

MUNICIPAL SOLID WASTE DISPOSAL AND RECYCLING SERVICES AGREEMENT

between

TOWN OF LITCHFIELD, CONNECTICUT

and

USA HAULING & RECYCLING, INC.

Dated as of June _____, 2022

MUNICIPAL SOLID WASTE DISPOSAL AND RECYCLING SERVICES AGREEMENT

THIS MUNICIPAL SOLID WASTE DISPOSAL AND RECYCLING SERVICES AGREEMENT (this "Agreement"), is entered into as of June ____, 2022 (the "Effective Date"), by and between USA HAULING & RECYCLING, INC., a Connecticut corporation ("USA"), and the TOWN OF LITCHFIELD, CONNECTICUT, a municipality and political subdivision of the State of Connecticut (the "Municipality"). USA and the Municipality are each referred to individually herein as a "Party" and together as the "Parties."

WITNESSETH:

WHEREAS, USA operates solid waste facilities in Connecticut;

WHEREAS, the Municipality solicited alternative disposal arrangements, and the Municipality accepted USA's offer on March 21, 2022; and

WHEREAS, the Municipality and USA have agreed to enter into this Agreement pursuant to which, beginning on July 1, 2022 (the "Commencement Date"), the Municipality will deliver, or cause to be delivered, and pay for the disposal of, and USA will accept and dispose of certain Acceptable Solid Waste, and the Municipality will deliver, or cause to be delivered, and pay for the processing of, and USA will accept and process certain Acceptable Recyclables, all in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1. General Provisions.

1.1 Definitions. Unless otherwise defined herein, capitalized terms are used herein with the respective definitions set forth in Section 12.1.

1.2 Delivery and Acceptance Obligations.

(a) Municipality Delivery Obligations. During the Term, and in accordance with the terms of this Agreement, the Municipality will:

(i) Acceptable Solid Waste. Deliver, or cause to be delivered, all Acceptable Solid Waste generated within the boundaries of the Municipality by residential, commercial or industrial generators ("Controlled Acceptable Solid Waste") to a Delivery Point specified by USA; and

(ii) Acceptable Recyclables. Deliver, or cause to be delivered, all Acceptable Recyclables generated within the boundaries of the Municipality by residential generators ("Controlled Acceptable Recyclables") to a Recycling Facility specified by USA.

(b) USA Acceptance Obligations. During the Term, USA will, to the extent permitted by Applicable Law and in accordance with the terms of this Agreement:

(i) Acceptable Solid Waste. Accept and dispose of all Controlled Acceptable Solid Waste delivered to the Delivery Point specified by USA by the Municipality or its Authorized Haulers; and

(ii) Acceptable Recyclables. Accept and process all Controlled Acceptable Recyclables delivered to the Recycling Facility specified by USA by the Municipality or its Authorized Haulers.

(c) USA's Rejection Rights. USA will have the right to reject deliveries of Solid Waste under any of the following circumstances:

(i) Acceptable Solid Waste and Acceptable Recyclables. USA may reject a delivery of Acceptable Solid Waste or Acceptable Recyclables, as the case may be, if (A) such material was not generated within the boundaries of the Municipality; (B) such material was not delivered to the USA-specified Delivery Point, in the case of Acceptable Solid Waste, or a Recycling Facility, in the case of Acceptable Recyclables, in accordance with Applicable Law and this Agreement, including the Hauler's Rules and Regulations; (C) such material is delivered at a time when the Municipality or any of its Authorized Haulers is in breach of its obligations under this Agreement, including the Hauler's Rules and Regulations; or (D) such Acceptable Solid Waste or Acceptable Recyclables are not Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables, as the case may be.

(ii) Rejection due to Force Majeure. Subject to Section 7.1(b), USA has the right to reject Controlled Acceptable Solid Waste and/or Controlled Acceptable Recyclables during an Event of Force Majeure; and

(iii) USA's Discretion. USA has the right to reject any Solid Waste or material delivered by the Municipality or any Authorized Hauler which USA determines, in its sole reasonable discretion, is not Acceptable Solid Waste, or Acceptable Recyclables, as the case may be, subject to Sections 4.2, and 4.3 with respect to Non-Processible Waste.

(d) Transfer of Title. Title to Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables delivered by the Municipality or its Authorized Haulers will pass to USA at the time that USA accepts such Controlled Acceptable Solid Waste, or Controlled Acceptable Recyclables, upon USA's determination that such Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables meet all of the requirements of this Agreement, including the

applicable Hauler's Rules and Regulations. In the event that USA subsequently determines that any Solid Waste or other materials accepted from the Municipality or an Authorized Hauler is not Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables, USA may revoke its acceptance of such Solid Waste or other material and title thereto will revert to the Municipality or the Authorized Hauler. At no time will USA be deemed to have accepted or taken title to Unacceptable Waste or to any other Solid Waste or other material rightfully rejected by USA pursuant to this Agreement, including the applicable Hauler's Rules and Regulations.

(e) Diversions. In addition to any other diversion rights it has under this Agreement, USA may divert one or more deliveries of Acceptable Solid Waste hereunder to a facility other than a Delivery Point, and/or to divert one or more deliveries of Acceptable Recyclables to a facility other than a Recycling Facility, and the Municipality shall deliver or cause to be delivered such diverted Acceptable Solid Waste or Acceptable Recyclables to the USA-designated alternative facility; provided, however, that USA shall give at least seventy two (72) hours' prior written notice to the Municipality of any diversion of any Acceptable Solid Waste or Acceptable Recyclables.

For each delivery that is so diverted and accepted at the USA-designated alternative facility, (i) if such USA-designated alternative facility is greater than thirty five (35) miles from the geographic boundaries of the Municipality, USA shall pay to the Municipality (or apply as a credit against any amounts due from the Municipality to USA hereunder) the Incremental Transportation Cost, if any, for each Ton of Acceptable Solid Waste, or Acceptable Recyclables, as the case may be, diverted and accepted by USA, (ii) the diverted Tons of Acceptable Solid Waste shall be deemed to have been delivered and accepted at the Delivery Point by USA for purposes of this Agreement, including Sections 3.1 and 5.1, and (iii) the diverted Tons of Acceptable Recyclables shall be deemed to have been delivered and accepted at the Recycling Facility by USA for purposes of this Agreement, including Sections 3.2 and 5.1. USA's rights to divert deliveries under this Subsection (e) are in addition to its right under Section 7.1(b) to arrange for the delivery of Acceptable Solid Waste and/or Acceptable Recyclables to another location or facility during an Event of Force Majeure.

1.3 Term. This Agreement is effective as of the Effective Date. The initial term of this Agreement will begin on the Commencement Date and will expire at 11:59 p.m. on June 30, 2027 (the "Initial Term"), unless sooner terminated as provided herein. If no event of default by the Municipality has occurred and is continuing, the Parties have the option to extend the term of this Agreement (a "Renewal Term") upon such terms and conditions as are mutually agreed to by the Parties. The Initial Term and the Renewal Term(s), if any, are referred to herein collectively as the "Term." Upon the expiration of the Term or other permitted termination of this Agreement, the obligations and rights of the Municipality to deliver or cause to deliver Controlled Acceptable Solid Waste to a Delivery Point and Controlled Acceptable Recyclables to a Recycling Facility, and the obligation of USA to accept and dispose of such Controlled Acceptable Solid Waste and to accept and process such Controlled Acceptable Recyclables, will terminate; provided, however, (i) each Party will remain liable to the other with respect to any liability arising prior to such expiration or termination and such liabilities will survive and continue until the same are fully satisfied or waived; and (ii) the indemnification obligations of each Party hereunder, the post-termination insurance obligations under Sections 2.3(d) and 9.3, the confidentiality obligations

under Section 11.11 and any confidentiality agreement executed pursuant to Section 3.3 or Section 11.11(a) and the provisions of Articles 10 and 11, will survive the termination or expiration of this Agreement.

1.4 Reporting. USA will report deliveries of Acceptable Solid Waste and Acceptable Recyclables to the Municipality on a monthly basis to be included with each month's invoices as outlined in Article 5.

ARTICLE 2. Delivery Procedures and Authorized Haulers.

2.1 Delivery Procedures. All deliveries of Controlled Acceptable Solid Waste and Controlled Acceptable Recyclables hereunder will conform to the requirements of this Agreement and the applicable Hauler's Rules and Regulations. The Hauler's Rules and Regulations are applicable generally to customers utilizing the respective Facility and will have reasonable terms and conditions consistent with the operational requirements of such Facility. Upon request, USA will provide to the Municipality a copy of the Hauler's Rules and Regulations for each Delivery Point and each Recycling Facility. USA reserves the right for it and/or the owner or operator of a Delivery Point and Recycling Facility and each other Facility to modify, amend and repeal the applicable Hauler's Rules and Regulations from time to time and at any time and will endeavor to provide at least thirty (30) calendar days' advance written notice to the Municipality and its Authorized Haulers of any material change in the Hauler's Rules and Regulations for a Delivery Point and Recycling Facility or any other Facility utilized pursuant to this Agreement. All deliveries of Acceptable Solid Waste and Acceptable Recyclables shall be between the hours of 7:00 am and 4:00 pm during working days and Saturdays from 7:00 am to 12:00 pm (noon). Holiday week schedules will provide for deliveries between 7:00am and 5:00pm on Saturdays. Holidays observed by USA are as follows: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. USA shall use commercially reasonable efforts so that the turn time for a delivery of Acceptable Solid Waste to the Delivery Point, or for a delivery of Acceptable Recyclables to the Recycling Facility, is less than one (1) hour. Deliveries outside of these hours may be coordinated upon reasonable notice provided to USA.

2.2 Vehicle Identification. USA may establish a system for the identification of delivery vehicles (which procedures may require the identification of the name of the Municipality and the tare weight of each vehicle used to deliver waste to a Delivery Point, a Recycling Facility or any other Facility) and may modify or amend such system from time to time. USA will be allowed to rely on representations made by the individual operators of vehicles owned by or operated on behalf of the Municipality or any Authorized Hauler as to the Person against whose account is to be charged for the material delivered to a Delivery Point, a Recycling Facility or any other Facility. USA may reject Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables delivered by any Person or vehicle that does not comply with the identification system or the applicable Hauler's Rules and Regulations. USA may enforce compliance with identification and delivery procedures by termination or suspension of any Person's delivery privileges and such other means as it may reasonably determine to be necessary or appropriate.

2.3 Authorized Haulers.

(a) Designation of Authorized Haulers. The Municipality may designate one or more Authorized Haulers to deliver Controlled Acceptable Solid Waste to a Delivery Point and/or Controlled Acceptable Recyclables to a Recycling Facility pursuant to this Agreement. Such designation(s) will not relieve the Municipality of any of its duties or responsibilities under this Agreement. The designation by the Municipality of one or more Authorized Haulers will not affect the right of USA to rely on the representations of the Person(s) delivering such materials as to its composition, place of origin, and other relevant characteristics.

(b) Notice of Designation. Prior to the designation or use of any new Authorized Hauler and prior to the termination of an existing Authorized Hauler or the extension of an agreement with an existing Authorized Hauler, the Municipality will deliver written notice to USA of the name, address and other relevant information regarding such Authorized Hauler. Within seven (7) calendar days of receipt of such notice, USA will notify the Municipality whether the proposed Authorized Hauler has delivery privileges at the Delivery Points or Recycling Facilities, as the case may be, or is then subject to revocation or suspension of those privileges for cause (as defined in Subsection (c) below). USA's approval of the Municipality's Authorized Hauler(s) will not be unreasonably withheld, conditioned or delayed. The Municipality will not enter into any agreement or extension of any agreement with any hauler which does not have delivery privileges at the Delivery Points or the Recycling Facilities, as applicable, or whose delivery privileges at the Delivery Points or Recycling Facilities, as applicable, have been terminated or suspended.

