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July 17, 2012

Mr. Edward Mussler, III, P.E.
NC DENR – Division of Waste Management
Solid Waste Permitting Branch
1646 Mail Service Center
Raleigh, North Carolina 27699-1646



Subject: Change in Operator
Thornton Road Mixed Waste Transfer and Recycling Center
Permit Number 92-27T-2008

Dear Mr. Mussler,

Republic Services of North Carolina, LLC (Republic) is providing notice of the change in operator at the referenced facility. As a result, we request that Solid Waste Permit Number 92-27T-2008 be transferred in the name of Republic Services of North Carolina, LLC. Copies of the Applicant and Landowner Certifications are enclosed.

On June 14, 2012, Republic Services of North Carolina, LLC entered into a lease agreement with Dynasty Holdings, LLC to lease the property at 5565 Thornton Road, Raleigh, North Carolina 27616. The term of the lease is for 20 years, with the option to extend the term for four additional terms of 5 years each. The property will remain under the ownership of Dynasty Holdings, LLC. Copies of the Lease Agreement, Asset Purchase Agreement, and Transition Operating Agreement are enclosed.

Contact information for the new operator and the current landowner are provided below:

Mr. Rick Prather
General Manager
Republic Services of North Carolina, LLC
5111 Chin Page Road

1220 Commerce St SW, Box 1
Conover, NC 28613
Phone 828.464.2414 • Fax 828.464.2433
Toll Free 866.473.7778
www.republicservices.com

Durham, North Carolina 27703
(919) 433-0900
rprather@republicservices.com

Mr. David King, Jr.
Manager
Dynasty Holdings, LLC
3209 Gresham Lake Road, Suite 120
Raleigh, North Carolina 27615
(919) 427-4104

If you require additional information, please contact me at (919) 354-3227.

Sincerely,



Matt Einsmann, P.E.
Environmental Manager

cc. Mr. David King (Dynasty Holdings, LLC)
Mr. Ray Hoffman (Republic Services)

Enclosures:

1. Applicant Certification
2. Landowner Certification
3. Lease Agreement
4. Asset Purchase Agreement
5. Transition Operating Agreement

1220 Commerce St SW, Box 1
Conover, NC 28613
Phone 828.464.2414 • Fax 828.464.2433
Toll Free 866.473.7778
www.republicservices.com

Applicant Certification

Name of facility Thornton Road Mixed Waste Transfer and Recycling Center

I certify under penalty of law that this document 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 agree to submit a complete permit application for a new facility permit within 30 days in accordance with the North Carolina Solid Waste Management Rules and Statutes. Furthermore, I agree to operate this facility in accordance with (1) the solid waste permit (NC Solid Waste Permit No. 92-27T-2008) as issued on February 26, 2010 , (2) the approved Operating Plan, and (3) the North Carolina Solid Waste Management Rules and Law until a new permit decision is made by the NCDENR Division of Waste Management. I understand that the Division's permit decision may be to issue or deny the new facility permit application.

I understand that the owner 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.

Drew Isenhour
Signature

Drew Isenhour
Print Name

7-11-12
Date

V.P.
Title

Republic Services of North Carolina, LLC
Business or organization name
NORTH CAROLINA

Wake County

I, Bonnie K. Manissero, 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 11 day of July, 2012.

(Official Seal)

Notary Public Bonnie K. Manissero

My commission expires May 23, 2017



Certification by Land Owner (if different from Applicant):

I hereby certify that I have read and understand the application submitted by **Republic Services of North Carolina, LLC** for a permit to operate a solid waste transfer station on land owned by the undersigned located at (address) **5565 Thornton Road**; (city) **Raleigh**, NC, in **Wake** County, and described in Deed Book and Page(s) **13204/0806**.

I specifically grant permission for the solid waste transfer station planned for operation within the confines of the land, as indicated in the permit application. I understand that any permit will be issued in the names of both the operator and the owner of the facility/property. I acknowledge that ownership of land on which a solid waste management facility is located may subject me to cleanup of said property in the event that the operator defaults as well as to liability under the federal Comprehensive Environmental Responsibility, Compensation and Liability Act ("CERCLA"). Without accepting any fault or liability, I recognize that ownership of land on which a solid waste management facility is located may subject me to claims from persons who may be harmed in their persons or property caused by the solid waste management facility.

I am informed that North Carolina General Statute 130A-22 provides for administrative penalties of up to fifteen thousand dollars (\$15,000) per day per each violation of the Solid Waste Management Rules. I understand that the Solid Waste Management Rules may be revised or amended in the future, and that the siting and operation of the facility will be required to comply with any such revisions or amendments.

David W. King Jr
Landowner name

[Signature]
Signature of landowner representative

Owner
Title of representative

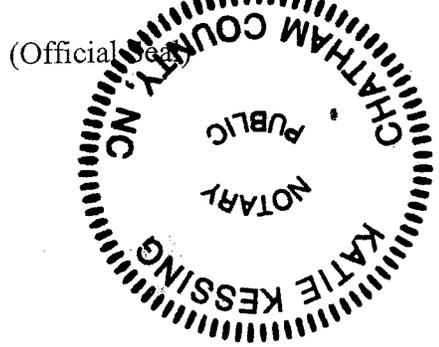
07-13-12
Date

David W. King
Print name

NORTH CAROLINA
Wake County

I, Katie Kessing, Notary Public for said County and State, do hereby certify that David W. King, Jr. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 13 day of July, 2012



[Signature]
Notary Public

My commission expires 3-22-16.

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made this 14th day of June, 2012 (the "Effective Date"), by and between **DYNASTY HOLDINGS, LLC**, a North Carolina limited liability company ("Landlord"), and **REPUBLIC SERVICES OF NORTH CAROLINA, LLC**, a North Carolina limited liability company, and/or its assigns ("Tenant").

WITNESSETH:

Landlord, for and in consideration of the rentals herein promised to be paid by Tenant and the covenants, conditions and agreements herein contained to be kept and performed by Tenant, does hereby let and rent to Tenant, and Tenant does hereby take and lease as Tenant of the Landlord, the premises hereinafter described for the term, at the rental and upon the terms and conditions hereinafter set forth:

SECTION 1 - PARTIES

1.1 Landlord. Landlord warrants that it owns the Premises and has full right and power to execute and deliver this Lease without the consent or agreement of any other person, and that those persons executing this Lease on behalf of Landlord have the right and power to execute and deliver this Lease.

1.2 Tenant. Tenant warrants that Tenant has full right and power to execute and deliver this Lease without the consent or agreement of any other person, and that those persons who have executed and delivered this Lease have the authority and power to execute this Lease on Tenant's behalf and deliver this Lease to Landlord.

SECTION 2 - PREMISES

2.1 Description. The premises herein leased (hereinafter called the "Premises") are legally described in Exhibit "A" attached hereto and made a part hereof. The Premises also include the building(s) and improvements located upon the land area described in Exhibit "A". Landlord also grants Tenant, its customers, guests, invitees, employees, and licensees all easements, rights and privileges appurtenant thereto, including the exclusive right to use the parking areas, driveways, roads, alleys and means of ingress and egress. The Premises are located at 5565 Thornton Road, Raleigh, North Carolina 27616-5727.

2.2 Quiet Enjoyment. Landlord agrees to warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the term of this Lease so long as Tenant complies with the provisions hereof.

SECTION 3 - TERM; OPTION TO EXTEND

3.1 Lease Commencement Date. The term ("Term") of this Lease shall commence as of the Effective Date and shall terminate on the date (the "Lease Termination Date") which is the last day of the month preceding the twentieth (20th) anniversary date of the Effective Date unless extended by Tenant in accordance with any extension option contained in this Lease or any rider thereto or unless terminated at an earlier date by Tenant pursuant to Section 3.2 hereof. Landlord shall give Tenant exclusive possession of the Premises on the Lease Commencement Date.

3.2 Extension Terms. Tenant shall have the right to extend the Term for four (4) additional terms of five (5) years each (the "Extension Terms") in its sole discretion upon delivering written notice to the Landlord of its intent to exercise this option to extend not less than sixty (60) days before the expiration date of the initial term or of any previously exercised Extension Term of this Lease. If Tenant exercises any of the Extension Terms in the manner provided for in this paragraph then the Lease shall terminate five (5) years after the initial expiration period or the end of the previously exercised Extension Term unless a subsequent Extension Term is exercised, and all provisions of this Lease shall be applicable to the Extension Terms.

3.3 Prorations. If any payments, rights or obligations hereunder (whether relating to payment of rent, taxes, insurance, other impositions, or to any other provision of this Lease) relate to a period in part before the Lease Commencement Date or in part after the date of expiration or termination of the term, appropriate adjustments and prorations shall be made.

3.4 Surrender at End of Term. Upon the last day of the Term or upon the earlier termination of this Lease pursuant to the provisions hereof, Tenant shall surrender and deliver to Landlord the Premises, all buildings and improvements thereon other than Tenant's Property, without delay, broom clean and in good order, condition and repair, reasonable wear and tear and damage due to casualty excepted. Any trade fixtures, business equipment, inventory, trademarked items, signs and other removable personal property located or installed in or on the Premises ("Tenant's Property") shall be removed by Tenant on or before the last day of the Term or upon the earlier termination of this Lease, and Tenant shall repair any damage occasioned by the removal of Tenant's Property.

SECTION 4 - RENT

4.1 Rent. Landlord acknowledges receipt from Tenant as of the Effective Date of all rent for the Term and any Extension Terms. Landlord acknowledges that Tenant shall have no obligation to pay Landlord any further rent, additional rent or other amounts for the lease of the Premises.

4.2 Taxes.

(a) Tenant shall be responsible for the payment of all real property taxes and assessments ("Real Estate Taxes") levied against the Premises by any governmental or quasi-governmental authority, which are due and payable during the Term hereof, except as set forth herein. Real Estate Taxes shall include any taxes, assessments, surcharges, or service or other fees of a nature not presently in effect which shall hereinafter be levied on the Premises as a result of the use, ownership or operation of the Premises or for any other reason, whether in lieu of or in addition to any current real estate taxes and assessments. Any special assessments will be amortized over the maximum period allowed by law or applicable tax rules, whichever is longer, and Real Estate Taxes will include only the pro rated and amortized amount, which becomes due during the Term hereof. Real Estate Taxes shall exclude any income, excess profits, single business, inheritance, succession, transfer, franchise, capital or other tax assessments upon Landlord or Landlord's interest in the Premises. If any special assessment for a public improvement is assessed against the Premises, Tenant shall be responsible for only that portion of the assessment allocable to the Tenant based on the length of time that a benefit is derived by the Tenant during the Term of the Lease calculated against the useful life of the improvement.

(b) Tenant shall remit all payments for Real Estate Taxes directly to the taxing or assessing authority. Upon receipt of all tax bills and assessment bills attributed to any calendar year during the Term hereof, Landlord shall furnish Tenant with a copy of the tax bill or assessment bill, so as to allow Tenant to take advantage of the maximum payment discount available, if Tenant so desires.

(c) Tenant will have the right to contest the amount or validity, in whole or in part, of any tax that Tenant is required to pay, in whole or in part, by appropriate proceedings diligently conducted in good faith, only after paying such tax or posting such security that Landlord reasonably requires in order to protect the Premises against loss or forfeiture. Upon the conclusion of any such protest proceedings, Tenant will pay its share of the tax, as finally determined, in accordance with this Lease the payment of which tax may have been deferred during the prosecution of the proceedings, together with any costs, fees, interest, penalties, or other related liabilities. Landlord will not be required to join in any contest or proceedings unless the provisions of any law or regulations then in effect require that the proceedings be brought by or in the name of Landlord. In that event, Landlord will join in the proceedings or permit them to be brought in its name; however, Landlord will not be subjected to any liability for the payment of any costs or expenses in connection with any contest or proceedings, and Tenant will indemnify Landlord against and save Landlord harmless from any costs and expenses in this regard.

4.3 Services and Utilities.

(a) Tenant shall pay all charges for the use and consumption of water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises.

(b) Landlord shall not be liable to Tenant in damages or otherwise if the said utilities or services are interrupted or terminated because of necessary repairs, installations or improvements, or any cause beyond Landlord's reasonable control, nor shall any such interruption or termination relieve Tenant of the performance of any of its obligations hereunder, unless Tenant is unable to operate its business, in which event there shall be an equitable abatement of Rent while Tenant is unable to operate.

SECTION 5 - USE; COMPLIANCE WITH LAWS

5.1 Use of Premises. Tenant shall have the right to use the Premises for any lawful purpose.

5.2 Compliance with Laws. Tenant shall comply with all applicable and lawful statutes, regulations, rules, ordinances, orders and requirements pertaining to Tenant's specific use of the Premises. Landlord shall promptly give notice to Tenant of any written notice in respect of the Premises from governmental authorities. Tenant may, in good faith, dispute the validity of any complaint or action taken pursuant to or under color of any of the foregoing as they relate to the operation of the business and occupancy of the Premises, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. Tenant agrees that any such contest shall be prosecuted to a final conclusion as speedily as possible, and Tenant will save Landlord completely harmless with respect to any actions taken by any governmental authorities with respect thereto as they relate to the operation of the business and occupancy of the Premises.

SECTION 6 - MAINTENANCE AND REPAIRS

6.1 Maintenance and Repairs by Tenant. Tenant shall, at Tenant's sole cost and expense, keep the Premises and all improvements in good order, condition and repair and shall make or cause to be made all repairs to correct any damage thereto, caused by its use and occupancy of the Premises. Notwithstanding anything to the contrary set forth herein, in no event shall Tenant be responsible in any way for any of the following:

(a) Costs of repairs or other work occasioned by fire, windstorm or other insured casualty.

(b) Costs of repairs or rebuilding necessitated by condemnation.

(c) Any costs, fines or penalties relating to environmental investigation or remediation on, in or under the Premises not resulting from the acts or omissions of Tenant, its agents and contractors.

(d) Cost of repairs or rebuilding necessitated by any subsidence of the ground under the buildings or improvements.

SECTION 7 - ALTERATIONS; LIENS; SIGNAGE

7.1 Alterations. Tenant shall have the right to make any modifications, changes or alterations to the Premises and any improvements located thereon in its sole discretion and at its sole cost and expense, without Landlord's consent, written or otherwise.

7.2 Liens. Tenant covenants and agrees with Landlord that Tenant will not knowingly permit to be filed against the interest of the Landlord in the Premises during the continuance of this Lease any lien or liens of any kind by any person claiming under, by, through or against the Tenant; and if any such lien is filed, it shall be the duty of the Tenant, within sixty (60) days after the claim of lien or suit claiming a lien has been filed, to cause the Premises to be released from such claim, either through payment or through bonding with corporate surety or through the deposit into court, pursuant to statute, of the necessary sums of money, or in any other way that will effect the release of the Landlord's interest in the Premises from such claim.

7.3 Signage. Notwithstanding anything to the contrary set forth in this Lease, Tenant shall have the absolute right to install such signage on the Premises as Tenant may deem necessary or appropriate, subject to appropriate governmental approvals. Landlord agrees to fully cooperate with Tenant in filing any required signage application, permit and/or variance for said signage or with respect to the Premises generally.

SECTION 8 - INSURANCE

8.1 Types of Insurance. Tenant shall, at its own cost and expense, carry the following insurance in respect of the Premises and improvements:

(a) Commercial general liability insurance with a minimum limit of \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate for personal or bodily injury or death and property damage liability.

(b) Pollution legal liability insurance with a minimum limit of \$1,000,000.00.

(c) Property insurance against loss or damage by fire and other risks covered by fire insurance with extended coverage endorsements in an amount of the full insurable replacement value of such improvements (exclusive of cost of excavation, foundation, and footings below the ground floor and without deduction for depreciation) and in amounts

sufficient to prevent Landlord or Tenant from becoming a co-insurer under such policies of insurance.

8.2 Provisions Applicable to All Insurance. With respect to all insurance required to be maintained hereunder by Tenant:

- (a) Each such policy shall show Landlord as an additional insured.
- (b) Tenant shall, at Tenant's sole cost and expense, observe and comply with all policies of insurance in force with respect to the Premises and improvements.
- (c) Upon Landlord's request, Tenant shall send to Landlord certificates of insurance or receipts or other evidence satisfactory to Landlord showing the above coverages are in force.

8.3 Use of Insurance Proceeds. Any insurance proceeds recovered by reason of damage to or destruction of improvements on the Premises shall be made available to Tenant and must be used to repair, restore or replace the improvements so damaged or destroyed with any excess proceeds made available to Tenant. Tenant shall not be responsible to expend any money for the repair, restoration or replacement of damaged improvements other than the insurance proceeds.

8.4 Damage or Destruction. If the improvements on the Premises are damaged Tenant may, in its sole discretion, elect (a) to repair or restore the improvements, (b) to construct new improvements or (c) to terminate this Lease without liability to either party. If Tenant elects to repair or restore the improvements or construct new improvements, it shall do so promptly. If Tenant elects to terminate this Lease, Tenant shall so notify Landlord within ninety (90) days after the damage occurs, whereupon Landlord shall be entitled to all proceeds of insurance and right of recovery against insurers covering such damage.

8.5 Subrogation: Landlord and Tenant shall each obtain from their respective insurers under all policies of fire, theft, public liability, workers' compensation and other insurance maintained by either of them at any time during the term hereof insuring or covering the Premises, a waiver of all rights of subrogation which the insurer of the party might otherwise have, if at all, against the other party.

SECTION 9 - EMINENT DOMAIN

If any portion of the Premises which materially affects Tenant's ability to continue to use the remainder thereof for the purposes set forth herein, or which renders the Premises untenable, is taken by right of eminent domain or by condemnation, or is conveyed in lieu of any such taking, then this Lease may be terminated at the option of Tenant. Such option shall be exercised by Tenant giving notice to Landlord of such termination within thirty (30) days after such taking or conveyance; whereupon this Lease shall forthwith

terminate and the Rent shall be duly apportioned as of the date of such taking or conveyance. Upon such termination, Tenant shall surrender to Landlord the Premises and all of Tenant's interest therein under this Lease, and Landlord may re-enter and take possession of the Premises or remove Tenant therefrom. If any portion of the Premises is taken which does not materially affect Tenant's right to use the remainder of the Premises for the purposes set forth herein, this Lease shall continue in full force and effect, and Landlord shall promptly perform any repair or restoration work required to restore the Premises, insofar as possible, to former condition, and the rental owing hereunder shall be adjusted, if necessary, in such just manner and proportion as the part so taken (and its effect on Tenant's ability to use the remainder of the Premises) bears to the whole. In the event of taking or conveyance as described herein, Landlord shall receive the award or consideration for the lands and improvements so taken; provided, however, that Landlord shall have no interest in any award made for Tenant's loss of business or value of its leasehold interest or for the taking of Tenant's fixtures or property, or for Tenant's relocation expenses. Landlord and Tenant shall cooperate with one another in making claims for condemnation awards.

SECTION 10 - ASSIGNMENT AND SUBLETTING; ATTORNMENT; TENANT FINANCING

10.1 Assignment by Landlord. At any time, Landlord may sell its interest in the Premises or assign this Lease or Landlord's reversion hereunder, either absolutely or as security for a loan, without the necessity of obtaining Tenant's consent or permission, but any such sale or assignment shall be at all times subject to this Lease and the rights of Tenant hereunder.

10.2 Assignment and Subletting by Tenant. Tenant shall have the right to assign, sublet or otherwise transfer its interest in this Lease and its rights hereunder to any entity or person with Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant may assign, sublet or otherwise transfer its interest in this Lease, without Landlord's consent, written or otherwise, to any (a) parent, subsidiary or affiliate of Tenant, or to a corporation or other business entity with which Tenant may merge, amalgamate or consolidate, or (b) entity in which the Premises is intended to be leased back by such entity to Tenant, or any parent, subsidiary or affiliate of Tenant, or to a corporation or other business entity with which Tenant may merge, amalgamate or consolidate. This Lease contains no provision restricting, purporting to restrict or referring in any manner to a change in control or change in shareholders, directors, management or organization of Tenant, or any subsidiary, affiliate or parent of Tenant or, or to the issuance, sale, purchase, public offering, disposition or recapitalization of the capital stock of Tenant, or any subsidiary, affiliate or parent of Tenant.

10.3 Attornment. Any assignee of Landlord or Tenant hereby agrees to attorn to the Tenant or Landlord, respectively, as the case may be.

10.4 Tenant Financing. Tenant shall have the absolute right from time to time during the Term hereof and without Landlord's further approval, written or otherwise, to grant and assign a mortgage or other security interest in Tenant's interest in this Lease and all of Tenant's property located on or used in connection with the Premises to Tenant's lenders in connection with Tenant's financing arrangements. Landlord agrees to execute such confirmation certificates and other documents (except amendments to this Lease unless Landlord hereafter consents) as Tenant's lenders may reasonably request in connection with any such financing.

SECTION 11 - DEFAULT AND REMEDIES

11.1 Events of Default. If:

(a) Tenant shall default in the due and punctual payment of any amounts due under this Lease or any part thereof, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant; or

(b) Tenant shall default in the performance or in compliance with any of the other covenants, agreements or conditions contained in this Lease and such default shall not be cured within thirty (30) days after notice thereof in writing from Landlord to Tenant.

then and in any such event referred to in clauses (a) or (b) above Landlord shall have the remedies with respect to the Premises as set forth below.

11.2 Landlord's Remedies Upon Default. Upon the occurrence of an Event of Default by Tenant, then Landlord shall be entitled to the following remedies:

(a) terminate this Lease by giving written notice of termination to Tenant, in which event Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to so surrender the Premises, then Landlord may, without prejudice to any other remedy it has for possession of the Premises or arrearages in rent or other damages, re-enter and take possession of the Premises and expel or remove Tenant and any other person occupying the Premises or any part thereof, in accordance with applicable law; or

(b) Landlord may re-enter and take possession of the Premises without terminating the Lease in accordance with applicable law, and relet the Premises and apply the Rent received to the account of Tenant. In the event Landlord so re-enters and takes possession of the Premises as set forth above, Landlord agrees to use reasonable efforts to relet the Premises for a commercially reasonable rate at the time of such reletting. No reletting by Landlord is considered to be for Landlord's own account unless Landlord has notified Tenant in writing that this Lease has been terminated. In addition, no such reletting is to be considered an acceptance of Tenant's surrender of the Premises unless Landlord so notifies Tenant in writing.

Notwithstanding anything to the contrary set forth herein, in no event shall Landlord have the right to sue Tenant for any consequential, punitive or incidental damages (including, without limitation, any claims for lost profits and/or lost business opportunity.

11.3 Mitigation of Damages. In the event that a right of action by Landlord against Tenant arises under this Lease, Landlord shall attempt to mitigate damages by using its best efforts to seek to relet the Premises.

11.4 Landlord's Default. The failure of Landlord to perform any obligation or the breach by Landlord of any representation or warranty contained herein within thirty (30) days after receipt by Landlord of written notice of such failure, shall constitute an "Event of Default" hereunder. Upon the occurrence and continuance of an Event of Default, Tenant may, at its option and without any obligation to do so, other than those obligations created in this document, elect any one or more of the following remedies:

- (a) Terminate and cancel this Lease; or
- (b) Withhold payment or performance under the Lease until such time as such Event of Default is cured; or
- (c) Cure such Event of Default and recover the costs thereof by an action at law or by set off against the Rent due hereunder; or
- (d) Pursue any other remedy now or hereafter available at law or in equity in the state in which the Premises are situated.

SECTION 12 - OTHER PROVISIONS

12.1 Remedies to Be Cumulative. No remedy conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at common law or by statute. Every power and remedy given Landlord or Tenant may be exercised from time to time and as often as occasion may arise or may be deemed expedient.

12.2 Notices. All notices, requests, demands or other communications which may be or are required or permitted to be served or given hereunder (in this Article collectively called "Notices") shall be in writing and shall be sent by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight delivery service to Tenant or to Landlord at the address set forth below. Either party may, by Notice given as aforesaid, change its address for all subsequent Notices. Notices shall be deemed given when received in accordance herewith.

If to Landlord: Dynasty Holdings, LLC
3209 Gresham Road, Suite 120
Raleigh, NC 27615
Attn: David W. King, Jr.

with a copy to: Ragsdale Liggett PLLC
2840 Plaza Place, Suite 400
Raleigh, NC 27612
Attn: David Liggett

If to Tenant: Republic Services of North Carolina, LLC
c/o Republic Services, Inc.
5860 Trinity Parkway, Suite 120
Centreville, VA 20120
Attn: SVPO - East Region

with a copy to: Spotts Fain PC
411 East Franklin Street, Suite 600
Richmond, VA 23219
Attn: David A. Reed

12.3 No Broker. Landlord and Tenant each warrant to the other that no broker or agent has been employed with respect to this Lease and each agrees to indemnify and hold the other harmless from any claims by any broker or agent claiming compensation in respect of this Lease alleging an agreement by Landlord or Tenant, as the case may be.

12.4 Waiver of Jury Trial. Landlord and Tenant waive trial by jury in any action or proceeding brought by either of the parties hereto against the other or on any counterclaim in respect thereof on any matters whatsoever arising out of or in any way connected with the Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises and/or any claim of injury or damage under this Lease.

12.5 No Partnership. Landlord shall not be construed or held to be a partner or associate of Tenant in the conduct of Tenant's business, it being expressly understood and agreed that the relationship between the parties hereto is and shall at all times remain, during the lease term, that of Landlord and Tenant.

12.6 Non-Waiver. No failure by Landlord or Tenant to insist upon the performance of any covenant, agreement, provision or condition of this Lease or to exercise any right or remedy, consequent upon a default hereunder, and no acceptance of full or partial rent during the continuance of any such default, shall constitute a waiver of any such default or of such covenant, agreement, provision, or condition. No waiver of any default shall affect or alter this Lease, but each and every covenant, agreement, provision and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent default hereunder.

12.7 Gender and Number. Words of any gender used in this Lease shall be held to include another gender and words in the singular number shall be held to include the plural and words in the plural shall be held to include the singular, when the sense requires.

12.8 Captions. The captions, titles and article, section or paragraph headings are inserted only for convenience and they are in no way to be construed as a part of this Lease or as a limitation on the scope of the particular provisions to which they refer.

