

**AGREEMENT FOR DISPOSAL SERVICES**

This AGREEMENT FOR DISPOSAL SERVICES (this "Agreement"), dated as of January 29, 2018, is by and among Pine Tree Waste, Inc. a Maine corporation (hereinafter "Pine Tree"), NEWSME Landfill Operations LLC, a Maine limited liability company (hereinafter "NEWSME"), Maine Waste Processing LLC, a Minnesota limited liability company ("MWP") and Penobscot Energy Recovery Company, Limited Partnership, a Maine limited partnership (hereinafter, collectively with MWP, "PERC").

WHEREAS, MWPC has entered into the PERC Agreement; and

WHEREAS, through MWPC and the PERC Agreement, Pine Tree has a desire to dispose of solid waste that it collects through services it provides in certain communities at PERC's facility located in Orrington, Maine (the "PERC Facility"); and

WHEREAS, the PERC Facility is fully permitted to accept solid waste, and wishes to accept said solid waste from Pine Tree; and

WHEREAS, PERC wishes from time to time to dispose of certain materials at the Juniper Ridge Landfill facility operated by NEWSME (the "Landfill");

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows on the following terms and conditions:

**1. DEFINITIONS**

"Acceptable Waste" shall mean Municipal Solid Waste in the case of deliveries by Pine Tree to PERC and PERC Ash; FEPR, OBW and Process Residuals in the case of deliveries by PERC to NEWSME. In no event shall Acceptable Waste mean or include Unacceptable Waste.

"CPI" means the Consumer Price Index for All Urban Consumers, Boston-Brockton-Nashua, MA-NH-ME-CT All Items published by the U.S. Bureau of Labor Statistics. If this index ceases to be published, a comparable index shall be designated in writing by the parties hereto.

"FEPR" means the PERC Facility's front-end processing residue, which consists of glass and grit removed from Municipal Solid Waste as it is processed into fuel but excluding (i) such fuel; (ii) ferrous and non-ferrous materials separated and removed for recycling; and (iii) materials separated and removed from the Municipal Solid Waste prior to processing by virtue of being non-processable material.

"OBW" means the PERC Facility's non-processable/oversized and bulky waste, which includes materials not processable, oversized bulky items and all other materials separated and removed from Municipal Solid Waste prior to processing and requiring landfill disposal.

"PERC Agreement" mans shall mean that certain Supply Agreement by and between MWPC and PERC.

"PERC Ash" means the PERC Facility's ash residue or residue remaining after the combustion of Municipal Solid Waste and other waste streams, including residual streams from the

furnace/boiler, particulate streams removed from the combustion products, and residual materials removed from the air pollution control equipment.

“Process Residuals” means solid waste remaining after processing, treatment or disposal of solid waste or as a by-product of processing, treatment or disposal of solid waste

“Unacceptable Waste” means any material that is not Acceptable Waste, including without limitation: (a) any material that by reason of its composition, characteristics or quantity is ineligible for disposal at the PERC Facility or the Landfill, as applicable, under any applicable federal, state or local laws, rules, regulations, or permits; (b) hazardous, toxic, radioactive, hospital or laboratory wastes or substances; and (c) any other material that PERC or NEWSME, as applicable, reasonably concludes would require special handling outside the normal course or present an endangerment to its facility, the public health or safety, or the environment.

“Municipal Solid Waste” means non-hazardous solid materials with insufficient liquid content to be free-flowing which are of no value to the immediate source from which they emanate as evidenced by their disposal, discard, or abandonment without consideration in return including, but not limited to, ordinary household, municipal, institutional, commercial and industrial wastes, all as may be defined or limited by applicable federal, state and local laws, ordinances, permits, regulations, licenses, approvals, and restrictions.

“MSW Bypass” means Municipal Solid Waste delivered, or intended to be delivered, to the PERC Facility for disposal but which the PERC Facility is unable to accept for processing.

“Transportation Vehicles” means motorized vehicles necessary for Pine Tree to transport the Acceptable Waste to the PERC Facility including, without limitation, tractors, trailers, and “packer” trucks (front load and rear load), all of which must be self-unloading.

Other terms used in this Agreement are defined herein.

## **2. DISPOSAL OF ACCEPTABLE WASTE AT THE PERC FACILITY**

**2.1 Delivery of Acceptable Waste to PERC Facility by Pine Tree.** Commencing upon the Effective Date of April 1, 2018, and extending through the earlier of (i) March 31, 2019 or (ii) the expiration, revocation or lapse of NEWSME’s authorization to accept no less than 81,800 tons per year of Municipal Solid Waste from Maine at the Landfill (the “Term”), and unless earlier terminated as provided herein, to the extent not inconsistent with Pine Tree’s other contractual obligations existing as of the date of this Agreement, and at the direction of MWPC, Pine Tree shall exercise diligent, commercially reasonable efforts to deliver to the PERC Facility, and PERC will accept, certain Acceptable Waste from Pine Tree in the approximate quantities set forth below.