(c) USA may terminate or suspend a Person's delivery privileges at the Delivery Points and/or Recycling Facilities for cause. For purposes of this Subsection (c) and Subsection (b) above, the term "cause" includes any act or omission of an Authorized Hauler (including its individual vehicle operators) which (i) involves a material misrepresentation or negligence resulting in harm to persons or property; (ii) constitutes a material, or is part of a persistent and repeated, violation of Applicable Law; or (iii) constitutes a material, or is part of a persistent and repeated, breach of either the Municipality's or the Authorized Hauler's obligations hereunder, including the Hauler's Rules and Regulations (as provided therein), and the insurance requirements described in Subsection (d) below.

(d) Each Authorized Hauler will maintain insurance of the types and with the limits as described in the Hauler's Rules and Regulations or as may otherwise be acceptable to USA. If any of such insurance policies are written on a "claims-made" basis, upon termination or cancellation of such policy, whether during or after the Term, the Authorized Hauler will be responsible for purchasing for the benefit of USA "tail" insurance coverage for acts and omissions occurring while the Authorized Hauler was acting in such capacity. Such tail insurance coverage must remain in place for three (3) years following completion of Authorized Hauler's services. The Authorized Hauler will provide USA with a certificate of insurance issued by the insurance carrier or its agent evidencing that all insurance coverage, including the "tail" insurance required by this subsection, is in effect. Certificates evidencing renewal of expiring policies must be provided as soon as practicable prior to expiration, but no later than five (5) business days prior to the expiration of any policy. Said insurance will name each of USA (and its designees) and the

Municipality as an additional insured on a primary and non-contributory basis, will include a contractual liability endorsement, and, to the extent commercially available, may not be cancelled or amended without the prior express written authorization of USA, and will provide for at least thirty (30) calendar days' prior written notice to USA in the event of expiration, cancellation, non-renewal or any other material change in coverage. From time to time, as reasonably requested by USA and upon each change in the insurance carried by an Authorized Hauler, such Authorized Hauler will provide USA with evidence that the insurance required hereunder is in place. Prior to entering into an agreement with an Authorized Hauler to collect Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables, the Municipality may request that USA approve the insurance coverage requirements set forth in said agreement, which approval will not be unreasonably withheld, conditioned or delayed. Any such approval will be deemed to be effective for the duration of such agreement or one year, whichever period is shorter.

ARTICLE 3. Fees.

3.1 Tip Fees. The Municipality will pay to USA the applicable Tip Fees set forth in Exhibit A attached hereto for: (i) Controlled Acceptable Solid Waste delivered by the Municipality or its Authorized Haulers to a Delivery Point or another Facility and accepted by USA; (ii) Non-Processible Waste delivered by the Municipality or its Authorized Haulers to a Delivery Point, Recycling Facility or another Facility and disposed of by USA as provided in Sections 4.2 and 4.3; and (iii) Controlled Acceptable Solid Waste, the delivery, disposal and/or processing of which is arranged for by USA as provided in Section 7.1(b) (such Tip Fee, in each instance, to be in addition to the payment of all other Disposal Fees payable by the Municipality hereunder).

3.2 Processing Fees. During the Term, the Municipality will pay to USA the Processing Fees set forth in Exhibit B attached hereto for: (i) Controlled Acceptable Recyclables delivered by the Municipality or its Authorized Haulers to, and accepted by USA at, a Recycling Facility or other Facility; and (ii) Controlled Acceptable Recyclables the delivery of which is arranged for by USA as provided in Section 7.1(b) (in each case, such Processing Fee to be in addition to the payment of all other Disposal Fees payable by the Municipality hereunder).

3.3 Inspection of Books and Records. Subject to the terms and conditions set forth in this Section 3.3, USA will cause those USA books and records relating to the quantity of Controlled Acceptable Solid Waste, Controlled Acceptable Recyclables and Non-Processible Waste delivered by the Municipality and its Authorized Haulers and accepted by USA to be available to a representative of the Municipality for inspection upon reasonable notice and during normal business hours. All such inspections by the representatives of the Municipality will be conducted in such manner as not to cause interference with the operation of any Facility and such representatives will comply with all reasonable rules adopted by USA or the owners or operators of the location where such USA books and records are made available, including rules relating to maintaining the safety of those persons present on the site where the books and records are located and rules requiring Persons who will be given access to Confidential Information to enter into a reasonable confidentiality agreement with terms and conditions substantially similar to those set forth in Section 11.11 and other rules relating to the protection of the Confidential Information of USA and its contractors and subcontractors.

3.4 Change-in-Law. In the event that a Change-in-Law occurs which has the effect of imposing or increasing a Tax or assessment on the receipt, acceptance, processing, transfer, transportation, export or disposal of Solid Waste, imposing or increasing a Host Community Municipality Fee at a Delivery Point or Recycling Facility, or imposing a Tax on highway/road use or tolls, the Parties will adjust the Tip Fees and Processing Fees accordingly.

ARTICLE 4. Quality of Solid Waste.

4.1 Acceptable Solid Waste and Acceptable Recyclables. The Municipality agrees that the materials delivered hereunder to a Delivery Point or other Facility as Acceptable Solid Waste will consist of only Controlled Acceptable Solid Waste and will, in each case, otherwise comply with the requirements of this Agreement, the applicable Hauler's Rules and Regulations and Applicable Law. The Municipality further agrees that the materials delivered hereunder to a Recycling Facility or other Facility as Acceptable Recyclables will consist of only Controlled Acceptable Recyclables and will otherwise comply with the requirements of this Agreement, the applicable Hauler's Rules and Regulations and Applicable Law. The Municipality will permit no new deliveries and will discontinue or cause to be discontinued current deliveries of materials that do not comply with the provisions of this Section 4.1. The voluntary retention of waste enforcers by USA or the owner or operator of a Delivery Point, a Recycling Facility or other Facility, or any act or omission on such waste enforcers' part, will not relieve the Municipality of its obligation to deliver or cause to be delivered only Controlled Acceptable Solid Waste to a Delivery Point or other Facility and only Controlled Acceptable Recyclables to a Recycling Facility or other Facility, and to provide or pay for the disposal of material that is other than Controlled Acceptable Solid Waste delivered to a Delivery Point or another Facility or other than Controlled Acceptable Recyclables delivered to a Recycling Facility or another Facility.

4.2 Non-Processible Waste in Acceptable Solid Waste Stream. The Municipality agrees that neither it nor any of its Authorized Haulers will deliver Non-Processible Waste to a Delivery Point or any other Facility. If a delivery of materials is made which contains both Acceptable Solid Waste and Non-Processible Waste, the entire delivery will constitute Non-Processible Waste if the Non-Processible Waste cannot be separated from the Acceptable Solid Waste without unreasonable efforts by or expense to USA as determined by USA in its sole discretion. If Non-Processible Waste is delivered to a Delivery Point, USA, in addition to any other rights and remedies to which USA may have hereunder or under Applicable Law, at its sole option may (i) reject such materials and require the Person who delivered such Non-Processible Waste to reload and dispose of such materials at the sole cost and expense of such Person, or (ii) if USA does not discover such Non-Processible Waste in time to reject and require the reloading such Non-Processible Waste, USA may dispose of such Non-Processible Waste at a location or facility that is authorized to accept such Non-Processible Waste in accordance with all Applicable Law, and the Municipality will pay to USA the then current Tip Fee for Non-Processible Waste in accordance with Exhibit A for each Ton of such Non-Processible Waste plus any other fees, expenses, or costs incurred in handling and disposing of such Non-Processible Waste. None of the foregoing actions by USA will constitute acceptance of such Non-Processible Waste by USA, transfer of the ownership of such Non-Processible Waste to USA, consent by USA to any future deliveries by the Municipality or its Authorized Haulers of Non-Processible Waste, or waiver by

USA of any rights or remedies it may have against the Municipality or its Authorized Haulers because of the delivery of such Non-Processible Waste.

4.3 Non-Processible Waste in Acceptable Recyclables Stream. The Municipality agrees that neither it nor any of its Authorized Haulers will deliver Non-Processible Waste to a Recycling Facility or any other Facility. In the event that a delivery of materials is made which contains both Acceptable Recyclables and Non-Processible Waste, (i) if the delivery is comprised of more than 15% Non-Processible Waste in USA's sole discretion, then the entire delivery will be deemed Non-Processible Waste and disposed of as such; and (ii) if the delivery is comprised of less than or equal to 15% of Non-Processible Waste, then the entire delivery will be deemed Acceptable Recyclables and processed as such. USA may dispose of such Non-Processible Waste at a location or facility that is authorized to accept such Non-Processible Waste in accordance with all Applicable Law, and the Municipality will pay to USA the then current Tip Fee for Non-Processible Waste in accordance with Exhibit A for each Ton of such Non-Processible Waste disposed as such plus any other fees, expenses, or costs incurred in handling and disposing of such Non-Processible Waste. None of the foregoing actions by USA will constitute acceptance of such Non-Processible Waste by USA, transfer of the ownership of such Non-Processible Waste to USA, consent by USA to any future deliveries by the Municipality or its Authorized Haulers of Non-Processible Waste, or waiver by USA of any rights or remedies it may have against the Municipality or its Authorized Haulers because of the delivery of such Non-Processible Waste.

ARTICLE 5. Invoicing and Payments.

5.1 Monthly Payments. After the end of each calendar month, USA will provide an invoice to the Municipality for the total Disposal Fees due from the Municipality hereunder for the preceding month, and the Municipality will pay to USA the amount of such invoice on or before the close of the thirtieth (30th) calendar day following the date of the invoice.

5.2 Interest on Overdue Payments; Collection Charges. If payment in full of the Disposal Fees is not made by the Municipality in accordance with Section 5.1, any amount remaining unpaid as of the payment due date will bear interest at the rate of one percent (1%) per month or the highest rate that may then be lawfully charged and paid pursuant to Conn. Gen. Stat. § 4a-71, whichever is less, from such due date to the actual date of payment. The Municipality agrees to pay on demand all reasonable costs and expenses incurred by USA in connection with the enforcement of the terms of this Agreement and the collection of all amounts due under this Agreement, including reasonable fees and out-of-pocket expenses of USA's legal counsel.

5.3 Disputed Invoices. In the event of a dispute as to any monthly invoice, (i) the Municipality will pay when due the full amount of the invoice, including any amount in dispute, and (ii) the Municipality will give USA, at the time such payment is made, written notice of the dispute. Acceptance by USA of payment of an amount less than the full amount of the invoice will not constitute accord and satisfaction of the amount in dispute and will not prevent the accrual of interest or the payment of collection costs and expenses as provided in Section 5.2 with respect to disputed amounts finally determined to be due to USA. Such notice will identify said dispute with reasonable particularity, state the amount in dispute and set forth a full statement of the grounds which form the basis of such dispute. Upon settlement by the Parties of the dispute, USA

will refund promptly the amount of any overpayment, if any, or the Municipality will promptly pay the outstanding portion of the invoice, if any, plus interest and costs of collection, whichever is applicable.