12.9 Governing Law. This Lease is made pursuant to, and shall be governed by, and construed in accordance with, the laws of the State in which the Premises are located.

12.10 Successors and Assigns. The covenants, conditions and agreements in this Lease shall bind and inure to the benefit of Landlord and Tenant and, except as otherwise provided in this Lease, their respective heirs, devisees, executors, administrators, legal representatives, distributees, successors and assigns.

12.11 Amendment. Any agreement hereafter made shall be ineffective to change, modify or discharge this Lease in whole or in part unless such agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought.

12.12 Short Form Lease. The parties agree to execute a short form Memorandum of Lease in the form of Exhibit "B" attached hereto for recording containing the names of the parties, a description of the Premises, the term of the Lease and such other provisions as the parties may deem appropriate.

12.13 Lien. Landlord hereby waives any statutory or common law rights it may have granting Landlord a lien or the right to foreclose on any property of Tenant, including without limitation, any of Tenant's personal property and/or the tenant improvements installed in the Premises by Tenant.

12.14 Representations and Warranties. Notwithstanding anything in this Lease to the contrary, Landlord represents and warrants to Tenant that (a) no mortgages, deeds of trusts or liens or encumbrances of any nature presently encumber Landlord's title to the Premises; (b) no encumbrances prohibit or impede the use of the Premises as a municipal solid waste and construction and demolition transfer station or create any financial obligation on the part of Tenant except as expressly set forth herein; (c) Landlord has the full right, power and authority to enter into this Lease and make the agreements contained herein on its part to be performed; (d) the execution, delivery and performance of this Lease has been duly authorized by Landlord; (e) this Lease constitutes the valid and binding obligation of Landlord, enforceable in accordance with its terms; (f) the making of this Lease and the performance thereof will not violate any present zoning laws, ordinances or conditional use permits or the terms or provisions of any mortgage, lease or other agreement to which Landlord is a party or under which Landlord is otherwise bound, or

which restricts Landlord in any way with respect to the use or disposition of the Premises; (g) Landlord has no knowledge of any pending zoning changes affecting the Premises; (h) the Premises are presently in compliance with any and all applicable laws, including without limitation any laws pertaining to Hazardous Materials (defined below) and Environmental Laws (defined below) and the Americans With Disabilities Act of 1990; (i) the Premises are presently zoned so as to permit the operation of the Premises as a municipal solid waste and demolition and construction transfer station and uses incidental thereto; (j) the Premises have been maintained in accordance with normal industry practice and are in good operating condition and repair and are suitable for the purposes for which they are presently used; and (k) the Premises presently include full legal access to one or more dedicated public rights-of-way.

12.15 Subordination and Attornment. Tenant shall only subordinate its leasehold interest to any mortgage, deed of trust, or ground lease if the holder of such mortgage or deed of trust or the Landlord under such ground lease delivers to Tenant a subordination, non-disturbance and attornment agreement in a form reasonably acceptable to Tenant.

12.16 Hazardous Materials. Tenant shall not do anything throughout the term of this Lease and any extension thereof that will violate any Environmental Laws (defined below). Tenant shall indemnify, defend and hold harmless Landlord, its directors, officers, employees, and agents and assignees or successors to Landlord's interest in the Premises, their directors, officers, employees, and agents from and against any and all losses, claims, suits, damages, judgments, penalties and liability including, without limitation, (a) all out-of-pocket litigation costs and reasonable attorneys' fees that arise directly or indirectly from Tenant's use and occupancy of the Premises, (b) all damages (including consequential damages), directly or indirectly arising out of the use, generation, storage, release or threatened release or disposal of Hazardous Materials by Tenant, its agents, contractors, invitees or assigns and (c) the cost of and the obligation to perform any required or necessary repair, clean-up, investigation, removal, remediation or abatement, and the preparation of any closure or other required plans, to the full extent that such action is attributable, directly or indirectly, to the use, generation, storage, release or threatened release or disposal of Hazardous Materials by Tenant, its agents, contractors, invitees or assigns. This indemnification obligation of Tenant does not extend to any repair, clean-up, investigation, removal, remediation, monitoring or abatement of Hazardous Materials (x) which were present on, under or in the Premises before or on the Lease Commencement Date or (y) for which Landlord is otherwise obligated to indemnify Tenant pursuant to this Section 12.16.

Landlord shall indemnify, defend and hold harmless Tenant, its directors, officers, employees, and agents, and any assignees, subtenants or successors to Tenant's interest in the Premises, their directors, officers, employees, and agents, from and against any and all losses, claims, suits, damages, judgments, penalties, and liability including, without limitation, (i) all out-of-pocket litigation costs and reasonable attorneys' fees, (ii) all damages (including consequential damages), directly or indirectly arising out of the

presence, use, generation, storage, release, threatened release or disposal of Hazardous Materials on, under or in the Premises before or after the Lease Commencement Date by or due to the actions or omissions of Landlord, its agents, contractors, invitees or assigns or due to any prior use of the Premises for the management or disposal of construction or demolition debris, land-clearing debris or waste, inert debris or municipal solid waste or the storage, scrapping or maintenance of vehicles, and (iii) the cost of and the obligation to perform any required or necessary repair, clean-up, investigation, removal, remediation, monitoring or abatement and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following the commencement of the initial lease term, to the full extent that such action is attributable, directly or indirectly, to the presence, use, generation, storage, release, threatened release, or disposal of Hazardous Materials on, under or in the Premises due to the actions or omissions of Landlord, its agents, contractors, invitees or assigns or due to any prior use of the Premises for the management or disposal of construction or demolition debris, land-clearing debris or waste, inert debris or municipal solid waste or the storage, scrapping or maintenance of vehicles.

For the purpose of this Section 12.16, Hazardous Materials shall include but not be limited to substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; the common law; and any and all state, local or federal laws, rules, regulations and orders pertaining to environmental, public health or welfare matters, as the same may be amended or supplemented from time to time (collectively, the "Environmental Laws"), including but not limited to petroleum and petroleum related products. Any terms mentioned in this Lease which are defined in any applicable Environmental Laws shall have the meanings ascribed to such terms in such laws, provided, however, that if any such laws are amended so as to broaden any term defined therein, such broader meaning shall apply subsequent to the effective date of such amendment.

In the event any clean-up, investigation, removal, remediation, monitoring, abatement, or other similar action on, in or under the Premises is required by any governmental or quasi-governmental agency as a result of the actions or omissions of any party other than Tenant or its agents, contractors, invitees or assigns before or after the Lease Commencement Date and such action requires that Tenant be closed for business for greater than a 24-hour period, or if access to or use of the Premises as a result of such action is materially adversely affected for a period in excess of 24 hours, then Tenant's rental and other payment obligations under this Lease shall be abated entirely during the period beyond the 24 hours that Tenant is required to be closed for business or abated in proportion to the amount of lost business suffered by Tenant if access to the Premises is impaired.

The provisions of this Section 12.16 shall survive the expiration or sooner termination of this Lease.

12.17 Permitted Operations. If at any time following the Effective Date Tenant is unable to use the Premises for the operation of a municipal solid waste and construction and demolition transfer station, Tenant shall have the right, but not the obligation, to terminate this Lease upon thirty (30) days written notice to Landlord.

12.18 Attorney's Fees. In the event that at any time during the Term either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this Lease, or any default hereunder, the unsuccessful party in such action or proceeding agrees to reimburse the successful party for the reasonable expenses of attorney's fees and paralegal fees and disbursements incurred therein by the successful party. Such reimbursement shall include all legal expenses incurred prior to trial, at trial and at all levels of appeal and post judgment proceedings.

12.19 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. A telecopy signature of any party shall be considered to have the same binding legal effect as an original signature.

12.20 Trademarks. Landlord acknowledges that any plans or specifications of Tenant's trademarks and service marks are the sole property of Tenant, as the case may be, and Landlord shall not have any rights to same.

12.21 Time of the Essence. Time is of the essence in each and every instance hereunder with respect to the covenants, undertakings and conditions to be performed under this Lease.

12.22 Tenant's Conduct of Business. Nothing contained herein shall be construed as an obligation for Tenant to operate its business in the Premises. Tenant shall have the right to remove its personal property and cease operations in the Premises at any time and at Tenant's sole discretion. However, the right to cease to operate its business shall not affect Tenant's obligation to pay all amounts due hereunder and to perform all covenants and obligations hereunder.

12.23 Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance required hereunder by reason of strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God, or other reason of like nature not the fault of the party delayed in performing work or doing act (hereinafter, "Permitted Delay") such party shall be excused for the period of time equivalent to the delay caused by such Permitted Delay.

SECTION 13 - TENANTS' OPTION TO PURCHASE

Tenant shall have the right to purchase the Premises at anytime during the Term of this Lease upon giving notice in writing to Landlord (the "Purchase Notice"). If Tenant

exercises this Option to Purchase, then Tenant shall purchase and Landlord shall sell the Premises upon the terms and conditions set forth on the Terms for Sale and Purchase attached hereto as Exhibit "C" (the "Purchase Terms"). Landlord and Tenant shall continue to be bound by the Provisions of this Lease prior to Tenant's purchase of the Premises. Upon the closing of title pursuant to the above-mentioned Purchase Terms, this Lease shall terminate and end.

SECTION 14 - INDEMNIFICATION

14.1 By Tenant. Tenant hereby indemnifies and holds Landlord harmless from and against any and all claims, demands, liabilities and expenses, including attorneys' fees, arising from the negligence of Tenant or its agents, employees, or contractors on the Premises, except to the extent caused by Landlord's negligence or willful misconduct. In the event any action or proceeding shall be brought against Landlord by reason of any such claim, Tenant shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord.

14.2 By Landlord. Landlord hereby indemnifies and holds Tenant harmless from and against any and all claims, demands, liabilities and expenses, including attorneys' fees, arising from the negligence of Landlord or its agents, employees, or contractors occurring on the Property, except to the extent caused by Tenant's negligence or willful misconduct. In the event any action or proceeding shall be brought against Tenant by reason of any such claim, Landlord shall defend the same at Landlord's expense by counsel reasonably satisfactory to Tenant.

[Signature Page Follows]

IN WITNESS WHEREOF, on the day and year first above written, Landlord and Tenant have duly executed this Lease under seal as their free act and deed.

Signed, Sealed and Delivered
In the Presence of:

LANDLORD:

DYNASTY HOLDINGS, LLC

Karen Lea Parker
PRINT NAME OF WITNESS BELOW:

Karen Lea Parker

[Signature]
Print Name: David W. King, Jr.
Title: Manager

Kimberly M. Coats
PRINT NAME OF WITNESS BELOW:

Kimberly M. Coats

[ACKNOWLEDGMENT OF LANDLORD]

STATE OF NC)

)ss

COUNTY OF Wake)

The foregoing instrument was acknowledged before me this 13th day of June, 2012 by David W. King, Jr. as Manager of Dynasty Holdings, LLC, a North Carolina limited liability company, on behalf of the corporation. He/she is personally known to me or has produced _____ (type of identification) as identification.

My Commission Expires:
Angela P. Wright
NOTARY PUBLIC

Print Name: Angela P. Wright
Commission No.: 19932990042



EXHIBIT "A"
DESCRIPTION OF PREMISES

All of New Lot 3, containing approximately 9.849 acres, as shown on that recombination plat recorded in Book of Maps 2007, Page 2838, Wake County Registry, North Carolina.

EXHIBIT "B"

FOLLOWING RECORDATION RETURN TO:

DAVID A. REED, ESQ.
Spotts Fain PC
411 East Franklin Street, Suite 600
Richmond, VA 23219

SPACE ABOVE THIS LINE FOR
RECORDER'S USE

MEMORANDUM OF LEASE

This is a Memorandum of Lease by and between **DYNASTY HOLDINGS, LLC**, a North Carolina limited liability company, hereinafter called Landlord, and **REPUBLIC SERVICES OF NORTH CAROLINA, LLC**, a North Carolina limited liability company, hereinafter called Tenant. Landlord has granted Tenant a lease which includes, among others, the following provisions:

1. Date of Lease: June __, 2012.
2. Description of leased Premises: All of New Lot 3, containing approximately 9.849 acres, as shown on that recombination plat recorded in Book of Maps 2007, Page 2838, Wake County Registry, North Carolina.
3. Lease Commencement Date: June __, 2012.
4. Term: Twenty (20) years.
5. Renewal Option(s): Four (4) options to extend for Five (5) years each.
6. The Lease contains an option to purchase in favor of the Tenant

The purpose of this Memorandum of Lease is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Memorandum of Lease as of the dates set forth in their respective acknowledgments.

Witnesses:

Print Name: _____

Print Name: _____

Witnesses:

Print Name: _____

Print Name: _____

LANDLORD:

DYNASTY HOLDINGS, LLC

By: _____

Name: _____

Title: _____

TENANT:

REPUBLIC SERVICES OF NORTH
CAROLINA, LLC

By: _____

Name: _____

Title: _____

STATE OF _____)
)ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by _____ as _____ of Dynasty Holdings, LLC, a North Carolina limited liability company, on behalf of the company. He/she is personally known to me or has produced a driver's license as identification.

My Commission Expires:

NOTARY PUBLIC

Print Name _____
Commission No.: _____

[NOTARIAL SEAL]

STATE OF _____)
)ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by _____ as _____ of Republic Services of North Carolina, LLC, a North Carolina limited liability company, on behalf of the company. He/she is personally known to me or has produced a driver's license as identification.

My Commission Expires:

NOTARY PUBLIC

Print Name _____

Commission No.: _____

[NOTARIAL SEAL]

EXHIBIT "C"
TERMS FOR PURCHASE AND SALE

If Tenant exercises the option to purchase contained in Section 13 of the Lease, the closing of the transfer of the Premises shall be controlled by the following provisions. Capitalized terms not defined herein shall have the meaning given them in the Lease to which this Exhibit is attached.

1. **PROPERTY DESCRIPTION:**
 - (a) Premises: the property described on Exhibit "A" to the Lease.
 - (b) Personal Property: Any and all personal property located in or on the Premises.
2. **PURCHASE PRICE:** \$100.00
3. **EFFECTIVE DATE:** The date of Contract ("Effective Date") will be the date when the Tenant has delivered a Purchase Notice to the Landlord.
4. **PAYMENT OF PURCHASE PRICE:** The Purchase Price, subject to applicable adjustments and prorations, shall be paid to Landlord on the Closing Date by certified or cashier's check or by wire transfer.
5. **CLOSING DATE:** This transaction shall be closed and the deed and other closing papers delivered on the sixtieth (60th) day after the Effective Date unless modified by other provisions of these Terms for Purchase and Sale (these "Purchase Terms")
6. **RESTRICTIONS; EASEMENTS; LIMITATIONS:** Tenant shall take title subject to: comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; and public utility easements of record servicing the Premises.
7. **LIENS:** Landlord shall furnish to Tenant at time of closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statement, claims of lien or potential lienors arising as the result of any action or inaction of Landlord and further attesting that there have been no improvements or repairs to the Premises by Landlord for ninety (90) days immediately preceding date of closing. If the Premises has been improved or repaired by Landlord within that time, Landlord shall deliver releases or waivers of construction liens executed by all general contractors, subcontractors, suppliers and materialmen in addition to Landlord's lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers and materialmen, further affirming that all charges for improvements or

repairs incurred by Landlord which could serve as a basis for a construction lien or a claim for damages have been paid or will be paid at closing of these Purchase Terms.

8. **PLACE OF CLOSING:** Closing shall be held via overnight courier and wire transfer or such location as is mutually agreeable to Landlord and Tenant.
9. **TIME:** In computing time periods of less than six (6) days, Saturdays, Sundays and state or national legal holidays shall be excluded. Any time periods provided herein which shall end on a Saturday, Sunday or a legal holiday shall extend to 5:00 p.m. on the next business day. **Time is of the essence in these Purchase Terms.**
10. **DOCUMENTS FOR CLOSING:** Landlord shall furnish the deed, bill of sale, construction lien affidavit, owner's possession affidavit, FIRPTA affidavit, assignments of leases, tenant and mortgagee estoppel letters and corrective instruments. Tenant shall furnish a closing statement.
11. **EXPENSES:** Transfer taxes, fees, documentary stamps and surtax on the deed and recording of corrective instruments shall be paid by Landlord. Recording of deed shall be paid by Tenant. Unless otherwise provided by law or rider to these Purchase Terms, charges for the following related title services, namely title or abstract charge, title examination, and settlement and closing fee, shall be paid by the party responsible for furnishing the title evidence in accordance with Section 7 of these Purchase Terms.
12. **PRORATIONS; CREDITS:** Taxes, assessments, rent, interest, insurance and other expenses of the Premises shall be prorated through the day before closing unless they are the responsibility of Tenant under the Lease, in which case they shall not be prorated. Tenant shall have the option of taking over existing policies of insurance, if assumable, in which event premiums shall be prorated. Cash at closing shall be increased or decreased as may be required by prorations to be made through the day prior to closing. Advance rent and security deposits will be credited to Tenant. Escrow deposits held by any mortgagee will be credited to Tenant if Tenant has provided the funds for the escrow, otherwise they will be paid to Landlord.
13. **SPECIAL ASSESSMENT LIENS:** Certified, confirmed and ratified special assessment liens as of date of closing (not as of Effective Date) are to be paid by Tenant. Pending liens as of date of closing shall be assumed by Tenant. If the improvement has been substantially completed as of Effective Date, any pending lien shall be considered certified, confirmed or ratified and Landlord shall, at closing, (unless such lien is the responsibility of Tenant under the Lease) be charged an amount equal to the last estimate or assessment for the improvement by the public body.
14. **ATTORNEY'S FEES; COSTS:** In any litigation, including breach, enforcement or interpretation, arising out of these Purchase Terms, the prevailing party in such

litigation shall be entitled to recover from the non-prevailing party reasonable attorney's fees, costs and expenses.

15. **FAILURE OF PERFORMANCE:** If Tenant fails to perform these Purchase Terms within the time specified, Landlord may, after ten (10) days prior written notice to Tenant, elect to terminate the exercise of the option to purchase and be relieved of all obligations under these Purchase Terms. If for any reason other than failure of Landlord to make Landlord's title marketable after diligent effort, Landlord fails, neglects or refuses to perform these Purchase Terms, the Tenant may seek specific performance or may terminate the exercise of the option, whereupon Landlord shall reimburse Tenant for all costs and expenses in connection with Tenant's exercise of the option to purchase. In the event either party terminates the exercise of the option to purchase as set forth herein, the parties shall continue to be bound by the terms and provisions of the Lease, as the same shall apply.
16. **PERSONS BOUND; NOTICE:** These Purchase Terms shall bind and inure to the benefit of the parties and their successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice given by or to the attorney for any party shall be as effective as if given by or to that party.
17. **CONVEYANCE:** Landlord shall convey title to the Premises by full warranty deed, subject only to matters contained in Section 6 of these Purchase Terms and those otherwise accepted by Tenant. Personal Property shall, at the request of Tenant, be transferred by an absolute bill of sale with warranty of title, subject only to such matters as may be otherwise provided for herein.
18. **OTHER AGREEMENTS:** No prior or present agreements or representations shall be binding upon Tenant or Landlord unless included in these Purchase Terms. No modification to or change in these Purchase Terms shall be valid or binding upon the parties unless in writing and executed by the party or parties intended to be bound by it.

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is executed and delivered as of June 4, 2012, by and among Republic Services of North Carolina, LLC, a North Carolina limited liability company ("Buyer"); Dynasty Holdings, LLC, a North Carolina limited liability company ("Dynasty"), Shotwell Transfer Station, Inc., a North Carolina corporation ("Shotwell" and, collectively with Dynasty, "Sellers"); and David W. King, Jr., the holder of all of the equity interests of Shotwell and Dynasty ("Owner").

RECITALS

A. Sellers operate a municipal solid waste and construction and demolition transfer station in Raleigh, North Carolina (the "Business") located at 5565 Thornton Road, Raleigh, North Carolina 27616 and more fully described in the Lease (as hereinafter defined) (the "Property").

B. Buyer desires to purchase and acquire certain of Sellers' assets and contractual rights used in connection with the Business, and Sellers desire to sell such assets and contractual rights to Buyer.

C. Owner owns all of each Seller's equity interests and Buyer is not willing to enter into this Agreement without the representations, warranties and agreements of Owner set forth in this Agreement.

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

ARTICLE 1 DEFINITIONS

1.1 Certain Defined Terms. Capitalized terms shall have the meanings assigned to them in Exhibit A.

ARTICLE 2 DESCRIPTION OF ASSETS

2.1 Description of Assets. Upon the terms and subject to the conditions set forth in this Agreement, Sellers shall, on the Closing Date, sell to Buyer the following assets and contractual rights used or for use in the Business (the "Assets"), free and clear of all Encumbrances:

- 2.1.1 the equipment, scales, furniture and fixtures listed on Schedule 2.1.1;
- 2.1.2 the list of customers of the Business set forth on Schedule 2.1.2 (the "Customer List");
- 2.1.3 the contracts and agreements listed on Schedule 2.1.3 (the "Contracts");

- 2.1.4 the Inventory, including that listed on Schedule 2.1.4;
- 2.1.5 the Permits listed on Schedule 2.1.5;
- 2.1.6 all Restrictive Agreements;
- 2.1.7 all manufacturer's or other warranties relating to the Assets;
- 2.1.8 all of the goodwill of the Business;
- 2.1.9 all telephone and facsimile number(s) and email addresses used in the operation of the Business;
- 2.1.10 all Accounts Receivable; and
- 2.1.11 except for any Excluded Assets, all of the other assets used or for use in the Business and owned or leased by Seller.

2.2 Excluded Assets. There shall be excluded from the Assets the following which are not being sold to Buyer pursuant to this Agreement (the "Excluded Assets"): (a) cash and cash equivalents of Sellers, (b) the equity interests of each Seller, (c) the corporate records of each Seller, (d) the assets set forth on Schedule 2.2, (e) fee simple title to any real property owned by any Seller or Owner, and (f) all contracts and contract rights and obligations of Sellers (whether oral or in writing) other than the Contracts, the Restrictive Agreements that benefit Sellers or the Business and the manufacturers' or other warranties relating to the Assets.

2.3 Assumed Liabilities. At the Closing, subject to Article 11, Buyer shall assume and shall agree to pay, perform and discharge when due, all Liabilities under the Contracts to the extent, but only to the extent, that such obligations first mature and are required to be performed after the Closing Date (the "Assumed Liabilities").

2.4 Excluded Liabilities. Except as explicitly and expressly set forth in this Agreement and subject to Article 11, Buyer shall not, by the execution and performance of this Agreement or otherwise (including under theories of successor liability), assume, become responsible for or incur, any Liability or obligation of any nature of either Seller whatsoever arising, or relating to events occurring, on or prior to the Closing Date, whether legal or equitable, or matured or contingent (collectively, the "Excluded Liabilities"), including any Liability: (a) of Sellers 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 for any Tax period (or portion thereof) ending on or prior to the Closing Date, (b) of Sellers for expenses incurred in connection with the sale of the Assets pursuant to this Agreement, (c) for any inter-company payables or receivables between either Seller and Owner or any Affiliates of a Seller, (d) of Sellers arising out of or in connection with or related to the ownership or use of the Assets on or prior to the Closing Date that do not constitute Assumed Liabilities, (e) for Environmental Liabilities and noncompliance with Environmental Laws arising out of events or conditions occurring on or prior to the Closing Date, (f) under any Contract, but only to the extent that the Liability arises out of or relates to any breach that occurred on or prior to the Closing Date, (g) under any Excluded Asset, (h) under any employment, severance, retention or termination

agreement with any employee of either Seller or any of its Affiliates or under any employee benefit plans or relating to payroll, sick leave, workers' compensation, unemployment benefits, pension benefits, employee stock option or profit-sharing plans, health care plans or benefits or any other employee plans or benefits of any kind for employees or former employees or both of Sellers or any of its Affiliates, (i) arising out of or relating to any employee grievance relating to events occurring on or prior to the Closing Date, (j) arising out of any Action pending as of the Closing Date or commenced after the Closing Date but arising out of or relating to any occurrence or event occurring on or prior to the Closing Date, including any matters described on Schedule 6.11, (k) arising out of or resulting from Sellers' compliance or noncompliance with any Applicable Law or order of any Governmental Authority related to the ownership or use of the Assets on or prior to the Closing Date, (l) of either Seller or Owner for occurrences before the Closing Date (including those related to Seller's non-compliance with Environmental Laws); and (m) of either Seller under this Agreement or any other document executed in connection with the Transactions. Sellers and Owner, jointly and severally, agree to pay and discharge all such Excluded Liabilities as and when they become due and payable.

2.5 Non-Assignment of Certain Assets. Notwithstanding anything to the contrary in this Agreement, to the extent that the assignment of any Asset shall require the Consent of any Person not a party to this Agreement, neither this Agreement nor any action taken pursuant to it shall constitute an assignment or an attempt to assign the same if such assignment or attempted assignment would constitute a breach thereof or result in the loss or diminution thereof.

2.6 Lease. The Assets shall include a Lease Agreement ("Lease") in the form attached hereto as Exhibit D, pursuant to which Sellers shall lease to Buyer for an initial term of 20 years, for a total rent of \$100.00 received by Sellers as part of the Purchase Price. The Lease shall be delivered to Buyer free and clear and any Encumbrances. Sellers acknowledge that Buyer will obtain a leasehold policy of title insurance ("Leasehold Title Policy") for the leased Property at Closing from Stewart Title Guaranty Company ("Title Company") in an amount acceptable to Buyer. Sellers agree to deliver to the Title Company all documents reasonably required by the Title Company for the issuance of the Leasehold Title Policy to Buyer free and clear of any Encumbrances. Buyer shall be responsible for the cost of the Leasehold Title Policy, however, Buyer and Seller shall each pay one-half of any fees and charges of the Title Company to close the transaction.

ARTICLE 3 **PURCHASE PRICE**

3.1 Purchase Price. Subject to adjustment pursuant to the terms of this Agreement, Buyer shall pay to Sellers for the Assets \$4,000,000 plus the Accounts Receivable Payment (collectively, the "Purchase Price"), as follows:

3.1.1 \$4,000,000, as adjusted pursuant to Sections 3.2 and 3.3, at the Closing by wire transfer of immediately available funds; and

3.1.2 the Accounts Receivable Payment within five (5) business days after the Closing by wire transfer of immediately available funds to one or more accounts designated by Sellers.

