

PURCHASE AND SALE OF ASSETS AGREEMENT

THIS PURCHASE AND SALE OF ASSETS AGREEMENT (the "Agreement") is executed and delivered as of June 14, 2002, among All American Hauling and Recycling, Inc. through its subsidiary All American Hauling and Recycling of Westchester, Inc., a Delaware corporation ("Buyer"), Allied Waste Systems, Inc., a Delaware corporation ("Allied"), and Suburban Carting Corp., a New York corporation ("Suburban" and collectively with Allied, "Sellers"). RW
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WHEREAS, Allied operates a waste collection and hauling business in Westchester County, New York known as Routes 1-5 of Valley Carting (the "Allied Business"), and Suburban operates a waste collection and hauling business in Westchester County, New York known as the "Orange Route" (the "Suburban Business," and collectively with the Allied Business, the "Business"), a description of such routes is set forth on Schedule 1.1 attached hereto;

WHEREAS, Allied Waste Industries, Inc., a Delaware corporation and the ultimate parent of Sellers ("Parent"), and Suburban are subject to that certain Final Judgment, dated January 10, 2000, in the matter of *State of New York by Eliot Spitzer, Attorney General v. Allied Waste Industries, Inc., et al.* (the "Final Judgment"), pursuant to which Parent is required to divest certain of its assets, including certain of the assets comprising the Business; and

WHEREAS, in accordance with the terms of the Final Judgment, Sellers agree to sell to Buyer and Buyer agrees to purchase from Sellers certain of the assets and contractual rights of Sellers used in connection with the Business, all in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants in this Agreement contained and other good and valuable consideration, received to the full satisfaction of each of them, the parties hereby agree as follows:

ARTICLE 1. TRANSFER OF ASSETS

Section 1.1. Description of Assets. Upon the terms and subject to the conditions set forth in this Agreement, Sellers will, on the Closing Date (defined below), grant, convey, sell, transfer and assign to Buyer all of Seller's right, title and interest in the following assets and contractual rights of Sellers, in each case solely to the extent such assets (i) directly relate to the Business and (ii) are set forth on Schedule 1.1 (collectively, the "Assets"), subject to the exclusions set forth in Section 1.2:

(a) all equipment, machinery, supplies, motor vehicles (including trucks) and containers used or for use in the Business and owned or leased by Sellers (the "Equipment"), including Equipment maintenance records, warranty records and any assignable warranties for the Equipment;

(b) a complete customer list as of the Closing Date and all contractual rights, agreements, commitments, sales and purchase orders of Sellers with Sellers' customers (whether oral, informal or in writing) relating to the operation of the Business (the "Customer Contracts");

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(b) a complete customer list as of the Closing Date and all contractual rights, agreements, commitments, sales and purchase orders of Sellers with Sellers' customers (whether oral, informal or in writing) relating to the operation of the Business (the "Customer Contracts");

(c) all manual and automated computer and billing systems and components thereof, including all transferable software used or for use in the Business and all books of account, general, financial, fax and personnel records, invoices, shipping records, supplier lists, current pick up schedule for the Customer Contracts, customer files and other documents relating to the Business and the Assets;

(d) all overweight permits and all local permits from any village, town or city related to the motor vehicles used or for use in the Business;

(e) the telephone and facsimile number(s) used in the operation of the Business; and

(f) the accounts receivable of the Business (in accordance with Section 1.4(c) below).

Section 1.2. Excluded Assets. The parties agree that the Assets shall not include the following, which are not being sold to Buyer pursuant to this Agreement (the "Excluded Assets"):

(a) the cash consideration to be paid by Buyer and Sellers' other rights under this Agreement;

(b) any shares of capital stock of or owned by either Seller;

(c) the corporate minute books and stock records of either Seller;

(d) all cash and cash equivalents and investments, whether short-term or long-term, of either Seller, including prepaid expenses, insurance policies, bank accounts, certificates of deposit, treasury bills and securities;

(e) all real property and all buildings and fixtures and improvements to all real property owned or leased by either Seller; and

(f) all other assets not expressly listed on Schedule 1.1.

Section 1.3. Non-Assignment of Certain Customer Contracts. Notwithstanding anything to the contrary in this Agreement, to the extent that the assignment hereunder of any Customer Contract shall require the consent of any third party to a Customer Contract, neither this Agreement nor any action taken pursuant to its provisions shall constitute an assignment or an agreement to assign if such assignment or attempted assignment would constitute a breach thereof or result in the loss or diminution thereof. Notwithstanding the foregoing, Seller will use its reasonable efforts to have the Customer Contracts assigned to Buyer.

Section 1.4. Purchase Price; Allocation of Purchase Price; Adjustments.

(a) Purchase Price. As consideration for the Assets, Buyer agrees, subject to the terms, conditions and limitations set forth in this Agreement:

(i) to pay to Sellers the sum of \$2,510,000 (the "Purchase Price") by wire

transfer of immediately available funds at the Closing; and

(ii) to assume and discharge when lawfully due those liabilities, contracts, commitments and other obligations of Sellers set forth in Schedule 1.4 (the “Assumed Liabilities”).

(b) Allocation of Purchase Price. The Purchase Price shall be allocated among the Assets and among the Sellers for tax purposes in accordance with Exhibit A. Sellers shall prepare the allocation at least 5 business days before the Closing Date, which shall be reasonably acceptable to Buyer prior to Closing. Buyer and Sellers shall follow and use such allocation in all tax returns, filings or other related reports made by them to any governmental agencies. To the extent that disclosures of this allocation are required to be made by the parties to the Internal Revenue Service (the “IRS”) under the provisions of Section 1060 of the Internal Revenue Service Code of 1986, as amended, or any regulations thereunder, Buyer and Sellers will disclose such reports to the other prior to filing with the IRS.

(c) Adjustments to Purchase Price.

(i) Receivables. In addition to the Purchase Price, Buyer shall purchase the accounts receivable of the Business on the Closing Date (the “Receivables”) based on the following pricing: (i) all Receivables that are less than 61 days old shall be purchased on a dollar for dollar basis; (ii) all Receivables that are between 61 and 90 days old shall be purchased at \$.50 on the dollar; and (iii) any Receivables that are more than 90 days old shall be transferred to Buyer at no charge. Buyer shall pay Sellers for the Receivables in three equal installments on each 30th, 60th and 90th day after the Closing. Sellers will provide to Buyer two days before Closing (and updated at the Closing) a schedule of the Receivables anticipated to be outstanding and collectible as of the Closing Date. The schedule of Receivables will provide the customer name, amounts and applicable date of each invoice due. Sellers shall not seek to collect Receivables from the customers of the Business after the Closing and shall not contact them unless requested so by Buyer; provided, however, if Sellers service such customers in businesses not conveyed to Buyer pursuant to this Agreement, Sellers may contact such customers in accordance with standard business practices and only in connection with such other businesses.

(ii) Prepaid Accounts. Within the 30-day period immediately following the Closing, Buyer and Sellers shall mutually conduct a reconciliation of all prepaid accounts relating to the Business and the Assets as of the Closing Date. The Purchase Price shall be reduced by the amount equal to the revenues received by Sellers before the Closing Date for services to be provided by Buyer on and after the Closing Date. Buyer and Sellers shall mutually agree upon the amount of any adjustment to the Purchase Price based on the reconciliation of prepaid accounts not later than 45 days immediately following the Closing, and upon such reconciliation, Sellers shall pay Buyer any amount due within 5 business days; provided, however, that Buyer shall have the option to offset any such amount due to Buyer from Sellers against any amounts due to Sellers by Buyer pursuant to Section 1.4(c)(i).

Section 1.5. Excluded Liabilities. Buyer shall not assume nor have any responsibility whatsoever and Seller shall retain and be responsible with respect to the following liabilities, contracts, commitments and other obligations of Sellers (the “Excluded Liabilities”):

- (a) any and all trade payables of Sellers;
- (b) any obligation of Sellers for federal, state or local income tax liability (including interest and penalties) arising from the operations of Sellers up to the time of Closing or arising out of the sale by Sellers of the Assets pursuant to this Agreement;
- (c) all obligations or liabilities relating to or arising out of the Excluded Assets or any other obligations or liabilities of Seller not part of the Assumed Liabilities;
- (d) any claims or rights, whether or not formally asserted, of any current or former employee of Sellers relating to their employment by Sellers or otherwise relating to actions or omissions prior to the Time of Closing;
- (e) any obligation of Sellers for expenses incurred in connection with the sale of the Assets pursuant to this Agreement; and
- (f) any fees or other obligations arising from any investigation conducted by the Sellers' federal monitor with respect to events occurring prior to the sale.

Section 1.6. Time and Place of Closing. Unless otherwise agreed to by the parties hereto, this transaction shall be closed immediately after the completion, satisfaction or waiver of each of the conditions to closing set forth in Articles 5 and 6 (the "Closing") or on such other date mutually determined by the parties hereto. The Closing shall take place via facsimile at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo PC, attorneys for Buyer. The date on which the Closing occurs shall be referred to as the "Closing Date." The time at which the Closing occurs shall be referred to as the "Time of Closing."

Section 1.7. Deliveries by Sellers. At the Closing, Sellers shall deliver to Buyer, all duly executed:

- (a) a General Conveyance, Assignment and Bill of Sale conveying, selling, transferring and assigning to Buyer all of the Assets, in the form attached as Exhibit B (the "Bill of Sale");
- (b) a certified copy of resolutions of the board of directors of each Seller authorizing the execution of this Agreement, the sale of the Assets to Buyer, and the consummation of the transactions contemplated in this Agreement;
- (c) a disposal agreement allowing Buyer to dispose of acceptable waste generated by the Business at the New York-Connecticut Transfer Station in Mt. Kisco, New York and the Recycling Industries Corp. Transfer Station in Mamaroneck, New York, at a disposal price equal to that charged internally by Sellers or their affiliates and in the form attached as Exhibit C (the "Disposal Agreement");
- (d) a nonsolicitation agreement, subject to the approval of the New York State Attorney General (the "Attorney General"), that prohibits Sellers from soliciting any customers of the

Business for a period of two years following the Closing, in the form attached as Exhibit D (the “Nonsolicitation Agreement”);

(e) evidence of the satisfaction of the condition set forth in Section 6.3 of this Agreement;

(f) a certificate from each Seller, dated as of the Closing Date, verifying that it has complied with the conditions set forth in Sections 6.1 and 6.2 of this Agreement; and

(g) such other documents, instruments or things as Buyer may reasonably request, including such documents, instruments or things that Buyer reasonably determines are sufficient to effect the transfer of the Business and Assets to Buyer (e.g., keys, title documents, overweight permits and other indicia’s of ownership or use).