5.4 Obligation of the Municipality to Make Payments. This Agreement is binding on the Municipality. The Municipality is obligated to pay its obligations under this Agreement, however, if such funds are not so appropriated, either USA or the Municipality may terminate this Agreement as of the first day of the applicable subsequent fiscal year in which such funds were not made available; provided that the Municipality cannot effect such termination for the purpose of replacing USA's services with another contractor's services. The Municipality agrees that its obligation to make any such payments in the amounts and at the times herein specified are absolute and unconditional are not subject to any setoff, abatement, counterclaim, recoupment, defense (other than payment itself) or other right which the Municipality may have against USA or any other Person for any reason whatsoever or any reason, known or unknown, foreseeable or unforeseeable, which might otherwise constitute a legal or equitable defense or discharge of the liabilities of the Municipality or limit recourse against the Municipality. Payment made pursuant to this provision will not prejudice the right of the Municipality to claim abatements, refunds or adjustments to which it is entitled under this Agreement or pursuant to Applicable Law. The Municipality's obligation to make such payments will not be affected by any damage to a Delivery Point, Recycling Facility or another Facility, or any interruption or cessation in the possession, use or operation of the Delivery Point, Recycling Facility or other Facility by USA or any other Person, so long as the Delivery Point, Recycling Facility or other Facility is capable of accepting Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables, as the case may be, delivered by the Municipality or its Authorized Haulers pursuant to this Agreement.

ARTICLE 6. Governmental Regulation.

6.1 Jurisdiction. USA and the Municipality acknowledge that the collection, transportation and disposal of Solid Waste is subject to the jurisdiction of various governmental agencies, including agencies of the United States of America, the State of Connecticut and the states and municipalities in which the Delivery Points, Recycling Facilities, and the other Facilities are located.

6.2 Compliance. USA agrees, at its own expense and subject to the provisions herein relating to Events of Force Majeure, to comply with all Applicable Law applicable to USA in connection with this Agreement and the transactions contemplated hereby, and the Municipality agrees, at its own expense and subject to the provisions herein relating to Events of Force Majeure, to comply with all Applicable Law in connection with this Agreement and the transactions contemplated hereby. Such Applicable Law will include actions taken by a municipality to regulate vehicular traffic in and around a Delivery Point, a Recycling Facility or other Facility and the making of deliveries to a Delivery Point, a Recycling Facility or other Facility.

ARTICLE 7. Events of Force Majeure and Change-in-Law.

7.1 Suspension of Obligations.

(a) Excuse for Event of Force Majeure. A delay or failure of performance hereunder by a Party will not constitute an event of default or result in any liability under this Agreement during an Event of Force Majeure affecting such Party; provided, however, an Event of Force Majeure will not excuse the Municipality's obligation to pay any amounts due for services rendered prior to the Event of Force Majeure. Such delay or failure will be excused at any time such Party is adversely affected by an Event of Force Majeure and during such period thereafter as may be reasonably necessary for the Party so affected, using its reasonable efforts, to correct or mitigate the adverse effects of such Event of Force Majeure. An Event of Force Majeure will not terminate or suspend the Municipality's obligation to make any payments pursuant to this Agreement for materials which have been delivered to a Delivery Point, Recycling Facility or other Facility prior to a suspension for an Event of Force Majeure or its obligations under Section 1.2(a).

(b) Rejection Rights. If USA exercises its right to reject Acceptable Solid Waste and/or Acceptable Recyclables pursuant to Section 1.2(c), USA will notify the Municipality in writing and:

(i) USA will use commercially reasonable efforts to identify and, as agent for the Municipality, arrange for the disposal of such rejected Acceptable Solid Waste and/or Acceptable Recyclables at a location or facility that is authorized to accept such Acceptable Solid Waste and/or Acceptable Recyclables in accordance with all Applicable Law, and USA may charge the Municipality, and the Municipality will pay, the Tip Fee for each Ton of such Acceptable Solid Waste and/or Non-Processible Waste, respectively, and the Processing Fee for each Ton of such Acceptable Recyclables, and, in addition, all commercially reasonable out-of-pocket costs incurred by USA arising from or related to the collection, handling, storage, transportation, processing and disposal of such Acceptable Solid Waste, Acceptable Recyclables, and/or Non-Processible Waste, including the reasonable charges of any affiliate or designee of USA; or

(ii) Notwithstanding the foregoing, the Municipality may in its discretion and with prior written notice to USA, elect and provide for, at the Municipality's expense, alternate arrangements for the disposal and/or processing of Controlled Acceptable Solid Waste and/or Controlled Acceptable Recyclables, respectively, to the extent necessitated by, and for the duration of, the Event of Force Majeure.

(c) Termination Due to Continuing Rejection. If, during an Event of Force Majeure, USA does not accept Controlled Acceptable Solid Waste and Controlled Acceptable Recyclables for a continuous period of fifteen (15) calendar days or more after written notice from the Municipality to USA, the Municipality and USA each has the option to terminate this Agreement upon written notice to the other Party without liability to the other Party except as expressly provided in Section 1.3.

(d) Limitation of Liability. The Parties have no liability or obligation to each other for any costs or expenses incurred as a result of an Event of Force Majeure, except for the Municipality's obligations under Subsection (b)(i) above during any period that it elects to have USA arrange for alternative disposal and its obligations under Section 9.4(a).

7.2 Notice and Efforts to Remove Condition. The Party relying on an Event of Force Majeure as an excuse for a delay or failure of performance hereunder will give the other Party prompt written notice of such Event of Force Majeure and use commercially reasonable efforts to mitigate or remove such Event of Force Majeure as soon as reasonably practicable.

ARTICLE 8. Default and Remedies.

8.1 Events of Default by USA. Each of the following will be an event of default by USA under this Agreement:

(a) Failure to Accept. USA fails to perform its obligations to accept delivery of Controlled Acceptable Solid Waste and Controlled Acceptable Recyclables in accordance with this Agreement and such failure continues for a period of fifteen (15) calendar days after written notice to USA by the Municipality;

(b) Failure to Perform. USA fails to observe and perform any other material term, covenant or agreement contained in this Agreement and such failure continues for, or is not remedied within, a period of sixty (60) calendar days after written notice to USA by the Municipality specifying the nature of such failure and requesting that it be remedied; or

(c) Bankruptcy. USA makes a general assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions or applies to any tribunal for any custodian, receiver or trustee for it or any substantial part of its property, commences any proceeding relating to it under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect, or if there will have been filed any such proceeding, in which an order for relief is entered or which remains undismissed for a period of one hundred twenty (120) calendar days or more or if by any act indicates its consent to, approval of or acquiescence in any such petition, application or proceeding or order for relief or the appointment of any custodian, receiver or any trustee for it or any substantial part of its property or suffers any such custodianship, receivership or trusteeship to continue undismissed for a period of one hundred twenty (120) calendar days or more.

8.2 Events of Default by the Municipality. Each of the following will be an event of default by the Municipality under this Agreement:

(a) Failure to Pay. The Municipality fails to pay any Disposal Fees or any other amounts payable pursuant to this Agreement within thirty (30) calendar days after notice of delinquency from USA;

(b) Failure to Perform. The Municipality or any Authorized Hauler fails to observe and perform any other material term, covenant or agreement contained in this Agreement, including the Hauler's Rules and Regulations, or other agreements or policies to which either the Municipality or its Authorized Haulers are subject in accordance with this Agreement and such failure continues for, or is not remedied within, a period of sixty (60) calendar days after written notice to the Municipality specifying the nature of such failure and requesting that it be remedied; or

(c) Bankruptcy. The Municipality makes a general assignment for the benefit of creditors, files a petition in bankruptcy or makes a request to the Governor of the State of Connecticut to file such a petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions or applies to any tribunal for any custodian, receiver or trustee for it or any substantial part of its property, commences any proceeding relating to it under any bankruptcy, receivership, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect, or if there will have been filed any such proceeding, in which an order for relief is entered or which remains undismissed for a period of one hundred twenty (120) calendar days or more or if by any act indicates its consent to, approval of or acquiescence in any such petition, application or proceeding or order for relief or the appointment of any custodian, receiver of or any trustee for it or any substantial part of its property or suffers any such custodianship, receivership or trusteeship to continue undismissed for a period of one hundred twenty (120) calendar days or more.

8.3 Remedies on Default. Whenever any event of default has occurred and is continuing, the non-defaulting Party will have the following rights and remedies:

(a) Municipality Remedies. If USA is then in default:

(i) The Municipality has the option, upon written notice to USA, without terminating this Agreement, to suspend deliveries of Controlled Acceptable Solid Waste and/or Controlled Acceptable Recyclables until such default is cured or this Agreement is terminated;

(ii) Other than an event of default under Section 8.1(a), the Municipality will have the option, upon at least thirty (30) calendar days' prior written notice to USA, to terminate this Agreement unless the event of default is cured prior to the expiration of such thirty (30) calendar day period or unless during such period USA has taken, and continues to take with commercially reasonable diligence, remedial steps the effect of which would be to enable USA to cure such event of default within a reasonable period of time (which, if the event of default is a default in the payment of monies and results from restraint by a court or regulatory agency, will mean the undertaking and prosecution of prompt, diligent, good faith efforts to remove such restraint);

(iii) Pursuant to Section 8.1(a), the Municipality has the option, upon written notice by the Municipality to USA, to terminate this Agreement

(b) USA Remedies. If the Municipality is then in default:

(i) USA has the option, upon written notice to the Municipality, without terminating this Agreement, to suspend accepting Controlled Acceptable Solid Waste and/or Controlled Acceptable Recyclables until such default is cured or this Agreement is terminated;

(ii) Other than an event of default under Section 8.2(a), USA has the option, upon at least sixty (60) calendar days' prior written notice to the Municipality by USA, to terminate this Agreement unless the event of default is cured prior to the expiration of such sixty (60) calendar day period or unless during such period the Municipality has taken, and continues to take with commercially reasonable diligence, remedial steps the effect of which would be to enable the Municipality to cure such event of default within a reasonable period of time (which, if the event of default is a default in the payment of monies and results from restraint by a court or regulatory agency, will mean the undertaking and prosecution of prompt, diligent, good faith efforts to remove such restraint);

(iii) Pursuant to Section 8.2(a), USA has the option to terminate this Agreement immediately upon written notice to the Municipality.

(c) Limitation of Liability for Event of Force Majeure. In no event will either Party be liable to the other for monetary damages on account of a breach of the terms of this Agreement caused by a declaration of an Event of Force Majeure made in good faith; provided, however, that nothing in this Section will be deemed to limit the obligation of the Municipality to make the payments described in Article 3, Article 4, Article 5 or Section 7.1 as a result of an Event of Force Majeure.

8.4 Remedies Cumulative. Upon an event of default, the non-defaulting party may pursue all remedies available to it whether at law or in equity. All rights and remedies under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available at law or in equity. Except as otherwise expressly provided herein, neither Party will have any liability to the other under this Agreement for any punitive damages. Notwithstanding anything in this Agreement to the contrary, USA has the right to seek and recover damages for Municipality's breach of this Agreement.

ARTICLE 9. Representations and Warranties, Insurance and Indemnification.

