



Mattress Recycling Council Participant Agreement

This agreement (the "Agreement") is entered into on the day that the Participant completed the online registration.

Between:

Mattress Recycling Council, Inc. ("MRC")
A Delaware nonprofit corporation having its headquarters at:
501 Wythe Street
Alexandria, VA 22314

And:

The "Participant" (details as provided through the MRC online registration system)

Collectively referred to as the "Parties"

Whereas:

- a. Various states have enacted used mattress recycling laws (the State or States), including, but not limited to:
 - i. [California](#)
 - ii. [Connecticut](#)
 - iii. [Rhode Island](#)
 - iv. [Oregon](#)
- b. Each state's law requires an industry-led nonprofit organization to propose to the state a plan to establish a mattress recycling program (the "Program"). That organization will then implement and administer the program, once approved by the state. The program may be modified or amended from time to time in accordance with state laws.
- c. The Mattress Recycling Council, Inc. is a nonprofit corporation formed by the International Sleep Products Association (ISPA) to establish, implement and administer the program in each of the states.



- d. State law requires certain entities to participate in the program if they sell mattresses and/or foundations to consumers in one or more states.
- e. Therefore, in order to comply with the applicable state law(s), the Participant desires to participate in one or more of the programs administered by MRC and accordingly agrees to be registered with MRC. In consideration of the mutual promises contained in this agreement and other good and valuable consideration, the receipt of which is hereby acknowledged by each party hereto, the Participant agrees to comply with the terms and conditions set out in this agreement.

Definitions

Distributor: A person or entity that has a contractual relationship with one or more Manufacturers to market and Sell Mattresses to Retailers.

End User: A person (also referred to as a consumer) or entity (including but not limited to a hotel, dormitory, etc.) that is the ultimate purchaser of Included Products.

Foundation (including box spring): A ticking or fabric-covered structure used to support a mattress or sleep surface and may be comprised of a frame, foam, springs or other structure, or other materials, used alone or in combination, regardless of whether the product is stationary or adjustable. This includes new, used and renovated products.

Futon: Futons have been added to California’s definition of “Mattress,” (as of January 1, 2020). For these purposes, a futon must meet the general definition of a Mattress which the law defines as “a resilient material or combination of materials that is enclosed by a ticking, is used alone or in combination with other products, and is intended for or promoted for sleeping upon.” The Fee and recycling obligations apply only to the futon mattress. They do not apply to the futon frame or base. These changes only affect MRC program participants in California. Futons are not included in MRC’s Connecticut, Rhode Island or Oregon programs.

Included Products: Products included in the mattress recycling Program under the mattress recycling law of that state. These products are subject to the Recycling Fee and are admissible for recycling through MRC’s network. Click here to see a list of [Included Products](#).

Manufacturer: A person or entity who manufactures or imports a Mattress or Foundation and who Sells or offers for sale or distribution a Mattress or Foundation in the state.

Mattress: Any sleep surface covered with ticking or fabric that contains resilient material, such as steel innersprings, foam, fiber, or other filling or upholstery materials, used alone or in combination, regardless of size or shape, except for those products listed on the excluded products list. This includes new, used and renovated products.



Participant: A person or entity that is registered with MRC as: a) a Manufacturer, b) a Retailer or c) Distributor.

Program: A mattress recycling plan approved by a state.

Records: The documentation required to confirm the quantities of units sold during a given month and to calculate the fees to be remitted (e.g., sales invoices, statements, bills of lading and other financial documentation).

Recycling Fee(s) : An amount set by MRC that must be collected on each [Included Product](#) sold to an End User in one or more of the states that have enacted mattress recycling laws (currently California, Connecticut, Rhode Island or Oregon).

Remitter: A party that is required by state law to collect Mattress Recycling Fees (or their equivalent) and remit those fees to MRC.

Renovator: A person or entity that alters a used Mattress or Foundation for later resale by replacing the outer cover or filling, adding filling, rebuilding the used Mattress or Foundation, or replacing components with new or post-consumer components. This does not include stripping a Mattress or Foundation of its ticking without adding new material, sterilizing or sanitizing the used materials, or altering a Mattress or Foundation for a party that will retain the product for lease, rental or personal use (and not for resale).

Reporting Period: A calendar month.

Retailer: A person or entity that Sells or offers for sale [Included Products](#) to an End User through any means, including, but not limited to, through a physical store, or by remote offering, including sales outlets or catalogs, electronically through the Internet, by telephone, via a television sales channel, or through the mail.

Sell: The transfer of title of a product (by a Manufacturer, Renovator or a Retailer) for consumption by an End User, including but not limited to: through a physical store, by remote offering including sales outlets or catalogs, electronically through the Internet, by telephone, via a television sales channel, or through the mail.

Unit: A Mattress or Foundation. (Effective Jan. 1, 2020, Futons are included in the definition of Mattresses in California only.)