**2.2 Delivery of Acceptable Waste by PERC Facility to the Landfill.** In addition, PERC shall deliver exclusively to the Landfill, and NEWSME shall accept from PERC, all quantities of the categories of Acceptable Waste set forth below and produced at the PERC Facility. PERC agrees to notify NEWSME promptly in the event that the PERC Facility has available any MSW Bypass, which notice shall include the reason for such MSW Bypass being available and the expected duration of the event(s) or condition(s) causing there to be MSW Bypass available. The Term may be extended (a) at the option of Pine Tree and NEWSME by written notice to PERC not later than December 1, 2018 to the earlier of December 31, 2023 or the point at which the Landfill is no longer authorized to accept 81,800 tons per year of Municipal Solid Waste from Maine under its permits and licenses, or (b) by written agreement among PERC, NEWSME and

Pine Tree and, in the event of such an extension, the prices set forth herein shall be increased by the percentage change in CPI between January 1, 2018 and January 1, 2019 and as of each subsequent January 1 by the percentage change in CPI over the immediately preceding year.

**2.3 Fees.**

Pine Tree agrees to pay MWPC the disposal fees as listed below for the delivery of Acceptable Waste to the PERC Facility pursuant to the terms of this Agreement (the "MWPC Tipping Fee"):

<b>Category</b>	<b>Approximate Tons (Annual)</b>	<b>Price per Ton</b>
1 Pine Tree Commercial Waste	20,000	██████
2 Waterville/West Bath TS	10,000	██████
3 Westbrook/Naples TS	50,000	██████
4 Out of State Waste	50,000	██████
5 OBW	TBD	TBD

The approximate tonnage amounts listed above may be prorated for a partial year.

If PERC is unable to accept any Category of Waste noted above from Pine Tree, PERC has an obligation to notify Pine Tree immediately that it is unable to accept such waste and is electing to bypass it, the reason(s) for such decision and the expected duration of the bypass, and Pine Tree shall have the option to dispose of such waste at a facility of its choice and in its sole discretion as bypass municipal solid waste. PERC agrees that Categories 1 - 3 of Pine Tree Waste will be the first volume bypassed by the PERC Facility before any other deliveries of Municipal Solid Waste to the PERC Facility are bypassed.

Commencing upon the Effective Date of April 1, 2018, and extending through the earlier of (i) March 31, 2019 or (ii) the expiration, revocation or lapse of Pine Tree's authorization to accept no less than 81,800 tons per year of Municipal Solid Waste from Maine at the Landfill (the "Term"), unless earlier terminated as provided herein, Pine Tree shall exercise diligent, commercially reasonable efforts, to the extent not inconsistent with Pine Tree's current contractual obligations, to deliver to the PERC Facility, and PERC will accept, certain Acceptable Waste from Pine Tree in the approximate quantities set forth below. In the event and to the extent that (a) Pine Tree does not have other contractual obligations that are inconsistent with Pine Tree delivering Acceptable Waste to the PERC Facility, (b) PERC is able and willing to accept such Acceptable Waste from Pine Tree, and (c) nonetheless Pine Tree fails to deliver to PERC during the Term the estimated quantities of Category 1 and Category 2 Acceptable Waste set forth in Section 2.1, Pine Tree shall pay to PERC, no later than April 30, 2019, ██████ per ton of such shortfall. Such payment shall constitute liquidated damages, and shall represent Pine Tree's exclusive remedy with respect to any shortfall in deliveries of Acceptable Waste hereunder.

PERC agrees to pay NEWSME disposal fees for any and all Acceptable Waste other than MSW Bypass delivered to the Landfill by PERC of [REDACTED] per ton. PERC agrees to pay NEWSME disposal fees for MSW Bypass delivered to the Landfill of [REDACTED] per ton. (collectively, the "Disposal Fees")

PERC will pay transportation fees in addition to the disposal fees noted above.

