE QUEBECDirect sale to an end user in Quebec via a transactional website



EXAMPLE 4: BUSINESSES OUTSIDE QUEBEC Indirect sale to an end user in Quebec



Declaration of the products covered by the Regulation

PROGRAM START DATE

SORAC members must begin collecting the eco-fees starting on December 1, 2022.

LATE MEMBERSHIP

Businesses subject to the Regulation that have not joined SORAC when the program begins can join SORAC at any time. However, for their late enrolment to be accepted by SORAC, they must declare their sales of concerned products from the program's start date to the enrolment date and pay the eco-fees applicable during this period. SORAC may also charge interest and penalties.

Notwithstanding the foregoing, businesses that submit an enrolment application late will not be required to declare their sales of concerned products nor to pay the applicable eco-fees for any period during which they can demonstrate that they implemented a program for the recovery and reclamation of concerned products in accordance with the Regulation.

DECLARATION PORTAL

During the program's start-up phase, members will be provided with a declaration form in Excel format that they must fill out and can email to: <u>info@sorac.ca</u>.

The online declaration portal will be available in early 2023. Members will be required to declare the sales of concerned products for each declaration period on the SORAC portal by filling out the online form. They are also responsible for paying the eco-fees charged by the system. The online system requires members to enter the net quantity of products under the applicable program that were sold or supplied during the declaration period for each of the product categories. If no sales were made during the declaration period, a declaration of 0 or no value must be filed. Upon the declaration's filing, an invoice will be generated, which the member must pay.

When is a sale considered to have been made?

- ▶ The day the member first issues an invoice for the sale of a concerned product;
- ► The day the buyer is required to pay the consideration in accordance with a written agreement.

In case of doubt about the applicable date:

- ▶ If the date of issue of a purchase order is not considered, only the date of issue of the invoice will be considered.
- ▶ If the date on the invoice is different from the date on which the member issued the invoice, only the date of issue will be considered.

Returns and exchanges

- ► Any concerned product sold and then exchanged for the same concerned product only needs to be reported once.
- ▶ The sale of a concerned product must be credited when it is returned.
- Any concerned product returned and then resold is declarable as a new product, even if it results from a product's return. For example, a product that is damaged and returned, but is resold "as-is" or at a discount.

Other terms and conditions

- ▶ A concerned product sold as lease-to-own must be declared as a regular sale applicable on the date the lease agreement is signed with the customer.
- ► Eco-fees are not collected on used concerned products sold for reuse. However, they can be taken into account in the recovery target to reach.

DECLARATION PERIODS AND PAYMENT TERMS

Declaration

All members must make a monthly declaration unless they have received written approval from SORAC for another arrangement. Declarable sales begin on the first calendar day and end on the last calendar day of each month.

The declarations must be made on SORAC's portal within 15 days of the end of each declaration period.

Example: A member subject to a monthly declaration must declare and submit, to SORAC, its declaration for the eco-fees applicable between July 1 and 31, 2023 no later than August 15, 2023, or the next business day.



Billing

After declaring the eco-fees for the month, the member will receive an invoice for the eco-fees corresponding to their declaration.

The invoice is payable within 30 days of the end of each declaration period.



FAILURE TO FILE DECLARATIONS AND MAKE PAYMENTS

SORAC reserves the right to charge administrative fees in the event of late payment of the eco-fees or late declarations, as follows:

- ▶ An initial administrative fee of 1% of the amount will be charged at the beginning of each month following the date on which a declaration should have been made (i.e., 12% per year) and at the beginning of each month following the date(s) on which the eco-fees should have been paid;
- ▶ During an audit for any demonstrated eco-fee payment deficits, SORAC may charge interest on the amount of the deficit at the rate of 1% per month following the date on which such eco-fees should have been paid (12% per year) and the member may be charged an administrative fee of twenty percent (20%) of all amounts owed if the member has not paid all the eco-fees owed on at least two other occasions.
- ▶ Overdue payments will be considered a debt owed to SORAC.

DECLARATION ERROR

Declarations and payments can be adjusted during the 12 months following the declaration period.

