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March 27, 2012

Mr. Edward Mussler, PE, Branch Supervisor  
 NCDENR – Division of Waste Management  
 Solid Waste Section Permitting Branch  
 1646 Mail Service Center  
 Raleigh, NC 27699-1646



Dear Mr. Mussler:

**Subject:** Solid Waste Transfer Facility Permit Amendment Application – Change of Ownership  
 Beaufort County Transfer Station Facility – Permit No. 07-03T  
 Washington, Beaufort County, North Carolina  
 CEC Project Number: 120-357

Civil & Environmental Consultants, Inc. (CEC) is pleased to submit this application for a permit transfer on behalf of Republic Services, Inc. for the Beaufort County Transfer Station Facility, Permit No. 07-03T, located in Washington, Beaufort County, North Carolina. This application is submitted in association with the transfer of ownership of the facility from the current owner, Waste Industries, LLC to Republic Services, of North Carolina, LLC.

**1.0 GENERAL INFORMATION**

The following is general information regarding the facility per the Guidance Document you provided to me on March 5, 2012:

**Facility Name:** Beaufort County Transfer Station Facility, Permit No. 07-03T

**Owner/Applicant:** Republic Services of North Carolina, LLC  
 a wholly owned subsidiary of Republic Services, Inc.  
 1220 Commerce Street, SW, Box 1  
 Conover NC, 28613  
 Drew Isenhour, Area President

**Civil & Environmental Consultants, Inc.**

<b>Charlotte</b>	2030 S. Tryon Street   Suite 3E Charlotte, North Carolina 28203 Ph: 980/224-8104 / Fx: 980/224-8172 Toll Free: 855/859-9932 charlotte@cecinc.com www.cecinc.com	<b>Austin</b>	855/365-2324	<b>Columbus</b>	888/598-6808	<b>North Central PA</b>	877/321-2324
		<b>Boston</b>	866/312-2024	<b>Detroit</b>	866/380-2324	<b>Phoenix</b>	877/231-2324
		<b>Chicago</b>	877/963-6026	<b>Export</b>	800/899-3610	<b>Pittsburgh</b>	800/365/2324
		<b>Cincinnati</b>	800/759-5674	<b>Indianapolis</b>	877/746-0749	<b>St. Louis</b>	866/250-3679
		<b>Cleveland</b>	866/507-2324	<b>Nashville</b>	800/763-2326	<b>Toledo</b>	888/598-6808



(828) 695-2050  
[Disenhour@republicservices.com](mailto:Disenhour@republicservices.com)

Landowner: Same

Invoice Submittals: Republic Services of North Carolina, LLC  
1220 Commerce Street, SW  
Conover NC, 28613  
Raymond Hoffman  
(828) 695-2055  
[RHoffman@republicservices.com](mailto:RHoffman@republicservices.com)

## **2.0 SIGNATURE PAGE**

Attachment 1 is a signature page of the applicant/new owner of the facility. Republic Services of North Carolina, LLC is also the landowner, therefore a Certification of Landowner is not necessary.

## **3.0 PROPERTY INFORMATION AND OWNERSHIP DOCUMENTATION**

Attachment 2 is Title Commitment which includes a legal description of the facility. Also, Attachment 3 is a copy of the business purchase agreement.

## **4.0 FINANCIAL ASSURANCE**

The Solid Waste Section has exempted Republic Services of North Carolina, LLC of this requirement.

## **5.0 LOCAL GOVERNMENT APPROVAL**

Attachment 4 is a letter from the City of Washington stating that the facility is consistent with local zoning.

## **6.0 MINOR OPERATION PLAN CHANGES**

The following minor changes to the current approved Operation Plan are requested:

- Operator will be Republic Services of North Carolina, LLC.
- The final disposal site will be any properly permitted Republic Services, Inc. facility.

Edward Mussler - NCDENR  
CEC Project 120-357  
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March 27, 2012



- The facility will be operated by a third party firm and/or Republic Services of North Carolina, LLC.

The above information was provided in accordance with the Application Guidance to Transfer a Solid Waste Management Permit. If you should need additional information or have any questions please feel free to contact me by e-mail at [sbrown@cecinc.com](mailto:sbrown@cecinc.com) or by telephone at 704.773.6465.

Very truly yours,  
CIVIL & ENVIRONMENTAL CONSULTANT, INC.

A handwritten signature in blue ink, reading 'Scott L. Brown', followed by a horizontal line extending to the right.

Scott L. Brown, PE  
Vice President

Enclosures:

- Attachment 1 – Signature Page
- Attachment 2 – Title Commitment
- Attachment 3 – Purchase Agreement
- Attachment 4 – Zoning Letter

cc: Ray Hoffman, Republic Services, Inc  
Randy Bodnar, Civil & Environmental Services, Inc.  
Steve Doss, Civil & Environmental Services, Inc.

Signature page of applicant/new owner of the facility –

Name of facility: Beaufort County Transfer Station.

I certify under penalty of law that this application for permit transfer and all attachments were prepared under my direction or supervision and that the information provided in this application is true, accurate, and complete to the best of my knowledge.

I have a copy of the currently approved Operating Plan for the facility, and I agree to operate the facility in accordance with the Operating Plan and the North Carolina Solid Waste Management Rules and Law. I understand that the owner, operator and land owner are jointly and severally liable for improper operations and proper closure of the solid waste management facility.

I understand that North Carolina General Statute 130A-22 provides for administrative penalties of up to fifteen thousand dollars (\$15,000.00) per day per each violation of the Solid Waste Management Rules. I further understand that the Solid Waste Management Rules may be revised or amended in the future and that the facility siting and operations of this solid waste management facility will be required to comply with all such revisions or amendments. I understand that there are penalties for intentionally submitting false information in a permit application.

[Handwritten Signature]  
Signature

Drew Isenhour  
Print Name

3/26/12  
Date

Area President  
Title

Republic Services of NC, LLC  
Business or organization name

NORTH CAROLINA  
Catawba County

I, Donna E. Vanhorn, a Notary Public for said County and State, do hereby certify that Drew Isenhour personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 26 day of March, 2012

(Official Seal)

Notary Public Donna E. Vanhorn

My commission expires August 03, 2013



ALTA Commitment Form

COMMITMENT FOR TITLE INSURANCE  
Issued by



STEWART TITLE GUARANTY COMPANY, a Texas Corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

This Commitment shall not be valid or binding until countersigned by a validating officer or authorized signatory.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Countersigned by:

*Clayton A. Schaefer*  
Authorized Countersignature



*Stewart M. ...*  
Senior Chairman of the Board

*Malcolm Skonis*  
Chairman of the Board

*Michael ...*  
President

Stewart Title Guaranty Company  
5935 Carnegie Blvd, Suite 301  
Charlotte, NC 28209  
(888) 860-5554



## CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. *The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at < <http://www.alta.org/>>.*



All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252.

COMMITMENT FOR TITLE INSURANCE  
SCHEDULE A

File No.: 12000140114

1. **Effective Date:** February 15, 2012 at 8:00 A.M.

2. <b>Policy or Policies to be issued:</b>		<b>Amount of Insurance</b>
(a) A.L.T.A. Owner's	2006 (Standard)	T.B.D.
(b) A.L.T.A. Mortgagee's	2006 (Standard)	T.B.D.

3. **The estate or interest in the land described or referred to in this Commitment and covered herein is:**

Fee Simple

4. **Title to said estate or interest in said land is at the effective date hereof vested in:**

Waste Industries, LLC, a North Carolina limited liability company

5. **The land referred to in this Commitment is described as follows:**

BEING ALL OF THAT CERTAIN PARCEL LOCATED AT 500 FLANDERS FILTER ROAD, WASHINGTON TOWNSHIP, BEAUFORT COUNTY, NORTH CAROLINA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN EXISTING IRON PIPE, SAID IRON PIPE BEING LOCATED NORTH 56° 50' 20" WEST 1,646.31 FEET FROM A COMPUTED POINT LOCATED ON THE WESTERN BOUNDARY OF THE RIGHT-OF-WAY OF FLANDERS FILTER ROAD / S.R. 1427, SAID COMPUTED POINT HAVING NORTH CAROLINA GRID COORDINATES Y(N) = 674911.4290 AND X(E) = 2562327.3491 AND BEING LOCATED NORTH 10° 39' 40" EAST 966.88 FEET FROM NCGS "FILTER" MAD (83) Y(N) = 673961.339 X(E) = 2562148.494; THENCE FROM SAID BEGINNING POINT NORTH 56° 50' 20" WEST 505.89 FEET ALONG THE NORTHERN BOUNDARY OF THE ABANDONED 130-FOOT SEABOARD COAST LINE RAILROAD RIGHT-OF-WAY TO AN EXISTING IRON PIPE LOCATED IN THE EASTERN BOUNDARY OF THE PROPERTY OWNED NOW OR FORMERLY BY MANFRED D. ALLIGOOD, JR. (SEE DEED BOOK 1278, PAGE 93 AND PLAT CABINET E, SLIDE 86-8 FOR REFERENCE); THENCE RUNNING WITH THE EASTERLY LINE OF THE ALLIGOOD PROPERTY NORTH 34° 22' 26" EAST 810.07 FEET TO AN EXISTING IRON PIPE; THENCE RUNNING SOUTH 51° 57' 26" EAST 117.43 FEET

TO AN EXISTING IRON PIPE; THENCE RUNNING SOUTH 56° 34' 07" EAST 260.47 FEET TO AN EXISTING IRON PIPE; THENCE RUNNING SOUTH 52° 27' 59" EAST 215.90 FEET TO AN EXISTING IRON PIPE LOCATED IN THE WESTERN BOUNDARY OF THE PROPERTY OWNED NOW OR FORMERLY BY ROBERT E. HARDY (SEE DEED BOOK 1096, PAGE 137 FOR REFERENCE); THENCE RUNNING WITH THE WESTERN BOUNDARY OF THE HARDY PROPERTY SOUTH 55° 08' 24" WEST 38.40 FEET TO AN EXISTING IRON PIPE; THENCE CONTINUING WITH THE HARDY PROPERTY SOUTH 39° 38' 14" WEST 240.80 FEET TO AN EXISTING IRON PIPE; THENCE RUNNING WITH THE WESTERN BOUNDARY OF THE PROPERTIES OWNED NOW OR FORMERLY BY JAMES M. FORTESCUE (SEE DEED BOOK 779, PAGE 276 FOR REFERENCE) AND SMITHTON SANITATION SERVICE, INC. (SEE DEED BOOK 1029, PAGE 195 FOR REFERENCE) SOUTH 40° 10' 50" WEST A TOTAL OF 511.17 FEET TO AN EXISTING IRON PIPE, SAID PIPE BEING THE POINT AND PLACE OF BEGINNING, CONTAINING APPROXIMATELY 10.00 ACRES ACCORDING TO A BOUNDARY AND LOCATION SURVEY DATED MARCH 11, 2005 PREPARED BY SURVEYING SOLUTIONS, PC FOR WASTE INDUSTRIES, LLC.

TOGETHER WITH THAT CERTAIN 60-FOOT INGRESS AND EGRESS EASEMENT DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING AT A COMPUTED POINT LOCATED ON THE WESTERN BOUNDARY OF THE RIGHT-OF-WAY OF FLANDERS FILTER ROAD / S.R. 1427, SAID COMPUTED POINT HAVING NORTH CAROLINA GRID COORDINATES Y(N) = 674911.4290 AND X(E) = 2562327.3491 AND BEING LOCATED NORTH 10°39' 40" EAST 966.88 FEET FROM NCGS "FILTER" NAD (83) Y(N) = 673961.339 X(E) = 2562148.494; THENCE RUNNING NORTH 56° 50' 20" WEST 1,646.31 FEET ALONG THE NORTHERN MARGIN OF THE SEABOARD COAST LINE RAILROAD 130-FOOT ABANDONED RIGHT-OF-WAY TO AN EXISTING IRON PIPE LOCATED IN THE SOUTHEAST CORNER OF THE ABOVE-REFERENCED TRACT; THENCE RUNNING NORTH 40° 10' 50" EAST 60.46 FEET TO A BENT EXISTING IRON PIPE; THENCE RUNNING SOUTH 56° 50' 20" EAST 1,634.55 FEET ALONG THE SOUTHERN LINE OF SMITHTON SANITATION SERVICE, INC. (SEE REFERENCE ABOVE) TO A COMPUTED POINT IN THE WESTERN BOUNDARY OF THE RIGHT-OF-WAY OF FLANDERS FILTER ROAD / S.R. 1427; THENCE RUNNING ALONG AND WITH THE WESTERN BOUNDARY OF SAID RIGHT-OF-WAY SOUTH 11° 03' 28" WEST 64.76 FEET TO A COMPUTED POINT, SAID COMPUTED POINT BEING THE POINT AND PLACE OF BEGINNING, AS SHOWN ON AFOREMENTIONED SURVEY.

**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE B  
PART I**

File No.: 12000140114

The following are the requirements to be complied with:

1. Instruments necessary to create the estate or interest to be insured must be properly executed, delivered and duly filed for record.
  - a. Deed from Waste Industries, LLC to a Buyer to be determined.
  - b. Deed of Trust from a Buyer/Borrower to a Trustee be determined on behalf of a Lender to be determined securing an amount to be determined.

If coverage is to include the priority as of the date of recording of the insured deed of trust for advances made after recording, the deed of trust must (1) comply with the provisions of N.C.G.S. 45-67 et seq. for future advance or construction loan transactions, or (2) comply with the provisions of N.C.G.S. 45-81 et seq. for an equity line of credit.

2. Pay the full consideration to, or for the account of, the grantors or mortgagors.
3. Pay all taxes, charges, assessments, levied and assessed against subject premises, which are due and payable.
4. Satisfactory evidence should be had that improvements and/or repairs or alterations thereto are completed that contractor, sub-contractors, labor and materialmen are all paid; and have released of record all liens or notice of intent to perfect a lien for labor material.
5. If a Zoning Endorsement is requested, a current Zoning Report or Zoning Letter acceptable to the Company must be provided.
6. In regard to Waste Industries, LLC the Company will require the following information:
  - a. Certificate of Existence (State of Registration);
  - b. Certificate of Good Standing (State of Registration);
  - c. Certificate of Qualification to Conduct Business (if applicable); and
  - d. Resolution of Managing Members authorizing and approving the proposed transaction.

Any changes in status must be furnished to the Company prior to closing.

7. The Company's form of Owner/Seller/Contractor Affidavit and Indemnity must be executed by Waste Industries, LLC.

NOTE: The Company reserves the right to make additional requirements or to take additional exceptions upon review of all required documents or in otherwise ascertaining further details of the transaction.

**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE B  
PART II**

File No. 12000140114

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Standard Exceptions:
  - a. Rights or claims of parties in possession not shown by the public records.
  - b. Easements, or claims of easements, not shown by the public records.
  - c. Encroachments, overlaps, boundary line disputes or other matters which would be disclosed by an accurate survey and inspection of the premises.
  - d. Any lien, or right to a lien, for services, labor, or material hereto or hereafter furnished, imposed by law and not shown by the public records.
  - e. Rights of dower, homestead or other marital rights of the spouse, if any, of any individual insured.
  - f. Any titles or rights asserted by anyone including but not limited to, persons, corporations, governments or other entities, to tide lands, or lands comprising the shores or bottoms of navigable rivers, lakes, bays, oceans or gulf, or lands beyond the line of the harbor or bulkhead lines as established or changed by the United States Government or water rights, if any.
  - g. Taxes or special assessments which are not shown as existing liens by the public records.

**SPECIAL EXCEPTIONS:**

3. Taxes for the year 2012, a lien not yet due and payable.
4. Survey dated February 27, 2012, by R. Scott Barrett, of Barrett Surveying, NCPLS, L-4513, Job No. 37873, (the "Survey"), reveals the following:
  - a. utility building;
  - b. storm drain manhole and sanitary sewer manhole;
  - c. diesel fuel tank;
  - d. power pole and overhead power;
  - e. 25' front zoning setback line;
  - f. 6' chain link fence;
  - g. ditch; and
  - h. water valve and water meter
5. Restrictive Covenants that encumber the property with a 50-foot buffer and restrictions governing the use of any sewage lift pump station recorded in Book 988, Page 242, in said Registry, as shown on Survey.
6. Permit to City of Washington recorded in Book 1006, Page 399, in said Registry, as shown on Survey.
7. General Permit to the City of Washington recorded in Book 1037, Page 775, in said Registry, as shown on Survey.
8. Rights of tenants, as tenants only, under unrecorded leases.
9. Easements, setback lines and any other matters shown or noted on plat recorded in Plat Cabinet E, Page 7-6, in said Registry, as shown on Survey.

## STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

### WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
<b>For our everyday business purposes</b> — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
<b>For our marketing purposes</b> — to offer our products and services to you.	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes</b> — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
<b>For our affiliates' everyday business purposes</b> — information about your creditworthiness.	No	We don't share
<b>For our affiliates to market to you</b>	Yes	No
<b>For non-affiliates to market to you.</b> Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

### Sharing practices

<b>How often do the Stewart Title Companies notify me about their practices?</b>	We must notify you about our sharing practices when you request a transaction.
<b>How do the Stewart Title Companies protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.
<b>How do the Stewart Title Companies collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• request insurance-related services</li> <li>• provide such information to us</li> </ul> <p>We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.</p>
<b>What sharing can I limit?</b>	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

### Contact Us

If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is executed and delivered effective as of March 15, 2012, among those entities set forth as Buyers on Exhibit A (each a "Buyer" and together, "Buyers"), and the entity set forth as Seller on Exhibit A ("Seller").

### RECITALS

A. Seller owns and operates waste collection, hauling and transfer station operations identified opposite its name on Exhibit A (collectively, the "Business").

B. Buyers desire to purchase and acquire the assets, properties and contractual rights used or held for use by Seller in connection with the Business, and Seller desires to sell such assets, properties and contractual rights to Buyers, all in accordance with the terms and conditions set forth in this Agreement.

C. Except as the context otherwise requires, capitalized terms used in this Agreement shall have the meanings assigned to them in Exhibit B.