#### 2.4 Deliveries to the Landfill and Payment of NEWSME.

a. Deliveries. Deliveries by PERC to the Landfill pursuant to the terms of this Agreement shall be recorded separately. Unless otherwise agreed to by the parties hereto, each incoming Transportation Vehicle shall be labeled with a unique vehicle number and hauler code. Each incoming Transportation Vehicle shall be individually weighed at the time of arrival at the Landfill to determine the incoming Transportation Vehicle's gross truck weight. After being unloaded, but prior to departing from the Landfill, the incoming Transportation Vehicle shall be weighed empty at the Landfill to determine its tare weight (to the nearest hundredth of a ton). A multi-part weigh ticket shall be produced for each such incoming Transportation Vehicle which weigh ticket shall show (1) the incoming Transportation Vehicle's tare and gross truck weights, (2) the number of tons of Acceptable Waste being delivered to the Landfill by the incoming Transportation Vehicle (to the nearest hundredth of a ton), (3) the time of the delivery, and (4) the incoming Transportation Vehicle's vehicle identification number. The weigh ticket shall be signed by the Landfill's scale house operator and the driver of the incoming Transportation Vehicle. NEWSME and the driver shall each receive a copy of the weigh ticket. NEWSME shall retain all weigh tickets for a period of not less than three (3) years. The weight record shall be used by NEWSME as the basis for invoicing PERC. PERC shall have the right to inspect NEWSME's weight records of Acceptable Waste deliveries upon reasonable written request. Such inspections shall be conducted during business hours in such a manner as to not unreasonably interfere with NEWSME's business operations.

b. Invoicing. NEWSME shall submit a weekly invoice to PERC indicating (i) the number of tons of Acceptable Waste disposed of at the Landfill during the immediately preceding week and the Disposal Fees due pursuant to Section 2.3 above.

c. Payment. Other than invoices that PERC disputes in good faith by written notice to NEWSME, with such written notice setting forth in reasonable detail the basis for such dispute, PERC will pay NEWSME each invoice within thirty (30) calendar days after PERC receives the invoice from NEWSME. If possible, PERC agrees that PERC shall pay all invoices by utilizing electronic funds transfer. NEWSME acknowledges and agrees that NEWSME shall work with PERC to authorize the electronic funds transfer to NEWSME's bank account.

#### 2.5 Deliveries to the PERC Facility and Payment of the MWPC Tipping Fees.

a. Deliveries. Deliveries by Pine Tree to the PERC Facility that are under the direction of MWPC pursuant to the terms of this Agreement and the PERC Agreement of the Acceptable Waste shall be recorded separately. Unless otherwise agreed to by the parties hereto, each incoming Transportation Vehicle shall be labeled with a unique vehicle number and hauler code. Each incoming Transportation Vehicle shall be individually weighed at the time of arrival



at the PERC Facility to determine the incoming Transportation Vehicle's gross truck weight. After being unloaded, but prior to departing from the PERC Facility, the incoming Transportation Vehicle shall be weighed empty at the PERC Facility to determine its tare weight (to the nearest hundredth of a ton). A multi-part weigh ticket shall be produced for each such incoming Transportation Vehicle which weigh ticket shall show (1) the incoming Transportation Vehicle's tare and gross truck weights, (2) the number of tons of Acceptable Waste being delivered to the PERC Facility by the incoming Transportation Vehicle (to the nearest hundredth of a ton), (3) the time of the delivery, and (4) the incoming Transportation Vehicle's vehicle identification number. The weigh ticket shall be signed by PERC's scale house operator and the driver of the incoming Transportation Vehicle. MWPC, PERC and the driver shall each receive a copy of the weigh ticket. PERC shall retain all weigh tickets for a period of not less than three (3) years. The weight record shall be used by MWPC as the basis for invoicing Pine Tree. Pine Tree and MWPC shall each have the right to inspect PERC's weight records of Acceptable Waste deliveries upon reasonable written request. Such inspections shall be conducted during business hours in such a manner as to not unreasonably interfere with PERC's business operations.

**b. Invoicing.** MWPC shall submit a weekly invoice to Pine Tree indicating (i) the number of tons of Acceptable Waste disposed of at the PERC Facility during the immediately preceding week and the MWPC Tipping Fee due pursuant to Section 2.3 above.

**c. Payment.** Other than invoices that Pine Tree disputes in good faith by written notice to MWPC, with such written notice setting forth in reasonable detail the basis for such dispute, Pine Tree will pay MWPC each invoice within thirty (30) calendar days after Pine Tree receives the invoice from MWPC. If possible, Pine Tree agrees that Pine Tree shall pay all invoices by utilizing electronic funds transfer. MWPC acknowledges and agrees that MWPC shall work with Pine Tree to authorize the electronic funds transfer to MWPC's bank account.

## **2.6 Hours of Operation.**

**a.** Regular hours of operation at the PERC Facility are Monday through Friday, 6:00 AM – 6:00 PM; and Saturday 7:00 AM – 3:00 PM. These hours may be changed with reasonable prior reasonable prior notice to Pine Tree.