9.1 Representations and Warranties of the Municipality. The Municipality hereby represents and warrants to USA that:

(a) this Agreement has been executed by officers of the Municipality acting with the approval and under the authority of the legislative body of the Municipality, and the Municipality has heretofore delivered to USA evidence of such approval and authority;

(b) the Municipality is authorized to (i) enter into a long-term contract for waste disposal, processing and recycling services, (ii) pay the fees and charges established by this Agreement, and (iii) obligate itself to annually appropriate funds and levy taxes for the payment of such fees and charges;

(c) the Municipality has the full power and authority to execute and deliver this Agreement to USA and carry out the Municipality's obligations hereunder, all of which have been duly authorized in accordance with Applicable Law, and this Agreement will be in full force and effect and be legally binding upon, and enforceable against, the Municipality in accordance with its terms upon its due execution and delivery by the Municipality and USA;

(d) during the Term, the Municipality will not dispose, process or exercise control over the disposal or processing of Solid Waste (including commercial Solid Waste delivered to a transfer station) which does not meet the definition of Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables subject to this Agreement, including, but not limited to, violating such restriction through the execution of a disposal or processing contract which commits Solid Waste outside of Controlled Acceptable Solid Waste and Controlled Acceptable Recyclables to a facility not owned and operated by USA;

(e) the Municipality will cause their Authorized Haulers or other agents, including, but not limited to, crews collecting and delivering wastes to perform their services in a responsible and efficient manner and in accordance with the applicable Hauler's Rules and Regulations;

(f) this Agreement is consistent with the Municipality's and the State of Connecticut's solid waste management plan under Conn. Gen. Stat. §§22a-227, 22a-228, 22a-241 and 22a-241a;

(g) to the extent required by Applicable Law, the Municipality has obtained, or has applied for and will diligently use its best efforts to promptly obtain, the approval of this Agreement by the Connecticut Department of Energy and Environmental Protection, as set forth in Conn. Gen. Stat. §22a-213 (the "DEEP Approval"), and has obtained any other governmental approval required by Applicable Law relating to the Municipality's execution, delivery and performance of its obligations under this Agreement, and the Municipality has heretofore delivered, or will promptly upon receipt deliver, to USA evidence of such approvals; and

(h) there is no action, suit, investigation or other proceeding pending or, to the knowledge of the Municipality, threatened, which questions the enforceability of this Agreement or which affects or may affect the performance of the Municipality's obligations hereunder.

9.2 Representations and Warranties of USA. USA hereby represents and warrants to the Municipality that:

(a) USA has the full power and authority to execute and deliver this Agreement to the Municipality and to carry out USA's obligations hereunder, and this Agreement will be in full force and effect and be legally binding upon, and enforceable against, USA in accordance with its terms upon its due execution and delivery by USA and the Municipality;

(b) there is no action, suit, investigation or other proceeding pending or, to the knowledge of USA, threatened, which questions the enforceability of this Agreement or which affects or may affect the performance of USA's obligations hereunder;

(c) each Delivery Point and each Recycling Facility is duly licensed, permitted, or otherwise authorized to accept Acceptable Solid Waste and Acceptable Recyclables, respectively, and, except as excused hereunder, during the Term, USA and/or its contractors and subcontractors will maintain all material licenses and permits necessary to operate each Delivery Point and each Recycling Facility and to carry out its obligations under this Agreement, and operate each Delivery Point and each Recycling Facility in material compliance with Applicable Law;

(d) Consistent with Conn. Gen. Stats. 22a-228 and 22a-229, USA will make an effort to utilize waste to energy facilities as ultimate disposal locations. The ultimate disposal facilities that USA may use are as follows: (i) Wheelabrator Millbury at 331 SW Cutoff Rd., Millbury, MA; (ii) Wheelabrator Bridgeport at 6 Howard Ave., Bridgeport, CT; (iii) Wheelabrator Lisbon at 425 S. Burnham Hwy, Lisbon, CT; (iv) Covanta SECONN at 132 Military Hwy, Preston, CT; (v) Carbon Limestone Landfill 8100 S. Stateline Rd., Lowellville, OH; (vi) Apex Landfill at 11 County Rd. 78, Amsterdam, OH; (vii) Sunny Farms Landfill at 12500 W. County Rd. 18, Fostoria, OH; and (viii) Tunnel Hill Landfill at 8822 Tunnel Hill Road, New Lexington, OH;

(e) The Delivery Points and the Recycling Facilities (i) are capable of accepting all Controlled Acceptable Solid Waste, and all Controlled Acceptable Recyclables; (ii) will maintain safe and efficient queuing, weighing, unloading, screening, and vehicle departure procedures to assure efficient use of the Facilities by the Municipality's or its Authorized Haulers' employees or agents; (iii) will have sufficient capacity for unloading, storage, transfer, or other processing of materials so as not to impair the delivery of materials from the Municipality; and (iv) have emergency, health and safety policies, procedures and practices for employees and users of the facility;

(f) the Delivery Points and Recycling Facilities will have calibrated truck scales to record the weight of all delivered loads and have a process to accurately record the weight and time of all deliveries so that material quantities can be accurately weighed and accounted for in reporting; and

(g) USA will inform the Municipality of ongoing compliance and any violations, and subsequent remediation of such violations, if any.

9.3 Insurance.

(a) Municipality Required Insurance. The Municipality, if delivering materials to a Delivery Point or to a Recycling Facility in municipal vehicles, will obtain and maintain such insurance coverage as USA may reasonably require in conformity with the insurance coverages required by USA for Authorized Haulers under Section 2.3(d) and the Hauler's Rules and Regulations, and the Municipality will name each of USA and its designee as an additional insured under such policies and, to the extent commercially available, such policies will provide for thirty

(30) calendar days' prior written notice to USA in the event of expiration, cancellation, non-renewal or any other material change in coverage. The Municipality will maintain such insurance policies and limits for three (3) years following termination or expiration of this Agreement..

(b) USA Required Insurance. During the Term, USA will obtain and maintain the Required Insurance in accordance with Exhibit C. USA will maintain such insurance policies and limits for three (3) years following termination or expiration of this Agreement.

(c) Waiver of Subrogation. All insurance policies, including workers' compensation, required to be maintained by a Party under this Section 9.3 will include a waiver of subrogation endorsement.

9.4 Indemnification.

(a) Indemnification of USA. The Municipality agrees, to the extent permitted by Applicable Law, to indemnify, defend and hold harmless the USA Indemnified Parties from and against any and all Losses arising out of or related to (i) the breach of any term, covenant, agreement or undertaking of the Municipality to USA hereunder; (ii) the negligence or willful misconduct of the Municipality; (iii) the delivery of any Unacceptable Waste to USA hereunder; and (iv) any action taken to enforce this indemnity; provided, however, that the Municipality will not be obligated to indemnify a USA Indemnified Party to the extent that any such Loss is caused by the negligence (gross negligence in the case of the handling, collection, containment, separation, remediation, storage, transportation, processing, and/or disposal of Unacceptable Waste generated within the boundaries of the Municipality) or willful misconduct of such USA Indemnified Party.

(b) Indemnification of Municipality. USA agrees, to the extent permitted by Applicable Law, to indemnify, defend and hold harmless the Municipality Indemnified Parties from and against any and all Losses arising out of or related to (i) the performance of and breach of any term, covenant, agreement or undertaking of USA to the Municipality hereunder; (ii) the negligence or willful misconduct of USA; or (iii) any action taken to enforce this indemnity; provided, however, that USA will not be obligated to indemnify a Municipality Indemnified Party (A) to the extent that any such Loss is caused by the negligence or willful misconduct of such Municipality Indemnified Party or (B) with respect to the handling, collection, containment, separation, remediation, storage, transportation, processing and/or disposal of Unacceptable Waste unless, and to the extent, that such Losses arise from the gross negligence or willful misconduct of USA.

(c) Procedures. If any action or proceeding is brought by a third party against an indemnified party in respect of which indemnity may be sought under this Agreement, the indemnified party will promptly give written notice of any such action or proceeding to the indemnifying party and may require the indemnifying party, upon such written notice, to assume the defense of the action or proceeding; provided that failure of the indemnified party to give such notice will not relieve the indemnifying party from any of its obligations under this Section 9.4. Upon receipt of such written notice from the indemnified party, the indemnifying party will resist

and defend such action or proceeding at the indemnifying party's expense; provided, however, that the indemnified party will have the right to approve the counsel selected by the indemnifying party to defend the indemnified party, and such approval shall not be unreasonably withheld. Notwithstanding the foregoing, the indemnified party will have the right to employ separate counsel and to participate in such defense, and the indemnifying party will bear the reasonable fees and expenses of such separate counsel if: (i) the representation of the indemnified party by the same counsel would be inappropriate due to actual or potential conflicts of interest between them in the conduct of such defense; (ii) there may be legal defenses available to the indemnified party that are different from or additional to those available to the indemnifying party; or (iii) the indemnifying party fails to employ counsel reasonably satisfactory to the indemnified party within a reasonable period of time after notice of the claim or proceeding. If the indemnified party retains separate counsel in cases other than as described in clause (i), (ii) or (iii) above, such counsel will be retained at the expense of the indemnified party. Except as provided above, the indemnifying party will not be liable for the fees and expenses of more than one counsel. The indemnifying party will not, without the prior written consent of the indemnified party, settle or compromise any claim or consent to the entry of any judgment that (i) does not include an unconditional release of the indemnified party from all liabilities with respect to such claim; (ii) provides for equitable or any relief against the indemnified party, other than monetary damages to be paid by the indemnifying party; or (iii) requires any act or forbearance from acting by the indemnified party (other than the execution of the settlement agreement).

ARTICLE 10. Governing Law and Disputes.

10.1 Governing Law. The interpretation and performance of this Agreement will be governed by the laws of the State of Connecticut without regard to its conflict of law principles.

10.2 Dispute Resolution.

(a) Mediation and Arbitration. All disputes, claims, controversies and differences arising out of or relating to this Agreement, or the termination, invalidity or breach hereof, will be determined first by mediation conducted in the City of Hartford, Connecticut. The Parties will share the cost of mediation, with USA paying fifty percent (50%) of the cost and the Municipality paying the remaining fifty percent 50% of the cost. If such dispute, claim, controversy and/or difference is not resolved by mediation within forty-five (45) days of the date of the first notice by a Party to request mediation, such dispute, claim, controversy and/or difference shall be determined by arbitration in the City of Hartford, Connecticut, in accordance with the Commercial Arbitration Rules of the American Arbitration Association (except as otherwise specified in this Section 10.2) and each Party submits to the jurisdiction of such arbitration. A Party may, upon written notice to the other Party, submit a dispute for arbitration. The dispute will be determined by one (1) arbitrator acceptable to both Parties who shall be selected within fourteen (14) calendar days of receipt of notice of intention to arbitrate by the party receiving that notice. If the receiving Party fails to respond to said notice in writing within said fourteen (14) calendar days, then the Party providing said notice will select the arbitrator and the arbitrator selected by the Party providing said notice shall be deemed to have been selected by the receiving Party. If, by the end of said fourteen (14) calendar day period the Parties have not agreed upon one (1) arbitrator as acceptable, then the dispute will be determined by a panel of three (3)

arbitrators selected as follows: (i) within an additional seven (7) calendar days, each Party will appoint one (1) arbitrator; and (ii) the two (2) arbitrators will then, within an additional seven (7) calendar days, name a third arbitrator. If the first two (2) arbitrators are unable to agree upon the choice of a third arbitrator within seven (7) calendar days, either Party may request and direct the person or entity administering the arbitration, or, if none, the American Arbitration Association or any other arbitration administering person or entity, to appoint the necessary arbitrator pursuant to the Commercial Arbitration Rules.