NOW, THEREFORE, in consideration of the mutual promises and covenants in this Agreement and other good and valuable consideration, received to the full satisfaction of each of them, the parties agree as follows:

### ARTICLE I

#### SALE OF ASSETS

1.1 Sale of Assets by Seller. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Seller shall grant, convey, sell, transfer, deliver and assign to Buyers, and Buyers shall purchase from Seller, all of the following assets, in each case to the extent used or held for use by Seller in connection with the Business (the "Assets"), but excluding the Excluded Assets, free and clear of all Encumbrances, except Permitted Exceptions and Blanket Liens:

- (a) the Owned Real Property;
- (b) all Permits listed on Schedule 1.1(b);
- (c) all Equipment set forth on Schedule 1.1(c);
- (d) Reserved.
- (e) all telephone numbers and facsimile numbers listed on Schedule 1.1(e);
- (f) the following Contracts:

(i) all Contracts and any other transferable rights of Seller to provide collection services to the active customers at the locations on the service routes listed on

Schedule 1.1(f)(i) serviced by Seller's Charleston, SC Hauling division, including Contracts with Governmental Authorities (the accounts to service such customers at the locations on such routes are collectively referred to herein as the "Charleston Accounts" and the Contracts or other rights to service the Charleston Accounts are collectively referred to herein as the "Charleston Contracts");

(ii) all Contracts and any other transferable rights of Seller to provide front-load collection services to the active customers at the locations on the service routes listed on Schedule 1.1(f)(ii) serviced by Seller's Columbia, SC Hauling division, including Contracts with Governmental Authorities (the accounts to service such customers at the locations on such routes are collectively referred to herein as the "Columbia Accounts" and the Contracts or other rights to service the Columbia Accounts are collectively referred to herein as the "Columbia Contracts");

(iii) all Contracts and any other transferable rights of Seller to provide front-load and roll-off commercial collection services to the active customers at the locations on the service routes listed on Schedule 1.1(f)(iii) serviced by Seller within Beaufort County, NC, including Contracts with Governmental Authorities (the accounts to service such customers at the locations on such routes are collectively referred to herein as the "Beaufort Accounts" and the Contracts or other rights to service the Beaufort Accounts are collectively referred to herein as the "Beaufort Contracts");

(iv) all Contracts and any other transferable rights of Seller to provide disposal services to the active customers listed on Schedule 1.1(f)(iv) at Seller's [Beaufort Transfer Station], including Contracts with Governmental Authorities (the accounts to service such customers at such disposal facilities are collectively referred to herein as the "Disposal Accounts" and the Contracts or other rights to service the Disposal Accounts are collectively referred to herein as the "Disposal Contracts" and, together with all of the Contracts described in or listed on the Schedules 1.1(f)(i)-(iv), collectively, the "Assumed Contracts");

(g) all books and records principally related to the Business, including customer lists, customer data and records, customer routes and routing information; billing, invoicing and collection records; aging reports; Equipment logs; service warranty records; and vendor lists, all in electronic format if available;

(h) all prepaid expenses and deposits related to the Business, including any such expenses and deposits with respect to leases, rentals and utilities, incurred in the ordinary course of business, but only to the extent Buyers receive the benefit thereof ("Prepaid Expenses");

(i) all Accounts Receivable, valued as set forth in Section 2.2;

(j) all transferable warranties or similar rights that relate to the Assets;

(k) all furniture, fixtures and office equipment used principally in connection with the Business and located at the Beaufort, NC Transfer Station, including the scales;

(l) all rights under agreements with Business Employees and other third Persons concerning confidentiality, assignment of inventions, non-competition covenants, non-solicitation covenants or other Business protection agreements relating principally to the Business, as described in Schedule 1.1(l);

(m) that portion of any National Accounts of Seller or its Affiliates serviced by the Business, conveyed via subcontract to Buyer; and

(n) all goodwill of the Business.

1.2 Excluded Assets. The parties agree that, notwithstanding the provisions of Section 1.1, certain assets of Seller shall remain the property of Seller and shall not be sold to Buyers at the Closing (the "Excluded Assets"). The Excluded Assets include: (a) all assets of Seller, including all properties, land, rights, licenses, permits, contracts, whether tangible or intangible, personal or mixed, wherever located, that are not used or held for use in, owned by, leased by or in the possession of Seller or its Affiliates principally in connection with the Business; (b) all records which relate principally to Excluded Assets or Excluded Liabilities, including files relating to Taxes and personnel files; (c) the equity interests and corporate or other entity level record books of Seller; (d) the rights which accrue or will accrue to Seller under this Agreement; (e) any inter-company receivables from Seller or its Affiliates; (f) all insurance policies and all rights with respect thereto; (g) all litigation rights to which Seller is plaintiff and all causes of action and claims of every nature, kind and description related thereto; (h) all present and future refunds relating to Taxes of Seller; (i) all billing, route management and other software programs other than basic operating systems; (j) all petty and other cash and cash equivalents on hand or in a bank; (k) all bank accounts; (l) all escrow accounts; (m) all right, title and interest in any financial responsibility, financial assurance or similar mechanisms; (n) the National Accounts except as set forth in Section 1.1(m); (o) all software licenses, time clocks, GPS systems and DriveCam systems; (p) all Rolling Stock used or for use in the Business; (q) all computer hardware and related basic operating systems of Seller, including those used in the operation of the Business; (r) all Inventory; (s) all intangible rights and property of Seller, including trademarks, service marks, logos, and trade names; (t) all other assets that do not constitute the Assets; and (v) those assets identified on Schedule 1.2.

1.3 Schedules Relating to Assets. All schedules relating to the Assets are prepared and organized according to the business locations of Seller set forth on Exhibit A.

1.4 Assumed Liabilities. At the Closing, subject to Article X, Buyers shall assume and shall agree to pay, perform and discharge when due, all of the following Liabilities to the extent relating to or arising out of the Assets or the Business, other than the Excluded Liabilities (the "Assumed Liabilities"), in each case in accordance with their respective terms and subject to their respective conditions:

(a) all Liabilities, duties and obligations under the Assumed Contracts and Permits to the extent the same are assignable, and first arising and related to periods subsequent to the Effective Time (provided that such obligations do not arise as a result of actions or omissions by Seller thereof on or prior to the Closing Date).

(b) within 90 Business Days following the Closing Date, Buyers will post replacement performance bonds, letters of credit and other financial assurances for the performance bonds, letters of credit and other financial assurances of Seller set forth on Schedule 5.16, and will promptly furnish to Seller a copy of such replacement performance bonds, letters of credit or other financial assurances as they are issued. Buyers will reimburse Seller for the costs incurred by Seller in keeping any performance bonds, letters of credit or other financial assurances in place following the Closing.

(c) all Liabilities included in the Adjustment Amount.

(d) noncompliance with Environmental Laws or any Release arising out of events or conditions occurring after the Effective Time.

1.5 Excluded Liabilities. Except as explicitly and expressly set forth in this Agreement and subject to the terms of Article X hereof, Buyers shall not, by the execution and performance of this Agreement, by consummating the Transactions or otherwise (including under theories of successor liability), assume, become responsible for or incur, any Liabilities of any nature whatsoever relating to or arising out of the Assets or the Business with respect to events occurring on or prior to the Effective Time (collectively, the "Excluded Liabilities"), including any Liabilities:

(a) of Seller for Taxes, whether or not accrued, assessed or currently due and payable, including any Taxes arising from the use or the ownership of the Assets or Business for any Tax period (or portion thereof) ending on or prior to the Effective Time;

(b) of Seller for expenses incurred in connection with the sale of the Assets pursuant to this Agreement;

(c) for any inter-company payables or receivables between Seller and any Affiliates of Seller;

(d) arising out of or in connection with or related to the ownership, operation or use of the Assets and/or Business on or prior to the Effective Time that do not constitute Assumed Liabilities;

(e) for noncompliance with Environmental Laws or any Release arising out of events or conditions occurring prior to the Effective Time;

(f) under any Assumed Contract, but only to the extent that the Liability arises out of or relates to any breach that occurred prior to the Effective Time;

(g) under any Excluded Asset;

(h) under any employee benefit plan, including any multiemployer plan or multiple employer welfare or pension arrangement (as such terms are defined in ERISA, the Pension Protection Act and the Multiemployer Pension Protection Act, as amended) or any other employee benefit plans, arrangements, commitments or programs relating to payroll, vacation, sick leave, workers' compensation, unemployment benefits, pension benefits, employee stock

option or profit-sharing plans, health care plans or benefits of any kind for any current or former Business Employees or other employees or both of Seller;

(i) under any employment, severance, retention or termination plan, program, contract, arrangement, commitment or agreement (whether written or oral) with any current or former Business Employee or other employee of Seller or any of its Affiliates;

(j) arising out of or relating to any union-initiated claim, action or litigation that either Buyers or Seller failed to assume a labor contract or failed to hire all relevant current or former union Business Employees or other employees;

(k) arising out of or relating to any Business Employee or other employee grievance, arbitration or unfair labor practice, whether or not the affected Business Employees or other employees are hired by Buyers relating to events occurring on or prior to the Closing Date and/or relating to Seller's acts or omissions in connection with a bargaining unit;

(l) to indemnify, reimburse, or advance amounts to any officer, manager, member, Business Employee, employee or agent of Seller relating to events occurring prior to the Effective Time;

(m) arising out of any Proceeding pending as of the Closing Date or commenced after the Closing Date but arising out of or relating to any occurrence or event occurring prior to the Effective Time;

(n) resulting from Seller's failure to comply with any applicable plant-closing or bulk sales laws;

(o) arising out of or resulting from Seller's compliance or noncompliance (or that of their Affiliates or representatives) with any Applicable Law or order of any Governmental Authority related to the ownership, operation or use of the Assets and/or Business on or prior to the Closing Date;

(p) arising from Seller's performance of the Berkeley County Contract during the Remaining Term, including injury to or death of any person or damage to or destruction of any property, whether based on negligence, breach of warranty, or any other theory; and

(q) of Seller under this Agreement, any Ancillary Agreement or any other document executed in connection with the Transactions.

Seller agrees that they shall pay and discharge all such Excluded Liabilities as and when they become due and payable.

## ARTICLE II PURCHASE PRICE

2.1 Purchase Price. Subject to adjustment as provided in this Article II and Section 10.7, at the Closing, Buyers shall pay to Seller \$9,357,000 (the "Purchase Price"), plus or minus

the Estimated Adjustment Amount (as the case may be), if any, payable by wire transfer of immediately available funds.

## 2.2 Working Capital Adjustment.

(a) The following capitalized terms used in this Agreement shall have the following meanings:

(i) "Adjustment Amount" means: (a) the Accounts Receivable Amount, minus (b) the Unearned Revenue Amount, plus (c) the Deposit Amount.

(ii) "Accounts Receivable Amount" means the Accounts Receivable as of the end of business on the Closing Date multiplied by: (a) 100% for those Accounts Receivable 0-60 days old; (b) 75% for those Accounts Receivable 61-90 days old; and (c) 0% for those Accounts Receivable more than 90 days old;

(iii) "Unearned Revenue Amount" means the amount billed by Seller to the customers of the Business before the Closing Date for services to be provided by Buyers on or after the Closing Date; and

(iv) "Deposit Amount" means the amount of all Prepaid Expenses.

(b) At least two Business Days prior to the Closing Date, Seller shall deliver to Buyers a worksheet setting forth their good faith computation of the estimated Adjustment Amount (the "Estimated Adjustment Amount"). The worksheet shall be prepared by Seller and shall be subject to the approval of Buyers, which approval shall not be unreasonably withheld. If the worksheet is not acceptable to Buyers, Buyers shall promptly submit their comments on the worksheet to Seller, and Buyers and Seller shall endeavor in good faith to address such comments so as not to delay the Closing. If the Estimated Adjustment Amount is a positive number, the Purchase Price payable at Closing shall be increased by an amount equal to the positive Estimated Adjustment Amount. If the Estimated Adjustment Amount is a negative number, the Purchase Price payable at Closing shall be decreased by an amount equal to the negative Estimated Adjustment Amount.

(c) Within 90 days after the Closing, Buyers shall prepare a computation of the actual Adjustment Amount as of the Closing Date (the "Actual Adjustment Amount") and deliver such computation to Seller. If within 20 days following delivery of such computation Seller does not deliver a written objection thereto to Buyers, then the Actual Adjustment Amount shall be as reflected on the computation provided pursuant to the preceding sentence. If Seller timely objects to the computation, then Buyers and Seller shall negotiate in good faith and attempt to resolve their disagreement. Should such negotiations not result in an agreement within 30 days after delivery of such written objection, the issues remaining in dispute shall be submitted to a neutral auditor mutually acceptable to Buyers and Seller (the "Neutral Auditor"). Seller and Buyers shall furnish or cause to be furnished to the Neutral Auditor such work papers and other documents and information relating to the disputed issues as they may deem necessary or appropriate or as the Neutral Auditor may request and are available to that party or its agents. Further, Seller and Buyers shall be afforded the opportunity to present to the Neutral Auditor any material relating to the disputed issues and to discuss the issues with the Neutral Auditor;

provided that no party shall have any discussions with the Neutral Auditor without first providing the other parties with notice of such discussions and a reasonable opportunity to attend, observe or otherwise participate in such discussions. All fees and expenses relating to the work, if any, performed by the Neutral Auditor will be borne equally by Buyers and Seller. The Neutral Auditor will deliver to Buyers and Seller a written determination (such determination to include a worksheet setting forth all material calculations used in arriving at such determination and to be based solely on information provided to the Neutral Auditor by Buyers and Seller, or their respective Affiliates) of the disputed items within 30 days of receipt of the disputed items, which determination will be final, binding and conclusive on the parties.

(d) Promptly following agreement on or delivery of the final, binding and conclusive computation setting forth the Actual Adjustment Amount, Buyers and Seller shall account to each other as provided for in this Section 2.2(d). If the Estimated Adjustment Amount less the Actual Adjustment Amount is a positive number, then Seller shall pay Buyers a cash payment equal to such excess as a decrease in the Purchase Price. If the Estimated Adjustment Amount less the Actual Adjustment Amount is a negative number, then Buyers shall pay Seller a cash payment equal to such deficit as an increase in the Purchase Price. Any such excess or deficit payment shall be due and payable within 10 days after the final determination of the Actual Adjustment Amount pursuant to Section 2.2(c) and shall be paid in immediately available funds by wire transfer to an account designated by Buyers or Seller, as applicable.

2.3 Allocation of Purchase Price. The Purchase Price (including any liabilities that are considered to be an increase to the Purchase Price for federal income tax purposes) shall be allocated among the Assets in the manner agreed to by Seller and Buyers, in accordance with the requirements of Code Section 1060 and based on the fair market value of the Assets as determined by arm's length negotiations. Within 30 days after the Actual Adjustment Amount is finally determined pursuant to Section 2.2, Seller will propose a Purchase Price allocation to Buyers, and the parties shall work in good faith to agree to the same. The parties agree to file (or cause to be filed) (i) all required federal Forms 8594, Asset Acquisition Statement under Section 1060, and (ii) all other Tax Returns (including amended Tax Returns and claims for refund) in a manner consistent with such allocation of the Purchase Price described in this Section 2.3.

### ARTICLE III CLOSING

3.1 Time and Place of Closing. The purchase and sale provided for in this Agreement (the "Closing") shall take place at the offices of Seller, or by overnight express, email and/or facsimile, at 9:00 a.m., local time, as promptly as practicable (but in any event within 10 Business Days) following the date on which the last of the conditions set forth in Article VIII and Article IX are fulfilled, satisfied or waived; or at such other time or place as the parties shall agree in writing. The date on which the Closing occurs is referred to as the "Closing Date," and all actions shall be deemed to have occurred simultaneously and be effective as of the close of business local time at the place of the Closing, on the Closing Date (the "Effective Time"), with the effectiveness of any action taken on the Closing Date being conditioned upon the taking of all other actions required for the Closing to occur. The parties shall use commercially reasonable efforts to cause the Closing to occur on March 30, 2012. At the Closing, the sale and conveyance of the Owned Real Property may be consummated through an escrow established at

the Title Company, although actual payment of the Purchase Price allocable to the Owned Real Property shall not be paid through the escrow (other than funds required to cure a Title Defect for which Seller is obligated to or have elected to cure).

3.2 Permit Transfer Issues. If, despite the parties' commercially reasonable efforts, the Closing cannot occur on or prior to March 30, 2012 because of Permit transfer issues related to one or more Permits, but all other conditions of Closing have been satisfied or waived by the parties, then, subject to the approval of the applicable Governmental Authority, if required, and if not prohibited by Applicable Laws, the parties shall execute and deliver a Transition Operating Agreement in the form acceptable to Seller and Buyers (the "Transition Operating Agreement") with respect to each such Permit at Closing. Buyers and Seller shall use their commercially reasonable efforts to obtain the necessary consents from any such Governmental Authority as soon as reasonably practicable following the Closing in order to transfer or re-issue the required Permits to the applicable Buyer.

3.3 Deliveries by Seller. At the Closing, Seller shall deliver or cause to be delivered to Buyers, all duly and properly executed (where applicable):

- (a) a Bill of Sale in the form attached as Exhibit C;
- (b) a Deed conveying to Buyers good, marketable, and insurable fee simple title to the Owned Real Property, subject only to the Permitted Exceptions, in form and substance reasonably satisfactory to Buyers;
- (c) a letter from Seller's (or its Affiliate's) lenders affirming Seller's covenant in Section 4.3;
- (d) the certificates referred to in Sections 9.1 and 9.2 below;
- (e) all customer, routing and billing information relating to current customers of the Business in electronic form to the extent not delivered prior to Closing;
- (f) the Transition Operating Agreement(s), as applicable;
- (g) a transition services agreement in a form mutually acceptable to Seller and Buyers (the "Transition Services Agreement");
- (h) a National Account Subcontract in the form attached as Exhibit D (the "National Account Subcontract");
- (i) all documents, reports and affidavits required to be delivered to any Governmental Authority in connection with the payment of any real estate transfer Tax, transfer of ownership of the Assets, or recordation of the Deed;
- (j) all documents, indemnity agreements, affidavits and other documents reasonably required by the Title Company to issue the Title Policy, to delete Standard and General Exceptions and to provide the special endorsements required pursuant to Section 7.12

and to comply with reasonable and customary requirements set forth in Schedule B – Section One; and

(k) such other separate documents or instruments of sale, assignment, or transfer as are customary in transactions such as the Transactions or as Buyers shall reasonably request.

3.4 Deliveries by Buyers. At the Closing, Buyers shall deliver or cause to be delivered to Seller, all duly and properly executed (where applicable):

(a) the Purchase Price by wire transfer of immediately available funds to the account specified by Seller;

(b) Buyers' Assumption Agreement in the form of Exhibit E;

(c) the Transition Services Agreement;

(d) the Transition Operating Agreement(s), as applicable;

(e) the National Account Subcontract;

(f) all documents, reports and affidavits required to be delivered to any Governmental Authority in connection with the payment of any real estate transfer Tax, transfer of ownership of the Assets, or recordation of the Deed;

(g) all documents, indemnity agreements, affidavits and other documents reasonably required by the Title Company (and reasonably approved by Buyers) in order to cause the Title Company to issue the Title Policy in the form and condition required by this Agreement;

(h) the certificates referred to in Sections 8.1 and 8.2 below; and

(i) such other separate documents or instruments of sale, assignment, transfer or assumption as are customary in transactions such as the Transactions or as Seller shall reasonably request.