Section 1.8. Deliveries by Buyer. At the Closing, Buyer shall deliver to Sellers, all duly and properly executed (where applicable):

(a) the Purchase Price by wire transfer of immediately available funds;

(b) a certified copy of the resolutions of the board of directors of Buyer authorizing the execution of this Agreement, the purchase of the Assets, and the consummation of the transactions contemplated in this Agreement;

(c) the Disposal Agreement;

(d) the Nonsolicitation Agreement;

(e) evidence of the satisfaction of the condition set forth in Section 5.3 of this Agreement;

(f) a certificate from Buyer, dated as of the Closing Date, verifying that it has complied with the conditions set forth in Sections 5.1 and 5.2 of this Agreement;

(g) a certificate from Buyer, dated as of the Closing Date, in accordance with Section 3.6 of this Agreement; and

(h) such other documents or instruments as Sellers may reasonably request, including such documents or instruments that Sellers reasonably determine are sufficient to effect the assumption by Buyer of the Assumed Liabilities.

ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as otherwise disclosed in the Disclosure Schedules to this Agreement, Sellers make the representations and warranties set forth in this Article 2 to Buyer.

Whenever a representation or warranty is qualified as having been made “to the best of

Sellers' knowledge," such phrase shall mean the knowledge of the directors, officers and employees of Sellers actively responsible for the operation of the Business and Assets, without inquiry.

Section 2.1. Organization; Authority.

(a) Each Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and is duly authorized, qualified and licensed under all laws, regulations, ordinances and orders of public authorities to carry on its business in the place and the manner as presently conducted, except for where failure to be so authorized, qualified or licensed would not have a material adverse effect on the Business, properties, condition or operation of the Business and the Assets, taken as a whole (a "Material Adverse Effect").

(b) Each Seller has the full legal right, power and authority to enter into this Agreement, the Non-Solicitation Agreement and the Disposal Agreement (collectively, the "Transaction Documents") and to consummate the transactions contemplated by the Transaction Documents. On or before the Closing, all corporate action of each Seller necessary to approve the sale of the Business and Assets by such Seller shall have been taken.

Section 2.2. Binding Effect. This Agreement the valid and binding obligation of each Seller, as applicable, enforceable against it in accordance with their terms.

Section 2.3. No Violation. Except as set forth in the Final Judgment, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof will not: (a) conflict with, or result in a breach or violation of the Certificate of Incorporation or Bylaws of either Seller; (b) conflict with, or result in a material breach under, any document, agreement or other instrument to which either Seller is a party and which relates to the Business or the Assets; or (c) violate any law, regulation, judgment, order, injunction or decree applicable to either Seller or any of the Assets ("Applicable Laws"); except in the case of clauses (b) and (c) for breaches, violations, defaults, liens, charges or encumbrances as do not and would not result in a Material Adverse Effect.

Section 2.4. Litigation. Except for the Final Judgment and as set forth on Schedule 2.4, there is no claim, litigation, action, suit or proceeding, formal arbitration, informal arbitration or mediation, administrative, judicial or otherwise (collectively, "Proceedings"), pending or, to the best of Sellers' knowledge, threatened against Sellers relating to the Business or the Assets, before any federal, state or local court or regulatory agency, or other governmental or private authority (collectively, a "Governmental Authority") that would have a Material Adverse Effect, or that would prevent, delay or make illegal the transactions contemplated by this Agreement.

Section 2.5. Contracts. Sellers have made available to Buyer true and correct copies of all Equipment leases, contracts (including Customer Contracts) and agreements listed on Schedule 1.1 (the "Contracts"). In each case, Sellers have not been notified by any other party that (a) Sellers are not current in any rent and other payments by Sellers under the Contracts, (b) there are any existing defaults by Sellers under the Contracts, and (c) that any termination, condition or other event has occurred which (whether with or without notice, lapse of time or the happening or occurrence of any other event) would constitute a default or a basis for force majeure or other claim of excusable delay

or non-performance thereunder. To the best of Seller's knowledge, each Contract is valid and binding on the respective parties thereto, is in full force and effect and the Sellers are not in material breach of, or default under, any Contract.

Section 2.6. Taxes. Each Seller has filed, or will file, in a timely manner all requisite federal, state, local and other tax returns with respect to the Business or Assets due for all fiscal periods ended on or before the Closing Date. No federal, state, local or other tax returns or reports filed by either Seller (whether filed prior to, on or after the date hereof) with respect to the Business or Assets will result in any taxes, assessments, fees or other governmental charges upon the Assets or Buyer, whether as a transferee of the Assets or otherwise. All tax liabilities required to be paid up to and including the Closing Date have been or will be paid prior to the Closing.

Section 2.7. Title to Assets. All of the Assets are either owned by a Seller or leased under an agreement listed on Schedule 2.7. All leases set forth on Schedule 2.7 are in full force and effect and constitute valid and binding agreements of the parties thereto in accordance with their respective terms. At the Closing, a Seller shall have good and marketable title to the Assets, free and clear of all debts (except operating lease payments), options, agreements, whether written or oral, contracts and encumbrances, and, by virtue of the grant, conveyance, sale, transfer, and assignment of the Assets hereunder, Buyer shall receive good and marketable title to the Assets, free and clear of all debts, options, contracts and encumbrances other than the Assumed Liabilities.

Section 2.8. Compliance with Law; Permits. Sellers have duly complied and are presently duly complying, in all material respects, in respect of the Business, operations and properties, including the Assets, with all applicable laws (whether statutory or otherwise), rules, regulations, orders, building and other codes, zoning and other ordinances, permits, licenses, authorizations, judgments and decrees of all federal, state, local, foreign or other Governmental Authorities, including, but not limited to, all applicable domestic and foreign laws, rules and regulations relating to the safe conduct of business, employment discrimination, wages and hours, employment of illegal aliens, antitrust, consumer protection, environmental protection, hazardous waste, currency exchange and securities. Sellers have duly obtained all material permits, concessions, grants, licenses and other Governmental Authorizations and approvals necessary for the conduct of the Business; each of which is set forth on Schedule 2.8 and is in full force and effect. There are no proceedings pending or, to the best of Sellers' knowledge, threatened, which may result in the revocation, cancellation, suspension or modification thereof; and the consummation of the transactions contemplated hereby will not result in any such revocation, cancellation, suspension or modification.

Section 2.9. Environmental Matters. (a) There are no outstanding or, to the best of Sellers' knowledge, threatened actions, claims, proceedings, determinations or judgments by any party, including but not limited to any Governmental Authority, against or involving Sellers with respect to the Business, or to the best of Sellers' knowledge, involving Sellers' predecessors in interest with respect to the Business in any manner arising under any national, international, federal, state, local or other environmental, health or safety law, regulation, order or requirement or requiring the remediation or removal of an existing condition or substance, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act (collectively, the "Environmental Laws"). Neither Seller has received any notice of, nor are Sellers aware of, any

outstanding or threatened orders, determinations or notices of violation issued by any Governmental Authority administering any Environmental Law in connection with ownership of or operation by Sellers of the Business which have not been complied with or resolved to the satisfaction of such Governmental Authority.

(b) The Business is being and has been operated by Sellers in material compliance with all Environmental Laws including, but not limited to, all discharges into or onto the soil and/or the ground or surface water, emissions into the ambient air, and generation, accumulation, labeling, transportation, handling, treatment, storage and disposal of waste material or process by-products (including solid, hazardous or toxic waste or hazardous materials or substances, if any) or removal of any existing condition, material or substance. With respect to the Business, Sellers have complied with all notice, record keeping and reporting requirements imposed by any Governmental Authority and any information requests or demands arising under any Environmental Law.

(c) There are no pending or, to the best of Sellers' knowledge, threatened actions, claims, proceedings or judgments against Seller with respect to the Business by any present or former officers, agents or employees of the Business alleging or involving personal injury or damage as a result of the violation of any Environmental Laws or otherwise involving environmental conditions under which such persons were employed nor, to the best of Sellers' knowledge, is there a basis for commencing any such action, claim or proceeding.

Section 2.10. Labor. Except as set forth on Schedule 2.10, with respect to the Business, Sellers are not, and, as of the Closing Date will not be, a party to any employment or consulting agreement or to any collective bargaining agreement, nor are their respective employees members of a collective bargaining unit or union, nor has there been any recent unionization activity. With respect to the Business, Sellers have complied with all laws relating to the employment of labor, including provisions relating to wages, hours, collective bargaining, and the payment of unemployment, workers' compensation, Social Security, payroll, withholding and similar taxes, and are not liable for any arrears of wages, compensation fund contributions or any taxes or penalties for failure to comply with such laws. The transactions contemplated by this Agreement are subject to that certain Agreement between Allied Waste Systems, Inc. d/b/a Valley Carting and Local 813 affiliated with International Brotherhood of Teamsters, AFL-CIO effective December 1, 1999 through November 30, 2002 (the "Local 813 Agreement"). Buyer must assume all terms of the Local 813 Agreement and shall hire all of the employees of Allied with respect to the Business. The seniority of such employees shall follow that of Buyer's employees with the exception of vacations, in which instance such employees shall receive vacations based on their original date of employment with Allied. Schedule 2.10 contains a list of all persons employed by Sellers with respect to the Business as of the Closing Date with their respective current salaries, any commission compensation received during the last twelve months and a list of all benefits provided by Sellers to their employees. At the Closing Date, all employees are terminable at will by Sellers and will be free of all employment obligations to Sellers and all non-competition covenants in favor of Sellers and will be free to become employees of Buyer.