**b.** The PERC Facility will not be open on the following major holidays: Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and New Year's Day (2019). Other closures may be observed at the PERC Facility with reasonable prior notice to Pine Tree.

**c.** Regular hours of operation at the Landfill are Monday through Friday, 6:00 AM – 6:00 PM; and Saturday and Sunday 7:30 AM – 2:30 PM. These hours may be changed with reasonable prior notice to PERC.

**d.** NEWSME will not be open on the following major holidays: New Year's Day, Thanksgiving Day, and Christmas Day. Other closures may be observed at the Landfill with reasonable prior notice to PERC.

## 2.7 Access.

a. PERC grants Pine Tree and its agents, reasonable access to the PERC Facility for the limited purposes of this Agreement. Pine Tree shall comply, and shall be responsible for the compliance of all of its agents, with all applicable laws and regulations, as well as all of PERC's safety rules and regulations at the PERC Facility. PERC will post or provide Pine Tree with a copy of such safety rules and regulations, as appropriate.

b. NEWSME grants PERC and its agents, reasonable access to the Landfill for the limited purposes of this Agreement. PERC shall comply, and shall be responsible for the compliance of all of its agents, with all applicable laws and regulations, as well as all of NEWSME's safety rules and regulations at the Landfill. NEWSME will post or provide PERC with a copy of such safety rules and regulations, as appropriate.

## 3. **WARRANTIES AND COVENANTS**

### 3.1 Warranties and Covenants of Pine Tree.

a. Pine Tree represents and warrants that (i) the Acceptable Waste shall comply with all applicable requirements under federal, state or local laws and regulations, including, but not limited to, the Maine Hazardous Waste, Septage and Solid Waste Management Act (38 MRS §§ 1301 et seq.) and the Federal Resource Conservation and Recovery Act of 1976 (all as amended) and all applicable regulations thereunder; and (ii) no change shall be made to the composition of such Acceptable Waste unless agreed to in writing by PERC.

b. Pine Tree shall not include any Unacceptable Waste in any shipment to the PERC Facility.

c. Pine Tree shall provide immediate oral notice and confirming written notice to PERC within twenty-four (24) hours of its awareness of the possibility that materials other than Acceptable Waste may be contained in any delivery to the PERC Facility.

d. Pine Tree shall provide PERC with evidence of its insurance upon PERC's request.

### 3.2 Warranties and Covenants of PERC for Receipt of Waste from Pine Tree.

a. PERC represents and warrants that PERC's operations of the PERC Facility shall comply with all applicable requirements under federal, state or local laws and regulations, including, but not limited to, the Maine Hazardous Waste, Septage and Solid Waste Management Act (38 MRS §§ 1301 et seq.) and the Federal Resource Conservation and Recovery Act of 1976 (all as amended) and all applicable regulations thereunder.

b. PERC shall not deposit Pine Tree's waste with any Unacceptable Waste.

c. PERC shall provide immediate oral notice and confirming written notice to Pine Tree within twenty-four (24) hours of its awareness of the possibility that materials other than

Acceptable Waste were contained in any delivery from Pine Tree to the PERC Facility or were deposited with Acceptable Waste delivered by Pine Tree to the PERC Facility.

d. PERC shall provide Pine Tree with evidence of its insurance upon Pine Tree's request.

e. PERC shall be fully responsible for the actions or omissions of its employees, contractors and agents and covenants that they shall (i) perform their obligations in a good and workmanlike manner consistent with applicable best professional practices and standards in the industry for performing similar services; (ii) comply with all applicable federal, state and local laws and ordinances and all lawful orders, rules and regulations of any governmental authority, including but not limited to, social security and income tax withholding laws, employment compensation laws, environment, safety and health laws; and (iii) have all necessary permits, licenses and other forms of documentation, and its personnel have received all necessary training including, but not limited to, health and safety training, required to perform services hereunder. Upon request of Pine Tree, PERC shall furnish copies and/or evidence thereof to Pine Tree.

f. PERC shall provide reasonable public support for NEWSME's efforts to amend the 2013 Juniper Ridge Landfill MSW permit (#S-020700-WD-BC-A) as part of the overall integrated solid waste management system for the State of Maine and consistent with the State of Maine Solid Waste Hierarchy in effect as of the date of this Agreement. Such amendment is being requested pursuant to the terms of the pending application which will allow municipal solid waste to continue to be disposed of at the Landfill after March 31, 2018. Such reasonable public support shall include, without limitation, (1) attendance at and support of such amendment efforts at as many public hearings as the representatives of PERC can reasonably attend, and (2) the delivery of a reasonable number of supportive communications with legislators, the Commissioner of the Maine Department of Environmental Protection, the staff of the Governor of Maine and with officials and administrative bodies of the relevant localities. PERC shall not make any statements that are, in any material respect, inconsistent with the MSW amendment application.

