



Rhode Island Mattress Transportation and Recycling Services

Request for Proposal

Due: February 20, 2015

Mattress Recycling Council

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1. INTRODUCTION AND GENERAL INFORMATION

A. PURPOSE OF THE MATTRESS RECYCLING COUNCIL (MRC) AND REQUEST FOR PROPOSAL

In 2013, Rhode Island was one of three states (along with California and Connecticut) to enact used mattress recycling laws. Rhode Island Chapter 23-90 (referred to “the Act”) define the requirements of the recycling program (Program). The purpose of these laws is to promote and encourage the proper recycling of mattresses at the end of their life. The Mattress Recycling Council (MRC) is a non-profit organization formed by the International Sleep Products Association (ISPA) to design and implement mattress recycling programs required by these laws. In Rhode Island, the program proposed by the MRC must be approved by the Rhode Island Resource Recovery Corporation (RIRRC)

To fund the Rhode Island mattress recycling program, the MRC will set a point-of-sale recycling fee. Mattress retailers in Rhode Island will collect that fee (which will be visible on the invoice or receipt that the retailer provides the customer) on each mattress sale. Retailers will remit this fee to the MRC. The fees collected will:

- (1) fund the MRC’s operational and administrative costs (including public relations and communications activities)
- (2) pay recyclers that process discarded mattresses, and
- (3) pay an incentive to parties that collect discarded mattress for recycling and redeem them for payment according to MRC terms and conditions.

The purpose of this Request for Proposal (RFP) is to assess the qualifications of service providers interested in providing recycling and related transportation services to the MRC.

B. CALENDAR OF IMPORTANT DATES

Event	Date
Release RFP	February 3, 2015
Deadline for RFP questions	February 12, 2015
Response to RFP questions	February 16, 2015
RFP due date	February 20, 2015; 4:00 PM EDT
Evaluation Period	March, 2015
Service Provider Audits	April, 2015
Contracting	Spring, 2015
Develop program budget	Spring, 2015
Program plan due to RIRRC	July 1, 2015
Program Implementation	Early 2016

2. STATEMENT OF WORK & TERMS AND CONDITIONS

A. DEFINITIONS

“Act” refers to Rhode Island Chapter 23-90

“Bidder” refers to a person or entity providing a response to this RFP.

“Collection Site” means a physical location designated under the Program to collect Discarded Mattresses. Collection Sites may include, but are not limited to, participating Covered Entities.

“Collector” means a party that collects Mattresses discarded in Rhode Island and provides them to a Recycler. A Collector may qualify for an Incentive.

“Consumer” means an individual residing in the state of Rhode Island that has used a Mattress in a Rhode Island residence. A Consumer may qualify as a Collector.

"Covered Entity" means any political subdivision of the state, Mattress retailer, permitted transfer station, waste-to-energy facility, health care facility, educational facility, correctional facility, military base or commercial or nonprofit lodging establishment that possesses a Discarded Mattress that was discarded in this state. "Covered Entity" does not include any renovator, refurbisher or any person who only transports a Discarded Mattress.

"Discarded Mattress" means any mattress that was used in Rhode Island and that a Rhode Island consumer intends to discard, has discarded or that is abandoned.

"Energy Recovery" means the process by which all or a portion of solid waste materials are processed or combusted in order to utilize the heat content or other forms of energy derived from such solid waste materials.

"Foundation" means any ticking-covered structure that is used to support a Mattress and that is composed of one or more of the following: A constructed frame, foam or a box spring. "Foundation" does not include any bed frame, futon frame or base made of wood, metal or other material that rests upon the floor and that serves as a brace for a Mattress or futon.

“Incentive” means a monetary amount set by the MRC and that the MRC may authorize a Recycler to pay to designated Collectors that provide Discarded Mattresses to the Recycler in accordance with rules and procedures set by the MRC. The MRC will reimburse the Recycler for qualified Incentives it paid out.

“ISPA” means the International Sleep Products Association.

"Mattress" means any resilient material or combination of materials that is enclosed by ticking, used alone or in combination with other products, and that is intended for or promoted for sleeping upon. "Mattress" includes any foundation and any renovation. "Mattress" does not include any mattress pad, mattress topper, sleeping bag, pillow, crib mattress, car bed, carriage, basket, dressing table, stroller, playpen, infant carrier, lounge pad, crib bumper, liquid and gaseous filled ticking including any water bed and air mattress that does not contain upholstery material between the ticking and the mattress core, and upholstered furniture that does not otherwise contain a detachable mattress. **NOTE: For purposes of this RFP, the term "Mattress" should be interpreted to include both Mattresses and Foundations.**

"Mattress Recycling Council" or **"Council"** or **"MRC"** means the nonprofit organization created by the International Sleep Products Association to design and implement the Mattress Recycling Program.

"Program" means the Mattress Recycling Program created by the MRC to comply with Rhode Island Chapter 23-90, subject to approval by RIRRC.

"Recycler" means a party under contract with MRC to provide Recycling services. A Recycler must abide by the Recycling Standards attached to this RFP (which may be revised or supplemented from time to time at the MRC's discretion).

"Recycle" or **"Recycling"** means, for purposes of qualifying for Recycling Compensation from MRC, the process by which Discarded Mattresses are dismantled and their materials (steel, foam, fiber, fabric, wood, etc.) are sold to scrap dealers and other third parties for use in making new, usable or marketable materials. Pursuant to Rhode Island Chapter 23-90, Recycling does not include incineration of mattress materials for purposes of Energy Recovery.

"Recycler Compensation" means the money that MRC will pay a Recycler under contract to Recycle Discarded Mattresses.

"Retailer" means any person who sells mattresses to consumers and other purchasers in Rhode Island or otherwise sells mattresses for use in Rhode Island.

"RIRRC" means the Rhode Island Resource Recovery Corporation located at 65 Shun Pike Johnston, RI 02919

"Roll-off" is a portable metal container in various sizes used to store and transport Discarded Mattresses.

"Storage Container" is a container used by Collection Sites to hold mattresses discarded by Rhode Island Consumers, and may include weather tight roll-off containers with lid, trailers, sea containers or end dumps of various sizes.

B. PROGRAM CONTRACTS AND TERMS AND CONDITIONS

This RFP does not constitute an offer, or promise to offer, to enter into any business agreement or relationship, nor should any intent to enter into a contract, agreement or relationship be construed from this document. This RFP provides parties interested in Recycling Mattresses for MRC with

information that will help them prepare a proposal for providing such services.

MRC will negotiate a formal contract with selected bidder(s) based on their proposals. Attached hereto is a draft contract MRC has prepared for this purpose. MRC reserves the right to modify the terms of the attached draft contract.

Bidders are advised that the Terms and Conditions specified in Section (D) below will apply to any contract awarded in connection with this RFP and will apply to the RFP process.

C. PROGRAM OVERVIEW

Estimated Volume of Discarded Mattresses: U.S. mattress manufacturers sold an estimated 35.9 million new Mattresses and Foundations in 2013. Based on industry statistics and municipal collection surveys, the number of Mattresses available for collection is based on the following assumptions:

Category	Estimated number of mattress and foundation units:
U.S. annual sales	35,900,000
Rhode Island annual sales	120,000 – 130,000
Units picked-up by retailers from consumers when new product is delivered	60,000 – 65,000
Estimated Units recycled by Rhode Island Municipalities in 2013-2014	45,000

Note: The MRC cannot guarantee any minimum quantity of Discarded Mattresses that will be available for Recycling at any point covered by a response to this RFP.

Mattress Sources: Rhode Island Chapter 23-90 require MRC to provide Recycling services for mattresses discarded by Covered Entities in Rhode Island. Participation in the Program is voluntary. Likely sources of Discarded Mattresses will include:

- Participating municipal transfer stations
- Mattress retailers
- Hotels/motels
- Schools and universities
- Hospitals
- Consumers
- Junk haulers and other refuse collectors
- Construction and demolition debris facilities

Storage and Transportation: The Act requires MRC to “provide suitable storage containers at, or make other mutually agreeable storage and transport arrangements...” for municipal transfer

stations, municipal government property or other solid waste management facilities participating in the Program.

Your response should include costs associated with providing such suitable storage and transportation services to participating municipal transfer stations, using either in-house resources or subcontracted third party haulers.

Recycler Compensation: MRC will compensate a Recycler for Recycling Discarded Mattresses and related transport services that it provides at contracted rates. Recycler Compensation will be calculated in 3 parts:

- 1. Recycling Services:** The first part will be at a flat rate per Recycled unit for Recycling-related activity, which will include: receiving and handling Discarded Mattresses; dismantling, segregating and preparing the Recycled component materials for sale; disposing of any non-recycled remnants; and maintaining records and data in a manner specified by the MRC.
- 2. Collector Incentive Payments:** MRC may, if appropriate, provide a collector incentive to parties that collect Mattresses for Recycling and deliver these units to the recycling facility. The rate you propose to provide the Recycling Services offered must also include your administrative costs associated with paying the Incentive to be paid to Collectors. Please refer to the instructions for Form 4 below for further details regarding the services that you must provide in exchange to the Recycling services part of your compensation.
- 3. Transport Services:** The second part compensates the Recycler for transporting Discarded Mattresses from Collectors to the Recycler's facility. Transport services may be provided by the Recycler's own internal resources, third-party subcontractors, or a combination of internal and third-party services. A response to this RFP must include transport services to transport discarded mattresses from all participating covered entities throughout Rhode Island to the recycling facility. Transport services will include providing Storage Containers that are suitable for each Collection Site. Servicing these locations may include switching full storage containers for empty storage containers or hand loading mattresses to a transport truck. Volumes at each collection site will dictate which method is the most effective. The transport part of the Recycler Compensation will be a flat fee per stop charge. The same fee will apply to all locations serviced and must include fuel surcharges relevant at the time you submit your response to this RFP. Please refer to the instructions for Form 5 below for further details.
- 4. Other Transport Services:** The MRC will require Recycler to provide transportation to other large volume Covered Entities generating a minimum of fifty discarded mattresses at one time. Recycler will be compensated at the same stop charge for these services. These other services could include weekend community collection events.

Both the Recycling and associated transport services must be provided in compliance with all applicable federal, state, local and other laws and regulations. Furthermore, the Recycling and transport flat rates that you propose must include all applicable taxes and/or fees. MRC is a non-profit organization and has applied for exemption from Rhode Island state sales tax.

To be compensated for providing Recycling and associated transport services, a Recycler will submit a monthly invoice to MRC. Only Discarded Mattresses that have been collected and

Recycled in compliance with rules and procedures specified by MRC will qualify for Recycler Compensation. (For example, the Mattresses must have been used and discarded in Rhode Island.) Mattresses that have been received, but not processed (that is, dismantled) cannot be included on the monthly invoice.

A Recycler must accurately document the quantity and weight of Discarded Mattresses it receives from any source on an incoming Bill of Lading (BOL), and submit copies of all BOL's with the monthly invoice. The number and weight of processed mattresses and weight of materials sold to secondary recyclers (scrap dealers) and residue (material that is not recyclable) sent to disposal facilities will be recorded on a monthly summary sheet. This sheet will provide data required by the program annual report and verification that weight of in-bound mattresses and outbound commodities match.