Section 2.11. Receivables. All Receivables arose from, and the Receivables existing on the Closing Date will have arisen from, the sale of inventory or services to persons not affiliated with the Sellers and in the ordinary course of the Business consistent with past practice and

constitute or will constitute, as the case may be, only valid, undisputed claims of the Sellers not subject to valid claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of the Business consistent with past practice. The schedule of Receivables is an accurate statement of the outstanding receivables as of the date thereof.

Section 2.12. Customers. Except as disclosed in Schedule 2.12, Sellers have not received any notice and have no reason to believe that any significant customer of Sellers has ceased, or will cease, to use the products, equipment, goods or services of Sellers or has substantially reduced, or will substantially reduce, the use of such products, equipment, goods or services at any time.

Section 2.13. Suppliers. Except as disclosed in Schedule 2.13, Sellers have not received any notice and have no reason to believe that any supplier to the Business will not sell raw materials, supplies, merchandise and other goods to Buyer at any time after the Closing Date on terms and conditions similar to those imposed on current sales to the Business, subject to general and customary price increases.

Section 2.14. Insurance. All material assets, properties and risks of the Business and Sellers are, and for the past two years have been, covered by valid and, except for policies that have expired under their terms in the ordinary course, currently effective insurance policies or binders of insurance (including, without limitation, general liability insurance, property insurance and workers' compensation insurance) issued in favor of Sellers, in each case with responsible insurance companies, in such types and amounts and covering such risks as are consistent with customary practices and standards of companies engaged in businesses and operations similar to those of Sellers. All of the Assets are insurable on customary terms at commercially reasonable rates and no Asset will cease to be insurable on terms substantially similar to those in effect as of the date hereof as a result of the consummation of the transactions contemplated by this Agreement.

Section 2.15. No Other Representations. Sellers are not making any representations or warranties, expressed or implied, of any nature whatsoever except as specifically set forth in this Agreement.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer makes the representations and warranties set forth in this Article 3 to Sellers.

Whenever a representation or warranty is qualified as having been made "to the best of Buyer's knowledge," such phrase shall mean the knowledge of the directors, officers and employees of Buyer actively responsible for negotiation of this Agreement and the investigation by Buyer of the Assets and the Business, without inquiry.

Section 3.1. Organization; Authority.

(a) Buyer is a corporation duly incorporated, validly existing and in good standing

under the laws of the state of its incorporation and is duly authorized, qualified and licensed under all laws, regulations, ordinances and orders of public authorities to carry on its business in the place and the manner as presently conducted, except for where failure to be so authorized, qualified or licensed would not have a material adverse effect on its ability to own and operate the Assets.

(b) Buyer has the full legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement. All corporate action of Buyer necessary to approve the purchase of the Assets by Buyer has been taken.

Section 3.2. Binding Effect. This Agreement is the valid and binding obligation of Buyer, enforceable against it in accordance with its terms.

Section 3.3. No Violation. Except as set forth in the Final Judgment, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof will not: (a) conflict with, or result in a breach or violation of the Certificate of Incorporation or Bylaws of Buyer; (b) conflict with, or result in a material breach under, any document, agreement or other instrument to which Buyer is a party; or (c) violate any Applicable Laws; except in the case of clauses (b) and (c) for breaches, violations, defaults, liens, charges or encumbrances as do not and would not result in a material adverse effect on Buyer or its ability to purchase the Assets.

Section 3.4. Litigation. Except for the Final Judgment, there are no Proceedings, pending or, to the best of Buyer's knowledge, threatened against Buyer relating to Buyer's purchase of the Assets, at law before any Governmental Authority that would have a material adverse effect, or which would prevent, delay or make illegal the transactions contemplated by this Agreement.

Section 3.5. Capabilities. Buyer can and will use the Assets as part of a viable, ongoing business or businesses engaged in waste disposal or hauling. Buyer has (a) the capability and intent of competing effectively in the waste collection and hauling business in Westchester County, New York, and (b) the managerial, operational and financial capability to complete the transactions contemplated in this Agreement in accordance with this Agreement and to compete effectively in the waste collection and hauling business in such areas.

Section 3.6. Independent Investigation. Buyer has conducted its own independent investigation of the Assets. Buyer acknowledges that it has had access to Sellers' personnel and to any and all environmental and other permit documents and information and has inspected the Assets and any and all financial, operational and other documents and information that Buyer has requested or otherwise determined is necessary as part of Buyer's due diligence review of the Assets and the Business. Buyer has been provided all information and documentation it has requested and has received answers to all questions asked of Buyer and its representatives and personnel. Buyer acknowledges that, except as otherwise expressly set forth in this Agreement, **THE ASSETS ARE CONVEYED "AS IS, WHERE IS" AND "WITH ALL FAULTS," AND SELLERS HAVE NOT MADE, AND SELLERS HEREBY EXPRESSLY DISCLAIM AND NEGATE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE, WHATSOEVER, RELATING TO THE ASSETS (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED OR EXPRESSED WARRANTY OF MERCHANTABILITY**

OR FITNESS FOR A PARTICULAR PURPOSE). Buyer shall execute and deliver to Sellers at the Closing a certificate and agreement of Buyer repeating and confirming the foregoing as of the Time of Closing.

ARTICLE 4. COVENANTS OF SELLERS AND BUYER

Section 4.1. Conduct of the Business by Sellers. From the date of this Agreement until the Time of Closing, except as provided for in, or contemplated by, this Agreement or to the extent that Buyer shall otherwise consent in writing, Sellers covenant and agree that, with respect to the Business, they will:

(a) operate the Assets and the Business in the ordinary and usual course in all material respects in accordance with past practices and preserve the relationships of the Business with customers, suppliers and employees (at current salary levels);

(b) not (i) sell, transfer, lease or otherwise dispose of any of the Business or the Assets, except in the ordinary course of business and consistent with past practices, (ii) create or permit to exist any new material lien on the Assets, (iii) enter into any material joint venture, partnership or other similar arrangement or form any other new material arrangement relating to the Business or the Assets, or (iv) except in the ordinary course of business and consistent with past practices, enter into any other material agreement related to the Business or the Assets;

(c) maintain and keep in good order and repair in a manner consistent with Sellers' existing practice, subject to reasonable wear and tear, all of the Assets;

(d) not solicit or accept advance payments from customers for services or goods which are to be performed or delivered by Buyer subsequent to the Closing Date or shorten or lengthen the customary payment cycles for any of its payables or receivables;

(e) not enter into any contract, commitment or agreement which either individually or in the aggregate would have a Material Adverse Effect upon the Business or the Assets, or amend, modify adversely, cancel, rescind, revoke or terminate any of the contracts or agreements to be transferred to Buyer hereunder;

(f) not declare or make or agree to declare or make any distributions of any Assets of any kind whatsoever to any shareholder;

(g) comply with all laws, rules and regulations of any Governmental Entity applicable to the Assets or the conduct of the Business and maintain its good standing under all permits and licenses necessary to conduct the Business;

(h) promptly advise Buyer in writing of the occurrence of any matter or event that is material to the Business, the Assets, the Closing conditions or the representations and warranties in this Agreement; and

(i) not take any action that would make any representation and warranty of Sellers

hereunder inaccurate in any material respect at, or as of the time prior to, the Time of Closing.

Section 4.2. Representations and Warranties. From the date hereof until the Time of Closing, except as provided for in, or contemplated by, this Agreement, or, except as consented to or approved by the other parties in writing, each party covenants and agrees that it will and will cause each of its subsidiaries, if any, not to take any action that would make any representation and warranty of such party hereunder inaccurate in any material respect at or as of the Time of Closing.

Section 4.3. Access to Records. Between the date of this Agreement and the Closing Date, Sellers shall grant Buyer and its representatives reasonable access to the books and records of Sellers related to the Assets and the Business, at reasonable times and upon reasonable notice and will furnish Buyer with such additional financial and operating data and other information as to the Assets and the Business as Buyer may from time to time reasonably request. Sellers will cooperate with Buyer, its representatives and counsel in the preparation of any documents or other materials which may be required by any Governmental Authority to consummate the transactions contemplated by this Agreement. Buyer will cause all information obtained in connection with this Agreement to be treated as confidential in accordance with the provisions of Article 9.

Section 4.4. Public Announcements. Between the date of this Agreement and the Closing Date, except as required by law, Buyer shall not make any public announcement regarding the transactions contemplated by this Agreement without the prior written consent of Sellers.

Section 4.5. Reasonable Efforts. The parties hereto will use their reasonable efforts to obtain the satisfaction of the conditions to Closing set forth in this Agreement; provided, however, that neither Buyer nor Sellers are required pursuant to this Section or under this Agreement to pursue any claims against any third parties, including Governmental Authorities, in an effort to satisfy the conditions to Closing set forth in this Agreement.

Section 4.6. Bound by Certain Stipulations and Orders. Buyer acknowledges receipt of a copy of the Final Judgment and agrees to be bound by the provisions of the Final Judgment with respect to the transactions contemplated by this Agreement as required by Section IV(C) of the Final Judgment. Buyer also acknowledges receipt of copies of: the Stipulated Monitor Agreement dated September 30, 1997; the Modification of Stipulated Monitor Agreement dated March 4, 1999; and the Supplemental Stipulated Monitor Agreement and Order dated January 31, 2000 and agrees to be bound by these agreements and orders to the extent that they have been construed to apply to the subject assets during the time that Sellers owned them. Specifically, Buyer agrees to cooperate with any investigation conducted by the Sellers' federal monitor with respect to events occurring prior to the sale. Such cooperation shall include production of documents and employee/agent-witnesses with information relating to pre-sale events. The cost of complying with any investigation or request for information by the federal monitor shall be borne by the Sellers.