#### ARTICLE IV POST CLOSING COVENANTS

4.1 Removal of Identification. Within six months after the Closing, Buyers shall remove or otherwise conceal all visible usage of Seller's name, trade names, logos and other identifying intellectual property on the Assets.

4.2 Further Assurances. From time to time on and after the Closing Date and without further consideration except as provided in this Agreement, the parties shall each deliver or cause to be delivered to any other party at such times and places as shall be reasonably requested, such additional instruments as any of the others may reasonably request for the purpose of carrying out this Agreement and the Transactions. Seller, also without further consideration, agrees to

cooperate with Buyers and to use its commercially reasonable efforts to have its officers, Business Employees and employees cooperate on and after the Closing Date in furnishing to Buyers or their advisors upon reasonable request, (a) information with respect to the Assets and the Business, (b) information, evidence, testimony, and other assistance in connection with obtaining all necessary Permits and approvals and in connection with any third party actions, Proceedings, arrangements or disputes of any nature with respect to the Assets or the Business, and (c) updated loss-claims related to the Assets and the Business with respect to periods prior to the Closing Date and any resolution thereof; provided, however, that this obligation shall not apply to disputes among the parties, and that Seller shall not be required to expend any sum of money toward that end beyond commercially reasonable and typical overhead expenditures and commercially reasonable outside counsel and adviser fees and costs. Buyers, also without further consideration, agree to cooperate with Seller and to use their commercially reasonable efforts to have their officers, employees cooperate on and after the Closing Date in furnishing to Seller reasonably requested information, evidence, testimony, and other assistance (including reasonable access to the Assets, including the Owned Real Property) in connection with any third party actions, Proceedings, arrangements or disputes of any nature with respect to the Assets or the Business; provided, however, that this obligation shall not apply to disputes among the parties, and that Buyers shall not be required to expend any sum of money toward that end beyond commercially reasonable and typical overhead expenditures and commercially reasonable outside counsel and adviser fees and expenses.

4.3 Blanket Lien Releases. As of the Execution Date, the Assets are encumbered by blanket liens in favor of various lenders to Seller and/or Seller's Affiliates (the "Blanket Liens"). Such Blanket Liens shall be released on or prior to the Closing, and evidence thereof shall be delivered to Buyers within 60 days following the Closing Date.

4.4 Customers and Inquiries. Seller will not take any action that is designed or intended to have the effect of discouraging any customer or business associate of Seller from maintaining the same business relationships with Buyers after the Closing that it maintained with Seller before the Closing. Seller will refer all customer inquiries relating to the Business to Buyers from and after the Closing.

## ARTICLE V REPRESENTATIONS AND WARRANTIES OF SELLER

As an inducement to Buyers to enter into this Agreement and to consummate the Transactions, Seller represents and warrants to Buyers that the statements contained in this Article V: (i) except as set forth in the Disclosure Schedules, are correct and complete as of the Execution Date; (ii) will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the Execution Date throughout this Article V), subject to the Disclosure Schedules and supplements to the Disclosure Schedules as provided in Section 7.7, and except for those representations and warranties that, by their terms or nature, speak as of a specific date that is not the Closing Date; and (iii) shall survive the Closing in accordance with Section 10.1. Any information set forth in a particular section or subsection of the Disclosure Schedules shall be deemed to be disclosed in each other section or subsection thereof to which the relevance of such information is reasonably apparent from the face of such disclosure.

5.1 Organization; Authority; Binding Effect.

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the state of its formation and is duly authorized, qualified and licensed under all Applicable Laws to carry on the Business in the places and in the manner in which the Business is presently conducted, except for where the failure to be so authorized, qualified or licensed would not have a Material Adverse Effect.

(b) Seller has full power and authority (including full corporate or other entity power and authority) to enter into this Agreement and the Ancillary Agreements to which it is a party, to consummate the Transactions and perform its obligations under this Agreement and the Ancillary Agreements to which it is a party.

(c) The execution, delivery and performance of this Agreement and the Ancillary Agreements by Seller is within its limited liability company rights, powers and authority and such action has been approved by Seller's board of managers, and no other proceedings on the part of Seller will be necessary to authorize the execution and delivery of this Agreement and the Ancillary Agreements or the consummation by Seller of the Transactions and the performance of its obligations under this Agreement and the Ancillary Agreements to which it is a party. This Agreement has been, and upon delivery, the Ancillary Agreements to which it is a party will be, duly executed and delivered by Seller and, assuming the due authorization, execution and delivery by Buyers, will constitute the valid and legally binding agreement of Seller enforceable against Seller in accordance with their respective terms.

5.2 Permits. Seller has all material Permits necessary to enable it to own the Assets and conduct the Business as currently conducted on the Execution Date. To Seller's knowledge, except as set forth on Schedule 5.2, Seller is and has been in compliance in all material respects with the terms and conditions of all Permits. All of the Permits are currently valid, in good standing and in full force and effect in all material respects. Seller shall not undertake, following the Closing, any challenges to the Permits or applications for Permits.

5.3 Assets; Certain Contracts; Personal Property.

(a) Except for (i) the assets specifically identified on Schedule 5.3(a), (ii) the Excluded Assets, and (iii) Contracts that have terminated in accordance with their terms in the ordinary course of business or which shall do so prior to the Closing, the Assets include all the material properties, assets, rights, licenses, permits and contracts, wherever located (including any items located on a customer's site), whether tangible or intangible, real, personal or mixed, that are currently used, owned by, leased by or in the possession of Seller in connection with the Business.

(b) All of the Assets that constitute tangible personal property are owned by Seller.

(c) With respect to the following Contracts and Schedules,

(i) Schedule 1.1(f)(i): (A) identifies the Charleston Accounts by customer name, billing and service address and sets forth, with respect to each Charleston

Account, the service requirements, container size and standard monthly charge, and (B) separately identifies such accounts by type such as “Residential” or “Commercial”;

(ii) Schedule 1.1(f)(ii) identifies the Columbia Accounts, all of which are commercial, by customer name, billing and service address and sets forth, with respect to each Columbia Account, the service requirements, container size and standard monthly charge;

(iii) Schedule 1.1(f)(iii): (A) identifies the Beaufort Accounts by customer name, billing and service address and sets forth, with respect to each Beaufort Account, the service requirements, container size and standard monthly charge, and (B) separately identifies such accounts by type such as “Residential” or “Commercial”; and

(iv) Schedule 1.1(f)(iv) identifies the Disposal Accounts by disposal site, customer name, billing address, disposal volume, rate, type of waste stream and revenue as of the most recent month ended prior to the Execution Date.

(d) At the Closing, Seller shall have good and marketable title to the Assets, free and clear of all Encumbrances other than Permitted Exceptions and the Blanket Liens that will be released as provided in Section 4.3. By virtue of the grant, conveyance, sale, transfer, assignment and delivery of the Assets hereunder, Buyers shall receive good and marketable title to the Assets, free and clear of all Encumbrances other than Blanket Liens that will be released as provided in Section 4.3, and Permitted Exceptions.

(e) The Equipment is in good and serviceable operating condition, ordinary wear and tear excepted.

(f) The Assets have been maintained in accordance with commercially reasonable maintenance practices, and Seller has not deferred any reasonable maintenance or repairs of the Assets otherwise required in accordance with industry standard and Seller’s standard practices.

#### 5.4 Real Property.

(a) Schedule 5.4(a) sets forth (i) the street address and legal description of each parcel of the Owned Real Property, (ii) the street address and legal description of each parcel of real estate contiguous or adjacent to the Owned Real Property (x) owned or leased by Seller or any Affiliates of Seller, or (y) which Seller or any Affiliates of Seller have a contract or right to purchase or lease as of the Execution Date, or (z) which are used by Seller or any Affiliates of Seller in connection with the Owned Real Property (such real property, if any, being the “Additional Property”), and (iii) a brief description (including size) of the principal improvements and buildings on the Owned Real Property and Additional Property. With respect to each such parcel of the Owned Real Property, except as set forth on Schedule 5.4(a):

(i) Either Seller or an Affiliate thereof, has good and marketable title to the Owned Real Property, free and clear of any Encumbrances other than Permitted Exceptions;

(ii) There are no pending or threatened in writing condemnation proceedings, suits, administrative actions or other Proceedings relating to the Owned Real Property or other matters affecting adversely the current use, occupancy or value thereof;

(iii) To the best of Seller's knowledge, the legal descriptions for the Owned Real Property contained in the deeds thereof describe such parcels fully and adequately; the buildings and improvements are located within the boundary lines of the described parcels of land, are not in violation of applicable setback requirements, local comprehensive plan provisions, zoning laws and ordinances (and none of the properties or buildings or improvements thereon are subject to "permitted non-conforming use" or "permitted non-conforming structure" classifications), building code requirements, permits, licenses or other forms of approval by any Governmental Authority, and do not encroach on any easement which may burden the land; the land does not serve any adjoining property for any purpose inconsistent with the use of the land; and the Owned Real Property is not located within any flood plain (such that a mortgagee would require a mortgagor to obtain flood insurance) or subject to any similar type restriction for which any permits or licenses necessary to the use thereof have not been obtained;

(iv) All facilities have received all approvals of any Governmental Authority (including Permits) required in connection with the ownership or operation thereof and have been operated and maintained in all material respects in accordance with applicable laws, ordinances, rules and regulations;

(v) There are no contracts granting to any party or parties the right of use or occupancy of any portion of the Owned Real Property;

(vi) There are no outstanding options or rights of first refusal to purchase the Owned Real Property, or any portion thereof or interest therein;

(vii) There are no parties (other than Seller) in possession of the Owned Real Property;

(viii) All facilities located on the Owned Real Property are supplied with utilities and other services necessary for the operation of such facilities, including gas, electricity, water, telephone, sanitary sewer and storm sewer, all of which services are adequate in accordance with all applicable laws, ordinances, rules and regulations, and are provided via public roads or via permanent, irrevocable, appurtenant easements benefitting the Owned Real Property;

(ix) The Owned Real Property abuts on and has direct vehicular access to a public road, or has access to a public road via a permanent, irrevocable, appurtenant easement benefitting the Owned Real Property; access to the property is provided by paved public right-of-way with adequate curb cuts available; and there is no pending or threatened termination of the foregoing access rights;

(x) All improvements and buildings on the Owned Real Property are in good repair and are safe for occupancy and use, the roofs thereof are watertight; and to the best of Seller's knowledge, the structural components and systems (including plumbing,

electrical, air conditioning/heating, and sprinklers) are in good working order and adequate for the use of such Owned Real Property in the manner in which presently used;

(xi) There are no service contracts, management agreements or similar agreements which affect the Owned Real Property; and

(xii) Seller has not received notice of (a) any condemnation proceeding with respect to any portion of the Owned Real Property or any access thereto; and no such proceeding is contemplated by any Governmental Authority; or (b) any special assessment which may affect the Owned Real Property, and no such special assessment is contemplated by any Governmental Authority.

(b) Seller is not a "foreign person" as that term is defined in Section 1445 of the Code or any applicable regulation promulgated thereunder.

#### 5.5 Contracts.

(a) Listed on Schedule 5.5 is a complete and accurate list of each (i) Material Customer Contract, and (ii) Contract to which Seller is a party and by which the Assets or Business are affected or bound (the "Other Contracts") which: (A) is a franchise or similar governmental agreement with any Governmental Authority; (B) relates to the ownership or use of real property (including the Owned Real Property); (C) relates to the purchase or lease of any fixed asset with respect to the Business whether or not such purchase or lease was made in the ordinary course of business for an aggregate price in excess of \$100,000; (D) contains a covenant or agreement limiting the freedom of any of the parties thereto to compete in any line of business or in any location; (E) has payment obligations (whether to or by Seller) in excess of \$50,000 in any 12 month period, in each case as of the Execution Date. True and complete copies of each such Contract has been delivered to Buyers on or prior to the Execution Date. The delivery of a Contract to Buyers shall not constitute a representation that such Contract satisfies one or more of the foregoing criteria.

(b) Except as set forth in Schedule 5.5, all Material Customer Contracts and Other Contracts are in full force and effect and are valid, binding and enforceable against Seller and, to Seller's knowledge, the other parties thereto in accordance with their respective provisions. No default has occurred nor has there occurred an event or condition which with the passage of time or the giving of notice (or both) would constitute a default by Seller or to Seller's knowledge any other party to any such contract. Except as set forth on Schedule 5.5, Seller has not received any written notice that any Person intends or desires to modify, waive, amend, rescind, release, cancel or terminate any Material Customer Contract or Other Contract.

5.6 Employees; Compensation. Attached as Schedule 5.6 is a complete and accurate list of (a) all Business Employees, (b) their rate of base compensation as of the date of delivery of the Disclosure Schedules, (c) any bonus, incentive or compensation plans (other than plans subject to ERISA) in which they participate, (d) any vacation plans, including accruals thereunder, and (e) any severance plans, agreements, arrangements or obligations relating to any such employee, including any amounts owed to any such employee thereunder as of the Closing Date or arising out of or in connection with the consummation of the Transactions or the

performance of the parties' respective obligations under this Agreement and the Ancillary Agreements. Except (i) as otherwise contemplated by this Agreement or the Ancillary Agreements, and (ii) as set forth on Schedule 5.6, each Business Employee is an employee at will.

5.7 Compliance with Law; No Conflicts.

(a) Except as set forth in Schedule 5.7(a): (i) the Business is being operated in compliance in all material respects with all Applicable Laws and Permits (including Environmental); (ii) Seller is not involved in any litigation, administrative proceeding or other Proceeding relating to the Assets or the Business seeking to impose fines, penalties, consent decrees, or other liabilities or seeking injunctive relief for violation of any Applicable Laws and Permits (including Environmental); and (iii) there is no pending or, to Seller's knowledge, threatened investigation or other form of review or Proceeding relating to the Business or the Assets with respect to any Applicable Law or Permit (including Environmental).

(b) Except as set forth in Schedule 5.7(b), the execution, delivery and performance of this Agreement, the Ancillary Agreements, the consummation of the Transactions and the fulfillment of the terms of this Agreement and the Ancillary Agreements by Seller does not and will not:

(i) conflict with, or result in a breach or violation of its Organizational Documents;

(ii) conflict with, or result in a material breach of or default under any Assumed Contract or Permit or result in the creation or imposition of any Encumbrance on the Assets or Business;

(iii) except for the notices, consents or approvals required under any Assumed Contract or Permit (collectively, the "Required Consents"), (A) require Seller to provide notice to, or obtain the consent or approval of, any Governmental Authority or other third Person, or (B) constitute a default under or give rise to any right of termination, cancellation or acceleration of, or to a loss of any benefit to which Seller is entitled under such Assumed Contract; or

(iv) conflict with, or result in a material breach or default under any Applicable Law to which Seller is bound or to which the Assets are subject.

(c) Schedule 5.7(c) lists all Required Consents with respect to:

(i) all Material Customer Contracts;

(ii) all Other Contracts; and

(iii) all Permits.

5.8 Taxes. Except as set forth on Schedule 5.8, with respect to the Business:

(a) Seller either separately or as members of an Affiliated Group, has completed and timely filed all Tax Returns required to be filed with any Tax authority, and has paid (or has had paid on its behalf) all Taxes shown as due and payable thereon. Such Tax Returns reflect all Taxes due and payable with respect to the periods covered by them. There is no Tax Return filed by Seller either separately or as a member of an Affiliated Group, and there are no outstanding assessments or Taxes otherwise due for any Pre-Closing Period, that will result, on or after the Closing Date, in any Taxes or other Governmental Authority charges upon the Assets or Buyers, whether as transferees of the transferred assets or otherwise. There are no Encumbrances for Taxes of the Assets or the Business other than Permitted Exceptions.

(b) There is no actual, pending or, to Seller's knowledge, threatened or expected claim, audit, investigation, dispute or other proceeding concerning any Taxes of Seller that may result in an Encumbrance against any of the Assets or the Business after Closing.

5.9 Litigation. Except as set forth on Schedule 5.9, (a) there are no Proceedings pending or, to Seller's knowledge, threatened, against Seller relating to the Assets or the Business or that could interfere with the consummation of the Transactions, at law or in equity, before any federal, state or local court or regulatory agency, or other Governmental Authority; (b) there are no existing orders, judgments or decrees of any Governmental Authority affecting any of the Assets or the Business; and (c) there are no Proceedings pending or, to Seller's knowledge, threatened against Seller that could result in an Encumbrance on the Assets or the Business.

5.10 Financial Statements. Seller has provided Buyers with true and complete copies of the internal, unaudited, compiled balance sheets of Seller relating to the Charleston Business and the Assets December 31, 2011 (the "Balance Sheet Date"), and the related internal, unaudited statements of income for the 12 months then ended with respect to the Charleston Business and product line income statements for the remainder of the Business other than Beaufort Hauling (collectively, "Seller's Financial Statements"). The historical Collection Account revenue and Disposal Account revenue set forth on Seller's Financial Statements has been recorded in accordance with GAAP, except as set forth in Schedule 5.10. Seller's Financial Statements fairly present in all material respects the financial position of Seller relating to the Business and Assets as of the dates thereof and the results of Seller's operations relating to the Business for the periods then ended.

5.11 Conduct of the Business. Since the Balance Sheet Date, except as disclosed on Schedule 5.11 or as expressly set forth in this Agreement there has not been any:

(a) event or condition that individually or in the aggregate has resulted in a Material Adverse Effect and/or Material Adverse Change, or that could reasonably be expected to result in a Material Adverse Effect and/or Material Adverse Change;

(b) work interruption or any labor grievance or unfair labor practice claim filed with respect to the Business;

(c) sale or transfer of, or any Contract to sell or transfer, any of the Assets, or any plan, agreement or arrangement granting any preferential right to purchase or acquire any interest in any of the Assets, or requiring consent of any Person to the transfer and assignment of any of the Assets, in each case other than in the ordinary course of business;

(d) delay or postponement of any payment of accounts payable and other Liabilities outside the ordinary course of business;

(e) waiver of any material rights or claims of Seller related to the Assets or Business;

(f) material breach, amendment or termination of any Assumed Contract or Permit by Seller or, with respect to any Assumed Contract, by any other parties thereto;

(g) termination, lay off or reduction in force with respect to any Business Employee other than in the ordinary course of business;

(h) material transaction by Seller outside the ordinary course of business with respect to the Assets or the Business; or

(i) action by Seller, or by any of its Affiliates, Business Employees or employees, officers or agents, entering into any commitment (written or oral, contingent or otherwise) to do any of the foregoing.

