

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FILED

JUL 29 1999

NANCY MAYER-WHITTINGTON, CLERK
U.S. DISTRICT COURT

UNITED STATES OF AMERICA,
STATE OF ILLINOIS,
and
STATE OF MISSOURI,
Plaintiffs,

Civil No.:

99 0894

v.

Filed:

ALLIED WASTE INDUSTRIES, INC.
and
BROWNING-FERRIS INDUSTRIES, INC.,
Defendants.

Entered: July 29, 1999

FINAL JUDGMENT

WHEREAS, plaintiffs, the United States of America, the State of Illinois, and the State of Missouri, and defendants Allied Waste Industries, Inc., ("Allied"), and Browning-Ferris Industries, Inc. ("BFT"), by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law herein, and without this Final Judgment constituting any evidence against or an admission by any party with respect to any issue of law or fact herein; and that this Final Judgment shall settle all claims made by plaintiffs in their Complaint filed on April 8, 1999;

AND WHEREAS, defendants have agreed to be bound by the provisions of this Final Judgment pending its approval by the Court;

AND WHEREAS, the essence of this Final Judgment is, in the event of the acquisition of certain BFI assets by Allied, the prompt and certain divestiture of the identified assets to assure that competition is not substantially lessened;

AND WHEREAS, plaintiffs require Allied to make certain divestitures for the purpose of establishing a viable competitor in the commercial waste hauling business in the St. Louis area;

AND WHEREAS, Allied has represented to plaintiffs that the divestitures ordered herein can and will be made and that Allied will later raise no claims of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

AND WHEREAS, the United States, the states of Illinois and Missouri currently believe that entry of this Final Judgment is in the public interest;

NOW, THEREFORE, before the taking of any testimony, and without trial or adjudication of any issue of fact or law herein, and upon consent of the parties hereto, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

I.

JURISDICTION

This Court has jurisdiction over each of the parties hereto and over the subject matter of this action. The Complaint states a claim upon which relief may be granted against defendants, as hereinafter defined, under Section 7 of the Clayton Act, as amended (15 U.S.C. § 18).

II.

DEFINITIONS

As used in this Final Judgment:

A. “Allied” means defendant Allied Waste Industries, Inc., a Delaware corporation with its headquarters in Scottsdale, Arizona and includes its successors and assigns, and its subsidiaries, divisions, groups, affiliates, directors, officers, managers, agents, and employees.

B. “BFT” means defendant Browning-Ferris Industries, Inc., a Delaware corporation with its headquarters in Houston, Texas, and includes its successors and assigns, and its subsidiaries, divisions, groups, affiliates, directors, officers, managers, agents, and employees.

C. “Commercial waste hauling” means the collection and transportation to a disposal site of trash and garbage (but not medical waste; organic waste; special waste, such as contaminated soil; sludge; or recycled materials) from commercial and industrial customers. Commercial waste hauling means using frontend load and rearend load trucks to service small containers in the St. Louis market. Typical customers include office and apartment buildings and retail establishments (e.g., stores and restaurants).

D. “Small container” means a 1 to 10 cubic yard container typically made of steel and often known as a dumpster.

E. “Relevant Hauling Assets” means (1) BFI Illinois commercial waste hauling routes 906, 909, 916 and 940 (as described in Exhibit A) and BFI Missouri commercial waste hauling routes 902, 904, 906, 907, 908, 921, 926 and 940 (as described in Exhibit B) including Saturday service in connection with the customers serviced on those routes; (2) all tangible

assets, including capital equipment, trucks and other vehicles, containers, interests, permits, and supplies [except real property and improvements to real property (i.e., buildings)] used in connection with those routes; and (3) all intangible assets, including hauling-related customer lists, contracts and accounts used in connection with those routes.

F. "St. Louis market" means the City of St. Louis and St. Louis County, Missouri; and the Illinois counties of St. Clair, Madison and Monroe.

G. "Relevant State" means the state in which the Relevant Hauling Assets are located.

III.

APPLICABILITY

A. The provisions of this Final Judgment apply to defendants, their successors and assigns, subsidiaries, directors, officers, managers, agents, and employees, and all other persons in active concert or participation with any of them who shall have received actual notice of this Final Judgment by personal service or otherwise.