MRC shall have the right to inspect a Recycler's premises and records without notice to verify compliance with such rules and procedures, and to request appropriate back up documentation to support a request for Recycler Compensation.

Only mattresses Recycled in compliance with rules and procedures specified by MRC will qualify for Recycler Compensation. In this regard, the Recycler must accurately document the quantity and weight of Discarded Mattresses that it transports and receives (as recorded on an incoming Bill of Lading provided by a Collector or other party and as reflected in the Recycler's internal records), and the quantity and weight of Mattresses Recycled in accordance with the MRC's rules (based on the Recycler's sales of Recycled materials and disposition of non-recycled materials). MRC will have the right to inspect the premises and records of the Recycler and associated transporters without notice to verify compliance with such rules and procedures, and to request appropriate back up documentation to support a request for Recycler Compensation.

Incentive: Collectors providing Mattresses discarded in Rhode Island to a Recycler may qualify for an Incentive. The following details regarding this Incentive are relevant to your response to this RFP:

- MRC will determine the amount (if any) of the Incentive and under what circumstances parties qualify for the Incentive. Specific terms of the incentive program will be stated in the Program Plan to be submitted to RIRRC on July 1, 2015. A preliminary assumption is that residents may deliver no more than 4 mattresses at any one time, and up to 8 mattresses per year, per household.
- MRC incentive payment locations (Recyclers) will pay the incentive by cash or check. MRC has yet to set the incentive amount. The incentive amount is subject to change, depending on a variety of factors, including funds availability and the volume of discarded mattresses collected in this manner. The incentive program will be promoted on MRC's website in conjunction with a list of authorized Rhode Island drop-off locations. Promotion of the incentive will begin once the Program commences.
- MRC may incentivize other larger volume Collectors as we develop the Program. If so, the contracted recycler will pay the Incentive on a regular cycle (such as once or twice a month). Large volume collector incentives could be paid by cash, check, electronic payment or other authorized means.
- MRC will reimburse Recycler for the Incentive as part of its regular billing/payment cycle

upon Recycler providing documentation that the collected Mattresses are covered by the Program and that it recycled such products.

- The Recycler may not withhold any part of the Incentive from a Collector that provided qualifying mattresses to the Recycler.
- Since MRC will reimburse a Recycler for the Incentive that it pays for the qualifying Mattresses, your response to this RFP should NOT include the amount of the Incentive itself. However, your response must cover your activities associated with (1) disbursing this Incentive to the Collector and (2) collecting and maintaining documentation sufficient to demonstrate that you recycled those Mattresses so that you can be reimbursed for the Incentive.
- MRC will specify rules and procedures that a Recycler must follow in obtaining and processing Mattresses obtained from Collectors and in remitting the Incentive to the Collector(s).

Invoicing: Recyclers must electronically submit monthly invoices to MRC in a format required by MRC and accompanied by a monthly summary sheet. Recycler invoices must include a summary of mattress units processed, locations serviced and transportation costs. MRC payment terms are net 30 days upon receipt of invoice and complete set of supporting documentation.

Reporting: MRC will collect and maintain certain data, much of which it will obtain from Recyclers, including the following:

1. Number of units, weight and type (that is, mattress vs. foundation/box spring) collected from municipal and privately owned transfer stations
2. Number of units, tonnage and type collected from Retailers
3. Number of units, tonnage and type collected from all other covered entities (schools and universities, prisons, consumer drop-off)
4. Total number of units, tonnage and type received (this would be the sum of 1, 2 and 3 above)
5. The weight of mattress materials Recycled, based on the weight of each commodity (e.g., steel, foam, fiber, etc.) sold to secondary markets
6. The weight of mattress materials sent for disposal at each of the following
 - Rhode Island Resource Recovery
 - Any other facilities

The sum of 5 and 6 above, with appropriate adjustments for inventories and work in progress, should reconcile with the total tonnage of units received (reflected in 4 above).

Your response to this RFP should reflect all costs (including any taxes, fees or similar costs you would incur in providing these services) that you or your subcontractors would incur in preparing and providing this data to the MRC on a monthly basis in a format that the MRC will specify.

D. RFP TERMS AND CONDITIONS

1. **Content and Liability Disclaimer:** MRC has used reasonable care in preparing the information set forth in this RFP. However, MRC shall not be responsible for any errors

or omissions contained in this RFP or other documents issued or prepared by MRC. MRC provides no warranty, either expressed or implied, regarding the accuracy, reliability, or completeness of those documents.

FURTHER, MRC DISCLAIMS ALL WARRANTIES WITH REGARD TO THE INFORMATION PROVIDED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT OF PROPRIETARY RIGHTS.

In no event shall MRC be liable for any damages whatsoever, and in particular MRC shall not be liable for special, indirect, consequential, or incidental damages, or damages for lost profits, loss of revenue, or loss of use, arising out of or related to this document or other pre-contract documents, or the information contained in them, whether such damages arise in contract, negligence, tort, under statute, in equity, at law or otherwise.

2. **Pre-Bid Questions:** Any questions pertaining to this RFP must be transmitted by e-mail to: mikeo@mattressrecyclingcouncil.org. MRC will respond to all questions. However, MRC is not responsible for questions that are not received. It is the Bidder's responsibility to confirm MRC's receipt of any questions.

If substantive questions are received that, in the MRC's opinion, require a modification or clarification of the RFP, the resulting modification or clarification will be provided in the form of an Addendum that will be forwarded to all prospective Bidders in advance of the submittal deadline. MRC reserves the right to extend the RFP deadline.

3. Submit one (1) electronic copy in Microsoft Word or pdf of the RFP forms, including any and all attachments and addendums to mikeo@mattressrecyclingcouncil.org. MRC will confirm receipt of each RFP submittal.
4. Bidders responding to this RFP must be aware that if selected by MRC to provide services under a formal contract with MRC, their status will be that of an independent contractor, and not an agent or employee of MRC or ISPA. Nothing contained herein shall be construed as constituting any relationship other than independent contractor.
5. As such, a successful Bidder would be responsible for (i) making day-to-day and critical decisions regarding the collection, transportation, processing, Recycling, and/or disposal of mattress components under their contracts and the undertaking, management and supervision of those activities; and (ii) achieving compliance with all applicable federal, state, local or other laws and regulations.
6. It is the responsibility of Bidders to clearly identify any information provided in response to this RFP that they consider to be proprietary, confidential, or trade secret. Bidder acknowledges that under the Act, MRC has certain reporting obligations regarding the status and progress of the Program. This may include providing information that is furnished by service providers, including contract administration data. Bidder acknowledges that any information it provides to MRC in response to this RFP and for which it has claimed proprietary, confidential, or trade secret designation may nevertheless be subject to the disclosure provisions under Rhode Island law.

7. Bidders must provide responses that cover both the transport of Mattresses from Collection Sites throughout Rhode Island to Recycler's premises, and associated Recycling services.
8. Bidders must provide the necessary Storage Containers, Transport and Recycling services.
9. The base contract term will run from the effective date of the Program (as approved by RIRRC) through December 31, 2017. The MRC may, at its discretion, extend the contract for additional one-year periods. If both parties mutually agree, contracts for longer than this contract time period may be executed.
10. Submitted responses to this RFP are binding on the Bidder and may not be withdrawn without the express permission of the MRC until the later of (a) 180 days following the close of the RFP period, or (b) RIRRC approves a Recycling plan proposed by MRC. Proposals conforming to all RFP specifications will be evaluated by MRC staff. MRC anticipates that awards will be made within 180 days after the close of the RFP period, but may be conditioned on RIRRC's approval of a Recycling plan proposed by MRC.
11. At a minimum, a proposal must:
 - a. be received by the response deadline stated in this RFP;
 - b. contain all required RFP forms properly completed and signed by an authorized individual;
 - c. clearly note in its Technical Proposal any and all proposed exceptions and/or deviations from the requirements this RFP;
 - d. contain a Technical Proposal that in the MRC's sole judgment meets or exceeds the requirements of this RFP; and
 - e. contain at least two references that are relevant to the services described in this RFP.
12. Failure to comply with the terms and conditions specified in the RFP could lead to the response being considered non-responsive and ineligible for further evaluation.
13. MRC shall not be obligated to disclose any information about the winning (or losing) bid or bids.
14. MRC shall not be responsible for any costs that a Bidder or others incur in preparing a response to the RFP.
15. All Bidders acknowledge that the award of a contract as a result of this RFP process will be at the sole discretion of MRC.
16. This RFP does not commit the MRC to contract with any party that responds to the RFP. The MRC may, in its sole discretion, decide:
 - a. to re-bid these goods and/or services if, in its sole discretion, such action is deemed appropriate;
 - b. to split the award or to make multiple awards;
 - c. to negotiate the proposal to further refine, clarify, amend, or expand any and all aspects of the proposal;
 - d. to reject any and all proposals if it determines, in its sole discretion, that such action is in its best interest;

- e. to reject RFP responses from parties whose firm, or any principal of the firm, is currently involved in a lawsuit or claim against MRC or ISPA, or is involved in, or has been involved in during the 3 year prior to the date of this RFP, other legal proceedings that are in MRC's view relevant to this services that are the subject of this RFP;
- f. to accept RFP responses that do not offer the lowest price;
- g. to withdraw this RFP, or to supplement, amend, or modify this RFP, and to request any additional information, at any time and without prior notice of any kind;
- h. to postpone the award of a contract; and
- i. to confirm references and contact further references obtained from other sources as the MRC deems necessary.

17. If you are selected to enter into a contract with MRC, Recycler and any subcontracted transporters will be required to furnish at that time:

- a. Appropriate documentation that your company (as necessary) is qualified to do business in Rhode Island (and any other relevant jurisdictions if your company is headquartered or located in another state) to provide the services described in this RFP.
- b. A valid, currently dated Certificate of Insurance that is satisfactory to the MRC as evidence that you are adequately insured by a recognized and responsible insurer authorized to do business in Rhode Island for the period of the contract with the MRC. Minimum limits include:
 - Commercial General Liability Insurance (including coverage for bodily injury, property damage, complete operations and contractual liability) of not less than \$1 million per occurrence and \$2 million aggregate;
 - Business Automobile, \$1,000,000 Combined Single Limit; and
 - Workers' Compensation Coverage as required by Rhode Island state law.

The Certificate of Insurance should name MRC, its directors, officers, employees, agents, assigns as additional insureds for the Commercial General Liability Insurance. Any exclusions or exceptions to the types of claims and amounts which may be collected against a legitimate claim must be clearly delineated. The Bidder's insurer will be required to provide MRC with notification of any cancellation or change in the Bidder's insurance coverage during the period of the contract with MRC. Such notification must be made not less than 60 days prior to the date said cancellation or change becomes effective.

Recycler shall require all third parties that it uses to provide any services under its contract with MRC to comply with the same insurance requirements specified above.

Failure of Recycler or third parties to maintain the insurance required shall be cause for immediate termination by MRC of its contract with Recycler.