#### 5.12 Environmental Compliance; Hazardous Materials; Disposal Sites.

(a) Except as set forth in Schedule 5.12(a):

(i) During the period that Seller has conducted the Business, except in material compliance with all Environmental Laws, Seller has never owned, leased, had an interest in, generated, transported, stored, handled, recycled, reclaimed, disposed of, or contracted for the disposal of, Hazardous Materials or solid waste in connection with the Business, and no such Hazardous Materials or solid waste has been disposed on the Owned Real Property;

(ii) During the period that Seller has conducted the Business on the Owned Real Property, there have been no Releases of any Hazardous Materials into the Environment or onto, under or about the Owned Real Property in connection with the Business, except in compliance with all Environmental Laws, and except to the extent there may have been passive migration of Hazardous Materials beneath the Owned Real Property that to Seller's knowledge does not pose a risk to employees on site or impact the use and enjoyment of the property;

(iii) No portion of the Owned Real Property is on a CERCLA, CERCLIS or the National Priorities List or any similar list or database maintained by the states in which the Assets are located or the Business is conducted, and Seller is not listed as, nor has it been notified that it is a potentially responsible party or listed on RCRAInfo with respect to the Assets or Business; and

(iv) No Encumbrances with respect to Environmental Damages have been imposed against Seller (insofar as they relate to any of the Assets or the Business) or any of the Assets or the Business under any Environmental Laws or other Applicable Law.

(b) Except as set forth in Schedule 5.12(b), with respect to the Business, Seller has not received any written notice or other written communication from any Governmental Authority or unaffiliated third Person alleging or relating to the investigation of any alleged (i) material violation of Environmental Law, or (ii) material liability or potential liability for any Environmental Damages, other than those that have been fully resolved without further liability or obligation to Seller.

(c) Included on Schedule 5.12(c) is a complete list of the names and addresses of all disposal sites (including Hazardous Materials disposal sites) used currently or in the past by Seller with respect to the Business or the Assets.

(d) Except as described in Schedule 5.12(d), any underground or above ground storage tanks and piping associated with such tanks containing Hazardous Materials, petroleum products of other hazardous substances known to be located on the Owned Real Property now or in the past, have been used and maintained in material compliance with all Environmental Laws. All underground or above ground storage tanks used for Hazardous Materials, petroleum products of other hazardous substances, currently or previously located on the Owned Real Property are listed on Schedule 5.12(d).

(e) Seller has provided to Buyers complete copies of any and all reports, studies, and other non-privileged documents and information in its possession, that pertain to any Environmental conditions related to the Owned Real Property or other Assets, including any notices to a Government Authority about a Release, Environmental audits or existing Phase I or Phase II Environmental site assessments.

5.13 Corrupt Practices. Except in compliance with all Applicable Laws, neither Seller nor any of its officers, directors, Affiliates, Business Employees, employees or agents, have, directly or indirectly, ever made, offered or agreed to offer anything of value to (a) any employees, representatives or agents of any customers of the Business for the purpose of attracting business, or (b) with respect to the Business, any domestic governmental official, political party or candidate for government office or any of their employees, representatives or agents.

5.14 Accounts Receivable. All Accounts Receivable represent, or will represent as of Closing, valid obligations from sales actually made or services actually performed by Seller in the ordinary course of business, except that the Accounts Receivable may include certain pre-billed services and except to the extent of the reserves set forth on the balance sheets included in Seller's Financial Statements. To Seller's knowledge, no Account Receivable is subject to a valid defense, set-off or counterclaim.

5.15 Affiliate Relationships. Schedule 5.15 contains an accurate and complete list of all material contractual and business arrangements between Seller and any Affiliate thereof that relate to the Assets or to the Business.

5.16 Performance Bonds; Letters of Credit; Financial Assurances. Set forth on Schedule 5.16 are all of the outstanding performance bonds, letters of credit and other financial assurances provided by or on behalf of Seller with respect to the Assets. True and complete copies of such performance bonds, letters of credit and other financial assurances listed on Schedule 5.16 have been made available to Buyers.

5.17 Employment and Labor Matters. Except as set forth in Schedule 5.17, with respect to the Business, Seller is not a party to (a) any collective bargaining agreement, (b) any agreement respecting the employment of any Business Employee, or (c) any agreement for the provision of consulting or other professional services which is not cancelable without penalty on less than 30 days' notice. Except as set forth in Schedule 5.17, within the last five years Seller has not experienced any material labor disputes, union organization attempts or any work stoppage due to labor disagreements in connection with the Business. Except to the extent set forth in Schedule 5.17, with respect to the Business, (v) there is no unfair labor practice charge or complaint against Seller pending or, to Seller's knowledge, threatened; (w) there is no labor strike, dispute, request for representation, slowdown or stoppage actually pending or, to Seller's knowledge, threatened against or affecting Seller nor any secondary boycott with respect to services of Seller; (x) no question concerning labor representation has been raised to Seller or, to Seller's knowledge, is threatened respecting the Business Employees; (y) no grievance, nor any arbitration proceedings arising out of or under collective bargaining agreements, is pending or, to Seller's knowledge, threatened; (z) there are no administrative charges, court complaints or threatened complaints against Seller concerning alleged employment discrimination or other employment related matters pending or, to Seller's knowledge, threatened before the U.S. Equal Employment Opportunity Commission, the U.S. Department of Labor or any other Governmental Authority.

5.18 Insurance. All policies or binders of property, general liability, workmen's compensation, automobile liability and pollution legal liability insurance held by or on behalf of Seller in connection with the Business as of the Execution Date are in full force and effect, provide adequate insurance coverage for the Assets and the Business and, to Seller's knowledge, are valid and enforceable obligations of the insurers in accordance with their terms. Seller is not in default with respect to any provision contained in any such policy or binder and Seller has not failed to give any notice or present any claim under any such policy or binder in due and timely fashion. Except as set forth on Schedule 5.18, there are no material outstanding unpaid claims under any such policy or binder except claims that are pending in the ordinary course of business.

5.19 No Other Representations. Seller is not making any representations or warranties, expressed or implied, of any nature whatsoever except as specifically set forth in this Agreement.

## ARTICLE VI REPRESENTATIONS AND WARRANTIES OF BUYERS

As an inducement to Seller to enter into this Agreement and to consummate the Transactions the Buyers, jointly and severally, represent and warrant to Seller that the statements contained in this Article VI: (i) are correct and complete as of the Execution Date; (ii) will be correct and complete as of the Closing Date (as though made then and as though the Closing

Date were substituted for the Execution Date throughout this Article VI), except for those representations and warranties that, by their terms or nature, speak as of a specific date that is not the Closing Date; and (iii) shall survive the Closing in accordance with Section 10.1.

6.1 Organization. Each Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the state of its formation and is duly authorized, qualified and licensed under all Applicable Laws to carry on the Business in the places and in the manner in which the Business is presently conducted, except for where the failure to be so authorized, qualified and licensed would not have a material adverse effect on the Business.

6.2 Authority. Each Buyer has full power and authority (including full limited liability company power and authority) to enter into this Agreement and the Ancillary Agreements to which it is a party, to consummate the Transactions and perform its obligations under this Agreement and the Ancillary Agreements to which it is a party.

6.3 No Conflicts. The execution, delivery and performance of this Agreement, the Ancillary Agreements, the consummation of the Transactions and the fulfillment of the terms of this Agreement and the Ancillary Agreements by each Buyer do not and will not:

(a) conflict with, or result in a breach or violation of the Certificate of Organization or Operating Agreement of any Buyer;

(b) require Buyers to provide notice to, or to obtain the consent or approval of, any Governmental Authority or any other third Person, except as contemplated by the terms of this Agreement; or

(c) conflict with, or result in a material breach or default under any Applicable Law to which Buyers are bound.

6.4 Binding Effect. The execution, delivery and performance of this Agreement and the Ancillary Agreements by Buyers are within their respective limited liability company rights, powers and authority and have been approved by each Buyer's managers, and no other proceedings on the part of Buyers is necessary to authorize the execution and delivery of this Agreement and the Ancillary Agreements, or the consummation by Buyers of the Transactions and the performance of their obligations under this Agreement and the Ancillary Agreements to which they are parties. This Agreement has been, and upon delivery, the Ancillary Agreements to which they are parties will be, duly executed and delivered by Buyers and, assuming the due authorization, execution and delivery by Seller, constitutes and will constitute the valid and legally binding agreement of Buyers enforceable against Buyers in accordance with their respective terms.

6.5 Independent Investigation. Buyers have conducted an independent investigation of the Assets and the Business. Buyers acknowledge that, subject to Section 7.7, **EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, (i) THE ASSETS AND THE BUSINESS ARE CONVEYED "AS IS, WHERE IS" AND "WITH ALL FAULTS," AND (ii) SELLER HAS NOT MADE, AND SELLER HEREBY EXPRESSLY DISCLAIMS AND NEGATES, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE WHATSOEVER RELATING TO THE ASSETS**

**OR THE BUSINESS (INCLUDING ANY IMPLIED OR EXPRESSED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE).**

6.6 No Other Representations. Buyers are not making any representations or warranties, expressed or implied, of any nature whatsoever except as specifically set forth in this Agreement.

**ARTICLE VII**  
**COVENANTS**

7.1 Access to Owned Real Property and Records; Due Diligence Period.

(a) After the Execution Date, Seller will afford to or obtain for the officers and authorized agents and representatives of Buyers reasonable access to the Owned Real Property (including for the purpose of permitting Buyers to perform or cause to be performed, at Buyers' expense, all Environmental testing, inspections and other procedures reasonably considered desirable by Buyers), Assets, sites, and the books and records of Seller related to the Business, all upon reasonable notice and conducted at times agreed to by Seller, which agreement shall not be unreasonably withheld. Without limiting the generality of the foregoing, Buyers shall have the right to conduct Phase I Environmental investigations of the Owned Real Property, but may not conduct Phase II investigations without Seller's consent, which may be granted or withheld in Seller's sole discretion. Any access to the Owned Real Property requested by Buyers pursuant to this Section 7.1(a) for Environmental Phase II investigations shall be granted in accordance with an access agreement containing customary terms and conditions to be agreed upon by the parties.

(b) Between the Execution Date and the Closing or the earlier termination of this Agreement, Seller shall furnish Buyers with such additional financial and operating data and other information as to the Business as Buyers may from time to time reasonably request, whether such information is in the possession of Seller or any of its Affiliates.

(c) Between the Execution Date and the Closing or the earlier termination of this Agreement, Seller shall use commercially reasonable efforts to cooperate with Buyers, their representatives, engineers, auditors and counsel in the preparation of any documents or other materials that may be required by any Governmental Authority in connection with the Transactions. The parties shall cause all information obtained in connection with the negotiation of this Agreement to be treated as confidential in accordance with the provisions of Article XII.

(d) All access and testing shall be coordinated with Seller, and Buyers and their agents and employees shall enter the Owned Real Property and perform inspections or meet with Business Employees only if accompanied by a representative of Seller. Seller shall have the right to delay access or testing until such time that the access or testing, in the reasonable judgment of Seller, will not materially interfere with the operations of the Business. Seller shall have the right to require that access and testing be conducted on weekends or after hours if deemed necessary in the reasonable judgment of Seller, and shall have the right to limit access to only those who are designated by Seller.

(e) Buyers shall return the Owned Real Property to substantially the same condition as existed as of the Execution Date to the extent there are any material alterations to the Owned Real Property attributable to the exercise of their rights pursuant to this Section 7.1, and Buyers shall, separate and apart from their obligations under Article X, if any, indemnify and save harmless Seller from all costs of returning the Owned Real Property to such condition. If Buyers do not promptly perform such work, Seller shall have the right to perform, or cause to be performed, such work and to obtain reimbursement for the costs of such work (including legal and consulting fees) from Buyers, which costs shall be payable by Buyers to Seller upon demand.

7.2 Activities of Seller Prior to Closing. Between the Execution Date and the Closing or the earlier termination of this Agreement, Seller shall:

(a) carry on the Business in the ordinary and usual course consistent with past practice; provided, however, that Seller shall have no obligation to purchase any vehicles or purchase any yellow iron pursuant to this Section 7.2 or otherwise;

(b) maintain the Assets in as good working order and condition as on the Execution Date, ordinary wear and tear excepted;

(c) use commercially reasonable efforts to preserve intact its current business organization, keep available the services of the officers, management personnel, Business Employees and agents employed in the Business (including "shared" employees and "available" employees previously identified to Buyers), and maintain relationships with suppliers, customers, consultants, employees, independent contractors, government agencies, communities and others having business relations with Seller in the operation of the Business, and promptly notify Buyers of the loss or potential loss of any customer or group of customers material to the Business;

(d) use commercially reasonable efforts to provide balance sheets and the related statements of income for the Business for each month following the Execution Date;

(e) provide all commercially reasonable assistance to Buyers to provide for an orderly transfer of the Assets and the Business from Seller to Buyers;

(f) continue in full force and effect the insurance coverage under the policies applicable to the Business or the Assets;

(g) make no changes in management personnel initiated by Seller without prior consultation with Buyer to the extent reasonably practicable under the circumstances;

(h) comply in all material respects with all Applicable Laws and contractual obligations applicable to the operation of the Business and the Assets;

(i) pay or otherwise satisfy in the ordinary course of business all of their Liabilities relating to the Business and the Assets; and

(j) maintain all books and records of Seller in the ordinary course of business.

7.3 Prohibited Activities Prior to Closing. Between the Execution Date and the Closing or earlier termination of this Agreement, except as contemplated by this Agreement, Seller shall not, and shall ensure that its Affiliates do not (in each case as it relates to the Business), without the prior written consent of Buyers:

(a) engage in any practice, take any action, fail to take any action or enter into any transaction which could cause any representation or warranty of Seller in this Agreement to be untrue or result in a breach of any covenant made by Seller in this Agreement;

(b) breach, amend (except in the ordinary course of business) or terminate any material Assumed Contract;

(c) enter into any transaction outside the ordinary course of the business of Seller or otherwise prohibited under this Agreement;

(d) sell, transfer, lease or otherwise dispose of any Assets, other than in the ordinary course of business; provided, however, that the foregoing restriction shall not prevent Seller from selling scrap containers and vehicles that have no net book value on Seller's Financial Statements;

(e) cause or permit to arise any Title Defect with respect to the Owned Real Property;

(f) materially change or increase any compensation payable to, or benefits made available to, any Business Employees, except (i) to the extent required by Applicable Law, or (ii) in the ordinary course of business consistent with past practice;

(g) except in the ordinary course of business, relinquish, or seek to modify or amend any substantive term of, any Permit;

(h) defer any customary maintenance or repairs of the Assets;

(i) allow any other action or omission, or series of actions or omissions, by Seller that would prohibit them from delivering the certificate described in Section 9.1 on the Closing Date;

(j) change any accounting methodology which would cause such methodology to deviate materially from industry standards, the historical methodology used by Seller or the methodology used as of the Execution Date;

(k) conclude or agree to any consent actions or orders with any Governmental Authority or any other Person;

(l) enter into any secrecy or noncompetition agreement or any similar agreement or restriction of any kind that restricts the operation of the Business; or

(m) agree to do any of the foregoing.

7.4 Contact with Government Officials and Customers. Seller shall use its commercially reasonable efforts to cooperate with Buyers in making contact with the appropriate Governmental Authorities and officials having information about or jurisdiction over the Transaction, Seller, the Business, the Owned Real Property, Assets or obligations or rights of Seller, including environmental and land use agencies and officials, to assist Buyers in completing their regulatory evaluation of the Business and the Assets and securing any consents necessary to transfer the Permits or in securing new Permits. Buyers and Seller shall each use commercially reasonable efforts to obtain before Closing all consents and approvals necessary to transfer the Permits (or Buyers will use commercially reasonable efforts to obtain new permits for any non-transferable Permits) and the Assumed Contracts to Buyers at the Closing. Buyers acknowledge and agree that they shall not contact any customers until the Closing. Buyers acknowledge and agree that any contact with Business Employees prior to Closing will be undertaken and coordinated mutually by Seller and Buyers.

7.5 Public Announcements. The parties shall mutually agree on whether a press release will be issued in connection with the Agreement and the Transactions and, if so, the form of any such press release. Except as otherwise required by Applicable Law or the rules of the New York Stock Exchange, the parties agree that, prior to Closing: (a) except as provided below, no press release or other written communication shall be issued by Seller, on the one hand, or Buyers, on the other hand, which makes reference in any way to the other party; (b) no press release or other written communication shall be issued by Seller, on the one hand, or Buyers, on the other hand, containing information regarding this Agreement or the Transactions (including the fact that the Transactions are being discussed or the terms of the Transactions) without the prior written approval of the other party, which approval may not be unreasonably withheld, conditioned or delayed. The parties shall consult with each other concerning the means by which Seller's Business Employees, customers and suppliers and others having dealings with Seller will be informed of the Transactions. Nothing in this Section 7.5 shall restrict Buyers' ability to contact the third parties and Governmental Authorities listed in Section 7.4 who are permitted to be contacted pursuant to Section 7.4 with respect to the Transactions.

7.6 Standstill Agreement. Unless and until this Agreement is terminated pursuant to Article XI without the Closing having taken place, Seller will not directly or indirectly (through an Affiliate, a representative, agent, Business Employee, employee or otherwise) solicit or furnish any information to any prospective buyer, commence or conduct negotiations with any party (other than Buyers), or enter into any Contract with any party (other than Buyers) concerning the sale of the Assets or Business or any portion thereof.

7.7 Supplements to the Disclosure Schedules. From time to time at least two days prior to the Closing Date and upon written notice thereof to Buyers, Seller shall, without further modification of this Agreement, supplement and update any of the Disclosure Schedules delivered pursuant to this Agreement to make the information set forth therein complete and accurate. So long as such supplement or update does not disclose any event, fact or condition that if not incorporated into the Disclosure Schedule would, in the aggregate taking into account all such supplements or updates since the Execution Date, constitute a material breach of any representation, warranty or covenant of Seller set forth in this Agreement, no further modification of this Agreement shall be required in connection with any such supplement or update. In the event that such supplement or update discloses an event, fact or condition that

would, in the aggregate taking into account all such supplements or updates since the Execution Date, result in such a material breach, then Buyers may reject such supplement or update and terminate this Agreement without recourse under Section 11.1(z).