Section 4.7. Employees. Buyer shall hire all employees of Allied with respect to the Business and shall offer employment to all employees of Suburban with respect to the Business (the "Employees") as of the Closing Date. Sellers will use reasonable efforts to cooperate in assisting Buyer in evaluating the Employees and their historic performance.

Section 4.8. No Contemporaneous Negotiations. Pending the Closing, neither Sellers shall discuss or negotiate with any other person or entertain or consider any inquiries or proposals relating to the possible disposition of the Assets or sale or merger of Sellers or the Business or any other transaction that would cause a change of control of Sellers.

Section 4.9. Passage of Title and Risk of Loss. Legal title, equitable title, and risk of loss with respect to the Assets shall not pass to Buyer until the Assets are transferred at the Closing and possession thereof is delivered to Buyer.

Section 4.10. Transfer of Goodwill and Business. From and after the Closing Date, Sellers shall, when requested to do so by Buyer, provide reasonable good faith assistance to effectuate a smooth transfer of the Business and goodwill to Buyer.

Section 4.11. Insurance Coverage. Insurance coverage for the Business shall be maintained in effect by Seller between the date of this Agreement and the Closing Date.

Section 4.12. Taxes.

(a) Continuing Obligations. Sellers shall be responsible for and pay when due all of Sellers' taxes attributable to, levied or imposed upon or incurred in connection with the Assets or the Business relating or pertaining to the period (or that portion of any period) ending on or prior to the Closing Date (including, but not limited to, sales taxes). Sellers shall continue to timely file within the time period for filing, or any extension granted with respect thereto, all of Sellers' tax returns required to be filed in connection with the Assets and such tax returns shall be true and correct and completed in accordance with applicable laws.

(b) Status at Closing. At Closing, Sellers shall have (i) paid all taxes they are required to pay as of such time, and (ii) withheld with respect to its employees all federal and state income taxes, FICA, FUTA and other taxes required to be withheld as of such time, if any.

(c) Tax Elections. No new elections with respect to taxes, or any changes in current elections with respect to taxes, affecting the Assets shall be made after the date of this Agreement without prior written consent of Buyer.

(d) Clearance Certificate. As a condition precedent to the consummation of the transactions contemplated by this Agreement, Sellers shall provide Buyer with a clearance certificate or similar document(s) which may be required by any state or foreign taxing authority in order to relieve Buyer of any obligation to withhold any portion of the Purchase Price.

(e) Cooperation and Records Retention. Sellers on the one hand, and Buyer on the other, shall each (i) provide the other with such assistance as may reasonably be requested by any of them in connection with the preparation of any return, audit or other examination by any taxing authority or judicial or administrative proceeding relating to liability for taxes, (ii) retain and provide the other with any records or other information which may be relevant to such return, audit or examination, proceeding or determination, and (iii) provide the other with any final determination of any such audit or examination, proceeding or determination that affects any amount required to

be shown on any return of the other for any period. Without limiting the generality of the foregoing, Buyer on the one hand, and Sellers on the other, shall retain, until the applicable statutes of limitations (including any extensions) have expired, copies of all returns, supporting work schedules and other records or information which may be relevant to such returns for all tax periods or portions thereof ending before or including the Closing Date and shall not destroy or otherwise dispose of any such records without first providing the other party with a reasonable opportunity to review and copy the same.

Section 4.13. Excluded Liabilities. Sellers will pay and discharge the Excluded Liabilities as and when the same become due and payable.

ARTICLE 5. CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS

The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the completion, satisfaction, or at their option, waiver, on or prior to the Closing Date, of the following conditions:

Section 5.1. Representations and Warranties. The representations and warranties of Buyer contained in this Agreement shall be accurate on and as of the Closing Date.

Section 5.2. Covenants. Each and all of the terms, covenants and conditions of this Agreement to be complied with and performed by Buyer on or before the Closing Date shall have been duly complied with and performed in all material respects.

Section 5.3. Consents. All necessary notices to, consents of and filings with any Governmental Authority or other third party relating to the consummation of the transactions contemplated by this Agreement shall have been made and obtained, including, but not limited to, all those notices, consents and filings required by the Attorney General, the Westchester County Solid Waste Commission (“the “Commission”), the Final Judgment, and the federal monitor of Sellers.

Section 5.4. Local 813 Agreement. Buyer shall have signed the Local 813 Agreement.

Section 5.5. Disposal Agreement. The parties shall have entered into the Disposal Agreement.

Section 5.6. Deliveries at Closing. Buyer shall have delivered to Sellers, as applicable, each of the items specified in Section 1.8 of this Agreement.

ARTICLE 6. CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the completion, satisfaction or, at its option, waiver, on or prior to the Closing Date, of the following conditions:

Section 6.1. Representations and Warranties. The representations and warranties of Sellers

contained in this Agreement shall be accurate on and as of the Closing Date.

Section 6.2. Covenants. Each and all of the terms, covenants and conditions of this Agreement to be complied with and performed by Sellers on or before the Closing Date shall have been duly complied with and performed in all material respects.

Section 6.3. Consents. All necessary notices to, consents of and filings with any Governmental Authority or other third party relating to the consummation of the transactions contemplated by this Agreement shall have been made and obtained, including, but not limited to, those notices, consents and filings required by the Attorney General, the Commission, and the Final Judgment.

Section 6.4. Disposal Agreement. The parties shall have entered into the Disposal Agreement.

Section 6.5. Nonsolicitation Agreement. The parties shall have entered into the Nonsolicitation Agreement.

Section 6.6. Deliveries at Closing. Sellers, as applicable, shall have delivered to Buyer each of the items specified in Section 1.7 of this Agreement.

Section 6.7. Litigation Affecting Closing. No action, suit or proceeding shall be pending or threatened by or before any court or governmental entity in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby.

Section 6.8. Employees. Sellers shall have terminated, effective upon Closing, the employment of all employees of the Business whom Buyer has indicated a desire to employ or is obligated to employ pursuant to the Local 813 Agreement, and Sellers shall have paid all compensation or other money due to such employees with respect to their employment and termination by Sellers through and including the Closing Date.

Section 6.9. Delivery of Schedules. Sellers shall have delivered all of the Disclosure Schedules at least ten days before the Closing Date; provided, however, that Sellers shall not deliver the complete customer list contained in Schedule 1.1(b) until the Closing Date, and Buyer shall, in its sole judgment, be satisfied with the information contained thereon

Section 6.10. Due Diligence. The Buyer shall have completed all of its business, legal, accounting and environmental due diligence with respect to the Business and shall, in its sole judgment, be satisfied with the results thereof.

ARTICLE 7. TERMINATION; AMENDMENT; WAIVER

Section 7.1. Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Time of Closing:

(a) by mutual written consent executed by the parties;

(b) by Buyer if there is an inaccuracy in or breach of any representation, warranty or covenant of Sellers set forth in this Agreement, which Sellers do not cure within 15 days following Sellers' receipt of written notice of such breach and which breach results in a Material Adverse Effect on the Assets or a Material Adverse Effect on the ability of Sellers to consummate the transactions contemplated by this Agreement;

(c) by Sellers if there is an inaccuracy or breach of any representation, warranty or covenant of Buyer set forth in this Agreement, which Buyer does not cure within 15 days following Buyer's receipt of written notice of such breach and which breach results in a Material Adverse Effect on the Assets or a Material Adverse Effect on the ability of Buyer to consummate the transactions contemplated by this Agreement;

(d) by either party if the Closing shall not have occurred, other than through the failure of any such party to fulfill its obligations hereunder, on or before _____, 2002 or such later date as the parties agree to in writing; provided, however, that the parties agree to extend the Closing until such time as they obtain approval for the transactions contemplated by this Agreement, if necessary, from the Attorney General and the Commission;

(e) by either party if any Governmental Authority shall have enacted, issued, promulgated, enforced or entered any law, regulation or order (whether temporary, preliminary or permanent) that is in effect and has the effect of making the consummation of the transactions contemplated by this Agreement illegal or otherwise prohibiting consummation of such transactions; or

(f) by Sellers if Buyer does not provide evidence to Sellers of sufficient financing to purchase the Assets on or before _____, 2002.

In addition, this Agreement will terminate automatically if the Attorney General objects pursuant to and in the manner contemplated by Section IV(I) of the Final Judgment.

Section 7.2. Effect of Termination. In the event of the termination and abandonment of this Agreement pursuant to Section 7.1, this Agreement shall thereafter be of no further force and effect, without any liability on the part of any party or its directors, officers or shareholders; provided, however, that nothing contained in this Section 7.2 shall relieve any party from liability for any breach or violation of this Agreement, subject to Article 8.

Section 7.3. Extension; Waiver. At any time prior to the Time of Closing, the parties may (a) extend the time for the performance of any of the obligations or other acts of the parties, (b) waive any inaccuracies in the representations and warranties contained in this Agreement or in any document, certificate or writing delivered pursuant hereto, or (c) waive compliance with any of the agreements or conditions contained in this Agreement. Any agreement on the part of any party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

ARTICLE 8. REMEDIES

Section 8.1. Remedies for Breach of Representations, Warranties and Covenants. Upon execution of this Agreement through and including the Closing, the exclusive remedy of Buyer for any material inaccuracy or breach of any representation or warranty in this Agreement by Sellers shall be termination of this Agreement by Buyer in accordance with and subject to Article 7. This Article 8 shall not apply to any fraudulent misrepresentation by Sellers or to any material breach of any covenant in this Agreement by Sellers.

Section 8.2. Survival Exclusivity. The representations and warranties contained in this Agreement and the certificates and other documents delivered pursuant to this Agreement shall survive the Closing for one year. The covenants and agreements contained in this Agreement and the certificates and other documents delivered pursuant to this Agreement shall survive the Closing to the extent applicable. Such representations, warranties, covenants and agreements contained in this Agreement are exclusive, and the parties confirm that they have not relied upon any other representations, warranties, covenants and agreements as an inducement to enter into this Agreement or otherwise.

