

**COASTAL RESOURCES OF MAINE LLC
RECYCLING SERVICES AGREEMENT
for MRC COMMUNITIES**

THIS AGREEMENT (this "Agreement") made this _____ day of _____, 20__ (the "Effective Date") by and between Coastal Resources of Maine LLC, a Delaware limited liability company with offices at 1450 South Rolling Road, Baltimore, Maryland, ("Coastal") and the Town of _____, located in _____ County, in the State of Maine (the "Town") with offices at _____.

WHEREAS, Coastal owns, is constructing and will bring into commercial operation an advanced recycling and mixed-waste processing facility located at 92 Harold Bouchard Way, Hampden, Maine that, once operational, will be capable of accepting and processing materials collected through single-stream recycling programs (the "Facility"); and,

WHEREAS, the Town operates or sponsors programs for collection of Recyclable Materials within its boundaries and controls the disposition of the materials collected through the programs that it operates or sponsors; and,

WHEREAS, the Town is seeking a cost-effective and environmentally sound manner for processing of Recyclable Materials that are collected through programs under the Town's control; and,

WHEREAS, the Town is a Joining Member of the Municipal Review Committee, Inc. (the "MRC") by virtue of having executed a Joinder Agreement dated as of _____ (the "Joinder Agreement") with the MRC regarding the management and disposal of municipal solid waste ("MSW") originating within the Town's borders; and,

WHEREAS, the MRC owns the land on which the Facility is being constructed, which land is being leased to Coastal pursuant to a Restated and Amended Site Lease dated as of August 17, 2017 (the "Site Lease") and subsequently amended on November 10, 2017;

WHEREAS, the MRC is obligated to have its Joining Members deliver MSW to the Facility pursuant to a First Amended and Restated Master Waste Supply Agreement between the MRC, Coastal and Fiberight LLC dated as of August 17, 2017, as amended by that certain First Amendment to Master Waste Supply Agreement on November 21, 2017 (the "Master Waste Supply Agreement"); and,

WHEREAS, Section 5.2 of the Master Waste Supply Agreement obligates Coastal to accept materials from Single Stream Recycling Programs and other programs involving collection or accumulation and delivery by Joining Members of Recyclable Materials to the Facility, and to designate tipping fees for acceptance of such materials that do not exceed 50 percent of the tipping fee charged to Joining Members for MSW under the Master Waste Supply Agreement and the Joinder Agreement; and,

WHEREAS, Coastal is willing to accept and process at the Facility the Recyclable Materials that are collected through programs under the Town's control in accordance with its obligations to the MRC and Joining Members under Section 5.2 of the Master Waste Supply Agreement, and certain other Recyclable Materials collected from within its borders as contemplated by Section 2 of this Agreement, in each case subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Coastal and the Town hereby agree as follows:

1. Definitions. Capitalized terms used herein and not defined below shall have the meaning set forth in the Master Waste Supply Agreement. In addition to any terms defined elsewhere in this Agreement, the following capitalized terms shall have the following meanings:

- a. "Contaminants" means any material or Acceptable Waste not included under the heading of Acceptable Materials in the Program List.
- b. "Hauler" means any Municipal Hauler or Private Hauler.
- c. "Hazardous Materials" shall have the meaning ascribed to it in the Master Waste Supply Agreement.
- d. "Municipal Hauler" means any entity or person that performs delivery services on behalf of the Town, including delivery of Recyclable Materials to the Facility, which term shall include the Town when it delivers Recyclable Materials with its own employees or agents.
- e. "Private Hauler" means any entity or person, other than a Municipal Hauler that delivers to the Facility Recyclable Materials collected from within the boundaries of the Town.
- f. "Private Waste Generators" means non-residential generators of waste located within the boundaries of the Town that have advised the Town of their desire to deliver Recyclable Materials to the Facility under this Agreement and that are included on a list of Private Waste Generators furnished by the Town to Coastal which list shall include the name and address of each Private Waste Generator and which shall be updated periodically by the Town, as appropriate, to reflect additions to and deletions from the list.
- g. "Program List" means a list of Recyclable Materials accepted by Coastal for processing at the Facility as further defined by Attachment A hereto and as subsequently amended in accordance with the terms hereof.
- h. "Recyclable Materials" means acceptable materials that are source separated, either at the origination point or at any transfer station, recycling facility or other location, and which, in the reasonable judgment of Coastal are capable of being processed at the Facility for return to the economic mainstream in the form of raw materials or products, provided that Recyclable Materials shall not include Hazardous Materials or Contaminants.
- i. "Single Stream Recycling Program" means the program for processing of single stream Recyclable Materials operated by Coastal at the Facility, whereby Coastal accepts materials delivered on behalf of towns that have been separated from MSW prior to delivery to the Facility but are accepted and handled in a commingled fashion without separation of each individual material from each other material.