3. INSTRUCTIONS FOR COMPLETING RFP FORMS

All RFP responses will become the property of MRC and will not be returned except as otherwise provided. All costs incurred in connection with responding to this RFP shall be borne by the Bidder.

FORM 1 – LETTER OF TRANSMITTAL

Complete and sign Form 1. This will become the cover page for your proposal.

FORM 2 – TECHNICAL PROPOSAL: MATTRESS RECYCLING

Clearly explain how your company plans to provide the services described in this RFP. A Recycler must disassemble each Discarded Mattress and Recycle not less than 85% (by weight) of the mattress components obtained through that process, including, but not limited to, metal, foam, fabric, and wood. Although not required, the amount of "residual" materials from the Mattress Recycling process ideally should not exceed 5% of the total weight. Merely opening the mattress and removing the steel innerspring for Recycling is not sufficient for these purposes. To qualify for Recycler Compensation, mattress components must be recycled through scrap dealers or other appropriate customers in secondary markets. Non-recyclable components shall be disposed of through appropriate means (waste-to-energy facilities, landfills, etc.).

MRC will periodically inspect and audit a Recycler's premises and activities to verify compliance with the above requirements. In addition, successful Bidders must supply copies of all pertinent government approvals and permits associated with its operation that will be needed to provide the services that are the subject of this RFP.

FORM 3 – REFERENCES

Please provide two references that MRC may contact to demonstrate your ability to provide the Recycling services required by this RFP, two references to demonstrate your ability to provide associated transport services (using either your own internal resources, third party contractors or a combination thereof) and two credit references that MRC may contact. With regard to transport services, we need two references that MRC may contact for each party that you intend to use to provide these services. For example, if you intend to provide transport services using internal resources exclusively, then for the transport references, you only need to provide two references for your company. If, however, you plan to use a combination of internal resources and two subcontractors, then you need to provide two references for your company and two each for the subcontractors. If you expect to use only two third parties, then you provide only two references for each of them and none for your company (with respect to the transport services). If MRC selects your company to provide services, the contract will require you to inform MRC if you make any changes to the parties providing transport services.

Please use multiple pages if needed to provide the necessary references.

FORM 4 – RECYCLING RATE

Form 4 asks you to propose a stop charge rates for each collection site in Rhode Island (that is, the price you would charge to service the location). The stop charge rate must:

1. Apply to all storage container types including roll-offs or other stationary structures requiring hand loading of mattresses.
2. Apply to any volumes of mattresses at the collection point. However, MRC cannot guarantee a minimum number of units per location. Include any taxes, operating or permit fees or other administrative or governmental costs that you must incur to provide the services described herein and in your response to this RFP. MRC will not compensate a Recycler separately for such taxes, fees or related expenses.
3. **Not include any Incentive payment that MRC might set. Since MRC will reimburse Recyclers for any Incentive paid to Collectors, DO NOT include the Incentive in your per stop charge rate.** However, the recycling rate must include administrative costs you will incur in paying Incentives to eligible Collectors and in documenting those transactions for reimbursement by MRC. Recycler must also have financial resources to

pay the Collector before receiving reimbursement from MRC. See the explanation of the Incentive in the Program Overview for more information on this topic.

4. Include administrative costs for facility operations, overhead and reporting data to MRC.
5. Be your baseline number. If you are able to provide volume discounts, provide this information on the Form.

FORM 5 – MATTRESS TRANSPORTATION RATES (Including Pick-Up Services)

Please propose a stop charge rate for all collection locations in Rhode Island. That rate will apply to all container sizes and mattress counts at each location.

MRC expects your transport services at a minimum to include the following:

Container Management: Under the Act, MRC must collect Discarded Mattresses from participating municipal transfer stations, municipal government property, or other solid waste management facilities. Therefore, Recyclers (either using internal resources, third parties, or a combination of the two) must provide Containers to participating transfer stations as follows:

1. Deliver empty Containers to participating transfer stations before Program launch date
2. Provide 2 business-day pick-up of full Containers from participating transfer stations.
3. Deliver replacement Container at time of pick-up
4. Transport full Container to Recycling facility
5. Transfer stations not using Containers may require other mutually agreeable storage and transport services.

There are about 35 Rhode Island transfer stations presently collecting and delivering collected mattresses to RIRRC for consolidation. On average, they deliver 30 units per delivery. We do not anticipate these locations to continue the practice of delivering units to RIRRC. While participation as a collection site is voluntary, MRC will be contacting each transfer station to encouraging their involvement. The contracted MRC recycler must provide an appropriate storage container, transport and recycling service to any participating transfer station in the State.

RIRRC 2013; estimated number of mattress units recycled by town.

Town	2013 Est Units
BARRINGTON	2
BRISTOL	916
BURRILLVILLE	921
CENTRAL FALLS	508
CHARLESTOWN	224
COVENTRY	894
CRANSTON	13,650
CUMBERLAND	20
EAST GREENWICH	295
EAST PROVIDENCE	10
EXETER	102
FOSTER	413
GLOCESTER	254
JOHNSTON	238
LINCOLN	1,964
LITTLE COMPTON	323
MIDDLETOWN	75
NEW SHOREHAM	463
NEWPORT	2,126
NORTH KINGSTOWN	778
NORTH PROVIDENCE	431
NORTH SMITHFIELD	356
PAWTUCKET	1,750
PORTSMOUTH	260
PROVIDENCE	13,260
RICHMOND	251
SCITUATE	755
SMITHFIELD	5
SOUTH KINGSTOWN-NARRAGANSETT	594
TIVERTON	429
WARREN	524
WARWICK	10
WEST GREENWICH	71
WEST WARWICK	870
WESTERLY-HOPKINTON	2,194
WOONSOCKET	2,451
TOTAL	48,388

Service Days: The frequency of Mattress pickup from Collection Sites will vary considerably. Collection frequency will likely increase after the Program launches and product volumes increase, but may vary throughout the year, depending on weather, new Mattress sales and other factors. It will be important to develop good working relationships with these sites. In any event, transporters must provide 2 business day pick up service, upon the site's request.

Bills of Lading (BOL): All Mattresses arriving at a Recycler must be accompanied by a BOL specified by the MRC that documents the quantity and weight of Mattresses arriving for Recycling and their source. The Collection Site, Transporter and Recycler must each maintain a copy of the BOL and acknowledge the accuracy of the BOL, or note discrepancies. Transporters will provide and complete the BOL form for all Program pick-up activities. If a load is transported by a third-party hauler, the BOL will be completed upon arrival at the Recycling facility. The BOL will include:

1. Unique BOL number
2. Collection Site name and address
3. Pick-up date
4. Type of Covered Entity serviced (Municipal Transfer Station, Retailer, Other Covered Entity)
5. Number of mattresses and box springs; completed by collection site
6. Net weight of mattresses and box springs; to be completed by Recycler
7. Number of Mattress units; verified upon receipt at Recycler
8. Number of Mattress units; verified up on receipt at Recycler
9. Signature of authorized employees at Collection Site, Transporter, and Recycler

Loading: Each transfer station will have unique logistical challenges, including container storage and accessibility limitations. Transporters should not expect assistance from transfer station employees to manage container swaps. Containers will be loaded with all types of twin, full, queen and king size Mattresses (and Foundations) by transfer station personnel. The MRC cannot guarantee a specific number of units per pick-up as the Program will service both small and large transfer stations, and unit quantities are likely to vary seasonally.

Small volume transfer stations may be best serviced by “milk-run” box van transport with manual loading of Mattresses.

Locations and accessibility: Local traffic patterns and Collection Site accessibility will affect the size of the truck and Storage Container that can service a location. Delivery and removal of Storage Containers will typically be on weekdays. However, Bidder should be capable of providing Saturday pick-up if requested. Transfer stations are generally closed during state holidays.

Transporter(s) will provide all labor, tools, equipment, transportation, equipment, bills of lading and services necessary for, and reasonably incidental to picking up and transporting Mattresses from participating transfer stations to the Recycler.

Each transfer station will have unique logistical challenges, including container storage and accessibility limitations. Transporters should not expect assistance from transfer station employees to manage container swaps. Containers will be loaded with all types of twin, full, queen and king

Unloading: Participating transfer stations, retailers, collectors or other covered entities may self-hauling loads of mattresses to the Recycling facility. Within reason, recycler must begin off-loading these deliveries within 15 minutes of arrival. Recycler should coordinate directly with large volume haulers to schedule delivery times to avoid delays.

The Transporter or contracted Recycler(s) must staff a phone number from Monday – Friday from 8 a.m. to 5 p.m. ET. Participating transfer stations must be provided with an alternative number to call during weekends and off hours.

FORM 6 – RECYCLED MATERIAL PURCHASERS

Please identify on this form the companies that would purchase the steel, foam, fabric, fiber, wood and other materials that your company would generate from Mattress Recycling.

4. RFP FORMS

FORM 1 - LETTER OF TRANSMITTAL

Please complete this form and include it as the COVER PAGE of your RFP.

Date: _____

Full Company Name: _____

Company Address: _____

City, State, Zip Code: _____

Company Telephone/Fax: Phone:_____ Fax:_____

E-mail Address: _____

If a corporation, state of incorporation: _____

Federal I.D. Number: _____

Name of Company Employee Authorized to Sign the Proposal: _____

Title: _____

I submit this response to the MRC's Rhode Island Mattress Recycling Program Request for Proposal (RFP), on behalf of the company identified above to provide Recycling services, as that term is defined in the RFP. I am authorized to commit this firm to providing the goods and/or services described in this response.

I acknowledge receipt of, and have read, the RFP (including all subsequent addenda). I have prepared the attached response to the RFP. This response is to the best of my knowledge true and accurate. I acknowledge that if facts stated in this response are found to be false, the MRC in its sole discretion may reject this response from consideration, and disqualify me and/or my company from responding to future RFPs issued by the MRC. The response to the RFP that I hereby submit clearly identifies any differences or exceptions between this response and the RFP's requirements.

In the event that the MRC selects my company to provide Recycling and associated Transport services, I am prepared to enter into a formal written contract with the MRC on behalf of my firm to provide such goods and/or services on the terms described in this response. This response to the RFP will remain valid for the latter of one hundred 270 days from the RFP closing date or the date on which RIRRC approves a Recycling plan proposed by MRC.

Authorized Signature:_____

Print Name: _____

Title: _____

Date: _____

FORM 2 - TECHNICAL PROPOSAL: MATTRESS RECYCLING

Please complete this form and include it with your response. Use additional sheets if necessary.