In the event that the term of this Agreement is extended, PERC's commitments under this Section 3.2(f) shall apply to any subsequent permit amendments sought by NEWSME with respect to the Landfill during such extended term.

The parties understand and agree that the effectiveness of this Agreement (other than Section 3.2(f), which shall take effect immediately) is contingent on receipt by NEWSME of the MSW permit amendment described above for not less than 81,800 tons per year of Municipal Solid Waste from Maine at the Landfill no later than March 31, 2018.

### 3.3 Warranties and Covenants of PERC for Delivery of Waste to the Landfill.

a. PERC represents and warrants that (i) the Acceptable Waste shall comply with all applicable requirements under federal, state or local laws and regulations, including, but not limited to, the Maine Hazardous Waste, Septage and Solid Waste Management Act (38 MRS §§ 1301 et seq.) and the Federal Resource Conservation and Recovery Act of 1976 (all as

amended) and all applicable regulations thereunder; and (ii) no change shall be made to the composition of such Acceptable Waste unless agreed to in writing by NEWSME.

b. PERC shall not include any Unacceptable Waste in any shipment to the Landfill.

c. PERC shall provide immediate oral notice and confirming written notice to NEWSME within twenty-four (24) hours of its awareness of the possibility that materials other than Acceptable Waste may be contained in any delivery to the Landfill.

d. PERC shall provide NEWSME with evidence of its insurance upon NEWSME's request.

e. PERC shall provide NEWSME prompt prior written notice of any bypassing MSW to the Landfill, including the reason for the bypass, the estimated amount of the bypass and the duration of the bypass event.

#### 3.4 Warranties and Covenants of NEWSME for Receipt of Waste from PERC.

a. NEWSME represents and warrants that NEWSME's operations of the Landfill shall comply with all applicable requirements under federal, state or local laws and regulations, including, but not limited to, the Maine Hazardous Waste, Septage and Solid Waste Management Act (38 MRS §§ 1301 et seq.) and the Federal Resource Conservation and Recovery Act of 1976 (all as amended) and all applicable regulations thereunder.

b. NEWSME shall not deposit PERC's waste with any Unacceptable Waste.

c. NEWSME shall provide immediate oral notice and confirming written notice to PERC within twenty-four (24) hours of its awareness of the possibility that materials other than Acceptable Waste were contained in any delivery from PERC to the Landfill or were deposited with Acceptable Waste delivered by PERC to the Landfill.

d. NEWSME shall provide PERC with evidence of its insurance upon PERC's request.

e. NEWSME shall be fully responsible for the actions or omissions of its employees, contractors and agents and covenants that they shall (i) perform their obligations in a good and workmanlike manner consistent with applicable best professional practices and standards in the industry for performing similar services; (ii) comply with all applicable federal, state and local laws and ordinances and all lawful orders, rules and regulations of any governmental authority, including but not limited to, social security and income tax withholding laws, employment compensation laws, environment, safety and health laws; and (iii) have all necessary permits, licenses and other forms of documentation, and its personnel have received all necessary training including, but not limited to, health and safety training, required to perform services hereunder. Upon request of PERC, NEWSME shall furnish copies and/or evidence thereof to PERC.

The parties understand and agree that the effectiveness of this Agreement (other than Section 3.2(f), which shall take effect immediately) is contingent on receipt by NEWSME of the MSW permit amendment described above for not less than 81,800 tons per year no later than March 31, 2018.

**3.5** The warranties and covenants contained in this Section 3 shall survive the expiration or termination of this Agreement indefinitely.

**4. TERMINATION OF OTHER AGREEMENTS.**

Upon the effectiveness of this Agreement, each of (a) the Disposal Agreement (the "Disposal Agreement"), dated as of October 1, 2012, among PERC, USA Energy Group, LLC, ESOCO Orrington, LLC, Casella Waste Systems, Inc., Pine Tree and New England Waste Services of ME, Inc., (b) the Commercial Agreement for Disposal Services, dated December 15, 2015, between NEWSME and Maine Waste Processing, LLC, and (c) the Commercial Agreement for Disposal Services, dated as of April 1, 2018, by and between Pine Tree and Maine Waste Processing, LLC, each as amended to date, is and shall be terminated and of no further force or effect, with the sole exception of (i) any obligations of a party thereunder to pay for waste streams delivered which have not been paid in accordance with the payment provisions of any such agreement, and (ii) indemnification obligations under any such agreement with respect to matters arising prior to the effectiveness of this Section 4. Without limitation of the foregoing, the provisions of Section 12.1 of the Disposal Agreement shall be of no further force or effect upon the effectiveness of this Section 4.