7.8 Reasonable Commercial Efforts. Buyers and Seller shall each use their reasonable commercial efforts to cause the conditions in Article VIII and Article IX to be satisfied.

7.9 Non-Assignment of Certain Contracts. Notwithstanding anything to the contrary in this Agreement, to the extent that the assignment hereunder of any Assumed Contract shall require the consent of any third party, neither this Agreement nor any action taken pursuant to its provisions shall constitute an assignment or an agreement to assign if such assignment or agreement to assign would constitute a breach of such Assumed Contract or result in the loss or material diminution thereof, provided, however, that Seller shall, at the request of Buyers, use commercially reasonable efforts to obtain the consent of the other party to such Assumed Contract to an assignment thereof in favor of the applicable Buyer; further provided, however, that if any Assumed Contract requires consent for assignment in favor of a Buyer and such consent is not obtained at or prior to Closing, Seller shall, to the extent contractually permitted, enter into an agreement with the applicable Buyer affording the applicable Buyer the rights, benefits and obligations under such Assumed Contract as if such consent to assignment had been obtained. In the event that the consent to assign such Assumed Contract is obtained, such Assumed Contract thereupon shall be reasonably promptly assigned from Seller to the applicable Buyer.

7.10 UCC. Buyers and Seller hereby waive compliance with the bulk-transfer provisions of the Uniform Commercial Code (or any similar law) in connection with the Transactions.

7.11 Commercially Reasonable Efforts to Assign. To the extent that the transfer or assignment of any Assumed Contract or Permit to Buyers shall require the consent of any third party or Governmental Authority, Seller and Buyers shall each use commercially reasonable efforts to obtain such consent prior to the Closing and, if such consent is not a condition of Closing, shall continue to use their commercially reasonable efforts to obtain such consent after the Closing.

7.12 Title Insurance and Surveys.

(a) Prior to the Execution Date, Seller has delivered to Buyers copies of previous owner policies of title insurance or title commitments (together with legible hard copies of all title exceptions reflected therein), or other title evidence for Buyers to obtain commitments (the "Commitments") issued by a title company licensed to insure title in the state where the Owned Real Property is located (the "Title Company"), whereby the Title Company agrees to issue at the Closing an ALTA Form 6 Owners Policy of Title Insurance (the "Title Policy") for the Owned Real Property in an amount acceptable to Buyers. A copy of the Commitment shall be delivered to Seller promptly following receipt by Buyers. The premium for the Title Policy, and the cost of any endorsements reasonably requested by Buyers, shall be paid by Buyers. The Title Policy shall be in the amount designated by Buyers, showing fee simple title to the Owned

Real Property vested in Buyers at the Closing Date subject only to Permitted Exceptions. The Commitments and the Title Policy to be issued by the Title Company shall have all Standard and General Exceptions deleted so as to afford full "extended form coverage" and may contain the following endorsements: an ALTA Zoning Endorsements 3.1, ALTA 8.1 Environmental Protection Lien, ALTA 9.2 Owners Comprehensive, ALTA 17 Access, ALTA 19 Contiguity (where appropriate), survey, and such other endorsements as may be reasonably requested by Buyers.

(b) Prior to the Execution Date, Seller has delivered to Buyers copies of any prior surveys of each parcel of the Owned Real Property in Seller's possession. Buyers may obtain an as-built plat of survey of the Owned Real Property (the "Survey") prepared by a registered land surveyor or engineer, licensed in the State of North Carolina, dated on or after the Execution Date, certified to Buyers, the Title Company, and such other entities as Buyers may elect, and conforming to current ALTA/ACSM Minimum Detail Requirements for Land Title Surveys, sufficient to cause the Title Company to delete the standard printed survey exception. A copy of the Survey shall be delivered to Seller promptly following receipt by Buyers. The cost of the Survey shall be paid by Buyers. The Survey shall show access from the land to dedicated roads and shall include a flood plain certification and such other matters as Buyers may reasonably request.

(c) If (i) the Commitment discloses a title exception other than a Permitted Exception (a "Title Defect") or (ii) the Survey discloses any encroachment, overlap, boundary dispute, or gap or any other matter which renders title to the Owned Real Property unmarketable or uninsurable or reflects that any utility service to the improvements or access thereto does not lie wholly within the applicable parcel of real property, or within an encumbered easement for the benefit of such parcel of real property or another parcel of Owned Real Property, or reflects any other matter materially adversely affecting the current use or improvements of such parcel of real property or another parcel of Owned Real Property (a "Survey Defect"), then Buyers shall notify Seller in writing. Together, Title Defect and Survey Defect may hereinafter be referred to as "Defect" or "Defects". Seller shall have 10 days after notice of any such Defect is delivered by Buyer within which to deliver written notice to Buyers as to whether Seller elects at its sole expense to cure, any such Title Defect or Survey Defect; provided, however, that Seller shall be required to pay, discharge and release, at Seller's sole expense, any Defect that is a monetary lien or other monetary defect of a definite ascertainable amount which can be paid, discharged and released at Closing (a "Monetary Defect") at or prior to Closing. Except with respect to a Monetary Defect, Seller's failure to notify Buyers in writing within such period of its election to cure shall be deemed Seller's election not to cure said Defect. Upon receipt of Seller's notice or deemed notice electing not to cure, Buyers shall, at their discretion, either (a) elect to waive its objection to any Defect that Seller does not elect to cure (in which case such Defects shall become Permitted Exceptions), which may result in a mutually-agreeable reduction of the Purchase Price, (b) remove the Owned Real Property subject to the Defect from the Assets, which shall result in a mutually-agreeable reduction of the Purchase Price, or (c) terminate this Agreement.

(d) Prorations and Charges. The parties shall prorate and apportion, on a calendar year basis, as of the Effective Time, the real property Taxes and assessments, both general and special, for the Owned Real Property, based upon the last available Tax statements.

If the actual real property Taxes paid by Buyers in respect of the period of the proration exceed the credit given Buyers at Closing for such Taxes, Seller shall, upon presentation of appropriate paid tax bills, reimburse Buyers for any amounts incurred by Buyers for such Taxes in excess of the prorated credit. Alternatively, if the actual real estate Taxes paid by Buyers in respect of the period of the proration are less than the credit given Buyers at closing for such Taxes, Buyers shall reimburse Seller for the amount by which the prorated credit was in excess of the actual amount of the Taxes paid.

(e) Transaction Taxes and Costs; Real Property. Buyers and Seller shall each pay one-half of the following costs associated with the Closing: (i) the state and local real property transfer Taxes and similar Taxes and conveyance fees; (ii) the cost of recording all Deeds; and (iii) all other similar costs and fees associated with the Owned Real Property. If any prorated amounts are not known as of the Closing Date, adjustments shall be made post-Closing at such time as they are known to the parties.

7.13 Transaction Taxes, Assets Other Than Real Property. Any state and local sales and use, transfer, conveyance or other Taxes associated with the transfer of the Assets to Buyers pursuant to this Agreement and the Transactions shall be paid by one-half by Seller and one-half by Buyers. Buyers' share being calculated and paid to Seller at the Closing, with Seller promptly remitting the Buyers' and Seller's shares of such Taxes to the applicable taxing authority or authorities.

7.14 Casualty. If prior to Closing, the Owned Real Property or any part thereof, or any other Assets, or the Business or any part thereof, is damaged by fire, flood or other casualty, Seller shall give written notice thereof to Buyers, and contingent upon the Closing occurring and subject to any amendment to this Agreement agreed to between the parties in writing, Buyers shall be entitled to any insurance proceeds resulting from any such event. At or prior to the Closing, Seller shall execute and deliver all documents reasonably requested of Buyers to effectuate such assignment. Upon any assignment of insurance proceeds, all risk of collection with respect thereto shall be on Buyers and not Seller.

7.15 Berkeley County Contract. The parties acknowledge that the Berkeley County Contract requires consent to assignment and runs through June 30, 2012 (the "Remaining Term"). In light of the need for consent and the significant amount of transition that would be required for Buyers to complete the Remaining Term, the parties agree that the Berkeley County Contract shall remain with Seller and shall not be assigned to, or assumed by, Buyers. The Equipment used to service such customer shall continue to be included in the Assets. With respect to services provided by Seller to Berkeley County during the Remaining Term, Seller will be responsible for providing the employees and Rolling Stock and for performing in accordance with the Berkeley County Contract. Buyers will be the owners of the containers used to service such account and will grant Seller the right to access and service such containers during the Remaining Term. With respect to revenue received by Seller for services provided under the Berkeley County Contract during the Remaining Term, Seller will deliver such revenue less costs and expenses to Buyers on a monthly basis within fifteen days following receipt of payment from Berkeley County. Costs and expenses subtracted from the revenue shall include disposal, personnel costs (including any reasonably necessary stay-on bonuses), fuel, and truck-related costs and expenses.

ARTICLE VIII  
CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

The obligations of Seller to consummate the Transactions are subject to the completion, satisfaction, or at their option, waiver, on or prior to the Closing Date, of each of the following conditions.

8.1 Representations and Warranties. The representations and warranties of Buyers contained in this Agreement shall have been true and correct on and as of the Execution Date and shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date. Buyers shall have delivered to Seller a certificate of a duly authorized officer to the foregoing effect.

8.2 Covenants. Each and all of the terms, covenants and conditions of this Agreement to be complied with and performed by Buyers on or before the Closing Date shall have been duly complied with and performed in all material respects. Buyers shall have delivered to Seller a certificate of a duly authorized officer to the foregoing effect.

8.3 No Legal Prohibition. No injunction or order shall be in effect prohibiting consummation of the Transactions or which would make the consummation of the Transactions unlawful.

8.4 No Adverse Proceeding. No Proceeding shall have been instituted and be pending before a court or any other Governmental Authority which seeks to restrain or prohibit any of the Transactions; provided, however, that the provisions of this Section 8.4 shall not apply if Seller or any of its Affiliates has directly or indirectly solicited or encouraged any such Proceeding.

8.5 Deliveries. Buyers shall be prepared to make or cause to be made the deliveries described in Section 3.4.

8.6 Consents and Approvals. All Governmental Authority and third party consents and approvals set forth on Schedule 8.6 shall have been obtained.

8.7 Additional Documents. Buyers shall have caused the following documents to be delivered (or tendered subject only to Closing) to Seller:

(a) Certificates of recent date as to the good standing of each Buyer, executed by the appropriate officials of the state of each Buyer's organization and the states where the Assets to be acquired by Seller are located; and

(b) Such other documents as Seller may reasonably request for the purpose of facilitating the consummation of the Transactions.

8.8 Closing of Republic Sale. All pre-conditions to the consummation of the Republic Sale shall have been satisfied or waived, and the closing of the Republic Sale shall be prepared to occur simultaneously with the Closing of the Transactions.

ARTICLE IX  
CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYERS

The obligations of Buyers to consummate the Transactions are subject to the completion, satisfaction or, at their option, waiver, on or prior to the Closing Date, of each of the following conditions.

9.1 Representations and Warranties. The representations and warranties of Seller contained in this Agreement shall have been true and correct on and as of the Execution Date and shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date. Seller shall have delivered to Buyers a certificate of a duly authorized officer to the foregoing effect.

9.2 Covenants. Each and all of the terms, covenants and conditions of this Agreement to be complied with and performed by Seller on or before the Closing Date shall have been duly complied with and performed in all material respects. Seller shall have delivered to Buyers a certificate of a duly authorized officer to the foregoing effect.

9.3 No Legal Prohibition. No injunction or order shall be in effect prohibiting consummation of the Transactions or which would make the consummation of the Transactions unlawful.

9.4 No Adverse Proceeding. No Proceeding shall have been instituted and be pending before a court or any other Governmental Authority which seeks to restrain or prohibit any of the Transactions; provided, however, that the provisions of this Section 9.4 shall not apply if Buyers have directly or indirectly solicited or encouraged any such Proceeding.

9.5 Deliveries. Seller shall make or cause to be made the deliveries described in Section 3.3.

9.6 No Material Adverse Change or Effect. No Material Adverse Change shall have occurred, and no Material Adverse Effect shall have occurred with respect to the Business, since the Execution Date; provided, however, that nothing specifically disclosed in the Disclosure Schedules as of the Execution Date, nor in or Seller's Financial Statements, individually or in the aggregate, shall be deemed to be a Material Adverse Change or such a Material Adverse Effect.

9.7 Consents and Approvals. All Governmental Authority and third party consents and approvals set forth on Schedule 8.6 shall have been obtained.

9.8 Investigation Satisfactory. Buyers shall be satisfied in their reasonable discretion in all respects with the results of Buyers' due diligence review of the Business and the Assets; provided, however, that this condition shall be deemed satisfied if Buyers give written notice to Seller of any objections to the results of Buyers' due diligence review and Seller elects to and promptly cure the matters subject to the objection to Buyers' satisfaction as determined by the Buyers at their reasonable discretion.

9.9 Additional Documents. Seller shall have caused the following documents to be delivered (or tendered subject only to Closing) to Buyers:

(a) Certificates of recent date as to the good standing of Seller, executed by the appropriate officials of the state of Seller's organization and the states where the Assets are located; and

(b) Such other documents as Buyers may reasonably request for the purpose of facilitating the consummation of the Transactions.

9.10 Closing of Republic Sale. All pre-conditions to the consummation of the Republic Sale shall have been satisfied or waived, and the closing of the Republic Sale shall be prepared to occur simultaneously with the Closing of the Transactions.

## ARTICLE X INDEMNIFICATION

### 10.1 Survival of Representations and Warranties and Covenants.

(a) All representations and warranties of any party hereto contained in this Agreement and the liabilities and obligations of the parties with respect thereto shall survive the Closing for a period of two (2) years after the Closing Date; provided, however, that (i) the representations and warranties in Sections 5.4(a) (except as noted below with respect to Section 5.4(a)(i)) shall survive the Closing for a period of three (3) years after the Closing Date, (ii) the representations and warranties in Sections 5.1, 5.3(d), 5.4(a)(i), 5.8, 5.12 and 6.1 shall survive until the expiration of the applicable statute of limitations period. Covenants of the parties in Sections 7.1, 7.2, 7.3, 7.6, 7.7, 7.9, 7.10 and 7.12 shall expire and terminate as of the Effective Time. All other covenants of the parties shall survive indefinitely unless a shorter period is provided for in this Agreement.

(b) Any claim for indemnification under this Article X shall be valid only if the party or parties seeking indemnification notifies the other party or parties of the basis for the claim within the applicable survival period provided in Section 10.1(a), and otherwise the claim shall be deemed to have been waived by the party or parties seeking indemnification.

10.2 Indemnification by Seller. Seller shall indemnify, defend (as to Third Party Claims only), protect, and hold harmless Buyers and their respective officers, shareholders, directors, managers, divisions, subdivisions, Affiliates, subsidiaries, parent, agents, employees, successors and assigns at all times from and after the Closing Date from and against all Liabilities incurred by Buyers as a result of or incident to: (a) any breach of, misrepresentation in, untruth in or inaccuracy in the representations and warranties by Seller set forth in this Agreement, any Ancillary Agreement, or in the Disclosure Schedules, Exhibits, certificates attached hereto or delivered pursuant hereto by Seller; (b) nonfulfillment or nonperformance of any agreement, covenant or condition on the part of Seller made in this Agreement, any Ancillary Agreement, or in the Schedules, Exhibits, certificates, documents or agreements attached to this Agreement or delivered pursuant hereto by Seller; and (c) any Excluded Liability.

10.3 Indemnification by Buyers. Buyers shall, jointly and severally, indemnify, defend (as to Third Party Claims only), protect and hold harmless Seller and its officers, shareholders, directors, managers, members, partners, divisions, subdivisions, Affiliates, subsidiaries, parent, agents, Business Employees, employees, successors and assigns at all times from and after the Closing Date from and against all Liabilities, whether equitable or legal, matured or contingent, known or unknown, foreseen or unforeseen, ordinary or extraordinary, patent or latent, incurred by Seller as a result of or incident to: (a) any breach of, misrepresentation in, untruth in or inaccuracy in the representations and warranties by Buyers set forth in this Agreement, any Ancillary Agreement, or in the Schedules, Exhibits, certificates attached hereto or delivered pursuant hereto by any of Buyers; (b) nonfulfillment or nonperformance of any agreement, covenant or condition on the part of any of Buyers made in this Agreement, any Ancillary Agreement, or in the Schedules, Exhibits, certificates, documents or agreements attached to this Agreement or delivered pursuant hereto by any Buyer; and (c) any Assumed Liability.

10.4 Limitation on Liability. The indemnification obligations set forth in Sections 10.2(a) and 10.3(a) shall (a) apply only if a Closing occurs, (b) apply only after the aggregate amount of claims for indemnification from the Indemnifying Party under this Agreement exceeds 1% of the Purchase Price (the "Basket"), and thereafter the Indemnifying Party shall be liable for all indemnification obligations back to the first dollar; and (c) be limited to a claim or claims in an aggregate amount not to exceed the one-half of Purchase Price (the "Cap"). Notwithstanding the foregoing, neither the Basket nor the Cap shall apply to any indemnification obligations arising out of Fraud Claims.

10.5 Indemnification Procedure Between Buyers and Seller. Upon the occurrence of any claim for which indemnification is believed to be due under this Agreement, the Indemnified Party shall provide notice of such claim to the Indemnifying Party, stating in general terms the circumstances giving rise to the claim, specifying the amount of the claim (or an estimate thereof) and making a request for any payment then believed due (subject to the limitations in this Agreement). Upon receipt of any such notice, both the Indemnified Party and the Indemnifying Party shall use commercially reasonable efforts to cooperate and arrive at a mutually acceptable resolution of such dispute within the next 30 days. If for any reason a resolution is not reached within the 30-day period, either party may commence the dispute resolution procedures set forth in Article XV. If the Indemnifying Party does not respond within such 30-day period, the claim for indemnification shall be deemed accepted by the Indemnifying Party. If all or a portion of such claim amount is determined to be owed to the Indemnified Party, the Indemnifying Party shall (subject to the terms of Section 10.4) within 10 days of such determination, pay the Indemnified Party such amount owed in immediately available funds.