Company Name: _____

1. Provide an overview of your company, why you are qualified to provide Recycling services to MRC and your experience (if any) with Recycling Mattresses and other products. Include your Recycling facility address, the number of mattresses you recycled in 2014, your facility capacity (in terms of units you can process per day and the dimensions of that part of your facility dedicated to Recycling Mattresses), number of employees, number of years in business, Dun & Bradstreet number, ownership structure, and history of bankruptcy (if any).
2. Describe how you will track, control and document the volume of Discarded Mattresses that enter your facility, and the volume of Recycled mattress components that leave your facility.
3. The MRC estimates that approximately 60% of units received by a Recycler will be Mattresses and approximately 40% will be Foundations. Of the Mattresses, approximately 25% of the units will contain “pocketed coils” (individual steel springs enclosed in fabric) and that this ratio will increase over time. The Recycler will be expected to recycle all of these types of products. Describe your process for Recycling Mattresses (including those that contain pocketed coils) and Foundations.
4. You may consider certain conditions to render an entire Mattress unrecyclable. Please indicate whether you consider the following conditions acceptable or not:

Condition:	Will accept for Recycling:	Unacceptable, will be diverted to solid waste disposal:
Compacted (product may be crushed, twisted or broken)		
Broken wood in the Foundation		
Mattress with pocketed coils		
Wet – water will drip from mattress		
Damp – no free flowing water		
Surface dirt or stains		
Heavily Soiled or co-mingled with putrescible solid waste		
Bed Bugs		

5. Identify
 - a. which components or materials from used Mattresses and foundations you cannot sell to scrap dealers,
 - b. why these cannot be recycled,

- c. the percentage (by weight) that these components or materials represent of the total Mattresses and foundations you obtain, and
 - d. your definition for each of the mattress conditions above.
6. Describe how you manage bed bugs or otherwise infested Mattresses.
7. How do you intend to transport Discarded Mattresses from Collection Sites to your facility?
- _____ Using only internal resources
 - _____ Using only third parties
 - _____ Using combination of internal resources and third parties
8. Provide photocopies of your business license and operating permits:
9. Provide photocopies of a current Certificate of Insurance showing valid coverage issued to you for the following:
- Commercial General Liability Insurance (including coverage for bodily injury, property damage, complete operations and contractual liability) of not less than \$1 million per occurrence and \$2 million aggregate
 - Business Automobile, \$1,000,000 Combined Single Limit; and
 - Workers' Compensation Coverage as required by Rhode Island state law.

FORM 3 – REFERENCES

This form requests that you provide the requisite number of Recycler, Transport and Credit references that MRC may contact for reference.

RECYCLING REFERENCES

Name of Responding Company: _____

Please list 2 entities that have used your Recycling services and that the MRC may contact for reference.

Name of Reference Company:	
Street Address:	
City, State, Zip:	
Contact:	
Contact Phone:	
E-mail:	
Describe Nature of Work You Provided to Reference Company:	

Name of Reference Company:	
Street Address:	
City, State, Zip:	
Contact:	
Contact Phone:	
E-mail:	
Describe Nature of Work You Provided to Reference Company:	

TRANSPORTATION REFERENCES

Your company may use its own internal resources, third party contractors or a combination of the 2 to provide the transport services described in your response to this RFP. MRC requests 2 references from each party that you intend to provide such transport services and that MRC may contact for reference. Please use separate copies of these 2 pages for each party that will provide transport services. See instructions for Form 3 above for further details.

Name of Responding Company:

Name of Transporting Company:

Please list 2 entities that have used your company's transportation services and that the MRC may contact for reference.

Name of Reference Company:	
Street Address:	
City, State, Zip:	
Contact:	
Contact Phone:	
E-mail:	
Describe Nature of Work You Provided to Reference Company:	

Name of Reference Company:	
Street Address:	
City, State, Zip:	
Contact:	
Contact Phone:	
E-mail:	
Describe Nature of Work You Provided to Reference Company:	

CREDIT REFERENCES

Name of Responding Company: _____

Please list 2 credit references that are familiar with your company's payment history and that MRC may contact for reference.

Name of Creditor:	
Street Address:	
City, State, Zip:	
Contact:	
Contact Phone:	
E-mail:	

Name of Creditor:	
Street Address:	
City, State, Zip:	
Contact:	
Contact Phone:	
E-mail:	

FORM 4 – RECYCLING RATES

Provide the per unit rate that you propose to Recycle Discarded Mattresses covered by this RFP response.
Note: This rate must reflect all of your costs in providing this service.

Per Unit Recycling Rate	\$
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Identify any exclusions or exceptions that you propose to make to the Recycling services requirements described in this RFP: _____

Volume Discount(s)	Monthly Unit Volume Required to Qualify for Discount	Discount Percentage

FORM 5 - MATTRESS TRANSPORT RATES

Name of Responding Company: _____

Please enter the name of the transportation company(ies) and their flat rate stop charge. The rate will be the same for all collection locations in the state.

Name(s) of Transporting Entity(ies)	Stop Charge Transport Rate to your Recycling Facility

Note: When completing, please confirm that:

- each of the entities noted above as transporters have provided the transport referenced requested on Form 2
- the stop charge rate includes delivery of empty, and pick-up of any applicable Storage Container or mattress handling costs appropriate for the collection site

The baseline stop charge must include any fuel surcharges applicable at time of submittal. Please describe any circumstances or methodology under which a fuel surcharge or rebate would be applied to the above rates: _____

Identify any exclusions or exceptions that you propose to make to the transport services requirements described in this RFP: _____

For each entity identified above, please provide the following information:

- 1) Transporter Identification Information:
 - a) Registered Business Name:
 - b) Address:
 - c) Tax ID number:
 - d) Business license number:
 - e) DOT permit number:
- 2) Operating Hours:
- 3) Name and phone of transportation coordinator:
- 4) Number of staff employed in transportation functions:
- 5) Number, type, and size of trucks and/or tractors available for this work:
- 6) Number, type and size of available trailers and roll-offs:
- 7) Years in transportation business and number of miles the company has driven in the past 12 months:

The MRC may require Recycler to provide storage containers to Municipal Transfer stations and other large volume Covered Entities generating a minimum of fifty discarded mattresses at one time. Provide monthly rental fees for storage containers left on-site for mattress accumulation purposes. The MRC will compensate the recycler for pre-program or new collection site container drop. This fee will occur once per site.

Possible Storage Container Types	Monthly rate	Pre-Program container drop fee (one time cost to MRC)
40' Roll-off with lid		
40' Sea container		
30' Roll-off with lid		
30' Sea container		
20' Roll-off with lid		
20' Sea container		
53' trailer		
48' trailer		
Other (specify)		

MRC may require the transporter to provide transport, storage container and on-site labor to package mattresses during weekend community collection events. Provide your per hour rate for on-site staff to provide this service.

Labor provided by:	Hourly Rate:	Notes:

FORM 6 – RECYCLED MATERIAL PURCHASERS

Identify companies that currently purchase or accept your steel, foam, fabric, fiber, wood, plastic and other materials that your company would generate from Mattress Recycling. Use additional sheets if required.

Purchaser's Name:	
Commodity type and intended use:	
Physical Address:	
City, State, Zip Code:	
Contact Person and Phone:	

Purchaser's Name:	
Commodity type and intended use:	
Physical Address:	
City, State, Zip Code:	
Contact Person and Phone:	

Purchaser's Name:	
Commodity type and intended use:	
Physical Address:	
City, State, Zip Code:	
Contact Person and Phone:	

Purchaser's Name:	
Commodity type and intended use:	
Physical Address:	
City, State, Zip Code:	
Contact Person and Phone:	

Purchaser's Name:	
-------------------	--

Commodity type and intended use:	
Physical Address:	
City, State, Zip Code:	
Contact Person and Phone:	

Purchaser's Name:	
Commodity type and intended use:	
Physical Address:	
City, State, Zip Code:	
Contact Person and Phone:	

5. RECYCLING STANDARD



Rhode Island Mattress Recycling Standards

The Mattress Recycling Standards (Standards) define the minimum requirements to be an approved Recycler for the Mattress Recycling Council (MRC). Under these Standards, mattresses must be managed and processed in a manner that adequately safeguards the environment, industry employees and consumers. The Standard also includes data tracking and reporting requirements.

The MRC reserves the right at its discretion to review and revise these Standards.

For purposes of these Standards, the term “mattress” should be interpreted to include both mattresses and foundations (or box-springs).

Background

The MRC is a non-profit organization formed by the International Sleep Products Association (ISPA) to develop and implement mattress recycling programs in states with laws requiring recycling of discarded mattresses.

Recyclers must comply with these Standards, contract terms and conditions and all legislative and regulatory requirements. Recyclers must have transparent operations, clear and documented recycling procedures and accurate tracking of all mattresses and components (including non-recyclable waste). All Recyclers will be audited under these Standards.

Disclaimer

The MRC does not intend for these Standards to constitute or provide legal guidance of any kind. The Recycler must be aware of and abide by all local, state, or federal laws and regulations applicable to the management of post-consumer mattresses or the business operation of the Recycler. In the event that these Standards are inconsistent with any such laws or regulations, the laws or regulations take precedence, and the Recycler must inform the MRC of such inconsistency.

1. General Requirements

Each Recycler shall:

- 1.1. Possess a current and valid business license and meet all applicable local, state and federal requirements for providing the type of recycling services required by the MRC.
- 1.2. Possess valid state approved permits, plans, and approvals, as applicable.

- 1.3. Comply, and be in good-standing, with all applicable federal, state, and local regulations including but not limited to:
 - Department of Transportation (DOT) if providing any transportation services
 - Occupational Safety and Health Administration (OSHA) and applicable local and state health and safety regulations
 - Local and state fire department regulations, fire and building codes and other applicable building and occupancy safety requirements
- 1.4. Possess Commercial General Liability Insurance, including coverage for bodily injury, property damage, complete operations and contractual liability with combined single limits of not less than \$1 million per occurrence and \$2 million aggregate. Recycler's policy must be endorsed to name MRC, its directors, officers, employees, agents, assigns, as Additional Insureds. Recycler must carry its own Business Auto and Workers Compensation policies. Recycler shall require all third parties that it uses to provide any services under its contract with MRC to comply with the same insurance requirements specified in these Standards.
- 1.5. List the MRC as an additional insured party.
- 1.6. Possess and maintain in good standing workers compensation and unemployment insurance coverage through a state program or through private insurance policy or sufficient self-insurance coverage.
- 1.7. Maintain all records for a minimum of 4 years, including but not limited to shipping documents (both for goods received and shipped), processing, material disposal and sales records.
- 1.8. Develop and keep current a written plan that assures:
 - 1.8.1. proper closure of the Recycler's facility or site in the event of sale, closure, abandonment, bankruptcy, any form of dissolution of the Recycler, or for any other reason;
 - 1.8.2. against abandonment of any mattresses, mattress materials, or other products or materials processed by the Recycler in the event of closure; and
 - 1.8.3. proper remediation of any contamination to the Recycler's facility or site in accordance with all applicable local, state and federal laws and regulations

As part of that plan, the Recycler must obtain a bond or other financial instrument sufficient to pay for the closure activities described in the plan in the event that the Recycler itself is financially unable to perform all or some of such activities. The Recycler shall make such plan and bond or other financial instrument available for inspection by the MRC upon request.

- 1.9. Maintain a process to provide written notice of closure to the MRC with a minimum of 90-days advance notice.
- 1.10. Maintain a process to provide written notice to the MRC of any incidents that required the assistance of first responders within 24 hours of the occurrence. Provide written notice of any corresponding regulatory orders, fines or other governmental or administrative actions taken within 48 hours of receiving such orders or fines.