Section 8.3. Indemnification by Sellers. Sellers, jointly and severally, agree to indemnify and hold harmless Buyer from any and all claims, damages, losses, liabilities, costs and expenses, judgments and penalties (including, without limitation, settlement costs and any legal, accounting or other expenses for investigating or defending any actions or threatened actions) reasonably incurred by Buyer, in connection with:

- (a) any claims against, or liabilities or obligations of Sellers not specifically assumed by Buyer pursuant to this Agreement;
- (b) any breach by Sellers of any representation or warranty in this Agreement or any breach by Sellers of any covenant, agreement or obligation contained in this Agreement or any document contemplated hereby; and
- (c) any claims against, or liabilities or obligations of Sellers arising from or relating to the ownership of the Assets or the conduct of the Business prior to the Closing; and
- (d) any claims against, or liabilities or obligations of Sellers, whether arising before or after the Closing Date, arising from or relating to any of specified items listed in the Disclosure Schedule.

Section 8.4. Indemnification by Buyer. Buyer agrees to indemnify and hold harmless Sellers from any and all claims, damages, losses, liabilities, costs and expenses (including, without limitation, settlement costs and any legal, accounting or other expenses for investigating or defending any actions or threatened actions) reasonably incurred by Sellers, in connection with:

- (a) any claims against, or obligations or liabilities of, Buyer arising from or relating to Buyer's operation of the Business or Assets after the Closing; and

(b) any breach by Buyer of any representation or warranty in this Agreement or any breach by Buyer of any covenant, agreement or obligation contained in this Agreement or any document contemplated hereby.

Section 8.5. Limitation on Liability. Notwithstanding the other provisions of this Article 8, the indemnification obligations set forth in this Article 8 shall apply only after the aggregate amount of such obligations exceeds \$175,000, at which time the indemnification obligations shall be effective as to only those losses in excess of the initial \$175,000. No claim for indemnification with respect to any individual matter shall be made by Buyer unless such claim exceeds \$12,500. Further, the indemnification obligations set forth in this Article 8 shall be limited to an aggregate amount not to exceed the \$1 million.

ARTICLE 9. CONFIDENTIALITY

Section 9.1. Non-Disclosure by Buyer. Buyer agrees to, and will cause its agents, representatives, affiliates, employees, officers and directors, until the Closing Date, to: (a) treat and hold as confidential (and not disclose or provide access to any person to) all information relating to trade secrets, processes, price, customer and supplier lists, policies and strategies, operations methods, business acquisition plans, and any other confidential information with respect to the Business, (b) in the event that Buyer or any such agent, representative, affiliate, employee, officer or director becomes legally compelled to disclose any such information, provide Sellers with prompt written notice of such requirement so that Sellers may seek a protective order or other remedy or waive compliance with this Section, and (c) in the event that such protective order or other remedy is not obtained, or Sellers waive compliance with this Section, furnish only that portion of such confidential information which is legally required to be provided and exercise its best efforts to obtain assurances that confidential treatment will be accorded such information; provided, however, that this sentence shall not apply to any information that, at the time of disclosure, is available publicly. The parties agree and acknowledge that remedies at law for any breach of its obligations under this Section are inadequate and that in addition thereto the non-breaching party shall be entitled to seek equitable relief, including injunction and specific performance, in the event of any such breach, without the necessity of demonstrating the inadequacy of money damages. Nothing contained in this Agreement shall be construed as prohibiting the non-breaching party from pursuing any other available remedy for breach or threatened breach, including the recovery of damages. The provisions of this Section 9.1 shall apply at all times prior to the Closing Date and for a period of five years following the termination of this Agreement without a Closing having occurred.

Section 9.2. Non-Disclosure by Sellers. From and after the date hereof, Sellers agree to, and will cause their agents, representatives, affiliates, employees, officers and directors to: (a) treat and hold as confidential (and not disclose or provide access to any person to) all information relating to trade secrets, processes, price, customer and supplier lists, policies and strategies, operations methods, business acquisition plans, and any other confidential information with respect to the Business, (b) in the event that Sellers or any such agent, representative, affiliate, employee, officer or director becomes legally compelled to disclose any such information, provide Buyer with prompt written notice of such requirement so that Buyer may

seek a protective order or other remedy or waive compliance with this Section, (c) in the event that such protective order or other remedy is not obtained, or Buyer waives compliance with this Section, furnish only that portion of such confidential information which is legally required to be provided and exercise its best efforts to obtain assurances that confidential treatment will be accorded such information, and (d) promptly furnish (prior to, at, or as soon as practicable following, the Closing) to Buyer any and all copies (in whatever form or medium) of all such confidential information then in the possession of Sellers or any of their agents, representatives, affiliates, employees, officers and directors and destroy any and all additional copies then in the possession of Sellers or any of their agents, representatives, affiliates, employees, officers and directors of such information and of any analyses, compilations, studies or other documents prepared, in whole or in part, on the basis thereof; provided, however, that this sentence shall not apply to any information that, at the time of disclosure, is available publicly. The parties agree and acknowledge that remedies at law for any breach of its obligations under this Section are inadequate and that in addition thereto the non-breaching party shall be entitled to seek equitable relief, including injunction and specific performance, in the event of any such breach, without the necessity of demonstrating the inadequacy of money damages. Nothing contained in this Agreement shall be construed as prohibiting the non-breaching party from pursuing any other available remedy for breach or threatened breach, including the recovery of damages.

ARTICLE 10. GENERAL

Section 10.1. Assignment; Binding Effect; Amendment. This Agreement and the rights of the parties hereunder may not be assigned and shall be binding upon and shall inure to the benefit of the parties hereto, and the successors of Buyer and Sellers. This Agreement, upon execution and delivery, constitutes a valid and binding agreement of the parties hereto enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by all of the parties.

Section 10.2. Entire Agreement. This Agreement is the final, complete and exclusive statement and expression of the agreement among the parties hereto relating to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by, evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

Section 10.3. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

Section 10.4. No Brokers. Sellers represent and warrant to Buyer and Buyer represents and warrants to Sellers that the warranting party has had no dealings with any broker or agent so as to entitle such broker or agent to a commission or fee in connection with the transaction described in this Agreement. If for any reason a commission or fee shall become due, the party dealing with such agent or broker shall pay such commission or fee, and agrees to indemnify and save harmless the other party from all claims for such commission or fee and from all attorneys' fees, litigation costs and other expenses relating to such claim.

Section 10.5. Expenses of Transaction. Whether or not the transactions contemplated by this Agreement shall be consummated: (a) Buyer will pay the fees, expenses and disbursements of Buyer and its agents, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement and any amendments and all other costs and expenses incurred in the performance and compliance with all conditions to be performed by Buyer under this Agreement; and (b) Sellers will pay the fees, expenses and disbursements of Sellers and their agents, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement and any amendments and all other costs and expenses incurred in the performance and compliance with all conditions to be performed by Sellers under this Agreement.

Section 10.6. Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier, by facsimile or by delivering the same in person to such party.

(a) If to Sellers, addressed to them at:

c/o Allied Waste Industries, Inc.
15880 N. Greenway-Hayden Loop, Suite 100
Scottsdale, AZ 85260
Attn: Rick Wojahn
Phone: (602) 627-2700
Fax: (602) 627-2721

with a copy to:

Allied Waste Industries, Inc.
15880 N. Greenway-Hayden Loop, Suite 100
Scottsdale, AZ 85260
Attn: Steven M. Helm, Vice President-Legal
Phone: (602) 627-2700
Fax: (602) 627-2703

and a copy to:

Fennemore Craig, P.C.
3003 North Central Avenue
Suite 2600
Phoenix, AZ 85012
Phone: (602) 916-5307
Fax: (602) 916-5507
Attn: Karen C. McConnell, Esq.

(b) If to Buyer, addressed to it at:

All American Hauling and Recycling of Westchester, Inc.
71 South Newman Street
Hackensack, NJ 07601
Phone: (201) 498-0025
Fax: (201) 498-0024
Attn: Udi Saly

with a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC
666 Third Avenue, 24th Floor
New York, New York 10017
Phone: (212) 935-3000
Fax: (212) 983-3115
Attn: Kenneth R. Koch, Esq.

Notice shall be deemed given and effective the day personally delivered or facsimiled with delivery verification, the next business day after being sent by overnight courier, subject to signature verification, and three business days after the deposit in the U.S. mail of a writing addressed as above and sent first class mail, certified, return receipt requested, or when actually received, if earlier. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section.

Section 10.7. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

Section 10.8. No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by the other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

Section 10.9. Captions. The headings of this Agreement are inserted for convenience only, and shall not constitute a part of this Agreement or be used to construe or interpret any provision hereof.

Section 10.10. Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or

impaired thereby.

Section 10.11. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute shall be deemed to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word “include” or “including” means include or including, without limitation. The parties intend that representations, warranties and covenants contained in this Agreement shall have independent significance. If any party has breached any representation, warranty or covenant contained in this Agreement in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the party has not breached shall not detract from or mitigate the fact the party is in breach of the first representation, warranty or covenant.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

BUYER:

All American Hauling and Recycling, Inc.

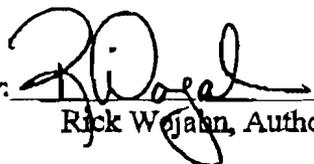
By: 
Name: ROBERT GEBER
Its: SEC. CEO

All American Hauling and Recycling of Westchester, Inc.

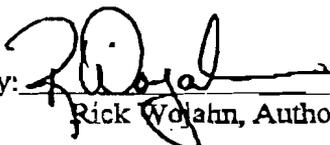
By: 
Name: UDI SALT
Its: CEO

SELLERS:

Allied Waste Systems, Inc.

By: 
Rick Wojahn, Authorized Officer

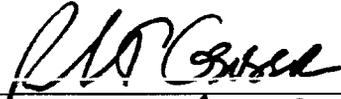
Suburban Carting Corp.

By: 
Rick Wojahn, Authorized Officer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

BUYER:

All American Hauling and Recycling, Inc.