3.2 Unearned Revenue. Within the seven day period immediately prior to the Closing, Buyer and Sellers shall mutually conduct a reconciliation of all unearned revenue relating to the Business and the Assets as of the Closing Date. The Purchase Price payable to Sellers at the Closing shall be reduced by an amount equal to the revenues received by Sellers on or before the Closing Date for services to be provided by Buyer after the Closing Date. From and after the Closing, Sellers will promptly remit to Buyer monies, if any, that Sellers receive for services performed by Buyer that the reconciliation and subsequent settlement payment did not previously address.

3.3 Payment of Closing Date Indebtedness. Within the seven day period immediately prior to the Closing, Sellers shall deliver to Buyer a schedule of, and payoff letters for, all Seller Debt that relates to the Business or encumbers any of the Assets (collectively, the "Closing Date Indebtedness"). Each payoff letter shall include language stating that the holder of the Closing Date Indebtedness will release all Encumbrances on any of the Assets and will file UCC-3 termination statements, as applicable, promptly upon payment of the Closing Date Indebtedness. The Purchase Price payable to Sellers at the Closing shall be reduced by an amount equal to the Closing Date Indebtedness and Buyer shall pay to the applicable holder of Closing Date Indebtedness or Tax authority their respective amounts of the Closing Date Indebtedness contemporaneously with the payment of the Purchase Price to Sellers.

3.4 Accounts Receivable. Buyers shall pay to Sellers \$1.00 on the dollar for all of the Accounts Receivable that are between 0 and 60 days old, \$0.50 on the dollar for all of the Accounts Receivable that are between 61 and 90 days old and \$0.00 on the dollar for all of the Accounts Receivable that are over 90 days old. Attached as Schedule 3.4 is a complete and accurate list of all Accounts Receivable as of the Closing Date, including an aging of all Accounts Receivable showing amounts due in 30-day aging categories and showing the aggregate amount owed by Buyer to Sellers for the Accounts Receivable (the "Accounts Receivable Payment").

3.5 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 (including the Noncompetition Agreements), in accordance with Schedule 3.5 and the requirements of Code Section 1060 and based on the fair market value of the Assets as determined by arm's length negotiations. The parties agree to file (or cause to be filed) (a) all required federal Forms 8594, Asset Acquisition Statement under Code Section 1060, and (b) 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 3.5.

ARTICLE 4 **CLOSING**

4.1 Time and Place of Closing. The purchase and sale provided for in this Agreement (the "Closing") shall take place 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 9 and Article 10 are fulfilled, satisfied or waived or at such other time or place as the parties shall agree. The date on which the Closing occurs is referred to as the "Closing Date." The Closing shall be deemed effective as of 12:01 a.m. Eastern on the Closing Date.

4.2 Deliveries by Sellers and Owner. At the Closing, Sellers and Owner shall deliver to Buyer, all duly executed:

4.2.1 a bill of sale, in the form of Exhibit B, together with such other separate instruments of sale, transfer or assignment as Buyer reasonably requests;

4.2.2 certified copies of resolutions of the board of directors or managers of each Seller and Owner authorizing the execution of this Agreement, the sale of the Assets to Buyer, and the consummation of the Transactions;

4.2.3 all original executed Consents;

4.2.4 the certificates referred to in Sections 10.1 and 10.2;

4.2.5 a noncompetition and nonsolicitation agreement for Sellers and Owner, in the form of Exhibit C (the "Noncompetition Agreement");

4.2.6 the Lease and Memorandum of Lease attached thereto;

4.2.7 a Disposal Agreement among Capitol Recycling, LLC, Buyer and Shotwell Landfill, Inc., in the form of Exhibit E (the "Disposal Agreement");

4.2.8 an Amendment to Prepayment Agreement in the form of Exhibit F (the "Prepayment Amendment");

4.2.9 a restriction, in the form of Exhibit G, to be recorded at Closing in the real property records in the county in which the Property is located, which prohibits the use of the Property as a solid waste transfer station, recycling facility or any use incidental or related to solid waste handling, transportation or disposal by any Person other than Buyer or its Affiliates, successors or assigns under the Lease, without the prior written consent of Buyer, which may be withheld in Buyer's sole discretion;

4.2.10 payoff letters, issued by the holders of all Closing Date Indebtedness and Tax authorities to which either Seller owes Taxes, setting forth the amounts required to repay the Closing Date Indebtedness in full, together with wire transfer instructions and directions from such parties to transfer funds to such parties in order to pay off the Closing Date Indebtedness at the Closing;

4.2.11 releases of all Encumbrances held by the holders of Closing Date Indebtedness on any of the Assets, including UCC-3 termination statements; and

4.2.12 such other documents or instruments as Buyer reasonably requests, or are required by the Title Company in connection with the issuance of the Leasehold Title Policy.

4.3 Deliveries by Buyer. At the Closing, Buyer shall deliver to Sellers, all duly executed (where applicable):

4.3.1 the portion of the Purchase Price set forth in Section 3.1.1;

- 4.3.2 the certificates referred to in Sections 9.1 and 9.2;
- 4.3.3 the Noncompetition Agreement;
- 4.3.4 the Lease and Memorandum of Lease attached thereto;
- 4.3.5 the Disposal Agreement;
- 4.3.6 the Prepayment Amendment; and
- 4.3.7 such other documents or instruments as Sellers and Owner reasonably request.

ARTICLE 5
CERTAIN COVENANTS

5.1 Further Assurance. From time to time on and after the Closing and without further consideration, the parties to this Agreement shall each deliver or cause to be delivered to any other party, at such times and places as shall reasonably be requested, such additional instruments as any of the others may reasonably request for the purpose of carrying out this Agreement and the Transactions. Sellers agree, and Owner agrees to cause Sellers, without further consideration, to cooperate with Buyer and to use their reasonable efforts to have the officers and employees of Sellers cooperate on and after the Closing Date in furnishing to Buyer information, evidence, testimony and other assistance in connection with obtaining all necessary Permits, Consents and approvals and in connection with any Actions, proceedings, arrangements or disputes of any nature with respect to matters pertaining to all periods before the Closing Date.

5.2 Transition. Neither any Seller nor Owner shall take any action that is designed or intended to have the effect of (a) discouraging any customer or business associate of Sellers from maintaining the same business relationships with Buyer after the Closing that such customer or business associate maintained with Sellers before the Closing, or (b) interfering with Buyer's operation of the Business after the Closing. Sellers and Owner shall refer all customer inquiries relating to the Business to Buyer from and after the Closing. Further, Sellers and Owner agree that for a period of 90 days following the Closing Date, they will, without additional consideration, assist Buyer with the orderly transition of the operations of the Business from Sellers to Buyer.

5.3 Contact with Third Parties. Sellers and Owner shall each cooperate with Buyer in making contact with (a) the appropriate Governmental Authorities and officials having information about or jurisdiction over Sellers, the Business or the Assets to assist Buyer in completing its regulatory evaluation of the Business and the Assets and securing any Consents necessary with respect to the Permits or in securing new permits, and (b) the customers or other parties under the Contracts to secure any Consents necessary with respect thereto. Sellers and Owner shall, jointly and severally, indemnify and hold harmless Buyer for all Losses that arise as a result of or incident to the inability of Sellers to obtain any Consent.

5.4 Additional Assets. If additional assets or rights forming a part of, used in or intended to be used in, or necessary in the conduct of, the Business, other than Excluded Assets, are identified post-Closing as not having been adequately transferred to Buyer, Sellers shall promptly transfer and assign to Buyer such assets or rights without additional consideration.

5.5 Driveway Construction. Sellers' currently hold Driveway Permit, Permit No. D51-40-09-087, dated October 9, 2009, issued by the State of North Carolina, Department of Transportation ("NCDOT"), as modified by the Revision to Driveway Permit D51-40-09-087, dated January 11, 2010 by the NCDOT, as further modified by the Revision to Driveway Permit D51-40-09-087, dated September 16, 2011 by the NCDOT (as so modified, the "Driveway Permit"), which requires Sellers to construct a road meeting the specifications set forth in the Driveway Permit to the satisfaction of the NCDOT. Sellers' and Owner's Affiliate, King's Grading, Inc., have posted a performance and indemnity bond in the face amount of \$300,000 issued by Lexon Insurance Company for the benefit of the NCDOT to secure Sellers' performance of the obligations set forth in the Driveway Permit (the "Performance Bond"). Sellers and Owner jointly and severally covenant and agree as follows with respect to the Driveway Permit and the Performance Bond: (a) Sellers and Owner shall and shall cause their Affiliates to begin in good faith the work required by the Driveway Permit within the time periods required by NCDOT; (b) all work required under the Driveway Permit shall be completed by Sellers, Owner and their Affiliates within the time period required by NCDOT, but in no event later than July 1, 2013, to the full and complete satisfaction of the NCDOT and subject to the final approval of the NCDOT; (c) until such time as the NCDOT confirms that all work required under the Driveway Permit has been completed to the NCDOT's satisfaction, Sellers, Owner and their Affiliates shall cause the Performance Bond to remain in full force and effect and shall not take any action (or permit any action to be taken) that would revoke or remove the Performance Bond; (d) Sellers and Owner shall not, and they shall cause their Affiliates not to, seek to modify or modify the Driveway Permit or the specifications required thereunder (including adding any restrictions to the Driveway Permit or the completed road) without the prior written consent of Buyer, which may be given or withheld in Buyer's sole discretion; and (e) Sellers, Owner and their Affiliates shall take no action in their discussions or negotiations with NCDOT or construction of the road that will in any way limit or restrict the future use or operation of the Business. The covenants of Sellers and Owner contained in this Section 5.5 are a material inducement to Buyer entering into this Agreement and the Transactions.

5.6 Excess Debris Removal. Within 120 days following the Closing, Sellers and Owner shall remove at their expense all concrete and wood behind the transfer station building on the Property. Sellers shall coordinate the removal with Buyer and shall not interfere with the operation of the Business.

5.7 Brantley Litigation. Sellers and Owner jointly and severally covenant and agree that they will continue to defend themselves in good faith and with a licensed attorney against any and all claims and/or counterclaims that have been asserted or may in the future be asserted against Sellers or Owner by Edward W. Brantley in the matter currently pending in the General Court of Justice of Wake County, Superior Court Division, in case No. 08 CVS 18522 (the "Wake County Litigation"). This covenant shall survive until all such claims and/or counterclaims brought by Edward W. Brantley against Sellers and Owner in the Wake County

Litigation are fully and finally resolved, including any and all appeals thereof, whether that resolution be by settlement, dismissal with prejudice, or final judgment.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES
OF SELLERS AND OWNER

Sellers and Owner, jointly and severally, represent and warrant to Buyer that the statements contained in this Article 6, except as set forth in the Disclosure Schedules, (a) are correct and complete as of the date of this Agreement, and (b) will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 6). The mere listing (or inclusion of a copy) of a document or other item shall not be deemed adequate to disclose an exception to a representation or warranty made in this Agreement unless (i) the representation or warranty has to do with the existence of the document or other item itself or (ii) the Disclosure Schedule identifies the exception with particularity (such as with a cross-reference to a section in a disclosed agreement) and summarizes the relevant facts in reasonable detail.

Wherever a representation or warranty in this Agreement is qualified as having been made "to the best of Sellers' knowledge," such phrase shall mean the knowledge of Owner, Sellers and the officers, directors and employees of Sellers responsible for the operation of the Business or the Assets, after reasonable inquiry.

6.1 Organization; Authority. Dynasty is a limited liability company duly organized, validly existing and in good standing under the laws of the State of North Carolina is duly authorized, qualified and licensed under all applicable Laws to carry on its business in the places and in the manner as presently conducted, except for where the failure to be so authorized, qualified or licensed would not have a Material Adverse Effect. Shotwell is a corporation duly organized, validly existing and in good standing under the laws of the State of North Carolina is duly authorized, qualified and licensed under all applicable Laws to carry on its business in the places and in the manner as presently conducted, except for where the failure to be so authorized, qualified or licensed would not have a Material Adverse Effect. Sellers and Owner have the full legal right, power and authority to enter into this Agreement and the Related Agreements, as applicable, and to consummate the Transactions. All corporate or limited liability company action, as applicable, of Sellers and Owner necessary to approve the Transactions has been taken.

6.2 Ownership; Binding Effect. Owner owns all of the issued and outstanding equity interests of each Seller and no Person other than Owner has any right to vote such equity interests. Sellers and Owner have duly executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding obligation of Sellers and Owner, enforceable against each of them in accordance with its terms.

6.3 No Conflict. The execution, delivery and performance of this Agreement and the Related Agreements by Sellers and Owner, as applicable, and the consummation of the Transactions do not and will not: (a) violate, conflict with or result in the breach of any provision of a Seller's articles of incorporation, articles of organization, bylaws, operating agreement or any shareholder agreement, as applicable, (b) conflict with or violate any Law or

Governmental Order applicable to the Assets, the Business, Sellers, Owner or any of their respective assets, properties or businesses, or (c) except as set forth in Schedule 6.3(c), conflict with, result in any breach of, constitute a default (or event which with the giving of notice or lapse of time would become a default) under, require any Consent under, or give to any other Person any rights of termination, amendment, acceleration, suspension, revocation or cancellation of, or result in the creation of any Encumbrance on the Assets or the properties of Sellers or Owner pursuant to any note, bond, mortgage, indenture, contract, agreement, lease, sublease, license, Permit, authorization, franchise or other instrument or arrangement to which any Seller or Owner is a party or by which any of the Assets are bound or affected.

6.4 Governmental Consents and Approvals. Except for consents required with respect to the Contracts and Permits, the execution, delivery and performance of this Agreement by Sellers and Owner do not and will not require any Consent or action by, filing with or notification to, any Governmental Authority.

6.5 Title to Assets. Sellers have good and marketable title to the Assets, free and clear of all Encumbrances other than the Closing Date Indebtedness, and, by virtue of the grant, conveyance, sale, transfer and assignment of the Assets hereunder and the payment of the Closing Date Indebtedness by Buyer on the Closing Date, Buyer shall receive at the Closing good and marketable title to the Assets, free and clear of all Encumbrances.

6.6 Personal Property. The Assets constituting tangible personal property are in good and serviceable condition and repair, subject to normal wear and tear. Sellers have not, nor to the best of Sellers' knowledge, has anyone else, made any modifications to any of the Assets that would void or invalidate any manufacturer's warranty or cause the Assets not to be in compliance with any Law.

6.7 Customer List. Schedule 2.1.2 contains a complete and accurate list of the customers of the Business. There are no written contracts between the customers on the Customer List and a Seller with respect to the Business. Sellers have billed all of the customers on the Customer List accurately and timely. All of the customers on the Customer List are active customers of the Business. Sellers have not received any notice that any customer on the Customer List intends or desires to amend or terminate its service.

6.8 Contracts.

6.8.1 Schedule 2.1.3 contains a true and complete list of all Contracts related to the Business, true and complete copies of which have been provided to Buyer. Sellers have always conducted and continue to conduct the Business in accordance with the terms of the Contracts. Except as set forth on Schedule 6.8, all Contracts are in full force and effect and are valid, binding and enforceable against the applicable Seller and, to the best of Sellers' 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 the applicable Seller or, to the best of Sellers' knowledge, any other party to any such Contract. Except as set forth on Schedule 6.8, Sellers have not received any notice that any Person intends or desires to modify, waive, amend, rescind, release, cancel or terminate any Contract.

6.8.2 Except as set forth on Schedule 6.3(c), no Contract requires the Consent of any Person for such Contract to be assigned to Buyer under this Agreement.

6.8.3 Except as set forth on Schedule 2.1.3, no Seller is a party to any contract, agreement or other arrangement relating to the collection, transportation, transfer or disposal of waste with respect to the Business.

6.8.4 There is no contract, agreement or other arrangement granting any Person any preferential right to purchase any of the Assets.

6.8.5 No Seller is a party to any governmental contracts related to the Assets that are subject to price redetermination or renegotiation.

6.9 Compliance with Law. Sellers have always conducted and continue to conduct the Business in material compliance with all Laws, Permits and Governmental Orders (including Environmental Laws, zoning and land use restrictions, and Laws relating to the employment of labor) applicable to Sellers, the Assets or the Business. Sellers are not in violation of any such Law, Permit or Governmental Order. Schedule 6.9 identifies each Governmental Order applicable to Sellers, the Assets or the Business, and no such Governmental Order has, has had or will have a Material Adverse Effect. Neither any Seller nor Owner have received any citation or notice that any Seller or any of its current or former officers, directors, shareholders or employees is under investigation or other form of review relating to the Assets or the Business with respect to any applicable Law.

6.10 Taxes. Sellers and Owner have duly filed, or will duly file in a timely manner, with the relevant Tax authorities all returns with respect to Taxes relating to Sellers, including estimated Tax returns and other information returns and reports which they are required to file, and each such document is complete, accurate and in accordance with all requirements of applicable Law. There are no Tax liens in effect with respect to the Assets. Except as set forth on Schedule 6.10, all Taxes required to be withheld, collected or deposited by Sellers with respect to the Business have been timely withheld, collected or deposited and, to the extent required, have been paid to the relevant Tax authority. Neither the IRS nor any other taxing authority or agency, domestic or foreign, is now asserting or, to the best of Sellers' knowledge, threatening to assert against Sellers or Owner any deficiency or claim for additional Taxes or interest thereon or penalties in connection therewith with respect to the Business. Sellers have not granted any waiver of any statute of limitations with respect to, or any extension of a period for the assessment of, any Tax with respect to the Business.

6.11 Litigation. Except as set forth on Schedule 6.11, no Action is pending or, to the best of Sellers' knowledge, threatened, against any Seller or Owner relating to the Assets or the Business, at law or in equity, including any labor or employment matters. Neither any Seller nor Owner has received notice of any of the above, and, to the best of Sellers' knowledge, no facts or circumstances exist which would give rise to any of the foregoing. Also listed on Schedule 6.11 are all instances where any Seller or Owner is the plaintiff, or complaining or moving party, in any way related to the Assets or the Business.

6.12 Financial Statements. Complete and accurate copies of the unaudited balance sheet of Sellers as of December 31, 2010, and December 31, 2011 (the "Balance Sheet Date") and the related unaudited statements of income and retained earnings and cash flows of Sellers for the years then ended, together with all related notes and schedules thereto, and of the unaudited balance sheet of Sellers dated March 31, 2012 and the related statements of income and retained earnings and cash flows of Sellers for the three months then ended, together with all related notes and schedules thereto (collectively, "Sellers' Financial Statements"), have been provided to Buyer. Sellers' Financial Statements (a) were prepared in accordance with Sellers' books of account and other financial records, (b) present fairly Sellers' financial condition and results of operations and cash flows as of the dates thereof or for the periods covered thereby, subject to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, have a Material Adverse Effect), and (c) have been prepared in accordance with generally accepted accounting principles consistently applied.

6.13 Conduct of Sellers' Business. Since the Balance Sheet Date, except for the execution and delivery of this Agreement or as disclosed on Schedule 6.13, the Business has been conducted in all material respects in the ordinary course and consistent with past practice, and there has not been any (a) sale or transfer of, or any agreement 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 party to the transfer and assignment of any of the Assets, or any loss or damage to the Assets, (b) material breach, amendment or termination of the Contracts, (c) transaction by Sellers outside the ordinary course of its business and related to the Assets, (d) any other material occurrence, event, incident, action or failure to act outside the ordinary course of business of Sellers; (e) waiver of any material right or claims of Sellers related to the Assets, or (f) any action by Sellers, Owner or any employee, officer or agent of Sellers or Owner committing to do any of the foregoing.

6.14 Environmental and Other Permits; Hazardous Materials; Disposal Sites.

6.14.1 Sellers currently hold all Permits, including Environmental Permits, necessary and appropriate for the current use, occupancy and operation of the Business and all Assets, and all such Permits are in full force and effect. No Seller or Owner has received any notice from any Governmental Authority revoking, canceling, rescinding, materially modifying, or refusing to renew any Permit. Schedule 6.14.1 identifies all Permits and pending applications for a new or renewed Permits of Sellers related to the Business.

6.14.2 Except as disclosed in Schedule 6.14.2, the Business has been operated, and the Property maintained, in compliance with all Permits and Environmental Laws. Neither any Seller, Owner or the Business has received any written notice of violation or citation relating to the operation of the Business that is not fully resolved, and there are no non-compliance orders, warning letters, Actions, investigations or proceedings pending or in existence that reasonably could result in a Loss. Further, except as disclosed on Schedule 6.14.2, no Seller has received any verbal or written notice or other communication from a Governmental Authority or any other Person alleging or related to the investigation of any alleged violation of an Environmental Law.

6.14.3 Except as disclosed on Schedule 6.14.3, neither Seller has ever Handled any Hazardous Materials or caused a Release of any Hazardous Materials, and to the best of Sellers' knowledge there have been no Releases of Hazardous Materials at, to or under the Property. No Encumbrances with respect to Environmental Liabilities have been threatened or imposed against any Seller or any of the Assets under any Environmental Law or other applicable Law, and no facts or circumstances exist which would give rise to the same. Except as disclosed on Schedule 6.14.3, neither Seller, Owner or the Business (a) is listed as a potentially responsible party with respect to the Assets or the Property or as a result of the operation of the Assets or the Business under any Environmental Law or other applicable Law, (b) has received any verbal or written notice of any such listing or potential listing or of any Release that may give rise to a Loss, or (c) has knowledge of any facts or circumstances which could give rise to such a listing or such a Loss.

6.14.4 Schedule 6.14.4 is a complete and accurate list of the names and addresses of all disposal sites (including Hazardous Materials disposal sites) now or at any time in the past utilized by any Seller. Except as disclosed on Schedule 6.14.4, no such disposal site is listed on the CERCLIS list or the National Priorities List or any similar list maintained by any Governmental Authority.

6.14.5 Except as disclosed on Schedule 6.14.5, to the best of Sellers' knowledge there are no underground or aboveground storage tanks, or piping associated with such tanks, located at the Property and Sellers do not use and have not used an underground or above ground storage tank in connection with the Business. Any underground and aboveground storage tanks and associated piping set forth on Schedule 6.14.5 have at all time been used and maintained in compliance with all Environmental Laws or other applicable Laws.

6.15 Employees and Labor Matters.

6.15.1 Schedule 6.15.1 sets forth a complete and accurate list of (a) all employees of the Business, (b) their rate of base compensation as of the date of this Agreement, (c) any bonus, incentive or compensation plans 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. Each employee of the Business is an employee at will and will be terminated by Sellers on the Closing Date. Sellers shall be responsible for all wages, salaries, commissions, severance, bonuses and other employment-related payments which are due to Sellers' employees, including all vacation or sick-pay accrued through the Closing Date.

6.15.2 Except as set forth on Schedule 6.15.2, with respect to the Business, no Seller is a party to (a) any collective bargaining agreement, (b) any agreement respecting the employment of any employee of the Business, 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 on Schedule 6.15.2, within the last five years, Sellers have not experienced any labor disputes, union organization attempts or any material work stoppage due to labor disagreements in connection with the Business. Except as set forth on Schedule 6.15.2,

with respect to the Business, (i) there is no unfair labor practice charge or complaint against Sellers pending or, to the best of Sellers' knowledge, threatened, (ii) there is no labor strike, dispute, request for representation, slowdown or stoppage actually pending or, to the best of Sellers' knowledge, threatened against or affecting Sellers with respect to the Business, (iii) no question concerning labor representation has been raised to Sellers or, to the best of Sellers' knowledge, is threatened respecting any employee of the Business, (iv) no grievance, nor any arbitration Action arising out of or under collective bargaining agreements, is pending or, to the best of Sellers' knowledge, threatened, (v) there are no administrative charges, court complaints or threatened complaints against Sellers with respect to the Business concerning alleged employment discrimination or other employment related matters pending or, to the best of Sellers' knowledge, threatened before the U.S. Equal Employment Opportunity Commission, the U.S. Department of Labor or any other Governmental Authority, and (vi) to the best of Sellers' knowledge, with respect to the Business, Sellers have complied with all applicable labor and employment Laws in all material respects.

6.16 Restrictive Agreements. Schedule 6.16 is a complete and accurate list of all Restrictive Agreements as of the date of this Agreement. None of the Restrictive Agreements have been modified, altered, terminated or otherwise amended. The Transactions do not violate any of the terms and provisions of the Restrictive Agreements.

6.17 Accounts Receivable. All Accounts Receivable arise from arm's length transactions between unrelated parties and represent valid obligations arising from sales actually made or services actually performed in the ordinary course of the Business. To the best of Sellers' knowledge, each of the Accounts Receivable will be collected in full, without any setoff, within 90 days after the day on which it first becomes due and payable or within a time period consistent with such account debtor's historical payment practices with Seller. No contest, claim, or right of setoff exists under any contract with any obligor of an Account Receivable relating to the amount or validity of such Account Receivable.

6.18 Insurance Policies. Schedule 6.18 lists all insurance policies carried by Sellers and an accurate list of all insurance loss runs and workers' compensation claims for the past three policy years. True and complete copies of Sellers' insurance policies and the loss runs set forth on Schedule 6.18 and Sellers' most recent filing with the state agency responsible for administering, handling or overseeing unemployment claims have been provided to Buyer. All insurance policies are in full force and effect and shall remain in full force and effect through the Closing Date. Sellers' insurance has never been canceled and Sellers have not been denied coverage within the last three years.

6.19 Affiliate Relationships. Schedule 6.19 contains an accurate and complete list of all material contractual arrangements between any Seller or Owner and any Affiliate thereof that (a) are currently in effect, and (b) relate to the Assets.

6.20 Reliance on Advisors. Sellers and Owner have relied on their own advisors for all legal, accounting, tax or other advice whatsoever in connection with this Agreement and the Transactions.