B. Allied shall require, as a condition of the sale or other disposition of all or substantially all of its relevant hauling assets, that the acquiring party agree to be bound by the provisions of this Final Judgment.

IV.

DIVESTITURES

A. Allied is hereby ordered and directed in accordance with the terms of this Final Judgment, within one hundred and twenty (120) calendar days after the filing of the Hold Separate Stipulation and Order in this case, or five (5) days after notice of the entry of this Final

Judgment by the Court, whichever is later, to sell the Relevant Hauling Assets as a viable, ongoing business to a purchaser acceptable to the United States in its sole discretion, after consultation with the Relevant State.

B. Allied shall use its best efforts to accomplish the divestitures as expeditiously and timely as possible. The United States, in its sole discretion, after consultation with the Relevant State, may extend the time period for any divestiture an additional period of time not to exceed sixty (60) calendar days.

C. In accomplishing the divestitures ordered by this Final Judgment, Allied promptly shall make known, by usual and customary means, the availability of the Relevant Hauling Assets. Allied shall inform any person making an inquiry regarding a possible purchase that the sale is being made pursuant to this Final Judgment and provide such person with a copy of this Final Judgment. Allied shall also offer to furnish to all prospective purchasers, subject to customary confidentiality assurances, all information regarding the Relevant Hauling Assets customarily provided in a due diligence process except such information subject to attorney-client privilege or attorney work-product privilege. Allied shall make available such information to the plaintiffs at the same time that such information is made available to any other person.

D. Allied shall not interfere with any negotiations by any purchaser to employ any Allied (or former BFI employee) who works at, or whose principal responsibility concerns, any hauling business that is part of the Relevant Hauling Assets.

E. As customarily provided as part of a due diligence process, Allied shall permit prospective purchasers of the Relevant Hauling Assets to have access to personnel and to make such inspection of such assets; access to any and all environmental, zoning, and other permit

documents and information; and access to any and all financial, operational, or other documents and information.

F. Allied shall warrant to any and all purchasers of the Relevant Hauling Assets that each asset will be operational on the date of sale.

G. Allied shall not take any action, direct or indirect, that will impede in any way the operation of the Relevant Hauling Assets.

H. Allied shall warrant to the purchaser of the Relevant Hauling Assets that there are no material defects in the environmental, zoning, or other permits pertaining to the operation of each asset, and that with respect to all Relevant Hauling assets, Allied will not undertake, directly or indirectly, following the divestiture of each asset, any challenges to the environmental, zoning, or other permits pertaining to the operation of the asset.

I. Unless the United States, after consultation with the Relevant State, otherwise consents in writing, the divestitures pursuant to Section IV, whether by Allied or by trustee appointed pursuant to Section V of this Final Judgment, shall include all Relevant Hauling Assets, and be accomplished by selling or otherwise conveying each asset to a purchaser in such a way as to satisfy the United States, in its sole discretion, after consultation with the Relevant State, that the Relevant Hauling Assets can and will be used by the purchaser as part of a viable, ongoing business or businesses engaged in waste hauling. The divestiture, whether pursuant to Section IV or Section V of this Final Judgment, shall be made to a purchaser or purchasers for whom it is demonstrated to the United States's sole satisfaction, after consultation with the Relevant State, that the purchaser: (1) has the capability and intent of competing effectively in the waste hauling business in the Relevant Area; (2) has or soon will have the managerial,

operational, and financial capability to compete effectively in the commercial waste hauling business in the St. Louis market; and (3) is not hindered by the terms of any agreement between the purchaser and Allied which gives Allied the ability unreasonably to raise the purchaser's costs, lower the purchaser's efficiency, or otherwise interfere in the ability of the purchaser to compete effectively in the St. Louis market.

V.

APPOINTMENT OF TRUSTEE

A. In the event that Allied has not sold the Relevant Hauling Assets within the time period specified in Section IV of this Final Judgment, the Court shall appoint, on application of the United States, a trustee selected by the United States, to effect the divestiture of each such asset not sold.