**5. NOTICES.**

All notices to be given to Pine Tree, NEWSME or PERC shall be in writing and delivered personally, or shall be mailed by U.S. Express, registered or certified mail, return receipt requested or a reputable overnight courier as follows:

PERC	Penobscot Energy Recovery Company 29 Industrial Way Orrington, Maine 04474
MWP	Maine Waste Processing LLC 3535 Plymouth Blvd. Suite 212 Plymouth, MN 55447
Pine Tree	Pine Tree Waste, Inc. 110 Main Street, Suite 1308 Saco, Maine 04072 Attn: Brian Oliver



NEWSME

NEWSME Landfill Operations LLC  
385 Emerson Mill Road  
Hampden, Maine 04444

With a copy to

Casella Waste Systems, Inc.  
25 Greens Hill Lane  
Rutland, VT 05701  
Attn: General Counsel

**6. STANDARD TERMS AND CONDITIONS.**

Standard Terms and Conditions are attached hereto as Attachment A and are incorporated herein in their entirety. In the event of any conflict between the terms contained in this Agreement and the terms within Attachment A, the former shall govern.

**7. COUNTERPARTS.**

This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but which together will constitute one and the same instrument.

IN WITNESS THEREOF, the parties have executed this Agreement as of the date first set forth above.

**PINE TREE WASTE, INC.**

By: BOL  
Name: Brian Oliver  
Title: Vice President

**PENOBSCOT ENERGY RECOVERY COMPANY, LIMITED PARTNERSHIP**

By: JANER  
Name: JOHN A NOER  
Title: President

**NEWSME LANDFILL OPERATIONS LLC**

By: BOL  
Name: Brian Oliver  
Title: Vice President

**MAINE WASTE PROCESSING, LLC**

By: Kevin Tritz  
Name: KEVIN TRITZ  
Title: President

**FOR PURPOSES OF SECTION 4 OF THIS AGREEMENT.**

**CASELLA WASTE SYSTEMS, INC.**

By: BOL  
Name: Brian Oliver  
Title: Vice President

**ESOCO ORRINGTON, LLC**

By: JANER  
Name: JOHN A. NOER  
Title: President

**USA ENERGY GROUP, LLC**

By: JANER  
Name: JOHN A NOER  
Title: President

**NEW ENGLAND WASTE SERVICES OF ME, INC.**

By: BOL  
Name: Brian Oliver  
Title: Vice President

## STANDARD TERMS & CONDITIONS

**Governing Law.** This Agreement and any issues arising hereunder or relating hereto shall be governed by and construed in accordance with the laws of the State of Maine except for conflicts of laws provisions that would apply the substantive law of another state.

**Venue.** The Parties agree that all actions or proceedings arising in connection with this agreement shall be tried and litigated only in the state and federal courts having jurisdiction over Penobscot County, Maine.

**Limitation of Liability.** Neither party shall be liable to the other for special, incidental, exemplary, punitive or consequential damages including without limitation loss of use, loss of profits or revenues, or cost of substitute or re-performed services, suffered, asserted or alleged by either party or any third party arising from or relating to this Agreement, regardless of whether those damages are claimed under contract, warranty, indemnity, tort or any other theory at law or in equity.

**Disclaimer of Joint Venture, Partnership, and Agency.** This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the parties or to impose any partnership obligation or liability upon either party. Neither party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent of representative of, or to otherwise bind, the other party.

### Force Majeure.

a. "Force Majeure" means shall mean any act, event or condition materially and adversely affecting the ability of a party to perform or comply with any material obligation, duty or agreement required under this Agreement, if such act, event, or condition is beyond the reasonable control of the nonperforming party or its agents relying thereon, is not the result of the willful or negligent action, inaction or fault of the party relying thereon, and the nonperforming party has been unable to avoid or overcome the act, event or condition by the exercise of due diligence, including, without limitation: (i) an act of God, epidemic, landslide, lightning, earthquake, fire, explosion, storm, flood or similar occurrence; (ii) an act of public enemy, war, blockage, insurrection, riot, general unrest or restraint of government and people, civil disturbance or disobedience, sabotage, act of terrorism or similar occurrence; (iii) a strike, work slowdown, or similar industrial or labor action; (iv) an order or judgment (including without limitation a temporary restraining order, temporary injunction, preliminary injunction, permanent injunction, or cease and desist order) or other act of any federal, state, county or local court, administrative agency or governmental office or body which prevents a party's obligations as contemplated by this Agreement; or (v) adoption or change (including a change in interpretation or enforcement) of any federal, state or local law after the Effective Date of this Agreement, preventing performance of or compliance with the obligations hereunder.