6.21 Complete Disclosure. This Agreement, the Disclosure Schedules, and all other documents and written information furnished to Buyer and its representatives by Sellers, Owner or their respective representatives, taken as a whole, do not and will not include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading. If Sellers or Owner become aware of any fact or circumstance prior to the Closing Date that would change a representation or warranty of Sellers or Owner in this Agreement or any other statement made or document provided to Buyer, the party with such knowledge shall promptly give notice of such fact or circumstance to Buyer. None of (a) such notification, (b) any pre-Closing investigation by Buyer of Sellers, the Assets or the Business, or (c) the Closing, shall relieve Sellers or Owner of their indemnification or other obligations under this Agreement.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants that the statements contained in this Article 7 (a) are correct and complete as of the date of this Agreement, and (b) will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 7).

7.1 Organization; Authority. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of North Carolina, and is duly authorized, qualified and licensed under all applicable Laws to carry on its business in the places and in the manner presently conducted, except for where the failure to be so authorized, qualified or licensed would not have a Material Adverse Effect. Buyer has the full legal right, power and authority to enter into this Agreement and to consummate the Transactions. On or before the Closing, all limited liability company action of Buyer necessary to approve the Transactions shall have been taken.

7.2 No Conflict. The execution, delivery and performance of this Agreement by Buyer and the consummation of the Transactions do not and will not violate, conflict with, or result in a breach of any provision of Buyer's articles of organization or operating agreement.

7.3 Governmental Consents and Approvals. The execution, delivery and performance of this Agreement by Buyer do not and will not require any Consent or other action by, filing with, or notification to, any Governmental Authority.

7.4 Binding Agreement. Buyer has duly executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms.

ARTICLE 8

COVENANTS OF SELLERS AND OWNER BEFORE CLOSING

8.1 Due Diligence Review and Environmental Assessment. Between the date of this Agreement and the Closing or earlier termination of this Agreement, Buyer shall be entitled to conduct a due diligence review of the assets, properties, books and records of Sellers and the Business. Buyer may also conduct an environmental assessment of the Property (the

“Environmental Assessment”). Sellers shall, immediately following the execution of this Agreement, provide Buyer or its designated agents or consultants with the access to such assets, properties, books and records which Buyer, its agents or consultants require to conduct its due diligence review or the Environmental Assessment. Buyer or its designated agents or consultants shall conduct such due diligence review or the Environmental Assessment during regular business hours and in a manner so as not to unreasonably interrupt the operation of the Business. The Environmental Assessment may include a Phase I environmental site assessment or other physical examination of the Property and any structures, facilities or equipment located thereon, including soil samples, ground and surface water samples, storage tank testing and a review of pertinent records, documents and Permits of Sellers or Owner. Any review, assessment or failure by Buyer to conduct any such due diligence review or the Environmental Assessment shall not act as a waiver of any representation or warranty of Sellers or Owner hereunder or of any rights of remedies that Buyer may have with respect to any breach or default by Sellers or Owner hereunder.

8.2 Activities of Sellers and Owner Before Closing. Between the date of this Agreement and the Closing or earlier termination of this Agreement, Sellers shall and Owner shall cause Sellers to (a) carry on the Business in the ordinary and usual course consistent with past practice, (b) maintain the Assets in as good working order and condition as at present, 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, employees and agents employed in the Business, and maintain relationships with suppliers, customers, consultants, employees, independent contractors, government agencies, communities and others having business relations with Sellers in the operation of the Business, and promptly notify Buyer of the loss or potential loss of any customer or group of customers material to the Business, (d) provide all requested assistance to Buyer to provide for an orderly transfer of the Assets and the Business from Sellers to Buyer, (e) use commercially reasonable efforts to keep in full force and effect, without amendment, all material rights relating to the Business and the Property, (f) keep in full force and effect all rights under the Contracts, (g) comply in all material respects with all Applicable Laws and contractual obligations applicable to the operations of the Business and the Assets (including the payment of all disposal fees when due), (h) continue in full force and effect the insurance coverage under the policies applicable to the Business or the Assets, and (i) maintain all books and records of Sellers relating to the Business or the Assets in the ordinary course of business. Sellers and Owner shall cooperate with Buyer and its representatives in the preparation of any documents or other material that may be required by any Governmental Authority.

8.3 Prohibited Activities of Sellers and Owner Prior to Closing. Between the date of this Agreement and the Closing or earlier termination of this Agreement, except as contemplated by this Agreement, Sellers and Owner shall not (in each case as it relates to the Business), without the prior written consent of Buyer (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 Sellers or Owner in this Agreement to be untrue or result in a breach of any covenant made by Sellers or Owner in this Agreement, (b) breach, amend (except in the ordinary course of business) or terminate any Permit or Contract, (c) enter into any transaction outside the ordinary course of the business of Sellers or otherwise prohibited under this Agreement, (d) sell, transfer, lease or otherwise dispose of any Assets, (e) except in the ordinary course of business,

relinquish, or seek to modify or amend any substantive term of, any Permit, (f) allow any other action or omission, or series of actions or omissions, by Sellers or Owner that would prohibit them from delivering the certificate described in Section 10.1 on the Closing Date, or (g) agree to do any of the foregoing.

8.4 Standstill Agreement. Unless and until this Agreement is terminated pursuant to Article 12 without the Closing having taken place, Sellers and Owner shall not, directly or indirectly, solicit offers for the Assets, for the equity interests of either Seller or for a merger or consolidation involving either Seller, or respond to inquiries from, share information with, negotiate with or in any way facilitate inquiries or offers from, third parties who express or who have expressed an interest in acquiring either Seller or the Business by merger, consolidation or other combination or by acquiring any of the equity interests or material assets of Sellers. Owner shall not vote any equity interest in favor of any such transaction. Sellers and Owner shall notify Buyer immediately if any Person makes any proposal, offer, inquiry or contact with respect to any of the foregoing.

ARTICLE 9 **CONDITIONS PRECEDENT TO OBLIGATIONS** **OF SELLERS AND OWNER**

The obligations of Sellers and Owner under this Agreement are subject to the completion, satisfaction, or at their option, waiver, on or before the Closing Date, of the following conditions:

9.1 Representations and Warranties. The representations and warranties of Buyer contained in this Agreement shall have been true and correct on and as of the date made and shall be true and correct 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. Buyer shall have delivered to Sellers a certificate of a duly authorized officer to the foregoing effect.

9.2 Covenants. Buyer shall have duly complied with or performed each of the covenants of this Agreement to be complied with or performed by Buyer on or before the Closing Date. Buyer shall have delivered to Sellers a certificate of a duly authorized officer to the foregoing effect.

9.3 No Adverse Proceeding. No Action before a Governmental Authority shall have been instituted or threatened to restrain or prohibit any of the Transactions.

9.4 Closing Deliveries. Buyer shall have timely delivered (if required to be delivered before the Closing) or shall be prepared to deliver the items set forth in Section 4.3.

ARTICLE 10 **CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER**

The obligations of Buyer under this Agreement are subject to the completion, satisfaction or, at its option, waiver, on or before the Closing Date, of the following conditions:

10.1 Representations and Warranties. The representations and warranties of Sellers and Owner contained in this Agreement shall have been true and correct on and as of the date

made and shall be true and correct 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. Sellers and Owner shall have delivered to Buyer a certificate of Owner and a duly authorized officer of each Seller to the foregoing effect.

10.2 Covenants. Sellers and Owner shall have duly complied with or performed each of the covenants of this Agreement to be complied with or performed by Sellers or Owner on or before the Closing Date. Sellers and Owner shall have delivered to Buyer a certificate of Owner and a duly authorized officer of each Seller to the foregoing effect.

10.3 No Adverse Proceeding. No Action before a Governmental Authority shall have been instituted or threatened to restrain or prohibit any of the Transactions. No Governmental Authority shall have taken any other action or made any request of Buyer as a result of which Buyer deems it inadvisable to proceed with the Transactions.

10.4 No Adverse Change or Material Adverse Effect. No material and adverse change in the results of operations, financial condition or business of Sellers shall have occurred since the Balance Sheet Date. Sellers shall not have suffered any loss or damage to any of the Assets since the Balance Sheet Date, which loss or damage would result in a Material Adverse Effect or would materially impair Buyer's ability to operate the Business after the Closing Date.

10.5 Due Diligence Review. Buyer must have received results satisfactory to it, in its sole discretion, from its due diligence review of Sellers, the Business and the Assets and the Environmental Assessment, including satisfactory evidence of the release of all Encumbrances affecting the Assets. Buyer shall have confirmed that the Property is free and clear of all Encumbrances other than Encumbrances contemplated by this Agreement.

10.6 Consents. All necessary notices to, Consents of and filings with any Governmental Authority relating to the consummation of the Transactions to be made or obtained by Sellers shall have been made and obtained by Sellers, and Buyer shall have determined, in its sole discretion, that Buyer has received all the Consents it deems necessary.

10.7 Closing Deliveries. Sellers and Owner shall have timely delivered (if required to be delivered before the Closing) or shall be prepared to deliver the items set forth in Section 4.2.

ARTICLE 11 **INDEMNIFICATION**

11.1 Survival of Representations, Warranties and Covenants. All of the representations, warranties and covenants in this Agreement and the obligations of the parties with respect thereto shall survive the Closing for a period of two (2) years following Closing, with the exception of (a) the representation and warranty set forth in Section 6.12, which shall survive for a period of three (3) years following Closing; and (b) the representations and warranties set forth in Sections 6.5, 6.10 and 6.14 (collectively, the "Fundamental Representations"), which shall survive until the termination of the applicable statute of limitations.

11.2 Indemnification by Sellers and Owner. Sellers and Owner agree that they will each, jointly and severally, indemnify, defend (as to third party claims only), protect and hold harmless Buyer, its Affiliates and their respective partners, officers, directors, managers, members, divisions, subdivisions, agents, employees, successors and assigns at all times from and after the Closing Date from and against all Losses that arise as a result of or incident to: (a) any breach of, misrepresentation in, untruth in or inaccuracy in the representations and warranties by Sellers or Owner set forth in this Agreement or in the Disclosure Schedules or in any other document delivered pursuant to this Agreement, (b) nonfulfillment or nonperformance of any agreement, covenant or condition on the part of Sellers or Owner made in this Agreement or in any other document delivered pursuant to this Agreement, including the Noncompetition Agreement, (c) any Excluded Liabilities, or (d) any claim by a third party that, if true, would mean that a condition for indemnification set forth in subsections (a) through (c) of this Section 11.2 had been satisfied.

11.3 Indemnification by Buyer. Buyer agrees that it will indemnify, defend (as to third party claims only), protect and hold harmless Sellers, Owner and their respective partners, officers, directors, managers, divisions, subdivisions, Affiliates, agents, employees, successors and assigns at all times from and after the Closing Date from and against all Losses that arise as a result of or incident to: (a) any breach of, misrepresentation in, untruth in or inaccuracy in the representations and warranties by Buyer set forth in this Agreement, (b) nonfulfillment or nonperformance of any agreement, covenant or condition on the part of Buyer made in this Agreement, (c) any Assumed Liabilities, and (d) any claim by a third party that, if true, would mean that a condition for indemnification set forth in subsections (a) through (c) of this Section 11.3 had been satisfied.

11.4 Indemnification Procedure Between Buyer and Sellers and Owner. Upon the occurrence of any claim for which indemnification is believed to be due under this Agreement, the Indemnified Party shall provide a Claim Notice to the Indemnifying Party. The Claim Notice shall state in general terms the circumstances giving rise to the claim, specify the amount of the claim (or an estimate thereof), and make a request for any payment then believed due. A Claim Notice shall be conclusive against the Indemnifying Party in all respects 20 days after receipt by the Indemnifying Party unless, within such period, the Indemnifying Party sends the Indemnified Party a Dispute Notice. Any Dispute Notice shall describe the basis for such objection and the amount of the claim that the Indemnifying Party does not believe should be subject to indemnification. Upon receipt of any Dispute Notice, the Indemnified Party and the Indemnifying Party shall use reasonable efforts to cooperate and arrive at a mutually acceptable resolution of the dispute within the next 30 days. If a resolution is not reached within the 30-day period, either party may commence the dispute resolution procedures set forth in Article 14. If it is finally determined (through either agreement of the parties, arbitration or final judgment of a court of competent jurisdiction) that all or a portion of the claim amount is owed to the Indemnified Party, the Indemnifying Party shall, within 10 days of such determination, pay the Indemnified Party such amount owed, together with interest from the date of such final determination until the date of actual payment at the Applicable Rate.

11.5 Indemnification Procedure with Respect to Third Party Claims.

11.5.1 If any third party shall notify an Indemnified Party pursuant to this Agreement with respect to a Third Party Claim, or if an Indemnified Party 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 that, the Indemnifying Party is thereby prejudiced.

11.5.2 Any Indemnifying Party will have the right to defend the Indemnified Party against a Third Party Claim with counsel of its choice satisfactory to the Indemnified Party so long as (a) the Indemnifying Party notifies the Indemnified Party in writing within a reasonable time after the Indemnified Party has given notice of the Third Party Claim that the Indemnifying Party will indemnify the Indemnified Party from and against the entirety of any Losses the Indemnified Party may suffer that arise as a result of or incident to the Third Party Claim, (b) the Indemnifying Party provides the Indemnified Party with evidence acceptable to the Indemnified Party that the Indemnifying Party will have the financial resources to defend against the Third Party Claim and fulfill its indemnification obligations under this Agreement, (c) the Third Party Claim involves only monetary damages and does not seek an injunction or equitable relief or involve the possibility of criminal penalties, (d) settlement of or adverse judgment with respect to the Third Party Claim is not, in the good faith judgment of the Indemnified Party, likely to establish a precedential custom or practice adverse to the continuing business interests of the Indemnified Party, and (e) the Indemnifying Party conducts the defense of the Third Party Claim actively and diligently.

11.5.3 So long as the Indemnifying Party is conducting the defense of the Third Party Claim in accordance with Section 11.5.2, (a) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim, (b) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnifying Party (which will not be unreasonably withheld), and (c) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnified Party (which will not be unreasonably withheld).

11.5.4 If or to the extent that any of the conditions set forth in Section 11.5.2 is or becomes unsatisfied (a) the Indemnified Party may defend against, and consent to the entry of any judgment or enter into any settlement with respect to, the Third Party Claim and any matter it may deem appropriate in its sole discretion and the Indemnified Party need not consult with, or obtain any consent from, any Indemnifying Party in connection therewith (but will keep the Indemnifying Party reasonably informed regarding the progress and anticipated cost thereof), (b) the Indemnifying Party will reimburse the Indemnified Party promptly and periodically for the cost of defending against the Third Party Claim (including attorneys' fees and expenses), (c) the Indemnifying Party will remain responsible for any Losses the Indemnified Party may suffer that arise as a result of or incident to the Third Party Claim to the fullest extent provided in this Article 11, and (d) the Indemnifying Party shall be deemed to have waived any claim that its

indemnification obligations should be reduced because of the manner in which counsel for the Indemnified Party handled the Third Party Claim.

11.6 Limitation on Liability. The indemnification obligations of Sellers and Owner set forth in Section 11.2(a): (a) shall apply only after the aggregate amount of claims for indemnification exceeds \$50,000 (the "Basket"), and thereafter Sellers and Owner shall be liable for all indemnification obligations back to the first dollar; and (b) shall be limited to a claim or claims in an aggregate amount not to exceed the Purchase Price (the "Cap"). Notwithstanding the foregoing, neither the Basket nor the Cap shall apply to any indemnification obligations arising out of Fraud Claims or for any claims arising under the Fundamental Representations.

11.7 Determination of Losses. The parties shall take into account the time value of money (using the Applicable Rate as the discount rate) in determining Losses for purposes of this Article 11.

11.8 Other Remedies. The indemnification provisions in this Article 11 are in addition to any statutory, equitable or common law remedy any party may have for breach of any representation, warranty or covenant. For the avoidance of doubt, in addition to the rights and remedies contained in this Agreement, the parties shall have all of the rights and remedies specified in the Lease with respect to a breach of any representations, warranties or covenants contained therein. Any payments made to an Indemnified Party pursuant to this Article 11 shall be treated as an adjustment to the Purchase Price.

ARTICLE 12

TERMINATION OF AGREEMENT

12.1 Termination by Buyer. Buyer, by notice in the manner provided in Section 15.6 on or before the Closing Date, may terminate this Agreement if any of the conditions set forth in Article 10 shall not have been satisfied or in the event of a breach by Sellers or Owner in the observance or in the due and timely performance of any of the agreements or conditions contained in this Agreement on their part to be performed.

12.2 Termination by Sellers. Sellers, by notice in the manner provided in Section 15.6 on or before the Closing Date, may terminate this Agreement if any of the conditions set forth in Article 9 shall not have been satisfied or in the event of a breach by Buyer in the observance or in the due and timely performance of any of the covenants, agreements or conditions contained in this Agreement on its part to be performed.

12.3 Termination for Failure to Close. Either Buyer or Sellers, by notice in the manner provided in Section 15.6, may terminate this Agreement if the Closing has not occurred on or before June 30, 2012; provided, however, that no party in default under this Agreement shall have the right to terminate pursuant to this Section 12.3.

12.4 Effect of Termination. If this Agreement is validly terminated pursuant to Section 12.1, 12.2 or 12.3, 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 Section 13.3, Article 14 and Section 15.6 shall survive such termination, and (b) such

termination shall not in any way terminate, limit or restrict the rights and remedies of any party against any other party which has breached this Agreement before termination.

ARTICLE 13 **RESTRICTIVE COVENANTS**

13.1 Nondisclosure by Sellers and Owner. Sellers and Owner acknowledge that they have had and may in the future have access to Confidential Information that will as of the Closing be valuable, special and unique assets of Buyer. Sellers and Owner agree, at all times from and after the Closing, to, and shall cause their Affiliates, officers, directors, employees and agents to: (a) treat and hold as confidential (and not disclose or provide access to any Person or to use) any Confidential Information, (b) if Sellers, Owner or any of their Affiliates, officers, directors, employees or agents becomes legally compelled to disclose any such Confidential Information, provide the Buyer with prompt written notice of such requirement so that Buyer may seek a protective order or other remedy, and (c) promptly furnish (prior to, at, or as soon as practicable after the Closing) to Buyer any and all copies (in whatever form or medium) of all such Confidential Information then in the possession of Sellers, Owner or any of their Affiliates, officers, directors, employees or agents and destroy any additional copies then in their possession of such information and of analyses, compilations, studies or other documents prepared, in whole or in part, on the basis thereof. This Section 13.1, however, shall not apply to: (i) any information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement by Sellers, Owner or any of their Affiliates, officers, directors, employees or agents, or (ii) any information which is or relates to an Excluded Asset or relates to the liabilities retained by Sellers under this Agreement. Sellers and Owner acknowledge and agree that Buyer's remedies at Law for any breach or threatened breach of this Section 13.1 are inadequate, and that in addition to such remedies, Buyer shall be entitled to equitable relief, including injunctive relief and specific performance, in the event of any such breach or threatened breach without the need to demonstrate that monetary damages are inadequate.

13.2 Nondisclosure by Buyer. Buyer acknowledges that it has had and, prior to the Closing Date, will have access to certain Confidential Information. Buyer agrees, at all times from and prior to the Closing Date, to, and shall cause its Affiliates, officers, directors, employees and agents to: (a) treat and hold as confidential (and not disclose or provide access to any Person to or use) any Confidential Information; and (b) if Buyer or any such Affiliate, officer, director, employee or agent becomes legally compelled to disclose any such Confidential Information, provide Sellers with prompt written notice of such requirement so that Sellers may seek a protective order or other remedy. This Section 13.2, however, shall not apply to any information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement by Buyer or any of its Affiliates, officers, directors, employees or agents. Buyer acknowledges and agrees that Sellers' remedies at Law for any breach or threatened breach of this Section 13.2 are inadequate, and that in addition to such remedies, Sellers shall be entitled to equitable relief, including injunctive relief and specific performance, in the event of any such breach or threatened breach without the need to demonstrate that monetary damages are inadequate.

13.3 Public Announcements. Except to the extent that the parties consent in writing otherwise, (a) the parties shall keep the existence and terms of this Agreement confidential, and

(b) no party shall make, or cause to be made, any press release or public announcement in respect of this Agreement or the Transactions or otherwise communicate with any media. Notwithstanding the preceding sentence, however, Buyer or an Affiliate of Buyer may make such disclosure (on Form 8-K, by press release or otherwise) regarding the terms of this Agreement and the Transactions as it deems necessary to comply with applicable securities laws or the rules and regulations of the New York Stock Exchange, including a press release following the execution of this Agreement.

13.4 Equitable Relief for Violations. Sellers, Owner and Buyer agree that if any of them breaches, or threatens to breach, the covenants set forth in this Article 13, the non-breaching party shall be entitled to an accounting and repayment of all profits, compensation, commissions, remuneration or benefits that the breaching party, directly or indirectly, realized or may realize as the result of, arising out of, or in connection with any such breach or threatened breach. Sellers, Owner and Buyer acknowledge and agree that if any of them breaches any of the covenants set forth in this Article 13, such breach would cause irreparable harm to the non-breaching party and its Affiliates and, in the event of such breach, the non-breaching party and its Affiliates shall be entitled, in addition to monetary damages and to any other remedies available to it under this Agreement and at law, to equitable relief, including injunctive relief, and the payment by the breaching party, jointly and severally, of all costs incurred by the non-breaching party and its Affiliates in enforcing the covenants set forth in this Article 13, including reasonable attorneys' fees.

ARTICLE 14 **DISPUTE RESOLUTION**

14.1 General. Except as provided in Article 13, 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 Wake County, North Carolina. 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 North Carolina, (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 Section 14.1, 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 14.1 with any court as written evidence of the consents, waivers and agreements of the parties set forth in this Section 14.1.

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

14.3 Attorneys' Fees. Should any litigation or proceeding be commenced under this Agreement, the successful party in such litigation or proceeding 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.

ARTICLE 15

GENERAL PROVISIONS

15.1 Assignment. This Agreement may not be assigned (except by operation of Law) or otherwise transferred without the express written consent of Sellers and Buyer (which may be granted or withheld in the sole and absolute discretion of Sellers and Buyer); provided, however, that Buyer may assign this Agreement to an Affiliate of Buyer or any successor of Buyer to the Business without the consent of Sellers or Owner.

15.2 Binding Effect; No Third Party Beneficiaries. This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns. Nothing in this Agreement is intended to or shall confer upon any other Person, including any employee or former employee of Sellers, any legal or equitable right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period.

15.3 Amendment. This Agreement may not be amended except by a written instrument executed by each party to this Agreement.

15.4 Entire Agreement. This Agreement (together with the other agreements contemplated by this Agreement) is the final, complete and exclusive statement of the agreement among the parties with relation to the subject matter of this Agreement. There are no oral representations, understandings or agreements covering the same subject matter as 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 or arrangements of any kind.

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

15.6 Notices. All notices or other communications required or permitted under this Agreement shall be in writing and may be given by depositing the same in the 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, addressed as follows:

If to Sellers or Owner, addressed to:

David W. King, Jr.
3209 Gresham Road, Suite 120
Raleigh, NC 27615

with a copy to:

Ragsdale Liggett PLLC
2840 Plaza Place, Suite 400
Raleigh, NC 27612
Attn: David Liggett

If to Buyer, addressed to it at:

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

with a copy to:

Republic Services, Inc.
18500 North 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 sent by overnight courier, subject to signature verification, and the day of deposit in the U.S. mail of a writing addressed and sent as provided above. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section 15.6.

15.7 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. No waiver of any single breach or default shall be deemed a waiver of any other breach or default occurring before or after that waiver.

15.8 Severability. If 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.

15.9 Construction. The headings in this Agreement are inserted for convenience only, and shall not constitute a part of this Agreement or be used to construe or interpret any of its provisions. The parties have participated jointly in negotiating and drafting this Agreement. If a question of 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 provision of this Agreement. Any reference to any statute shall be deemed to refer to the statute, as amended, and to all rules and regulations promulgated thereunder, as amended, unless the context requires otherwise. The word "include" or "including" means include or including, without limitation. The representations, warranties and covenants in this Agreement shall have independent significance.

15.10 Expenses of Transaction. Whether or not the Transactions are consummated (a) Buyer will pay the fees, expenses and disbursements of Buyer and its representatives incurred in connection with this Agreement, and (b) Sellers will pay the fees, expenses and disbursements of Sellers, Owner and their respective representatives incurred in connection with this Agreement.

15.11 No Brokers. Sellers and Owner represent and warrant to Buyer and Buyer represents and warrants to Sellers and Owner that the warranting party has had no dealings with any broker, agent or other Person so as to entitle such Person to a commission or fee in connection with the Transactions. If for any reason a commission or fee becomes or is claimed to be due with respect to dealings by Buyer, Buyer shall indemnify and hold harmless Sellers and Owner from all Losses relating to such claim. If for any reason a commission or fee becomes or is claimed to be due with respect to dealings by Sellers or Owner, Sellers and Owner, jointly and severally, shall indemnify and hold harmless Buyer from all Losses relating to such claim.

15.12 Time of the Essence. Time is of the essence of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

BUYER:

Republic Services of North Carolina, LLC,
a North Carolina limited liability company

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

SELLERS:

Dynasty Holdings, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

Shotwell Transfer Station, Inc.,
a North Carolina corporation

By: _____
Name: _____
Title: _____

OWNER:

David W. King, Jr.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

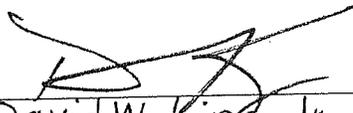
BUYER:

Republic Services of North Carolina, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

SELLERS:

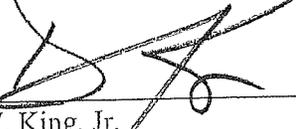
Dynasty Holdings, LLC,
a North Carolina limited liability company

By: 
Name: David W. King, Jr.
Title: Manager

Shotwell Transfer Station, Inc.,
a North Carolina corporation

By: 
Name: David W. King, Jr.
Title: President

OWNER:



David W. King, Jr.