- j. "Town" means a municipality as defined in 30-A M.R.S.A. § 2001 or other governmental entity or association that is party to this Agreement and a Joinder Agreement.
- k. "Unacceptable Materials" means any materials included under the heading of Unacceptable Materials in the Program List.

2. Delivery and Acceptance of Recyclable Materials.

- a. Town agrees to deliver or cause to be delivered to the Facility, on an exclusive basis, Recyclable Materials on the Program List that are generated within the boundaries of the Town and collected by or delivered to the Town or on behalf of the Town pursuant to a recycling program that the Town operates and or sponsors and oversees. It is understood that eligibility for delivery under this Recycling Services Agreement specifically includes and is limited to (i) Recyclable Material collected by Municipal Haulers from residents and municipal facilities by or on behalf of the Town and originating within the boundaries of the Town; and (ii) recyclable material originating and collected within the boundaries of the Town from Private Waste Generators, but only to the extent that the MSW generated by such Private Waste Generators is also being delivered to the Facility pursuant to an executed Joinder Agreement and has been accounted for in the determination of the Estimated Delivery Amount in Section 3.3(b) of the Joinder Agreement with the Town. Deliveries involving split loads with fractions collected from within two or more Joining Members or both within a Joining Member and within a municipality that is not a Joining Member shall be allocated appropriately, on a case-by-case basis as agreed between Coastal, the Town, and the MRC, provided that Coastal shall have the ability to determine that deliveries are not eligible for the tipping fee set forth in Section 6 hereof to the extent that the delivered material did not originate within a Joining Member or would not otherwise be eligible for such tipping fee hereunder. The Town shall not have a minimum obligation regarding delivery quantities, nor shall it be required to institute flow control or implement other measures to direct to the Facility Recyclable Materials collected by others through programs not under its control. The Town shall not initiate, operate, sponsor or oversee any recycling program from which Recyclable Materials are not delivered to the Facility; provided, however, that the Town can continue pre-existing programs for diversion of specific materials, provided that a list and description of such programs and the materials included is provided to Coastal prior to the execution of this Agreement.
- b. Subject to the terms and conditions of this Agreement, Coastal agrees to receive and process all Recyclable Materials described in paragraph 2(a) above that are delivered to the Facility in compliance with the terms hereof.
- c. Coastal shall be entitled to receive and retain any and all value, proceeds and/or benefits derived from the processing of all Recyclable Materials delivered to the Facility by or on behalf of the Town.

3. Collection and Transportation of Recyclable Materials.

- a. The Town and each Private Waste Generator delivering, or causing to be delivered, Recyclable Materials to the Facility shall be responsible for all costs associated with collection and transportation thereof and shall ensure that all vehicles delivering Recyclable Materials to the Facility on its behalf shall comply with the applicable delivery requirements of the Joinder Agreement and the Master Waste Supply Agreement. Until delivery to the Facility and acceptance by Coastal, Recyclable Materials remain the property of the Town or the Private Waste Generator, as the case may be, and all responsibility for safe and lawful handling rests with the Town or the Private Waste Generator until such delivery and acceptance.
- b. Upon acceptance of Recyclable Materials by Coastal, all responsibility belongs to Coastal, provided that any Hazardous Materials or Unacceptable Materials delivered by the Town or a Private Generator to the Facility and inadvertently accepted by Coastal shall remain the responsibility of the Town or the Private Generator, as the case may be, and the handling thereof shall be subject to the terms and conditions of this Agreement.
- c. Delivery of Recyclable Materials shall occur during the hours of operation at the Facility as posted by Coastal.
- d. The Town acknowledges that (i) the materials to be delivered by Municipal Haulers under this Agreement shall be Recyclable Materials listed under the heading of Acceptable Materials on the Program List that is Attachment A to this Agreement, and (ii) the materials listed under the heading of Unacceptable Materials on the Program List are considered Contaminants. Coastal may revise the Program List up to twice a year upon 60 days prior notice to Town and to affected Private Waste Generators, provided that (a) Coastal shall provide notice of the same revisions to the Program List to all Joining Members that have entered into a Recycling Services Agreement with Coastal on the same schedule; (b) Coastal shall provide the Town with revised templates of information materials reflecting such change at the time of the notice, shall maintain a website with information on Recyclable Materials and Contaminants, and shall update online and other information on the Program List to reflect such revisions on a timely basis; and (c) in the event that Coastal reduces the range of Acceptable Materials on the Program List to a level that is below what the Town considers acceptable in its reasonable discretion, then the Town can terminate this Agreement by giving notice of termination to Coastal within 45 days of receipt of the notice of the change in the Program List. Such termination shall take effect on the later of the effective date of change of the Program List and the date that is 15 days from receipt by Coastal of a termination notice from the Town.
- e. The Town shall use reasonable commercial efforts to provide information to the users of its recycling programs regarding materials that are Acceptable Materials and Unacceptable Materials or Contaminants pursuant to the Program List and to discourage inclusion of Contaminants and Hazardous Materials with Recyclable Materials. Coastal shall make available sample templates of informational materials to support the dissemination of information by the Town but shall have no obligation or

responsibility to educate the Town's users regarding the same other than as set forth in Section 3.d. above and elsewhere herein.

