

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "Agreement") is entered into as of March __, 2018 by and among the County of Yolo, a political subdivision of the State of California ("County"), Davis Waste Removal Co., Inc., a California corporation ("DWR"), and Recology Davis, a California corporation ("Recology").

WHEREAS, County and DWR are parties to a Franchise Agreement No. 08-206 for Solid Waste, Recyclable Materials, Yard Trimmings and C&D Collection Services dated on or about August 11, 2008, as amended by Amendment No. 1 dated May 15, 2012 and Amendment No. 2 dated June 30, 2014 (collectively, the "Franchise Agreement");

WHEREAS, DWR, Recology and Recology Inc., the parent company of Recology, contemplate entering into an asset purchase agreement (the "APA") pursuant to which DWR would sell all or substantially all of its assets to Recology;

WHEREAS, it is contemplated that, upon the closing of the transactions contemplated by the APA (the "Closing"), DWR will assign the Franchise Agreement to Recology;

WHEREAS, the current Franchise Agreement has a remaining term through June 30, 2019;

WHEREAS, County is willing to consent to such assignment on the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree as follows:

1. Subject to and effective as of the Closing, DWR will assign to Recology all of its right, title and interest in and to the Franchise Agreement, and Recology will accept such assignment, and will assume all duties and obligations of Contractor under the Franchise Agreement from and after the Closing.

2. On or before the Closing, Recology shall deliver to County certificates of insurance evidencing the insurance coverages required by the Franchise Agreement.

3. Recology shall notify County that the Closing has occurred within 24 hours thereafter, by providing email notification to IWM Division Director at iwm@yolocounty.org.

4. Subject to and effective as of the Closing, the notice address of Contractor for purposes of Section 14.9 of the Franchise Agreement shall be as follows:

Recology Davis c/o Recology Inc.
Attention: Legal Department
50 California Street, 24th Floor
San Francisco, CA 94111

5. County hereby consents to the assignment of the Franchise Agreement by DWR to Recology effective as of the Closing, on the terms and conditions set forth herein.

6. County is reevaluating the level of service provided for the Old Willowbank Exclusive Single-Family Collection Zone ("OWESFC"). Based on that reevaluation, County may

submit a request to Recology to modify the level of service for the remainder of the term of the Franchise Agreement. Recology shall evaluate the request and, within 30 days of receipt of the request, propose to County pricing terms to implement the requested level of service. Nothing herein shall commit Recology to any specific pricing for the requested service, and nothing shall commit County to accept the pricing proposed by Recology. Modification in services and pricing, if any, will be implemented through amendment to the Franchise Agreement accepted in writing by both Parties.

7. In its capacity as Contractor under the Franchise Agreement, Recology will (a) continue DWR's practice of providing curbside collection of bundled cardboard from Single-Family customers, and (b) assist the County in distributing annual mailers to customers.

8. This Agreement may be executed in counterparts, and facsimile signatures hereto shall be valid.

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

County of Yolo

Davis Waste Removal Co., Inc.

By: _____
Oscar Villegas, Chair
Yolo County Board of Supervisors

By: _____
Paul E. Hart, President

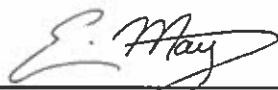
Attest:

Recology Davis

By: _____
Deputy (Seal)

By: _____
Michael J. Sangiacomo, President & CEO

Approved As To Form:


Eric May, Senior Deputy County Counsel

submit a request to Recology to modify the level of service for the remainder of the term of the Franchise Agreement. Recology shall evaluate the request and, within 80 days of receipt of the request, propose to County pricing terms to implement the requested level of service. Nothing hereth shall commit Recology to any specific pricing for the requested service, and nothing shall commit County to accept the pricing proposed by Recology. Modification in services and pricing, if any, will be implemented through amendment to the Franchise Agreement accepted in writing by both Parties.

7. In its capacity as Contractor under the Franchise Agreement, Recology will (a) continue DWR's practice of providing curbside collection of bundled cardboard from Single-Family customers; and (b) assist the County in distributing annual mailers to customers.

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County of Yolo

Davis Waste Removal Co., Inc.

By: _____
Oscar Villogas, Chair
Yolo County Board of Supervisors

By: Paul Galsler
Paul Galsler, Vice President

Attest:

Recology Davis

By: _____
Deputy (Seal)

By: Mark P. Lomele
Mark Lomele, Executive Vice President & CFO

Approved As To Form:

Erlo May, Senior Deputy County Counsel