(b) Arbitration Procedures. As soon as the arbitrator has been chosen or if three are utilized, the panel has been convened, a hearing date will be set within thirty (30) calendar days thereafter. Such hearing date will be subject to the mutual agreement of the Parties and the arbitrator(s), but if such agreement cannot be reached, the arbitrator(s) will have authority to establish such times for hearings as he, she or they deem appropriate. Written submissions will be presented and exchanged by both Parties at least seven (7) calendar days before the hearing date, including reports prepared by any expert upon whom either Party intends to rely. At such time the Parties will also exchange copies of all documentary evidence upon which they will rely at the arbitration hearing and a list of the witnesses whom they intend to call to testify at the hearing. Each Party shall also make its respective experts available for deposition by the other Party prior to the hearing date. The arbitrator(s) will make the award as promptly as practicable after conclusion of the hearing. Arbitrators will be compensated for their services at the standard hourly rate charged in their private professional activities.

(c) Binding and Enforceable Arbitration. The Parties agree that the provisions of this Section 10.2 may be enforced by any court of competent jurisdiction in Connecticut. Connecticut rules of civil procedure and evidence will apply with respect to any arbitration hereunder, including all rules pertaining to discovery and inspection. The award may be made solely on the default of a Party. The arbitrator(s) shall follow substantive rules of Connecticut law. The arbitrator(s) will make the award in strict conformity with this Agreement and will have no power to depart from or change any of the provisions hereof. If three arbitrators are used, a decision of any two of them shall be binding. At the request of either Party at the start of the arbitration, the award of the arbitrator(s) will be accompanied by findings of fact and a written statement of reasons for the decision. The arbitrator(s) shall have the discretion to award the costs of arbitration, arbitrators' fees and the respective attorneys' fees of each Party between the Parties as they see fit. All Parties agree to be bound by the results of this arbitration; judgment upon the award so rendered may be entered and enforced in any court of competent jurisdiction, including the power to require specific performance. To the extent reasonably practicable, both Parties agree to continue performing their respective obligations under this Agreement while the dispute is being resolved. All matters relating to any arbitration hereunder will be maintained in confidence.

(d) Equitable Relief. Nothing contained in this Section 10.2 will prohibit either Party from seeking equitable relief without first resorting to mediation or arbitration under such circumstances as that Party's interests hereunder and in its property will be otherwise compromised.

10.3 Effect of Disputes on the Obligations of the Parties. The pendency of a mediation or arbitration proceeding or litigation or other proceeding will not affect the obligations of the

Parties to make any payment or render any service required by this Agreement nor the rights of the Parties under this Agreement.

ARTICLE 11. Miscellaneous.

11.1 Assignment. Except for the designation of Authorized Haulers as provided in Section 2.3, the Municipality may not assign or transfer, directly or indirectly, any of its rights or duties under this Agreement. USA may assign all or any portion of its rights and obligations under this Agreement or delegate any of its obligations under this Agreement at any time so long as such assignee or delegee is creditworthy and capable of performing the obligations of USA under this Agreement, and provided that prior written consent is provided by the Municipality, which consent shall not be unreasonably withheld, conditioned, or delayed. Such assignment or delegation will not relieve USA of any obligations or liabilities hereunder arising on or after the date of the assignment or delegation unless such assignment or delegation is to a Qualified USA Affiliate or the Municipality consents in writing to such assignment or delegation, which consent will not be unreasonably withheld, conditioned or delayed. Any assignment in violation of this Section 11.1 will be null and void and of no effect.

11.2 Entire Agreement. This Agreement and the attached Exhibits constitute the entire agreement between the Parties in respect of the subject matter hereof. This Agreement supersedes all prior negotiations, representations and agreements between the Parties with respect to the subject matter hereof.

11.3 Waiver. No delay in exercising or failure to exercise any right or remedy accruing to or in favor of any Party will impair any such right, remedy, or constitute a waiver thereof. Every right and remedy given hereunder or by law may be exercised from time to time and as often as may be deemed expedient by the Parties. Any extension of time for payment hereunder or other indulgences will not alter, affect or waive rights or obligations hereunder. Acceptance of any payment, whether partial or otherwise, after it will have become due, will not be deemed to alter, affect or waive the obligations of either Party.

11.4 Modifications. Except as otherwise provided herein, this Agreement may not be modified or amended except in writing signed by or on behalf of both Parties by their duly authorized officers.

11.5 Successors and Assigns. This Agreement will inure to the benefit of and bind the respective successors and permitted assigns of the Parties.

11.6 Notices. All notices, reports and other communications required or permitted under this Agreement will be in writing and will be deemed to have been given when delivered personally, when transmitted by email, or when deposited in the mails, postage prepaid, registered or certified mail, return receipt requested, or by commercial overnight courier addressed to the Party to whom notice is being given at its address set forth below. Either Party may change its address or email address by notice similarly given.

If to the Municipality:

Town of Litchfield
Attn: First Selectman
74 West Street
Litchfield, CT 06759
Email: 1stselectman@townoflitchfield.org
Phone: (860) 567-7561

With a copy to:

Town of Litchfield
Attn: Director of Public Works
101 Russell Street
Litchfield, CT 06759
Email: RAlexe@townoflitchfield.org
Phone: (860) 567-7575

If to USA:

USA Hauling & Recycling, Inc.
15 Mullen Road
Enfield, CT 06082
Attention: Jonathan Murray
Email: jonathan@usarecycle.com

With a copy to:

Edward F. Spinella
Law Offices of Edward F. Spinella, Esq., LLC
15 Mullen Road
Enfield, CT 06082
Email: ed.spinella@gmail.com

11.7 Counterparts. This Agreement may be executed in several counterparts, any one of which will be considered an original hereof for all purposes.

11.8 Severability. In the event that any of the provisions, portions or applications of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction or the arbitrator(s) in accordance with Section 10.2, the remaining provisions, portions and applications thereof will not be affected thereby. In such event, the Parties agree that the court or arbitrator(s) making such determination has the power to alter or amend such provision so that it will be enforceable.

11.9 No Third-Party Beneficiaries. Except as provided by Section 9.4, nothing in this Agreement is intended to confer any right to any Person other than the Parties and their respective

successors and permitted assigns; nor is anything in this Agreement intended to modify or discharge the obligation or liability of any third party to any Party or give any third party any right of subrogation or action over or against any Party. Notwithstanding the foregoing, F & G, LLC and Murphy Road Recycling, LLC are third-party beneficiaries of this Agreement.

11.10 Headings for Convenience. The headings in this Agreement are for convenience and reference only and in no way define or limit the scope or content of this Agreement or in any way affect its provisions.

11.11 Confidentiality.

(a) Reasonable Agreement. Prior to the disclosure of Confidential Information by USA to the Municipality or its representatives or agents under this Agreement or Applicable Law, USA may require the Municipality and its representatives and agents, as the case may be, to execute and deliver to USA a reasonable confidentiality agreement that will require the signatory to: (i) treat as confidential all Confidential Information which may be made available to the Municipality or any agent or representative of the Municipality; (ii) maintain in a secure place all Confidential Information made available to it and limit access to the Confidential Information to those agents or representatives of the Municipality to whom it is necessary to disclose the Confidential Information in furtherance of the Municipality's obligations under this Agreement; (iii) prevent disclosure of any Confidential Information by any agent or representative of the Municipality to unauthorized parties and assume liability on the part of the Municipality and the signatory for any breach of this Agreement and/or such confidentiality agreement, or for any unauthorized disclosure or use of Confidential Information by the Municipality or any of its agents or representatives; and (iv) not use any Confidential Information other than in furtherance of its obligations under this Agreement. Nothing in this Section 11.11 shall be interpreted as requiring confidentiality, non-disclosure, or withholding from the public of any "public records" or "public files" as so defined by the Connecticut Freedom of Information Act (Conn. Gen. Stats. Chapter 14); provided, however, that the Municipality shall comply with Section 11.11(b) of this Agreement.

(b) Freedom of Information Act. If the Municipality receives a request for disclosure of any Confidential Information under Connecticut's Freedom of Information Act ("FOIA"), the Municipality will, before complying with such request, provide written notice of the request, and the opportunity to review and discuss it, to USA. Notwithstanding the foregoing, if the information subject to the FOIA request is deemed by the Municipality to be subject to required disclosure under FOIA, the Municipality shall disclose such information in compliance with FOIA after providing USA with at least five (5) days' written notice. In the event that the Municipality concludes, after consulting with USA, that withholding or redaction of information under the FOIA request is required, and as a result, if a complaint is thereafter filed with the Connecticut Freedom of Information Commission (the "FOIC"), the Municipality will give USA prompt notice of such complaint to allow USA to file a motion to intervene in the FOIC proceeding, and will not unreasonably oppose such motion.

(c) Requests and Demands. If the Municipality receives any other request or demand for disclosure of any Confidential Information (whether in the form of a subpoena, an

investigative inquiry by a governmental agency, discovery demands in litigation, or otherwise), the Municipality will give prompt notice to USA of such request or demand and allow USA an opportunity to seek judicial protection for the Confidential Information, unless the Municipality is expressly prohibited by court order from so disclosing the demand.

11.12 Cooperation and Further Assurances. Each Party will, at its own expense, to the extent not reimbursable by the other Party, cooperate with the other Party and execute any and all certificates, documents and other instruments, and take such other actions as may be reasonably requested from time to time in order to consummate the transactions provided for herein and to accomplish the purposes of this Agreement; provided, however, that if expenses or costs will be incurred in the provision of such requested cooperation or assurances, the Party requested to provide such cooperation or assurances can ask, and secure an obligation from, the requesting Party to pay for, or reimburse, such expenses or costs prior to the provision of such cooperation or assurances.

ARTICLE 12. Definitions and Interpretation.

12.1 Definitions. The following words and phrases will have the following meanings when used in this Agreement:

"Acceptable Recyclables" means, as of the Effective Date, the materials identified in the "What's In" section of the "A Guide to Recycling" set forth in Exhibit D to this Agreement, which is attached to, and made a part of, this Agreement by the mutual agreement of the Municipality and USA and includes only those such materials generated by residences within the boundaries of the Municipality. Acceptable Recyclables do not include Unacceptable Waste, and any material that has the reasonable possibility of adversely affecting the operation or useful life of any part of a Recycling Facility. Exhibit D to this Agreement and the list of Acceptable Recyclables will only be modified upon mutual agreement between the Parties.

"Acceptable Solid Waste" means mixed household solid waste (including what is commonly called trash, refuse and garbage) which has the characteristics of Solid Waste and which is (i) normally collected or disposed of by householders or other residents; (ii) permitted under then Applicable Law to be accepted at the Delivery Point or other Facility and disposed of at a Landfill or waste-to-energy facility; and (iii) not Unacceptable Waste, Bulky Waste or Recyclable Materials. Acceptable Solid Waste includes only those such materials generated by residences and commercial or industrial establishments within the boundaries of the Municipality.

"Applicable Law" means each and every applicable law (including common law), statute, charter, ordinance, rule, regulation, guideline, standard, requirement, code, order, permit, license or approval of any governmental, quasi-governmental, regulatory or administrative agency or authority or court or other tribunal having jurisdiction.