- 1.11. Maintain a documented process to record and track accidents, injuries or violations and any corresponding corrective and/or preventive actions taken.
- 1.12. Maintain a documented process to identify and communicate physical, mechanical, biological or pathogenic hazards and severity of such hazard to employees, and any corresponding corrective and/or preventive actions taken.
- 1.13. Maintain a documented process to identify and communicate potential fire hazards and severity of such hazards to employees, and any corresponding corrective and/or preventive actions taken.

2. Material Processing

Each Recycler shall implement and maintain a documented plan for deconstructing mattresses, which shall at a minimum require the Recycler to:

- 2.1. Fully disassemble the mattresses.
- 2.2. Recycle at least 85% by weight of the mattresses it processes by selling such material in appropriate markets for use in making new materials or products.
- 2.3. Minimize the quantity of material disposed of through landfills, incineration, or other non-recycling avenues.
- 2.4. Maintain a written policy describing how each mattress type and material (including pocket coils) will be processed.
- 2.5. Process all mattresses within 30 days of receipt at facility.
- 2.6. List criteria applied in determining when a given mattress cannot be processed.

3. Material Tracking

Each Recycler shall implement and maintain a documented plan to track and control mattresses entering their processing facilities and the flow of recyclable and non-recyclable materials generated through mattress deconstruction. The plan shall at minimum require the following:

- 3.1. Weigh all in-bound mattresses.
- 3.2. Maintain annually calibrated and certified scale to weigh all in-bound and outbound materials on-site or document all out-bound shipments using third party calibrated and certified scales.
- 3.3. Maintain daily records of all receipts of used mattresses, mattress processing, sales or other dispositions of recycled or non-recyclable materials, and inventories.
- 3.4. Provide the MRC records for all parties providing discarded mattresses to Recycler in exchange for a collector incentive, including quantities received from and incentives paid to each party, and link such information to the inventory records required in 3.3.
- 3.5. Provide the MRC a list of all purchasers of recycled materials, and notify the MRC of any changes to that list at least 10 business days in advance (the MRC will treat this information as confidential). Recycler must obtain written approval from MRC for new facilities.

- 3.6. Train employees on how to prepare and maintain all necessary records and other documentation related to the receipt, processing, inventory and disposition of mattress and mattress materials.
- 3.7. Provide certificates of recycling for all material received and processed.

4. Downstream Due Diligence

Each Recycler shall have processes in place to identify, audit and approve all purchasers of recycled materials. The processes shall at a minimum require:

- 4.1. Annual desk audits to verify each purchaser's compliance with all applicable local, state and federal environmental and other requirements, and review of each purchaser's operating permits, environmental compliance permits, business licenses, insurance and certifications.

5. Bed Bug Management

Each Recycler shall implement and maintain a documented plan to identify and mitigate bed bug infestation in the facility and among employees. Components of the plan shall, at minimum, address the following provisions:

- 5.1. Document that all employees attended bed-bug identification and mitigation training.
- 5.2. Post bed bug identification posters in prominent work place location to encourage proactive identification and isolation of contaminated mattresses.
- 5.3. Clearly identify how infested mattresses will be isolated and either decontaminated or disposed.
- 5.4. Track the number and if possible, source of contaminated units.

6. BILL OF LADING

BILL OF LADING

Date: MM/DD/YYYY

Unique BOL #: pre-printed #

Collection Site/ Generator

Name:

Address:

Type of Collection Site: ☐ municipal transfer station ☐ mattress retailer ☐ other _____

Collection Container Type: ☐ 20 ft. sea container ☐ 30 yd. roll-off ☐ 40 yd. roll-off

☐ 53 ft. trailer ☐ other: _____

Collection Site Count: Mattress Units: _____ Box Spring Units: _____

I hereby certify that to the best of my knowledge, the above information is accurate, and all of the products described in this document were used and discarded in Rhode Island.

Name (print), Title

Signature

Date

Transporter

Company Name:

Address:

Truck #:

Name (print), Title

Signature

Date

Mattress Recycler

Date:

Company Name:

Address:

Recycler Count: Mattress Units: _____ Box Spring Units: _____

Net Weight of all Mattress and Box Spring Units: _____ lbs.

Comments/Count Discrepancies:

I hereby certify that to the best of my knowledge, the above information is accurate, and all of the products described in this document were used and discarded in Rhode Island.

Name (print), Title

Signature

Date

7. CONTRACT TERMS

The MRC proposes to use a written agreement that contains provisions similar to the following for those Recyclers with whom it wishes to enter into a contract.

RECYCLING SERVICES AGREEMENT

1. Parties

This Agreement (the “Agreement”) is made and entered into this ____ day of _____, 2015, by and between the Mattress Recycling Council, Inc. (“MRC”), a Delaware nonstock corporation whose principal place of business is at 501 Wythe Street, Alexandria, VA 22314, and _____ (“RECYCLER”), a _____ corporation whose principal place of business is located at _____ (collectively, “the Parties”).

2. Objectives

The MRC desires to increase the volume of Discarded Mattresses Recycled in Rhode Island pursuant to Rhode Island Chapter 23-90, (collectively, the “Act”).

3. Effective Date

The Effective Date of this Agreement shall be _____ 2015.

4. Term

The term of this Agreement shall commence on the Effective Date hereof and continue until_____, 20__ (the “Initial Term”), unless terminated earlier pursuant to Section 15 of this Agreement. The Agreement will automatically renew for an additional two-year term (the “Renewal Term”), unless either Party notifies the other Party at least four (4) months prior to the expiration of the Initial Term that it does not want to extend the Agreement beyond the Initial Term.

5. Definitions

The following definitions shall apply to the terms used in this Agreement:

- 5.1. “Collection Site” means a physical location designated under the Program to collect Discarded Mattresses. Collection Sites may include participating Covered Entities and Transfer Stations.
- 5.2. “Collector” means a party that collects Mattresses discarded in Rhode Island and provides them to a Recycler. A Collector may qualify for an Incentive.
- 5.3. “Consumer” means an individual residing in the state of Rhode Island that has used a Mattress in a Rhode Island residence. A Consumer may qualify as a Collector.
- 5.4. “Covered Entity” means any political subdivision of Rhode Island, Mattress Retailer, permitted transfer station, waste-to-energy facility, health care facility, educational facility, correctional facility, military base or commercial or nonprofit lodging establishment that possesses a Discarded Mattress that was discarded in Rhode Island. “Covered Entity” does not include any renovator, refurbisher or any person who only transports a Discarded Mattress.
- 5.5. “Discarded Mattress” means any Mattress that was used in Rhode Island and a Covered Entity has discarded, intends to discard or has abandoned in Rhode Island.
- 5.6. “Energy Recovery” means the process by which all or a portion of solid waste materials are processed or combusted in order to utilize the heat content or other forms of energy derived from such solid waste materials.

- 5.7. “Foundation” means any ticking-covered structure that is used to support a Mattress and that is composed of one or more of the following: A constructed frame, foam or a box spring. “Foundation” does not include any bed frame, futon frame or base made of wood, metal or other material that rests upon the floor and that serves as a brace for a Mattress or futon.
- 5.8. “Incentive” means a monetary amount set by the MRC and that the MRC may authorize a Recycler to pay to designated Collectors that provide Discarded Mattresses to the Recycler in accordance with rules and procedures set by the MRC. The MRC will reimburse the Recycler for Incentives it pays in accordance with the rules and procedures set by the MRC.
- 5.9. “ISPA” means the International Sleep Products Association.
- 5.10. “Mattress” means any resilient material or combination of materials that is enclosed by a ticking, that is used alone or in combination with other products, and that is intended for or promoted for sleeping upon. “Mattress” includes any foundation, and any renovated foundation or renovated mattress. “Mattress” does not include any of the following: (A) An unattached mattress pad, an unattached mattress topper, including any item with resilient filling, with or without ticking, that is intended to be used with or on top of a mattress, (B) a sleeping bag, or pillow, (C) a car bed, (D) juvenile products, including a carriage, basket, dressing table, stroller, playpen, infant carrier, lounge pad, crib bumper, and any pad for such juvenile product, (E) a product that contains liquid or gaseous filled ticking, including any water bed and or any air mattress that does not contain upholstery material between the ticking and the mattress core, and or (F) any upholstered furniture that does not otherwise contain a detachable mattress, including, but not limited, to a fold-out sofa bed or a futon.
- 5.11. “Mattress Recycling Council” or “Council” or “MRC” means the nonprofit organization created by the International Sleep Products Association to design and implement the Mattress Recycling Program.
- 5.12. “Program” means the Mattress Recycling Program created by the MRC to comply with the Act, subject to approval by RIRRC.
- 5.13. “Recycler” means a party under contract with MRC to provide Recycling services. A Recycler must abide by the Recycling Standards, which by this reference is made a part of the Agreement (which may be revised or supplemented from time to time at the MRC’s discretion).
- 5.14. “Recycle” or “Recycling” means, for purposes of qualifying for Recycling Compensation from MRC, the process by which Discarded Mattresses are dismantled and their materials (steel, foam, fiber, fabric, wood, etc.) are sold to scrap dealers and other third parties for use in making new, usable or marketable materials. Pursuant to the Act, Recycling does not include incineration of mattress materials for purposes of Energy Recovery.
- 5.15. “Recycler Compensation” means the money that MRC will pay a Recycler under contract to Recycle Discarded Mattresses.
- 5.16. “Retailer” means any person who sells Mattresses to consumers and other purchasers in Rhode Island or otherwise sells Mattresses for use in Rhode Island.
- 5.17. “RIRRC” means the Rhode Island Resource Recovery Corporation located at 65 Shun Pike Johnston, RI 02919
- 5.18. “Roll-off” is a portable metal container in sizes from 10 to 40 cubic yards used to store and transport Discarded Mattresses.

- 5.19. "State" means the State of Rhode Island.
- 5.20. "Storage Container" is a container used by Collection Sites to hold mattresses discarded by Rhode Island Consumers, and may include weather tight roll-off containers with lid, trailers, sea containers or end dumps of various sizes.
- 5.21. "Transporter" means an entity transporting collected Mattress from collection points to a Recycler.

6. Territory

RECYCLER shall provide services to covered entity located throughout Rhode Island.

7. Performance of Work

- 7.1. On the Effective Date, RECYCLER shall commence providing the services described in the Scope of Work set forth in Exhibit 1 to the Agreement, which is incorporated herein and made a part of the Agreement.
- 7.2. RECYCLER shall comply with Recycling Standards, which is incorporated herein and made a part of the Agreement. Following consultation with RECYCLER, MRC may modify the Recycling Guidelines from time to time, and RECYCLER shall not unreasonably withhold its written consent to such changes.
- 7.3. The parties acknowledge that time is of the essence with respect to RECYCLER's performance under this Agreement, and that MRC makes no representations, warranties or guarantees that any minimum quantity of Mattresses will be available for Recycling at any point under this Agreement.

8. Changes in Scope

Should changes in scope be required, the Parties agree to negotiate in good faith to provide for such changes.

