July 29, 2016

Evelyne Anderson, National Fuel Tax & Compliance Manager
Direct LP
P. O. Box 10 Station Main
Winnipeg MB R3C 2G1

Dear Ms. Anderson:

Enclosed is Licence No. 295 HW dated July 29, 2016 issued to Direct LP for the operation of a waste lead acid battery transfer facility ("the facility") known as Lucas waste lead acid battery transfer station at 490 Lucas Avenue, Rural Municipality of Rosser, Province of Manitoba in accordance with the application filed pursuant to The Dangerous Goods Handling and Transportation Act dated November 17, 2015 and the additional information dated February 3, 2016 and April 14, 2016.

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 Development as licensed.

For further information on the administration and application of the Licence, please feel free to contact Yvonne Hawryluk, Environment Officer at 204-945-5305.

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

Yours truly,

“original signed by”

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

c: Don Labossiere, D. Smiley, Y. Hawryluk - Environmental Compliance and Enforcement
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 295 HW (by the Licencee only) is required by the Director of Environmental Approvals. Please acknowledge receipt by signing in the space below and provide a copy (letter only) to the Department by August 12, 2016

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
This Licence is issued to:

DIRECT GENERAL PARTNER CORPORATION on behalf of DIRECT LP;

"the Licencee"

for the operation of a waste lead acid battery transfer facility ("the facility") known as Lucas Waste Lead Acid Battery Transfer Station at 490 Lucas Avenue, Rural Municipality of Rosser, Province of Manitoba in accordance with the application filed pursuant to The Dangerous Goods Handling and Transportation Act dated November 17, 2015 and the additional information dated February 3, 2016 and April 14, 2016 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standards Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Sustainable Development 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;

"affected area" means a geographical area, excluding the property of the facility;

"approved" means approved by the Director or assigned Environment Officer in writing;

"contaminant" means a contaminant as defined in The Dangerous Goods Handling and Transportation Act, as amended from time to time;

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"days" means calendar days unless otherwise indicated;

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

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

"hazardous waste" means a product, substance or organism that
   a) is prescribed, designated or classified as hazardous waste in the regulations; or
   b) by its nature conforms to the classification criteria for one or more classes of hazardous wastes set out in the regulations;

"lead-acid batteries" means batteries formerly used as a source of electromotive force for a means of transport;

"licenced carrier" means a person who has a valid licence to transport hazardous waste pursuant to Manitoba Regulation 195/2015 under The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12), as amended from time to time;

"noise nuisance" means an unwanted sound, in an affected area, which is annoying, troublesome, or disagreeable to a person:
   a) residing in an affected area;
   b) working in an affected area; or
   c) present at a location in an affected area which is normally open to members of the public;

   if the unwanted sound
   d) is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director and within a 90 day period, from 5 different persons falling within clauses a), b) or c), who do not live in the same household; or
   e) is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b) or c) and the Director is of the opinion that if the unwanted sound had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90-day period, from 5 different persons and who do not live in the same household;

"odour nuisance" means a continuous or repeated odour, smell or aroma, in an affected area, which is offensive, obnoxious, troublesome, annoying, unpleasant or disagreeable to a person:
   a) residing in an affected area;
   b) working in an affected area; or
   c) present at a location in an affected area which is normally open to members of the public;

if the odour, smell or aroma
d) is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director and within a 90-day period, from 5 different persons falling within clauses (a), (b) or (c), who do not live in the same household; or

e) is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b) or c) and the Director is of the opinion that if the odour, smell or aroma had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90-day period, from 5 different persons who do not live in the same household;

"permanently closed" means that the facility is not operated for a period of 6 months or more;

"registered generator" means a person who is registered as a hazardous waste generator pursuant to Manitoba Regulation 195/2015 under The Dangerous Goods Handling and Transportation Act, as amended from time to time;

"Standard Methods for the Examination of Water and Wastewater" means the most recent edition of Standard Methods for the Examination of Water and Wastewater published jointly by the American Public Health Association, the American Waterworks Association and the Water Environment Federation;

"Transportation of Dangerous Goods Regulations" means the Transportation of Dangerous Goods Regulations, SOR/2001-286, made under the Transportation of Dangerous Goods Act, 1992 (Canada), as amended from time to time; and

"waste battery" means a battery or cell 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;

c) conduct specific investigations in response to the data gathered during environmental monitoring programs; or

d) 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 preservations and analyses on liquid samples in accordance with the methods prescribed in the most current edition of Standard Methods for the Examination of Water and Wastewater or in accordance with equivalent preservation and analytical methodologies approved by the Director;

b) 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;

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

d) 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 submit all information required to be provided to the Director or Environment Officer under this Licence, in writing, in such form (including number of copies) and of such content as may be required by the Director or Environment Officer, and each submission shall be clearly labeled with the Licence Number and Client File Number associated with this Licence.

6. The Licencee shall carry out, as deemed necessary by the Director or Environment Officer, any remedial measures or modifications in respect to matters authorized under this Licence.
SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Facility Operations

7. The Licencee shall operate the facility in accordance with the application dated November 17, 2015 and the additional information dated February 3, 2016 and April 14, 2016.