B. After the appointment of a trustee becomes effective, only the trustee shall have the right to sell the Relevant Hauling Assets. The trustee shall have the power and authority to accomplish any and all divestitures at the best price then obtainable upon a reasonable effort by the trustee, subject to the provisions of Sections IV and VIII of this Final Judgment, and shall have such other powers as the Court shall deem appropriate. Subject to Section V(C) of this Final Judgment, the trustee shall have the power and authority to hire at the cost and expense of Allied any investment bankers, attorneys, or other agents reasonably necessary in the judgment of the trustee to assist in the divestitures, and such professionals and agents shall be accountable solely to the trustee. The trustee shall have the power and authority to accomplish the divestitures at the earliest possible time to a purchaser or purchasers acceptable to the United States, upon consultation with the Relevant State, and shall have such other powers as this Court

shall deem appropriate. Allied shall not object to a sale by the trustee on any grounds other than the trustee's malfeasance. Any such objections by Allied must be conveyed in writing to the relevant plaintiffs and the trustee within ten (10) calendar days after the trustee has provided the notice required under Section VI of this Final Judgment.

C. The trustee shall serve at the cost and expense of Allied, on such terms and conditions as the Court may prescribe, and shall account for all monies derived from the sale of each asset sold by the trustee and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee, all remaining money shall be paid to Allied and the trust shall then be terminated. The compensation of such trustee and of any professionals and agents retained by the trustee shall be reasonable in light of the value of the divested business and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished.

D. Allied shall use its best efforts to assist the trustee in accomplishing the required divestitures, including best efforts to effect all necessary regulatory approvals. The trustee and any consultants, accountants, attorneys, and other persons retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the businesses to be divested, and Allied shall develop financial or other information relevant to the businesses to be divested customarily provided in a due diligence process as the trustee may reasonably request, subject to customary confidentiality assurances. Allied shall permit bona fide prospective acquirers of each Relevant Hauling Asset to have reasonable access to personnel and to make

such inspection of physical facilities and any and all financial, operational or other documents and other information as may be relevant to the divestitures required by this Final Judgment.

E. After its appointment, the trustee shall file monthly reports with the parties and the Court setting forth the trustee's efforts to accomplish the divestitures ordered under this Final Judgment; provided, however, that to the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the court. Such reports shall include the name, address and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the business to be divested, and shall describe in detail each contact with any such person during that period. The trustee shall maintain full records of all efforts made to sell the businesses to be divested.

F. If the trustee has not accomplished such divestitures within six (6) months after its appointment, the trustee thereupon shall file promptly with the Court a report setting forth (1) the trustee's efforts to accomplish the required divestitures, (2) the reasons, in the trustee's judgment, why the required divestitures have not been accomplished, and (3) the trustee's recommendations; provided, however, that to the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee shall at the same time furnish such report to the parties, who shall each have the right to be heard and to make additional recommendations consistent with the purpose of the trust. The Court shall enter thereafter such orders as it shall deem appropriate in order to carry out the purpose of the trust which may, if necessary, include extending the trust and the term of the trustee's appointment by a period requested by the United States.

VI.

NOTIFICATION

Within two (2) business days following execution of a definitive agreement, contingent upon compliance with the terms of this Final Judgment, to effect, in whole or in part, any proposed divestiture pursuant to Sections IV or V of this Final Judgment, Allied or the trustee, whichever is then responsible for effecting the divestiture, shall notify plaintiffs of the proposed divestiture. If the trustee is responsible, it shall similarly notify Allied. The notice shall set forth the details of the proposed transaction and list the name, address, and telephone number of each person not previously identified who offered to, or expressed an interest in or a desire to, acquire any ownership interest in the business to be divested that is the subject of the binding contract, together with full details of same. Within fifteen (15) calendar days of receipt by plaintiffs of such notice, the United States, in its sole discretion, after consultation with the Relevant State, may request from Allied, the proposed purchaser, or any other third party additional information concerning the proposed divestiture and the proposed purchaser. Allied and the trustee shall furnish any additional information requested from them within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after plaintiffs have been provided the additional information requested from Allied, the proposed purchaser, and any third party, whichever is later, the United States, after consultation with the Relevant State, shall provide written notice to Allied and the trustee, if there is one, stating whether or not it objects to the proposed divestiture. If the United States provides written notice to Allied and the trustee that it does not object, then the divestiture may be consummated, subject only to Allied's limited right

to object to the sale under Section V(B) of this Final Judgment. Upon objection by the United States, a divestiture proposed under Section IV or Section V shall not be consummated. Upon objection by Allied under the provision in Section V(B), a divestiture proposed under Section V shall not be consummated unless approved by the Court.