9. Prices

The Pricing Schedule set forth in Exhibit 2 to the Agreement, which is incorporated herein and made a part of the Agreement, sets forth the prices at which RECYCLER shall perform its services.

10. Recordkeeping, Monitoring, Verification and Audit

- 10.1. RECYCLER will keep up-to-date and accurate books, records and supporting documentation regarding the services it provides under this Agreement. RECYCLER will prepare an accurate monthly summary of the total quantity and weight of Mattresses collected and recycled, using the format set forth in Exhibit 3 attached hereto, which by this reference is made a part of the Agreement, and which MRC may revise or alter from time to time in its sole discretion. RECYCLER's books, records, summaries and supporting documentation will use forms that MRC specifies, and that MRC may change from time to time in its sole discretion. RECYCLER will submit the monthly summaries to MRC in support of invoices no later than the sixth working day of the month following the month of service. The summaries may be submitted electronically in a format that MRC specifies.
- 10.2. MRC shall have the right without prior notice to enter and inspect RECYCLER's premises, and to monitor RECYCLER's activities conducted away from its business premises that are related to RECYCLER's performance under this Agreement (including, but not limited to, transport of Mattresses to RECYCLER, shipments of recycled materials to purchasers, etc.) for the purpose of monitoring and verifying RECYCLER's compliance with this Agreement and applicable federal, state, local or other laws. In connection with such activity, RECYCLER agrees to grant MRC full access to its premises and books, records, summaries and supporting documentation upon request. MRC will have the right to review and to copy any of such books, records, summaries and supporting

documentation. RECYCLER agrees to allow MRC (or an independent auditor selected by MRC) access to such books, records, summaries and supporting documentation during normal business hours and to allow interviews of any employees who might reasonably have information related to such records.

- 10.3. RECYCLER will maintain all books, records, summaries and supporting documentation for possible audit for a minimum of four (4) years after final payment, unless a longer period of records retention is necessary until completion of an audit or other action and resolution of all issues which may arise as a result of any litigation, claim, negotiation or audit.
- 10.4. MRC will consult with RECYCLER about any issues or deficiencies identified in such audits or inspections. Such deficiencies may result in the withholding of future payments to RECYCLER and in refunds by RECYCLER to MRC for payments that RECYCLER has previously received.
- 10.5. In conducting such monitoring and verification, however, MRC shall not, and disclaims any ability to, control, supervise, or manage RECYCLER's employees, RECYCLER's activities undertaken pursuant to this Agreement, and the means that RECYCLER uses to perform those activities.

11. Recycling Certification

RECYCLER shall certify each month in writing the percentage by weight of Mattresses Recycled, by completing the Recycling Certificate form set forth in Exhibit 4 to the Agreement, which is incorporated herein and made a part of the Agreement. Such Recycling Certificate shall be attached to the monthly summary described in Section 10.

12. Billing and Payment

- 12.1. RECYCLER shall submit monthly invoices, monthly summaries, and Recycling Certificates to MRC for payment of Recycling services by no later than 30 calendar days following the month of service. For services satisfactorily rendered and documented, and upon MRC's approval of RECYCLER's invoice, MRC agrees to compensate RECYCLER in accordance with the rates specified in the Pricing Schedule set forth in Exhibit 2 for Mattresses Recycled and Transported during the month of service. RECYCLER shall only invoice for Mattresses fully recycled during the invoice period. RECYCLER shall remedy any invoicing or documentation errors or deficiencies identified by MRC within 5 working days of notification.
- 12.2. MRC shall make payment no later than 30 days from the date of MRC's approval of RECYCLER's invoice, provided that payment will only be made if there are sufficient funds available from fees collected on Mattress sales in Rhode Island.

13. Customer Service

RECYCLER shall designate a customer service team that shall be on call for MRC between the hours of 8:00 am and 5:00 pm Eastern Time, Monday through Friday. Each party agrees to adopt reasonable suggestions from the other party for communications procedures. If at any time during the term of this Agreement both parties reasonably agree that there are substantial concerns regarding the compatibility and performance of the team, then a change will be made by RECYCLER.

14. Insurance

- 14.1. Before any work under this Agreement begins, and thereafter on demand, RECYCLER shall provide MRC with a valid, currently dated Certificate of Insurance that is satisfactory to MRC as evidence that RECYCLER is adequately insured by a recognized and responsible insurer authorized to do business in Rhode Island for the period of the Agreement with MRC. Minimum limits shall include:

14.1.1. Commercial General Liability Insurance, of not less than \$1 million per occurrence and \$2 million aggregate ;

14.1.2. Business Automobile, \$ 1,000,000 Combined Single Limit; and

14.1.3. Workers' Compensation Coverage, as required by Rhode Island state law.

14.2. The Certificate of Insurance should name MRC, its directors, officers, employees, agents, assigns as additional insureds for the Commercial General Liability Insurance. Any exclusions or exceptions to the types of claims and amounts which may be collected against a legitimate claim must be clearly delineated, except that no exclusion will be permitted in any event if it conflicts with a coverage expressly required in this Agreement, including by not limited to the indemnity provisions Section 17. RECYCLER's insurer will be required to provide MRC with notification of any cancellation or change in RECYCLER's insurance coverage during the period of the Agreement with MRC. Such notification must be made not less than 60 days' prior to the date said cancellation or change becomes effective.

14.3. In the event the Certificate of Insurance should expire or be cancelled during the term of this Agreement, RECYCLER agrees to provide, at least 60 days prior to said expiration or cancellation, a new Certificate of Insurance evidencing coverage, as provided for herein, for not less than one (1) year or for the remainder of the Agreement, whichever is greater. In the event RECYCLER fails to keep in effect at all times insurance coverage as herein provided, MRC may, in addition to any other remedies it may have, terminate this Agreement upon occurrence of such event.

14.4. MRC reserves the right to consider and accept alternate forms and plans of insurance, or to require additional or more extensive coverage for any individual requirement. The requirement for Workers' Compensation coverage shall not be waived. However, the required limits of property and casualty coverage may be modified if RECYCLER can demonstrate an acceptable alternative method of preventing transferal of insurable risk to MRC, or of eliminating such risk.

14.5. Recycler shall require all third parties that it uses to provide any services under this contract with MRC to comply with the same insurance requirements specified above.

14.6. Compliance by RECYCLER with the foregoing requirements to carry insurance and furnish certificates shall not relieve RECYCLER from liability assumed under the provisions of this Agreement.

15. Termination

15.1. MRC may terminate this Agreement if RECYCLER, in MRC's sole opinion, fails to perform its obligations under this Agreement diligently and in accordance with the time allotted for its obligations. Situations that can give rise to such grounds for termination under this paragraph may include, but are not limited to:

15.1.1. Unresolved deficiencies in RECYCLER's performance identified in the course of an inspection or audit conducted pursuant to Section 10; and

15.1.2. A conflict of interest that materially compromises the ability of RECYCLER to provide services under this Agreement.

15.1.3. RECYCLER fails to perform the services specified within the timeframes allotted in this Agreement.

15.2. Prior to termination under Section 15, the MRC shall give 30 days' written notice identifying the basis of the intent to terminate. After the notice of intent to terminate has been served, both parties will

attempt to reconcile their differences during the 30-day notice period. If after the 30-day notice period the basis of the intent to terminate has not been cured to MRC's satisfaction, MRC may terminate this Agreement by giving written notice and the Agreement shall terminate at the conclusion of 10 calendar days. In the event of termination for this reason, RECYCLER shall be entitled to reasonable compensation for any services rendered prior to the date of termination, subject to damages the MRC may have suffered due to any breach of this Agreement by RECYCLER.

15.3. MRC may terminate this Agreement in whole or in part by 10 days' written notice to RECYCLER if:

15.3.1. Proceedings in bankruptcy are commenced against RECYCLER, RECYCLER is adjudged bankrupt, or a receiver is appointed and qualifies;

15.3.2. RECYCLER becomes insolvent or makes a general assignment for the benefit of creditors;

15.3.3. RECYCLER disregards any applicable federal, state, local, and other laws, ordinances, rules, regulations or orders of any public body having jurisdiction.

15.4. The following circumstances shall be cause for immediate termination of the Agreement by MRC:

15.4.1. Failure to maintain the insurance required by Section 14;

15.4.2. A finding by MRC in its sole opinion that RECYCLER has acted fraudulently or dishonestly in providing services under this Agreement.

15.5. This Agreement is contingent upon MRC's ability to fund the Program through fees collected on Mattress sales in Rhode Island. MRC may terminate this Agreement upon thirty (30) day's written notice if such funding is reduced so as to adversely affect, in MRC's sole opinion, its ability to fulfill its duties under this Agreement.

15.6. This Agreement is contingent upon the existence of a recycling plan submitted by MRC that RIRRC has approved. MRC may terminate this Agreement immediately if in its sole discretion it determines that RIRRC will not approve such a recycling plan; if RIRRC revokes or terminates a Recycling plan that it had previously approved; or if RIRRC approves a Recycling plan, or modifies or amends an existing approved Recycling plan, that in MRC's sole opinion has the effect of impairing the ability of MRC to operate in a manner consistent with this Agreement.

15.7. In the event MRC terminates RECYCLER, MRC is not responsible for any loss or damage to RECYCLER.

15.8. If RECYCLER is sold in whole or in part, or undergoes a change of control, MRC reserves the right to terminate this Agreement pursuant to the terms of Section 23.2.

15.9. RECYCLER may terminate this Agreement upon 30 days' written notice if MRC fails to make timely payment of an approved invoice. If after the 30-day notice period MRC fails to pay the invoice or reach a compromise with RECYCLER, RECYCLER may conclusively terminate this Agreement upon 5 business days' written notice.

16. Uncontrollable Circumstance

16.1. Neither party shall be liable for its failure to perform hereunder, in whole or in part, due to contingencies beyond its reasonable control ("Uncontrollable Circumstance(s)"), including, but not limited to strikes, riots, war, fire, acts of God, injunction, compliance with any applicable federal,

state, local, and other laws, ordinances, rules, regulations or orders of any public body having jurisdiction, whether valid or invalid, whether now existing or hereafter created.

16.2. The parties shall use their best efforts to overcome or remove any Uncontrollable Circumstance and to minimize the effect of such Uncontrollable Circumstance and any costs resulting therefor.

16.3. Each party shall assume the risk of all losses and damages directly incurred by them except as otherwise limited pursuant to the terms of this Agreement, which arise out of an Uncontrollable Circumstance event. Neither party should be entitled to recover from the other revenues lost due to the occurrence of an Uncontrollable Circumstance, provided further, however, that each party is obligated in good faith and to the extent not detrimental to its interests and within any applicable provision of law, to jointly attempt to mitigate the damages, costs and expenses arising out of an Uncontrollable Circumstance event.

16.4. The party asserting that an Uncontrollable Circumstance exists shall, as a condition precedent to the right to claim the benefits of this Section, promptly after becoming aware of such Uncontrollable Circumstance, and in any event, within 15 calendar days from the date on which said party becomes or should have become aware of the occurrence of such Uncontrollable Circumstance, notify the other party of such event. This party shall then, within 15 days of such initial notice, provide a written notice of the effect, if any, on either party's obligations under this Agreement, and available areas of mitigation or saving of the costs associated with such event. Each party shall continue to keep the other party advised with respect to the anticipated impact of such Uncontrollable Circumstance.