By: 
Name: ROBERT GIBER
Its: SEC. CEO

All American Hauling and Recycling of Westchester, Inc.

By: 
Name: UDI SALT
Its: CEO

SELLERS:

Allied Waste Systems, Inc.

By: _____
Rick Wojahn, Authorized Officer

Suburban Carting Corp.

By: _____
Rick Wojahn, Authorized Officer

LIST OF SCHEDULES

Schedule 1.1	--	Assets
Schedule 1.4	--	Assumed Liabilities
Schedule 2.4	--	Litigation
Schedule 2.7	--	Leases
Schedule 2.8	--	Permits
Schedule 2.10	--	Labor
Schedule 2.12	--	Notice from Customers
Schedule 2.13	--	Suppliers

EXHIBIT A

ALLOCATION OF PURCHASE PRICE

[To be provided 5 days before Closing]

LIST OF EXHIBITS

Exhibit A	--	Allocation of Purchase Price
Exhibit B	--	General Conveyance, Assignment and Bill of Sale
Exhibit C	--	Disposal Agreement
Exhibit D	--	Nonsolicitation Agreement

EXHIBIT B

GENERAL CONVEYANCE, ASSIGNMENT AND BILL OF SALE

Effective as of _____, 2002, Allied Waste Systems, Inc., a Delaware corporation ("Allied"), and Suburban Carting Corp., a New York corporation (collectively with Allied, "Grantors"), for good and valuable consideration and pursuant to that Purchase and Sale of Assets Agreement dated _____, 2002 (the "Purchase Agreement"), among All American Hauling and Recycling of Westchester, Inc., a Delaware corporation ("Grantee"), and Grantors, sell, assign, transfer, convey and deliver to Grantee all of Grantors' right, title and interest in all of the Assets (except for the Excluded Assets) free and clear of any and all liens, licenses, mortgages, encumbrances, pledges, security interests or charges of any nature whatsoever.

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

Sellers warrant, covenant and agree that Buyer is now rightfully and absolutely possessed of and entitled to the Assets hereby assigned, sold, transferred and conveyed and that Sellers have good right, title and authority to assign, sell, transfer and convey the same unto Buyer, its successors and assigns, according to the true intent and meaning of these presents and that Buyer shall immediately after the execution and delivery hereof have possession of and may from time to time and at all times hereafter peaceably and quietly have, hold, possess and enjoy the Assets and every part thereof to and for its own use and benefit without any manner of hindrance, interruption, molestation, claim or demand whatsoever of, from or by Sellers or any other person whatsoever, with good and marketable title thereto, free and clear and absolutely released and discharged from and against any and all liens, licenses, mortgages, encumbrances, pledges, security interests or charges of any nature whatsoever.

Sellers hereby irrevocably make, constitute and appoint Buyer the true and lawful attorney of Sellers, with full power of substitution, for and in the name and stead of Sellers but on behalf and for the benefit of Buyer, to demand and receive from time to time any and all property, tangible and intangible, constituting any of the Assets and to give receipts and releases for an respect of the same and any part thereof and, from time to time, to institute and prosecute in the name of Sellers, but at the expense and for the benefit of Buyer, any and all proceedings at law, in equity or otherwise, which Buyer may deem proper to collect, assert or enforce any claim, right or title of any kind in respect of any of the Assets and to defend and compromise any and all actions, suits or proceedings hereafter instituted in respect of any of the Assets and to do all such acts and things in relation to the Assets as Buyer shall deem desirable, except in all cases as otherwise contemplated by the Purchase Agreement.

From and after the close of business on the Closing Date, Grantee hereby assumes those Assumed Liabilities set forth in Section 1.4 of the Purchase Agreement, and no others.

Grantors and Grantee shall execute and deliver, at the request of the other, such further instruments of transfer, and shall take or cause to be taken such other or further actions, as shall

reasonably be requested for purposes of carrying out the transactions contemplated by the Purchase Agreement.

This General Conveyance, Assignment and Bill of Sale is delivered pursuant to Section 1.7(a) of the Purchase Agreement and shall be construed consistently with the Purchase Agreement. Capitalized terms used in this instrument shall have the meanings given them in the Purchase Agreement.

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

Grantors:

Grantee:

Allied Waste Systems, Inc.

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Suburban Carting Corp.

By: _____
Name: _____
Its: _____

EXHIBIT C

DISPOSAL AGREEMENT (NY-CONN and RIC Transfer Stations)

THIS DISPOSAL AGREEMENT (the "Agreement") is made and entered into as of this ____ day of _____, 2002, between Allied Waste Systems, Inc., a Delaware corporation ("Allied"), Recycling Industries Corp., a New York corporation ("RIC"), and All American Hauling and Recycling of Westchester, Inc., a Delaware corporation ("All American Hauling").

WHEREAS, Allied leases and operates the transfer station known as the New York - Connecticut Transfer Station located at 10 Lincoln Place, Mount Kisco, New York (the "NY-Conn Facility");

WHEREAS, RIC owns and operates the transfer station known as the Recycling Industries Corp. Transfer Station located at _____, Mamaroneck, New York (the "RIC Facility," and collectively with the NY-Conn Facility, the "Facilities");

WHEREAS, Allied, [] and All American Hauling are parties to a Purchase and Sale of Assets Agreement dated _____, 2002 (the "Purchase Agreement"), among Allied, All American Hauling, and Suburban Carting Corp., a New York corporation, providing for the sale of certain assets more fully described therein;

WHEREAS, the obligations in the Purchase Agreement are conditioned upon the execution and delivery of this Agreement; and

WHEREAS, Allied and RIC desire to confer upon All American Hauling certain disposal rights at the Facilities on the terms and conditions set forth in this Agreement;

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

ARTICLE 1. GENERAL TERMS AND CONDITIONS

Section 1.1. Term. The term (the "Term") of this Agreement shall begin on the date hereof and shall continue for a period of ten years from the date hereof; provided, however, that this Agreement and the parties' respective obligations under this Agreement shall immediately terminate (except for All American Hauling's obligation to pay Allied and RIC for services rendered or for the parties' respective obligations pursuant to Article 6) if either Facility is permanently closed for any reason or if Allied or RIC, as the case may be, fail to continue operating either Facility for any reason before the termination of the expiration of ____ years (as to the closed Facility only).

Section 1.2. Definitions. Unless otherwise specifically defined in this Agreement, each capitalized term used in this Agreement shall have the same meaning assigned to such term in the Purchase Agreement.

(a) Acceptable Solid Waste. “Acceptable Solid Waste” means mixed household solid waste, commercial solid waste, mixtures of household and commercial solid waste, and construction materials and/or demolition debris, which are permitted under the governing permits and then applicable laws to be processed at the Facilities and which are not otherwise Unacceptable Solid Waste; and

(b) Unacceptable Solid Waste. “Unacceptable Solid Waste” means (except for trace amounts normally found in household waste):

(i) any material which by reason of its composition characteristics or quantity is hazardous waste as defined in the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq., and the regulations thereunder or any material which by reason of its composition or characteristics is hazardous waste, a hazardous substance or hazardous material as defined in or under any other federal, state or local law, and the applicable regulations thereunder, and any other material which any governmental agency or unit having or claiming appropriate jurisdiction shall determine from time to time to be harmful, toxic or dangerous, or otherwise ineligible for disposal at the Facilities;

(ii) agricultural waste, explosive materials, corrosive materials, pathological waste, biological waste, offal (entrails, etc., of butchered animals), radioactive materials, ashes, foundry sand, mining waste, sewage sludge, cesspool and other human waste, human and animal remains, motor vehicles, major motor vehicle parts (including transmissions, rear ends, springs, fenders, batteries, battery cables, exhaust systems and gasoline tanks), agricultural and farm machinery and equipment and major parts thereof, marine vessels and major parts thereof, any other large type of machinery or equipment, including thick walled or solid metallic objects such as castings, forgings, gas cylinders, 55 gallon drums, asbestos insulation, closed metal containers, barrels, buckets, or large motors, solid blocks of rubber or plastic, large rolls of carpet or fencing over 12 inches in diameter, steel or nylon rope, chains, cables or slings, logs larger than usually accepted according to normal operating procedure at the Facilities, tree stumps, more than an incidental amount of tires, white goods such as refrigerators, stoves and washing machines that have not been properly evacuated, liquid waste, including liquid chemical wastes, sewage and other highly diluted water-carried materials or substances and those in gaseous form, or special nuclear or by-product materials within the meaning of the Atomic Energy Act of 1954, as amended; or

(iii) any other material which may present a substantial endangerment to public health or safety, would cause applicable air quality or water effluent standards to be violated by the normal operation of the Facilities or because of its size, durability or composition cannot be disposed of at the Facilities or has a reasonable possibility of otherwise adversely affecting the operation or useful life of the Facilities outside the normal usage expected for the Facilities.

ARTICLE 2. ALL AMERICAN HAULING’S DISPOSAL RIGHTS

Section 2.1. Delivery of Acceptable Solid Waste. All American Hauling represents that material delivered or to be delivered to the Facilities shall be Acceptable Solid Waste. All American Hauling agrees that it shall not knowingly deliver any Unacceptable Solid Waste to the Facilities. All American Hauling shall promptly notify Allied or RIC, as the case may be, of any information it obtains or has obtained indicating that Unacceptable Solid Waste was delivered to

a Facility. All American Hauling's activities hereunder shall comply with all applicable federal, state and local governmental laws, regulations, ordinances, licenses, permits, orders, directives, and rules relating to the collection and transportation of solid waste.

Section 2.2. Waste Delivery Vehicles. All American Hauling shall deliver Acceptable Solid Waste to the Facilities, at its expense, in enclosed container vehicles or enclosed compactor vehicles that comply with all regulations or procedures which are required by any governmental entity, including, but not limited to, any local rules and the permits pertaining to the Facilities.