INDEX OF EXHIBITS AND SCHEDULES

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Schedule 2.1.1	Equipment
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Schedule 2.1.3	Contracts
Schedule 2.1.4	Inventory
Schedule 2.1.5	Permits
Schedule 2.2	Excluded Assets
Schedule 3.4	Accounts Receivable
Schedule 3.5	Allocation of Purchase Price
Schedule 6.3(c)	Consents and Defaults
Schedule 6.8	Contracts Not in Full Force or Effect
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Schedule 6.15.1	Employees
Schedule 6.15.2	Labor Matters
Schedule 6.16	Restrictive Agreements
Schedule 6.18	Insurance and Workers' Compensation
Schedule 6.19	Affiliate Relationships

EXHIBIT A

“Accounts Receivable” means all contracts, receivables, notes and other amounts receivable from customers other than Buyer and its Affiliates arising from the operation of the Business before the Closing Date, whether or not in the ordinary course and whether or not billed before the Closing Date, together with any unpaid financing charges accrued thereon.

“Accounts Receivable Payment” has the meaning specified in Section 3.4.

“Action” means any claim, action, suit, formal or informal arbitration or mediation, inquiry, proceeding or investigation by or before any Governmental Authority or private authority.

“Affiliate” means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person.

“Agreement” means this Asset Purchase Agreement among Buyer, Sellers and Owner (including the Exhibits and the Disclosure Schedules), and all amendments to this Agreement made in accordance with Section 15.3.

“Applicable Rate” means an annual rate equal to the prime rate then generally in effect on the date of payment as set forth in The Wall Street Journal.

“Assets” has the meaning specified in Section 2.1.

“Assumed Liabilities” has the meaning specified in Section 2.3.

“Basket” has the meaning specified in Section 11.6.

“Balance Sheet Date” has the meaning specified in Section 6.12.

“Bankruptcy Code” means Title 11 of the United States Code.

“Business” has the meaning specified in Recital A.

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

“Cap” has the meaning specified in Section 11.6.

“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 date of this Agreement and the Closing Date.

“Claim Notice” means a notice of claim for indemnification pursuant to Article 11.

“Closing” has the meaning specified in Section 4.1.

“Closing Date” means the date on which the Closing occurs.

“Closing Date Indebtedness” has the meaning specified in Section 3.3.

“Code” means the Internal Revenue Code of 1986, as amended.

“Confidential Information” means confidential information of Sellers and the Business, including customer and supplier lists, operation policies and methods, pricing and cost policies, marketing plans, and other confidential information.

“Consents” means those authorizations, consents, waivers, orders, approvals and clearances of Governmental Authorities and officials and other Persons which are necessary for the sale and transfer to Buyer of the Assets or the consummation of the Transactions where the approval of any other Person may be required.

“Contracts” has the meaning specified in Section 2.1.3.

“Customer List” has the meaning specified in Section 2.1.2.

“Disclosure Schedules” means the Disclosure Schedules that shall be prepared by Sellers and Owner and delivered to Buyer and attached to the Agreement.

“Disposal Agreement” has the meaning specified in Section 4.2.7.

“Dispute Notice” means a notice disputing the propriety or amount of a Claim Notice.

“Driveway Permit” has the meaning specified in Section 5.5.

“Encumbrance” means any security interest, pledge, mortgage, deed of trust, lien (including Environmental and Tax liens), charge, judgment, encumbrance, adverse claim, claim arising under Section 506(c) of the Bankruptcy Code, preferential arrangement, fraudulent transfer or other avoidance claim or restriction of any kind, including any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership, and any lien, interest, restriction or limitation arising from or relating to personal or other property tax, sales and transaction privilege, claim of successor liability for any alleged unpaid sales or other tax, and any other lien or assessment of any Governmental Authority, whether or not allowable, recorded or contingent.

“Environment” or “Environmental” means matters relating to surface waters, groundwaters (including potable waters, navigable waters and wetlands), soil, subsurface strata, natural resources, ambient air and the work place or as otherwise defined in any Environmental Law.

“Environmental Assessment” has the meaning specified in Section 8.1.

“Environmental Law(s)” means any Law and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the Environment, health, safety or Hazardous Materials, including CERCLA, the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and subsequent Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. 6901 et seq. (collectively RCRA); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. 1801 et seq.; the Clean Water Act, as amended, 33 U.S.C. 1311 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. 2601 et seq.; the Clean Air Act, as amended, 42 U.S.C. 7401 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. 300f et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.; the Atomic Energy Act of 1954, 42 U.S.C. §2011 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, as amended, 7 U.S.C. 136 et seq.; and the Federal Food, Drug and Cosmetic Act of 1938, as amended, 21 U.S.C. 301 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, as amended, 42 U.S.C. 11001 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. 651 et seq. and the state or local equivalents of these laws.

“Environmental Liabilities” means all Liabilities arising pursuant to or under any Environmental Law.

“Excluded Assets” has the meaning specified in Section 2.2.

“Excluded Liabilities” has the meaning specified in Section 2.4.

“Fundamental Representations” has the meaning specified in Section 11.1.

“Governmental Authority” means any United States federal, state or local or any foreign government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“Handled” means owned, leased, had an interest in, collected, generated, transported, stored, handled, recycled, reclaimed, processed, disposed of, or contracted for the disposal of.

“Hazardous Materials” means: (a) 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 (b) any other chemicals, materials or substances 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 Law.

“include” or “including” has the meaning specified in Section 15.9.

“Indemnified Party” means a party seeking indemnification pursuant to Article 11.

“Indemnifying Party” means a party from whom indemnification is sought pursuant to Article 11.

“Inventory” means all inventory of fuel, supplies, parts, accessories and other tangible assets of every kind, nature and description (and interests in any of the foregoing) used, or held for use, principally in connection with the Business.

“IRS” means the Internal Revenue Service of the United States.

“Law” means any federal, state, local or foreign statute, law, ordinance, regulation, rule, code, Governmental Order, requirement or rule of common law, including any Environmental Law.

“Lease” has the meaning specified in Section 2.6.

“Leasehold Title Policy” has the meaning specified in Section 2.6.

“Liabilities” means all debts, liabilities and obligations, whether legal or equitable, accrued or fixed, absolute or contingent, matured or unmatured, determined or determinable, foreseen or unforeseen, ordinary or extraordinary, patent or latent, including those arising under any Law (including any Environmental Law) or Action and those arising under any contract, agreement, arrangement, commitment or undertaking.

“Losses” means Liabilities, claims, damages, Actions, demands, assessments, adjustments, penalties, losses, costs and expenses whatsoever (including court costs, reasonable attorneys’ fees and expenses of investigation), whether equitable or legal, matured or contingent, known or unknown, foreseen or unforeseen, ordinary or extraordinary, patent or latent.

“Material Adverse Effect” means any circumstance, change in, or effect on, the Assets or the Business that, individually or in the aggregate with any other circumstances, changes in, or effects thereon: (a) is or could reasonably be expected to be materially adverse to the Assets or to the business, financial condition, assets or Liabilities (including contingent Liabilities), customer or supplier relationships, prospects, value, results of operations or the condition (financial or otherwise) of the Business, or (b) could reasonably be expected to materially adversely affect the ability of Buyer to use the Assets or operate the Business in the manner in which they are currently used or operated by Sellers.

“NCDOT” has the meaning specified in Section 5.5.

“Noncompetition Agreement” has the meaning specified in Section 4.2.5.

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

“Performance Bond” has the meaning specified in Section 5.5.

“Permits” means all permits, licenses, franchises, consents and approvals of every kind necessary to operate the Business.

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

“Prepayment Amendment” has the meaning specified in Section 4.2.8.

“Purchase Price” has the meaning specified in Section 3.1.

“Related Agreements” mean the Noncompetition Agreement, the Lease, the Transfer Station Disposal Agreement, the Landfill Disposal Agreement and each other document and instrument delivered pursuant to this Agreement.

“Release” means any release, spill, emission, seepage, leaking, pumping, pouring, emptying, escaping, dumping, abandoning, injecting, depositing, discharging, leaching or migrating into the Environment or into or out of the property, including the movement of Hazardous Materials through or in the air, soil, surface water or groundwater of the property or adjoining properties.

“Restrictive Agreements” mean any noncompetition or nonsolicitation agreements related to the Customer List, regardless of whether such agreements restrict or benefit Sellers or the Business.

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

“Seller Debt” means all indebtedness and other Liabilities of Sellers for borrowed money, including the current and long-term portions of bank debt, mortgages, shareholder loans or notes payable, other notes or loans payable, any amounts due to Buyer or its Affiliates, remaining payments on capitalized and non-capitalized leases and any unpaid Taxes of Sellers. “Seller Debt” includes any and all amounts necessary to retire such indebtedness and Liabilities, including principal or scheduled payments, interest or finance charges, and other fees or payments necessary to retire the indebtedness and Liabilities at closing.

“Sellers’ Financial Statements” has the meaning specified in Section 6.12.

“Tax” or “Taxes” means any and all taxes, fees, levies, duties, tariffs, imposts and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any Governmental Authority or taxing authority, including: taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, minimum, alternative minimum, estimated, sales, use, capital stock, payroll, employment, social security, workers’ compensation, unemployment compensation, or net worth; taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value added, or gains taxes; license, registration and documentation fees; and customs duties, tariffs, and similar charges.

“Third Party Claim” means any claim by a third party that may give rise to a claim for indemnification against any Indemnifying Party.

“Title Company” has the meaning specified in Section 2.6.

“to the best of Sellers’ knowledge” has the meaning specified in Article 6.

“Transactions” means the transactions contemplated by this Agreement.

“Wake County Litigation” has the meaning specified in Section 5.7.

EXHIBIT B

GENERAL CONVEYANCE, ASSIGNMENT AND BILL OF SALE

Effective as of June __, 2012, Dynasty Holdings, LLC, a North Carolina limited liability company ("Dynasty"), Shotwell Transfer Station, Inc., a North Carolina corporation ("Shotwell" and, collectively with Dynasty, "Grantors"), for good and valuable consideration and pursuant to that certain Asset Purchase Agreement, dated as of June __, 2012 (the "Purchase Agreement"), among Grantors, David W. King, Jr., the sole owner of Grantors, and Republic Services of North Carolina, LLC, a North Carolina limited liability company ("Grantee"), hereby sell, assign, transfer, convey and deliver to Grantee all of Grantors' right, title and interest in all of the Assets (except for the Excluded Assets).

TO HAVE AND TO HOLD all such Assets unto Grantee and its successors and assigns to and for its or their use forever.

Grantors shall execute and deliver, at the request of Grantee, 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 4.2.1 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.

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

GRANTORS:

Dynasty Holdings, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

Shotwell Transfer Station, Inc.,
a North Carolina corporation

By: _____
Name: _____
Title: _____

EXHIBIT C

NONCOMPETITION AND NONSOLICITATION AGREEMENT

THIS NONCOMPETITION AND NONSOLICITATION AGREEMENT (this "Noncompetition Agreement") is executed and delivered as of June __, 2012, by and among Republic Services of North Carolina, LLC, a North Carolina limited liability company ("Buyer"); Dynasty Holdings, LLC, a North Carolina limited liability company ("Dynasty"), Shotwell Transfer Station, Inc., a North Carolina corporation ("Shotwell", together with Dynasty, "Companies" and each, a "Company"); and David W. King, Jr., the owner of the Companies ("Owner").

RECITALS

A. Buyer, Companies and Owner are parties to that certain Asset Purchase Agreement, dated June __, 2012 (the "Purchase Agreement"), which provides for the sale of certain assets of Companies to Buyer.

B. To induce Buyer to enter into the Purchase Agreement, Companies and Owner (collectively, the "Seller Parties") have agreed to forego certain rights to compete with Buyer and its Affiliates (collectively, the "Buyer Companies"), on the terms and subject to the conditions set forth in this Noncompetition Agreement.

C. As the owner of all of the issued and outstanding equity interests of each Company, Owner directly benefits from the transactions contemplated by the Purchase Agreement.

ACCORDINGLY, in consideration of the amounts paid by Buyer to Company and the benefits flowing to Owner pursuant to the Purchase Agreement, the parties agree as follows:

1. Definitions. For purposes of this Noncompetition Agreement, the terms listed below shall have the following meanings:

(a) "Affiliates" means with respect to any specified entity, any other person or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such specified entity.

(b) "Area" means the area within the counties of Wake, Johnston, Durham, Granville, Franklin, Nash, Harnett and Chatham, North Carolina.

(c) "Business" means any municipal solid waste collection and transportation business, any municipal solid waste transfer station business or any municipal solid waste landfill business.

(d) "Customers" means individuals, partnerships, firms, corporations, limited liability companies, associations, trusts, unincorporated organizations, governmental entities or other entities ("Persons") (i) to which any Seller Party has, directly or indirectly, provided services related to the Business, (ii) that any Seller Party has, directly or indirectly, solicited with

respect to the provision of services related to the Business, or (iii) that any Buyer Company has solicited or provided services related to the Business.

(e) "Time Period" means the period beginning as of the date of this Noncompetition Agreement and ending five years thereafter; provided, however, that if a court of competent jurisdiction determines that such period is unenforceable, Time Period shall mean the period beginning as of the date of this Noncompetition Agreement and ending four years thereafter; provided, however, that if a court of competent jurisdiction determines that such period is unenforceable, Time Period shall mean the period beginning as of the date of this Noncompetition Agreement and ending three years thereafter; provided, however, that if a court of competent jurisdiction determines that such period is unenforceable, Time Period shall mean the period beginning as of the date of this Noncompetition Agreement and ending two years thereafter; provided, however, that if a court of competent jurisdiction determines that such period is unenforceable, Time Period shall mean the period beginning as of the date of this Noncompetition Agreement and ending one year thereafter, or such other period as the court shall determine to be reasonable. The Time Period shall be extended by the number of days in any period in which any Seller Party is deemed to be in default or breach of this Noncompetition Agreement.

2. Payment. As contemplated in the Purchase Agreement, Buyer shall pay to Company the Purchase Price, a portion of which has been allocated as consideration under this Noncompetition Agreement. The Seller Parties shall allocate such sum in a manner such that each receives good and valuable consideration for entering into this Noncompetition Agreement.

3. Covenants. The Seller Parties jointly and severally covenant and agree that, during the Time Period, they shall not, directly or indirectly, individually or as a stockholder, partner, owner, joint venturer, financier, agent, employee, representative, agent, independent contractor or consultant for or otherwise on behalf of or in conjunction with any Person:

(a) Noncompetition. Engage or have any interest, direct or indirect, in, finance or provide assistance (whether financial or otherwise) to any business in competition with the Business (whether or not the Business is subsequently carried on by any Buyer Company or by any successor or subsequent purchaser of the Business) within the Area. Notwithstanding the foregoing, nothing in this Section 3(a) shall preclude any Seller Party from owning less than 1% of the securities of any publicly traded entity;

(b) Nonsolicitation of Customers. Solicit, assist in the solicitation of, canvass, or accept from any Customers in the Area any business of a nature that directly or indirectly competes with the Business or induce or advise any Customer to withdraw, curtail or cancel such Customer's business with any Buyer Company or to patronize a business that competes with the Business; or

(c) Nonsolicitation of Employees. Hire, employ, solicit or otherwise encourage or entice any Buyer Company employee to leave their employment with any Buyer Company.

4. Enforceability. The Seller Parties jointly and severally represent and warrant to and covenant with Buyer as follows:

(a) The covenants in this Noncompetition Agreement are reasonably necessary for the protection of the interests of Buyer and its Affiliates, are reasonable as to duration, scope and territory, and are not unreasonably restrictive of the Seller Parties.

(b) If any Seller Party breaches any covenants set forth in this Noncompetition Agreement, such breach would cause irreparable harm to Buyer and its Affiliates and, in the event of such breach, Buyer and its Affiliates shall be entitled, in addition to monetary damages and to any other remedies available to Buyer and its Affiliates under this Noncompetition Agreement and at law, to equitable relief, including injunctive relief, and the payment by the Seller Parties, jointly and severally, of all costs incurred by Buyer and its Affiliates in enforcing the provisions of this Noncompetition Agreement, including reasonable attorneys' fees.

(c) Notwithstanding subsection (a), should any court of competent jurisdiction determine that any covenants in this Noncompetition Agreement are unreasonable as to duration, scope or territory, the covenants shall be enforceable as provided in this Noncompetition Agreement with respect to the maximum duration, scope and territory as the court determines to be reasonable.

5. Assignment; Binding Effect; Amendment. This Noncompetition Agreement and the rights of the parties under it may not be assigned (except that they may be assigned by Buyer to any of its Affiliates or to any successor of Buyer without the consent of the Seller Parties) and shall be binding upon and shall inure to the benefit of the parties. In addition, this Noncompetition Agreement shall inure to the benefit of Buyer's Affiliates. This Noncompetition Agreement constitutes a valid and binding agreement of the parties enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by each party.

6. Entire Agreement; Conflicts. Except as provided in this Section 6, (a) this Noncompetition Agreement is the final, complete and exclusive statement of the agreement among the parties with relation to the subject matter of this Noncompetition Agreement and there are no oral representations, understandings or agreements covering the same subject matter as this Noncompetition Agreement, and (b) this Noncompetition Agreement supersedes, and cannot be varied, contradicted or supplemented by evidence of, any prior or contemporaneous discussions, correspondence or oral or written agreements or arrangements of any kind.

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

8. Notices. All notices or other communications required or permitted under this Noncompetition Agreement shall be in writing and may be given by depositing the same in the 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, addressed as follows:

If to the Seller Parties, addressed to:

David W. King, Jr.
3209 Gresham Road, Suite 120
Raleigh, NC 27615

with a copy to:

Ragsdale Liggett PLLC
2840 Plaza Place, Suite 400
Raleigh NC 27612
Attn: David Liggett

If to Buyer, addressed to it at:

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

with a copy to:

Republic Services, Inc.
18500 North 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 sent by overnight courier, subject to signature verification, and the day of deposit in the U.S. mail of a writing addressed and sent as provided above. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section 8.

9. Governing Law. This Noncompetition Agreement shall be governed by and construed in accordance with the internal laws of the State of North Carolina, without giving effect to any choice or conflict of law provision or rule (whether of the State of North Carolina or

any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of North Carolina.

10. Jurisdiction; Venue; Forum; Waiver of Jury Trial. Any legal action arising under or in connection with this Noncompetition Agreement or any other instrument, document or agreement executed or delivered in connection with this Noncompetition Agreement, or in any way connected with or related or incidental to the dealings of the parties with respect to this Noncompetition Agreement or such other instrument, document or agreement or the Transactions (“Dispute”) shall be brought exclusively in any state or federal court located in Wake County, North Carolina. By execution and delivery of this Noncompetition Agreement, with respect to Disputes 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 North Carolina, (d) waives any right to trial by jury, (e) agrees that any such Dispute shall be decided by court trial without a jury, and (f) agrees that any party to this Noncompetition Agreement may file an original counterpart or a copy of this Section 10 with any court as written evidence of the consents, waivers and agreements of the parties set forth in this Section 10.

11. 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 Noncompetition 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. No waiver of any single breach or default shall be deemed a waiver of any other breach or default occurring before or after that waiver.

12. Severability. In case any provision of this Noncompetition 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 Noncompetition Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Noncompetition Agreement shall not in any way be affected or impaired thereby.

13. Construction. The headings in this Noncompetition Agreement are inserted for convenience only, and shall not constitute a part of this Noncompetition Agreement or be used to construe or interpret any of its provisions. The parties have participated jointly in the negotiation and drafting of this Noncompetition Agreement. If a question of interpretation arises, this Noncompetition 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 provision of this Noncompetition Agreement. The word “include” or “including” means include or including, without limitation.

14. Attorneys’ Fees. If any legal action or any other proceeding is brought for the enforcement of this Noncompetition Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Noncompetition Agreement, the

prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

15. Review by Counsel. The Seller Parties acknowledge and agree that they have had the opportunity to review this Noncompetition Agreement with legal counsel of their choosing.

[SIGNATURES ON FOLLOWING PAGE]

EXHIBIT D

LEASE

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made this _____ day of June, 2012 (the "Effective Date"), by and between **DYNASTY HOLDINGS, LLC**, a North Carolina limited liability company ("Landlord"), and **REPUBLIC SERVICES OF NORTH CAROLINA, LLC**, a North Carolina limited liability company, and/or its assigns ("Tenant").

WITNESSETH:

Landlord, for and in consideration of the rentals herein promised to be paid by Tenant and the covenants, conditions and agreements herein contained to be kept and performed by Tenant, does hereby let and rent to Tenant, and Tenant does hereby take and lease as Tenant of the Landlord, the premises hereinafter described for the term, at the rental and upon the terms and conditions hereinafter set forth:

SECTION 1 - PARTIES

1.1 Landlord. Landlord warrants that it owns the Premises and has full right and power to execute and deliver this Lease without the consent or agreement of any other person, and that those persons executing this Lease on behalf of Landlord have the right and power to execute and deliver this Lease.

1.2 Tenant. Tenant warrants that Tenant has full right and power to execute and deliver this Lease without the consent or agreement of any other person, and that those persons who have executed and delivered this Lease have the authority and power to execute this Lease on Tenant's behalf and deliver this Lease to Landlord.

SECTION 2 - PREMISES

2.1 Description. The premises herein leased (hereinafter called the "Premises") are legally described in Exhibit "A" attached hereto and made a part hereof. The Premises also include the building(s) and improvements located upon the land area described in Exhibit "A". Landlord also grants Tenant, its customers, guests, invitees, employees, and licensees all easements, rights and privileges appurtenant thereto, including the exclusive right to use the parking areas, driveways, roads, alleys and means of ingress and egress. The Premises are located at 5565 Thornton Road, Raleigh, North Carolina 27616-5727.

2.2 Quiet Enjoyment. Landlord agrees to warrant and defend Tenant in the quiet enjoyment and possession of the Premises during the term of this Lease so long as Tenant complies with the provisions hereof.

SECTION 3 - TERM; OPTION TO EXTEND

3.1 Lease Commencement Date. The term ("Term") of this Lease shall commence as of the Effective Date and shall terminate on the date (the "Lease Termination Date") which is the last day of the month preceding the twentieth (20th) anniversary date of the Effective Date unless extended by Tenant in accordance with any extension option contained in this Lease or any rider thereto or unless terminated at an earlier date by Tenant pursuant to Section 3.2 hereof. Landlord shall give Tenant exclusive possession of the Premises on the Lease Commencement Date.

3.2 Extension Terms. Tenant shall have the right to extend the Term for four (4) additional terms of five (5) years each (the "Extension Terms") in its sole discretion upon delivering written notice to the Landlord of its intent to exercise this option to extend not less than sixty (60) days before the expiration date of the initial term or of any previously exercised Extension Term of this Lease. If Tenant exercises any of the Extension Terms in the manner provided for in this paragraph then the Lease shall terminate five (5) years after the initial expiration period or the end of the previously exercised Extension Term unless a subsequent Extension Term is exercised, and all provisions of this Lease shall be applicable to the Extension Terms.

3.3 Prorations. If any payments, rights or obligations hereunder (whether relating to payment of rent, taxes, insurance, other impositions, or to any other provision of this Lease) relate to a period in part before the Lease Commencement Date or in part after the date of expiration or termination of the term, appropriate adjustments and prorations shall be made.

3.4 Surrender at End of Term. Upon the last day of the Term or upon the earlier termination of this Lease pursuant to the provisions hereof, Tenant shall surrender and deliver to Landlord the Premises, all buildings and improvements thereon other than Tenant's Property, without delay, broom clean and in good order, condition and repair, reasonable wear and tear and damage due to casualty excepted. Any trade fixtures, business equipment, inventory, trademarked items, signs and other removable personal property located or installed in or on the Premises ("Tenant's Property") shall be removed by Tenant on or before the last day of the Term or upon the earlier termination of this Lease, and Tenant shall repair any damage occasioned by the removal of Tenant's Property.

SECTION 4 - RENT

4.1 Rent. Landlord acknowledges receipt from Tenant as of the Effective Date of all rent for the Term and any Extension Terms. Landlord acknowledges that Tenant shall have no obligation to pay Landlord any further rent, additional rent or other amounts for the lease of the Premises.

4.2 Taxes.

(a) Tenant shall be responsible for the payment of all real property taxes and assessments ("Real Estate Taxes") levied against the Premises by any governmental or quasi-governmental authority, which are due and payable during the Term hereof, except as set forth herein. Real Estate Taxes shall include any taxes, assessments, surcharges, or service or other fees of a nature not presently in effect which shall hereinafter be levied on the Premises as a result of the use, ownership or operation of the Premises or for any other reason, whether in lieu of or in addition to any current real estate taxes and assessments. Any special assessments will be amortized over the maximum period allowed by law or applicable tax rules, whichever is longer, and Real Estate Taxes will include only the pro rated and amortized amount, which becomes due during the Term hereof. Real Estate Taxes shall exclude any income, excess profits, single business, inheritance, succession, transfer, franchise, capital or other tax assessments upon Landlord or Landlord's interest in the Premises. If any special assessment for a public improvement is assessed against the Premises, Tenant shall be responsible for only that portion of the assessment allocable to the Tenant based on the length of time that a benefit is derived by the Tenant during the Term of the Lease calculated against the useful life of the improvement.

(b) Tenant shall remit all payments for Real Estate Taxes directly to the taxing or assessing authority. Upon receipt of all tax bills and assessment bills attributed to any calendar year during the Term hereof, Landlord shall furnish Tenant with a copy of the tax bill or assessment bill, so as to allow Tenant to take advantage of the maximum payment discount available, if Tenant so desires.

(c) Tenant will have the right to contest the amount or validity, in whole or in part, of any tax that Tenant is required to pay, in whole or in part, by appropriate proceedings diligently conducted in good faith, only after paying such tax or posting such security that Landlord reasonably requires in order to protect the Premises against loss or forfeiture. Upon the conclusion of any such protest proceedings, Tenant will pay its share of the tax, as finally determined, in accordance with this Lease the payment of which tax may have been deferred during the prosecution of the proceedings, together with any costs, fees, interest, penalties, or other related liabilities. Landlord will not be required to join in any contest or proceedings unless the provisions of any law or regulations then in effect require that the proceedings be brought by or in the name of Landlord. In that event, Landlord will join in the proceedings or permit them to be brought in its name; however, Landlord will not be subjected to any liability for the payment of any costs or expenses in connection with any contest or proceedings, and Tenant will indemnify Landlord against and save Landlord harmless from any costs and expenses in this regard.

4.3 Services and Utilities.

(a) Tenant shall pay all charges for the use and consumption of water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises.