"Authorized Hauler" means a Person which, at the time of reference thereto, (i) is engaging generally in the business of collecting, transporting and delivering Solid Waste and which has registered with the Municipality in accordance with Section 22a-220a(d) of the Conn. Gen. Stat.; (ii) is then designated by the Municipality pursuant to Section 2.3(a) as an Authorized Hauler in

compliance with Chapter 12 of the Code of Ordinances of the Town of Litchfield, as applicable, for Controlled Acceptable Solid Waste, and/or Controlled Acceptable Recyclables; and (iii) has then privileges granted by USA to deliver, as applicable, Controlled Acceptable Solid Waste to a Delivery Point and/or Controlled Acceptable Recyclables to a Recycling Facility, and such privileges are not then suspended or terminated.

“Bulky Waste” means household Solid Waste that (i) USA has determined cannot be processed at a Delivery Point or other Facility without the use of supplemental processing equipment (e.g., a mobile shredder) or without harm to the Delivery Point or other Facility; (ii) is in such quantities and of such size and character as USA may so specify; and (iii) may include individual items of such Solid Waste that are 2,000 pounds or more in weight and physically of such size as to not fit without compaction into an area having dimensions of three (3) feet by four (4) feet by four (4) feet, including: (A) household furniture, chairs, tables, sofas, shelving, small appliances, white goods, and carpets/carpet backing (cut into four (4) foot lengths and rolled); (B) mattresses and box springs; (C) Scrap/Light Weight Metals; (D) porcelain bathroom fixtures, such as toilets, bathtubs, and sinks; (E) purged and emptied propane, butane and acetylene tanks with valves removed; (F) automobile tires with or without rims; (G) branches and lumber exceeding four (4) inches in diameter (but no yard waste); and (H) any other Solid Waste determined by USA, in its sole discretion, to be Bulky Waste.

“Change-in-Law” means any of the following events or conditions occurring after the Effective Date which have or will have, separately or in the aggregate, an adverse effect on, including a significant or substantial increase in the costs associated with (i) the ability of USA to perform its obligations under this Agreement or the ability of USA, or any of its contractors or subcontractors, to accept, transport, dispose of or process any Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables delivered hereunder, respectively; (ii) a Delivery Point or Recycling Facility; or (iii) USA, or any owner or operator of a Delivery Point or Recycling Facility, in its ownership, use or operation of a Delivery Point or Recycling Facility, or its ability to equip, to test, to operate, to maintain, to own or to possess a Delivery Point or Recycling Facility, to the extent that such event or condition is not the result of any willful or grossly negligent act or omission of the Party relying thereon as justification for not performing any obligation or complying with any condition required of such Party under this Agreement and will include the following: (A) the enactment, adoption, promulgation, implementation, repeal, modification, interpretation or enforcement policy (in the case of implementation, interpretation and enforcement, if such is materially different from the enforcement policy as of the Effective Date) after the Effective Date of any Applicable Law; (B) the imposition after the Effective Date of any condition on the issuance, re-issuance or continued effectiveness of any permit, license or approval, which establishes requirements more burdensome or costly than those that exist or would have been imposed as of the Effective Date; (C) the termination, suspension, rescission, modification, failure to renew or denial after the Effective Date of any such permit, license or approval; (D) the imposition or increase after the Effective Date of any Tax of any nature or the imposition or amendment after the Effective Date of any requirement obligating USA, or any owner or operator of a Delivery Point or Recycling Facility, or any of their respective affiliates, to establish, maintain or increase reserves, security, or other financial assurances of any nature whatsoever by a governmental, quasi-governmental or other regulatory authority or agency on or in respect to the operation, ownership, possession or use of a Delivery Point or Recycling Facility,

or any equipment used to construct, maintain, operate or test a Delivery Point or Recycling Facility, to satisfy its obligations hereunder or the collection, storage, transportation, processing or disposal of materials at a Delivery Point, Recycling Facility or other Facility; or (E) the imposition or increase in a Host Municipality Fee on or after the Effective Date.

"Commencement Date" is defined in the recitals.

"Confidential Information" means all data and information heretofore or hereafter disclosed, directly or indirectly, by or on behalf of USA, any affiliate, designee or predecessor of any of the foregoing Persons, any licensor of technology to be used in connection with a Delivery Point, a Recycling Facility or another Facility or any contractor or subcontractor engaged by any of the foregoing Persons (the "Disclosing Party") and (i) identified in writing as confidential by the Disclosing Party or USA, or any affiliate of any of the foregoing Persons or that, given the nature of the information or the circumstances surrounding its disclosure, it should reasonably be considered confidential or proprietary, including patented and unpatented inventions, trade secrets, know-how, techniques, data, specifications, as-built drawings, blueprints, flow sheets, designs, engineering information, construction information, economic information, operation criteria, and other information related to solid waste disposal, recycling processing and resource recovery, or (ii) reviewed or provided pursuant to Article 3; provided, however, Confidential Information does not include information which (a) has become generally available to the public other than as a result of a disclosure by the Municipality or any of its representatives or agents; (b) was available to the Municipality or any of its representatives or agents on a non-confidential basis prior to its disclosure to the Municipality or any of its representatives or agents; or (c) has become available to the Municipality or any of its representatives or agents on a non-confidential basis from a source other than USA or its representatives if such source is not known by the Municipality or any of its representatives or agents after due inquiry by any of them of such source as to whether it is bound by a confidentiality agreement with USA or its representatives or is otherwise prohibited from transmitting the information to the Municipality or its representatives or agents by a contractual, legal or fiduciary obligation.

"Conn. Gen. Stat." means the Connecticut General Statutes.

"Contract Year" means each twelve-month period during the Term beginning on July 1 and ending on the following June 30.

"Controlled Acceptable Recyclables" is defined in Section 1.2(a)(ii).

"Controlled Acceptable Solid Waste" is defined in Section 1.2(a)(i).

"DEEP Approval" is defined in Section 9.1(g).

"Delivery Point" means (i) any properly permitted Facility authorized to receive Acceptable Solid Waste located within twenty (20) miles of the Municipality's geographic boundaries, including USA Hauling & Recycling, Inc.'s facility located at 185 Torrington Road, Winchester, CT; and (ii) F & G, LLC's facility located at 260 Railroad Hill Street, Waterbury, CT.

“Disposal Fees” means all amounts payable by the Municipality hereunder, including the Tip Fees payable pursuant to Sections 3.1 and 3.4 and Sections 4.2 and 4.3, the Processing Fees payable pursuant to Section 3.2, any fees, costs and Losses for which the Municipality becomes responsible pursuant to Section 7.1(b) or Section 9.4, and any other fees, costs, expenses and indemnity amounts payable by the Municipality to USA hereunder.

“Effective Date” is defined in the preamble.

“Event of Force Majeure” means any of the following occurring on or after the Effective Date: (i) an occurrence or occurrences beyond the reasonable control of the Party affected which, separately or in the aggregate, adversely affects, including a significant or substantial increase in the costs associated with, a Delivery Point or Recycling Facility, or the ownership, use or operation of any Delivery Point or Recycling Facility or the ability of any Party to perform its obligations hereunder (including the ability of USA or any of its contractors or subcontractors to accept, transport, dispose of or process any Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables, respectively, delivered hereunder) or the ability of USA, or any Person acting on behalf of USA, to comply with the requirements of any Applicable Law; (ii) acts of God, landslides, lightning, earthquakes, hurricanes, tornadoes, pandemics, windstorms, blizzards, fires, explosions, floods, acts of a public enemy, wars, blockades, insurrections, riots, acts of terrorism or vandalism or civil disturbances; (iii) Non-USA Strikes; (iv) an order or judgment of any court, administrative agency or other governmental, quasi-governmental or other regulatory body or agency, if not the result of the willful misconduct or gross negligence of the Party relying thereon; provided, however, that the contesting in good faith by such Party of any such order and/or judgment will not constitute or be construed to constitute the willful misconduct or gross negligence of such Party; (v) blockage of access to a Delivery Point or Recycling Facility, if not the result of the willful misconduct or gross negligence of the Party relying thereon; (vi) a complete or partial suspension of services at a Delivery Point or Recycling Facility, or an adverse effect on the operations at a Delivery Point or Recycling Facility, arising from or related to any surface or subsurface condition (including the presence of hazardous materials) thereon, to the extent not directly created by USA, its designee or an affiliate; (vii) the condemnation, taking, seizure, involuntary conversion or requisition of title to or use of a Delivery Point or Recycling Facility, or any portion thereof by action of any governmental, quasi-governmental or regulatory agency or authority; (viii) a Change-in-Law; or (ix) one or more of the foregoing if, separately or in the aggregate, it or they result in a significant or substantial increase in the costs and/or expenses associated with the ownership, use and/or operation of any Delivery Point or Recycling Facility and/or with the performance by USA of its obligations hereunder and USA provides a minimum of thirty (30) days’ prior written notice to the Municipality of USA’s intent to declare an Event of Force Majeure due to such significant or substantial increase in costs and/or expenses.

The Parties acknowledge that the COVID-19 coronavirus, and various national, state, and local government-issued orders, rules and regulations with respect thereto, whether currently issued or issued in the future, has impacted and may continue to impact USA’s workforce, supplies, customers, facilities, general operations, and access to goods, materials, and services (collectively, the “COVID-19 Impact”). Any delay in performance of USA’s obligations under this Agreement that is substantially a result of the COVID-19 Impact will be excusable without penalty hereunder for a period of up to fifteen (15) days, starting upon delivery of written notice of USA to the

Municipality (the "Delay Period"). Such notice will set forth the reasons for the delay. USA will take commercially reasonable actions to mitigate such delay in performance. Provided that performance of USA's obligations has not resumed by or at the end of the Delay Period, either Party will have the option to terminate this Agreement without penalty upon delivery of written notice to the other party. Notwithstanding the foregoing, the Municipality will not be relieved of any payment obligations under this Agreement, in both the amount and the due date, for services performed.

"Facility" means each solid waste, transfer, resource recovery or disposal facility at which Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables delivered by the Municipality or its Authorized Haulers is accepted by USA or is transferred, processed or otherwise disposed (which may be a Delivery Point, a Landfill, a Recycling Facility, and any other facility, landfill or waste-to-energy facility where such Acceptable Solid Waste or any Acceptable Recyclables are processed or disposed), including the Site on which such facility is located and all structures, buildings, foundations, related facilities, fixtures and other improvements now or at any time made, erected or situated on such Site, together with all replacements, improvements, extensions, substitutions, restorations, repairs or additions thereto.

"FOIA" is defined in Section 11.11(b).

"FOIC" is defined in Section 11.11(b).

"Hauler's Rules and Regulations" means the rules and regulations for a Delivery Point, a Recycling Facility or other Facility, as applicable and as adopted and amended by USA and/or the owner or operator of such Delivery Point, Recycling Facility or other Facility from time to time and at any time, which rules and regulations are hereby made a part of, and incorporated into, this Agreement.

"Host Municipalities" means the municipalities in which a Delivery Point, a Recycling Facility and the other Facilities are located.

"Host Municipality Fee" means the aggregate amount paid or incurred, including Taxes, during a year during the Term directly or indirectly by USA, Murphy Road Recycling, LLC, or F & G, LLC to the Host Municipalities and/or any taxing or political agencies, bodies, authorities, collectors, districts, units or subdivisions thereof or located therein, whether pursuant to Applicable Law and/or an agreement, relating to, or in connection with, ownership, operation or use of a Delivery Point, a Recycling Facility or other Facility and motor vehicles and other equipment used in connection therewith.