If a member realizes that they overdeclared and requests a downward adjustment:

- ► The member must notify info@sorac.ca that they are requesting an adjustment.
- ► SORAC reserves the right to have a third party conduct an audit to confirm the accuracy of the adjustment, in accordance with the audit mechanism provided for in the Membership Agreement.
- ► SORAC will then refund the overpaid amount.

If a member realizes that they underdeclared and requests an upward adjustment:

- ► The member must notify info@sorac.ca that they are requesting an adjustment.
- ▶ The member must then pay SORAC the eco-fees applicable to such adjustment within 30 days.
- No interest or penalty will apply to amounts that SORAC owes to its members.

Collection and recovery of the products

Given the program's start-up, a collection process will be implemented in three phases:

PHASE 1: VOLUNTARY COLLECTION OF APPLIANCES FROM CUSTOMERS

Year 1, starting in January 2023

Free pickup will be offered by some members on a voluntary basis when new appliances are delivered. As a first step, the collected appliances will be stored with the volunteer members. When a member has collected a minimum number of appliances, our partner responsible for recycling the appliances, will pick up the appliances directly from that member.

It should be noted that pickup and transportation must be offered free of charge to clients for their appliances that are ready to be loaded into the truck, i.e., next to the door. Members that agree to take back an appliance but need to move it from inside the building to outside are free to charge the customer for the "uninstallation" or "relocation" of the appliance.

Financial Compensation

To increase the recovery of appliances at the end of their useful life, a financial compensation program will be set up for volunteer members who agree to recover and store the appliances to be recycled. Please contact SORAC to express interest in participating in the voluntary collection and for more information about the financial compensation program.

PHASE 2: PUBLIC DROP-OFF

Year 1, starting in July 2023

There will be an assessment of the feasibility of establishing partnerships to provide commercial and institutional customers with access to public drop-off points across Quebec, such as ecocentres. A collaboration agreement with private scrap metal and recycling businesses to recover as many appliances as possible for a financial contribution could be considered.

PHASE 3: COLLECTION UPON REQUEST

Year 2, starting in January 2024

There will be an assessment of the feasibility of setting up a network that will offer free, on-call pickup of appliances directly from customers while keeping costs reasonable. This type of large-scale collection could be rolled out gradually and regionally, starting with large urban areas to optimize transport.



Appliance recycling and reuse

MAIN PARTNER

Appliances that are at the end of their useful life will be recovered and processed by **PureSphera**, SORAC's external partner, which uses leading-edge technology to recycle 96% of refrigerating appliances components.

RECYCLING PROCESS

"PureSphera is the only North American company that recovers halocarbons from insulating foam. We are also the first in Quebec to sell carbon credits on the WCl carbon market."

PureSphera's seven steps recycling process allows it to comply with the minimum standards for the protection of the environment and human health and safety, as well as the best practices set out in the appliance recycling standard. The seven-step process is described on PureSphera's website.

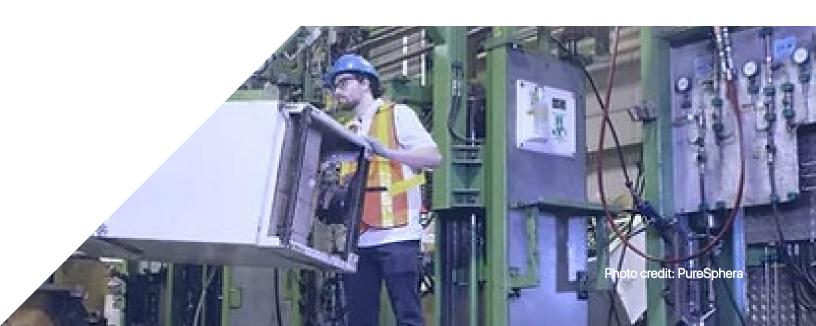


Source: PureSphera

REUSE

Working with PureSphera, SORAC will optimize the recycling of the appliances' metal (aluminum, iron) and non-metal (plastic, glass, rubber, etc.) components by favouring the reuse of recovered appliances that meet certain criteria to be determined during a later phase of the program.

For more information about PureSphera's recycling process, you can visit the company's website at this location: https://www.puresphera.com.



Frequently Asked Questions

If I am a SORAC member, do I also need to fill out the RECYC-QUÉBEC Information and Notice of Intent form?