URN: The Uniform Registry Number (URN) is a number that is issued by individual states to Manufacturers. The URN allows states to track mattresses to a specific manufacturing plant and enable cross-state sales of mattresses. It is typically found in the Registration Number field on the bedding law



label.

The number should follow this format:

- The “Prefix” is a two-letter abbreviation of the state that the number is issued in.
- The “Middle” is the record identity number assigned by the state and allows it to “manage” the URN.
- The “Suffix” is a two-letter abbreviation of the state or the country in which the physical manufacturing plant is located in.
 - Example - VA 12345 (CA)

1. Registration with MRC

- 1.1 Participant elects to register with MRC by utilizing MRC’s online registration portal and providing the required information.
- 1.2 Participant assumes responsibility for updating the information it provides through MRC’s online registration portal (such as contact information, contact person, store locations, etc.) if it changes or learns that information previously provided is incomplete, erroneous or no longer accurate.
- 1.3 MRC may be required by applicable state law or upon request from state authorities to provide information regarding a registrant’s name, address, brand(s), contact information, store locations and uniform registry number (URN) to state government agencies to confirm that a given party is complying with applicable state law. Those agencies may have authority to release some or all such information to the public.

2. Recycling Fees and Reporting

- 2.1 According to each state’s law, a Retailer must display the Recycling Fee as a separate line item on the invoice or receipt provided with regard to the sale of each included Unit to an End User.
- 2.2 Pursuant to state law, MRC sets (and, if necessary, modifies) the amount of the Recycling Fee, subject to approval by the state.
- 2.3 For each state in which a Retailer Sells Units, the Retailer agrees to submit to MRC (or MRC’s designee) the net quantity of Units that it sold in each state during a specified Reporting Period using the method and format specified by MRC.
- 2.4 No later than the thirtieth (30th) day following the close of a Reporting Period, the Retailer will remit to MRC, using a process specified by MRC, total Recycling Fees equal to the per-Unit Recycling Fee multiplied by the net number of Units sold during the Reporting Period.
- 2.5 Any overdue Recycling Fees, penalties and interest owed by the Retailer to MRC that are not paid



within thirty (30) days of written notice by MRC to the Retailer in respect of the default in payment shall be treated as a debt owed to MRC. MRC may pursue any and all rights and remedies available to it under contract or at law, including monetary penalties, and report Retailers in non-compliance to the state for enforcement actions.

3. Recordkeeping Requirements

3.1 Participant agrees:

- 3.1.1 To maintain Records of all Units sold in each state to End Users in a manner that will allow MRC (or MRC's designee) to confirm the net quantities of Units sold during a given Reporting Period and the amount of Recycling Fees to be remitted to MRC on such sales.
- 3.1.2 To allow MRC (or MRC's designee) to access and inspect all Records to verify that Recycling Fees were accurately collected and remitted to MRC.
- 3.1.3 For each Reporting Period, to maintain Records for all Unit sales for a period of at least four years following such sales.

4. Program Authority and Rules

- 4.1 Participant acknowledges MRC's authority to establish Program policies and procedures for administering and enforcing the Program and agrees to be bound by all policies and procedures established by MRC.
- 4.2 Participant acknowledges that MRC may, in its sole discretion, modify the policies and procedures or the provisions of this agreement from time to time.

5. Breach of this Agreement

5.1 Retailer acknowledges and agrees that it is in breach of this agreement if it does not:

- Comply with the Terms and Conditions of this agreement,
- Maintain a valid and accurate registration with MRC,
- Maintain the required Records,
- Submit reporting in a timely manner, or
- Remit Recycling Fees when due.

5.2 Upon MRC's notification to the Retailer that it has breached this agreement, the Retailer will have thirty (30) days to cure all problems identified by MRC. Interest on outstanding Recycling Fees will continue to accrue during this period.

5.3 Failure to timely cure such problems shall not excuse or otherwise affect the Retailer's continuing



obligation under state law to collect and remit Recycling Fees to MRC on Units that the Retailer Sells to consumers in one or more states, to submit timely reporting to MRC in connection with such sales, or to comply with any other obligations under applicable state law.

- 5.4 Retailer acknowledges and agrees that should it fail to cure problems identified by MRC in a timely manner, MRC may report such breach to the appropriate state authorities for further administrative and other action. Any fees and penalties imposed by a state in such actions are separate and apart from all debt owed to MRC and are not applied towards the satisfaction of the Retailer's debt owed to MRC.
- 5.5 Retailer releases MRC from any and all liability including, without limitation, liability for any costs, expenses, fines, penalties, assessments, judgments, lost profits, injury to property or reputation, or other damages of any kind, resulting from any action taken by any governmental agency against the Participant in connection with one or more of the Programs.