Section 2.3. Volume and Fee. All American Hauling may deliver up to 200 tons of Acceptable Solid Waste per day total to the NY-Conn Facility and the RIC Facility at the intercompany rate that Allied, RIC and their affiliates enjoy at each Facility, which as of the date of this Agreement is \$67.00 per ton at the NY-Conn Facility, and \$62.00 per ton at the RIC Facility. The parties agree that Allied and/or RIC shall notify All American Hauling of any increases in the intercompany rates and that during the term of this Agreement, All American Hauling shall continue to have the same disposal rate as the intercompany rate then in effect.

Section 2.4. Billing Procedure. Allied and RIC shall each transmit an itemized invoice to All American Hauling of all charges hereunder on a monthly basis. All American Hauling shall pay all invoices within 60 days after receipt. In the event All American Hauling fails to make payment when due, any amount remaining unpaid shall bear interest at a rate of 1 percent per month from such time to the actual date of payment. All American Hauling is responsible for notifying Allied or RIC of any question concerning an invoice.

ARTICLE 3. OPERATIONS OF THE FACILITIES

Section 3.1. Operation of the Facilities. Throughout the term of this Agreement, Allied and RIC each agree to (a) operate the Facilities in compliance with all federal, state and local laws, regulations, ordinances, and applicable permits and licenses; (b) provide equipment, material and personnel sufficient to accept All American Hauling's Acceptable Solid Waste at the Facilities; and (c) keep the Facilities open for receiving waste during each Facility's ordinary business hours and days which as of the date of this Agreement are _____ through _____ Monday through _____ for the NY-Conn Facility and _____ through _____ Monday through _____ for the RIC Facility. All American Hauling acknowledges that during the entire Term of the Agreement, Allied's and RIC's vehicles and waste deliveries shall have priority over All American Hauling's vehicles or waste deliveries.

Section 3.2. Procedures. Management of Acceptable Solid Waste at the Facilities shall be regulated by procedures applicable generally to customers utilizing the Facilities reasonably determined by Allied or RIC, as the case may be, as such procedures may be modified by Allied or RIC, as the case may be, from time to time and which shall become effective against All American Hauling ten business days following the date All American Hauling shall have received notice of any such modification.

Section 3.3. Acceptance of Title to Waste. During the Term of this Agreement, Allied and RIC shall accept at the Facilities Acceptable Solid Waste consistent with the volumes described in Section 2.3 and in accordance with the terms of this Agreement. Allied and RIC

may refuse to accept volumes of Acceptable Solid Waste from All American Hauling which are in excess of this amount. Title to, and all risk of loss and responsibility for, Acceptable Solid Waste delivered to the Facilities by All American Hauling or its designee shall pass to Allied or RIC, as the case may be, at the time the waste material is removed from the delivery vehicle at the Facilities. Title to waste material which does not conform to the definition of Acceptable Solid Waste shall remain with All American Hauling and shall not be deemed to pass to Allied or RIC, as the case may be.

Section 3.4. Rejection of Unacceptable Solid Waste. If All American Hauling delivers Unacceptable Solid Waste to either Facility, Allied or RIC, as the case may be, at its sole option may (a) reject acceptance of such Unacceptable Solid Waste at All American Hauling's expense, or (b) if Allied or RIC, as the case may be, does not discover such Unacceptable Solid Waste in time to reject and reload such Unacceptable Solid Waste, as All American Hauling's agent, after giving All American Hauling telephonic notice thereof and a reasonable opportunity to dispose of such Unacceptable Solid Waste, Allied or RIC, as the case may be, may, subject to the procedures set forth in this Agreement, remove such Unacceptable Solid Waste to a location or facility fully authorized to accept such type of waste in accordance with all applicable federal, state and local laws and regulations and charge All American Hauling all direct and indirect costs incurred due to delivery of such Unacceptable Waste, unless All American Hauling otherwise elects to arrange for the management of such waste. If All American Hauling elects to manage such waste, it shall be required to do so within a reasonable period of time as Allied or RIC, as the case may be, shall deem necessary or appropriate in connection with the operation of the Facilities, including without limitation, the preservation of the health and safety of its employees. If after electing to do so, All American Hauling does not arrange for the management of the Unacceptable Solid Waste within the prescribed time period, Allied or RIC, as the case may be, may so arrange as All American Hauling's agent, without further notice to All American Hauling, and at All American Hauling's expense. Notwithstanding the foregoing, no notice to All American Hauling shall be required to manage Unacceptable Solid Waste as All American Hauling's agent in emergency situations where in the reasonable, good faith judgment of Allied or RIC, as the case may be, a delay in such management would constitute a hazard to a Facility or any person on, about or near the premises. Allied or RIC, as the case may be, will use reasonable efforts to provide telephone notice that such emergency disposal will occur.

ARTICLE 4. DEFAULT

Section 4.1. Events of Default of Allied or RIC. Each of the following shall be an event of default by Allied or RIC under this Agreement:

(a) Allied or RIC fails to observe and perform any material term, covenant or agreement contained in this Agreement on its part to be performed and continuance of such failure for a period of 30 days after written notice to Allied or RIC specifying the nature of such failure and requesting that it be remedied; or

(b) Allied or RIC makes a general assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions or applies to any tribunal for any custodian, receiver or trustee for it or any substantial part of its property, commences any proceeding relating to it under bankruptcy, reorganization, arrangement, readjustment of debt,

dissolution or liquidation law or statute of any jurisdiction whether now or hereinafter in effect, or if there shall have been filed any such proceeding, in which an order for relief is entered or which remains undismissed for a period of 60 days or more or if by any act indicates its consent to, approval of or acquiescence in any such petition, application or proceeding or order for relief or the appointment of any custodian, receiver of or any trustee for it or any substantial part of its property or suffers such custodianship, receivership or trusteeship to continue undismissed for a period of 60 days or more.

Section 4.2. Events of Default of All American Hauling. Each of the following shall be an event of default by All American Hauling under this Agreement:

(a) All American Hauling fails to pay any amounts, including without limitation any fee, which become due hereunder, within 30 days after written notice of delinquency from Allied or RIC;

(b) All American Hauling fails to observe and perform any other material term, covenant or agreement contained in this Agreement on its part to be performed and continuance of such failure for a period of 30 days after written notice to All American Hauling specifying the nature of such failure and requesting that it be remedied; or

(c) All American Hauling makes a general assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions or applies to any tribunal for any custodian, receiver or trustee for it or any substantial part of its property, commences any proceeding relating to it under bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereinafter in effect, or if there shall have been filed any such proceeding, in which an order for relief is entered or which remains undismissed for a period of 60 days or more or if by any act indicates its consent to, approval of or acquiescence in any such petition, application or proceeding or order for relief or the appointment of any custodian, receiver of or any trustee for it or any substantial part of its property or suffers such custodianship, receivership or trusteeship to continue undismissed for a period of 60 days or more.

ARTICLE 5. FORCE MAJEURE

Except for All American Hauling's obligation to pay for services rendered, any party's obligations under this Agreement may be suspended by a party in the event of: (a) an occurrence beyond the reasonable control of that party which materially adversely affects the ability of the party to perform its obligations hereunder or to comply with the requirements of any governmental order, permit or other approval; (b) acts of God, landslides, lightning, earthquakes, hurricanes, tornadoes, severe weather, fires, explosions, floods, acts of a public enemy, war, blockades, insurrections, riots or civil disturbances; (c) labor disputes, strikes, work slowdowns or work stoppages; or (d) orders and/or judgments of any federal, state or local court, administrative agency or governmental body, or other entity, if not the result of (i) willful or negligent action of the party relying thereon or (ii) failure to act in accordance with this Agreement (provided, however, that the contesting in good faith by such party of any such order and/or judgment shall not constitute or be construed to constitute a willful or negligent action or inaction of such party).

ARTICLE 6. REMEDIES

Section 6.1. Remedies on Default. Whenever any event of default shall have occurred and be continuing, the nondefaulting party shall have the following rights and remedies:

(a) Upon 30 days written notice to All American Hauling, if All American Hauling is then in default, Allied and/or RIC shall have the option to terminate this Agreement and pursue its rights under Section 6.2 of this Agreement unless the event of default is cured prior to the expiration of such 30-day period (the "Cure Period") or unless during such period All American Hauling has taken remedial steps the effect of which would be to enable All American Hauling to cure such event of default within an additional 15 day period following the expiration of the Cure Period. Upon written notice to All American Hauling, if All American Hauling has defaulted, Allied and/or RIC shall have the option, without terminating this Agreement, to stop accepting Acceptable Solid Waste delivered by All American Hauling until such default is cured or this Agreement is terminated.

(b) Upon 30 days written notice to Allied and/or RIC, if Allied and/or RIC is then in default, All American Hauling shall have the option to terminate this Agreement and pursue its rights under Section 6.2 of this Agreement unless the event of default is cured prior to the expiration of the Cure Period or unless during such period Allied has taken remedial steps the effect of which would be to enable Allied to cure such event of default within an additional 15 day period following the expiration of the Cure Period.

Section 6.2. Indemnification.

(a) Indemnification by Allied and RIC. Allied and RIC agree to indemnify and hold harmless All American Hauling and its subsidiaries and affiliates, and their respective directors, officers, shareholders, agents and employees (the "All American Hauling Indemnified Parties") from and against any and all liabilities, losses, damages, costs, expenses and disbursements, including reasonable legal fees and expenses, arising out of any claim or loss of or damage to property and injuries to or death of any persons, including any All American Hauling Indemnified Parties, caused (i) by the breach of any material term, covenant, agreement or undertaking in this Agreement of Allied or RIC which is not otherwise cured pursuant to the provisions of Section 6.1 of this Agreement or (ii) by the negligence or willful misconduct of Allied or RIC.