8. The Licencee shall not receive at the facility any hazardous waste other than waste lead acid batteries.

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

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

11. The Licencee shall park trailers laden with waste lead acid batteries within the designated location as identified in the additional information dated February 3, 2016 or in another layout approved by the Director. The request for changes to the current location shall accompany the design layout of the proposed location and the reason for effecting such changes.

12. The Licencee shall park maximum of two (02) trailers laden with waste lead acid batteries at the designated location as identified in the additional information dated February 3, 2016.

13. The waste lead acid 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.

14. The Licencee shall store all waste lead acid batteries in an area that is:
   a) secure, not accessible to unauthorized personnel; and
   b) clearly marked as a hazardous waste storage area through the use of a conspicuous sign.

15. The Licencee shall not allow the inventory of waste lead acid batteries in each trailer to exceed 1100 waste batteries or 15 pallets at any one time.

16. The Licencee shall not allow the inventory of waste lead acid batteries at the warehouse dock to exceed 72 waste batteries or one pallet at any one time.

17. The Licencee shall store the waste lead acid 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.

18. The Licencee shall park the trailers containing the waste lead acid batteries in an area where the floor is resistant to acid.

19. a) The Licencee shall maintain the trailer parking area in a condition capable of retaining any spillage which may occur. Floor drains or catch basins are not permitted in the parking area unless they are connected to an on-site holding tank or sump; and
   b) The Licencee shall manage all liquids collected in holding tanks or sumps in a manner approved by the Director.

20. The Licencee shall conspicuously place in the trailer parking area effective neutralizing materials, or materials approved by the Director in writing, for the containment or clean up of spills.

21. The Licencee shall not store lead acid batteries outside the warehouse dock or trailers other than for purposes of handling during receiving or shipping operations.

22. The Licencee shall ensure all waste batteries received at the facility are transported within two (02) days to a recycling 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.

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 Air Emissions

24. The Licencee shall not cause or permit a noise nuisance to be created as a result of the construction, operation, or alteration of the facility, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.

25. The Licencee shall not cause or permit an odour nuisance to be created as a result of the construction, operation or alteration of the facility, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.

Respecting Trained Personnel

26. The Licencee shall provide and maintain training for all persons who will be assigned duties at the facility in:
   a) the Transportation of Dangerous Goods Regulations; 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 Spills

27. 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.

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

29. The Licencee shall take action to promptly clean up any spill or leakage and repackage the waste if any hazardous waste container leaks, cracks or otherwise causes a spill during loading or unloading. Any material resulting from such a cleanup shall be handled as hazardous waste and shall be packaged and disposed of in accordance with applicable regulations.

Respecting Facility Inspection

30. The Licence shall conduct regular inspections of the facility on a weekly basis to ensure that all pieces of equipment and the storage and treatment operations are operated in a manner that will not negatively impact the environment. Any deficiencies detected during these regular inspections, that might negatively impact the environment shall be promptly corrected. The inspection must include, as applicable, an observation of:
   a) the condition of every hazardous waste container and all piping and ancillary equipment;
   b) the condition of the secondary containment system and of any other mechanism that prevents the release of hazardous waste; and
   c) any indications of a release of hazardous waste or of any deterioration of containers, piping, ancillary equipment or a secondary containment system that increases the likelihood of a release.

31. The Licencee shall record each inspection required by Clause 30 of this Licence. The record shall include the date of the inspection, the name of the person who conducted the inspection, the observations made by that person during the inspection and recommendations for remedial action and actions undertaken.

32. The records of this inspection required by Clause 30 shall be made available to an Environment Officer upon request.
Respecting Facility Security

33. The Licencee shall equip and maintain a fully operational site security system consisting of intrusion alarms and monitoring systems in the trailer parking area. Alarms must be monitored at a remote location and must be in good operating order at all times.

34. The Licencee shall secure the trailer parking area by fencing and locking gates in order to regulate and limit the access to authorized personnel and to discourage access to unauthorized personnel.

Respecting Emergency Response

35. The Licencee shall, within 60 days of the issue date of this licence, 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.

36. The emergency response contingency plan shall be designed to minimize hazards from fires, explosions or any unplanned release of hazardous waste or contaminants.

37. The Licence shall keep a copy of the emergency response contingency plan on site, in a location accessible to all persons who will be assigned duties at the facility, at all times.

38. A copy of the emergency response contingency plan shall be made available to an Environment Officer upon request.

39. The Licencee shall review the emergency response contingency plan on an annual basis, as a minimum, and make revisions as required.

Insurance and Financial Assurance

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

41. The Director may, where it is deemed to be in the public interest, require the Licencee 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 Licencee 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 Annual Hazardous Waste Receiver Report

42. The Licencee shall, on or before the 31st day of March of each year, submit to the Director an annual report respecting the hazardous waste received by the facility pursuant to this Licence during the previous calendar year and the manner in which the waste was treated or disposed. The report shall be made on a form approved by the Director or submitted in a format acceptable to the Director.

Respecting Alterations and Decommissioning

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

44. 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.

45. The Licencee shall, where the investigation referred to in Clause 44 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.

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 Licence, 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 Licence, the Director may require the filing of a new application pursuant to The Dangerous Goods Handling and Transportation Act.

“original signed by”

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

Client File No.: 5824:00
Consignor (Generator) Registration No.: MBG13744
Consignee (Receiver) Registration No.: MBR30136