(b) Landlord shall not be liable to Tenant in damages or otherwise if the said utilities or services are interrupted or terminated because of necessary repairs, installations or improvements, or any cause beyond Landlord's reasonable control, nor shall any such interruption or termination relieve Tenant of the performance of any of its obligations hereunder, unless Tenant is unable to operate its business, in which event there shall be an equitable abatement of Rent while Tenant is unable to operate.

SECTION 5 - USE; COMPLIANCE WITH LAWS

5.1 Use of Premises. Tenant shall have the right to use the Premises for any lawful purpose.

5.2 Compliance with Laws. Tenant shall comply with all applicable and lawful statutes, regulations, rules, ordinances, orders and requirements pertaining to Tenant's specific use of the Premises. Landlord shall promptly give notice to Tenant of any written notice in respect of the Premises from governmental authorities. Tenant may, in good faith, dispute the validity of any complaint or action taken pursuant to or under color of any of the foregoing as they relate to the operation of the business and occupancy of the Premises, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. Tenant agrees that any such contest shall be prosecuted to a final conclusion as speedily as possible, and Tenant will save Landlord completely harmless with respect to any actions taken by any governmental authorities with respect thereto as they relate to the operation of the business and occupancy of the Premises.

SECTION 6 - MAINTENANCE AND REPAIRS

6.1 Maintenance and Repairs by Tenant. Tenant shall, at Tenant's sole cost and expense, keep the Premises and all improvements in good order, condition and repair and shall make or cause to be made all repairs to correct any damage thereto, caused by its use and occupancy of the Premises. Notwithstanding anything to the contrary set forth herein, in no event shall Tenant be responsible in any way for any of the following:

(a) Costs of repairs or other work occasioned by fire, windstorm or other insured casualty.

(b) Costs of repairs or rebuilding necessitated by condemnation.

(c) Any costs, fines or penalties relating to environmental investigation or remediation on, in or under the Premises not resulting from the acts or omissions of Tenant, its agents and contractors.

(d) Cost of repairs or rebuilding necessitated by any subsidence of the ground under the buildings or improvements.

SECTION 7 - ALTERATIONS; LIENS; SIGNAGE

7.1 Alterations. Tenant shall have the right to make any modifications, changes or alterations to the Premises and any improvements located thereon in its sole discretion and at its sole cost and expense, without Landlord's consent, written or otherwise.

7.2 Liens. Tenant covenants and agrees with Landlord that Tenant will not knowingly permit to be filed against the interest of the Landlord in the Premises during the continuance of this Lease any lien or liens of any kind by any person claiming under, by, through or against the Tenant; and if any such lien is filed, it shall be the duty of the Tenant, within sixty (60) days after the claim of lien or suit claiming a lien has been filed, to cause the Premises to be released from such claim, either through payment or through bonding with corporate surety or through the deposit into court, pursuant to statute, of the necessary sums of money, or in any other way that will effect the release of the Landlord's interest in the Premises from such claim.

7.3 Signage. Notwithstanding anything to the contrary set forth in this Lease, Tenant shall have the absolute right to install such signage on the Premises as Tenant may deem necessary or appropriate, subject to appropriate governmental approvals. Landlord agrees to fully cooperate with Tenant in filing any required signage application, permit and/or variance for said signage or with respect to the Premises generally.

SECTION 8 - INSURANCE

8.1 Types of Insurance. Tenant shall, at its own cost and expense, carry the following insurance in respect of the Premises and improvements:

(a) Commercial general liability insurance with a minimum limit of \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate for personal or bodily injury or death and property damage liability.

(b) Pollution legal liability insurance with a minimum limit of \$1,000,000.00.

(c) Property insurance against loss or damage by fire and other risks covered by fire insurance with extended coverage endorsements in an amount of the full insurable replacement value of such improvements (exclusive of cost of excavation, foundation, and footings below the ground floor and without deduction for depreciation) and in amounts

sufficient to prevent Landlord or Tenant from becoming a co-insurer under such policies of insurance.

8.2 Provisions Applicable to All Insurance. With respect to all insurance required to be maintained hereunder by Tenant:

(a) Each such policy shall show Landlord as an additional insured.

(b) Tenant shall, at Tenant's sole cost and expense, observe and comply with all policies of insurance in force with respect to the Premises and improvements.

(c) Upon Landlord's request, Tenant shall send to Landlord certificates of insurance or receipts or other evidence satisfactory to Landlord showing the above coverages are in force.

8.3 Use of Insurance Proceeds. Any insurance proceeds recovered by reason of damage to or destruction of improvements on the Premises shall be made available to Tenant and must be used to repair, restore or replace the improvements so damaged or destroyed with any excess proceeds made available to Tenant. Tenant shall not be responsible to expend any money for the repair, restoration or replacement of damaged improvements other than the insurance proceeds.

8.4 Damage or Destruction. If the improvements on the Premises are damaged Tenant may, in its sole discretion, elect (a) to repair or restore the improvements, (b) to construct new improvements or (c) to terminate this Lease without liability to either party. If Tenant elects to repair or restore the improvements or construct new improvements, it shall do so promptly. If Tenant elects to terminate this Lease, Tenant shall so notify Landlord within ninety (90) days after the damage occurs, whereupon Landlord shall be entitled to all proceeds of insurance and right of recovery against insurers covering such damage.

8.5 Subrogation: Landlord and Tenant shall each obtain from their respective insurers under all policies of fire, theft, public liability, workers' compensation and other insurance maintained by either of them at any time during the term hereof insuring or covering the Premises, a waiver of all rights of subrogation which the insurer of the party might otherwise have, if at all, against the other party.

SECTION 9 - EMINENT DOMAIN

If any portion of the Premises which materially affects Tenant's ability to continue to use the remainder thereof for the purposes set forth herein, or which renders the Premises untenable, is taken by right of eminent domain or by condemnation, or is conveyed in lieu of any such taking, then this Lease may be terminated at the option of Tenant. Such option shall be exercised by Tenant giving notice to Landlord of such termination within thirty (30) days after such taking or conveyance; whereupon this Lease shall forthwith

terminate and the Rent shall be duly apportioned as of the date of such taking or conveyance. Upon such termination, Tenant shall surrender to Landlord the Premises and all of Tenant's interest therein under this Lease, and Landlord may re-enter and take possession of the Premises or remove Tenant therefrom. If any portion of the Premises is taken which does not materially affect Tenant's right to use the remainder of the Premises for the purposes set forth herein, this Lease shall continue in full force and effect, and Landlord shall promptly perform any repair or restoration work required to restore the Premises, insofar as possible, to former condition, and the rental owing hereunder shall be adjusted, if necessary, in such just manner and proportion as the part so taken (and its effect on Tenant's ability to use the remainder of the Premises) bears to the whole. In the event of taking or conveyance as described herein, Landlord shall receive the award or consideration for the lands and improvements so taken; provided, however, that Landlord shall have no interest in any award made for Tenant's loss of business or value of its leasehold interest or for the taking of Tenant's fixtures or property, or for Tenant's relocation expenses. Landlord and Tenant shall cooperate with one another in making claims for condemnation awards.

SECTION 10 - ASSIGNMENT AND SUBLETTING; ATTORNMENT; TENANT FINANCING

10.1 Assignment by Landlord. At any time, Landlord may sell its interest in the Premises or assign this Lease or Landlord's reversion hereunder, either absolutely or as security for a loan, without the necessity of obtaining Tenant's consent or permission, but any such sale or assignment shall be at all times subject to this Lease and the rights of Tenant hereunder.

10.2 Assignment and Subletting by Tenant. Tenant shall have the right to assign, sublet or otherwise transfer its interest in this Lease and its rights hereunder to any entity or person with Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant may assign, sublet or otherwise transfer its interest in this Lease, without Landlord's consent, written or otherwise, to any (a) parent, subsidiary or affiliate of Tenant, or to a corporation or other business entity with which Tenant may merge, amalgamate or consolidate, or (b) entity in which the Premises is intended to be leased back by such entity to Tenant, or any parent, subsidiary or affiliate of Tenant, or to a corporation or other business entity with which Tenant may merge, amalgamate or consolidate. This Lease contains no provision restricting, purporting to restrict or referring in any manner to a change in control or change in shareholders, directors, management or organization of Tenant, or any subsidiary, affiliate or parent of Tenant or, or to the issuance, sale, purchase, public offering, disposition or recapitalization of the capital stock of Tenant, or any subsidiary, affiliate or parent of Tenant.

10.3 Attornment. Any assignee of Landlord or Tenant hereby agrees to attorn to the Tenant or Landlord, respectively, as the case may be.

10.4 Tenant Financing. Tenant shall have the absolute right from time to time during the Term hereof and without Landlord's further approval, written or otherwise, to grant and assign a mortgage or other security interest in Tenant's interest in this Lease and all of Tenant's property located on or used in connection with the Premises to Tenant's lenders in connection with Tenant's financing arrangements. Landlord agrees to execute such confirmation certificates and other documents (except amendments to this Lease unless Landlord hereafter consents) as Tenant's lenders may reasonably request in connection with any such financing.

SECTION 11 - DEFAULT AND REMEDIES

11.1 Events of Default. If:

(a) Tenant shall default in the due and punctual payment of any amounts due under this Lease or any part thereof, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant; or

(b) Tenant shall default in the performance or in compliance with any of the other covenants, agreements or conditions contained in this Lease and such default shall not be cured within thirty (30) days after notice thereof in writing from Landlord to Tenant.

then and in any such event referred to in clauses (a) or (b) above Landlord shall have the remedies with respect to the Premises as set forth below.

11.2 Landlord's Remedies Upon Default. Upon the occurrence of an Event of Default by Tenant, then Landlord shall be entitled to the following remedies:

(a) terminate this Lease by giving written notice of termination to Tenant, in which event Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to so surrender the Premises, then Landlord may, without prejudice to any other remedy it has for possession of the Premises or arrearages in rent or other damages, re-enter and take possession of the Premises and expel or remove Tenant and any other person occupying the Premises or any part thereof, in accordance with applicable law; or

(b) Landlord may re-enter and take possession of the Premises without terminating the Lease in accordance with applicable law, and relet the Premises and apply the Rent received to the account of Tenant. In the event Landlord so re-enters and takes possession of the Premises as set forth above, Landlord agrees to use reasonable efforts to relet the Premises for a commercially reasonable rate at the time of such reletting. No reletting by Landlord is considered to be for Landlord's own account unless Landlord has notified Tenant in writing that this Lease has been terminated. In addition, no such reletting is to be considered an acceptance of Tenant's surrender of the Premises unless Landlord so notifies Tenant in writing.

Notwithstanding anything to the contrary set forth herein, in no event shall Landlord have the right to sue Tenant for any consequential, punitive or incidental damages (including, without limitation, any claims for lost profits and/or lost business opportunity.

11.3 Mitigation of Damages. In the event that a right of action by Landlord against Tenant arises under this Lease, Landlord shall attempt to mitigate damages by using its best efforts to seek to relet the Premises.

11.4 Landlord's Default. The failure of Landlord to perform any obligation or the breach by Landlord of any representation or warranty contained herein within thirty (30) days after receipt by Landlord of written notice of such failure, shall constitute an "Event of Default" hereunder. Upon the occurrence and continuance of an Event of Default, Tenant may, at its option and without any obligation to do so, other than those obligations created in this document, elect any one or more of the following remedies:

- (a) Terminate and cancel this Lease; or
- (b) Withhold payment or performance under the Lease until such time as such Event of Default is cured; or
- (c) Cure such Event of Default and recover the costs thereof by an action at law or by set off against the Rent due hereunder; or
- (d) Pursue any other remedy now or hereafter available at law or in equity in the state in which the Premises are situated.

SECTION 12 - OTHER PROVISIONS

12.1 Remedies to Be Cumulative. No remedy conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at common law or by statute. Every power and remedy given Landlord or Tenant may be exercised from time to time and as often as occasion may arise or may be deemed expedient.

12.2 Notices. All notices, requests, demands or other communications which may be or are required or permitted to be served or given hereunder (in this Article collectively called "Notices") shall be in writing and shall be sent by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight delivery service to Tenant or to Landlord at the address set forth below. Either party may, by Notice given as aforesaid, change its address for all subsequent Notices. Notices shall be deemed given when received in accordance herewith.

If to Landlord: Dynasty Holdings, LLC
3209 Gresham Road, Suite 120
Raleigh, NC 27615
Attn: David W. King, Jr.

with a copy to: Ragsdale Liggett PLLC
2840 Plaza Place, Suite 400
Raleigh, NC 27612
Attn: David Liggett

If to Tenant: Republic Services of North Carolina, LLC
c/o Republic Services, Inc.
5860 Trinity Parkway, Suite 120
Centreville, VA 20120
Attn: SVPO - East Region

with a copy to: Spotts Fain PC
411 East Franklin Street, Suite 600
Richmond, VA 23219
Attn: David A. Reed

12.3 No Broker. Landlord and Tenant each warrant to the other that no broker or agent has been employed with respect to this Lease and each agrees to indemnify and hold the other harmless from any claims by any broker or agent claiming compensation in respect of this Lease alleging an agreement by Landlord or Tenant, as the case may be.

12.4 Waiver of Jury Trial. Landlord and Tenant waive trial by jury in any action or proceeding brought by either of the parties hereto against the other or on any counterclaim in respect thereof on any matters whatsoever arising out of or in any way connected with the Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises and/or any claim of injury or damage under this Lease.

12.5 No Partnership. Landlord shall not be construed or held to be a partner or associate of Tenant in the conduct of Tenant's business, it being expressly understood and agreed that the relationship between the parties hereto is and shall at all times remain, during the lease term, that of Landlord and Tenant.

12.6 Non-Waiver. No failure by Landlord or Tenant to insist upon the performance of any covenant, agreement, provision or condition of this Lease or to exercise any right or remedy, consequent upon a default hereunder, and no acceptance of full or partial rent during the continuance of any such default, shall constitute a waiver of any such default or of such covenant, agreement, provision, or condition. No waiver of any default shall affect or alter this Lease, but each and every covenant, agreement, provision and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent default hereunder.

12.7 Gender and Number. Words of any gender used in this Lease shall be held to include another gender and words in the singular number shall be held to include the plural and words in the plural shall be held to include the singular, when the sense requires.

12.8 Captions. The captions, titles and article, section or paragraph headings are inserted only for convenience and they are in no way to be construed as a part of this Lease or as a limitation on the scope of the particular provisions to which they refer.

12.9 Governing Law. This Lease is made pursuant to, and shall be governed by, and construed in accordance with, the laws of the State in which the Premises are located.

12.10 Successors and Assigns. The covenants, conditions and agreements in this Lease shall bind and inure to the benefit of Landlord and Tenant and, except as otherwise provided in this Lease, their respective heirs, devisees, executors, administrators, legal representatives, distributees, successors and assigns.

12.11 Amendment. Any agreement hereafter made shall be ineffective to change, modify or discharge this Lease in whole or in part unless such agreement is in writing and signed by the party against whom enforcement of the change, modification or discharge is sought.

12.12 Short Form Lease. The parties agree to execute a short form Memorandum of Lease in the form of Exhibit "B" attached hereto for recording containing the names of the parties, a description of the Premises, the term of the Lease and such other provisions as the parties may deem appropriate.

12.13 Lien. Landlord hereby waives any statutory or common law rights it may have granting Landlord a lien or the right to foreclose on any property of Tenant, including without limitation, any of Tenant's personal property and/or the tenant improvements installed in the Premises by Tenant.

12.14 Representations and Warranties. Notwithstanding anything in this Lease to the contrary, Landlord represents and warrants to Tenant that (a) no mortgages, deeds of trusts or liens or encumbrances of any nature presently encumber Landlord's title to the Premises; (b) no encumbrances prohibit or impede the use of the Premises as a municipal solid waste and construction and demolition transfer station or create any financial obligation on the part of Tenant except as expressly set forth herein; (c) Landlord has the full right, power and authority to enter into this Lease and make the agreements contained herein on its part to be performed; (d) the execution, delivery and performance of this Lease has been duly authorized by Landlord; (e) this Lease constitutes the valid and binding obligation of Landlord, enforceable in accordance with its terms; (f) the making of this Lease and the performance thereof will not violate any present zoning laws, ordinances or conditional use permits or the terms or provisions of any mortgage, lease or other agreement to which Landlord is a party or under which Landlord is otherwise bound, or

which restricts Landlord in any way with respect to the use or disposition of the Premises; (g) Landlord has no knowledge of any pending zoning changes affecting the Premises; (h) the Premises are presently in compliance with any and all applicable laws, including without limitation any laws pertaining to Hazardous Materials (defined below) and Environmental Laws (defined below) and the Americans With Disabilities Act of 1990; (i) the Premises are presently zoned so as to permit the operation of the Premises as a municipal solid waste and demolition and construction transfer station and uses incidental thereto; (j) the Premises have been maintained in accordance with normal industry practice and are in good operating condition and repair and are suitable for the purposes for which they are presently used; and (k) the Premises presently include full legal access to one or more dedicated public rights-of-way.

12.15 Subordination and Attornment. Tenant shall only subordinate its leasehold interest to any mortgage, deed of trust, or ground lease if the holder of such mortgage or deed of trust or the Landlord under such ground lease delivers to Tenant a subordination, non-disturbance and attornment agreement in a form reasonably acceptable to Tenant.

12.16 Hazardous Materials. Tenant shall not do anything throughout the term of this Lease and any extension thereof that will violate any Environmental Laws (defined below). Tenant shall indemnify, defend and hold harmless Landlord, its directors, officers, employees, and agents and assignees or successors to Landlord's interest in the Premises, their directors, officers, employees, and agents from and against any and all losses, claims, suits, damages, judgments, penalties and liability including, without limitation, (a) all out-of-pocket litigation costs and reasonable attorneys' fees that arise directly or indirectly from Tenant's use and occupancy of the Premises, (b) all damages (including consequential damages), directly or indirectly arising out of the use, generation, storage, release or threatened release or disposal of Hazardous Materials by Tenant, its agents, contractors, invitees or assigns and (c) the cost of and the obligation to perform any required or necessary repair, clean-up, investigation, removal, remediation or abatement, and the preparation of any closure or other required plans, to the full extent that such action is attributable, directly or indirectly, to the use, generation, storage, release or threatened release or disposal of Hazardous Materials by Tenant, its agents, contractors, invitees or assigns. This indemnification obligation of Tenant does not extend to any repair, clean-up, investigation, removal, remediation, monitoring or abatement of Hazardous Materials (x) which were present on, under or in the Premises before or on the Lease Commencement Date or (y) for which Landlord is otherwise obligated to indemnify Tenant pursuant to this Section 12.16.

Landlord shall indemnify, defend and hold harmless Tenant, its directors, officers, employees, and agents, and any assignees, subtenants or successors to Tenant's interest in the Premises, their directors, officers, employees, and agents, from and against any and all losses, claims, suits, damages, judgments, penalties, and liability including, without limitation, (i) all out-of-pocket litigation costs and reasonable attorneys' fees, (ii) all damages (including consequential damages), directly or indirectly arising out of the

presence, use, generation, storage, release, threatened release or disposal of Hazardous Materials on, under or in the Premises before or after the Lease Commencement Date by or due to the actions or omissions of Landlord, its agents, contractors, invitees or assigns or due to any prior use of the Premises for the management or disposal of construction or demolition debris, land-clearing debris or waste, inert debris or municipal solid waste or the storage, scrapping or maintenance of vehicles, and (iii) the cost of and the obligation to perform any required or necessary repair, clean-up, investigation, removal, remediation, monitoring or abatement and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following the commencement of the initial lease term, to the full extent that such action is attributable, directly or indirectly, to the presence, use, generation, storage, release, threatened release, or disposal of Hazardous Materials on, under or in the Premises due to the actions or omissions of Landlord, its agents, contractors, invitees or assigns or due to any prior use of the Premises for the management or disposal of construction or demolition debris, land-clearing debris or waste, inert debris or municipal solid waste or the storage, scrapping or maintenance of vehicles.

For the purpose of this Section 12.16, Hazardous Materials shall include but not be limited to substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; the common law; and any and all state, local or federal laws, rules, regulations and orders pertaining to environmental, public health or welfare matters, as the same may be amended or supplemented from time to time (collectively, the "Environmental Laws"), including but not limited to petroleum and petroleum related products. Any terms mentioned in this Lease which are defined in any applicable Environmental Laws shall have the meanings ascribed to such terms in such laws, provided, however, that if any such laws are amended so as to broaden any term defined therein, such broader meaning shall apply subsequent to the effective date of such amendment.

In the event any clean-up, investigation, removal, remediation, monitoring, abatement, or other similar action on, in or under the Premises is required by any governmental or quasi-governmental agency as a result of the actions or omissions of any party other than Tenant or its agents, contractors, invitees or assigns before or after the Lease Commencement Date and such action requires that Tenant be closed for business for greater than a 24-hour period, or if access to or use of the Premises as a result of such action is materially adversely affected for a period in excess of 24 hours, then Tenant's rental and other payment obligations under this Lease shall be abated entirely during the period beyond the 24 hours that Tenant is required to be closed for business or abated in proportion to the amount of lost business suffered by Tenant if access to the Premises is impaired.

The provisions of this Section 12.16 shall survive the expiration or sooner termination of this Lease.

12.17 Permitted Operations. If at any time following the Effective Date Tenant is unable to use the Premises for the operation of a municipal solid waste and construction and demolition transfer station, Tenant shall have the right, but not the obligation, to terminate this Lease upon thirty (30) days written notice to Landlord.

12.18 Attorney's Fees. In the event that at any time during the Term either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this Lease, or any default hereunder, the unsuccessful party in such action or proceeding agrees to reimburse the successful party for the reasonable expenses of attorney's fees and paralegal fees and disbursements incurred therein by the successful party. Such reimbursement shall include all legal expenses incurred prior to trial, at trial and at all levels of appeal and post judgment proceedings.

12.19 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. A telecopy signature of any party shall be considered to have the same binding legal effect as an original signature.

12.20 Trademarks. Landlord acknowledges that any plans or specifications of Tenant's trademarks and service marks are the sole property of Tenant, as the case may be, and Landlord shall not have any rights to same.

12.21 Time of the Essence. Time is of the essence in each and every instance hereunder with respect to the covenants, undertakings and conditions to be performed under this Lease.

12.22 Tenant's Conduct of Business. Nothing contained herein shall be construed as an obligation for Tenant to operate its business in the Premises. Tenant shall have the right to remove its personal property and cease operations in the Premises at any time and at Tenant's sole discretion. However, the right to cease to operate its business shall not affect Tenant's obligation to pay all amounts due hereunder and to perform all covenants and obligations hereunder.

12.23 Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance required hereunder by reason of strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God, or other reason of like nature not the fault of the party delayed in performing work or doing act (hereinafter, "Permitted Delay") such party shall be excused for the period of time equivalent to the delay caused by such Permitted Delay.

SECTION 13 - TENANTS' OPTION TO PURCHASE

Tenant shall have the right to purchase the Premises at anytime during the Term of this Lease upon giving notice in writing to Landlord (the "Purchase Notice"). If Tenant

exercises this Option to Purchase, then Tenant shall purchase and Landlord shall sell the Premises upon the terms and conditions set forth on the Terms for Sale and Purchase attached hereto as Exhibit "C" (the "Purchase Terms"). Landlord and Tenant shall continue to be bound by the Provisions of this Lease prior to Tenant's purchase of the Premises. Upon the closing of title pursuant to the above-mentioned Purchase Terms, this Lease shall terminate and end.

SECTION 14 - INDEMNIFICATION

14.1 By Tenant. Tenant hereby indemnifies and holds Landlord harmless from and against any and all claims, demands, liabilities and expenses, including attorneys' fees, arising from the negligence of Tenant or its agents, employees, or contractors on the Premises, except to the extent caused by Landlord's negligence or willful misconduct. In the event any action or proceeding shall be brought against Landlord by reason of any such claim, Tenant shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord.

14.2 By Landlord. Landlord hereby indemnifies and holds Tenant harmless from and against any and all claims, demands, liabilities and expenses, including attorneys' fees, arising from the negligence of Landlord or its agents, employees, or contractors occurring on the Property, except to the extent caused by Tenant's negligence or willful misconduct. In the event any action or proceeding shall be brought against Tenant by reason of any such claim, Landlord shall defend the same at Landlord's expense by counsel reasonably satisfactory to Tenant.

[Signature Page Follows]

EXHIBIT "A"
DESCRIPTION OF PREMISES

All of New Lot 3, containing approximately 9.849 acres, as shown on that recombination plat recorded in Book of Maps 2007, Page 2838, Wake County Registry, North Carolina.

EXHIBIT "B"

FOLLOWING RECORDATION RETURN TO:

DAVID A. REED, ESQ.
Spotts Fain PC
411 East Franklin Street, Suite 600
Richmond, VA 23219

SPACE ABOVE THIS LINE FOR
RECORDER'S USE

MEMORANDUM OF LEASE

This is a Memorandum of Lease by and between **DYNASTY HOLDINGS, LLC**, a North Carolina limited liability company, hereinafter called Landlord, and **REPUBLIC SERVICES OF NORTH CAROLINA, LLC**, a North Carolina limited liability company, hereinafter called Tenant. Landlord has granted Tenant a lease which includes, among others, the following provisions:

1. Date of Lease: June __, 2012.
2. Description of leased Premises: All of New Lot 3, containing approximately 9.849 acres, as shown on that recombination plat recorded in Book of Maps 2007, Page 2838, Wake County Registry, North Carolina.
3. Lease Commencement Date: June __, 2012.
4. Term: Twenty (20) years.
5. Renewal Option(s): Four (4) options to extend for Five (5) years each.
6. The Lease contains an option to purchase in favor of the Tenant

The purpose of this Memorandum of Lease is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Memorandum of Lease as of the dates set forth in their respective acknowledgments.

Witnesses:

Print Name: _____

Print Name: _____

Witnesses:

Print Name: _____

Print Name: _____

LANDLORD:

DYNASTY HOLDINGS, LLC

By: _____
Name: _____
Title: _____

TENANT:

REPUBLIC SERVICES OF NORTH CAROLINA, LLC

By: _____
Name: _____
Title: _____

STATE OF _____)
)ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by _____ as _____ of Dynasty Holdings, LLC, a North Carolina limited liability company, on behalf of the company. He/she is personally known to me or has produced a driver's license as identification.