(b) Indemnification by All American Hauling. All American Hauling agrees to indemnify and hold harmless Allied, RIC, and their respective subsidiaries and affiliates, and their respective directors, officers, shareholders, agents and employees (the "Allied Indemnified Parties") from and against any and all liabilities, losses, damages, costs, expenses and disbursements, including reasonable legal fees and expenses, arising out of any claim or loss of or damage to property and injuries to or death of any persons, including any Allied Indemnified Parties, caused (i) by the breach of any material term, covenant, agreement or undertaking in this Agreement of All American Hauling which is not otherwise cured pursuant to the provisions of Section 6.1 of this Agreement or (ii) by the negligence or willful misconduct of All American Hauling.

Section 6.3 Limitation on Damages. In the event of a failure or refusal of either party to

perform their respective obligations under this Agreement, the other party shall have the right to exercise any remedies afforded by applicable law; provided, however, neither party shall be liable to the other for other special, consequential (including but not limited to lost profits), or punitive damages. The rights and remedies of the parties hereunder are cumulative and not alternative.

ARTICLE 7. MISCELLANEOUS

Section 7.1. Survival. The rights or obligations provided in Article 6 of this Agreement shall survive the Term of this Agreement.

Section 7.2. Notices: All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier, by facsimile or by delivering the same in person to such party.

(a) If to Allied or RIC, addressed to it at:

c/o Allied Waste Industries, Inc.
15880 N. Greenway-Hayden Loop, Suite 100
Scottsdale, AZ 85260
Attn: Rick Wojahn
Phone: (602) 627-2700
Fax: (602) 627-2721

with a copy to:

Allied Waste Industries, Inc.
15880 N. Greenway-Hayden Loop, Suite 100
Scottsdale, AZ 85260
Attn: Steven M. Helm, Vice President-Legal
Phone: (602) 627-2700
Fax: (602) 627-2703

and a copy to:

Fennemore Craig, P.C.
3003 North Central Avenue
Suite 2600
Phoenix, AZ 85012
Phone: (602) 916-5307
Fax: (602) 916-5507
Attn: Karen C. McConnell, Esq.

(b) If to All American Hauling, addressed to it at:

All American Hauling and Recycling, Inc.
71 South Newman Street
Hackensack, NJ 07601
Phone: (201) 498-0025
Fax: (201) 498-0024
Attn: Udi Saly

with a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC
666 Third Avenue, 24th Floor
New York, New York 10017
Phone: (212) 935-3000
Fax: (212) 983-3115
Attn: Kenneth R. Koch

Notice shall be deemed given and effective the day personally delivered or facsimiled with delivery verification, the day after being sent by overnight courier, subject to signature verification, and three business days after the deposit in the U.S. mail of a writing addressed as above and sent first class mail, certified, return receipt requested, or when actually received, if earlier. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section.

Section 7.3. Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

Section 7.4. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

Section 7.5. Entire Understanding. This Agreement is the final, complete and exclusive statement and expression of the agreement among the parties hereto relating to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by, evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

Section 7.6. Assignment; Binding Effect; Amendment. This Agreement and the rights of the parties hereunder may not be assigned and shall be binding upon and shall inure to the benefit of the parties hereto, and the successors of Allied and All American Hauling. This Agreement, upon execution and delivery, constitutes a valid and binding agreement of the parties hereto enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by both of the parties hereto.

Section 7.7. Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

Section 7.8. No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by the other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have entered this Agreement as of the day and year first above written.

ALLIED:

Allied Waste Systems, Inc.

Rick Wojahn, Authorized Officer

ALL AMERICAN HAULING:

All American Hauling and Recycling of Westchester, Inc.

By: _____
Name:

RIC:

Recycling Industries Corp.

By: _____
Name: _____
Title: _____

EXHIBIT D

NONSOLICITATION AGREEMENT

THIS NONSOLICITATION AGREEMENT ("Agreement") is entered into and effective as of _____, 2002, among [All American Hauling and Recycling, Inc., a New Jersey corporation] ("Buyer"), Allied Waste Systems, Inc., a Delaware corporation ("Allied"), and Suburban Carting Corp., a New York corporation ("Suburban" and collectively with Allied, "Sellers").

RECITALS

A. Concurrently with the execution of this Agreement, Sellers are selling to Buyer a waste collection and hauling business in Westchester County, New York known as Routes 1-5 of Valley Carting (the "Allied Business"), and a waste collection and hauling business in Westchester County, New York known as the "Orange Route" (the "Suburban Business," and collectively with the Allied Business, the "Business") pursuant to that certain Purchase and Sale of Assets Agreement among Buyer and Sellers, dated as of _____, 2002 (the "Purchase Agreement").

B. As a condition to closing the transactions contemplated by the Purchase Agreement, the Purchase Agreement requires that Sellers enter into a nonsolicitation agreement with Buyer for the benefit of Buyer.

NOW, THEREFORE, in consideration of the mutual promises and covenants in the Purchase Agreement and in this Agreement contained and other good and valuable consideration, received to the full satisfaction of each of them, the parties hereby agree as follows:

AGREEMENT

1. Nonsolicitation. Sellers, for themselves and their affiliates, covenant and agree that, during the Term, neither Sellers nor their affiliates shall:

(a) directly or indirectly, solicit, divert or take away, or attempt to do so, the business, collection volumes, or patronage of any customers of the Business which were: (i) customers of the Business as of the date hereof or within the 90 day period prior to the date hereof, or (ii) acquired by Buyer pursuant to the Purchase Agreement; or

(b) in any manner, induce, attempt to induce or assist others to induce, any employee, consultant, insurer or any other person having a business or employment relationship with the Business to terminate such relationship, or do anything to interfere with the relationship of the Business with any such person.

2. Term. This Agreement shall commence on the date set forth above and continue for a period of two years (the "Term"); provided, however, that the Term shall be extended by the number of days in which any Seller is deemed to be in default or breach of this Agreement.

3. Miscellaneous.

(a) Covenants. Sellers, for themselves and their affiliates, acknowledge that the restrictions contained in this Agreement are necessary for the protection of the Business and are reasonable for such purpose. Notwithstanding the preceding sentence, should any court of competent jurisdiction determine that any covenants in this Agreement are unreasonable as to duration, scope or territory, the covenants shall be enforceable as provided herein with respect to such duration, scope and territory as the court determines to be reasonable.

(b) Equitable Relief for Violations. Sellers expressly covenant and agree that if they violate, or overtly threaten to violate, the covenants set forth in this Agreement, then Buyer shall be entitled to an accounting and repayment of all profits, compensation, commissions, remuneration, or benefits which Sellers, directly or indirectly, realized and/or may realize as the result of, arising out of, or in connection with any such violation or threatened violation. The parties acknowledge further that an irreparable injury may result to Buyer and its business in the event of a breach by Sellers of the covenants set forth in this Agreement. The parties also acknowledge and agree that the damages or injuries that Buyer sustains as a result of such a breach by Sellers are difficult to ascertain, and money damages alone may not be an adequate remedy to Buyer. The parties therefore expressly agree that if a controversy arises concerning the rights of Buyer, such rights shall be enforceable in a court of equity by decree of specific performance, and Buyer shall also be entitled to any injunctive relief necessary to prevent or restrain any violation of the covenants set forth in this Agreement. Such relief, however, shall be cumulative and non-exclusive and shall be in addition to any other remedy to which Buyer may be entitled. In addition, Buyer shall also be entitled to actual attorney's fees and costs reasonably incurred in any action in which it is successful in establishing a violation of the covenants set forth in this Agreement.

(c) Assignment; Binding Effect; Amendment. This Agreement and the rights of the parties hereunder may not be assigned and shall be binding upon and shall inure to the benefit of the parties hereto, and the successors of Buyer and Sellers. This Agreement, upon execution and delivery, constitutes a valid and binding agreement of the parties hereto enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by all of the parties.

(d) Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier, by facsimile or by delivering the same in person to such party.

(i) If to Sellers, addressed to them at:

c/o Allied Waste Industries, Inc.
15880 N. Greenway-Hayden Loop, Suite 100
Scottsdale, AZ 85260
Attn: Rick Wojahn
Phone: (602) 627-2700
Fax: (602) 627-2721

with a copy to:

Allied Waste Industries, Inc.
15880 N. Greenway-Hayden Loop, Suite 100
Scottsdale, AZ 85260
Attn: Steven M. Helm, Vice President-Legal
Phone: (602) 627-2700
Fax: (602) 627-2703

and a copy to:

Fennemore Craig, P.C.
3003 North Central Avenue
Suite 2600
Phoenix, AZ 85012
Phone: (602) 916-5307
Fax: (602) 916-5507
Attn: Karen C. McConnell, Esq.

(ii) If to Buyer, addressed to it at:

All American Hauling and Recycling, Inc.
71 South Newman Street
Hackensack, NJ 07601
Phone: (201) 498-0025
Fax: (201) 498-0024
Attn: Udi Saly

with a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC
666 Third Avenue, 24th Floor
New York, New York 10017
Phone: (212) 935-3000
Fax: (212) 983-3115
Attn: Kenneth R. Koch, Esq.

Notice shall be deemed given and effective the day personally delivered or facsimiled with delivery verification, the next business day after being sent by overnight courier, subject to signature verification, and three business days after the deposit in the U.S. mail of a writing addressed as above and sent first class mail, certified, return receipt requested, or when actually received, if earlier. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section.

(e) Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be

valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

(f) Entire Agreement. This Agreement is the final, complete and exclusive statement and expression of the agreement among the parties hereto relating to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by, evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

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

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

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

(j) No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by the other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

BUYER:

[All American Hauling and Recycling, Inc.]

By: _____

Name: _____

Its: _____

SELLERS:

Allied Waste Systems, Inc.

By: _____

Rick Wojahn, Authorized Officer

Suburban Carting Corp.

By: _____

Rick Wojahn, Authorized Officer

NYC 220737v4

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

BUYER:

[All American Hauling and Recycling, Inc.]

By: *[Signature]*
Name: ROBERT GERBER
Its: SEC & CEO

SELLERS:

Allied Waste Systems, Inc.

By: *[Signature]*
Rick Wojahn, Authorized Officer

Suburban Carting Corp.

By: *[Signature]*
Rick Wojahn, Authorized Officer