Yes, you need to fill it out because it is a regulatory requirement subject to Section 6 of the Regulation.

You must communicate your intention to join the SORAC program or to set up your own program and provide the information required in Section 6 of the Regulation.

The form can be found at: https://www.recyc-quebec.gouv.qc.ca/sites/default/files/documents/ formulaire-renseignements-avis-intention-REP-en.pdf.

On what date do I need to start collecting eco-fees?

December 1, 2022.

What happens if I join SORAC after December 1, 2022?

You can join SORAC at any time. However, you will have to declare the sales of concerned products marketed from December 1, 2022, to the enrolment date and pay the eco-fees applicable during this period. See page 21 for more information.

What is an RMO?

RMO is the acronym for Recognized Management Organization. This is the recognition granted by RE-CYC-QUÉBEC under the Regulation Respecting the Recovery and Reclamation of Products by Enterprises. SORAC is in the process of becoming the RMO for the recovery and reclamation of commercial refrigerating appliances.

Do I have to participate in the recovery program?

If you are a business subject to Regulation Q-2, r. 40.1. of the Act Respecting the Reclamation of Products by Enterprises, you are required to recover and reclaim the concerned products or have them recovered and reclaimed by means of a recovery and reclamation program developed in accordance with Section 5. You do not have to enrol in the SORAC program, but you will need to set up your own recovery and reclamation program and report to RECYC-QUÉBEC.

If I don't want to participate, can I continue sending my appliances to my scrap-metal dealer?

No, the article 8.1 of the Regulation prohibits this practice as of September 30, 2022.

How much will my participation in the program cost me?

The annual membership fee is the only cost to participate in the program. It is the eco-fees collected that will finance the entire process of collecting and recycling the appliances. Membership fees for 2022–2023 are based on the size of the business and range from \$500 to \$1,000. See page 4 for more information.



Who must apply and collect the eco-fee? Me, my supplier?

The general rule is that the eco-fees are applied by the business marketing the product to the end user located in Quebec. Different scenarios may then apply depending on if the business has a place of business in Quebec or not. See page 15 for more information.

Do I have to charge the eco-fee to my customer? Can I just adjust my sales price?

The eco-fee must be included in the price. However, according to Section 7 of the Regulation, the eco-fee charged to the product for its recovery and reclamation must be internalized in the price as soon as it is placed on the market. Making it visible is not mandatory.

Should the eco-fees be visible?

It is not mandatory to make the eco-fee visible and it is not prohibited from doing so. The decision is up to the member. However, the information must be disclosed as soon as the product is put on the market. For the purposes of awareness and consistency, SORAC recommends that the eco-fee be visible. See page 5 for more information.

Who must return the units? Me, my supplier or my customer?

Transportation is not the customer's responsibility. A voluntary collection service in which members can participate for financial compensation is available. For example, when delivering a new appliance, you can recover the old appliance that is at the end of its useful life. In a second phase of the program, an on-call pickup service and drop-off points can be set up.

Can I continue charging a fee to collect old appliances?

According to Section 20 of the Regulation, the collection service must be free of charge. It should be noted that pickup and transportation will be free of charge for appliances that are ready to be loaded into the truck, i.e., next to the door. Members that agree to take back an appliance but need to move it from inside the building to outside are free to charge the customer for the "uninstallation or relocation" of the appliance. See page 24 for more information.

Do I have to include the eco-fees if I deliver outside of the province?

Yes, since the product was purchased in Quebec. Where Quebec sales taxes are applied as provided by Quebec tax sales law, eco-fees must be included.

If a customer from outside Quebec comes to buy in my store in Quebec, are they exempt from paying eco-fees?

No, the eco-fees apply according to the same logic as the previous question.

What should I do if a customer tells me that one of my competitors is not charging the eco-fee, giving them an unfair advantage?

You can tell them that your business is acting in accordance with the Regulation and thus helping to minimize environmental impacts by keeping these appliances out of landfills. You can tell them that the way eco-fees are displayed is variable. An eco-fee can be included in the price of a product without being displayed. You can also refer this customer to SORAC for appropriate follow-up. You can also refer to the list of SORAC members posted on the SORAC website.

Contacting SORAC

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