b. Neither party shall be liable to the other for damages without limitation (including liquidated damages) if such party's performance is delayed or prevented due to an event of Force Majeure. In such event, the affected party shall promptly notify the other of the event of Force Majeure and its likely duration. During the continuation of the Force Majeure Event, the nonperforming party shall (i) exercise commercially reasonable efforts to mitigate or limit damages to the performing party; (ii) exercise commercially reasonable due diligence to overcome the Force Majeure event; (iii) to the extent it is able, continue to perform its obligations under this Agreement; and (iv) cause the suspension of performance to be of no greater scope and no longer duration than the Force Majeure event requires.

c. In the event of a delay in either party's performance of its obligation hereunder for more than sixty (60) days due to a Force Majeure, the other party may, at any time thereafter, terminate this Agreement.

**Representations and Warranties of Authority.** Each party represents and warrants to the other that:

a. it is duly qualified to do business and is in good standing in every jurisdiction in which this Agreement requires its performance;

b. it has full power and authority to execute, deliver and perform its obligations under this Agreement;

c. the execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action by such party; and

d. the execution and delivery of this Agreement by such party and the performance of the terms, covenants and conditions contained herein will not violate the articles of incorporation or by-laws of such party, or any order of a court or arbitrator, and will not conflict with and will not constitute a material breach of, or default under, the provisions of any material contract by which either party is bound.

These warranties shall survive the expiration or termination of this Agreement.

## STANDARD TERMS & CONDITIONS

**Termination.** This Agreement may be terminated

- a. by both parties upon mutual written agreement; or
- b. immediately upon notice by either party in the event that any of the representations and warranties contained in this Agreement are shown to be untrue; or
- c. by either party in the event of a failure by the other party to perform a material obligation as follows (a "Default"): if the Default has not been cured by the defaulting party within thirty (30) days from receipt of notice from the non-defaulting party, the non-defaulting party may (i) terminate this Agreement immediately upon notice, or (ii) agree in writing that the defaulting party is diligently pursuing a cure, and extend the cure period at its sole discretion, subject to immediate termination upon notice; or
- d. immediately upon notice by Pine Tree to PERC if the Fiberight facility is fully operational, and Pine Tree is under contract to deliver Acceptable Waste to the Fiberight facility (provided that such termination shall apply only for the extent related to Categories 1 and 2 deliverable by Pine Tree pursuant to Section 2.1 hereof); or
- e. immediately upon notice by Pine Tree to PERC if Pine Tree is required to deliver Acceptable Waste collected in MRC communities to a disposal location other than the PERC Facility based on the enactment of local ordinances.

**Entire Agreement.** It is understood and agreed that all understandings and agreements heretofore had between and parties thereto are merged in this Agreement, which alone fully and completely expresses their agreement and contains all of the terms agreed upon between the parties with respect to the subject matter of this Agreement, and that this Agreement is entered into after full investigation, neither party relying upon any statement or representation, not embodied in this Agreement, made by the other. All exhibits, schedules and other attachments are a part of this Agreement and the contents thereof are incorporated herein by reference.

**Amendment.** This Agreement may not be amended, modified or supplemented, except in writing and signed by the parties.

**Non-Waiver.** No waiver by any party to this Agreement of any failure or refusal by the other party to comply with its obligations shall be deemed a waiver of any other or subsequent failure or refusal to so comply. No waiver by either Party of any right or remedy hereunder shall be valid unless the same shall be in writing and signed by the Party giving such waiver. No waiver by either Party with respect to any default, misrepresentation, or breach of warranty or covenant hereunder shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

**Severability; Modification Required By Law.** If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions thereof or hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreement of the parties herein set forth.

**Headings, Pronouns.** The headings of sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement. The pronouns "he", "she" or "it" are also used for convenience, and in the event that an improper pronoun has been used, it shall be deemed changed so as to render the sentence in which it is contained effective in accordance with its terms.

**Successors and Assigns.** This Agreement and all of the provisions thereof and hereof shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

**Assignment.** Neither this Agreement nor any of the rights, interests, obligations, and remedies hereunder shall be assigned by either party, including by operation of law, without the prior written consent of the other, such consent to not be unreasonably withheld, conditioned or delayed, except (1) to its parents, subsidiaries and affiliates, (2) at its expense to a person, firm, or corporation acquiring all or substantially all of the business and assets of the assigning party provided that the assignee assumes the obligations of the assigning party arising hereunder from and after the date of acquisition, and (3) as security to entities providing financing for the assigning party or for any of its affiliates or for construction, reconstruction, modification, replacement or operation of any of the facilities of the assigning party or its parents, subsidiaries or affiliates.