17. Indemnification

17.1. RECYCLER, for itself, its successors and assigns, agrees to defend, indemnify, and hold harmless MRC and its affiliate the International Sleep Products Association, and their respective directors, trustees, officers, agents, employees, and invitees ("Indemnified Parties") from and against all claims suits, demands, obligations, losses, damages (including damage to property and injuries to or death of persons, including the MRC's employees, and also including punitive or exemplary damages, and lost profits), liabilities, expenses (including legal fees, expenses of litigation, court costs, and reasonable costs of investigation), and causes of action of every kind whatsoever, whether based in contract, tort, statute, common law, strict liability, administrative law, or otherwise, which are claimed in any way to result from, arise out of, or are connected with RECYCLER's performance of its work, services, operations, actions, or obligations under this Agreement, or RECYCLER's breach of this Agreement.

17.2. In any instance in which MRC claims indemnity under this paragraph, RECYCLER shall have the duty to defend MRC in any litigation or other proceedings arising out of the occurrence from which MRC claims that RECYCLER's indemnity obligation exists, using legal counsel selected by MRC.

18. Content and Liability Disclaimer

18.1. MRC shall not be responsible for any errors or omissions contained in this document, any Request for Proposal or other documents issued or prepared by MRC prior to the execution of this Agreement. MRC provides no warranty, either expressed or implied, regarding the accuracy, reliability, or completeness of those documents.

18.2. FURTHER, MRC DISCLAIMS ALL WARRANTIES WITH REGARD TO THE INFORMATION PROVIDED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT OF PROPRIETARY RIGHTS.

- 18.3. In no event shall MRC be liable for any damages whatsoever, and in particular MRC shall not be liable for special, indirect, consequential, or incidental damages, or damages for lost profits, loss of revenue, or loss of use, arising out of or related to this document or other pre-Agreement documents, or the information contained in them, whether such damages arise in contract, negligence, tort, under statute, in equity, at law or otherwise.

19. Waivers

No waiver by either party of any breach, default, or violation of any term, warranty, representation, agreement, covenant, condition or provision hereof shall constitute a waiver of any subsequent breach, default, or violation of the same or any other term, warranty, representation, agreement, covenant, condition or provision hereof. No waiver of any term, warranty, representation, agreement, covenant, condition or provision hereof shall be effective unless made in writing and signed by the party against which such waiver is sought to be enforced.

20. Applicable Law

This Agreement shall be governed by the laws of the State of Rhode Island and the United States of America, as effective and in force on the date of this Agreement, except as otherwise provided herein.

21. Compliance with Law

- 21.1. RECYCLER must comply, at its sole cost, with all applicable federal, state, local, and other laws, ordinances, rules, regulations or orders of any public body having jurisdiction over RECYCLER's activities while RECYCLER executes its obligations under this Agreement, and be able to provide evidence of the same upon request.
- 21.2. RECYCLER shall be solely responsible for obtaining all necessary permits, approvals, and other authorizations of any kind from the appropriate governing public authorities to perform the Recycling and other duties identified in this Agreement, including any applicable Certificate of Authority to Conduct Business, Registered Agent for Service of Process, current Certificate of Good Standing or comparable document that may be required by public officials in connection with RECYCLER's performance under this Agreement.
- 21.3. Prior to entering into this Agreement, RECYCLER shall have informed itself fully of the legal requirements and conditions relating to applicable labor, workplace safety and wage requirements, licensing, bonding, insurance and other legal obligations relevant to its business, activities, and the services it must provide under this Agreement.

22. Dispute Resolution

- 22.1. Any dispute arising out of or relating to this Agreement shall be subject to resolution in accordance with the terms of this Section, provided, however, that RECYCLER shall continue with its responsibilities under this Agreement during any dispute, unless otherwise directed by MRC.
- 22.2. Negotiation between Executives: The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation between their respective executive officers. If they are unable to reach a mutually acceptable resolution within 30 days after written notice of the dispute, then both parties will subject themselves to the arbitration procedures set forth below, at the request of either party, before seeking any other means of resolving the dispute.
- 22.3. Arbitration: In the event that negotiation between senior executives fails to settle such a dispute, the parties agree that they will proceed to binding arbitration pursuant to the then existing rules of the American Arbitration Association. Any such mediation or arbitration shall take place in the location of the party not seeking mediation or arbitration. Judgment upon the award rendered may be entered in any court having jurisdiction thereof. In the event of arbitration, the non-prevailing party will be responsible to pay all costs of arbitration, the prevailing party's reasonable attorneys' fees, costs and other disbursements, plus reasonable interest on the award.

23. Assignment

- 23.1. This Agreement may not be assigned, novated, or otherwise transferred by operation of law without the agreement of the parties.
- 23.2. If RECYCLER is sold in whole or in part, or undergoes a change of control, MRC reserves the right to negotiate a new agreement with any purchasers of RECYCLER or its assets. For purposes of this Agreement, a “change in control” includes any merger, consolidation, sale of all or substantially all of the assets or sale of a 50 per cent or more of the voting stock of the RECYCLER. RECYCLER must provide at least thirty (30) days’ advance notice of such anticipated sale or change in control. MRC also reserves the right to terminate this Agreement within 90 days of such a sale, and to negotiate a new agreement for Recycling services with the new owners of RECYCLER or its assets or to award a separate contract for such services to another party.
- 23.3. If MRC does not exercise its right to renegotiate or terminate this Agreement in the event that RECYCLER is sold in whole or in part, or undergoes a change of control, then the provisions of this Agreement will be binding upon and inure to RECYCLER’s successors and assigns to the benefit of MRC.

24. Subcontracting

- 24.1. All subcontractors (including subcontracted Transporters) that RECYCLER previously identified in its response to a Request for Proposal issued by MRC prior to this Agreement are considered to be acceptable to MRC, unless otherwise noted. RECYCLER agrees to notify MRC at least 5 business days before it terminates or hires any subcontractors. Any such subcontractor changes will be subject to MRC’s prior written approval. If either MRC or RECYCLER determines that the level of expertise or the services required by this Agreement are beyond that provided by RECYCLER’s existing subcontractors, RECYCLER shall employ at its sole expense additional subcontractors.
- 24.2. Nothing contained in this Agreement or otherwise, shall create any contractual relation between MRC and any of RECYCLER’s subcontractors, and no subcontract shall relieve the RECYCLER of its responsibilities and obligations to MRC under this Agreement. RECYCLER agrees to be as fully responsible to MRC for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the RECYCLER. RECYCLER's obligation to pay its subcontractors is an independent obligation from MRC’s obligation to make payments to RECYCLER. As a result, MRC shall have no obligation to pay or to enforce the payment of any moneys to any of RECYCLER’s subcontractors.
- 24.3. MRC reserves the right to subcontract its duties and rights under this Agreement (including the conduct of audits, inspections and monitoring activity) to third parties. RECYCLER agrees that such subcontractors to MRC shall have the same rights and responsibilities as MRC, unless otherwise noted.
- 24.4. All subcontracted transporters must comply with the insurance provisions of Section 14.

25. Purchasers of Recycled Materials

MRC reserves the right to approve or disapprove of any processors, brokers or end markets for materials that RECYCLER uses for materials Recycled from Mattresses that qualify for Recycler Compensation, which approval shall not be unreasonably withheld.

26. Representations and Warranties

- 26.1. RECYCLER represents and warrants that it is under no legal or contractual other limitations or obligations that would limit or compromise its ability to perform the services required hereunder in any way.

26.2. RECYCLER represents and warrants to MRC that it is not party to any written or oral agreement with any third party that would restrict its ability to enter into any provision in this Agreement (including the Confidentiality requirements in Section 31), or to perform RECYCLER's obligations hereunder.

26.3. RECYCLER represents and warrants that it has the ability to perform in the role of Recycler to a high standard and agrees to perform the duties to the best of its ability and to the satisfaction of MRC.

27. Conflict of Interest

27.1. RECYCLER affirms that, to the best of its knowledge, RECYCLER's involvement in this Agreement does not result in a conflict of interest or potential conflict of interest with any party or entity which may be affected by the terms of this Agreement. RECYCLER agrees that, should any conflict or potential conflict of interest become known to RECYCLER, RECYCLER will immediately notify MRC of the conflict or potential conflict, specifying the part of this Agreement giving rise to the conflict or potential conflict, and will advise MRC whether RECYCLER will or will not resign from the conflicting engagement.

27.2. MRC reserves the right to terminate or negotiate changes to this Agreement if it determines in its sole discretion that a conflict of interest materially compromises the ability of RECYCLER to provide services under this Agreement.

28. Ownership of Reports, Data and Intellectual Property

28.1. Any and all reports, books, records, summaries and supporting documentation that RECYCLER has given to or prepared for MRC shall be the property of MRC.

28.2. RECYCLER shall assign to MRC any and all rights, title and interests to any copyrightable material or trademarkable material created or developed in whole or in any part as a result of this Agreement, including the right to register for copyright or trademark of such materials. RECYCLER shall require that its subcontractors agree that all such materials shall be the property of MRC. Such title will include exclusive copyrights and trademarks in the name of MRC. MRC may, at its sole discretion, give written consent to RECYCLER to retain all or any part of the ownership of these rights.

29. Notices

Unless otherwise provided herein, all notices required to be given pursuant to this Agreement shall be in writing and shall be delivered in person or sent by facsimile, email, overnight courier for next business day delivery or certified mail, return receipt requested and postage paid to the intended recipient at the address set forth below

MRC:

Mattress Recycling Council
501 Wythe Street
Alexandria, VA 22314
Attn: _____

RECYCLER:

Attn: _____

Any notice delivered or sent as provided above shall be deemed to have been properly made on the same day it is hand delivered (even if such delivery is refused) or sent by email, on the first business day after delivery to an overnight courier service with instructions for delivery on the next business day, or the third business day after being deposited in the U.S. mail. Either party to this Agreement may change its address for notices hereunder by providing notice of such change to the other party in the manner set forth above.

30. Relationship as Independent Contractor

30.1. RECYCLER's relationship with MRC under this Agreement shall be that of independent contractor. Nothing in this Agreement shall be construed to designate RECYCLER, or any of its employees or subcontractors, as employees, agents, joint ventures or partners of the MRC.

30.2. RECYCLER shall have exclusive responsibility for:

30.2.1.1. Making day-to-day and critical decisions regarding the Collection, Transportation, Recycling, and/or disposal of Mattresses and Mattress components under this Agreement and the undertaking, management, and supervision of those activities, and

30.2.1.2. Achieving compliance with all applicable federal, state, local or other laws and regulations.

30.3. RECYCLER will have exclusive control over expenditures of funds it is paid under this Agreement for its Recycling services, except that RECYCLER is required to act as custodian for all Incentives (if any) that it receives from MRC that are to be paid in full in accordance with MRC's instructions to qualified Collectors.