"Incremental Transportation Cost" means, as it relates to Controlled Acceptable Solid Waste, the direct cost per mile, for labor and fuel, to the Authorized Hauler to transport each Ton of Controlled Acceptable Solid Waste to a Facility other than a Delivery Point, to the extent that such cost exceeds the direct cost per mile of transporting a Ton of Controlled Acceptable Solid Waste thirty five (35) road miles from the Municipality's geographic boundaries as determined by USA in its reasonable discretion, taking into account appropriate documentation submitted by the Authorized Hauler. "Incremental Transportation Cost" means, as it relates to Controlled

Acceptable Recyclables, the direct cost per mile, for labor and fuel, to the Authorized Hauler to transport each Ton of Controlled Acceptable Recyclables to a Facility other than a Recycling Facility, to the extent that such cost exceeds the direct cost per mile of transporting a Ton of Controlled Acceptable Recyclables thirty five (35) road miles from the Municipality's geographic boundaries as determined by USA in its reasonable discretion, taking into account appropriate documentation submitted by the Authorized Hauler. "Incremental Transportation Cost," as it relates to each Controlled Acceptable Solid Waste and Controlled Acceptable Recyclables, does not include any indirect expenses, including overhead or any lost profits or other Losses.

"Initial Term" is defined in Section 1.3.

"Landfill" means the landfill or landfills used from time to time by or on behalf of MRR for receipt of Solid Waste.

"Loss" or "Losses" means actual or alleged claims, demands, liabilities, obligations, losses, damages, fines, penalties, Taxes, interest, suits, administrative proceedings, costs, expenses (including the fees and costs of investigators, accountants and attorneys) and disbursements, of whatever nature, liquidated or unliquidated, including amounts paid in satisfaction of judgments or as a settlement or compromise thereof; provided, however, that "Loss" or "Losses" will include special, consequential, punitive, indirect and/or incidental damages to the extent such "Loss" or "Losses" relate to or arise from the delivery of Unacceptable Waste to a Delivery Point, a Recycling Facility or any other Facility or the handling, collection, containment, separation, remediation, storage, transportation, processing, and/or disposal of such Unacceptable Waste.

"Municipality" is defined in the preamble.

"Municipality Indemnified Parties" means the Municipality and any of its elected or appointed officials, employees, agents or contractors.

"Non-USA Strikes" means strikes, slowdowns, walk-outs, work stoppages or similar industrial or labor actions that are not directed solely at USA and its affiliates.

"Non-Processible Waste" means (i) Unacceptable Waste, Bulky Waste and Recyclable Materials with respect to a delivery of Acceptable Solid Waste to a Delivery Point; and (ii) any materials other than Acceptable Recyclables with respect to a delivery of materials to a Recycling Facility.

"Party" and "Parties" are defined in the preamble.

"Person" means a municipality, corporation, partnership, limited partnership, limited liability company, limited liability partnership, business trust, trust, joint venture, company, firm, entity or individual.

"Processing Fee" means the fees, including base processing fees, for delivered Controlled Acceptable Recyclables set forth in Exhibit B attached hereto.

“Qualified USA Affiliate” means an entity which is owned or controlled, directly or indirectly, by USA Hauling & Recycling, Inc., F & G, LLC or Murphy Road Recycling, LLC, a Connecticut Limited Liability Company, or any successor thereto, which is creditworthy and capable of performing the obligations of USA hereunder.

“Recyclable Materials” means the materials identified in the “What’s In” section of the “A Guide to Recycling” set forth in Exhibit D to this Agreement, which is attached to, and made a part of, this Agreement by the mutual agreement of the Municipality and USA.

“Recycling Facility” means (i) any properly permitted Facility authorized to receive Acceptable Recyclables located within twenty (20) miles of the Municipality’s geographic boundaries, including USA Hauling & Recycling, Inc.’s facility located at 185 Torrington Road, Winchester, CT; (ii) F & G, LLC’s facility located at 260 Railroad Hill Street, Waterbury, CT. (iii) Municipal Road Transfer Center, LLC’s facility located at 184 Municipal Road, Waterbury, CT; and (iv) the Automated Material Handling, LLC facility located at 655 Christian Lane, Berlin, CT.

“Renewal Term” is defined in Section 1.3.

“Required Insurance” is described in Exhibit C, which is attached to, and made a part of, this Agreement.

“Scrap/Light Weight Metals” includes scrap steel parts, aluminum sheets, pipes, desks, chairs, bicycle frames, lawn mowers with engines drained, file cabinets, springs, sheet metal, hot water heaters, cleaned and emptied fifty five (55) gallon drums with the top and bottom covers removed, fencing, oil tanks and fuel tanks whether cleaned and rinsed in accordance with all Applicable Laws or not, and any other materials determined by USA in its sole discretion, to be Scrap/Light Weight Metals.

“Site” means the real property on which a Delivery Point, a Recycling Facility or any other Facility is located and all appurtenances thereto.

“Solid Waste” means unwanted or discarded solid materials, consistent with the meaning of that term pursuant to Subsection 22a-207(3) of the Conn. Gen. Stat.; provided, however, that semi-solid, liquid and gaseous materials of the type which are customarily collected and treated in municipal sewage facilities, water supply treatment facilities, water pollution abatement facilities, air pollution control facilities and sludges or other residues from any of the foregoing facilities are not Solid Waste.

“Tax” or “Taxes” means all net income, capital gains, gross income, gross receipts, sales, use, transfer, ad valorem, escheats, franchise, profits, license, capital, withholding, payroll, employment, excise, goods and services, fuel, highway, toll, severance, stamp, occupation, premium, property, assessments or other governmental charges, levies or surcharges or any kind whatsoever, including a solid waste assessment, such as that provided in Conn. Gen. Stat. §22a-232, and a payment due to the municipality in which a solid waste disposal facility is located, such as that provided in Conn. Gen. Stat. §22a-220b, together with any interest, fines and any penalties,

additions to tax or additional amounts incurred or accrued, under any applicable federal, state, local or foreign tax law or assessed, charged or imposed by any authority, domestic or foreign.

"Term" is defined in Section 1.3.

"Tip Fee" means the fees for delivered Controlled Acceptable Solid Waste and Non-Processible Waste set forth in Exhibit A attached hereto.

"Ton" means two thousand (2,000) pounds.

"Unacceptable Waste" means (except for trace amounts normally found in household waste as provided in Conn. Gen. Stat. §22a-207(23)) (A) any material which, by reason of its composition, characteristics or quantity, is hazardous waste, a hazardous substance or hazardous material as defined in the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901 et seq., Conn. Gen. Stat. §§22a-448(3) and 22a-449, or any other Applicable Law, including the regulations promulgated under any of the foregoing (including the following laws and the regulations, if any, promulgated thereunder: Chapters 441, 445, 446a, 446b 446k and 446m of the Connecticut General Statutes; the Toxic Substance Control Act, 15 U.S.C. §2601 et seq.; the Federal Insecticide, Fungicide and Rodenticide Control Act, 7 U.S.C. §136 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq.; and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §9601 et seq., as amended by the Superfund Amendments and Reauthorization Act, the Safe Drinking Water Act, and the Hazardous Materials Transportation Act, and any similar or substituted legislation or regulations and amendments to the foregoing); (B) any other material which any governmental agency or political subdivision having or claiming appropriate jurisdiction determines from time to time to be harmful, toxic or dangerous, or otherwise ineligible for disposal through a Facility or a Landfill, including any materials the disposal or processing of which at a Facility or a Landfill is prohibited or restricted pursuant to Section 22a-209-7(o) of the Regulations of Connecticut State Agencies, such as yard waste and grass clippings, metal containers, and glass containers (other than de minimis quantities as permitted under such Regulations), lead acid batteries and white goods; (C) any material which would result in process residue being materials described in clauses (A) and (B) above; (D) materials that would constitute Bulky Waste; (E) any material that is not Controlled Acceptable Solid Waste or Controlled Acceptable Recyclables; and (F) each of the following: agricultural waste, yard waste and leaves, explosive materials, corrosive materials, pathological waste, biological waste, human or animal remains, radioactive materials, ashes, foundry sand, mining waste, sewage sludge, cesspool and other human waste, motor vehicles, major motor vehicle parts (including transmissions, rear ends, springs, mattresses, fenders, batteries, battery cables, exhaust systems and gasoline tanks), agricultural and farm machinery and equipment and major parts thereof, marine vessels and major parts thereof, any other large machinery or equipment (including thick walled or solid metallic objects such as castings, forgings, gas cylinders, steel drums, asbestos insulation, closed metal containers, barrels and buckets), large motors, solid blocks of rubber or plastic, rolls of carpet or fencing over twelve (12) inches in diameter, steel or nylon rope, chains, cables or slings, logs larger than those acceptable under a Facility's normal operating procedures, street sweepings, tree stumps, tires, white goods such as refrigerators, stoves and washing machines, liquid waste (including liquid chemical wastes, sewage and other highly diluted water-carried materials or substances) and those in gaseous form,

construction materials and demolition debris (including masonry, stone, structural steel, re-bar and structural shapes), special nuclear or by-product materials within the meaning of the Atomic Energy Act of 1954, as amended, any item of waste that is either smoldering or on fire, wastes in quantities and concentrations which require special handling in their collection or processing or any other material which (i) may present a danger to public health or safety; (ii) would cause applicable air quality, water effluent or process residue or ash standards to be violated by the normal operation of a Delivery Point, a Recycling Facility or another Facility; (iii) because of its size, durability or composition would not normally be processed or disposed in a mass burn or resource recovery facility or a sanitary landfill, may materially impair its structures or equipment or has a reasonable possibility of otherwise adversely affecting the operation or useful life of a Delivery Point, a Recycling Facility or another Facility outside of the normal usage expected for a Delivery Point, a Recycling Facility or other Facility; or (iv) would be prohibited by any judicial decision or the order, consent order, stipulated judgment or action of any governmental agency or other regulatory authority or by any Applicable Law or regulation or any Facility permit or approval.

"USA" means USA Hauling & Recycling, Inc., its designees, permitted assignees and successors.

"USA Indemnified Parties" means USA, Murphy Road Recycling, LLC, F & G, LLC, any owner or operator of a Delivery Point, Recycling Facility, another Facility or the Site of any of the foregoing, or any of the foregoing parties' respective owners, officers, directors, members, employees, agents, contractors or subcontractors.

12.2 Interpretation. In this Agreement, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "herein," "hereunder" and any similar terms refer to this Agreement, and the term "heretofore" means before, and the term "hereafter" means after, the Effective Date;

(b) Words of masculine gender mean and include correlative words of feminine and neuter genders and words importing the similar number mean and include the plural number and vice versa;

(c) The use of the word "including" in this Agreement is used by way of example rather than by limitation;

(d) Reference to any agreement, document or instrument, including this Agreement or any appendix hereto, means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof;

(e) The use of the words "or", "either" and "any" are not exclusive;

(f) All references to statutory provisions and current or proposed rules and regulations will be deemed to include any amendment or other revision to those laws and

regulations and will also be construed to refer to the corresponding provisions of any laws and regulations enacted to replace the laws and regulations referenced in this Agreement;

(g) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles, and the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder means such accounting principles which are generally accepted at the date or time of such computation;

(h) Words which have well-known technical or trade meanings are used herein in accordance with such recognized meanings unless otherwise specifically provided;

(i) Reference to a particular Party includes that Party's employees and the authorized agents of that Party;

(j) Reference to any governmental, quasi-governmental or other regulatory authority or agency includes any agency or authority of, and, the United States of America, the State of Connecticut and any other state, any county, any municipality, any district, and any political subdivision or instrumentality of any of the foregoing, with jurisdiction; and

(k) Both Parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Municipal Solid Waste Disposal and Recycling Services Agreement to be executed by their duly authorized representatives as of the day and year first above written.