10.6 Procedure for Indemnification with Respect to Third-Party Claims.

(a) If any third Person shall notify an Indemnified Party with respect to any matter that may give rise to a claim for indemnification against an Indemnifying Party (a "Third Party Claim") or if any party who may make a claim for indemnification under this Agreement otherwise becomes aware of any matter that may give rise to such a claim or wishes to make such a claim (whether or not related to a Third Party Claim), then the Indemnified Party shall promptly notify each Indemnifying Party thereof in writing; provided, however, that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve the

Indemnifying Party from any obligation under this Agreement unless (and then solely to the extent) the Indemnifying Party is thereby materially prejudiced.

(b) If an Indemnified Party gives notice to the Indemnifying Party pursuant to Section 10.6(a) of the assertion of a Third-Party Claim, the Indemnifying Party shall be entitled to participate in the defense of such Third-Party Claim and, to the extent that it wishes (unless (i) the Indemnifying Party is also a Person against whom the Third-Party Claim is made and the Indemnified Party determines in good faith that joint representation would be inappropriate due to actual or potential conflicts of interest or (ii) the Indemnifying Party fails to provide reasonable assurance to the Indemnified Party of its financial capacity to defend such Third-Party Claim and provide indemnification with respect to such Third-Party Claim), to assume the defense of such Third-Party Claim with counsel satisfactory to the Indemnified Party. Except with the prior written consent of the Indemnified Party, no Indemnifying Party, in the defense of any such claim or litigation, shall consent to entry of any judgment or order, interim or otherwise, or enter into any settlement that provides for injunctive or other nonmonetary relief affecting the Indemnified Party or that does not include as an unconditional term thereof the giving by each claimant or plaintiff to such Indemnified Party of a release from all liability with respect to such claim or litigation. In the event that the Indemnified Party shall in good faith determine that the conduct of the defense of any claim subject to indemnification under this Agreement or any proposed settlement of any such claim by the Indemnifying Party might be expected to affect adversely the Indemnified Party, or that the Indemnified Party may have available to it one or more defenses or counterclaims that are inconsistent with one or more of those that may be available to the Indemnifying Party in respect of such claim or any litigation relating thereto, the Indemnified Party shall have the right at all times to take over and assume control over the defense, settlement, negotiations or litigation relating to any such claim at the sole cost of the Indemnifying Party, provided that if the Indemnified Party does so take over and assume control, the Indemnified Party shall not settle such claim or litigation without the written consent of the Indemnifying Party, such consent not to be unreasonably withheld or delayed. In the event that the Indemnifying Party does not accept the defense of any matter as above provided, the Indemnified Party shall have the full right to defend against any such claim or demand and shall be entitled to settle or agree to pay in full such claim or demand. In any event, the Indemnifying Party and the Indemnified Party shall cooperate in the defense of any claim or litigation subject to this Article X and the records and personnel of each shall be reasonably available to the other with respect to such defense. With respect to any Third-Party Claim subject to indemnification under this Article X, the parties agree to cooperate in such a manner as to preserve in full (to the extent possible) the confidentiality of all confidential information and the attorney-client and work-product privileges. In connection therewith, each party agrees that: (i) it will use its commercially reasonable efforts, in respect of any Third-Party Claim in which it has assumed or participated in the defense, to avoid production of confidential information (consistent with Applicable Law and rules of procedure), and (ii) all communications between any party hereto and counsel responsible for or participating in the defense of any Third-Party Claim shall, to the extent possible, be made so as to preserve any applicable attorney-client or work-product privilege.

10.7 Tax Treatment of Payment. Unless otherwise required by law or unless Seller and Buyers otherwise mutually agree in writing, any payment made under this Article X shall be treated as an adjustment to the Purchase Price.

10.8 Exclusive Remedy. With the exception of Fraud Claims, and other than equitable or injunctive relief or claims as expressly provided for in this Agreement, the indemnification provided in this Article X is the exclusive remedy of the parties with respect to (a) any breach or inaccuracy of the representations and warranties contained in this Agreement, or in the Schedules, Exhibits, certificates, documents or agreements attached to this Agreement or delivered pursuant hereto, including the Ancillary Agreements, or (b) the breach or failure to perform of any covenants, agreements or obligations contained in this Agreement, or in the Schedules, Exhibits, certificates, documents or agreements attached to this Agreement or delivered pursuant hereto, including the Ancillary Agreements. In furtherance of the foregoing, Seller and Buyers waive, to the fullest extent permitted by Applicable Law, any and all other rights, claims, and causes of action (including rights of contributions, if any) that may be based upon, arise out of, or relate to this Agreement, or the negotiation, execution, or performance of this Agreement (including any tort or breach of contract claim or cause of action based upon, arising out of, or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), known or unknown, foreseen or unforeseen, which exist or may arise in the future, that it may have against the other arising under or based upon any Applicable Law, common law, or otherwise.

## ARTICLE XI TERMINATION OF AGREEMENT

11.1 Termination by Buyers. Buyers may, by written notice in the manner provided in Section 14.6 on or before the date set forth in Section 11.3, terminate this Agreement in the event of a material breach by Seller (a) of the representations and warranties of Seller or (b) in the observance, or in the due and timely performance, of any of the covenants or agreements contained in this Agreement on its part to be performed, such breaches not having been cured within 10 Business Days after the delivery of written notice thereof by Buyers. In addition, Buyers, by notice in the manner provided in Section 14.6, may terminate this Agreement (y) if any of the conditions set forth in Article IX shall become reasonably incapable of fulfillment (other than due to acts or omissions of any of Buyers or their Affiliates or representatives) on or before the scheduled Closing Date and such conditions shall not have been waived by Buyers, or (z) due to the circumstances described in Sections 7.7 or 7.12(c).

11.2 Termination by Seller. Seller may, by written notice in the manner provided in Section 14.6 on or before the date set forth in Section 11.3, terminate this Agreement in the event of a material breach by any of Buyers (a) of the representations and warranties of Buyers or (b) in the observance, or in the due and timely performance of any of the covenants or agreements contained in this Agreement on their part to be performed, and such breach shall not have been cured within 10 Business Days after written notice thereof. In addition, Seller, by notice in the manner provided in Section 14.6, may terminate this Agreement if any of the conditions in Article VIII shall become reasonably incapable of fulfillment (other than due to acts or omissions of any of Seller or its Affiliates or representatives) by or before the scheduled Closing Date and shall not have been waived by Seller.

11.3 Termination Date. This Agreement may be terminated by either Seller or Buyers by notice to the others if the Transactions shall not have been consummated by 5:00 p.m. (Eastern) on April 2, 2012 (other than as a result of a breach of this Agreement by the party

giving such notice or by its Affiliates), unless such date shall be extended by the mutual written consent of Seller and Buyers.

11.4 Effect of Termination. If this Agreement is validly terminated pursuant to Section 11.1, 11.2 or 11.3, this Agreement shall thereafter become null and void, and there shall be no liability or obligation on the part of any of the parties (or any of their respective officers, directors, employees, agents or other representatives or Affiliates), except that (a) the provisions of Article XII (except Section 12.3), Section 14.6 and Article XV shall survive such termination, and (b) such termination shall not relieve any party of any liability for any willful material breach of this Agreement.

## ARTICLE XII NONDISCLOSURE AND NONSOLICITATION

12.1 Nondisclosure by Buyers. Buyers recognize and acknowledge that, in connection with the Transactions, Seller has provided to them and will provide to them prior to the Closing Date, confidential information of Seller, including lists of customers, operational policies, and pricing and cost policies that are valuable, special and unique assets of Seller. Buyers agree that they will not, except as may be required by law or valid legal process, disclose such confidential information to any Person for any purpose or reason whatsoever, prior to the Closing Date except to authorized representatives of Buyers, unless such information is or becomes known to the public generally through no fault of Buyers. The provisions of this Section shall apply at all times prior to the Closing Date and for a period of one year following the first to occur of (a) the Closing Date and (b) termination of this Agreement without a Closing having occurred.

12.2 Confidential Information. Neither Seller nor any of its Affiliates shall at any time subsequent to the Closing, except as explicitly requested by Buyers or as otherwise provided in this Agreement, use for any purpose, disclose to any Person, or keep or make copies of any records and files containing, any Confidential Information relating primarily to the Business, the Assets or the Assumed Liabilities, all such information being deemed to be transferred to Buyers under this Agreement. For purposes of this Agreement, "Confidential Information" shall mean information relating primarily to the Business, the Assets or the Assumed Liabilities, including all customer and vendor lists and related information, all information concerning the Business' processes, products, costs, prices, sales, marketing and distribution methods, properties and assets, Assumed Liabilities, and other information not previously disclosed to the public directly by Seller. The foregoing provisions shall not apply to any information which is or relates primarily to an Excluded Asset or to the Excluded Liabilities, or which relates to Tax matters of Seller. Both Seller and Buyers shall maintain Confidential Information that relates to both Assumed Liabilities and Excluded Liabilities in duplicate. If at any time after the Closing, Seller should discover that it is in possession of any records and files containing the Confidential Information of Buyers, then the party making such discovery shall immediately turn such records and files over to Buyers, which shall upon request make available to the surrendering party any information contained therein which is not Confidential Information. Seller agrees that it will not assert a waiver of loss of confidential or privileged status of the information based upon such possession or discovery.

12.3 Nonsolicitation. Seller, for itself and on behalf of its Affiliates, covenants and agrees that for a period of five years from and after the Closing Date, neither Seller nor any of its Affiliates will (a) solicit any waste collection business of the service type included in the Business from any Collection Account, including any Governmental Authority, or (b) solicit any disposal business from any Disposal Account, including any Governmental Authority. The parties acknowledge that it was their mutual intention to assign the Berkeley County Contract to Buyers and for Buyers to assume such contract, but due to the timing and consent considerations, such assignment was not reasonably practicable. Therefore, notwithstanding the provisions of Section 7.15, for purposes of this Section 12.3, Berkeley County and its citizens shall be deemed Collection Accounts. Responding to a request for proposals or bids for the service type included in the Business is considered a solicitation of service for purposes of this Section. Notwithstanding the foregoing, in the event Seller or any of its Affiliates acquires the business of an unrelated third party, via acquisition of assets, stock merger or other acquisition structure, and one or more of the Collection Accounts or Disposal Accounts is included in such acquired business, Seller's or its Affiliate's acquisition of such business shall not be deemed a breach of this Section 12.3, and the servicing of such customers acquired because they are included in such acquired business will not be deemed a breach of this Section 12.3. Notwithstanding anything contained herein, the foregoing restrictions shall not apply with respect to any National Accounts.

12.4 Equitable Relief for Violations. The parties acknowledge that an irreparable injury may result to the non-violating party and its business in the event of a breach by the violating party of any provision in this Article XII. The parties also acknowledge and agree that the damages or injuries that a non-violating party sustains as a result of such a breach are difficult to ascertain and money damages alone may not be an adequate remedy to a non-violating party. The parties therefore expressly agree that if a controversy arises concerning the rights or obligations of a party under this Article XII, such rights or obligations shall be enforceable by a court decree of specific performance and a non-violating party shall also be entitled to any injunctive relief from the court pursuant to Article XV necessary to prevent or restrain any such breach. Such relief shall be granted without the necessity of a showing of irreparable harm and without the posting of a bond or other security. Such relief, however, shall be cumulative and non-exclusive and shall be in addition to any other remedy to which the parties may be entitled in accordance with this Agreement.

### ARTICLE XIII GENERAL

13.1 Assignment; Binding Effect; Amendment. This Agreement and the rights of the parties under it may not be assigned without the prior consent of the non-assigning parties; provided, however, that Buyers may assign any or all of their rights, interests and obligations under this Agreement (a) to an Affiliate of Buyers prior to the Closing or (b) as security for obligations to their lenders. This Agreement shall be binding upon and shall inure to the benefit of the parties and their successors and permitted assigns. This Agreement may be modified or amended only by a written instrument executed by all parties.

13.2 Entire Agreement. This Agreement, together with its exhibits and schedules, is the final, complete and exclusive statement and expression of the agreement among the parties with relation to its subject matter. This Agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of, any prior or contemporaneous discussions, correspondence, or oral or written agreements, understandings or Contracts of any kind.

13.3 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

13.4 No Brokers. Seller represents and warrants to Buyers, and Buyers represent and warrant to Seller, that the warranting party has had no dealings with any broker or agent so as to entitle such broker or agent to a commission or fee in connection with the Transactions. If for any reason a commission or fee shall become due, the party dealing with such agent or broker shall pay such commission or fee and agrees, separate and apart from their respective obligations under Article X, to indemnify and save harmless each of the other parties from all claims for such commission or fee and from all attorneys' fees, litigation costs and other expenses relating to such claim.

13.5 Expenses of Transaction. Except as otherwise provided in this Agreement, whether or not the Transactions shall be consummated:

(a) Buyers will pay the fees, expenses and disbursements of Buyers and their agents, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement and any amendments to it and all other costs and expenses incurred in the performance and compliance with all conditions to be performed by Buyers under this Agreement;

(b) Seller will pay the fees, expenses and disbursements of Seller and its agents, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement and any amendments to it and all other costs and expenses incurred in the performance and compliance with all conditions to be performed by Seller under this Agreement; and

(c) Nothing in this Section 13.5 shall limit the rights of a non-breaching party to recover damages, including fees and expenses if so awarded, in connection with any successful claim against a party in breach under this Agreement.

13.6 Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier or by delivering the same in person to such party.

(a) If to Seller, addressed to it at:

Waste Industries, LLC  
3301 Benson Drive, Suite 601  
Raleigh, NC 27609

Attn: Michael T. Ingle

with a copy to:  
Waste Industries, LLC  
3301 Benson Drive, Suite 601  
Raleigh, NC 27609  
Attn: Lisa Inman, General Counsel

(b) If to Buyers, addressed to them at:

Republic Services, Inc.  
5860 Trinity Parkway, Suite 120  
Centreville, VA 20120  
Attn: SVPO – East Region

with a copy to:

Republic Services, Inc.  
18500 N. Allied Way  
Phoenix, AZ 85054  
Attn: General Counsel

and with a copy to:

Ballard Spahr LLP  
1 East Washington Street  
Suite 2300  
Phoenix, AZ 85004-2555  
Attn: Adrienne Wilhoit

Notice shall be deemed given and effective the day personally delivered, the day after being sent by overnight courier, subject to signature verification, and three Business Days after the deposit in the U.S. mail of a writing addressed as above and sent first class mail, registered or certified, return receipt requested. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section 14.6.

13.7 No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach of default occurring before or after that waiver.

13.8 Captions. The headings of this Agreement are inserted for convenience only, shall not constitute a part of this Agreement or be used to construe or interpret any of its provisions.

13.9 No Third Party Beneficiaries. Except for the provisions of Article X relating to indemnified parties, nothing contained in this Agreement is intended or shall confer upon any other Person, including any union or employee or former employee (including former or current Business Employees) of Seller, any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

13.10 Severability. In case any provision of this Agreement shall be deemed to be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

13.11 Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute shall be deemed to refer to such statute as amended and to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "include" or "including" means include or including, without limitation. All references in this Agreement to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require.

#### ARTICLE XIV DISPUTE RESOLUTION

14.1 General. Except with respect to disputes regarding the Actual Adjustment Amount (which shall be governed by Section 2.2(c), and except as provided in Article XII, the parties agree that any disputes arising out of or related in any way to this Agreement, including a breach of this Agreement, shall be brought exclusively in the state or federal courts located in Wilmington, Delaware. By execution and delivery of this Agreement, with respect to any dispute, each of the parties knowingly, voluntarily and irrevocably: (a) consents, for itself and in respect of its property, to the exclusive jurisdiction of these courts; (b) waives any immunity or objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of forum non conveniens, which it may have from or to the bringing of the dispute in such jurisdiction; (c) waives any personal service of any summons, complaint or other process that may be made by any other means permitted by the State of Delaware; (d) waives any right to trial by jury; (e) agrees that any such dispute will be decided by court trial without a jury; (f) understands that it is giving up valuable legal rights under this provision, including the right to trial by jury, and that it voluntarily and knowingly waives those rights; and (g) agrees that any party to this Agreement may file an original counterpart or a copy of this Section 15.1 with any court as written evidence of the consents, waivers and agreements of the parties set forth in this Section 15.1.

14.2 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

14.3 Attorneys' Fees. Should any litigation be commenced under this Agreement, the successful party in such litigation shall be entitled to recover, in addition to such other relief as the court may award, its reasonable attorneys' fees, expert witness fees, litigation related expenses, and court or other costs incurred in such litigation or proceeding. For purposes of this clause, the term "successful party" means the net winner of the dispute, taking into account the claims pursued, the claims on which the pursuing party was successful, the amount of money sought, the amount of money awarded, and offsets or counterclaims pursued (successfully or unsuccessfully) by the other party. If a written settlement offer is rejected and the judgment or award finally obtained is equal to or more favorable to the offeror than an offer made in writing to settle, the offeror is deemed to be the successful party from the date of the offer forward.

**[Signatures appear on the following pages.]**

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

**BUYERS:**

REPUBLIC SERVICES OF SOUTH CAROLINA,  
LLC, a Delaware limited liability company

By:   
Name: Tim M. Benter  
Its: Vice President

ALLIED SERVICES, LLC,  
a Delaware limited liability company

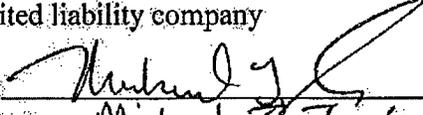
By:   
Name: Tim M. Benter  
Its: Vice President

REPUBLIC SERVICES OF NORTH CAROLINA,  
LLC, a North Carolina limited liability company

By:   
Name: Tim M. Benter  
Its: Vice President

**SELLER:**

WASTE INDUSTRIES, LLC, a North Carolina  
limited liability company

By:   
Name: Michael T. Ingle  
Its: Vice President

## LIST OF EXHIBITS AND SCHEDULES

Exhibit A	Seller, Buyers and Operations
Exhibit B	Definitions
Exhibit C	Form of Bill of Sale and Assignment
Exhibit D	Form of National Account Subcontract
Exhibit E	Form of Assumption Agreement
Schedule 1.1(b)	Permits
Schedule 1.1(c)	Equipment
Schedule 1.1(e)	Telephone Numbers and Facsimile Numbers
Schedule 1.1(f)(i)	Charleston Accounts
Schedule 1.1(f)(ii)	Columbia Accounts
Schedule 1.1(f)(iii)	Beaufort Accounts
Schedule 1.1(f)(iv)	Disposal Accounts
Schedule 1.1(l)	Noncompete, Nonsolicitation and Business Agreements
Schedule 1.2	Excluded Assets
Schedule 5.2	Permits
Schedule 5.3(a)	Specified Assets
Schedule 5.4(a)	Owned Real Property
Schedule 5.5	Contracts
Schedule 5.6	Employees; Exceptions to “at will” Employment
Schedule 5.7(a)	Compliance with Law
Schedule 5.7(b)	Conflicts
Schedule 5.7(c)	Required Consents
Schedule 5.8	Taxes
Schedule 5.9	Litigation
Schedule 5.10	Financial Statements
Schedule 5.11	Conduct of Business
Schedule 5.12(a)	Hazardous Materials
Schedule 5.12(b)	Notices Relating to the Environment
Schedule 5.12(c)	List of Disposal Sites
Schedule 5.12(d)	Storage Tanks
Schedule 5.15	Seller’s Affiliate Relationships
Schedule 5.16	Performance Bonds; Letters of Credit; Financial Assurances
Schedule 5.17	Employment and Labor Matters
Schedule 5.18	Insurance
Schedule 8.6	Consents for Closing

**EXHIBIT A**  
**SELLER, BUYERS AND OPERATIONS**

Seller	Buyer	Operations
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of South Carolina, LLC, a Delaware limited liability company	Collection and hauling assets in and around Charleston, SC
Waste Industries, LLC, a North Carolina limited liability company	Allied Services, LLC, a Delaware limited liability company	Collection and hauling assets in and around Columbia, SC
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of North Carolina, LLC, a North Carolina limited liability company	Collection and hauling assets in and around Beaufort, NC
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of North Carolina, LLC, a North Carolina limited liability company	Transfer station operations and real property relating to the Beaufort, NC transfer station

**EXHIBIT B**  
**DEFINITIONS**

“Accounts Receivable” means all accounts receivable of Seller arising from the operation of the Business.