My Commission Expires:

NOTARY PUBLIC

Print Name _____
Commission No.: _____

[NOTARIAL SEAL]

STATE OF _____)
)ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by _____ as _____ of Republic Services of North Carolina, LLC, a North Carolina limited liability company, on behalf of the company. He/she is personally known to me or has produced a driver's license as identification.

My Commission Expires:

NOTARY PUBLIC

Print Name _____

Commission No.: _____

[NOTARIAL SEAL]

EXHIBIT "C"
TERMS FOR PURCHASE AND SALE

If Tenant exercises the option to purchase contained in Section 13 of the Lease, the closing of the transfer of the Premises shall be controlled by the following provisions. Capitalized terms not defined herein shall have the meaning given them in the Lease to which this Exhibit is attached.

1. **PROPERTY DESCRIPTION:**

- (a) Premises: the property described on Exhibit "A" to the Lease.
- (b) Personal Property: Any and all personal property located in or on the Premises.

2. **PURCHASE PRICE:** \$100.00

3. **EFFECTIVE DATE:** The date of Contract ("Effective Date") will be the date when the Tenant has delivered a Purchase Notice to the Landlord.

4. **PAYMENT OF PURCHASE PRICE:** The Purchase Price, subject to applicable adjustments and prorations, shall be paid to Landlord on the Closing Date by certified or cashier's check or by wire transfer.

5. **CLOSING DATE:** This transaction shall be closed and the deed and other closing papers delivered on the sixtieth (60th) day after the Effective Date unless modified by other provisions of these Terms for Purchase and Sale (these "Purchase Terms")

6. **RESTRICTIONS; EASEMENTS; LIMITATIONS:** Tenant shall take title subject to: comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; and public utility easements of record servicing the Premises.

7. **LIENS:** Landlord shall furnish to Tenant at time of closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statement, claims of lien or potential lienors arising as the result of any action or inaction of Landlord and further attesting that there have been no improvements or repairs to the Premises by Landlord for ninety (90) days immediately preceding date of closing. If the Premises has been improved or repaired by Landlord within that time, Landlord shall deliver releases or waivers of construction liens executed by all general contractors, subcontractors, suppliers and materialmen in addition to Landlord's lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers and materialmen, further affirming that all charges for improvements or

repairs incurred by Landlord which could serve as a basis for a construction lien or a claim for damages have been paid or will be paid at closing of these Purchase Terms.

8. **PLACE OF CLOSING:** Closing shall be held via overnight courier and wire transfer or such location as is mutually agreeable to Landlord and Tenant.
9. **TIME:** In computing time periods of less than six (6) days, Saturdays, Sundays and state or national legal holidays shall be excluded. Any time periods provided herein which shall end on a Saturday, Sunday or a legal holiday shall extend to 5:00 p.m. on the next business day. **Time is of the essence in these Purchase Terms.**
10. **DOCUMENTS FOR CLOSING:** Landlord shall furnish the deed, bill of sale, construction lien affidavit, owner's possession affidavit, FIRPTA affidavit, assignments of leases, tenant and mortgagee estoppel letters and corrective instruments. Tenant shall furnish a closing statement.
11. **EXPENSES:** Transfer taxes, fees, documentary stamps and surtax on the deed and recording of corrective instruments shall be paid by Landlord. Recording of deed shall be paid by Tenant. Unless otherwise provided by law or rider to these Purchase Terms, charges for the following related title services, namely title or abstract charge, title examination, and settlement and closing fee, shall be paid by the party responsible for furnishing the title evidence in accordance with Section 7 of these Purchase Terms.
12. **PRORATIONS; CREDITS:** Taxes, assessments, rent, interest, insurance and other expenses of the Premises shall be prorated through the day before closing unless they are the responsibility of Tenant under the Lease, in which case they shall not be prorated. Tenant shall have the option of taking over existing policies of insurance, if assumable, in which event premiums shall be prorated. Cash at closing shall be increased or decreased as may be required by prorations to be made through the day prior to closing. Advance rent and security deposits will be credited to Tenant. Escrow deposits held by any mortgagee will be credited to Tenant if Tenant has provided the funds for the escrow, otherwise they will be paid to Landlord.
13. **SPECIAL ASSESSMENT LIENS:** Certified, confirmed and ratified special assessment liens as of date of closing (not as of Effective Date) are to be paid by Tenant. Pending liens as of date of closing shall be assumed by Tenant. If the improvement has been substantially completed as of Effective Date, any pending lien shall be considered certified, confirmed or ratified and Landlord shall, at closing, (unless such lien is the responsibility of Tenant under the Lease) be charged an amount equal to the last estimate or assessment for the improvement by the public body.
14. **ATTORNEY'S FEES; COSTS:** In any litigation, including breach, enforcement or interpretation, arising out of these Purchase Terms, the prevailing party in such

litigation shall be entitled to recover from the non-prevailing party reasonable attorney's fees, costs and expenses.

15. **FAILURE OF PERFORMANCE:** If Tenant fails to perform these Purchase Terms within the time specified, Landlord may, after ten (10) days prior written notice to Tenant, elect to terminate the exercise of the option to purchase and be relieved of all obligations under these Purchase Terms. If for any reason other than failure of Landlord to make Landlord's title marketable after diligent effort, Landlord fails, neglects or refuses to perform these Purchase Terms, the Tenant may seek specific performance or may terminate the exercise of the option, whereupon Landlord shall reimburse Tenant for all costs and expenses in connection with Tenant's exercise of the option to purchase. In the event either party terminates the exercise of the option to purchase as set forth herein, the parties shall continue to be bound by the terms and provisions of the Lease, as the same shall apply.
16. **PERSONS BOUND; NOTICE:** These Purchase Terms shall bind and inure to the benefit of the parties and their successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice given by or to the attorney for any party shall be as effective as if given by or to that party.
17. **CONVEYANCE:** Landlord shall convey title to the Premises by full warranty deed, subject only to matters contained in Section 6 of these Purchase Terms and those otherwise accepted by Tenant. Personal Property shall, at the request of Tenant, be transferred by an absolute bill of sale with warranty of title, subject only to such matters as may be otherwise provided for herein.
18. **OTHER AGREEMENTS:** No prior or present agreements or representations shall be binding upon Tenant or Landlord unless included in these Purchase Terms. No modification to or change in these Purchase Terms shall be valid or binding upon the parties unless in writing and executed by the party or parties intended to be bound by it.

EXHIBIT E
DISPOSAL AGREEMENT

DISPOSAL AGREEMENT

THIS DISPOSAL AGREEMENT (the "Agreement") is made and entered into on this ___ day of June, 2012, by and among Republic Services of North Carolina, LLC, a North Carolina limited liability company ("Republic"), Capitol Recycling, LLC, a North Carolina limited liability company ("Capitol"), and Shotwell Landfill, Inc., a North Carolina corporation ("Shotwell Landfill").

RECITALS

A. Capitol desires to deliver construction and demolition ("C&D") waste to Republic's transfer station located at 5565 Thornton Road, Raleigh, North Carolina 27616.

B. Republic desires to deliver all C&D waste delivered to its transfer station to the Shotwell Landfill located at 4728 Smithfield Road, Wendell, North Carolina 27591.

C. Concurrently with the execution of this Agreement, Republic, Shotwell Transfer Station, Inc., a North Carolina corporation ("Shotwell TS"), Dynasty Holdings, LLC, a North Carolina limited liability company ("Dynasty"), and David W. King, Jr., the sole owner of Dynasty, Shotwell TS and Shotwell Landfill, are entering into that certain Asset Purchase Agreement with Republic (the "Asset Purchase Agreement"). The transactions contemplated by the Asset Purchase Agreement are a material inducement to the parties entering into this Agreement.

D. Concurrently with the execution of this Agreement Republic and Shotwell Landfill are entering into that certain Amendment to Waste Disposal Procurement Agreement pursuant to which Republic agrees to prepay an additional \$400,000 of disposal fees at the Shotwell Landfill (as amended, the "Prepayment Agreement"). The transactions contemplated by the Prepayment Agreement are a material inducement to the parties' decision to enter into this Agreement.

FOR GOOD AND VALUABLE CONSIDERATION, including the mutual promises contained herein, the parties hereby agree as follows:

1. DEFINITIONS. The following definitions shall apply in this Agreement.

(a) "Affiliate" shall have the meaning set forth in Rule 12b-2 of the General Rules and Regulations under the Securities and Exchange Act of 1934, as amended, and shall additionally include successors, designees and assigns.

(b) "Agreement" means this Agreement among Republic, Capitol and Shotwell Landfill, as modified, supplemented or restated from time to time, together with any exhibits, schedules or attachments hereto.

(c) “Effective Date” means the date first written above.

(d) “Environment” or “Environmental” means matters relating to surface waters, groundwaters (including potable waters, navigable waters and wetlands), soil, subsurface strata, natural resources, ambient air and the work place or as otherwise defined in any Environmental Law.

(e) “Environmental Laws” means any Law and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the Environment, health, safety or Hazardous Materials, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and subsequent Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. 6901 et seq. (collectively RCRA); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. 1801 et seq.; the Clean Water Act, as amended, 33 U.S.C. 1311 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. 2601 et seq.; the Clean Air Act, as amended, 42 U.S.C. 7401 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. 300f et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.; the Atomic Energy Act of 1954, 42 U.S.C. §2011 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, as amended, 7 U.S.C. 136 et seq.; and the Federal Food, Drug and Cosmetic Act of 1938, as amended, 21 U.S.C. 301 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, as amended, 42 U.S.C. 11001 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. 651 et seq. and the state or local equivalents of these Laws.

(f) “Force Majeure” means any event relied upon by Capitol, Republic or Shotwell Landfill as justification for delay in, or as excuse from complying with, any obligation required under this Agreement, including: (i) an act of God, landslide, lightning, earthquake, fire, explosion, storm, flood or similar occurrence; (ii) any act of any federal, state, county or local court, administrative agency or governmental office or body that stays, invalidates or otherwise affects this Agreement, the operation of, or any permits or licenses associated with or related to, the Transfer Station or the Landfill with respect to the acceptance and/or disposal of Waste; (iii) (a) the denial, loss, suspension, expiration, termination, failure of renewal or (b) the attainment of any maximum disposal amounts within any applicable time period, of any permit, license or other governmental approval required to accept and/or dispose of Waste; or (iv) the adoption or change (including a change in interpretation or enforcement) of any federal, state, county or local Law after the Effective Date, applicable to the obligations hereunder, including, such changes that have a substantial or material adverse effect on the cost of performing the contractual obligations herein; or (v) the institution of a legal or administrative action or similar proceeding by any person or entity that delays or prevents any aspect of the acceptance and/or disposal of Waste.

(g) “Hazardous Materials” means: (a) 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 (b) any other chemicals, materials or substances 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 Law.

(h) “Hazardous Waste” means any waste regulated as such under or pursuant to any Environmental Laws. The term “Hazardous Waste” also includes any waste that is, after the Effective Date of this Agreement, deemed hazardous by any judicial or governmental entity, body or agency having jurisdiction to make that determination.

(i) “Landfill” means the landfill known as the Shotwell Landfill, located at 4728 Smithfield Road, Wendell, North Carolina 27591, and owned and operated by Shotwell Landfill.

(j) “Law” means any federal, state, local or foreign statute, law, ordinance, regulation, rule, code, governmental order, requirement or rule of common law, including any Environmental Law.

(k) “Release” means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including, the movement of Hazardous Materials through the ambient air, soil, subsurface water, groundwater, wetlands, lands or subsurface strata.

(l) “Ton” means 2,000 pounds.

(m) “Transfer Station” means the transfer station located at 5565 Thornton Road, Raleigh, North Carolina 27616, and owned and/or operated by Republic.

(n) “Unacceptable Waste” means any and all C&D Waste that the Transfer Station or the Landfill is not authorized to accept for disposal pursuant to its permits and licenses, including, highly inflammable substances, Hazardous Materials, Hazardous Waste, liquid wastes, certain pathological and biological wastes, explosives, radioactive materials and any other materials deemed by state or federal Law, or in the reasonable discretion of Republic or Shotwell Landfill, to be dangerous or threatening to health or the environment or the operations conducted at the Transfer Station or the Landfill.

(o) “Waste” means any and all C&D Waste that is not Unacceptable Waste delivered to the Transfer Station and loaded by Republic into transfer equipment at the Transfer Station for further delivery to the Landfill, and which each of Republic and Shotwell Landfill is legally permitted to accept for transportation, processing and/or disposal pursuant to the terms of its operating permit(s).

2. REPRESENTATIONS, WARRANTIES AND COVENANTS.

2.1 By Capitol and Shotwell Landfill. Capitol and Shotwell Landfill jointly and severally represent, warrant and covenant as follows:

(a) Existence and Good Standing. Shotwell Landfill is a corporation duly organized, validly existing, and in good standing under the laws of the State of North Carolina. Capitol is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of North Carolina.

(b) Approval and Authorization. Each of Shotwell Landfill and Capitol has the power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby to be consummated by it. Each of Shotwell Landfill and Capitol has taken all action necessary to authorize the execution and delivery of this Agreement, the performance of its obligations hereunder and the consummation of the transactions contemplated hereby to be consummated by it. This Agreement has been duly executed and delivered by Capitol and Shotwell Landfill and constitutes a legal, valid and binding obligation of Capitol and Shotwell Landfill, enforceable against them in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditors' rights generally and general equitable principles regardless of whether such enforceability is considered in a proceeding at Law or in equity.

(c) No Litigation. There is no action, suit or proceeding pending or, to the best knowledge and belief of Shotwell Landfill and Capitol, threatened against or affecting either of them at Law or in equity or before or by any federal, state, municipal or other governmental department wherein any decision would materially, adversely affect the transactions contemplated in this Agreement.

(d) Compliance with Laws. Each of Shotwell Landfill and Capitol shall, at its own expense, procure and maintain throughout the term of this Agreement, all necessary state, federal and local permits, licenses and operating certificates required to perform its duties contemplated hereunder. Each of Capitol and Shotwell Landfill shall comply with all other federal, state and local Laws applicable to its operations or to conduct its business including, the transportation and handling of Waste. A material violation by Capitol or Shotwell Landfill of any Laws shall be deemed a material breach of this Agreement.

(e) Operating Authority. Each of Capitol and Shotwell Landfill warrants that all permits and licenses necessary for the performance of its obligations under this Agreement are currently in full force and effect, and no misrepresentation or willful or negligent omissions were made of any material fact in obtaining any such permits. No proceedings have been instituted or threatened or are contemplated seeking the suspension, termination, modification, revocation, alteration or amendment of any such permits, or to declare any of them invalid in any respect, and Capitol and Shotwell Landfill do not know of any reason for any such revocation.

2.2 By Republic. Republic represents, warrants and covenants as follows:

(a) Existence and Good Standing. Republic is a limited liability company duly organized, validly existing and in good standing under the laws of the State of North Carolina.

(b) Approval and Authorization. Republic has the power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby to be consummated by it. Republic has taken all action necessary to authorize the execution and delivery of this Agreement, the performance of its obligations hereunder and the consummation of the transactions contemplated hereby to be consummated by it. This Agreement has been duly executed and delivered by Republic and constitutes a legal, valid and binding obligation of Republic, enforceable against Republic in accordance with its terms, except as the same may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditors' rights generally and general equitable principles regardless of whether such enforceability is considered in a proceeding at Law or in equity.

(c) No Litigation. There is no action, suit or proceeding pending or, to the best knowledge and belief of Republic, threatened against or affecting Republic at Law or in equity or before or by any federal, state, municipal or other governmental department wherein any decision would material, adversely affect the transactions contemplated herein.

(d) Compliance with Laws. Republic shall, at its own expense, procure and maintain throughout the term of this Agreement, all necessary state, federal and local permits, licenses and operating certificates required to perform the duties contemplated hereunder. Republic shall comply with all federal, state and local Laws applicable to performance of its obligations under this Agreement. A material violation by Republic of any Laws shall be deemed a material breach of this Agreement.

(e) Operating Authority. Republic warrants that all permits and licenses necessary for the performance of its obligations under this Agreement are currently in full force and effect, and no misrepresentation or willful or negligent omissions were made of any material fact in obtaining any such permits. No proceedings have been instituted or, to the best knowledge and belief of Republic, threatened or are contemplated seeking the suspension, termination, modification, revocation, alteration or amendment of any such permits, or to declare any of them invalid in any respect, and Republic does not know of any reason for any such revocation.

3. TERM. Unless earlier terminated as hereinafter provided, the term of this Agreement shall commence as of the Effective Date and shall remain in full force for a period of five (5) years from the Effective Date (the "Term").

4. FEES.

4.1 Subject to adjustment as provided in this Agreement, Capitol shall pay Republic a processing rate of Thirty-Three Dollars and No Cents (\$33.00) plus Government Surcharges per Ton of Waste delivered by Capitol to the Transfer Station during the Term (the "Transfer Fee"). No later than the Fifteenth (15th) day of each month, Republic shall invoice Capitol for all Waste delivered to the Transfer Station by Capitol during the previous calendar month. Capitol shall pay Republic the invoiced amount within Forty-Five (45) days of receipt of any such invoice.

4.2 Subject to adjustment as provided in this Agreement, Republic shall pay Shotwell Landfill a disposal fee of Eighteen Dollars and No Cents (\$18.00) plus Government Surcharges per Ton of Waste delivered by Republic from the Transfer Station to the Landfill during the Term (the "Landfill Disposal Fee"). No later than the Fifteenth (15th) day of each month, Shotwell Landfill shall invoice Republic for all Waste delivered to the Landfill by Republic during the previous calendar month. Republic shall pay Shotwell Landfill the invoiced amount within Forty-Five (45) days of receipt of any such invoice.

4.3 The Transfer Fee and the Landfill Disposal Fee shall be adjusted as follows:

(a) Government Surcharges. The Transfer Fee and the Landfill Disposal Fee shall be adjusted to the extent of any changes in federal, state, local or other taxes, fees, surcharges or similar charges that are imposed by Law, ordinance, agreement with a governmental authority, regulation or otherwise enacted or promulgated after the Effective Date and levied upon the delivery or disposal of the Waste or upon the operations of or the activities at the Transfer Station or the Landfill, as the case may be (collectively, "Government Surcharges"), with such adjustments to be effective as of the effective date of the Government Surcharges. Notwithstanding the foregoing, the adjustments specified in this paragraph shall only result from mandatory Governmental Surcharges which are instituted by a governmental authority and no adjustments shall be made due to operating or discretionary increases. As of the Effective Date, the parties hereto agree that the Government Surcharges equal \$2.00 per Ton.

(b) Fuel Rebate. Republic shall be entitled to a diesel fuel rebate of \$0.76 per load for each load delivered to the Shotwell Landfill starting with a Peg Rate of \$3.85/gallon based on Lower Atlantic Region PADD I, On Highway National Fuel Averages, as published weekly at: <http://www.eia.gov/petroleum/gasdiesel/>.

The \$0.76 fuel rebate shall be added when the Lower Atlantic PADD I, On Highway National Fuel Averages, reach an average in the range of \$3.90-3.999, and Republic shall be entitled to an additional \$0.76 per load fuel rebate for each subsequent tier of \$0.00-0.099 per gallon increase in the Lower Atlantic PADD I, On Highway National Fuel Averages. The price posted on the last Monday of each month shall be used to determine the fuel rebate applicable for the upcoming month's billing. This shall be observed monthly, and invoiced monthly. No later than the Fifteenth (15th) day of each month, Republic shall invoice Shotwell Landfill for all fuel rebates, if applicable, for Waste delivered to the Landfill by Republic during the previous calendar month or, in the

alternative, Republic shall be entitled to offset any amounts owed by Republic to Shotwell Landfill pursuant to Section 4.2 by the amount of the rebate. Shotwell Landfill shall pay Republic the invoiced amount within Forty-Five (45) days of receipt of any such invoice.

5. DELIVERY AND ACCEPTANCE OF WASTE.

5.1 Republic shall be solely responsible for all aspects of the unloading of Waste delivered by Capitol at the Transfer Station and loading of an equal amount of Waste into the transfer equipment for transfer to the Landfill.

5.2 Each party acknowledges that the other party intends to reject Waste that, in the other party's reasonable judgment, would be in violation of this Agreement, the other party's then existing licenses or permits, or would result in a violation of applicable federal, stat, or local Laws, rules, regulations, ordinances or orders.

5.3 Ownership of Waste delivered to the Transfer Station by or on behalf of Capitol shall pass to and be accepted by Republic when the vehicle transporting the Waste by or on behalf of Capitol is fully unloaded at the Transfer Station. Ownership of Unacceptable Waste delivered to the Transfer Station by or on behalf of Capitol shall not pass to Republic at any time unless Republic agrees in writing in advance to accept such Unacceptable Waste. Ownership of Hazardous Materials delivered to the Transfer Station by or on behalf of Capitol shall never pass to Republic but, if discovered, shall be promptly removed by Capitol and if not promptly removed may be removed and properly disposed of by Republic at Capitol's reasonable expense.

5.4 Capitol shall not deliver any Unacceptable Waste to the Transfer Station unless such action has been agreed to in advance, in writing, by Republic and the Unacceptable Waste is of a type permitted to be accepted at the Transfer Station. Unless otherwise agreed to in advance, if any Unacceptable Waste is delivered to either party by or on behalf of the other party in violation of this Section 5.4, the accepting party shall have the right to refuse or reject such Waste, or if not detected prior to acceptance, the accepting party may remove such Waste and assure its proper disposal, all at the other party's reasonable expense, which expense the other party agrees to promptly pay upon presentation by the accepting party of an invoice setting forth the costs in reasonable detail.

5.5 In addition to any other remedies provided in this Agreement, each party has the right to suspend the other party's rights pursuant to this Agreement and/or terminate this Agreement upon repeated deliveries or the one-time intentional delivery of Unacceptable Waste by the other party, as such are reasonably determined by the terminating party. In such event, the terminating party shall notify the other party in writing of its intention to suspend the other party's rights pursuant to this Agreement and/or terminate this Agreement, and such suspension and/or termination shall become effective upon receipt of such notice by the other party.

5.6 Neither party shall be responsible for the transportation or redelivery to the other party of Unacceptable Waste delivered by or on behalf of the other party.

5.7 During the Term, Republic shall deliver all "net" Waste received by Republic at the Transfer Station to the Landfill, regardless of whether the Waste is delivered to the Transfer Station by Capitol, Republic or a third party; provided, however, that notwithstanding the foregoing or anything contained herein, Republic shall not be obligated to deliver to the Landfill (a) any Unacceptable Waste, (b) any Waste that is not C&D Waste, or (c) any recyclable material that Republic may remove or separate from the Waste at the Transfer Station.

6. INDEPENDENT CONTRACTOR STATUS.

6.1 Republic is and shall perform under this Agreement as an independent contractor and shall have and maintain exclusive control and direction over all of its employees, agents and operations. Republic assumes full and exclusive responsibility for the payment of all premiums, contribution, payroll and other taxes now or hereafter required by any law or regulation as to all personnel engaged in the performance of this Agreement and agrees to comply with all applicable Laws relating to social security, unemployment compensation and workers' compensation.

6.2 Each of Capitol and Shotwell is and shall perform under this Agreement as an independent contractor and shall have and maintain exclusive control and direction over all of its employees, agents and operations. Each of Capitol and Shotwell assumes full and exclusive responsibility for the payment of all premiums, contribution, payroll taxes and other taxes now or hereafter required by any law or regulation as to all personnel engaged in the performance of this Agreement and agrees to comply with all applicable Laws relating to social security, unemployment compensation and workers' compensation.

7. INSURANCE. Each party agrees to maintain at all times during the Term insurance coverages as reasonably requested by the other party, including, the following:

Workers' Compensation:	Statutory
Employer's Liability:	\$2,000,000/occurrence
Automobile Liability Bodily Injury, Property Damage, Contractual Liability & Sudden and Accidental Pollution	\$2,000,000/occurrence
Commercial General Liability Personal Injury, Property Damage & Contractual Liability Combined	\$5,000,000/occurrence

All such insurance policies shall provide that they shall not be canceled and no material changes in coverage shall be made without at least thirty (30) days prior written notice to the other party. With the exception of any Workers' Compensation policies, the other party and its Affiliates, successors and assigns shall be named as additional insureds under all of the insured party's insurance policies. Each party agrees to waive all rights of recovery by way of subrogation against the other party and its Affiliates, successors and assigns in connection with any claims and/or damages covered by any of the insurance policies required under this section, and each party agrees that it shall cause all such insurance policies to provide that the insurance company waives all rights of recovery by way of subrogation against the other party and its Affiliates, successors and assigns in connection with any claims and/or damages covered by such policies. Certificates of insurance or other documentation provided by each party and reasonably acceptable to the other party as evidencing the requirements set forth above shall be delivered prior to Republic performing any services hereunder and shall be attached as Exhibit A.

8. INDEMNIFICATION.

8.1 By Republic. Republic agrees to indemnify and save harmless Shotwell, Capitol and their respective Affiliates, officers, directors, shareholders, agents, employees and attorneys from any loss, claim, liability, penalty, fine, forfeiture, demand, cause of action, suit and costs incidental thereto, including cost of defense, settlement and reasonable attorneys' fees (collectively, the "Indemnified Costs"), caused by or resulting from (a) any negligent or willful act or omission of Republic, its agents or employees in connection with this Agreement or resulting from a breach by Republic of any of the agreements, representations or warranties of Republic contained in this Agreement, or (b) the delivery of Unacceptable Waste by Republic to the Landfill except to the extent caused by Capitol's delivery of Unacceptable Waste to the Transfer Station.

8.2 By Capitol and Shotwell Landfill. Capitol and Shotwell Landfill jointly and severally agree to indemnify and save harmless Republic and its Affiliates, officers, directors, shareholders, agents, employees and attorneys from any Indemnified Costs caused by or resulting from any (a) negligent or willful act or omission of Capitol or Shotwell Landfill, their respective agents or employees in connection with this Agreement or resulting from a breach by Capitol or Shotwell Landfill of any of the agreements, representations or warranties of Capitol or Shotwell Landfill contained in this Agreement or (b) the delivery of Unacceptable Waste by Capitol to the Transfer Station.