VII.

AFFIDAVITS

A. Within twenty (20) calendar days of the filing of the Hold Separate Stipulation and Order in this matter and every thirty (30) calendar days thereafter until the divestiture has been completed whether pursuant to Section IV or Section V of this Final Judgment, Allied shall deliver to plaintiffs an affidavit as to the fact and manner of compliance with Sections IV or V of this Final Judgment. Each such affidavit shall include, *inter alia*, the name, address, and telephone number of each person who, at any time after the period covered by the last such report, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the businesses to be divested, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts that Allied has taken to solicit a buyer for any and all Relevant Hauling Assets and to provide required information to prospective purchasers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States, after consultation with the Relevant State, to information provided by Allied, including limitations on information, shall be made within fourteen (14) days of receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Hold Separate Stipulation and Order in this matter, Allied shall deliver to plaintiffs an affidavit which describes in detail all actions Allied has taken and all steps Allied has implemented on an on-going basis to preserve the Relevant Hauling Assets pursuant to Section VIII of this Final Judgment and the Hold Separate Stipulation and Order entered by the Court. The affidavit also shall describe, but not be limited to, Allied's efforts to maintain and operate each Relevant Hauling Asset as an active competitor, maintain the management, staffing, sales, marketing and pricing of each asset, and maintain each asset in operable condition at current capacity configurations. Allied shall deliver to plaintiffs an affidavit describing any changes to the efforts and actions outlined in Allied's earlier affidavit(s) filed pursuant to this Section within fifteen (15) calendar days after the change is implemented.

C. Until one year after such divestiture has been completed, Allied shall preserve all records of all efforts made to preserve the Relevant Hauling Assets and to effect the ordered divestitures.

VIII.

HOLD SEPARATE ORDER

Until the divestitures required by the Final Judgment have been accomplished, Allied shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the sale of the Relevant Hauling Assets.

IX.

FINANCING

Allied is ordered and directed not to finance all or any part of any acquisition by any person made pursuant to Sections IV or V of this Final Judgment.

X.

CONTRACTUAL REVISIONS

A. In accordance with paragraph X B, below, Allied shall alter the contracts it uses with its small container solid waste commercial customers in the St. Louis market to the form contained in the attached Exhibit C, except for contracts for terms of less than two years.

B. Except for contracts for terms of less than two years, Allied shall offer contracts in the form attached as Exhibit C to all new small container solid waste commercial customers or customers that sign new contracts for small container solid waste commercial service effective on the date Allied acquires the BFI assets. Allied shall offer such contracts to all other small container solid waste commercial customers in the St. Louis market by December 1, 1999.

XI.

ACQUISITIONS

Allied is hereby ordered and directed that for a period of five (5) years after notice of the entry of this Final Judgment, Allied shall not acquire any commercial waste hauling company, any commercial waste hauling route, or any relevant hauling assets located in the City of St. Louis, Missouri; St. Louis County, Missouri; and in the Illinois counties of St. Clair, Madison and Monroe.

XII.

COMPLIANCE INSPECTION

For purposes of determining or securing compliance with the Final Judgment and subject to any legally recognized privilege, from time to time:

A. Duly authorized representatives of the United States Department of Justice, upon written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, or upon written request of duly authorized representatives of the Attorney General's Office of any Relevant State, and on reasonable notice to Allied made to its principal offices, shall be permitted:

- (1) Access during office hours of Allied to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of Allied, who may have counsel present, relating to the matters contained in this Final Judgment and the Hold Separate Stipulation and Order; and
- (2) Subject to the reasonable convenience of Allied and without restraint or interference from it, to interview, either informally or on the record, its officers, employees, and agents, who may have counsel present, regarding any such matters.

B. Upon the written request of the Attorney General or of the Assistant Attorney General in charge of the Antitrust Division, or upon the written request of the Attorney General's Office of any Relevant State, Allied shall submit such written reports, under oath if requested, with respect to any matter contained in the Final Judgment and the Hold Separate

Stipulation and Order.