4. Inspection and Acceptance. Coastal shall have the right to inspect deliveries of Recyclable Materials in order to evaluate the level of Contaminants of each load. Upon inspection:

- a. In the event that Coastal or its operator deems there to be excessive amounts of Contaminants in the material but lower than 10%, Coastal will issue a warning letter to the Town(s) or Private Waste Generator(s) supplying the material. If a Town or Private Waste Generator receives three or more warning letters within a two-month period and continues to deliver loads deemed by Coastal or its operator to contain excessive amounts of Contaminants, then the contents of such loads containing excessive amounts of Contaminants delivered to Coastal from the Town(s) or Private Waste Generator(s) identified in the warning letter will be considered MSW that is subject to the MSW tip fee. Subsequent loads that do not contain excessive amounts of Contaminants will be charged the per-ton tipping fee then in effect for Recyclable Materials.
- b. For ANY load that contains ten percent (10%) or greater Contaminants by volume, Coastal has the discretion to process the entire load as if it were MSW, and the Town or Private Waste Generator, as the case may be, will pay Coastal the tipping fee for such load as if it were MSW under the Joinder Agreement.

With regard to clauses (a) and (b) above, Coastal shall document the level of Contaminants in each load for which charges in excess of the tipping fee for Recyclable Materials are applied, both with photographs and with a reasonable basis for determining that the level of Contaminants exceeds the applicable threshold. Coastal shall provide such documentation to both the Town or the Private Waste Generator, as the case may be, and to the MRC within five days of receipt of the load. In the event that a load containing such Contaminants consists of materials provided by more than one Town or Private Waste Generator, the expenses and the supplemental disposal fee shall be allocated among the Towns or Private Waste Generators providing such materials in proportion to the amount of materials delivered by each as compared to the total tonnage of the entire load. Notwithstanding the above, Coastal shall not assess the additional charges set forth in clauses (a) and (b) above to the extent the Contaminants were attributable to materials no longer being accepted as a result of a change in the Program List effective within 45 days of the date of delivery.

Loads containing any Hazardous Materials, including but not limited to, medical waste, will be rejected by Coastal or its operator and disposed of at an appropriate facility designated by Coastal. All costs associated with management and disposal of Hazardous Materials, including but not limited to medical waste, will be at the sole expense of the Town or Private Waste Generator, as the case may be, from which they originated and shall be payable within 15 days of invoicing. Coastal will assess a market-based fee per ton for the load billable to the Town or Private Waste Generator, as the case may be, as a supplemental disposal fee payable to Coastal. In the event that a load contains such Hazardous Waste and the load consists of materials provided by more than one Town or Private Waste Generator, the expenses and the supplemental disposal fee shall be allocated among the Towns or Private Waste Generators from which such materials

originated in proportion to the amount of materials delivered by each as compared to the total tonnage of the entire load.

5. Term of Agreement.

This Agreement shall commence on the Effective Date and shall be effective for two (2) years unless sooner terminated under the terms hereof.

- a. The Town or Private Waste Generator, as the case may be, will supply and deliver Recyclable Materials to the Facility as of the Effective Date and may also supply and deliver Recyclable Materials on an intermittent basis in advance of the Effective Date in accordance with the terms hereof and in such reasonable quantities and at the times requested by Coastal, to the extent it is able to do so without violating the terms of any other delivery agreement or arrangement for delivery of such Recyclable Materials. Any such deliveries shall be deemed made under, and shall be subject to, the terms of this Agreement.
- b. To facilitate continuous service, this Agreement will be automatically renewed for successive two (2) year periods, unless either party serves written notice of termination upon the other party no less than ninety (90) days before the end of the initial term or ninety (90) days before the end of any subsequent two (2) year term, as applicable.
- c. Notwithstanding anything in this Section 5 to the contrary, the following events shall constitute an "Event of Default" by the Town under this Agreement and Coastal shall have the right to terminate this Agreement upon an occurrence thereof:
 - (i) the termination of either the Joinder Agreement or the Master Waste Supply Agreement;
 - (ii) the Town's failure to timely pay any undisputed fee due by it under this Agreement within 30 days after notice from Coastal that the same is due and unpaid;
 - (iii) the Town shall have failed to fulfill its obligations under this Agreement and such failure has not been cured within thirty (30) days following receipt of written notice from Coastal;
 - (iv) the Town delivers, whether by Hauler or through its own employees or agents, loads containing Hazardous Materials more than twice in any 12-month period; or
 - (v) an event of default occurs under the Joinder Agreement that is not cured within any applicable cure period.
- d. Notwithstanding anything in this Section 5 to the contrary, the following events shall constitute an "Event of Default" by Coastal under this Agreement and the Town shall have the right to terminate this Agreement upon an occurrence thereof:
 - (i) Coastal shall have failed to fulfill its obligations under this Agreement and such failure has not been cured within thirty (30) days following receipt of written notice from the Town or the MRC;
 - (ii) the termination of either the Joinder Agreement between the Town and the MRC, the Site Lease or the Master Waste Supply Agreement; or