“Actual Adjustment Amount” has the meaning specified in Section 2.2(c).

“Additional Property” has the meaning specified in Section 5.4(a).

“Adjustment Amount” has the meaning specified in Section 2.2(a).

“Affiliate” means, with respect to any specified Person, a Person, directly or indirectly, controlled by, controlling or under common control with such Person.

“Affiliated Group” means an affiliated group as defined in Code Section 1504(a) or any similar group defined under a similar provision of state or local Tax law.

“Agreement” has the meaning specified in the introductory paragraph of the Agreement.

“Ancillary Agreements” means the Deed, the Bill of Sale, Buyers’ Assumption Agreements, the Disposal Agreement, the Transition Services Agreement, the Transition Operating Agreement and the other documents and agreements delivered by the parties pursuant to the terms of this Agreement.

“Applicable Laws” means all federal, state and local statutes, laws, rules, regulations, orders, and ordinances (including zoning restrictions and land use requirements and Environmental Laws and regulations), all permits and licenses (including Permits) and all administrative and judicial judgments, rulings, decisions and orders (including those of any Governmental Authority) applicable to Seller, Buyers, the Assets or the Business.

“Area” means the areas in which the Business is located.

“Assets” has the meaning specified in Section 1.1.

“Assumed Contracts” has the meaning specified in Section 1.1(f)(iv).

“Assumed Liabilities” has the meaning specified in Section 1.4.

“Balance Sheet Date” has the meaning specified in Section 5.10.

“Basket” has the meaning specified in Section 10.4.

“Beaufort Accounts” has the meaning specified in Section 1.1(f)(iii).

“Beaufort Contracts” has the meaning specified in Section 1.1(f)(iii).

“Berkeley County Contract” means the contract between Seller and Berkeley County, South Carolina dated April 26, 2007, which is set to expire on June 30, 2012.

“Bill of Sale” means a General Conveyance, Assignment and Bill of Sale in the form attached as Exhibit D, providing for the conveyance, sale, transfer and assignment to Buyers of the Assets (other than the Owned Real Property).

“Blanket Liens” shall have the meaning specified in Section 4.3.

“Business” has the meaning specified in Recital A.

“Business Day” means any day that is not a Saturday, a Sunday or other day in which banks are authorized or required by law to be closed in the State of North Carolina.

“Business Employees” means all employees of Seller or its Affiliates employed in the Business.

“Buyers” has the meaning specified in the introductory paragraph of the Agreement.

“Buyers’ Assumption Agreements” means the Assumption Agreement in the form attached as Exhibit F, providing for the assumption by Buyers of the Assumed Liabilities.

“Cap” has the meaning specified in Section 10.4.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

“CERCLIS” means the Comprehensive Environmental Response, Compensation and Liability Information System, as updated through the Execution Date and the Closing Date.

“Charleston Accounts” has the meaning specified in Section 1.1(f)(i).

“Charleston Contracts” has the meaning specified in Section 1.1(f)(i).

“Closing” and “Closing Date” have the meanings specified in Section 3.1.

“Code” means the Internal Revenue Code of 1986.

“Collection Accounts” means the Columbia Accounts, the Charleston Accounts and the Beaufort Accounts.

“Columbia Accounts” has the meaning specified in Section 1.1(f)(ii).

“Columbia Contracts” has the meaning specified in Section 1.1(f)(ii).

“Commitment(s)” has the meaning specified in Section 7.12(a).

“Confidential Information” has the meaning specified in Section 12.2.

“Contract” means any agreement, contract, arrangement, understanding, lease, franchise agreement, covenant, license, purchase and sales order, commitment, undertaking, obligation or other legally binding agreement, whether written or oral, and including all amendments thereto.

“Deed” means a special warranty deed, or its closest equivalent depending on Applicable Laws, in form and substance reasonably acceptable to Buyers.

“Defect” has the meaning specified in Section 7.12(c).

“Disclosure Schedules” means the schedules to the specific Sections of the Agreement delivered by Seller to Buyers, as supplemented pursuant to Section 7.7.

“Disposal Accounts” has the meaning specified in Section 1.1(f)(iv).

“Disposal Contracts” has the meaning specified in Section 1.1(f)(iv).

“Effective Time” has the meaning specified in Section 3.1.

“Encumbrance” means any lien (including mechanics and materialmen’s liens), security interest, financial and non-financial encumbrance, adverse claim, deed of trust, mortgage, lease, right of repurchase or purchase, right of first refusal, pledge, voting trust, easement, quasi-easement, covenant, condition, declaration, equities and other restrictions, limitations or conditions on transfer of any nature whatsoever.

“Environment” includes all or any of the following media: real property, soil, land surface and subsurface strata, surface waters (including navigable waters, streams, ponds, drainage basins, and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including the air within buildings and the air within other natural or man-made structures above or below ground), plant and animal life, and any other natural resource.

“Environmental Damages” means obligations to pay the amount of any judgment or settlement, the cost of complying with any settlement, judgment or order for injunctive or other equitable relief, the cost of compliance or corrective action (including any supplemental environmental project) in response to any notice, demand or request from any Governmental Authority, including the amount of any civil penalty or criminal fine, and any court costs and amounts for attorney’s fees, fees for witnesses and experts, and costs of investigation and preparation for defense of any notice, claim or proceeding, regardless of whether such proceeding is threatened, pending or completed, that may be or have been asserted against or imposed upon Seller or the Owned Real Property and arise out of: (i) failure of Seller to comply at any time with all Environmental Laws; (ii) presence of any Hazardous Materials on, in, under, at, migrating or threatening to migrate from, or in any way affecting the Owned Real Property at any time; (iii) identification of Seller as potentially responsible parties under CERCLA or as a Person responsible for damages under any Environmental Law; or (iv) any and all claims for injury or damage to Persons or property arising out of exposure or threatened exposure to Hazardous Materials originating at the Owned Real Property or resulting from operation thereof or located at the Owned Real Property.

“Environmental Laws” means all Applicable Laws and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the Environment, public health and safety, fire protection or prevention, pollution, damage to natural resources, industrial hygiene, occupational safety, emissions, discharges, Releases or threatened Releases of Hazardous Materials or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, including, but not limited to, CERCLA; the Resource Conservation and Recovery Act; the Oil Pollution Act of 1990; the Hazardous Materials Transportation Act; the Clean Water Act; the Toxic Substances Control Act; the Clean Air Act; the Emergency Planning and Community Right to Know Act, the Safe Drinking Water Act; the Atomic Energy Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Occupational Safety and Health Act; and the Federal Food, Drug and Cosmetic Act; and the state or local equivalents of these laws, as any of the foregoing may be amended from time to time.

“Equipment” means machinery, equipment and tools, containers, and other similar tangible assets used in or held for use in connection with the Business.

“Estimated Adjustment Amount” has the meaning specified in Section 2.2(b).

“Excluded Assets” has the meaning specified in Section 1.2.

“Excluded Liabilities” has the meaning specified in Section 1.5.

“Execution Date” means the day and year first above written, on which this Agreement was executed by the parties.

“FCC” means the U.S. Federal Communications Commission.

“Fraud Claims” means indemnity claims based upon a willful, fraudulent or intentional misrepresentation of any party contained in this Agreement, any Ancillary Agreement or in the Schedules, Exhibits, certificates, documents or agreements attached to this Agreement or delivered pursuant hereto.

“GAAP” means United States generally accepted accounting principles applied on a consistent basis.

“Governmental Authority” means the United States Federal Trade Commission, the Antitrust Division of the United States Department of Justice, the FCC, any foreign governmental authority, the United States of America, any State of the United States, any local authority and any political subdivision of any of the foregoing, any multi-national organization or body, any agency, department, commission, board, bureau, court or other authority of any of the foregoing, or any quasi-governmental or private or industrial body exercising, or purporting to exercise, any executive, legislative, judicial, administrative, police, regulatory or taxing authority or power of any nature.

“Hazardous Materials” means (i) petroleum and petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contain polychlorinated biphenyls, and radon

gas; or (ii) any chemicals, materials, substances or wastes defined as or included in the definition of “hazardous materials,” “hazardous wastes,” “hazardous substances,” “extremely hazardous wastes,” “restricted hazardous wastes,” “toxic substances,” “toxic wastes,” “toxic pollutants,” “contaminants,” “pollutants,” “infectious wastes,” “medical wastes,” “radioactive wastes,” “sewage sludges” or words of similar import under any Applicable Laws.

“Improvements” means all buildings, structures, fixtures and improvements located on the Owned Real Property or included in the Assets, including those under construction.

“Indemnified Party” means a party seeking indemnification under Article X.

“Indemnifying Party” means a party from whom indemnification is sought under Article X.

“Inventory” means all inventory of supplies, fuel, parts, tires, accessories (including inventory related to Equipment and other non-Inventory Assets) and other tangible assets of every kind, nature and description (and interests in any of the foregoing) used or held for use by Seller in connection with the Business.

“Knowledge”, whether capitalized or not, of Seller means (a) with respect to Seller, the actual knowledge of the following persons (i) with respect to the Columbia, South Carolina market, Thomas Winstead, Ted Habets and Jeff Reynolds; (ii) with respect to the Charleston, South Carolina market, Thomas Winstead, Ted Habets and Reggie Sherman; and (iii) with respect to the Beaufort, South Carolina market, Thomas Winstead, Mark Myers and Brian Chesson, (b) the knowledge such persons could have obtained upon reasonable inquiry; and (c) with respect to any Person other than Seller, “Knowledge” means the actual knowledge of such Person, or the knowledge such Person could have obtained upon reasonable inquiry.

“Liabilities” means liabilities, debts, claims, damages, demands, assessments, adjustments, penalties, losses, costs and expenses (including court costs, reasonable attorneys’ and expert witness fees and expenses of investigations, actions, suits, Proceedings), whether equitable or legal, matured or contingent, known or unknown, foreseen or unforeseen, ordinary or extraordinary, patent or latent or of any other nature.

“Material Adverse Change” means a material adverse change in the business, financial condition, and results of operations of the Business, taken as a whole.

“Material Adverse Effect” shall mean any condition, change, circumstance or event that has a material adverse effect on (i) the assets, properties, business, results of operations or financial condition of the Business, or (ii) the ability of Seller to perform in all material respects its obligations under this Agreement.

“Material Customer Contracts” means (i) the top 20 Collection Contracts or Disposal Contracts with respect to each segment comprising the Business in terms of revenues during the 12 months ended December 31, 2011 and (ii) any other Collection Contract or Disposal Contract of the Business with annual revenues during the 12 months ended December 31, 2011 in excess of \$50,000.

“Monetary Defect” has the meaning specified in Section 7.12(c).

“National Accounts” means customer accounts that involve a broader area than the Area and that are managed by Seller or by an Affiliate of Seller pursuant to a national or regional account program.

“National Account Subcontract” has the meaning specified in Section 3.3(h).

“Organizational Documents” means the Articles of Organization and Operating Agreement of Seller.

“Other Contracts” has the meaning specified in Section 5.5(a).

“Owned Real Property” means all land identified in Schedule 5.4(a), together with (i) all buildings, fixtures and improvements located thereon, (ii) easements, interests, rights, tenements, intangible rights and appurtenances related to the Owned Real Property or any improvements thereon, (iii) all mineral (subsurface interests), water, and irrigation rights, if any, (iv) Seller’s interest, if any, in any roadway adjoining such Owned Real Property, and (v) any rights or interests that have accrued to the benefit of such Owned Real Property as a result of the abandonment thereof

“Permits” means all permits, grants, filings, notices of intent, exemptions, licenses, authorizations, registrations, franchises, consents, approvals and related applications of every kind held by Seller principally in connection with the Business from or with any federal, state, local or foreign Governmental Authority, including all radio licenses or call signs issued by the FCC, and further including all permits issued by any Governmental Authority under or in connection with any Environmental Law.

“Permitted Exceptions” means: (i) zoning ordinances and regulations which do not materially adversely affect Buyers’ use or marketability of the Owned Real Property for its current uses in connection with the Business as of the Execution Date; (ii) liens for real property Taxes and assessments, both general and special, which are not yet due and payable as of the Closing Date; and (iii) easements, Encumbrances, covenants, conditions, reservations and restrictions of record, if any, as have been approved in writing by Buyers before the Closing Date.

“Person” means any individual, firm, partnership, association, trust, corporation, joint venture, unincorporated organization, limited liability company, Governmental Authority or other entity.

“Pre-Closing Period” means any Tax period or portion thereof ending on or before the Closing Date (including the portion of any Straddle Period ending on the Closing Date).

“Proceedings” means any claim, investigation, litigation, action, suit or proceeding, formal arbitration, informal arbitration or mediation, administrative, judicial or otherwise.

“Purchase Price” has the meaning specified in Section 2.1.

“RCRIS” means Resource Conservation and Recovery Information System.

“Release” means any “release” as defined in CERCLA or in any Environmental Law.

“Remaining Term” has the meaning specified in Section 7.15.

“Republic Sale” means the purchase by certain Affiliates of Seller of certain hauling, operations of Affiliates of Buyers pursuant to an asset purchase agreement of even date with the Agreement.

“Required Consents” has the meaning specified in Section 5.7(c).

“Rolling Stock” means automobiles, trucks, fork lifts, construction vehicles and other motor vehicles and the attachments, accessories and materials handling equipment associated with or located in or on such vehicles, including all radios and the radio base stations, if any, in each case used or held for use by Seller in connection with the Business.

“Seller” has the meaning specified in the introductory paragraph of the Agreement.

“Seller’s Financial Statements” has the meaning specified in Section 5.10.

“Straddle Period” means any Tax period beginning before and ending after the Closing Date.

“Survey” has the meaning specified in Section 7.12(b).

“Survey Defect” has the meaning specified in Section 7.12(c).

“Tax” or “Taxes” means any federal, state, local, foreign, and other income, gross receipts, occupation, registration, alternative or add-on minimum, environmental (including taxes under Section 59A of the Code), sales, use, ad valorem, transfer, franchise, real property, personal property, profits, payroll, withholding, employment, unemployment, social security (or similar), workers’ compensation, excise, customs, duties and other taxes, fees, assessments and charges of any kind whatsoever, together with any interest and any penalties and additions to tax with respect thereto.

“Tax Returns” means any report, statement, form, return or other document or information required to be supplied to a taxing authority in connection with Taxes.

“Third Party Claim” has the meaning specified in Section 10.6(a).

“Title Company” has the meaning specified in Section 7.12(a).

“Title Defect” has the meaning specified in Section 7.12(c).

“Title Policy” has the meaning specified in Section 7.12(a).

“Transactions” means the transactions contemplated by this Agreement.

“Transition Operating Agreement” has the meaning specified in Section 3.2.

“Transition Services Agreement” has the meaning specified in Section 3.3(g).

**EXHIBIT C**  
**FORM OF BILL OF SALE AND ASSIGNMENT**

Effective as of \_\_\_\_\_, 2012, Waste Industries, LLC, a North Carolina limited liability company (“Seller”), for good and valuable consideration and pursuant to that Asset Purchase Agreement dated March 15, 2012 (the “Purchase Agreement”), among Seller and those entities set forth as Buyers on Exhibit A (collectively, “Buyers”) hereby sells, assigns, transfers, conveys and delivers to Buyers all of Seller’s right, title and interest in the Assets (other than the Excluded Assets).

TO HAVE AND TO HOLD all such Assets unto Buyers and their successors and assigns to and for their use.

Seller shall execute and deliver, at the request of Buyers, such further instruments of transfer, and shall take or cause to be taken such other or further actions, as shall reasonably be requested for purposes of carrying out the Transactions.

This General Conveyance, Assignment and Bill of Sale is delivered pursuant to Section 3.3(a) of the Purchase Agreement and shall be construed consistently with the Purchase Agreement. Capitalized terms used in this instrument shall have the meanings given them in the Purchase Agreement.

**[Signatures appear on the following page.]**

IN WITNESS WHEREOF, Seller has executed and delivered this General Conveyance, Assignment and Bill of Sale effective as of the date first above written.

**SELLER:**

WASTE INDUSTRIES, LLC, a North Carolina  
limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**SELLER, BUYERS AND OPERATIONS**

<b>Seller</b>	<b>Buyer</b>	<b>Operations</b>
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of South Carolina, LLC, a Delaware limited liability company	Collection and hauling assets in and around Charleston, SC
Waste Industries, LLC, a North Carolina limited liability company	Allied Services, LLC, a Delaware limited liability company	Collection and hauling assets in and around Columbia, SC
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of North Carolina, LLC, a North Carolina limited liability company	Collection and hauling assets in and around Beaufort, NC
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of North Carolina, LLC, a North Carolina limited liability company	Transfer station operations and real property relating to the Beaufort, NC transfer station

**EXHIBIT D**  
**FORM OF NATIONAL ACCOUNT SUBCONTRACT**

THIS NATIONAL ACCOUNT SUBCONTRACT (this "Agreement") is executed and delivered effective as of \_\_\_\_\_, 2012 between \_\_\_\_\_ ("Contractor"), and \_\_\_\_\_ ("Subcontractor").

