January 17, 2014

Evelyne Anderson, Senior Compliance Administrator
Direct General Partner Corporation
25 Rothwell Road
Winnipeg, MB  R3P 2M5

Dear Ms. Anderson:

Enclosed is Licence No. 272 HW dated January 17, 2014 issued to Direct General Partner Corporation for the proposed operation of a Waste Lead Acid Battery Transfer Station (“the facility”) known as Direct LP at 55 Rothwell Road in the City of Winnipeg, Manitoba in accordance with the Application filed pursuant to The Dangerous Goods Handling and Transportation Act dated August 21, 2013 and additional information received on September 13, 2013, September 17, 2013 and September 26, 2013.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the facility as licensed.

For further information on the administration and application of the Licence, please feel free to contact Donna Smiley, Environment Officer at 204-945-7072.

Pursuant to Section 25 of The Dangerous Goods Handling & Transportation Act, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation and Water Stewardship within 30 days of the date of the Licence.

Yours truly,

“original signed by”

Tracey Braun, M.Sc.
Director
Dangerous Goods Handling & Transportation Act

Enc.
c:  Don Labossiere, Director, Environmental Compliance and Enforcement
    Public Registries

NOTE: Confirmation of Receipt of this Licence No. 272 HW (by the Licencee only) is required by the Director of Environmental Approvals. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department at 204-945-5229 by January 31, 2014.

On behalf of Direct General Partner Corporation          Date

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
THE DANGEROUS GOODS HANDLING and TRANSPORTATION ACT
LOI SUR LA MANUTENTION ET LE TRANSPORT DES MARCHANDISES DANGEREUSES

LICENCE

Licence No./Licence n° 272 HW

Issue Date/Date de délivrance January 17, 2014

In accordance with The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12) / Conformément à la Loi sur la manutention et le transport des marchandises dangereuses (C.P.L.M. c. D12)

THIS LICENCE IS ISSUED TO:/CETTE LICENCE EST DONNÉE À:

DIRECT GENERAL PARTNER CORPORATION
on behalf of
DIRECT LIMITED PARTNERSHIP;
"the Licencee"

for the proposed operation of a Waste Lead Acid Battery Transfer Station ("the facility") known as Direct LP at 55 Rothwell Road within the City of Winnipeg, Province of Manitoba in accordance with the Application filed pursuant to The Dangerous Goods Handling and Transportation Act dated August 21, 2013 and the additional information received on September 13, 2013, September 17, 2013 and September 26, 2013 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standard Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Conservation to be equivalent to the SCC, or be able to demonstrate, upon request, that it has the quality assurance/quality control (QA/QC) procedures in place equivalent to accreditation based on the international standard ISO/IEC 17025, or otherwise approved by the Director;

"contaminant" means a contaminant as defined in The Dangerous Goods Handling and Transportation Act;

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
"Director" means an employee of the department who has been designated or appointed by the Minister;

"Environment Officer" means an employee so designated pursuant to The Dangerous Goods Handling and Transportation Act;

"licenced carrier" means a person who has a valid licence to transport hazardous waste pursuant to Manitoba Regulation 175/87 under The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12);

"operator" means a person who is responsible for the day-to-day maintenance and operation of the facility;

"permanently closed" means that the facility is not operated for a period of 12 months or more;

"registered generator" means a person who is registered as a hazardous waste generator pursuant to Manitoba Regulation 175/87 under The Dangerous Goods Handling and Transportation Act; and

"waste battery" means a lead-acid electromotive battery that
a) through use, storage, handling, defect, damage, expiry of shelf life or other similar circumstance can no longer be used for its original purpose; or
b) for any other reason, the owner or person in possession of the battery intends to dispose of it.

**GENERAL TERMS AND CONDITIONS**

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the facility, at all times.

2. In addition to any of the terms or conditions specified in this Licence, the Licencee shall, upon the request of the Director:
   a) sample, monitor, analyze and/or investigate specific areas of concern regarding any segment, component or aspect of contaminant storage, containment, treatment, handling, disposal or emission systems, for such contaminants or ambient quality, aquatic toxicity, leachate characteristics and
discharge or emission rates, for such duration and at such frequencies as may be specified;

b) determine the environmental impact associated with the release of any contaminant(s) from the said facility; or

c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.

3. The Licencee shall, unless otherwise specified in this Licence:

a) carry out all sampling of, and preservation and analyses on, water, soil or air samples in accordance with methodologies approved in writing by the Director;

b) have all analytical determinations undertaken by an accredited laboratory; and

c) report the results to the Director, in writing and in an electronic form acceptable to the Director within 60 days of the samples being taken, or within another time frame as specified by the Director.

4. The Licencee shall, unless otherwise specified by this Licence, retain all records relating to this licence during the full life of operation of the facility, and after closure, for such period of time as may be specified by the Director. Records may be transferred from their original form to other accepted forms for information storage. These records shall be made available to an Environment Officer upon request.

5. The Licencee shall provide to the Director, upon request, all information required under this Licence, in writing and in such form and content (including number of copies), as may be specified by the Director.

6. The restrictions and conditions of this Licence are severable. If any restriction or condition of this Licence, or the application thereof, to any circumstances is held invalid, the application of such restriction or condition to other circumstances and the remainder of this Licence shall not be affected thereby.

**SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS**

**Respecting Facility Operations**

7. The Licencee shall operate the facility in accordance with the application dated August 21, 2013 and the additional information provided on September 13, 2013, September 17, 2013 and September 26, 2013.

8. The Licencee shall not receive at the facility any hazardous waste other than waste lead acid batteries.
9. The Licencee shall only receive at the facility waste lead acid batteries from commercial and industrial generators that are registered generators.