31. Confidentiality

RECYCLER and MRC understand that each party may come into possession of information and/or data which may be deemed confidential or proprietary by the person or organization furnishing the information or data, including but not limited to MRC and RECYCLER. Each party will mark as confidential or proprietary, or request in writing that such information and or data will be treated as proprietary, when it provides such information and/or data to the other party. The parties shall hold in confidence and not disclose to any person or entity other business or technical information disclosed to or acquired by them in the course of performing or obtaining services hereunder. The obligations of confidentiality do not apply, however, to information which: (a) is or becomes part of the public domain outside of disclosure by either party; (b) is lawfully in the possession of the other party at the time it was acquired hereunder; or (c) is required to be publicly disclosed under law. The parties recognize that such information or data may be subject to disclosure by operation of applicable federal, state, local, and other laws, ordinances, rules, regulations or orders of any public body having jurisdiction.

32. Non-Solicitation of Employees

During the term of this Agreement and for two (2) years thereafter, RECYCLER shall not solicit current or former employees of MRC or its affiliate, the International Sleep Products Association.

33. Entire Agreement

This Agreement, together with all exhibits and schedules now and hereafter made a part hereof, whether attached or established in accordance with this Agreement, shall constitute the entire Agreement between the parties hereto when signed by a duly authorized representative of each of the parties and supersedes any prior oral or written agreements, negotiations or representations of the parties. This Agreement may be executed in several counterparts and constitutes the entire agreement for the service described.

34. Modifications

This Agreement, including the exhibits and schedules made a part of this Agreement, may not be amended or altered in any manner unless such amendment or alteration is in writing and signed by a duly authorized representative on behalf of both parties to this Agreement.

35. Severability

The provisions of this Agreement shall be severable, and if any clause, sentence, paragraph, provision or other part hereof shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder hereof, which remainder shall continue in full force and effect.

36. Captions

The captions herein are for convenience only and are not to be construed as a part of this Agreement, nor shall the same be construed as defining or limiting in any way the scope or intent of the provisions hereof.

MRC and RECYCLER, through their undersigned authorized representatives, have executed two (2) copies hereof on the dates set forth below their respective signatures.

MRC

By: _____

Title: _____

Date: _____

RECYCLER

Company Name: _____

By: _____

Title: _____

Date: _____

Exhibit 1
Scope of Work

RECYCLER shall provide the following services under the Agreement:

1. General Requirements:

- Timely performance of all services required by this Agreement is essential.
- All Mattresses placed in Collection Containers shall become the responsibility and property of RECYCLER upon (1) the pick-up of such products from a Covered Entity and (2) RECYCLER's written acceptance of a Bill of Lading. The Transporter shall provide the Bill of Lading to the RECYCLER in a format that conforms to the Model Bill of Lading.
- RECYCLER shall take every precaution to protect all public and private property during the performance of the scope of work.
- Any damage to property caused by RECYCLER's personnel or equipment (including that of its subcontractors) shall be promptly repaired to the condition existing before the damage or be replaced. All costs for such repairs or replacements shall be solely the responsibility of RECYCLER or its subcontractors.
- Insofar as possible, RECYCLER, in the carrying out of its work, must employ such methods or means as will not cause any interruption of or interference with the work of any other RECYCLER.

2. Provide Storage Containers to Participating Covered Entities:

- RECYCLER or its subcontractors will provide at its Storage Containers to participating transfer stations pursuant to terms and schedule mutually agreed upon by MRC and RECYCLER in accordance with the requirements of the Act. MRC will reimburse RECYCLER for Storage Container rental or lease fees that RECYCLER incurs in order to service this Agreement at rates listed in Exhibit 2.
- RECYCLER, including its subcontractors, shall keep all Storage Containers and other equipment used in the performance of this Agreement in good working order and in a clean, sanitary and attractive condition, and as free from offensive odors as possible. Equipment is subject to periodic inspection by MRC.
- RECYCLER shall respond to MRC or Covered Entity service-related inquiries within 2 working days of receipt.
- All Storage Containers and other equipment used by RECYCLER, including that of its subcontractors, shall be marked and properly identified in a method mutually acceptable to MRC and RECYCLER.
- RECYCLER shall post appropriate notices on Storage Containers stating that such containers are only for temporary storage of only Mattresses discarded in Rhode Island by Consumers or entities that used the products immediately prior to discard in Rhode Island, and that products other than Mattresses may not be placed in such containers.

3. Pick-Up and Transport of Discarded Mattresses:

- RECYCLER will pick-up and transport collected Mattresses from participating transfer stations to RECYCLER's premises pursuant to a schedule mutually agreed upon by MRC and RECYCLER in accordance with the Act.

- If scheduled transport service cannot be made due to equipment failure, illness, weather, or other unforeseeable delay, the RECYCLER will notify MRC and the affected Covered Entity immediately.

4. Recycling:

- RECYCLER shall use its best efforts to Recycle as much (by weight) of the Mattresses as possible to minimize the quantity of material placed in landfills or incinerators and to maximize the quantity of material sold in appropriate markets for use in making new materials or products. At minimum, RECYCLER shall Recycle at least 85% by weight of the Mattresses it processes. RECYCLER's failure to meet this requirement may be grounds for termination.
- If RECYCLER must dispose of any materials as unrecyclable waste, RECYCLER will report to MRC the weight and disposition (landfill or incineration) of materials landfilled or incinerated, and the reason for the landfilling or incineration.
- RECYCLER shall bear all costs associated with such disposal.
- RECYCLER shall receive compensation for Recycling only Mattresses that are both used and discarded in Rhode Island.
- RECYCLER is eligible for compensation under this Agreement for transporting and recycling Mattresses.
- Mattresses that RECYCLER deems entirely unacceptable for Recycling shall be documented as such (including the reason(s) the product was deemed unacceptable), and disposed of as unrecyclable waste in a documented manner. RECYCLER shall be entitled to compensation for mattresses disposed of in this manner, provided they do not exceed 5% of all mattresses that the RECYCLER Recycles.

5. Preparation and Sale of Recycled Materials:

- RECYCLER will be responsible for selling the Recycled materials to scrap dealers or other parties that will process them into new materials and products. Unless otherwise agreed to with MRC, RECYCLER shall be entitled to receive all revenue it earns from the sale of the Recycled materials.
- RECYCLER will be responsible for related scrap preparation.

6. Payment of Incentive:

- RECYCLER will be responsible for paying Incentives (if any) (for which it will receive reimbursement from MRC upon providing appropriate documentation) to qualified Collectors, in accordance with written instructions from MRC.
- Such reimbursements for Incentives will be only for the amount of the Incentives (if any) actually paid to qualified Collectors. RECYCLER shall receive no additional compensation or payment for paying any such Incentives.

7. Administrative and Support Function:

- RECYCLER shall maintain a contact available by phone with continuous supervision for accepting complaints and customer calls. The contact shall be in service during the hours of ____ a.m. until ____ p.m. Monday through Friday.
- RECYCLER must provide timely responses to MRC requests for data on customer complaints, including frequency and nature of complaints.

- RECYCLER will assign a customer service representative who will be the primary contact for service issues related to this Agreement.

8. Recordkeeping and MRC Inspection and Audit:

- RECYCLER shall keep up-to-date and accurate records of the number and type of Storage Containers located at each transfer station. RECYCLER shall record acquisition, Recycling, sale and disposition activities daily.
- RECYCLER shall keep up-to-date and accurate records regarding:
 - Quantity, weight and type of Mattresses (foundation or mattress) received from Covered Entities and other Collectors, and associated Bills of Lading provided by such parties in a format that conforms to the Model Bill of Lading
 - Quantity, weight and type (foundation or mattress) of Mattresses Recycled
 - Weight and type of Recycled material collected from the Recycling process and sold to third parties for use in making new materials or products
 - Weight and type of material designated as unrecyclable, the reason for such designation and the method used for disposing of such material
 - Quantity, weight and type of Mattresses (foundation or mattress) diverted off-site for other end uses (no compensation from MRC)
- As supporting documentation for these types of data, RECYCLER shall maintain:
 - A log of in-bound mattress weights for loads received by the processing operation. These weigh tickets shall include a unique identification number, date, gross, tare and net weight. Copies of weigh tickets or a summary list of loads is acceptable.
 - Records documenting the payment of Incentives (if any) to qualified Collectors.
- RECYCLER shall monthly certify in writing the percentage by weight of the Mattresses Recycled, by completing the Recycling Certificate form set forth in Exhibit 4 attached hereto, which by this reference is made a part of the Agreement, and which MRC may revise or alter from time to time in its sole discretion.
- RECYCLER will, upon immediate request, give MRC access to any Storage Container or part of its premises.
- RECYCLER will prepare an accurate monthly summary of the total unit quantity, weight, and type (foundation or mattress) of Mattresses collected and Recycled, using the format set forth in Exhibit 3 attached hereto, which by this reference is made a part of the Agreement, and which MRC may revise or alter from time to time in its sole discretion.

Exhibit 2: Pricing Schedule
(insert as applicable)

Exhibit 3: Monthly Summary Form

MRC Monthly Recycling Summary

Company Name:

Month & Year:

Stat Data: Collector Source			
	MunTranSta	Qty	
		Wt (lbs)	
	Retailers	Qty	
		Wt (lbs)	
	Other	Qty	
		Wt (lbs)	
Mattresses & Foundations Acquired			
	Mattresses		
	Coll Incent		
	Mattresses	Qty	
		Wt (lbs)	
	Foundations	Qty	
		Wt (lbs)	
	Other		
	Mattresses	Qty	
		Wt (lbs)	
	Foundations	Qty	
Wt (lbs)			
Mattresses & Foundations Recycled			
Mattresses		Qty	
Foundations		Qty	
Mattresses & Foundations Transferred But Not Recycled			
Mattresses		Qty	
Foundations		Qty	
Materials Generated from Recycling			

	Steel	Wt (lbs)	
	Foam	Wt (lbs)	
	Fabric & Fiber	Wt (lbs)	
	Wood	Wt (lbs)	
	Other Material	Wt (lbs)	
Waste Material		Wt (lbs)	
Materials Sold or Disposed of			
Sales			
	Steel	Wt (lbs)	
	Foam	Wt (lbs)	
	Fabric & Fiber	Wt (lbs)	
	Wood	Wt (lbs)	
	Other Material	Wt (lbs)	
Waste Material			
	Landfill	Wt (lbs)	
	Incineration	Wt (lbs)	
Units Qualifying for Recycling Compensation			
Units Qualifying for Collector Incentive			
% of Material Recycled			

Exhibit 4

CERTIFICATE OF RECYCLING

To: Mattress Recycling Council

From: [Name of Recycler]

Date:

[Name of Recycler] hereby certifies to the Mattress Recycling Council that:

1. The quantities and weights of Mattresses and Foundations listed on the MRC Monthly Recycling Summary attached hereto were recycled in strict compliance with the requirements of Recycler's contract with the Mattress Recycling Council and all applicable federal, state and local regulations, and
2. The data reported on the attached MRC Monthly Recycling Summary are based on this company's internal books records and are to the best of my knowledge accurate.

Authorized Signature

Print Name

Title

Date