C. No information or documents obtained by the means provided in Sections VII or XII of this Final Judgment shall be divulged by a representative of the plaintiffs to any person other than a duly authorized representative of the Executive Branch of the United States, or the Attorney General's Office of any Relevant State, except in the course of legal proceedings to which the United States or any Relevant State is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by Allied to plaintiffs, Allied represents and identifies in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and Allied marks each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then ten (10) calendar days notice shall be given by plaintiffs to Allied prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which Allied is not a party.

XIII.

RETENTION OF JURISDICTION

Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

XIV.

TERMINATION

Unless this Court grants an extension, this Final Judgment will expire upon the tenth anniversary of the date of its entry.

XV.

PUBLIC INTEREST

Entry of this Final Judgment is in the public interest.

Dated: 7-29-99



United States District Judge

EXHIBIT A

BFI'S BELLEVILLE DISTRICT F-E-L ROUTES

FILED

JUL 29 1999

NANCY MAYER-WHITTINGTON, CLERK
U.S. DISTRICT COURT

| <u>Route Number</u> | <u>Route Days</u> | <u>Area Served</u> |
|---------------------|--------------------------------|--|
| 906 | M-T-W-TH-F T-F | Alorton, Brooklyn, Cahokia, Caseyville, Centerville, Collinsville, East St. Louis, Granite City, Madison, Sauget, Venice, and Washington Park Fairview Heights and Fairmont City |
| 909 | M-T-W-TH-F M-W-S | Alton, Bethalto, Cottage Hills, Godfrey, East Alton, Granite City, Madison, Pontoon Beach, and Wood River Hartford and Jerseyville. |
| 916 | M-T-W-TH-F | Belleville, Collinsville, Edwardsville, Fairview Heights, Maryville, O'Fallon, Shiloh, Swansea and Troy |
| 940 | M-T-W-TH-F M-TH T-F T | Belleville, Columbia, Freeburg, Milstadt Smithton Dupo East Carondelet |

EXHIBIT B

BFI'S ST. LOUIS COMMERCIAL DISTRICT F-E-L ROUTES

FILED

JUL 29 1999

NANCY MAYER-WHITTINGTON, CLERK
U.S. DISTRICT COURT

| <u>Route Number</u> | <u>Route Days</u> | <u>Area Served</u> |
|---------------------|-------------------|--|
| 902 | M-T-W-TH-F | W. St. Louis County, Manchester, Grover, Winchester, Ballwin, Des Peres, Ellisville, Wildwood, Pond, Chesterfield, Twin Oaks, and Castlewood |
| 904 | M-T-W-TH-F | St. Louis County, Creve Couer, Ladue, Town and Country, Olivette and Frontenac |
| 906 | M-T-W-TH-F | S. St. Louis County, Kirkwood, Rock Hill, Fenton, Glendale, Valley Park, Highridge, House Springs, Afton, Crestwood, Des Peres, Kirkwood, Warson Woods, Sunset Hills and Peerless Park |
| 907 | M-T-W-TH-F | St. Louis City |
| 908 | M-T-W-TH-F | St. Louis City and South St. Louis |
| 921 | M-T-W-TH-F | St. Louis County, St. Ann, Normandy, University City, Overland, Pagedale, Welston, Hanley Hills, Venita Park, Olivette, Creve Couer, St. Louis City, Belridge, Bridgeton, Woodson Terrace, Northwoods, Pine Lawn, Beverly Hills, Upland Park, Vilda Village, Cool Valley, Breckenridge Hills and St. Johns |
| 926 | M-T-W-TH-F | St. Louis County, Webster Groves, Crestwood, Kirkwood, Afton, Sunset Hills, Marlborough, Fenton, Peerless Park, Shrewsbury, So. St. Louis City, Grantwood Village and Oakland |
| 940 | | St. Louis County, Florissant, Ferguson, Black Jack, Jennings, Dellwood, Berkeley, Bellefontaine Neighbors, and St. Louis City. |

EXHIBIT C

FILED

JUL 29 1999

Contract for Solid Waste Services

**NANCY MAYER-WHITTINGTON, CLERK
U.S. DISTRICT COURT**

Date: _____

Service Location (which Business Name shall be deemed to include all locations to which the identified location is relocated or reestablished.)