10. The Licencee shall transport waste lead acid batteries to or from the facility only when the hazardous waste is accompanied by a hazardous waste manifest, or a dangerous goods shipping document, as appropriate.

11. The Licencee shall use only licensed carriers to transport waste batteries to or from the facility.

12. The Licencee shall have a written agreement in place for transport of waste batteries with licensed hazardous waste carriers at all times during the lifetime of the facility.

13. The Licencee shall transport all waste batteries received at the facility to a recycling or disposal facility operating under the authority of a Licence issued pursuant to *The Dangerous Goods Handling and Transportation Act* in Manitoba, or under an approval of similar type in another jurisdiction.

14. The Licencee shall initiate and maintain a record for all waste batteries received at the facility. The record shall contain, for each day that waste batteries are received, the
   a) date of receipt;
   b) name and address of the carrier;
   c) quantity or weight of batteries received;
   d) source of the batteries; and
   e) the Manitoba Generator Registration Number for each source of waste batteries, where applicable.

15. The Licencee shall make available for inspection by an Environment Officer upon request a summary of the record referred to in Clause 14 of this Licence.

16. The Licencee shall store the waste batteries in an area that provides containment and not in any other place where there are ports or drains that lead directly or indirectly to a sewer system so that a spill or leak of acid will not enter into the sewer system.

17. The Licencee shall store the waste batteries in an area where the floor is resistant to acid.

18. The Licencee shall store the waste batteries on pallets with a layer of corrugated cardboard or other material which will prevent casing ruptures, placed between successive layers of waste batteries. The full pallet of batteries shall have up to three layers of batteries and be shrink wrapped with plastic before shipment from the facility.
19. The Licencee shall conspicuously place in the area used for storage of waste batteries effective neutralizing materials, or materials approved by the Director in writing, for the containment or clean up of spills.

20. The Licencee shall in the event of a spill, dispose of the water used to clean up the spill in accordance with applicable regulations.

21. The waste battery unloading and loading areas adjacent to the warehouse shall be:
   a) properly sized and graded; and
   b) made of an impermeable material acceptable to the Director

22. The Licencee shall not allow the inventory of waste batteries at the facility to exceed 3000 waste batteries at any one time.

23. A copy of this Licence shall be kept on site at the facility and be available at all times at the request of an Environment Officer.

Respecting Trained Personnel

24. The Licencee shall provide training for all persons who will be assigned duties with respect to the facility in:
   a) the Transportation of Dangerous Goods Regulation; and
   b) the procedures pertaining to the operation of the facility including spill response.

The records of this training shall be made available to an Environment Officer upon request.

Respecting Emergency Response

25. The Licencee shall prepare and maintain an emergency response contingency plan in accordance with the Canadian Centre for Occupational Health and Safety “Emergency Response Planning Guide” or other emergency planning document acceptable to the Director.

Respecting Spills

26. The Licencee shall, in the case of physical or mechanical equipment breakdown or process upset where such breakdown or process upset results or may result in the release of a contaminant in an amount or concentration, or at a level or rate of release, that causes or may cause a significant adverse effect, immediately report the event by calling 204-944-4888 (toll-free 1-855-944-4888). The report shall indicate the nature of the event, the time and estimated duration of the event and the reason for the event.

27. The Licencee shall, following the reporting of an event pursuant to Clause 26, a) identify the repairs required to the mechanical equipment;
28. The Licencee shall undertake all repairs to minimize unauthorized discharges of a contaminant; complete the repairs in accordance with any written instructions of the Director; and submit a report to the Director about the causes of breakdown and measures taken, within one week of the repairs being done.

28. The Licencee shall equip the facility with spill cleanup equipment and supplies, to the satisfaction of the Director.

**Insurance and Financial Assurance**

29. The Licencee shall maintain throughout the term of this License:
   a) $50,000.00 Property Insurance;
   b) $5,000,000.00 General Comprehensive Liability Insurance; and
   c) $250,000.00 Environmental Impairment Liability Insurance.

30. The Director may, where it is deemed to be in the public interest, require the Licensee to provide financial assurance in the form of a letter of credit, a bond, further insurance, or other form acceptable to the Director in an amount to be determined by the Director. The Director may order forfeiture of this security, either in whole or in part, by giving notice to that effect to the Licensee upon the Director being satisfied that the facility is in breach of any of the terms of this License, or for reimbursement of any costs or expenses incurred by the Province of Manitoba in rectifying environmental damage caused, or contributed to, by the operation of the facility.

**Respecting Alterations and Decommissioning**

31. The Licencee shall obtain approval in writing from the Director for any proposed alteration to the facility before proceeding with the alteration.

32. The Licencee shall, in the event that the facility is to be permanently closed or is offered for sale, conduct an investigation, to the satisfaction of the Director, to identify any contamination which may have resulted from the operation of the facility.

33. The Licencee shall, where the investigation referred to in Clause 32 of this Licence shows that contamination of the environment has occurred, submit a remediation proposal to the Director and upon approval of this proposal by the Director carry out the required remediation.
**Retention of Records**

34. The Licencee shall ensure that all records including, but not limited to, manifests, shipping documents, sample analyses, and spill reports are kept for a minimum period of two years and are available for inspection by an Environment Officer.

**REVIEW AND REVOCATION**

A. If, in the opinion of the Director, the Licencee has exceeded, or is exceeding, or has failed, or is failing to meet the specifications, limits, terms, or conditions set out in this License, the Director may, temporarily or permanently, revoke this License.

B. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this License, the Director may require the filing of a new application pursuant to *The Dangerous Goods Handling and Transportation Act*.

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"original signed by"

Tracey Braun, M.Sc.
Director
*The Dangerous Goods Handling and Transportation Act*

Client File No.: 5669.00
Consignor (Generator) Registration No.: MBG13339
Consignee (Receiver) Registration No.: MBR30106