USA HAULING & RECYCLING, INC.

By: _____

Name: Gerald Antonacci

Title: Vice President

TOWN OF LITCHFIELD, CONNECTICUT

By: _____

Name: Denise Raap

Title: First Selectman, Duly Authorized

EXHIBIT A

TIP FEES FOR CONTROLLED ACCEPTABLE SOLID WASTE AND NON-PROCESSIBLE WASTE

Table A.1: Price/Ton of delivered and accepted Controlled Acceptable Solid Waste and Non-Processible Waste during the Initial Term.

	7/1/22 – 6/30/23	7/1/23 – 6/30/24	7/1/24 – 6/30/25	7/1/25 – 6/30/26	7/1/26 – 6/30/27
Controlled Acceptable Solid Waste	\$105.00	\$111.00	\$116.00	\$122.00	\$128.00
Non-Processible Waste	\$125.00	\$128.75	\$135.19	\$141.95	\$149.05

Table A.2: Extra Item Contamination Fees (Regardless of Waste Stream) during the Initial Term.*

Item	Rate	Unit
Automobile Battery Disposal	\$10.00	Each
Ampliances Requiring CFC Removal	\$25.00	Each
Mattress	\$30.00	Each
Box Spring	\$30.00	Each
Propane Tank Disposal	\$20.00	Each
Automobile Tires	\$10.00	Each
Truck/Equipment Tires	\$15.00	Each
Heavy Equipment Tires	\$50.00	Each
TV/Computer Monitor Disposal	\$20.00	Each

* These fees are (1) in addition to the price per ton specified in Exhibit A for various waste streams and are to be included as a Disposal Fee and (2) subject to 4% annual increases.

EXHIBIT B

CONTROLLED ACCEPTABLE RECYCLABLES PROCESSING FEE

In accordance with the Section 3.2, the Processing Fee will be determined monthly by USA based on a Base Processing Fee ("BPF") and a Single Stream Average Commodity Rate ("ACR") in accordance with the below. Depending on market conditions, payment will be due from the Municipality to USA or from USA to the Municipality.

1. **Base Processing Fee.** USA will charge the Municipality and the Municipality will pay a BPF per Ton of Controlled Acceptable Recyclables as reflected in Table C.1.

Table C.1: Base Processing Fee/Ton during Initial Term.

	7/1/22 – 6/30/23	7/1/23 – 6/30/24	7/1/24 – 6/30/25	7/1/25 – 6/30/26	7/1/26 – 6/30/27
Controlled Acceptable Recyclables	\$87.50	\$91.00	\$94.64	\$98.43	\$102.36

2. **Average Commodity Rate.** USA will calculate a monthly ACR based on the Table C.2 below to determine the rebate or charge per Ton to the Municipality for each month.

Table C.2: Single Stream ACR

Commodity	Percent of Stream	Benchmark
OCC	14.15%	P&PW New England Low OCC #11
Mixed Paper	42.21%	P&PW New England Low #54
Glass	18.43%	Fixed \$70/ton charge plus annual 4% increase
Ferrous (Non- Aluminum)	1.82%	Recyclingmarkets.net Baled Low
Aluminum	0.36%	Recyclingmarkets.net Baled Low
Natural HDPE	0.58%	Recyclingmarkets.net Low
Pigmented HDPE	0.78%	Recyclingmarkets.net Low
Mixed HDPE	0.47%	Recyclingmarkets.net Colored HDPE Low
PET	1.85%	Recyclingmarkets.net Low
Plastic – Rigid Mixed	0.41%	Controlled Acceptable Solid Waste Price per Exhibit A
Scrap Metals	0.94%	\$0.00
Single Stream	2.58%	Base Processing Fee

Residue	15.42%	Controlled Acceptable Solid Waste Price per Exhibit A
Total	100.00%	

- 3. Formula to Determine Monthly Processing Fee.** USA will use the below Formula C.1: Monthly Processing Fee to calculate the monthly rebate or charge per Ton to the Municipality. When the calculation results in a negative amount per Ton, this amount will be shared 50% with the Municipality and 50% will be retained by USA.

Formula C.1: Monthly Processing Fee

$$\text{BPF} - \text{ACR} = \text{Fee (Rebate or Charge)}$$

- For 7/1/22 – 6/30/23 (FY 2023), the highest per Ton charge to the Municipality resulting from Formula C.1 shall be \$45.00.
- For 7/1/23 – 6/30/24 (FY 2024), the highest per Ton charge to the Municipality resulting from Formula C.1 shall be \$45.00.
- For 7/1/24 – 6/30/25 (FY 2025), the highest per Ton charge to the Municipality resulting from Formula C.1 shall be \$45.00.
- For 7/1/25 – 6/30/26 (FY 2026), the highest per Ton charge to the Municipality resulting from Formula C.1 shall be \$45.00.
- For 7/1/26 – 6/30/27 (FY 2027), the highest per Ton charge to the Municipality resulting from Formula C.1 shall be \$45.00.

4. Example. Example for FY 2023:

Calculated ACR	-\$5.00	\$40.00	\$70.00	\$100.00
BPF	\$87.50	\$87.50	\$87.50	\$87.50
ACR	-\$5.00	-\$40.00	-\$70.00	-\$100.00
	\$92.50	\$47.50	\$17.50	(\$12.50)
Charge to Town per Ton	\$45.00 (Ceiling for FY 2023)	\$45.00 (Ceiling for FY 2023)	\$17.50	\$0.00
Rebate to Town per Ton	\$0.00	\$0.00	\$0.00	\$6.25

- 5. Market Change.** The Parties acknowledge that the composition of Controlled Acceptable Recyclables and residue as set forth in Table C.2 reflect the agreement of the Parties with respect to both the composition of the Controlled Acceptable

Recyclables waste stream and the corresponding Processing Fee, based upon the Controlled Acceptable Recyclables accepted by USA as of the Effective Date of this Agreement. In the event of a Change-in-Law, an Event of Force Majeure, or a significant change in market conditions occurs, including, but not limited to, the lack of commercially reasonable market availability for one or more types of Controlled Acceptable Recyclables, changes in market specifications affecting the salability of one or more types of Controlled Acceptable Recyclables, changes affecting the recyclability of one or more types of Controlled Acceptable Recyclables, or changes in the quantity, quality, type or composition of the Acceptable Recyclables and has the effect of significantly altering the terms of this Agreement, or preventing, precluding or substantially affecting the benefit(s) bargained for under this Agreement, including profits of USA and the fees charged or revenues paid under this Agreement (each a "Market Change"), the Party detrimentally affected by a Market Change will so notify the other Party and request an amendment to this Agreement accordingly. The Parties will engage in good faith negotiations after such request regarding such amendments of this Agreement that reflect the extent to which the provisions hereof are modified to reasonably compensate the Party detrimentally affected and the Parties will amend this Agreement to the extent of any mutually agreed upon revisions. If the Parties cannot agree to such revisions, the dispute will be subject to Section 10.2 of the Agreement.

- 6. Non-Processible Contamination.** In accordance with Section 4.3, the Processing Fees to be charged to the Municipality in the event that deliveries of Controlled Acceptable Recyclables that include materials that are not Controlled Acceptable Recyclables ("Contamination") will be as follows Table C.3:

Table C.3: Contamination Processing Fees

<u>Contamination %</u>	<u>Fee</u>
< 15%	No additional charge
≥ 15%	Weight of the Delivered Load x Then-current Tip Fee for Non-Processible Waste (See Exhibit A)

EXHIBIT C

Required Insurance of USA

The following shall constitute Required Insurance to be maintained during the Term by USA:

1. General liability coverage limits for bodily injury, property damage, and personal injury, \$1,000,000 per occurrence/\$2,000,000 general aggregate.
2. Auto liability limits for property damage and bodily injury caused by the operation of motor vehicles, \$1,000,000 per occurrence.
3. Umbrella or Excess Liability policy with a minimum \$5,000,000 per occurrence and \$5,000,000 aggregate, when required by the Municipality.
4. Pollution Liability/Environmental Impairment Insurance with limits up to \$1,000,000 each occurrence, and \$1,000,000 aggregate limit.
5. Worker's Compensation, as required by Connecticut State statute with limits no less than \$1,000,000 each accident by bodily injury, \$1,000,000 each accident by disease, and a policy limit of \$1,000,000. Waiver of subrogation to apply in favor of the Municipality.
6. USA will maintain such policies and limits for three (3) years following termination or expiration of this Agreement.
7. The "Town of Litchfield" is to appear as an additional insured on a primary and non-contributory basis, with a waiver of subrogation to apply in favor of the Municipality, on all Certificates of Insurance for liability.
8. All insurance is to be provided by carriers authorized to issue such insurance in the State of Connecticut and rated at least A-/VIII by A.M. Best.
9. All insurance may not be canceled or modified without thirty (30) days written notice by registered U.S. mail to "Town of Litchfield, Attn: First Selectman, 74 West Street, Litchfield, CT 06759."

EXHIBIT D

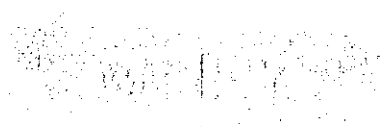
Acceptable Recyclables

Acceptable Recyclables are those items identified on the RecycleCT Foundation, Inc. Guide to Recycling <http://www.recyclect.com/in-the-bin.html> under the heading "What's In" and excludes those items under the heading "What's Out", as of the Effective Date, a summary of which is attached hereto. Such list will only be modified from time to time upon mutual agreement of the Parties.



A Guide to Recycling

Contact your local newspaper or municipal solid waste department for what items are accepted, where to go for recycling and what is accepted. All items should be empty, rinsed, clean and open. Do not throw away food or liquids. Do not throw away paint, oil, or flammable liquids. Do not throw away tires, appliances, or other large items.



What's OUT?

Cardboard & boxboard
Food & beverage cartons
Junk mail
Magazines & newspaper inserts
Newsprint
Office paper
Pizza boxes

Gift wrap & gift bags
Ice cream containers
Paper cups (hot & cold)
Shredded paper
Take-out food containers
Tissue paper

Beverage bottles & jars
Food bottles & jars

Ceramic mugs & plates
Drinking glasses

METAL

Aerosol containers (food grade only)
Aluminum foil
Cans & bottles
Foil containers
Metal lids from cans & bottles

Aerosol containers (deodorizers, cleaners, pesticides, etc.)
Foil tops from yogurt containers
Paint cans
Pots & pans
Small pieces of scrap metal
Spiral wound containers

Plastic bottles (with or without caps attached)

Loose bottle caps

Plastic containers, tubs & lids

Plastic bags & wrap

Plastic plates, bowls & utensils

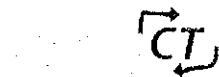
Plastic one-use cups (no lids, no straws)

Prescription bottles

Single-use coffee containers

Styrofoam cups, containers & packaging peanuts

Water filters



City of Long Beach, California