6. Term and Termination of Agreement

- 6.1 This agreement is in force for as long as MRC administers the Program(s) and as long as the Participant Sells or offers for sale Units in one or more states. Participant may terminate this agreement upon ninety (90) days written notice that it no longer Sells or offers for sale Units in any of the Program states.
- 6.2 This agreement will terminate automatically with respect to a specific state if that state's mattress recycling law is no longer in effect.
- 6.3 Termination of this agreement shall not excuse or otherwise affect the Participant's obligation under state law to collect and remit Recycling Fees to MRC on Units that the Participant Sells to End Users in one or more states, to submit reporting to MRC in connection with such sales, to remit to MRC any Recycling Fees or other money that the Participant owes to MRC as of the effective date of termination, or to comply with any other obligations under applicable state law up to the effective date of termination.
- 6.4 In the event of termination of this agreement, for whatever reason, MRC shall immediately notify the appropriate state authorities of such termination.

7. Compliance Review by MRC

- 7.1 Retailer agrees that MRC, at its discretion, may from time to time conduct a compliance review of the Retailer's Records with respect to the sale, purchase, distribution and importation of Units to verify the accuracy of Retailer's Recycling Fee remittances to MRC.
- 7.2 In the event of a compliance review, the Retailer shall make available to MRC any and all Records relating to the sale, purchase, distribution and importation of Units and Recycling Fee remittances



to MRC and shall provide any information requested by MRC with respect to transactions relating to such Units.

- 7.3 If, as a result of a compliance review, MRC concludes that Retailer has under-remitted Recycling Fees to MRC, the terms of the MRC Fee Policy shall apply to the Retailer's payment of the under-remitted amount, as well as any applicable interest, review costs and other penalties.

8. Trademarks, Service Marks and Trade Names

- 8.1 MRC and the Participant each acknowledge and agree that all trade names, service marks and trademarks of the other party are and will remain proprietary and that nothing in this agreement constitutes the grant of a general license to the other party to use said trade names, service marks and trademarks except as expressly agreed to in writing.

9. No Agency Relationship

- 9.1 The Parties acknowledge and agree that the relationship arising from this agreement does not constitute or create a general agency, joint venture, partnership, employee relationship or franchise between MRC and the Participant of any kind.

10. Choice of Law and Disputes

- 10.1 This agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard to its conflicts of laws rules.
- 10.2 The Parties agree that the federal or state courts in the Commonwealth of Virginia shall have exclusive jurisdiction over any disputes arising under this agreement.
- 10.3 If MRC prevails in any suit, action or counterclaim to collect or recover any fees or other amounts of money that the Participant owes or must remit to MRC under either this agreement or one or more of the state law(s), the Participant will pay all expenses incurred by MRC in such suit, action or counterclaim including but not limited to reasonable attorney's fees, expert witness' fees, court costs and expenses, as well as any costs incurred prior to commencement of legal action, including but not limited to the cost of any services of a collection agency or attorney to assist in the collection of such money.
- 10.4 The Parties further agree that in any other suit, action or counterclaim that arises in any way relating to or arising out of this agreement, the non-prevailing party in such suit or action shall pay to the prevailing party an award of its reasonable attorney's fees and costs, plus pre- and post-judgment interest.

11. Notice

- 11.1 All notices or other communications required or permitted under this agreement shall be in



writing and shall be delivered in person, by prepaid courier service or by email to the addresses as follows:

To: Mattress Recycling Council, Inc.
501 Wythe Street
Alexandria, VA 22314
Telephone: 1-855-229-1691 or 1-888-646-6815
Email: support@mrc-us.org

To the Participant at:
(Contact details provided via the online registration system)

- 11.2 If personally delivered or delivered via pre-paid courier, notices will be deemed to have been given and received on the date of actual delivery and if by e-mail, notices will be deemed to have been given and received on the date sent if sent during normal business hours on a business day and otherwise on the next business day.
- 11.3 Either party may at any time and from time to time notify the other party of contact information including but not limited to change of address, phone number or email address, to which all notices will be given to it thereafter until further notice.

12. General Provisions

- 12.1 MRC may in its discretion assign its rights and obligations under this agreement without the consent of the Participant to any entity responsible for administering the Program or another stewardship plan approved by a state for included Units.
- 12.2 Entire Agreement. This agreement contains the entire agreement between the Parties regarding the matters herein contained and supersedes any prior agreements or understandings between the Parties, whether oral or written.
- 12.3 Enurement. This agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns.
- 12.4 Waiver. Any waiver by a party or any failure on a party's part to exercise any of its rights in respect to this agreement shall be limited to the particular instance and shall not extend to any other instance or matter in the agreement or in any way otherwise affect the rights or remedies of such party.

IN WITNESS WHEREOF the Parties hereto have executed this agreement as of the day and year first above written.



Mattress Recycling Council, Inc. (MRC)

MRC agrees to be bound by the terms of this agreement upon the Participant's receipt of an email verifying the Participant's registration.

Participant

The Participant agrees to be bound by the terms of this agreement upon acknowledging acceptance of its terms in the course of completing their registration through MRC's online registration portal.