Business Name

Street No. & Name _____

City Zip _____

Telephone _____ Fax _____

Dear _____:

Thank you for choosing Allied as your waste services company. Our aim is to provide this essential service so responsibly and dependably that you don't need to give it a second thought. We will do our best to keep you satisfied and want you to tell us when we don't. This contract will continue in effect for two years and will renew for successive one-year periods unless terminated in writing at least 30 days prior to the end of a period. You may also terminate when appropriate under "Our Guaranty."

Our Mission

Our Mission is to provide the highest quality waste collection, transportation, processing disposal and related services to both public and private customers worldwide. We will carry out our Mission efficiently, safely and in an environmentally responsible manner with respect for the role of government in protecting the public interest.

Our Guaranty

We guarantee the quality of our waste services. If our services do not measure up to the standards described in this contract, and we do not correct the problem within 48 hours (excluding Sundays) after we receive written notice from you (unless the problem is caused by circumstances outside our reasonable control), you may terminate our services and this contract without penalty.

Our Responsibilities

1. The specific services we will provide, and the schedule and initial charges for each service, are listed below. We will give at least 30 days written notice if we increase our charges, which we reserve the right to do from time to time proportionately in connection with increases

in costs for disposal, longer transportation distances, fuel, regulatory compliance, taxes, and increases in average weight per container yard. In connection with increases in the cost of disposal, we frequently do not receive advance notice of increases. We reserve the right to pass on to you such increases without 30 days advance notice but will give you as much notice as possible. Customers will be provided in writing with the formula used in calculating increases based upon increases in disposal fees. We will advise Customer in writing of the reason for the increase and do our best to satisfy any concerns you have about any increases. Any other type of price increase requires your written consent.

2. Our employees will be friendly, courteous and responsive. They will, in writing, have gone through a customer satisfaction and safety training program, and will provide quality, professional service.

3. We will provide and maintain the equipment you need for the deposit and other handling of the materials that we have agreed to pick up from you.

4. We are committed to making every pick-up as scheduled, but if we are unable to do so, we will make every effort to let you know in advance and reschedule it within 24 hours.

Your Responsibilities

1. You agree that Allied will provide the specified services for all your nonhazardous waste. You agree not to deposit any radioactive, volatile, corrosive, highly flammable, explosive, infectious, toxic or hazardous waste in our equipment and will indemnify us from resulting liabilities if you do. Anything else that is deposited in our truck becomes our property at that time.

2. You agree to provide us with access to our equipment over surfaces that can sustain the weight and operation of our vehicles. You also agree not to overload (by weight or volume), abuse or move our equipment; but if it does need to be moved, you will call us.

3. You agree to use your best efforts to keep people from coming into contact with our equipment other than those who are authorized and trained to use it.

4. You agree to pay our bills monthly, within ten days after they are received. We reserve the right to charge a late fee on all past due payments.

5. If you terminate this contract during your first 10 months as an Allied customer (other than as provided under "Our Guaranty"), you agree to pay us, as liquidated damages and not as a penalty, three times your prior average monthly charges. If you terminate after you have been an Allied customer for more than 10 months (other than as provided under "Our Guaranty"), you agree to pay us as liquidated damages an amount equal to two months average charges.

We look forward to a long-lasting relationship; so please let us know if you have any problems or concerns as they occur and give us the opportunity to provide solutions. As we

deliver our services, we will continuously look for ways to keep your satisfied.

Service Description

| Line No. | Sys-tem | City | Cont. Size | Vol code | Freq | Comp | On Call | Pick up HAUL Rate | Est. Hauls | Zero TCT Flag | Est-mnts | Disp site | Min. haul rate | Mon. Equip. Chrges |
|----------|---------|------|------------|----------|------|------|---------|-------------------|------------|---------------|----------|-----------|----------------|--------------------|
| N1 | | | | | | | | | | | | | | |
| E2 | | | | | | | | | | | | | | |
| W3 | | | | | | | | | | | | | | |
| O1 | | | | | | | | | | | | | | |
| L2 | | | | | | | | | | | | | | |
| D3 | | | | | | | | | | | | | | |

Other Services _____
 Other Charges _____
 Customer _____

Name of Operating Allied Waste Industries Subsidiary _____

By _____
 By _____
 Title: _____

Agreed to this _____ day of _____ 19____
 Service to Start On _____