- (iii) Coastal breaches its obligations under this Agreement, the Master Waste Supply Agreement or the Site Lease and fails to cure the default within the applicable cure period.

- 6. Tipping Fees and Most Favored Nation Pricing. The tipping fee for loads of Recyclable Materials delivered under this Agreement by the Town or by Private Waste Generators shall be \$35.00 per ton subject to annual increase equal to the amount of annual increase in the CPI as provided in the Joinder Agreement. The Tipping Fee may be adjusted from time to time upon 30 days prior notice by Coastal to the Town and to the Private Waste Generators, but in no event shall it be more than 50 percent of the tipping fee charged to the Town for MSW under the Joinder Agreement (the MSW Tipping Fee), provided that, in the event that Coastal signs a Recycling Services Agreement with any municipality at less than 50 percent of the MSW Tipping Fee, or with a broader Program List than is available to the Town, or containing other more favorable substantive terms, the tipping fee in this Agreement shall be reduced to match such lower tipping fee, and the terms of this Agreement shall be deemed modified to incorporate such other more favorable substantive terms. Payment shall be on a monthly basis in accordance with procedures set forth in the Joinder Agreement and Master Waste Supply Agreement.
- 7. Notices. All notices required by this Agreement shall be considered sufficiently given if sent by certified or registered U.S. Mail, return receipt requested, or by recognized overnight courier, addressed to the party at the following addresses:

If to Coastal:

Coastal Resource of Maine LLC
c/o Fiberight, LLC
BWtech@UMBCSouth
1450 South Rolling Road
Halethorpe, MD 21227
Attn: Craig Stuart-Paul, Chief Executive Officer

If to Town:

If to MRC:

Municipal Review Committee, Inc.
395 State Street
Ellsworth, Maine 04605
Attn: Executive Director

- 8. Compliance with Laws. The Town and Coastal shall each comply with all Federal, State and local laws, regulations, rules, ordinances and orders of any kind which are applicable to the Town's performance under this Agreement.

9. Indemnification. To the extent permitted by law, Coastal and the Town shall each indemnify, save, and hold harmless the other from and against any and all liabilities, expenses, including reasonable attorney's fees, claims, costs, losses, suits, judgments, or damages relating to injuries or deaths of persons or damage to property in any way attributable, directly or indirectly, to the acts of authorized agents, contractors or employees of the indemnifying party; provided, however, that the indemnifying party shall not be liable for indemnification under this Section 9 to the extent any such liabilities, expenses, claims, costs, losses, suits, judgments, or damages result from the negligence, contributory negligence, fault or willful misconduct of the indemnified party or its authorized agents, contractors or employees.

10. Assignment. This Agreement, its rights and obligations, is not assignable or transferable by either party, in whole or in part, except with the prior written consent of the other party. Notwithstanding the provisions of this Section 10, Coastal shall have the right to assign this Agreement in connection with financings related to the Facility without the Town's prior written consent. In addition, the Town hereby agrees to execute any and all agreements, certificates or other documents (including any necessary consent to assignment) in form and content reasonably acceptable to the Town that the assignee in question with respect to any financing may request in order to effectuate and evidence the intent of this Section.

11. Severability. In the event that any covenant, condition or provision of this Agreement is held to be invalid or unenforceable by the final judgment of a court of competent jurisdiction, or by any other board, tribunal or entity the decision of which is binding upon the parties hereto and which has become final, such invalidity or enforceability shall in no way affect any of the other covenants, conditions or provisions hereof.

12. Modification. This Agreement represents the entire agreement of the parties hereto and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may only be modified or revised in writing, signed by the authorized agents of the parties.

13. Construction of Agreement. This Agreement and its performance shall be construed and governed in accordance with the laws of the State of Maine without regard to conflict of law provisions. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

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

Coastal Resource of Maine LLC By: Fiberight, LLC, its Manager

By: _____
Craig Stuart-Paul, CEO

City/Town of _____

By: _____
Town Manager / Clerk / Selectman

Witness _____ Date _____