**RECITALS**

A. Contractor has contracted to perform materials recovery, materials recycling, and/or waste collection, transportation and disposal services (the "Services") for the customers listed on Exhibit A (the "Customers").

B. Contractor desires to engage Subcontractor to perform the Services for the Customers at the locations or in the areas listed on Exhibit A, and Subcontractor desires to be so engaged, on the terms and conditions set forth in this Agreement.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

**TERMS AND CONDITIONS**

1. Subcontract. Subcontractor hereby agrees to perform the Services for the Customers at the locations or in the areas as specified on Exhibit A. Contractor represents and warrants that the information set forth on Exhibit A conforms to the terms of the contracts between Contractor and the Customers (the "Master Contracts"), and contains the information that is necessary to enable Subcontractor to perform the Services that are provided for under such Master Contracts for the Customers' locations specified on Exhibit A. Subcontractor agrees that it will provide the Services described on Exhibit A in accordance with the terms of this Agreement and all applicable federal, state and local laws.

2. Term. The term of this Agreement shall commence on the date of this Agreement and shall continue until such time as the Services under this Agreement are terminated as set forth in this Agreement or all of the Master Contracts terminate (inclusive of any and all renewal periods currently provided for in such Master Contracts); provided however, in no event will the term of this Agreement extend beyond the fifth anniversary of this Agreement. Notwithstanding the foregoing, however, the term for any particular Services shall commence on the date of this Agreement and terminate (i) when the Master Contract under which such Services are provided expires or otherwise terminates (inclusive of any and all renewal periods currently provided for in any such Master Contract) or (ii) when such Services expire or are otherwise terminated as set forth in this Agreement. For purposes of clarity, if the term of a Master Contract expires or otherwise terminates and Contractor and the applicable Customer enter into a new contract (or agree to extend the applicable Master Contract), then this Agreement shall expire as to the Services being provided under the affected Master Contract.

3. Rights and Obligations. Except as otherwise expressly provided in this Agreement, all rights and privileges of Contractor pursuant to the Master Contracts with respect to the Services at the locations or in the areas listed on Exhibit A are intended to be available to

Subcontractor. Contractor shall promptly deliver to Subcontractor any notice that Contractor receives from any Customer relating to the Services provided by Subcontractor that threatens or asserts any right to termination or other action under the Master Contracts relating to the Services or that requests any change in the Services provided pursuant to this Agreement.

4. Breach by Subcontractor. If Contractor determines that Subcontractor is in breach of any material term or provision of this Agreement, or if Contractor receives notice from any Customer that Subcontractor has breached the terms of a Master Contract, Contractor shall notify Subcontractor in writing of such breach and Subcontractor shall have the right to cure the breach within 10 days thereafter. If Subcontractor fails to cure the breach of the terms of a Master Contract within such period, Contractor may immediately terminate this Agreement with respect to the applicable Master Contract then in breach and hire another subcontractor to provide the Services to such Customer. If Contractor terminates this Agreement with respect to any Customer, Subcontractor shall not be entitled to compensation for Services provided to such Customer by the replacement subcontractor. This Agreement will continue as to those Services under those Master Contracts not in breach. If Subcontractor fails to cure the breach of any material term or provision of this Agreement, Contractor may immediately terminate this entire Agreement and hire another subcontractor to provide all Services under this Agreement. If Contractor terminates this entire Agreement, Subcontractor shall not be entitled to compensation for Services provided to any Customer by the replacement subcontractor.

5. Indemnification.

(a) Indemnification by Subcontractor. Subcontractor shall indemnify, defend and hold harmless Contractor and its shareholders, partners, members, directors, officers, managers, affiliates, employees and agents (the "Contractor Indemnified Parties") for, from and against any and all claims, actions, proceedings, costs, fines, assessments, penalties, damages, liabilities and expenses, including reasonable attorneys' fees (collectively, "Losses"), suffered or incurred by any of the Contractor Indemnified Parties arising out of (i) any breach of a representation, warranty or covenant of Subcontractor under this Agreement, or (ii) any act or omission of Subcontractor in the performance of the Services from and after the date of this Agreement.

(b) Indemnification by Contractor. Contractor shall indemnify, defend and hold harmless Subcontractor and its shareholders, partners, members, directors, officers, managers, affiliates, employees and agents (the "Subcontractor Indemnified Parties") for, from and against any and all Losses suffered or incurred by any of the Subcontractor Indemnified Parties arising out of (i) any breach of a representation, warranty or covenant of Contractor under this Agreement, (ii) any act or omission of Contractor and its employees and agents in the performance of work under the Master Contracts before the date of this Agreement or (iii) any act or omission of any replacement subcontractor appointed by Contractor to perform any Services.

6. Insurance. During the term of this Agreement, Subcontractor shall maintain the following insurance coverages:

Workers' Compensation:

Coverage A	Statutory
Coverage B – Employer's Liability	\$1,000,000 each Bodily Injury by Accident
	\$1,000,000 policy limit Bodily Injury by Disease
	\$1,000,000 each occurrence Bodily Injury by Disease

Automobile Liability:

Bodily Injury/Property Damage	\$2,000,000 each occurrence
Combined – Single Limit	\$3,000,000 applies to all owned, non-owned, hired and leased vehicles (including trailers)

Commercial General Liability:

Bodily Injury/Property Damage	\$2,000,000 each occurrence
Combined – Single Limit	\$3,000,000 general aggregate

Pollution Legal Liability: \$1,000,000

All such insurance policies will be primary without the right of contribution from any insurance coverage maintained by Contractor. Except with respect to the workers' compensation policy, the Contractor Indemnified Parties shall be shown as an additional insured under each of the above policies. The fact that insurance is obtained by Subcontractor shall not be deemed to release or diminish the liability of Subcontractor including liability under the indemnity provisions of this Agreement. Subcontractor agrees to waive any and all rights of subrogation it may have against Contractor by virtue of any claims that may arise as a result under this Agreement, and all policies of insurance required by this Agreement shall be so endorsed. Subcontractor agrees to obtain from its insurance carrier(s) a waiver of subrogation in favor of Contractor. All policies required by this Agreement shall be written by insurance carriers with a rating of A.M. Bests of at least "A-", with a financial size category of at least VIII, and lawfully authorized to do business in the states where the Services are performed. Insurance certificates evidencing the above requirements shall be furnished by Subcontractor concurrently with the execution of this Agreement and provide for not less than 30 days prior notice to Contractor of any cancellation or non-renewal of the policies. In addition, the following requirements apply (a) the commercial general liability policy must include contractual liability coverage specifically covering Subcontractor's indemnification of Contractor pursuant to Section 5, (b) coverage must be provided for products/completed operations and (c) the policy shall also contain a cross liability/severability of interests provision assuring that the acts of one insured do not affect the applicability of coverage to another insured.

7. Modification of Master Contracts. If, during the term hereof, the terms of a Master Contract are modified in a manner that affects the Services, modifies the price to be paid for the Services, or the terms on which the Services are to be performed, Contractor will give written notice to Subcontractor of such modifications. In the event of any such modification, Exhibit A shall be amended as necessary to set forth any such new terms. If, without the consent of Subcontractor, the price terms of a Master Contract are reduced from those in effect on the date of this Agreement, or the price terms become materially less favorable to Subcontractor than the terms in effect on the date of this Agreement, Subcontractor may terminate the Services

related to such Master Contract by written notice to Contractor within 30 days following reduction of the price terms. Any such termination shall be effective 30 days after Contractor's receipt of notice thereof. Notwithstanding the foregoing, Contractor shall not agree to any modifications which relate solely to the Customers' locations to which this Agreement relates and which would materially affect the terms on which the Services are rendered, unless (i) such modifications are required to be made pursuant to the terms of the applicable Master Contract, or (ii) Subcontractor consents in advance to such modifications.

#### 8. Compensation.

(a) General. Contractor shall pay Subcontractor for the Services at the rates specified in Exhibit A, which rates Contractor represents and warrants, subject to Section 8(c) below, are not less than the compensation received by Contractor for the Services under the Master Contracts; provided, however, that the parties acknowledge and agree that Contractor may continue to receive from any Customer and retain any separate management fee which is payable by any Customer to Contractor for administering such Customer's account to the extent that such fee does not reduce the consideration payable to Subcontractor as provided on Exhibit A; and provided further, that any such management fee shall not be increased unless there is a simultaneous increase in the rates payable to Subcontractor for the Services and the percentage increase in the Subcontractor rates is equal to or greater than the percentage increase in the management fee.

(b) Periodic Price Increases. Certain of the Master Contracts include automatic periodic price increases with respect to the provision of the applicable Services. Contractor shall pass along to Subcontractor such periodic price increases on at least a semi-annual basis. Contractor may begin paying any such increased prices to Subcontractor at any time after such increase takes effect, but shall pay to Subcontractor the benefit of any such periodic price increases (i) for the period from January 1st of any calendar year through June 30th of any calendar year, no later than 15 business days after the end of such period and (ii) for the period from July 1st of any calendar year through December 31st of any calendar year, no later than 15 business days after the end of such period (any such period, a "True Up Period"); provided that the initial True Up Period shall be the period from the date hereof through December 31, 2010.

(c) Invoices. Subcontractor shall prepare and deliver to Contractor on a monthly basis a separate invoice for each Customer for the Services performed by Subcontractor during the preceding month. Such invoice shall be sent to Contractor at the invoice address provided on Exhibit A with respect to each Customer. Except as otherwise specified in Exhibit A, Contractor shall pay the invoices within 30 days after receipt thereof. Subcontractor acknowledges that it will have no rights to invoice or collect payment directly from any Customer any amounts for Services provided to such Customer pursuant to this Agreement. If any Customer files bankruptcy or a bankruptcy petition is filed against any Customer, Contractor will not be responsible for paying Subcontractor until Contractor has received payment from such Customer; provided, however, that in the event of any such bankruptcy, Subcontractor may, in its sole discretion, terminate this Agreement with respect to the bankrupt Customer upon delivery of 10 days prior written notice to Contractor of its intention to do so.

(d) Payment Defaults. If Contractor fails to make timely payment to Subcontractor for the Services provided by Subcontractor, Subcontractor may, at its option, take one or both of the following actions: (i) terminate this Agreement or (ii) continue to provide services under this Agreement and charge Contractor interest on the unpaid amount equal to 6.5% per annum until such amount and the interest thereon is paid in full or this Agreement has been terminated in accordance with clause (i) above.

9. Confidentiality; Publicity. Subcontractor agrees to maintain the confidentiality of the identity and addresses of the Customers it services under this Agreement, any data concerning the nature and quantity of each Customer's waste and recycling materials, the prices and other terms and conditions of this Agreement, and any other confidential information of any Customer or Contractor. Subcontractor also agrees not to use any Customer's name or Contractor's name in any advertising, promotional activities, or publicity releases without Contractor's prior written consent, and to direct its employees to refrain from making any reference to any Customer, Contractor or the existence of this Agreement in the solicitation of business.

10. Assignment. This Agreement, and the rights, duties and obligations may not be assigned or assumed, in whole or part, without the prior written consent of the other party; provided, however, that either party may assign (whether by operation of law, merger or otherwise) this Agreement, and its rights and obligations under this Agreement, to any affiliate, subsidiary, and/or successor of such party.

11. Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier or by delivering the same in person to such party.

If to Contractor, addressed to it at:

with a copy to:

If to Subcontractor, addressed to it at:

Republic Services, Inc.  
18500 N. Allied Way  
Phoenix, AZ 85054  
Attn: Lang Herndon

with a copy to:

Republic Services, Inc.  
5860 Trinity Pkwy., Suite 120  
Centreville, VA 20120  
Attn: SVPO – East Region

and with a copy to:

Republic Services, Inc.  
18500 N. Allied Way  
Phoenix, AZ 85054  
Attn: General Counsel

Notice shall be deemed given and effective the day personally delivered, the day after being sent by overnight courier, subject to signature verification, or three business days after the deposit in the U.S. mail of a writing addressed as above and sent first class mail, registered or certified, return receipt requested. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section.

12. General.

(a) Independent Contractor. Subcontractor shall perform its obligations under this Agreement as an independent contractor, and as such, shall maintain control over its employees and agents during the performance of their obligations. Neither Subcontractor, nor its employees or agents shall be, represent, act, purport to act, or be deemed, the agent of Contractor.

(b) Entire Agreement. This Agreement, together with its annexes, exhibits and schedules, is the final, complete and exclusive statement and expression of the agreement among the parties with relation to the subject matter of this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of, any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

(c) Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

(d) Expenses. Except as otherwise provided in this Agreement, each party shall pay the fees, expenses and disbursements of it and its agents, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement and any amendments to it and all other costs and expenses incurred in the performance and compliance with all conditions to be performed by such party under this Agreement.

(e) No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach of default occurring before or after that waiver.

(f) Captions. The headings of this Agreement are inserted for convenience only, shall not constitute a part of this Agreement or be used to construe or interpret any provision hereof.

(g) Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

(h) Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute shall be deemed to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word “include” or “including” means include or including, without limitation. All references in this Agreement to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require.

13. Disputes and Governing Law.

(a) Disputes Generally. The parties agree that any disputes arising out of or related in any way to this Agreement, including a breach of this Agreement, shall be brought exclusively in the state or federal courts located in Wilmington, Delaware. By execution and delivery of this Agreement, with respect to any dispute, each of the parties knowingly, voluntarily and irrevocably: (i) consents, for itself and in respect of its property, to the exclusive jurisdiction of these courts; (ii) waives any immunity or objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of forum non conveniens, which it may have from or to the bringing of the dispute in such jurisdiction; (iii) waives any personal service of any summons, complaint or other process that may be made by any other means permitted by the State of Delaware; (iv) waives any right to trial by jury; (v) agrees that any such dispute will be decided by court trial without a jury; (vi) understands that it is giving up valuable legal rights under this provision, including the right to trial by jury, and that it voluntarily and knowingly waives those rights; and (vii) agrees that any party to this Agreement may file an original counterpart or a copy of this Section 13 with any courts as written evidence of the consents, waivers and agreements of the parties set forth in this Section 13.

(b) Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

(c) Attorneys’ Fees. Should any litigation be commenced under this Agreement, the successful party in such litigation shall be entitled to recover, in addition to such other relief as the court may award, its reasonable attorneys’ fees, expert witness fees, litigation related expenses, and court or other costs incurred in such litigation or proceeding. For purposes of this clause, the term “successful party” means the net winner of the dispute, taking into account the claims pursued, the claims on which the pursuing party was successful, the amount of money sought, the amount of money awarded, and offsets or counterclaims pursued (successfully or unsuccessfully) by the other party. If a written settlement offer is rejected and the judgment or award finally obtained is equal to or more favorable to the offeror than an offer made in writing to settle, the offeror is deemed to be the successful party from the date of the offer forward.

[SIGNATURES ARE ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this National Account Subcontract to be executed as of the day and year first written above.

CONTRACTOR:

\_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Its:

SUBCONTRACTOR:

\_\_\_\_\_

By: \_\_\_\_\_  
Name: Tim Benter  
Its: Vice President

EXHIBIT A

Attached.

**EXHIBIT E**  
**FORM OF ASSUMPTION AGREEMENT**

This Assumption Agreement (this "Assumption Agreement") is dated as of \_\_\_\_\_, 2012, from those entities set forth as Buyers on Exhibit A hereto (collectively, "Buyers"), to Waste Industries, LLC, a North Carolina limited liability company ("Seller").

Buyers and Seller are parties to that certain Asset Purchase Agreement, dated as of March 15, 2012 (the "Purchase Agreement"). Pursuant to the Purchase Agreement, Buyers have agreed to assume certain obligations relating to the Assets and Business being acquired by Buyers pursuant thereto. Buyers are required to execute and deliver this Assumption Agreement to Seller pursuant to Section 3.4(b) of the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyers hereby assume and agree to pay, perform and discharge, the Assumed Liabilities, but excluding the Excluded Liabilities.

Buyers will execute and deliver to Seller such instruments, and shall take or cause to be taken such other or further actions, as shall be reasonably requested by Seller in order to carry out the purpose and intent of this Assumption Agreement.

This Assumption Agreement is delivered pursuant to the Purchase Agreement and shall be construed consistently with the Purchase Agreement. Capitalized terms used in this Assumption Agreement shall have the meanings given them in the Purchase Agreement.

**[Signatures appear on the following page.]**

IN WITNESS WHEREOF, Buyers have caused this Assumption Agreement to be executed and delivered effective as of the date first above written.

**BUYERS:**

REPUBLIC SERVICES OF SOUTH CAROLINA,  
LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ALLIED SERVICES, LLC, a Delaware limited  
liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

REPUBLIC SERVICES OF NORTH CAROLINA,  
LLC, a North Carolina limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A**

**SELLER, BUYERS AND OPERATIONS**

<b>Seller</b>	<b>Buyer</b>	<b>Operations</b>
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of South Carolina, LLC, a Delaware limited liability company	Collection and hauling assets in and around Charleston, SC
Waste Industries, LLC, a North Carolina limited liability company	Allied Services, LLC, a Delaware limited liability company	Collection and hauling assets in and around Columbia, SC
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of North Carolina, LLC, a North Carolina limited liability company	Collection and hauling assets in and around Beaufort, NC
Waste Industries, LLC, a North Carolina limited liability company	Republic Services of North Carolina, LLC, a North Carolina limited liability company	Transfer station operations and real property relating to the Beaufort, NC transfer station

DMWEST #8804293 v6



# City of Washington

P. O. Box 1988, Washington, NC 27889-1988

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March 16, 2012

Mr. Steve Doss, Principal  
Civil & Environmental Consultants, Inc.  
11811 N. Tatum Blvd. Suite 3057  
Phoenix, AZ 85028

RE: Zoning – 500 Flanders Filters Road – Beaufort County Transfer  
Station – PIN 5667-06-9289

Dear Mr. Doss:

In regards to the above referenced address please be aware that it is located within the City of Washington's corporate limits and is located in an I-1 (Heavy Industrial) Zoning District.

Section 40-93, Table of Permitted Uses, of the City of Washington Zoning Ordinance allows Refuse and Raw Material Handling (Transfer Station) as a *Permitted Use* in the I-1 (Heavy Industrial) zoning classification.

The Beaufort County Transfer Station meets the requirements of the heavy industrial zoning district and is consistent with any plans the City of Washington may have for that area

If you have any questions or I may further assist you in any way please don't hesitate to let me know.

Sincerely,

John Rodman AICP, Director  
Planning and Development

Cc: Mr. A. Glenn Moore, Planning Administrator