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**Construction.** This Agreement and its exhibits and schedules are the result of negotiations between the parties and have been reviewed by all parties. Accordingly, this Agreement will be deemed to be the product of the parties thereto and no ambiguity will be construed in favor of or against any party.

**No Third Party Beneficiaries.** Nothing in this Agreement, express or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

**No Brokers.** The parties agree that they have entered into this Agreement without the benefit or assistance of any brokers, and each party agrees to indemnify, defend and hold the other harmless from any and all costs, expenses, losses or liabilities arising out of any claim by any person or entity that such person or entity acted as or was retained by the indemnifying party as a finder or broker with respect to the sale of the assets described herein.

**Further Acts.** Each party agrees to perform any further acts and to execute, acknowledge, and deliver any documents which may be reasonably necessary to carry out the provisions of this Agreement.

**Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but which together will constitute one and the same instrument.

**Disputes.** If a claim or dispute arises out of this Agreement or its performance, the parties agree to endeavor in good faith to resolve it equitably through negotiation, or if that fails, through non-binding mediation under the rules of the American Arbitration Association, before having recourse to the courts. However, prior to or during negotiation or mediation, either party may initiate litigation that would otherwise become barred by a statute of limitations.

### Indemnification

#### Mutual Indemnity.

a. Each of the parties (each, an "Indemnifying Party"), to the fullest extent allowed by law, shall indemnify, defend (with counsel reasonably acceptable to the Indemnified Party) and hold harmless the other party and any director, officer, affiliate or elected or appointed officials of the other party (each, an "Indemnified Party") from and against any and all claims, actions, suits, judgments, proceedings, liabilities, obligations, losses, and damages, amounts paid in settlement, interest, costs and expenses (including reasonable attorney's fees, penalties (civil, criminal or administrative), court costs and other out-of-pocket expenses incurred in investigating, preparing or defending the foregoing) relating to or arising from personal injury, bodily harm or death, property damage or damage to the environment ("Losses") incurred or suffered by any Indemnified Party to the extent that such Losses arise by reason of, or result from (i) the material breach or inaccuracy of any representation or warranty of the Indemnifying Party contained in this Agreement; (ii) the material breach by the Indemnifying Party of any of its covenants or agreements contained in this Agreement, or (iii) the gross negligence or willful misconduct of the Indemnifying Party or any of its agents, employees or subcontractors; to the extent not waived by the other party, in each case.

b. The indemnification obligations of the parties under this Section shall inure to the benefit of the directors, officers, affiliates, employees and elected or appointed officials of the parties and (i) with regard to claims arising in contract, shall expire, as to each party, six (6) years from the date of expiration or termination of this Agreement, and (ii) with regard to claims arising in tort or otherwise, shall expire three (3) years from the date of expiration or termination of this Agreement.

#### Third Party Claims.

a. The Indemnified Party seeking indemnification under this Agreement shall promptly notify the party against whom indemnification is sought of the assertion of any claim, or the commencement of any action, suit or proceeding by any third party, in respect of which indemnity may be sought hereunder and will give the Indemnifying Party such information with respect thereto as the Indemnifying Party may reasonably request, but failure to give such notice shall not relieve the Indemnifying Party of any liability hereunder (except to the extent the Indemnifying Party has suffered material prejudice by such failure). The Indemnifying Party shall have the right, but not the obligation, exercisable by written notice to the Indemnified Party within thirty (30) days of receipt of notice from the Indemnified Party of the commencement of or assertion of any claim, action, suit or proceeding by a third party in respect of which indemnity may be sought hereunder (a "Third-Party Claim"), to assume the defense and control the settlement of such Third-Party Claim with counsel reasonably satisfactory to the Indemnified Party.

b. The Indemnifying Party or the Indemnified Party, as the case may be, shall have the right to participate in (but not control), at its own expense, the defense of any Third-Party Claim that the other is defending, as provided in this Agreement.



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c. The Indemnifying Party, if it has assumed the defense of any Third-Party Claim as provided in this Agreement, shall not consent to a settlement of, or the entry of any judgment arising from, any such Third-Party Claim without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld) unless such settlement or judgment relates solely to monetary damages. The Indemnifying Party shall not, without the Indemnified Party's prior written consent, enter into any compromise or settlement that (i) commits the Indemnified Party to take, or to forbear to take, any action, or (ii) does not provide for a complete release and, if applicable, covenant not to sue by such third party of the Indemnified Party.