9. TERMINATION.

9.1 In addition to any other termination rights set forth herein, each of Shotwell and Capitol, on the one hand, and Republic, on the other hand, shall have the right to terminate this Agreement upon any material breach or default of any covenant, representation or warranty of the other party set forth in this Agreement upon thirty (30) days written notice and such breach or default remaining uncured for a period of sixty (60) days after such notice. Upon an event of Force Majeure

related to Shotwell Landfill or Republic, such party may suspend the right to dispose of Waste at the Transfer Station or Landfill, as the case may be, pursuant to this Agreement, and neither party shall have any liability to the other due to such event of Force Majeure or such suspension. Furthermore, in the event that an event of Force Majeure continues unabated for a period of one hundred twenty (120) days and renders Shotwell Landfill or Republic unable, wholly or in part, to carry out any material part of its obligations under this Agreement, then either party shall have the right to terminate this Agreement and shall not have any liability to the other party due to such event of Force Majeure or such termination.

9.2 Notwithstanding anything contained in this Agreement, the parties acknowledge and agree that the transactions contemplated by the Asset Purchase Agreement and the Prepayment Agreement and the parties' performance of the covenants and agreements contained therein are a material inducement to parties' entering into this Agreement. Accordingly, in the event that any of Dynasty, Shotwell TS or King fails to perform or breaches any agreement or covenant contained in the Asset Purchase Agreement or in the event that Shotwell Landfill fails to perform or breaches any covenant or agreement contained in the Prepayment Agreement, then in addition to any other rights and remedies available to Republic under the Asset Purchase Agreement and/or the Prepayment Agreement, as the case may be, Republic may at its sole and absolute discretion suspend or terminate any or all of its performance obligations under this Agreement without any further obligation to Shotwell Landfill or Capitol hereunder.

10. NOTICES. All notices or other communications required or permitted under this Agreement shall be in writing and may be given by depositing the same in the 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, addressed as follows:

To Shotwell Landfill or Capitol:

David W. King, Jr.
3209 Gresham Road, Suite 120
Raleigh, NC 27615

with a copy to:

Ragsdale Liggett PLLC
2840 Plaza Place, Suite 400
Raleigh, NC 27612
Attn: David Liggett

To Republic:

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

with a copy to:

Republic Services, Inc.
18500 North Allied Way

Phoenix, AZ 85054
Attn: General Counsel

Notice shall be deemed given and effective the day personally delivered, the day sent by overnight courier, subject to signature verification, and the day of deposit in the U.S. mail of a writing addressed and sent as provided above. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section 10.

11. TRANSFER OR ASSIGNMENT OF AGREEMENT. This Agreement, and the rights and privileges granted to the parties hereto pursuant to this Agreement, shall be binding upon and inure to the benefit of the successors and assigns of such parties hereto; provided, however, that no party hereto may transfer or assign (whether by operation of law, a change of control of such party, merger or otherwise) this Agreement, or its rights or obligations under this Agreement, without the prior written consent of the other party hereto (such consent to be exercised in such party's sole discretion), except that Republic may subcontract its rights and obligations under this Agreement and may transfer and/or 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 Republic or any successor to the ownership or operation of the Transfer Station; and except in the event of the sale of all the membership interests of Capitol to a party that is not a direct competitor of Republic.

12. MISCELLANEOUS. This Agreement sets forth the entire agreement and understanding of the parties hereto with respect to the subject matter of this Agreement and supersedes all arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of either party hereto. This Agreement may not be modified, amended, supplemented, canceled or discharged, except by written instrument executed by all of the parties hereto. There are no restrictions, representations, warranties, covenants or undertakings other than those expressly set forth or referred to herein. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted the waiver. The provisions of this Agreement are independent of and severable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that any provision may be invalid or unenforceable in whole or in part. Except as contemplated in Section 11 of this Agreement, this Agreement is not intended to confer upon any third parties, other than the parties hereto, any rights or remedies. This Agreement shall be construed and enforced in accordance with the laws of the State of North Carolina. All covenants with respect to any payment obligations of any party hereto and Sections 4.1, 4.2, 5.3, 5.4, 5.5, 5.6, 6, 8, 9.1, 9.2, 10, 11 and 12 of this Agreement shall survive the suspension or termination of this Agreement for any reason. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. In the event of any legal action or proceeding arising out of or related to this Agreement, the prevailing party shall be entitled to recover from such losing party all of its reasonable costs and expenses incurred in connection with such proceeding, including, court costs and reasonable attorney's fees and expert witness and consultation fees, incurred at either the trial or appellate levels.

13. CONFIDENTIALITY. To the extent possible, each party agrees that it shall not, except as required by law or valid legal process or with the written consent of the other party, disclose the terms of this Agreement, or any documents or information obtained through or by way of this Agreement, to any person, firm, corporation, association or other entity for any purpose or reason whatsoever, unless required by law or judicial order.

14. ARM'S LENGTH NEGOTIATIONS. Each party herein expressly represents and warrants to all other parties hereto that (a) before executing this Agreement, said party has fully informed itself of the terms, contents, conditions and effects of this Agreement; (b) said party has relied solely and completely upon its own judgment in executing this Agreement; (c) said party has had the opportunity to seek and has obtained the advice of counsel before executing this Agreement; (d) said party has acted voluntarily and of its own free will in executing this Agreement; (e) said party is not acting under duress, whether economic or physical, in executing this Agreement; and (f) this Agreement is the result of arm's length negotiations conducted by and among the parties and their respective counsel.

15. CONSTRUCTION. The headings in this Agreement are inserted for convenience only, and shall not constitute a part of this Agreement or be used to construe or interpret any of its provisions. The parties have participated jointly in negotiating and drafting this Agreement. If a question of 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 provision of this Agreement. Any reference to any statute shall be deemed to refer to the statute, as amended, and to all rules and regulations promulgated thereunder, as amended, unless the context requires otherwise. The word "include" or "including" means include or including, without limitation. The representations, warranties and covenants in this Agreement shall have independent significance.

IN WITNESS WHEREOF, the parties execute this Agreement as of the day and year first above written.

REPUBLIC:

Republic Services of North Carolina, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

CAPITOL:

Capitol Recycling, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

SHOTWELL LANDFILL:

Shotwell Landfill, Inc.,
a North Carolina corporation

By: _____
Name: _____
Title: _____

LIST OF EXHIBITS

Exhibit A
Certificates of Insurance

EXHIBIT F

PREPAYMENT AMENDMENT

**SECOND AMENDMENT TO WASTE DISPOSAL
PROCUREMENT AGREEMENT**

This Second Amendment to Waste Disposal Procurement Agreement (this "Amendment") is made and entered into as of June __, 2012, by and between Shotwell Landfill, Inc., a North Carolina corporation ("Supplier"), and Republic Services of North Carolina, LLC, a North Carolina limited liability company ("Republic").

RECITALS

A. Supplier and Republic are parties to that certain Waste Disposal Procurement Agreement, executed by Supplier on December 14, 2010 and executed by Republic on December 10, 2010, as amended by Amendment 1 (collectively, the "Agreement"). The capitalized terms in this Amendment have the meanings ascribed to them in the Agreement.

B. Concurrently with the execution of this Amendment, (i) Republic, Shotwell Transfer Station, Inc., a North Carolina corporation ("Shotwell TS"), Dynasty Holdings, LLC, a North Carolina limited liability company ("Dynasty"), and David W. King, Jr., the sole owner of Shotwell TS, Dynasty, and Supplier, are entering into that certain Asset Purchase Agreement with respect to the sale of certain transfer station assets and the lease of a certain transfer station facility (the "Asset Purchase Agreement"), and (ii) Republic, Capitol Recycling, LLC, a North Carolina limited liability company, and Supplier are entering into that certain Disposal Agreement (the "Disposal Agreement", and, collectively with the Asset Purchase Agreement, the "Related Agreements"). The transactions contemplated by the Related Agreements are related to and constitute a material inducement to the parties' decision to enter into this Amendment.

C. Pursuant to the Agreement, (i) Supplier agreed to accept all Acceptable Waste at the Landfill/Transfer Station, and (ii) Republic made a prepayment of \$500,000 for Disposal Fees and other charges payable under the Agreement for Acceptable Waste thereafter delivered by Republic to the Landfill/Transfer Station. The parties agree that as of 12:01 a.m. on May 31, 2012, the remaining, unapplied portion of the \$500,000 prepayment was \$253,826.91 (the "Existing Prepayment Balance"). Republic is willing to make an additional prepayment of \$400,000 (the "Additional Prepayment") to Supplier subject to the terms and conditions of the Agreement, as amended and supplemented hereby. The Existing Prepayment Balance, together with the Additional Prepayment, are hereinafter collectively referred to as the "Prepayment."

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Promptly after the execution of this Agreement and the Related Agreements, Republic shall pay the Additional Prepayment to Supplier.
2. The Prepayment shall continue to be applied and credited on the terms and conditions set forth in the Agreement.
3. Notwithstanding anything to the contrary set forth in the Agreement, Supplier shall immediately refund and pay to Republic in immediately available funds the portion of the

Prepayment that has not been applied and credited to Republic's prior deliveries of Acceptable Waste upon the occurrence of any of the following:

(a) Supplier (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency or reorganization law, or has any such petition filed or commenced against it, (ii) has a petition filed or commenced against it for a proceeding or cause of action under any bankruptcy, insolvency, or reorganization law and such petition is not dismissed within thirty (30) days of its filing, (iii) makes an assignment or any general arrangement for the benefit of creditors, (iv) otherwise becomes bankrupt or insolvent, (v) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (vi) is generally unable to pay its debts as they fall due.

(b) If for any reason whatsoever the Landfill/Transfer Station closes or is unable to accept all Acceptable Waste from Republic, for a period of time that Republic, in its sole and absolute discretion, determines is unacceptable.

(c) Upon the sale of substantially all of the assets of Supplier or a change in control of Supplier.

4. The third paragraph of Amendment 1 of the Agreement is hereby amended by deleting therefrom the words "current pre-payment" and inserting in lieu thereof "Prepayment (as defined in the Second Amendment)."

5. Section 10(b) shall be modified so that Supplier may not assign or otherwise convey the Agreement, by operation of law, merger, change of control or otherwise, without the prior written consent of Republic.

6. Except as expressly amended and supplemented hereby, the Agreement shall remain in full force and effect.

[signatures on following page]

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first above written.

SHOTWELL LANDFILL, INC.

By _____
Name: _____
Its: _____

REPUBLIC SERVICES OF NORTH
CAROLINA, LLC

By _____
Name: _____
Its: _____

EXHIBIT G
RESTRICTION

Following Recordation Return to:

Spotts Fain, PC
411 East Franklin Street, Suite 600
Richmond, VA 23219
Attn: David A. Reed, Esq.

DECLARATION OF RESTRICTION

DYNASTY HOLDINGS, LLC, a North Carolina limited liability company ("**Owner**") as fee simple owner of certain real property located at 5565 Thornton Road, Wake County, Raleigh, North Carolina 27616, as more particularly described in Exhibit "A" attached hereto and incorporated herein (the "**Property**") hereby places the following restriction of record against the Property.

The Property shall not be used by any person or entity as a solid waste transfer station, recycling facility or any use incidental or related to solid waste handling, transportation or disposal, other than Republic Services of North Carolina, LLC, a Delaware limited liability company or any parent or affiliate of Republic ("**Republic**"), or any successor or assign of Republic, without the prior written consent of Republic.

The covenant and restriction set forth herein shall be a covenant running with the land and binding upon Owner its successors and assigns, and subsequent owners of the Property, and then heirs, devisees, members, administrators, successor and assigns.

In the event of a breach or threatened breach by Owner or any tenant or occupant of the Property, of the covenants and restrictions herein, Republic shall be entitled to full and adequate relief by injunction and/or all such other available legal and equitable remedies from the consequences of such breach. In the event Republic institutes any legal action or proceeding for the enforcement of any right or obligation herein contained, the prevailing party after a final adjudication shall be entitled to recover its costs and reasonable attorneys' fees incurred in the preparation and prosecution of such action or proceeding.

Any consent requested of Republic herein shall be sent via certified mail, return receipt requested, or by reputable overnight courier, to the following:

Republic Services of North Carolina, LLC
c/o Republic Services, Inc.
18500 North Allied Way
Phoenix, AZ 85054
Attention: General Counsel

The law of the State of North Carolina shall govern the interpretation, validity, performance and enforcement of this Agreement.

IN WITNESS WHEREOF, Owner has executed this Declaration of Restriction as of the _____ day of _____, 2012.

WITNESS:

OWNER:

DYNASTY HOLDINGS, LLC, a North Carolina limited liability company

By: _____
Name: _____
Title: _____

STATE OF _____
COUNTY OF _____

The foregoing Declaration of Restriction was acknowledged before me this ____ day of _____, 2012 by _____ as _____ of Dynasty Holdings, LLC, a North Carolina limited liability company. He is personally known to me or has produced _____ as identification.

My commission expires:

Notary Public

Print Name: _____
Commission Number: _____

Prepared by:

Name: _____

EXHIBIT "A"

PROPERTY DESCRIPTION

All of New Lot 3, containing approximately 9.849 acres, as shown on that recombination plat recorded in Book of Maps 2007, Page 2838, Wake County Registry, North Carolina.

GENERAL CONVEYANCE, ASSIGNMENT AND BILL OF SALE

Effective as of June ___, 2012, Dynasty Holdings, LLC, a North Carolina limited liability company ("Dynasty"), Shotwell Transfer Station, Inc., a North Carolina corporation ("Shotwell" and, collectively with Dynasty, "Grantors"), for good and valuable consideration and pursuant to that certain Asset Purchase Agreement, dated as of June ___, 2012 (the "Purchase Agreement"), among Grantors, David W. King, Jr., the sole owner of Grantors, and Republic Services of North Carolina, LLC, a North Carolina limited liability company ("Grantee"), hereby sell, assign, transfer, convey and deliver to Grantee all of Grantors' right, title and interest in all of the Assets (except for the Excluded Assets).

TO HAVE AND TO HOLD all such Assets unto Grantee and its successors and assigns to and for its or their use forever.

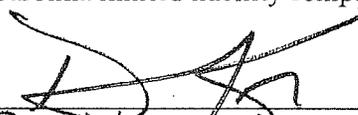
Grantors shall execute and deliver, at the request of Grantee, such further instruments of transfer, and shall take or cause to be taken such other or further actions, as shall reasonably be requested for purposes of carrying out the Transactions.

This General Conveyance, Assignment and Bill of Sale is delivered pursuant to Section 4.2.1 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.

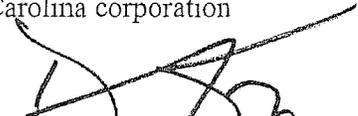
IN WITNESS WHEREOF, Grantors have executed and delivered this General Conveyance, Assignment and Bill of Sale effective as of the date first above written.

GRANTORS:

Dynasty Holdings, LLC,
a North Carolina limited liability company

By: 
Name: David W. King, Jr.
Title: Manager

Shotwell Transfer Station, Inc.,
a North Carolina corporation

By: 
Name: David W. King, Jr.
Title: President

TRANSITION OPERATING AGREEMENT

For Shotwell Transfer Station

This Transition Operating Agreement (this "Agreement") is executed and delivered effective as of June 14, 2012, between Republic Services of North Carolina, LLC, a North Carolina limited liability company ("Transferee"), and Shotwell Transfer Station, Inc., a North Carolina corporation ("Transferor"). Capitalized terms used in this Agreement shall have the meanings ascribed to them in Section 5.1 of this Agreement.

RECITALS

WHEREAS, Transferee, Transferor and certain other parties identified therein are parties to the Asset Purchase Agreement, dated as of June 14, 2012, which provides for the sale of certain assets as more fully described therein (the "Purchase Agreement"), the obligations of which the parties hereto acknowledge, ratify and confirm;

WHEREAS, the parties hereto seek to reach agreement to allow a transfer of certain assets used in the operation of the transfer station located at 5565 Thornton Road, Raleigh, North Carolina 27616 (the "Facility") and the execution of a long-term lease for the Facility prior to the transfer of the Permits set forth on Schedule A attached hereto (the "Facility Permits"), each of which pertain to and are required for lawful operation of the Facility;

WHEREAS, Transferor is the entity that operated the Facility and held the Facility Permits prior to entering into the Purchase Agreement;

WHEREAS, the parties desire to enter into a transition agreement to address the additional time needed to secure all necessary consents from any Governmental Authority to transfer or re-issue the Facility Permits;

WHEREAS, Transferor and Transferee desire to have Transferee conduct, consistent with this Agreement, the day-to-day activities (the "Activities") of the Facility during the Term of this Agreement;

WHEREAS, the parties do not intend Transferee's activities to trigger "operator" status under any Applicable Laws at the Facility and Transferor will continue to be responsible for compliance with Facility Permits to each Governmental Authority as the permittee under the Facility Permits during the Term of this Agreement; and

WHEREAS, the parties desire to clarify their respective obligations and responsibilities related to the Facility's Activities during the Term of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in the Purchase Agreement, and the premises and the covenants set forth herein, the parties hereby agree as follows:

ARTICLE 1
GENERAL

1.1 Term. The term of this Agreement shall begin on the date hereof and shall continue through the earlier of (a) two (2) years from the date hereof, or (b) Transferee's obtaining of all necessary Facility Permits and any other approvals required to operate the Facility in accordance with Applicable Laws and upon terms and conditions substantially the same as those that existed for Transferor immediately prior to the date hereof (the "Term").

1.2 Duty To Consult and Cooperate; Communications With Governmental Authorities. The parties shall cooperate with one another to achieve the purposes of this Agreement. If, during the Term of this Agreement, either party receives any notice or inquiry from a Governmental Authority with jurisdiction over Environmental Laws that relates in any way to the Facility, its Activities or the Facility Permits, it shall have a duty to notify and consult with the other. Similarly, the parties shall promptly advise each other of the necessity for any written communication to a Governmental Authority that relates in any way to the Facility, its Activities or the Facility Permits; provided, however, this obligation shall not apply to Transferee's communication with a Governmental Authority in the ordinary course of business of the Facility or in connection with efforts to transfer to Transferee, or re-issuance to Transferee, the Facility Permits. Prior to submittal of such written communication, the parties shall consult with each other and attempt to reach consensus on the content of such written communications. If the consultation results in a dispute between the parties, the dispute shall be raised to Transferor's President, David W. King, Jr., and Transferee's General Manager, Rick Prather, who shall render a prompt decision with respect thereto, provided, however, that if a Government Authority requires notification or information prior before a dispute is resolved, Transferee may submit a response notwithstanding Transferor's objection.

ARTICLE 2
RIGHTS AND OBLIGATIONS OF TRANSFEROR DURING TERM

2.1 Retention of Permittee Status. Until Transferee obtains all necessary Facility Permits and any other regulatory approvals with terms and conditions substantially the same as those that existed for Transferor immediately prior to the date hereof, Transferor shall continue as permittee subject to all of the obligations and retain all the responsibilities associated with the Facility Permits, including maintenance of financial assurance mechanisms. Nothing herein shall be interpreted as limiting Transferee's obligations under Section 3.1 of this Agreement.

2.2 Duty To Cooperate In Transferring Facility Permits. Transferor shall cooperate with Transferee's efforts to secure Facility Permits as provided in Section 3.2 of this Agreement, including, without limitation, attending meetings with Governmental Authorities when Transferee deems Transferor's attendance essential, and shall execute such documents as reasonably requested by Transferee in connection with Transferee's efforts to obtain such Facility Permits, provided Transferor incurs no liability by such execution beyond the liability already incurred or retained by Transferor pursuant to the Purchase Agreement. Except as required by Applicable Law or Permit, and then only following a period of consultation with Transferee, Transferor shall not file any Permit application or take or cause any other act or omission that would cause or be likely to cause a change in Facility Permit terms or conditions,

including a reduction in Facility capacity or hours of operation, increase the Facility's cost of operation in a material way (either based on an individual act or omission or in the aggregate), or otherwise impede in a material way the Facility's operation.

2.3 Facility Compliance Officer. Transferor hereby designates David W. King, Jr. as Transferor's Facility Compliance Officer for purposes of fulfilling its responsibilities under this Agreement. The Facility Compliance Officer shall have authority to act on behalf of Transferor and such acts shall be binding on Transferor.

2.4 Right To Inspect And Be Present. During the Term of this Agreement, Transferor shall be entitled to inspect and have reasonable access to the Facility at all times during normal business hours and upon notice received by Transferee not less than one (1) day prior to the date of such inspection and access.

ARTICLE 3 **RIGHTS AND OBLIGATIONS OF TRANSFEEE DURING TERM**

3.1 Conduct of Facility's Activities. Transferee shall conduct the Facility's Activities in material compliance with all Applicable Laws.

3.2 Facility Permit Transfers. Transferee shall use reasonable commercial efforts to obtain Facility Permits with terms and conditions substantially the same as those that existed for Transferor immediately prior to the date hereof for the Facility in a timely manner, including but not limited to, preparing and submitting applications for the transfer or re-issuance of existing Facility Permits, fulfilling state compliance disclosure requirements, and posting necessary financial assurances, all as applicable. Transferee shall timely respond to all reasonable requests from Transferor as to the status of Transferee's efforts to have the existing Facility Permits transferred or new Permits issued.

3.3 Financial Benefit. All financial, accounting or economic results from the conduct of the Facility's Activities that arise or accrue during the Term of this Agreement shall be for the account of Transferee and shall be reported as such by Transferee. Transferor shall not account for or report such financial accounting or economic results of the Facility's Activities.

3.4 Payment of Certain Expenses. During the Term of this Agreement, Transferee shall pay (a) all ordinary and direct operating and maintenance expenses, including without limitation taxes, insurance (except financial assurance) and costs associated with environmental regulatory compliance of the Facility, and (b) all reasonable expenses for capital items and any other sums required by any law, rule or Governmental Authority deemed reasonably necessary by Transferee.

3.5 Facility Compliance Officer. Transferee hereby designates Matt Eismann as Transferee's Facility Compliance Officer for purposes of fulfilling its responsibilities under this Agreement. Transferee's Facility Compliance Officer shall have authority to act on behalf of Transferee and such acts shall be binding on Transferee.

ARTICLE 4
INDEMNITIES

4.1 Indemnification of Transferor. Transferee shall indemnify, defend (with counsel reasonably acceptable to Transferor) and save Transferor harmless from and against all claims, damages, actions, suits, proceedings, demands, fines or penalties, assessments, adjustments, costs and expenses, including without limitation, reasonable attorneys' fees ("Claims") incurred by Transferor to the extent resulting from: (a) Transferee's breach of any term or condition of this Agreement; and (b) the Activities by Transferee during the Term of this Agreement.

4.2 Indemnification of Transferee. Transferor shall indemnify, defend (with counsel reasonably acceptable to Transferee) and save Transferee harmless from and against all Claims incurred by Transferee to the extent resulting from: (a) Transferor's breach of any term or condition of this Agreement; and (b) Transferor's gross negligence or willful misconduct during the Term of this Agreement.

4.3 Survival. The rights or obligations provided in this ARTICLE 4 shall survive the Term of this Agreement.

ARTICLE 5
MISCELLANEOUS

5.1 Definitions. Unless otherwise specifically defined herein, each capitalized term used herein shall have the same meaning assigned to such term in the Purchase Agreement:

"Facility Compliance Officer" means the individual who Transferor and Transferee have designated, pursuant to Sections 2.2 and 3.4, as their respective points of contact for purposes of fulfilling their respective responsibilities under this Agreement. Transferor and Transferee shall each be responsible for the compensation and/or reimbursement of expenses for their own Facility Compliance Officer.

"Permits" means all permits, grants, filings, notices of intent, exemptions, licenses, authorizations, registrations, consents, approvals and related applications of every kind from or with any federal, state, local or foreign Governmental Authority, including all permits issued by any Governmental Authority under or in connection with any Environmental Law.

5.2 Recitals. All recitals set forth in this Agreement are hereby incorporated by this reference into the terms of the Agreement.

5.3 Entire Agreement. This Agreement 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.

5.4 Amendment and Modification. This Agreement may be modified or amended only by a written instrument executed by all parties.

5.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either party without the prior written consent of the other, except that either party may assign any right, interest or obligation under this Agreement to a parent, subsidiary or affiliate without prior written consent of the other party.

5.6 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.

5.7 Waiver of Subrogation. Transferor waives, on behalf of all insurers under all policies of insurance now or hereafter carried by Transferor insuring or covering the Facility, or any portion or any contents thereof, or any Activities therein or related thereto, all rights of subrogation which any such insurer may otherwise, if at all, have to any claims of Transferor against Transferee. Transferor shall add Transferee as an additional insured on all insurance policies covering the Facility and its Activities.

5.8 Remedies; Limitation on Damages. In the event of a failure or refusal of either party to perform their respective obligations under this Agreement, the other party shall have the right to exercise any remedies afforded by Applicable Law; provided, however, neither party shall be liable to the other for other special, consequential (including but not limited to lost profits) or punitive damages. The rights and remedies of the parties hereunder are cumulative and not alternative.

5.9 Notices. Any notice or demand hereunder shall be made in the manner and to the address indicated in Section 15.6 of the Purchase Agreement.

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

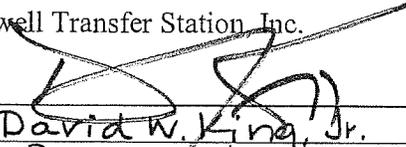
5.11 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Transition Operating Agreement to be duly executed as of the date first above written.

TRANSFEROR:

~~Shotwell Transfer Station, Inc.~~


By: David W. King, Jr.

Title: President

TRANSFeree:

Republic Services of North Carolina, LLC

By: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Transition Operating Agreement to be duly executed as of the date first above written.

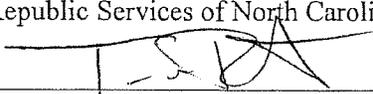
TRANSFEROR:

Shotwell Transfer Station, Inc.

By: _____
Title: _____

TRANSFeree:

Republic Services of North Carolina, LLC



By: Tim M. Benter
Title: Vice President